

**Bank Makramah Limited**  
**Unconsolidated Condensed Interim Financial Statements**  
**For The Quarter Ended March 31, 2026**

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

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note ----- (Rupees in '000) -----	
<b>ASSETS</b>		
Cash and balances with treasury banks	6 8,867,735	12,915,786
Balances with other banks	7 3,704,606	2,760,766
Lendings to financial institutions	8 5,806,217	14,199,796
Investments	9 83,778,336	86,281,902
Advances	10 26,322,747	26,126,936
Property and equipment	11 7,623,503	7,717,465
Right-of-use assets	12 2,578,551	2,538,778
Intangible assets	13 303,043	322,592
Deferred tax assets	14 15,483,650	14,251,598
Other assets	15 48,878,798	46,530,665
<b>Total Assets</b>	<b>203,347,186</b>	<b>213,646,284</b>
<b>LIABILITIES</b>		
Bills payable	17 2,599,057	2,749,628
Borrowings	18 8,019,132	7,404,522
Deposits and other accounts	19 158,813,392	169,172,356
Lease liabilities	20 3,429,988	3,313,315
Subordinated debt	21 -	1,495,515
Deferred tax liabilities	-	-
Other liabilities	22 4,129,991	5,804,157
<b>Total Liabilities</b>	<b>176,991,560</b>	<b>189,939,493</b>
<b>NET ASSETS</b>	<b>26,355,626</b>	<b>23,706,791</b>
<b>REPRESENTED BY</b>		
Share capital - net	10,278,885	10,000,000
Advance against subscription of shares	23 5,000,000	5,000,000
Reserves	4,944,272	1,913,138
Surplus / (deficit) on revaluation of assets	24 4,103,385	4,083,222
Unappropriated profit	2,029,084	2,710,431
	<b>26,355,626</b>	<b>23,706,791</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		
	25	

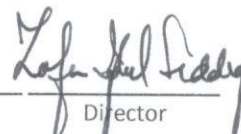
The annexed notes 1 to 43 form an integral part of these unconsolidated condensed interim financial statements.

  
 President / Chief Executive

  
 Chief Financial Officer

Director

  
 Director

  
 Director

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

	March 31, 2026	Restated March 31, 2025
Note	----- (Rupees in '000) -----	
Mark-up / return / interest earned	26 <b>2,839,057</b>	5,934,361
Mark-up / return / interest expensed	27 <b>2,830,217</b>	5,878,196
Net mark-up / interest income	<b>8,840</b>	56,165
<b>NON MARK-UP / INTEREST INCOME</b>		
Fee and commission income	28 <b>228,893</b>	332,491
Dividend income	-	412
Foreign exchange income	<b>184,696</b>	87,922
Income / (loss) from derivatives	-	-
Gain on securities	29 <b>36,712</b>	599,078
Net gains / (loss) on derecognition of financial assets measured at amortised cost	-	-
Other income	30 <b>1,565</b>	3,606
Total non-markup / interest income	<b>451,866</b>	1,023,509
Total income	<b>460,706</b>	1,079,674
<b>NON MARK-UP / INTEREST EXPENSES</b>		
Operating expenses	31 <b>2,301,357</b>	2,009,193
Workers welfare fund	-	-
Other charges	<b>265</b>	112
Total non-markup / interest expenses	<b>2,301,622</b>	2,009,305
Loss before credit loss allowance	<b>(1,840,916)</b>	(929,631)
Credit loss allowance and write offs - net Extra ordinary / unusual items	33 <b>(629,929)</b>	(201,077)
<b>LOSS BEFORE TAXATION</b>	<b>(1,210,987)</b>	(728,554)
Taxation	34 <b>(496,855)</b>	141,275
<b>LOSS AFTER TAXATION</b>	<b>(714,132)</b>	(869,829)
	----- (Rupee) -----	
Basic loss per share	35 <b>(0.71)</b>	(0.87)
Diluted loss per share	35 <b>(0.71)</b>	(0.87)

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

  
President / Chief Executive

  
Chief Financial Officer

Director

  
Director

Director

**BANK MAKRAMAH LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2026**

	March 31, 2026	Restated March 31, 2025
	----- (Rupees in '000) -----	
Loss after taxation for the period	(714,132)	(869,829)
<b>Other comprehensive income</b>		
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>		
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	(371,832)	(909,814)
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>		
Movement in surplus on revaluation of property and equipment - net of tax	424,794	-
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	(14)	17
Movement in surplus on revaluation of non-banking assets - net of tax	-	-
	424,780	17
<b>Total comprehensive loss</b>	<u>(661,184)</u>	<u>(1,779,626)</u>

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



President / Chief Executive



Chief Financial Officer

Director



Director



Director

BANK MAKRAMAH LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED MARCH 31, 2026

	Share capital		Capital reserves		Surplus / (deficit) on revaluation of			Accumulated losses / Unappropriated profit	Total
	Issued, subscribed and paid up	Advance against subscription of shares	Share premium	Statutory reserve	Investments	Property and equipment / Non banking assets	Property held for sale		
	(Rupees in '000)								
<b>Balance as at January 01, 2025 (Audited) (Restated)</b>	10,000,000	-	-	154,162	778,154	2,862,556	650,035	(6,132,049)	8,312,858
Loss after taxation for the quarter ended March 31, 2025 (Restated) (refer note 42)	-	-	-	-	-	-	-	(869,829)	(869,829)
Effect of reclassification from listed to unlisted due to delisting of securities	-	-	-	-	57,945	-	-	(57,945)	-
Other comprehensive income - net of tax	-	-	-	-	(909,797)	-	-	-	(909,797)
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses	-	-	-	-	-	(13,855)	-	13,855	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	(3,384)	-	3,384	-
<b>Balance as at April 01, 2025 (Un-audited) (Restated)</b>	10,000,000	-	-	154,162	(73,698)	2,845,317	650,035	(7,042,584)	6,533,232
Profit after taxation for the nine months period ended December 31, 2025 (Restated) (refer note 42)	-	-	-	-	-	-	-	9,664,709	9,664,709
Other comprehensive income - net of tax	-	-	-	-	101,676	2,459,086	-	(51,912)	2,508,850
Transfer to statutory reserve	-	-	-	1,758,976	-	-	-	(1,758,976)	-
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses	-	-	-	-	-	(35,522)	-	35,522	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	(10,152)	-	10,152	-
Transfer from surplus on revaluation of property and equipment on disposal to accumulated losses	-	-	-	-	-	(1,203,485)	-	1,203,485	-
Transfer from surplus on revaluation of property held for sale on disposal to accumulated losses	-	-	-	-	-	-	(650,035)	650,035	-
<b>Transactions with owners, recorded directly in equity</b>									
Advance received against subscription of shares	-	5,000,000	-	-	-	-	-	-	5,000,000
<b>Balance as at January 01, 2026 (Audited)</b>	10,000,000	5,000,000	-	1,913,138	27,978	4,055,244	-	2,710,431	23,706,791
Loss after taxation for the quarter ended March 31, 2026	-	-	-	-	-	-	-	(714,132)	(714,132)
Other comprehensive income - net of tax	-	-	-	-	(371,846)	424,794	-	-	52,948
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit	-	-	-	-	-	(23,948)	-	23,948	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to unappropriated profit	-	-	-	-	-	(8,937)	-	8,937	-
<b>Transactions with owners, recorded directly in equity</b>									
Issue of shares against conversion of TFCs (refer note 1.3, 21 and 22.1)	278,885	-	3,031,134	-	-	-	-	-	3,310,019
<b>Balance as at March 31, 2026 (Un-audited)</b>	10,278,885	5,000,000	3,031,134	1,913,138	(343,868)	4,447,253	-	2,029,084	26,355,626

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

  
President / Chief Executive

  
Chief Financial Officer

  
Director

  
Director



**BANK MAKRAMAH LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2026**

	March 31, 2026	Restated March 31, 2025
Note	----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Loss before taxation</b>	(1,210,987)	(728,554)
Less: Dividend income	-	(412)
	<u>(1,210,987)</u>	<u>(728,966)</u>
<b>Adjustments:</b>		
Depreciation on property and equipment	103,929	108,651
Depreciation on right-of-use assets	136,542	133,985
Depreciation on non-banking assets	25,356	15,163
Finance charges on leased assets	130,404	128,442
Amortization	21,756	17,011
Credit loss allowance and write offs - net	(629,799)	(201,077)
Loss / (gain) on forward exchange contracts	2,215	(36,074)
Charge for defined benefit plan	27,340	21,509
Charge for employees compensated absences	6,106	5,669
Gain on termination of lease contracts under IFRS 16	-	(2,562)
Gain on sale of property and equipment	(422)	(5)
	<u>(176,573)</u>	<u>190,712</u>
	<b>(1,387,560)</b>	<b>(538,254)</b>
<b>Decrease in operating assets</b>		
Lendings to financial institutions	8,393,579	4,730,008
Advances	434,695	1,267,012
Others assets (excluding advance taxation)	(2,212,534)	(800,778)
	<u>6,615,740</u>	<u>5,196,242</u>
<b>Decrease in operating liabilities</b>		
Bills payable	(150,571)	(269,273)
Borrowings from financial institutions	614,668	(17,351,213)
Deposits	(10,358,964)	(13,677,752)
Other liabilities (excluding current taxation)	253,567	(499,727)
	<u>(9,641,300)</u>	<u>(31,797,965)</u>
Payment on account of staff retirement benefits	(151,226)	(86,391)
Income tax paid	(199,708)	(213,249)
<b>Net cash used in operating activities</b>	<u>(4,764,054)</u>	<u>(27,439,617)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net Investments in securities classified as FVOCI	1,862,457	25,912,722
Dividend received	-	412
Investments in property and equipment	(10,114)	(29,621)
Investments in intangible assets	(2,208)	(4,116)
Proceeds from sale of property and equipment	570	5
<b>Net cash generated from investing activities</b>	<u>1,850,705</u>	<u>25,879,402</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payments of lease obligations against right-of-use assets	(190,046)	(207,033)
<b>Net cash used in financing activities</b>	<u>(190,046)</u>	<u>(207,033)</u>
<b>Decrease in cash and cash equivalents</b>	<u>(3,103,395)</u>	<u>(1,767,248)</u>
Cash and cash equivalents at beginning of the year	15,673,643	19,821,217
<b>Cash and cash equivalents at end of the period</b>	<u>12,570,248</u>	<u>18,053,969</u>

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

  
 President / Chief Executive

  
 Chief Financial Officer

  
 Director

  
 Director

  
 Director

**BANK MAKRAMAH LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2026**

**1. STATUS AND NATURE OF BUSINESS**

**1.1** Bank Makramah Limited (the Bank), is a banking company incorporated in Pakistan on December 09, 2005 as a public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at 20 - Al Asghar Plaza, Blue Area, Islamabad, Pakistan and its principal office is situated at Summit Tower, Plot No. G-2, Block 2, Scheme 5, Clifton, Karachi, Pakistan.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 148 Conventional Banking Branches and 12 Islamic Banking Branches (December 31, 2025: 149 Conventional Banking Branches and 12 Islamic Banking Branches) in Pakistan.

**1.2** VIS Credit Rating Company Limited has assigned the Bank, long-term rating of 'A-' (A minus) and short term rating of 'A-2' (A Two) with a stable outlook on March 24, 2026.

**1.3** During the quarter, the Bank has successfully concluded the settlement of its outstanding rated and unsecured, subordinated Term Finance Certificates ("TFCs") after the receipt of requisite regulatory approvals. Consequently, the Bank's financial statements reflects the extinguishment of the total outstanding liability of Rs. 3,310.019 million (comprising principal of Rs. 1,495.515 million and accrued profit of Rs. 1,814.504 million (net of tax) up to December 31, 2025) through the issuance of 27,888,469 fully paid-up ordinary shares to the TFC Holders. These shares, issued other than by way of rights at a price of Rs. 118.69 per share (par value of Rs. 10/- each).

**2. BASIS OF PRESENTATION**

**2.1 STATEMENT OF COMPLIANCE**

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', 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;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. Moreover, SBP vide BPRD Circular no. 4 of 2015, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated financial statements.

These unconsolidated condensed interim financial statements represent separate financial statements of Bank Makramah Limited in which investment in subsidiary are accounted for on the basis of direct equity interest rather on the basis of reported results. Accordingly, the consolidated condensed interim financial statements have been presented separately.

**2.2** Key financial figures of the Islamic banking branches are disclosed in Note 41 to these unconsolidated condensed interim financial statements.

**2.3** The disclosures made in these unconsolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023 and IAS 34 'Interim Financial Reporting' and do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2025.

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

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2026. These are considered either not to be relevant or not to have any significant impact on the Bank's operations and therefore are not detailed in these unconsolidated financial statements.

## 2.5 Standards, interpretations of and amendments to existing accounting and reporting standards that are not yet effective

The following 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 01, 2027 but are considered not to be relevant or will not have any material effect on the Bank's financial statements other than certain additional disclosures:

<u>Standards, Interpretations or Amendments</u>	<u>Effective date (annual periods beginning on or after)</u>
IFRS 18 - Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	January 01, 2027

## 2.6 Critical accounting estimates and judgments

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

## 3. BASIS OF MEASUREMENT

### 3.1 Accounting convention

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention, except for:

- Certain item of property and equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts less accumulated depreciation / impairment.
- Investments classified as FVTPL and FVOCI are measured at fair value.
- Commitments in respect of forward exchange contracts, which are measured at fair value.
- Right-of-use assets and their related lease liabilities, which are measured at their present value adjusted for depreciation, interest cost and lease repayments.
- Net obligation in respect of defined benefit scheme, which is measured at their present value.

### 3.2 Functional and Presentation Currency

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

The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the unconsolidated financial statements for the year ended December 31, 2025.

## 5. FINANCIAL RISK MANAGEMENT

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



	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
<b>6. CASH AND BALANCES WITH TREASURY BANKS</b>		
<b>In hand</b>		
Local currency	3,951,297	2,993,562
Foreign currency	309,659	315,610
	4,260,956	3,309,172
<b>With State Bank of Pakistan in</b>		
Local currency current account	3,443,260	8,273,572
Foreign currency current account	400,585	428,588
Foreign currency deposit account	559,082	607,487
	4,402,927	9,309,647
With National Bank of Pakistan in Local currency current account	194,321	286,667
Prize bonds	9,531	10,300
Less: Credit loss allowance held against cash and balances with treasury banks	-	-
Cash and balances with treasury banks - net of credit loss allowance	8,867,735	12,915,786
<b>7. BALANCES WITH OTHER BANKS</b>		
<b>In Pakistan</b>		
In current account	4,332	26,727
In deposit account	-	-
	4,332	26,727
<b>Outside Pakistan</b>		
In current account	3,641,677	2,674,471
In deposit account	61,559	61,772
	3,703,236	2,736,243
Less: Credit loss allowance held against balances with other banks	(2,962)	(2,204)
Balances with other banks - net of credit loss allowance	3,704,606	2,760,766

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
<b>8. LENDINGS TO FINANCIAL INSTITUTIONS</b>		
Reverse repo agreements	-	8,600,300
Bai Muajjal receivable		
- with State Bank of Pakistan	<b>5,806,217</b>	5,599,496
	<b>5,806,217</b>	14,199,796
Less: Credit loss allowance held against lending to financial institutions	-	-
Lendings to financial institutions - net of credit loss allowance	<b>5,806,217</b>	14,199,796

		(Un-audited) March 31, 2026		(Audited) December 31, 2025	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
		----- (Rupees in '000) -----			
<b>8.1 Lending to FIs - Particulars of credit loss allowance</b>					
<b>Domestic</b>					
Performing	Stage 1	5,806,217	-	14,199,796	-
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
<b>Total</b>		<b>5,806,217</b>	-	14,199,796	-

9. INVESTMENTS

9.1 Investments by type:	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / Amortised cost	Credit loss allowance for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance for diminution	Surplus / (Deficit)	Carrying Value
	----- (Rupees in '000) -----							
<b>Debt Instruments</b>								
<b>Classified / Measured at FVOCI</b>								
<b>Federal Government Securities</b>								
- Market Treasury Bills	-	-	-	-	8,523,342	-	16,380	8,539,722
- Pakistan Investment Bonds	34,843,142	-	(318,284)	34,524,858	35,708,939	-	64,812	35,773,751
- GoP Ijarah Sukuks	46,372,237	-	(274,621)	46,097,616	38,815,592	-	(33,008)	38,782,584
<b>Non Government Debt Securities</b>								
- Term Finance Certificates	731,545	(8,807)	-	722,738	742,104	(8,807)	-	733,297
- Sukuk Bonds	2,365,073	(165,575)	-	2,199,498	2,384,477	(165,578)	-	2,218,899
	<b>84,311,997</b>	<b>(174,382)</b>	<b>(592,905)</b>	<b>83,544,710</b>	<b>86,174,454</b>	<b>(174,385)</b>	<b>48,184</b>	<b>86,048,253</b>
<b>Equity instruments</b>								
<b>Classified / Measured at FVOCI (Non-Reclassifiable)</b>								
<b>Shares</b>								
- Fully paid up ordinary shares - Listed	15	-	30	45	15	-	53	68
- Fully paid up ordinary shares - Unlisted	102,736	(100,906)	-	1,830	102,736	(100,906)	-	1,830
- Preference shares - Unlisted	46,035	(46,035)	-	-	46,035	(46,035)	-	-
	<b>148,786</b>	<b>(146,941)</b>	<b>30</b>	<b>1,875</b>	<b>148,786</b>	<b>(146,941)</b>	<b>53</b>	<b>1,898</b>
<b>Subsidiary</b>								
- Summit Capital (Private) Limited	396,942	(165,191)	-	231,751	396,942	(165,191)	-	231,751
<b>Total Investments</b>	<b>84,857,725</b>	<b>(486,514)</b>	<b>(592,875)</b>	<b>83,778,336</b>	<b>86,720,182</b>	<b>(486,517)</b>	<b>48,237</b>	<b>86,281,902</b>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
9.1.1 Investments given as collateral - Market Value		
Pakistan Investment Bonds	<b>10,073,425</b>	9,307,490

9.2 Credit loss allowance for diminution in value of investments	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Opening balance	486,517	2,058,573
Other adjustments	-	99,906
Charge / reversals		
Charge for the year	-	-
Reversal for the period	(3)	(733,307)
Reversal on disposals	-	(938,655)
	<b>(3)</b>	<b>(1,671,962)</b>
Closing balance	<b>486,514</b>	<b>486,517</b>

9.3 Particulars of credit loss allowance against debt securities	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) -----					
<b>Domestic</b>						
Performing		Stage 1	81,215,379	-	83,047,873	-
Underperforming		Stage 2	2,922,533	297	2,952,496	300
Non-performing		Stage 3				
Loss			174,085	174,085	174,085	174,085
			<b>84,311,997</b>	<b>174,382</b>	<b>86,174,454</b>	<b>174,385</b>

## 10. ADVANCES

	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
Note	----- (Rupees in '000) -----					
Loans, cash credits, running finances, etc.	21,287,661	20,786,237	15,409,472	16,369,109	36,697,133	37,155,346
Islamic financing and related assets	2,465,203	2,273,022	214,996	215,159	2,680,199	2,488,181
Bills discounted and purchased	213,531	382,186	38,353	38,353	251,884	420,539
Advances - gross	23,966,395	23,441,445	15,662,821	16,622,621	39,629,216	40,064,066
Credit loss allowance against advances	10.3					
-Stage 1	(35,217)	(18,895)	-	-	(35,217)	(18,895)
-Stage 2	(276,832)	(243,851)	-	-	(276,832)	(243,851)
-Stage 3	-	-	(12,994,420)	(13,674,384)	(12,994,420)	(13,674,384)
	(312,049)	(262,746)	(12,994,420)	(13,674,384)	(13,306,469)	(13,937,130)
Advances - net of credit loss allowance	23,654,346	23,178,699	2,668,401	2,948,237	26,322,747	26,126,936

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
10.1 Particulars of advances (Gross)	----- (Rupees in '000) -----	
In local currency	39,592,332	39,972,376
In foreign currencies	36,884	91,690
	39,629,216	40,064,066

10.2 Advances include Rs. 15,662.821 million (December 31, 2025: Rs. 16,622.621 million) which have been placed under non-performing / Stage 3 status as detailed below:

Category of Classification	(Un-audited) March 31, 2026		(Audited) December 31, 2025	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
	----- (Rupees in '000) -----			
Domestic				
Substandard	634,333	523,182	640,159	497,536
Doubtful	5,759	3,613	26,778	14,016
Loss	15,022,729	12,467,625	15,955,684	13,162,832
	15,662,821	12,994,420	16,622,621	13,674,384

### 10.3 Particulars of credit loss allowance against advances

	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	18,895	243,851	13,674,384	13,937,130	25,012	206,817	33,021,294	33,253,123
Charge for the period / year	16,831	124,043	268,785	409,659	11,648	225,024	139,576	376,248
Reversals	(509)	(91,062)	(948,594)	(1,040,165)	(17,765)	(187,990)	(19,331,628)	(19,537,383)
	16,322	32,981	(679,809)	(630,506)	(6,117)	37,034	(19,192,052)	(19,161,135)
Amounts written off	-	-	(155)	(155)	-	-	(154,858)	(154,858)
Closing balance	35,217	276,832	12,994,420	13,306,469	18,895	243,851	13,674,384	13,937,130

10.3.1 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	18,895	243,851	13,674,384	13,937,130	25,012	206,817	33,021,294	33,253,123
New Advances	3,103	92,552	-	95,655	1,734	2,530	-	4,264
Advances derecognised or repaid	(113)	(3,989)	(835,613)	(839,715)	(2,527)	(27,811)	(4,276,437)	(4,306,775)
Transfer to stage 1	-	-	-	-	9,162,303	(83,698)	(9,078,605)	-
Transfer to stage 2	(68)	84,223	(84,155)	-	(78)	3,303,760	(3,303,682)	-
Transfer to stage 3	-	(161)	161	-	(30)	(7,589)	7,619	-
	2,922	172,625	(919,607)	(744,060)	9,161,402	3,187,192	(16,651,105)	(4,302,511)
Changes in risk parameters (PDs/LGDs/EADs)	13,400	(139,644)	239,798	113,554	(9,167,519)	(3,150,158)	(2,540,947)	(14,858,624)
Amounts written off / charged off	-	-	(155)	(155)	-	-	(154,858)	(154,858)
Closing balance	35,217	276,832	12,994,420	13,306,469	18,895	243,851	13,674,384	13,937,130

10.3.2 Advances - Category of classification	(Un-audited)		(Audited)	
	March 31, 2026		December 31, 2025	
	Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
	----- (Rupees in '000) -----			
Performing Stage 1	19,435,842	35,217	19,381,717	18,895
Underperforming Stage 2	4,530,553	276,832	4,019,180	243,851
Non-Performing Stage 3				
Substandard	634,333	523,182	640,159	497,536
Doubtful	5,759	3,613	26,778	14,016
Loss	15,022,729	12,467,625	15,996,232	13,162,832
Total	39,629,216	13,306,469	40,064,066	13,937,130

11. PROPERTY AND EQUIPMENT	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
		----- (Rupees in '000) -----	
Capital work-in-progress	11.1	29,574	43,012
Property and equipment		7,593,929	7,674,453
		<u>7,623,503</u>	<u>7,717,465</u>

11.1 Capital work-in-progress	(Un-audited)	(Audited)
	March 31, 2026	March 31, 2025
Advances and other payments to suppliers and contractors	29,574	43,012

11.2 Additions to property and equipment	(Un-audited)	
	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----	

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

Capital work-in-progress - net	(13,438)	(11,798)
Property and equipment		
Building improvements	3,422	22,619
Furniture and fixture	599	6,251
Electrical, office and computer equipment	5,703	12,549
Vehicles	13,828	-
	23,552	41,419
	<u>10,114</u>	<u>29,621</u>

		(Un-audited)	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
<b>11.3</b>	<b>Disposal of property and equipment</b>		
	The net book value of property and equipment disposed off during the period is as follows:		
	Building improvements	-	7
	Furniture and fixture	1	-
	Electrical, office and computer equipment	147	-
		<u>148</u>	<u>7</u>
		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- (Rupees in '000) -----	
<b>12.</b>	<b>RIGHT-OF-USE ASSETS</b>		
	At January 01,		
	Cost	4,460,302	4,316,299
	Accumulated depreciation	(1,921,524)	(1,715,028)
	Net carrying amount	<u>2,538,778</u>	<u>2,601,271</u>
	Additions during the period / year	180,177	577,255
	Modifications during the period / year	(3,862)	(6,411)
	Deletions during the period / year		
	Cost	(35,182)	(426,841)
	Accumulated depreciation	35,182	333,096
		-	(93,745)
	Depreciation charge for the period / year	(136,542)	(539,592)
	Net carrying amount	<u>2,578,551</u>	<u>2,538,778</u>
<b>13.</b>	<b>INTANGIBLE ASSETS</b>		
	Capital work-in-progress	45,874	45,874
	Intangible assets in use	257,169	276,718
		<u>303,043</u>	<u>322,592</u>
<b>13.1</b>	<b>Capital work-in-progress</b>		
	Advances to suppliers and contractors	45,874	45,874
	Advances against capital work in progress considered doubtful	142,522	142,522
	Less: Provision held there against	(142,522)	(142,522)
		-	-
		<u>45,874</u>	<u>45,874</u>
<b>13.2</b>	<b>Intangible assets in use</b>		
	Computer softwares	257,169	276,718
<b>13.3</b>	<b>Additions to intangible assets</b>		
	The following additions have been made to intangible assets during the period:		
	Capital work-in-progress - net	-	4,116
	Directly purchased	2,208	-
		<u>2,208</u>	<u>4,116</u>
<b>13.4</b>	There were no disposals in intangible assets during the current and prior period.		



14. DEFERRED TAX ASSETS

March 31, 2026 (Un-audited)

At January 01, 2026	IFRS - 9 transition / reclass impacts	Recognised in profit and loss account	Recognised in other comprehensive income	At March 31, 2026
---------------------	---------------------------------------	---------------------------------------	--	-------------------

----- (Rupees in '000) -----

Deductible Temporary Differences on

- Tax losses carried forward	10,696,970	-	413,778	-	11,110,748
- Credit loss allowance against advances	5,591,227	-	(263,831)	-	5,327,396
- Remeasurement of advances	162,368	-	-	-	162,368
- Remeasurement of investments	63,249	-	8,149	-	71,398
- Surplus / (deficit) on revaluation of investments	(20,259)	-	-	269,266	249,007
- Credit loss allowance against investment	204,337	-	(1)	-	204,336
- Provision against intangible assets	51,729	-	-	-	51,729
- Staff compensated absences	83,916	-	(508)	-	83,408
- Depreciation on ROUA, related finance cost less actual rent expense - IFRS 16	535,783	-	15,745	-	551,528
- Unrealized gain on forward exchange contracts	1,059	-	(129)	-	930
- Workers' welfare fund	160,273	-	5,611	-	165,884
- Credit loss allowance against other assets	246,602	-	41	-	246,643
	17,777,254	-	178,855	269,266	18,225,375

Taxable Temporary Differences on

- Surplus on revaluation of property and equipments	(2,347,553)	-	17,342	424,794	(1,905,417)
- Surplus on revaluation of non-banking assets	(589,004)	-	6,400	-	(582,604)
- Accelerated tax depreciation	(589,099)	-	335,395	-	(253,704)
	(3,525,656)	-	359,137	424,794	(2,741,725)
	14,251,598	-	537,992	694,060	15,483,650

December 31, 2025 (Audited)

At January 01, 2025	IFRS - 9 transition / reclass impacts	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2025
---------------------	---------------------------------------	---------------------------------------	--	----------------------

----- (Rupees in '000) -----

Deductible Temporary Differences on

- Tax losses carried forward	16,960,119	(463,961)	(5,799,188)	-	10,696,970
- Credit loss allowance against advances	10,190,747	-	(4,599,520)	-	5,591,227
- Remeasurement of advances	161,420	-	948	-	162,368
- Remeasurement of investment	-	-	63,249	-	63,249
- Credit loss allowance against investment	864,601	41,961	(702,225)	-	204,337
- Provision against intangible assets	51,729	-	-	-	51,729
- Staff compensated absences	65,924	-	17,992	-	83,916
- Depreciation on ROUA, related finance cost less actual rent expense - IFRS 16	-	463,961	71,822	-	535,783
- Workers' welfare fund	-	-	160,273	-	160,273
- Credit loss allowance against other assets	225,583	-	21,019	-	246,602
	28,520,123	41,961	(10,765,630)	-	17,796,454

Taxable Temporary Differences on

- Surplus on revaluation of property and equipments	(1,107,389)	-	582,635	(1,822,799)	(2,347,553)
- Surplus on revaluation of investments	(563,491)	(41,961)	-	585,193	(20,259)
- Unrealized gain on forward exchange contracts	(8,795)	-	9,854	-	1,059
- Surplus on revaluation of property - held for sale	(470,714)	-	470,714	-	-
- Surplus on revaluation of non-banking assets	(289,585)	-	9,802	(309,221)	(589,004)
- Accelerated tax depreciation	(411,585)	-	(177,514)	-	(589,099)
	(2,851,559)	(41,961)	895,491	(1,546,827)	(3,544,856)
	25,668,564	-	(9,870,139)	(1,546,827)	14,251,598

**14.1** The net deferred tax asset has been recognized in accordance with the Bank's accounting policy. The management, based on financial projections, estimates that sufficient taxable profits would be available in future against which the deferred tax asset could be realized.

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
<b>15. OTHER ASSETS</b>			
Income / mark-up accrued in local currency		<b>3,287,012</b>	2,310,709
Income / mark-up accrued in foreign currency		<b>2,276</b>	1,827
Advances, deposits, advance rent and other prepayments		<b>336,483</b>	396,304
Advance taxation (payments less provisions)		<b>723,363</b>	564,792
Non-banking assets acquired in satisfaction of claims		<b>1,824,659</b>	1,834,776
Branch adjustment account		<b>23,763</b>	1,280
Receivable from other banks against clearing and settlement		<b>3,035,001</b>	1,827,421
Mark to market gain on forward foreign exchange contracts		<b>2,236</b>	3,277
Acceptances		<b>199,331</b>	123,555
Stationery and stamps on hand		<b>7,047</b>	6,078
Leasehold land - Held for Sale (HFS) acquired through amalgamation with Global Haly Development Limited under scheme of arrangement	15.1	<b>27,620,338</b>	27,620,338
Receivable against sale of G2 building		<b>10,634,180</b>	10,634,180
Others		<b>630,299</b>	638,223
		<b>48,325,988</b>	45,962,760
Less: Provisions / credit loss allowance held against other assets	15.2	<b>(834,342)</b>	(834,486)
Other Assets (Net of provisions / credit loss allowance)		<b>47,491,646</b>	45,128,274
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		<b>1,387,152</b>	1,402,391
Other assets - total		<b>48,878,798</b>	46,530,665

**15.1** Pursuant to a court-sanctioned Scheme of Arrangement, the Bank obtained control over 5.3 acres of land belonging to Global Haly Development Limited (GHDL), located at Plot No. SM-212, Faisal Street No. 2, Phase VIII, DHA, Karachi. After the amalgamation, the property is being carried at lower of carrying amount and realizable value.

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
<b>15.2 Provisions / credit loss allowance held against other assets</b>	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	1,389	1,389
Advances, deposits, advance rent and other prepayments	98,008	98,008
Non-banking assets acquired in satisfaction of claims	360,107	360,107
Commission receivable on guarantees	9,880	9,880
Receivable from Dewan Group	45,310	45,310
Account receivable - sundry claims	156,159	156,303
Receivable from Speedway Fondmetal (Pakistan) Limited	25,694	25,694
Others	137,795	137,795
	<b>834,342</b>	<b>834,486</b>

**15.2.1 Movement in provisions / credit loss allowance held against other assets**

Opening balance	834,486	834,247
Charge for the period / year	-	239
Reversals for the period / year	(144)	-
Amount written off	-	-
Closing balance	<b>834,342</b>	<b>834,486</b>

**16. CONTINGENT ASSETS**

There were no contingent assets at the balance sheet date.

**17. BILLS PAYABLE**

In Pakistan	2,599,057	2,749,628
Outside Pakistan	-	-
	<b>2,599,057</b>	<b>2,749,628</b>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
<b>18. BORROWINGS</b>		
<b>Secured</b>		
Borrowings from State Bank of Pakistan		
- Under export refinance scheme	2,313,750	2,521,050
- Under long-term financing facility	78,182	83,119
- Refinance facility for modernization of SMEs	-	-
- Repurchase agreement borrowings	5,622,145	4,795,240
<b>Total secured</b>	<b>8,014,077</b>	<b>7,399,409</b>
<b>Unsecured</b>		
Overdrawn nostro accounts	5,055	5,113
	<b>8,019,132</b>	<b>7,404,522</b>

**19. 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) -----					
<b>Customers</b>						
Current deposits	31,284,665	1,966,338	33,251,003	36,931,967	1,945,668	38,877,635
Savings deposits	104,129,752	1,908,159	106,037,911	107,465,264	1,391,404	108,856,668
Term deposits	9,255,710	2,045,074	11,300,784	10,422,513	2,553,470	12,975,983
Others	2,493,851	43,900	2,537,751	2,431,513	44,053	2,475,566
	<b>147,163,978</b>	<b>5,963,471</b>	<b>153,127,449</b>	<b>157,251,257</b>	<b>5,934,595</b>	<b>163,185,852</b>
<b>Financial institutions</b>						
Current deposits	223,881	77,368	301,249	348,899	32,956	381,855
Savings deposits	4,146,799	11,019	4,157,818	4,420,364	186,135	4,606,499
Term deposits	1,175,791	51,085	1,226,876	946,887	51,263	998,150
Others	-	-	-	-	-	-
	<b>5,546,471</b>	<b>139,472</b>	<b>5,685,943</b>	<b>5,716,150</b>	<b>270,354</b>	<b>5,986,504</b>
	<b>152,710,449</b>	<b>6,102,943</b>	<b>158,813,392</b>	<b>162,967,407</b>	<b>6,204,949</b>	<b>169,172,356</b>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
<b>20. LEASE LIABILITIES</b>		
Opening	3,313,315	3,284,402
Additions during the period / year	170,952	520,245
Deletion during the period / year	-	(158,100)
Lease payments including interest	(180,821)	(847,932)
Interest expense	130,404	521,111
Modifications	(3,862)	(6,411)
Closing	<b>3,429,988</b>	<b>3,313,315</b>
<b>20.1 Liabilities Outstanding</b>		
Not later than one year	828,574	807,144
Later than one year and upto five years	2,062,211	2,025,200
Over five years	539,203	480,971
Total at the period end	<b>3,429,988</b>	<b>3,313,315</b>

## 21. SUBORDINATED DEBT

The Bank on January 28, 2026 moved a Resolution of TFC Holders by way of Circulation for conversion of their principal (Rs. 1,495,515,000/- (Pakistan Rupees One Billion Four Hundred Ninety-five Million Five Hundred Fifteen Thousand only)) and profit thereon (Rs. 1,814,503,776.75/- (Pakistan Rupees One Billion Eight Hundred Fourteen Million Five Hundred Three Thousand Seven Hundred Seventy-six Rupees and Seventy-five paisa only)), accrued till December 31, 2025, adjusted for tax, into fully paid ordinary shares of the Bank. Accordingly, against the total outstanding amount of Rs. 3,310,018,776.75 (net of tax), the number of shares representing this balance is 27,888,469 shares, which forms the part of the Bank's Tier 1 Capital.

The TFC Holders approved the resolution by the requisite majority and the Bank has obtained the Board, shareholders and regulatory approvals, for issuance of fully paid up ordinary shares of the Bank to the TFC Holders, on a without rights basis and accordingly the respective adjustments have been accounted for in these unconsolidated condensed interim statement of financial position as at March 31, 2026 (Refer note: 1.3).

22. OTHER LIABILITIES	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
		----- (Rupees in '000) -----	
Mark-up / return / interest payable in local currency	22.1	232,304	1,954,321
Mark-up / return / interest payable in foreign currencies		18,604	20,532
Unearned income		71,865	84,169
Accrued expenses		217,312	213,428
Advance against sale of property		85,367	84,737
Acceptances		199,331	123,555
Unclaimed dividends		2,213	2,213
Mark to market loss on forward foreign exchange contracts		4,451	5,799
Payable to defined benefit plan		27,340	143,909
Charity fund balance		486	350
Security deposits against lease		121,529	120,211
Payable to Bangladesh Bank		41,389	41,389
Payable to Rupali Bank - Bangladesh		16,293	16,283
Payable to vendors / creditors		404,871	419,706
Provision for compensated absences		198,590	199,801
Payable to Bank of Ceylon, Colombo		20,163	20,163
Retention money		85,960	81,034
Workers' welfare fund		394,963	394,963
Withholding taxes and government levies payable		217,036	240,014
Federal excise duty and sales tax payable		9,771	12,355
Commission payable on home remittances		72	72
Credit loss allowance against off-balance sheet obligations	22.2	50,142	50,046
Payable to DHA against purchase of land	22.3	1,142,001	1,142,001
Payable to sponsor		63,580	59,583
Others		504,358	373,523
		<b>4,129,991</b>	<b>5,804,157</b>

**22.1** As referred in note 1.3, the Bank has converted the Term Finance Certificates (TFCs) (Rs. 1,495.515 million) and accrued markup (Rs. 1,854.512 million) thereon aggregating to Rs. 3,350.027 million to equity through issue of 27,888,469 shares other than the way of right to the TFC holders and in this respect the Bank has received consent from the TFC holders, shareholders and regulators.

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
Opening balance		50,046	160,905
Charge for the period / year		11,486	7,888
Reversals		(11,390)	(118,747)
		96	(110,859)
Amount written off		-	-
Closing balance		50,142	50,046

**22.3** This amount represents the balance consideration for land acquired from DHA (refer note 15.1) and will be settled against a portion of the total saleable area upon the completion of the project.

**23.** The Board of Directors in their meeting held on July 03, 2025, authorized the President & CEO to execute the agreement between the Bank and His Excellency Nasser Abdullah Hussain Lootah ("the Sponsor"). Thereafter, an agreement was signed with the Sponsor on August 01, 2025, which sets out the terms under which the Sponsor has deposited an amount equivalent to Rs 5 billion in the Bank. In this respect, SBP vide its letter no. SBPHOK-BPRD-BACPD-STB-996916 dated October 17, 2025 has allowed the Bank to consider the "Advance against Share Subscription" for MCR and CAR calculation till March 31, 2026, subject to several conditions including the condition that the advance cannot be returned to the Sponsor without the prior approval of the SBP.



		(Un-audited) March 31, 2026	(Audited) December 31, 2025
		----- (Rupees in '000) -----	
<b>24.</b>	<b>SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS</b>		
	Surplus / (deficit) on revaluation of		
	- Securities measured at FVOCI-Debt	9.1 (592,905)	48,184
	- Securities measured at FVOCI-Equity	9.1 30	53
	- Property and equipment	5,548,122	5,589,410
	- Non-banking assets acquired in satisfaction of claims	1,387,152	1,402,391
		<b>6,342,399</b>	<b>7,040,038</b>
	Deferred tax on surplus / (deficit) on revaluation of:		
	- Securities measured at FVOCI-Debt	249,020	(20,237)
	- Securities measured at FVOCI-Equity	(13)	(22)
	- Property and equipment	(1,905,417)	(2,347,553)
	- Non-banking assets acquired in satisfaction of claims	(582,604)	(589,004)
		<b>(2,239,014)</b>	<b>(2,956,816)</b>
		<b>4,103,385</b>	<b>4,083,222</b>
<b>25.</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
	-Guarantees	25.1 16,642,589	15,727,469
	-Commitments	25.2 10,483,226	10,939,638
	-Other contingent liabilities	25.3 17,842,537	17,811,218
		<b>44,968,352</b>	<b>44,478,325</b>
<b>25.1</b>	<b>Guarantees:</b>		
	Financial guarantees	320,470	320,470
	Performance guarantees	11,137,813	10,328,552
	Other guarantees	5,184,306	5,078,447
		<b>16,642,589</b>	<b>15,727,469</b>

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- (Rupees in '000) -----			
<b>25.2 Commitments:</b>			
Documentary credits and short-term trade-related transactions			
- letters of credit		3,395,096	2,846,873
Commitments in respect of:			
- forward foreign exchange contracts	25.2.1	1,262,834	2,303,977
- forward lending	25.2.2	5,568,697	5,531,853
Commitments for acquisition of:			
- property and equipment		20,074	19,006
- intangible assets		236,525	237,929
		<u>10,483,226</u>	<u>10,939,638</u>

**25.2.1 Commitments in respect of forward foreign exchange contracts**

Purchase		1,262,834	2,303,977
Sale		-	-
		<u>1,262,834</u>	<u>2,303,977</u>

**25.2.2 Commitments in respect of forward lending**

Forward documentary bills		<u>5,568,697</u>	<u>5,531,853</u>
---------------------------	--	------------------	------------------

<b>25.3 Other contingent liabilities - claims against the Bank not acknowledged as debts</b>		<u>17,842,537</u>	<u>17,811,218</u>
--	--	-------------------	-------------------

**25.4 Contingency for tax payable**

Contingency related to tax payable is disclosed in note 34.2

		(Un-audited)	
		Quarter ended	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
<b>26. MARK-UP / RETURN / INTEREST EARNED</b>	Note		
On:			
Loans and advances		497,383	344,888
Investments		2,074,673	5,337,391
Lendings to financial institutions		257,863	240,512
Balances with banks		9,138	11,570
		<b>2,839,057</b>	<b>5,934,361</b>
<b>27. MARK-UP / RETURN / INTEREST EXPENSED</b>			
On:			
Deposits		2,562,621	3,294,224
Borrowings		109,738	2,343,414
Subordinated debt		-	64,053
Cost of foreign currency swaps against foreign currency deposits / borrowings		27,454	48,063
Finance cost of lease liability		130,404	128,442
		<b>2,830,217</b>	<b>5,878,196</b>
<b>28. FEE AND COMMISSION INCOME</b>			
Branch banking customer fees		45,381	115,729
Consumer finance related fees		146	81
Card related fees (debit cards)		42,230	76,184
Credit related fees		204	267
Commission on trade		99,659	99,696
Commission on guarantees		33,937	31,824
Commission on cash management		-	2
Commission on remittances including home remittances		1,040	1,398
Commission on bancassurance		226	-
Alternate Delivery Channels		6,069	7,309
Others		1	1
		<b>228,893</b>	<b>332,491</b>
<b>29. GAIN ON SECURITIES</b>			
Realised	29.1	36,712	599,078
Unrealised - Measured at FVPL		-	-
		<b>36,712</b>	<b>599,078</b>
<b>29.1 Realised gain on:</b>			
Federal Government Securities		36,712	599,078
Shares		-	-
		<b>36,712</b>	<b>599,078</b>
Net gain/loss on financial assets (debt instruments) measured at FVOCI		36,712	599,078
Net gain/ loss on investments in equity instruments designated at FVOCI		-	-
		<b>36,712</b>	<b>599,078</b>

		(Un-audited) Quarter ended	
		March 31, 2026	March 31, 2025
<b>30. OTHER INCOME</b>	Note	----- (Rupees in '000) -----	
Rent on property		1,143	1,039
Gain on sale of property and equipment - net		422	5
Gain on sale of ijarah assets		-	-
Gain on termination of lease contracts under IFRS 16		-	2,562
		<b>1,565</b>	<b>3,606</b>
			(Restated)
		(Un-audited)	(Un-audited)
		Quarter ended	
		March 31, 2026	March 31, 2025
<b>31. OPERATING EXPENSES</b>	Note	----- (Rupees in '000) -----	
<b>Total compensation expense</b>		<b>850,093</b>	<b>686,196</b>
<b>Property expense</b>			
Rent and taxes		13,422	18,925
Insurance - property		3,011	1,738
Insurance - non banking assets		336	115
Utilities cost		90,519	105,919
Security (including guards)		75,399	71,694
Repair and maintenance (including janitorial charges)		48,277	57,306
Depreciation on owned property and equipments		65,890	63,685
Depreciation on right-of-use assets		136,542	133,985
Depreciation on non banking assets		25,356	15,163
		<b>458,752</b>	<b>468,530</b>
<b>Information technology expenses</b>			
Software maintenance		42,081	43,784
Hardware maintenance		46,444	34,268
Depreciation on computer equipments		20,101	24,628
Amortisation of computer softwares		21,756	17,011
Network charges		23,031	22,257
Insurance		70	1,260
		<b>153,483</b>	<b>143,208</b>
<b>Other operating expenses</b>			
Directors' fees and allowances		10,700	15,100
Fees and allowances to Shariah Board		5,925	5,925
Legal and professional charges		141,194	64,999
Outsourced services costs		97,404	77,565
Travelling and conveyance		99,118	103,739
NIFT clearing charges		12,173	13,031
Depreciation		17,938	20,338
Training and development		1,151	2,621
Postage and courier charges		8,659	10,617
Communication		33,014	38,472
Stationery and printing		37,322	56,744
Marketing, advertisement and publicity		19,991	14,530
Brokerage and commission		4,717	9,574
Fee and subscription		66,985	64,694
Cash transportation and sorting charges		37,201	34,140
Entertainment		14,214	15,767
Insurance		64,551	42,751
Deposit insurance premium expense		51,261	51,261
Repair and maintenance		26,471	56,552
Auditors' remuneration		11,800	4,019
Others		77,240	8,820
		<b>839,029</b>	<b>711,259</b>
		<b>2,301,357</b>	<b>2,009,193</b>

		(Un-audited) Quarter ended	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
<b>32. OTHER CHARGES</b>	Note		
Penalties imposed by State Bank of Pakistan		<b>265</b>	<b>112</b>
<b>33. CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET</b>			
Credit loss allowance for diminution in value of investments		<b>(3)</b>	(28,160)
Credit loss allowance against loans and advances		<b>(630,506)</b>	(147,338)
Provision / credit loss allowance against other assets		<b>(144)</b>	240
Credit loss allowance against off-balance sheet obligations		<b>96</b>	(25,855)
Credit loss allowance on balance with other banks		<b>758</b>	696
Credit loss allowance on lending to FI		-	(667)
Property and equipments written off		-	7
Recoveries against written off / charged off bad debts		<b>(130)</b>	-
		<b>(629,929)</b>	<b>(201,077)</b>
<b>34. TAXATION</b>			
Current	34.1 & 34.2	<b>41,137</b>	86,973
Prior years		-	122,970
Deferred		<b>(537,992)</b>	(68,668)
		<b>(496,855)</b>	<b>141,275</b>

**34.1** This represents the provision for minimum taxation made in accordance with the requirements of section 113 of the Income Tax Ordinance, 2001. Therefore, reconciliation of tax expense and accounting profit / loss has not been disclosed.

**34.2** The Income Tax Returns of the Bank have been submitted up to and including the Bank's financial year ended December 31, 2024 i.e. tax year 2025.

In respect of assessments of Bank Makramah Limited from tax years 2009 to tax year 2019 and from tax year 2022 to tax year 2023, the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand (net of rectification) of Rs. 418.48 million through amended assessment orders and the same have been paid / stayed / adjusted against available refunds.

In respect of assessments of Bank Makramah Limited AJK Region from tax year 2013 to tax year 2017, the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand of Rs. 57.96 million through amended assessment orders and the same have been paid / stayed / adjusted against advance tax paid. The Bank has recorded a prior year charge of minimum tax amounting to Rs. 0.960 million for Tax Year 2020.

In respect of assessments of ex-My Bank Limited (now Bank Makramah Limited) from tax year 2003 to tax year 2011, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 456.62 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-Atlas Bank Limited (now Bank Makramah Limited) from tax year 2003 to tax year 2010, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 89.74 million through amended assessment orders and the same have been paid / adjusted against available refunds.

Such issues mainly include disallowances of mark up payable, taxation of mutual fund distribution at corporate tax rate, disallowance of provision against non-performing loans, disallowance of reversal of provisions, allocation of expenses against dividend income and capital gain, disallowances against non-banking assets, disallowances of certain HO expenses, addition to mark-up/interest earned in AJK region etc. The Bank has filed appeals before the various appellate forums against these amended assessment orders which are either pending for hearing or order.

The management of the Bank is confident about the favorable outcome of the appeals hence, no provision / adjustment with respect to the above matters has been made in these unconsolidated financial statements.

		(Restated)	
		(Un-audited)	(Un-audited)
		Quarter ended	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
<b>35. BASIC AND DILUTED LOSS PER SHARE</b>	Note		
Loss for the period		<u>(714,132)</u>	<u>(869,829)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Basic		<u>1,000,309,872</u>	<u>1,000,000,000</u>
		----- (Rupee) -----	
Basic loss per share	35.1	<u>(0.71)</u>	<u>(0.87)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Diluted	35.2	<u>1,000,309,872</u>	<u>1,000,000,000</u>
		----- (Rupee) -----	
Diluted loss per share		<u>(0.71)</u>	<u>(0.87)</u>

**35.1** The earning per share has been restated for March 31, 2025 due to reduction of share capital and effect of amalgamation with GHDL under the Scheme of Arrangement approved by the Honorable High Court of Islamabad (IHC) with effect from September 30, 2024.

**35.2** There are no potential ordinary shares outstanding as of March 31, 2026.

	(Restated)		
	(Un-audited)	(Un-audited)	
		Quarter ended	
		March 31, 2026	
		March 31, 2025	
		----- (Rupees in '000) -----	
<b>36. CASH AND CASH EQUIVALENTS</b>			
Cash and balances with treasury banks		8,867,735	15,704,364
Balances with other banks excluding credit loss allowance		3,707,568	2,354,637
Overdrawn nostro accounts		(5,055)	(5,032)
		<u>12,570,248</u>	<u>18,053,969</u>



### 37. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified at amortised cost / held to maturity, is based on quoted market price. Quoted debt securities classified as amortised cost / held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

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 repriced.

#### 37.1 Fair value of financial assets

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

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

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets 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).

37.2 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)			
	Level 1	Level 2	Level 3	Total
<b>On balance sheet financial instruments</b>	----- (Rupees in '000) -----			
<b>Financial assets - measured at fair value</b>				
Investments				
- Federal Government Securities	-	80,622,474	-	80,622,474
- Shares - Listed	45	-	-	45
- Non Government Debt Securities	-	2,199,498	-	2,199,498
<b>Financial assets - disclosed but not measured at fair value</b>				
Investments				
- Shares - Unlisted	-	-	6,763	6,763
<b>Non-Financial assets - measured at fair value</b>				
Property and equipment (Land and Building)	-	-	7,069,616	7,069,616
Non banking assets acquired in satisfaction of claims	-	-	3,018,022	3,018,022
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	1,260,619	-	1,260,619
Forward sale of foreign exchange	-	-	-	-

**December 31, 2025 (Audited)**

Level 1	Level 2	Level 3	Total
---------	---------	---------	-------

----- (Rupees in '000) -----

**On balance sheet financial instruments**

**Financial assets - measured at fair value**

Investments

- Federal Government Securities	-	83,096,057	-	83,096,057
- Shares - Listed	68	-	-	68
- Non Government Debt Securities	-	2,952,196	-	2,952,196

**Financial assets - disclosed but not measured at fair value**

Investments

- Shares - Unlisted	-	-	5,902	5,902
---------------------	---	---	-------	-------

**Non-Financial assets - measured at fair value**

Property and equipment (Land and Building)	-	-	7,120,967	7,120,967
Non banking assets acquired in satisfaction of claims	-	-	3,043,378	3,043,378

**Off-balance sheet financial instruments - measured at fair value**

Forward purchase of foreign exchange	-	2,301,455	-	2,301,455
Forward sale of foreign exchange	-	-	-	-

**Valuation techniques used in determination of fair value**

Item	Valuation approach and input used
Federal Government Securities - Unlisted	The fair values of Market Treasury Bills (MTB) and Pakistan Investment Bonds (PIB) are determined using the PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair values of GOP Ijarah Sukuks are derived using the PKISRV rates.
Federal Government Securities - Listed	The fair value of investment in listed GOP Ijarah Sukuk are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Listed	The fair value of investment in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	This represents breakup value of investments.
Non-Government Debt Securities	Investments in debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Forward foreign exchange contracts	The valuation has been incorporated by interpolating the foreign exchange revaluation rates announced by the SBP.
Property and equipment (land and building) and non-banking assets acquired in satisfaction of claims	<p>The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties.</p> <p>The effect of changes in the unobservable input used in the valuation can not be determined with certainty. Accordingly a qualitative disclosure of sensitivity has not been presented in these unconsolidated condensed interim financial statements.</p>

### 38. SEGMENT INFORMATION

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

For the quarter ended March 31, 2026 (Un-audited)

Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total
-----------------------------------	----------	----------------	--------	-------

----- (Rupees in '000) -----

#### Profit and Loss

Net mark-up / return / profit	342,402	2,243,586	(2,483,157)	(93,991)	8,840
Inter segment revenue - net	(229,054)	(2,089,378)	3,584,080	(1,265,648)	-
Non mark-up / return / interest income	94,832	247,331	108,138	1,565	451,866
Total income	208,180	401,539	1,209,061	(1,358,074)	460,706

Segment direct expenses	88,566	30,438	1,299,691	882,927	2,301,622
Inter segment expense allocation	215,363	86,865	424,587	(726,815)	-
Total expenses	303,929	117,303	1,724,278	156,112	2,301,622

Credit loss allowance and write offs - net	(636,169)	758	632	4,850	(629,929)
--	-----------	-----	-----	-------	-----------

<b>Profit / (loss) before tax</b>	<b>540,420</b>	<b>283,478</b>	<b>(515,849)</b>	<b>(1,519,036)</b>	<b>(1,210,987)</b>
-----------------------------------	----------------	----------------	------------------	--------------------	--------------------

As at March 31, 2026 (Un-audited)

Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total
-----------------------------------	----------	----------------	--------	-------

----- (Rupees in '000) -----

#### Balance Sheet

Cash and bank balances	73,583	8,301,851	4,196,907	-	12,572,341
Investments	-	83,546,585	-	231,751	83,778,336
Net inter segment lending	-	-	147,934,305	-	147,934,305
Lendings to financial institutions	-	5,806,217	-	-	5,806,217
Advances - performing	21,154,028	-	293,210	2,207,108	23,654,346
Advances - non-performing	2,641,201	-	23,044	4,156	2,668,401
Others	627,500	2,586,146	6,386,022	65,267,877	74,867,545
<b>Total assets</b>	<b>24,496,312</b>	<b>100,240,799</b>	<b>158,833,488</b>	<b>67,710,892</b>	<b>351,281,491</b>

Borrowings	2,391,933	5,627,199	-	-	8,019,132
Subordinated debt	-	-	-	-	-
Deposits and other accounts	3,215,283	-	155,598,109	-	158,813,392
Net inter segment borrowing	18,796,288	94,607,378	-	34,530,639	147,934,305
Others	92,808	6,222	3,235,379	6,824,627	10,159,036
<b>Total liabilities</b>	<b>24,496,312</b>	<b>100,240,799</b>	<b>158,833,488</b>	<b>41,355,266</b>	<b>324,925,865</b>

Equity	-	-	-	26,355,626	26,355,626
--------	---	---	---	------------	------------

<b>Total equity and liabilities</b>	<b>24,496,312</b>	<b>100,240,799</b>	<b>158,833,488</b>	<b>67,710,892</b>	<b>351,281,491</b>
-------------------------------------	-------------------	--------------------	--------------------	-------------------	--------------------

Contingencies and commitments	42,428,319	1,262,834	-	1,277,199	44,968,352
-------------------------------	------------	-----------	---	-----------	------------

**For the quarter ended March 31, 2025 (Un-audited) (Restated)**

<b>Corporate, SME &amp; Commercial</b>	<b>Treasury</b>	<b>Retail Banking</b>	<b>Others</b>	<b>Total</b>
--	-----------------	-----------------------	---------------	--------------

----- (Rupees in '000) -----

**Profit and Loss**

Net mark-up / return / profit	127,380	3,279,127	(3,191,882)	(158,460)	56,165
Inter segment revenue - net	(205,186)	(2,548,968)	4,402,654	(1,648,500)	-
Non mark-up / return / interest income	92,734	715,529	211,645	3,601	1,023,509
<b>Total income</b>	<b>14,928</b>	<b>1,445,688</b>	<b>1,422,417</b>	<b>(1,803,359)</b>	<b>1,079,674</b>

Segment direct expenses	59,386	29,481	1,275,734	644,704	2,009,305
Inter segment expense allocation	168,595	67,134	332,745	(568,474)	-
<b>Total expenses</b>	<b>227,981</b>	<b>96,615</b>	<b>1,608,479</b>	<b>76,230</b>	<b>2,009,305</b>

Credit loss allowance and write offs - net	(170,975)	(28,189)	(364)	(1,549)	(201,077)
--	-----------	----------	-------	---------	-----------

<b>(Loss) / profit before tax</b>	<b>(42,078)</b>	<b>1,377,262</b>	<b>(185,698)</b>	<b>(1,878,040)</b>	<b>(728,554)</b>
-----------------------------------	-----------------	------------------	------------------	--------------------	------------------

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

<b>Corporate, SME &amp; Commercial</b>	<b>Treasury</b>	<b>Retail Banking</b>	<b>Others</b>	<b>Total</b>
--	-----------------	-----------------------	---------------	--------------

----- (Rupees in '000) -----

**Balance Sheet**

Cash and Bank balances	76,291	12,357,081	3,243,180	-	15,676,552
Investments	-	86,050,151	-	231,751	86,281,902
Net inter segment lending	-	-	158,972,960	-	158,972,960
Lendings to financial institutions	-	14,199,796	-	-	14,199,796
Advances - performing	20,564,228	-	245,648	2,368,823	23,178,699
Advances - non-performing	2,912,762	-	31,319	4,156	2,948,237
Others	426,832	1,834,475	5,231,687	63,868,104	71,361,098
<b>Total Assets</b>	<b>23,980,113</b>	<b>114,441,503</b>	<b>167,724,794</b>	<b>66,472,834</b>	<b>372,619,244</b>

Borrowings	2,604,169	4,800,353	-	-	7,404,522
Subordinated debt	-	-	-	1,495,515	1,495,515
Deposits and other accounts	4,666,949	-	164,505,407	-	169,172,356
Net inter segment borrowing	16,647,057	109,617,385	-	32,708,518	158,972,960
Others	61,938	23,765	3,219,387	8,562,010	11,867,100
<b>Total liabilities</b>	<b>23,980,113</b>	<b>114,441,503</b>	<b>167,724,794</b>	<b>42,766,043</b>	<b>348,912,453</b>

Equity	-	-	-	23,706,791	23,706,791
--------	---	---	---	------------	------------

<b>Total equity and liabilities</b>	<b>23,980,113</b>	<b>114,441,503</b>	<b>167,724,794</b>	<b>66,472,834</b>	<b>372,619,244</b>
-------------------------------------	-------------------	--------------------	--------------------	-------------------	--------------------

<b>Contingencies and commitments</b>	<b>40,991,131</b>	<b>2,303,977</b>	<b>-</b>	<b>1,183,217</b>	<b>44,478,325</b>
--------------------------------------	-------------------	------------------	----------	------------------	-------------------

**38.1.1** The Bank does not have any operations outside Pakistan.

### 39. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its subsidiary, employee benefit plans and its 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.

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

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Directors	Key management personnel	Subsidiary	Other related parties	Directors	Key management personnel	Subsidiary	Other related parties
	----- (Rupees in '000) -----							
<b>Investments</b>								
Opening balance	-	-	396,942	-	-	-	396,942	552,038
Investment made during the period / year	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	(552,038)
Other adjustment	-	-	-	-	-	-	-	-
Closing balance	-	-	396,942	-	-	-	396,942	-
Credit loss allowance for diminution in value of investments	-	-	165,191	-	-	-	165,191	-
<b>Advances</b>								
Opening balance	-	430,229	94,441	2,492	-	421,468	44,902	517,251
Addition during the period / year	-	12,406	905,013	-	-	115,022	4,899,239	2,700
Repaid during the period / year	-	(22,911)	(886,954)	(122)	-	(111,691)	(4,849,700)	(399)
Transfer in / (out) - net	-	-	-	-	-	5,430	-	(517,060)
Closing balance	-	419,724	112,500	2,370	-	430,229	94,441	2,492
Credit loss allowance held against advances	-	57	458	0	-	58	417	0

March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
Directors	Key management personnel	Subsidiary	Other related parties	Directors	Key management personnel	Subsidiary	Other related parties

----- (Rupees in '000) -----

**Other Assets**

Interest / mark-up accrued	-	2,536	6,294	29	-	1,791	6,727	21
Advances, deposits, advance rent and other prepayments	-	3,489	-	-	-	4,012	-	-
Other receivable	4,195	-	-	2,250	4,195	-	-	2,250
Credit loss allowance held against other assets	-	-	-	-	-	-	-	-

**Deposits and other accounts**

Opening balance	3,459	37,558	316,491	770,456	1,495	17,811	154,871	652,361
Received during the period / year	3,324	133,736	1,799,802	300,397	17,100	584,100	7,356,493	5,857,289
Withdrawn during the period / year	(6,029)	(148,361)	(2,077,707)	(124,302)	(15,136)	(564,502)	(7,194,873)	(5,715,315)
Transfer (out) / in - net	-	-	-	-	-	149	-	(23,879)
Closing balance	754	22,933	38,586	946,551	3,459	37,558	316,491	770,456

**Other Liabilities**

Interest / mark-up payable	-	35	-	8	-	-	-	-
Payable to defined benefit plan	-	-	-	27,340	-	-	-	143,909
Brokerage payable	-	-	506	-	-	-	465	-
Payable to Sponsor	-	-	-	63,580	-	-	-	59,583

**Advance against subscription of shares**

-	-	-	5,000,000	-	-	-	5,000,000
---	---	---	-----------	---	---	---	-----------

**Contingencies and Commitments**

Commitments to extend credit*	-	-	187,500	-	-	-	205,559	-
-------------------------------	---	---	---------	---	---	---	---------	---

\*This represents commitment that is revocable at the discretion of the Bank.

For the quarter ended March 31, 2026 (Un-audited)

For the quarter ended March 31, 2025 (Un-audited)

Directors	Key management personnel	Subsidiary	Other related parties	Directors	Key management personnel	Subsidiary	Other related parties
-----------	--------------------------	------------	-----------------------	-----------	--------------------------	------------	-----------------------

(Rupees in '000)

**Income**

Mark-up / return / interest earned  
Fee and commission income

**Expense**

Mark-up / return / interest expensed

Operating expenses:

- Directors' fees and allowances
- Brokerage and commission
- Fee and subscription
- Managerial Remuneration
- Contribution to defined contribution plan
- Charge for defined benefit plan

Credit loss allowance against loans and advances

-	3,877	6,294	29	-	5,941	3,963	2
-	-	63	-	-	-	69	346
53	204	3,140	17,762	33	118	1,013	9,548
10,700	-	-	-	15,100	-	-	-
-	-	677	-	-	-	494	-
-	731	-	-	-	748	-	-
-	144,843	-	641	-	121,125	-	493
-	-	-	33,244	-	-	-	16,282
-	-	-	27,340	-	-	-	21,509
-	(1)	41	147,994	-	(12)	260	-

Directors include Non-Executive Directors only. Executive Directors including the President / CEO are part of key management personnel.

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
<b>40. CAPITAL ADEQUACY, LEVERAGE RATIO &amp; LIQUIDITY REQUIREMENTS</b>		
<b>Minimum Capital Requirement (MCR):</b>		
Paid-up capital (net of losses)	<u>15,278,885</u>	<u>15,000,000</u>
<b>Capital Adequacy Ratio (CAR):</b>		
Eligible Common Equity Tier-1 (CET-1) Capital	<u>7,549,393</u>	5,860,530
Eligible Additional Tier-1 (ADT-1) Capital	-	-
Total Eligible Tier-1 Capital	<u>7,549,393</u>	5,860,530
Eligible Tier-2 Capital	<u>2,688,075</u>	2,019,056
Total Eligible Capital (Tier-1 + Tier-2)	<u>10,237,468</u>	<u>7,879,586</u>
<b>Risk Weighted Assets (RWAs):</b>		
Credit Risk	70,051,108	64,867,666
Market Risk	1,929,022	2,217,783
Operational Risk	567,628	567,628
<b>Total</b>	<u>72,547,758</u>	<u>67,653,077</u>
Common Equity Tier-1 Capital Adequacy Ratio	<u>10.41%</u>	8.66%
Tier-1 Capital Adequacy Ratio	<u>10.41%</u>	8.66%
Total Capital Adequacy Ratio	<u>14.12%</u>	<u>11.65%</u>
<b>Leverage Ratio (LR):</b>		
Eligible Tier-1 Capital	7,549,393	5,860,530
Total Exposures	222,220,162	218,250,116
<b>Leverage Ratio</b>	<u>3.40%</u>	<u>2.69%</u>
<b>Liquidity Coverage Ratio (LCR):</b>		
Total High Quality Liquid Assets	86,067,562	93,212,792
Total Net Cash Outflow	30,432,203	35,685,184
<b>Liquidity Coverage Ratio</b>	<u>282.82%</u>	<u>261.21%</u>
<b>Net Stable Funding Ratio (NSFR):</b>		
Total Available Stable Funding	147,679,513	123,575,527
Total Required Stable Funding	96,991,957	80,807,406
<b>Net Stable Funding Ratio</b>	<u>152.26%</u>	<u>152.93%</u>



#### 41. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 12 (December 31, 2025: 12) Islamic banking branches and 82 (December 31, 2025: 82) Islamic banking windows at the end of the period.

##### STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2026

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Note	----- (Rupees in '000) -----	
<b>ASSETS</b>		
Cash and balances with treasury banks	1,574,200	4,589,844
Balances with other banks	-	-
Due from financial institutions	41.1 5,806,217	8,659,637
Investments	41.2 39,585,046	36,222,721
Islamic financing and related assets - net	41.3 2,558,379	2,380,078
Property and equipment	205,577	209,295
Right-of-use assets	204,093	213,097
Intangible assets	-	-
Due from Head Office	-	-
Deferred tax assets	69,448	-
Other assets	1,281,490	864,616
<b>Total Assets</b>	<b>51,284,450</b>	<b>53,139,288</b>
<b>LIABILITIES</b>		
Bills payable	283,041	248,357
Due to financial institutions	41.4 1,300,000	-
Deposits and other accounts	41.5 38,079,482	42,086,905
Due to Head Office	-	-
Lease liabilities	241,528	240,234
Subordinated debt	-	-
Deferred tax liabilities	-	19,852
Other liabilities	1,833,829	1,207,751
	<b>41,737,880</b>	<b>43,803,099</b>
<b>NET ASSETS</b>	<b>9,546,570</b>	<b>9,336,189</b>
<b>REPRESENTED BY</b>		
Islamic Banking Fund	1,000,000	1,000,000
Reserves	-	-
Surplus on revaluation of assets	(95,904)	27,415
Unappropriated profit	41.6 8,642,474	8,308,774
	<b>9,546,570</b>	<b>9,336,189</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	41.7	

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

	March 31, 2026	March 31, 2025
Note	----- (Rupees in '000) -----	
Profit / return earned	41.8 <b>1,249,079</b>	1,885,592
Profit / return expensed	41.9 <b>639,141</b>	769,246
<b>Net Profit / return</b>	<b>609,938</b>	1,116,346
<b>Other income</b>		
Fee and commission income	<b>40,067</b>	49,350
Dividend income	-	-
Foreign exchange loss	<b>(3,106)</b>	(54,935)
Income / (loss) from derivatives	-	-
Gain on securities	<b>2,707</b>	221,270
Other income	-	-
<b>Total other income</b>	<b>39,668</b>	215,685
<b>Total income</b>	<b>649,606</b>	1,332,031
<b>Other expenses</b>		
Operating expenses	<b>301,916</b>	280,529
Workers' welfare fund	-	-
Other charges	<b>77</b>	-
<b>Total other expenses</b>	<b>301,993</b>	280,529
<b>Profit before credit loss allowance</b>	<b>347,613</b>	1,051,502
Credit loss allowance and write offs - net	<b>15,191</b>	217
<b>Profit before taxation</b>	<b>332,422</b>	1,051,285
Taxation	-	-
<b>Profit after taxation</b>	<b>332,422</b>	1,051,285

**ISLAMIC BANKING BUSINESS**  
**FOR THE QUARTER ENDED MARCH 31, 2026**

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
<b>41.1 Due from Financial Institutions</b>	----- (Rupees in '000) -----					
<b>Unsecured</b>						
Bai Muajjal Receivable from State Bank of Pakistan	5,806,217	-	5,806,217	5,599,496	-	5,599,496
Bai Muajjal Receivable from other Financial Institutions	41.1.1	-	-	3,060,554	-	3,060,554
	<b>5,806,217</b>	<b>-</b>	<b>5,806,217</b>	<b>8,660,050</b>	<b>-</b>	<b>8,660,050</b>
Less: Credit loss allowance						
Stage 1	-	-	-	(413)	-	(413)
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
	-	-	-	(413)	-	(413)
Due from financial institutions - net of credit loss allowance	<b>5,806,217</b>	<b>-</b>	<b>5,806,217</b>	<b>8,659,637</b>	<b>-</b>	<b>8,659,637</b>

**41.1.1** This represented Bai Muajjal agreements with conventional operations of Bank Makramah Limited and carried profit rate of 10.5% per annum on December 31, 2025 and have matured on January 27, 2026.

**41.2 Investments**

	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / Amortised cost	Credit loss allowance for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance for diminution	Surplus / (Deficit)	Carrying Value
<b>Investments by segments:</b>	----- (Rupees in '000) -----							
<b>Debt Instruments</b>								
<b>Federal Government Securities:</b>								
- GOP Ijarah Sukuks	37,634,228	-	(248,681)	37,385,547	34,041,160	-	(37,338)	34,003,822
<b>Non Government Debt Securities:</b>								
- Listed	2,199,796	(297)	-	2,199,499	2,219,199	(300)	-	2,218,899
<b>Total Investments</b>	<b>39,834,024</b>	<b>(297)</b>	<b>(248,681)</b>	<b>39,585,046</b>	<b>36,260,359</b>	<b>(300)</b>	<b>(37,338)</b>	<b>36,222,721</b>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
<b>41.3 Islamic financing and related assets</b>		
Ijarah	619,062	681,034
Running Musharakah	124,847	620
Diminishing Musharakah	1,676,151	1,529,328
Diminishing Musharakah-IERF	-	-
Tijarah	260,139	272,699
Advance against Ijarah	-	4,500
Gross Islamic financing and related assets	<b>2,680,199</b>	<b>2,488,181</b>
Less: Credit loss allowance against Islamic financings		
-Stage 1	(2,663)	(2,346)
-Stage 2	(166)	(357)
-Stage 3	(118,991)	(105,400)
	<b>(121,820)</b>	<b>(108,103)</b>
Islamic financing and related assets - net of credit loss allowance	<b>2,558,379</b>	<b>2,380,078</b>

#### 41.4 Due to financial institutions

<b>Unsecured</b>		
Musharakah	41.4.1	<b>1,300,000</b>
		-

41.4.1 This represents acceptance of funds by Islamic operations of Bank Makramah Limited from conventional operations of Bank Makramah Limited on Musharaka basis.

#### 41.5 Deposits

	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) -----					
<b>Customers</b>						
Current deposits	5,651,678	753,589	6,405,267	6,554,244	710,157	7,264,401
Savings deposits	26,899,141	240,329	27,139,470	29,256,517	186,454	29,442,971
Term deposits	3,481,906	86,269	3,568,175	4,361,280	86,549	4,447,829
Others	476,294	-	476,294	427,926	-	427,926
	<b>36,509,019</b>	<b>1,080,187</b>	<b>37,589,206</b>	40,599,967	983,160	41,583,127
<b>Financial Institutions</b>						
Current deposits	5,150	7	5,157	5,366	8	5,374
Savings deposits	328,963	-	328,963	343,926	-	343,926
Term deposits	156,156	-	156,156	154,478	-	154,478
	<b>490,269</b>	<b>7</b>	<b>490,276</b>	503,770	8	503,778
	<b>36,999,288</b>	<b>1,080,194</b>	<b>38,079,482</b>	41,103,737	983,168	42,086,905

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
<b>41.6 Unappropriated profit</b>	----- (Rupees in '000) -----	
Opening balance	8,308,774	5,919,535
Add: Islamic Banking profit for the period / year	332,422	2,386,026
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated profit	1,278	3,213
Closing balance	<u>8,642,474</u>	<u>8,308,774</u>
<b>41.7 CONTINGENCIES AND COMMITMENTS</b>		
- Guarantees	4,311,836	3,709,728
- Commitments	653,210	743,340
	<u>4,965,046</u>	<u>4,453,068</u>
	(Un-audited)	
	March 31, 2026	March 31, 2025
<b>41.8 Profit / Return Earned of Financing, Investments and Placement</b>	----- (Rupees in '000) -----	
Profit earned on:		
Financing	41,597	46,831
Investments	913,067	1,327,830
Placements	294,415	510,931
	<u>1,249,079</u>	<u>1,885,592</u>
<b>41.9 Profit on Deposits and other Dues Expensed</b>		
Deposits and other accounts	619,700	733,674
Due to Financial Institutions	8,364	26,978
Finance cost of lease liability	11,077	8,594
	<u>639,141</u>	<u>769,246</u>

42. **RESTATEMENT**

With respect to the sanctioning of the Scheme of Arrangement by the Honorable High Court of Islamabad with the effective date of September 30, 2024, and filing of the certified copy of the court order with the Registrar dated November 21, 2025 (Completion date), the additional operating expense of Global Haly Development Limited for the quarter ended March 31, 2025 amounting to Rs 5.677 million has been incorporated. In compliance with the requirements of IAS 8, this amount has been accounted for by restating the comparative unconsolidated condensed interim financial statements for the period ended March 31, 2025. Had this expense not been accounted for by the Bank, profit after taxation would have been higher by Rs. 5.677 million for the period ended March 31, 2025.

43. **DATE OF AUTHORIZATION OF ISSUE**

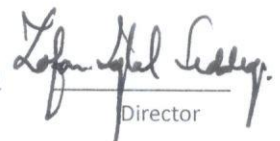
These unconsolidated condensed interim financial statements were authorised for issue on 29 APR 2026 by the Board of Directors of the Bank.

  
\_\_\_\_\_  
President / Chief Executive

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

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

**Bank Makramah Limited**  
**Consolidated Condensed Interim Financial Statements**  
**For The Quarter Ended March 31, 2026**

**BANK MAKRAMAH LIMITED**


**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2026**

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
Note	----- (Rupees in '000) -----	
<b>ASSETS</b>		
Cash and balances with treasury banks	6 <b>8,867,737</b>	12,915,786
Balances with other banks	7 <b>3,806,549</b>	2,764,197
Lendings to financial institutions	8 <b>5,806,217</b>	14,199,796
Investments	9 <b>83,746,552</b>	86,308,962
Advances	10 <b>26,210,705</b>	26,032,721
Property and equipment	11 <b>7,675,863</b>	7,770,752
Right-of-use assets	12 <b>2,578,551</b>	2,538,778
Intangible assets	13 <b>305,552</b>	325,102
Deferred tax assets	14 <b>15,415,095</b>	14,183,802
Other assets	15 <b>48,994,978</b>	46,642,630
<b>Total Assets</b>	<b>203,407,799</b>	213,682,526
<b>LIABILITIES</b>		
Bills payable	17 <b>2,599,057</b>	2,749,628
Borrowings	18 <b>8,019,132</b>	7,404,522
Deposits and other accounts	19 <b>158,774,805</b>	168,855,864
Lease liabilities	20 <b>3,429,988</b>	3,313,315
Subordinated debt	21 <b>-</b>	1,495,515
Deferred tax liabilities	22 <b>-</b>	-
Other liabilities	<b>4,281,621</b>	6,146,542
<b>Total Liabilities</b>	<b>177,104,603</b>	189,965,386
<b>NET ASSETS</b>	<b>26,303,196</b>	23,717,140
<b>REPRESENTED BY</b>		
Share capital - net	<b>10,278,885</b>	10,000,000
Advance against subscription of shares	<b>5,000,000</b>	5,000,000
Reserves	<b>4,944,272</b>	1,913,138
Surplus / (deficit) on revaluation of assets	24 <b>4,155,582</b>	4,161,127
Unappropriated profit	<b>1,924,457</b>	2,642,875
	<b>26,303,196</b>	23,717,140
<b>CONTINGENCIES AND COMMITMENTS</b>		
	25	

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

  
President/Chief Executive

  
Chief Financial Officer

  
Director

  
Director




**BANK MAKRAMAH LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2026**

	Note	March 31, 2026	Restated March 31, 2025
----- (Rupees in '000) -----			
Mark-up / return / interest earned	26	<b>2,833,125</b>	5,931,652
Mark-up / return / interest expensed	27	<b>2,827,077</b>	5,875,117
Net Mark-up / interest income		<b>6,048</b>	56,535
<b>NON MARK-UP / INTEREST INCOME</b>			
Fee and commission income	28	<b>269,958</b>	363,539
Dividend income		<b>4,249</b>	633
Foreign exchange income		<b>184,696</b>	87,922
Income / (loss) from derivatives		-	-
(Loss) / Gain on securities	29	<b>(1,788)</b>	601,142
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	30	<b>2,357</b>	4,326
Total non-markup / interest income		<b>459,472</b>	1,057,562
Total income		<b>465,520</b>	1,114,097
<b>NON MARK-UP / INTEREST EXPENSES</b>			
Operating expenses	31	<b>2,337,060</b>	2,039,390
Workers welfare fund		-	-
Other charges	32	<b>265</b>	112
Total non-markup / interest expenses		<b>2,337,325</b>	2,039,502
Loss before credit loss allowance		<b>(1,871,805)</b>	(925,405)
Credit loss allowance and write offs - net Extra ordinary / unusual items	33	<b>(629,631)</b>	(201,322)
<b>LOSS BEFORE TAXATION</b>		<b>(1,242,174)</b>	(724,083)
Taxation	34	<b>(490,960)</b>	144,009
<b>LOSS AFTER TAXATION</b>		<b>(751,214)</b>	(868,092)
----- (Rupee) -----			
<b>Basic loss per share</b>	35	<b>(0.75)</b>	(0.87)
<b>Diluted loss per share</b>	35	<b>(0.75)</b>	(0.87)

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

  
 President / Chief Executive

  
 Chief Financial Officer

  
 Director

  
 Director

**BANK MAKRAMAH LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2026**


	March 31, 2026	Restated March 31, 2025
	----- (Rupees in '000) -----	
Loss after taxation for the period	(751,214)	(868,092)
<b>Other comprehensive income</b>		
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>		
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	(371,832)	(909,814)
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>		
Movement in surplus on revaluation of property and equipment - net of tax	424,794	-
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	(25,711)	(4,050)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-
	399,083	(4,050)
<b>Total comprehensive loss</b>	<b>(723,963)</b>	<b>(1,781,956)</b>

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

  
 \_\_\_\_\_  
 President / Chief Executive

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

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

**BANK MAKRAMAH LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED MARCH 31, 2026**

	Share capital		Capital reserves		Statutory reserve	Surplus / (deficit) on revaluation of		Accumulated (loss) / Unappropriated profit	Total
	issued, subscribed and paid up	Advance against subscription of shares	Share premium account	Investments		Property and equipment / Non Banking Assets	Property held for sale		
<b>Balance as at January 01, 2025 (Audited) - Restated</b>	10,000,000	-	-	154,162	822,278	2,862,556	650,035	(6,237,420)	8,251,611
Loss after taxation for the quarter ended March 31, 2025 (Restated) (refer note 42)	-	-	-	-	-	-	-	(868,092)	(868,092)
Effect of reclassification from listed to unlisted due to delisting securities	-	-	-	-	57,945	-	-	(57,945)	-
Other comprehensive income - net of tax	-	-	-	-	(913,864)	-	-	-	(913,864)
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses	-	-	-	-	-	(13,855)	-	13,855	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	(3,384)	-	3,384	-
<b>Balance as at April 01, 2025 (Un-audited)</b>	10,000,000	-	-	154,162	(33,641)	2,845,317	650,035	(7,146,218)	6,469,655
Profit after taxation for the nine months period ended December 31, 2025 (Restated) (refer note 42)	-	-	-	-	-	-	-	9,698,355	9,698,355
Other comprehensive income - net of tax	-	-	-	-	144,417	2,459,086	-	(54,373)	2,549,130
Transfer to statutory reserve	-	-	-	1,758,976	-	-	-	(1,758,976)	-
Transfer from surplus on revaluation of investment at FVOCI on sale to accumulated losses	-	-	-	-	(4,893)	-	-	4,893	-
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses	-	-	-	-	-	(35,522)	-	35,522	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	(10,152)	-	10,152	-
Transfer from surplus on revaluation of property and equipment on disposal to accumulated losses	-	-	-	-	-	(1,203,485)	-	1,203,485	-
Transfer from surplus on revaluation of non-banking assets on disposal to accumulated losses	-	-	-	-	-	-	(650,035)	650,035	-
Transfer from surplus on revaluation of property held for sale on disposal to accumulated losses	-	-	-	-	-	-	-	-	-
<b>Transactions with owners, recorded directly in equity</b>	-	5,000,000	-	-	-	-	-	-	5,000,000
Advance received against subscription of shares	-	5,000,000	-	-	-	-	-	-	5,000,000
<b>Balance as at January 01, 2026 (Audited)</b>	10,000,000	-	-	1,913,138	105,883	4,055,244	-	2,642,875	23,717,140
Loss after taxation for the quarter ended March 31, 2026	-	-	-	-	-	-	-	(751,214)	(751,214)
Other comprehensive income - net of tax	-	-	-	-	(397,543)	424,794	-	27,251	27,251
Transfer to statutory reserve	-	-	-	-	(11)	-	-	11	-
Transfer from surplus on revaluation of investment at FVOCI on sale to accumulated losses	-	-	-	-	-	(23,948)	-	23,948	-
Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses	-	-	-	-	-	(8,837)	-	8,837	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	-	-	-	-
<b>Transactions with owners, recorded directly in equity</b>	278,885	-	3,031,134	-	-	-	-	-	3,310,019
Issue of shares against conversion of TFCs (refer note 1.3, 21 and 22.1)	278,885	-	3,031,134	-	-	-	-	-	3,310,019
<b>Balance as at March 31, 2026 (Un-audited)</b>	10,278,885	5,000,000	3,031,134	1,913,138	(291,671)	4,447,253	-	1,924,457	26,303,196

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

  
 President / Chief Executive

  
 Chief Financial Officer


  
 Director

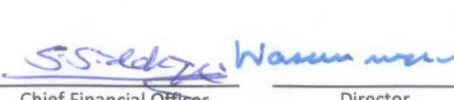
  
 Director

**BANK MAKRAMAH LIMITED**  
**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2026**

	March 31, 2026	Restated March 31, 2025
Note	----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(1,242,174)	(724,083)
Less: Dividend income	(4,249)	(633)
	<u>(1,246,423)</u>	<u>(724,716)</u>
<b>Adjustments:</b>		
Depreciation on property and equipment	105,147	109,404
Depreciation on right-of-use assets	136,542	133,985
Depreciation on non-banking assets	25,440	15,248
Finance charges on leased assets	130,404	128,442
Amortization	21,757	17,012
Credit loss allowance and write offs - net	(629,501)	(201,322)
Loss / (gain) on forward exchange contracts	2,215	(36,074)
Charge for defined benefit plan	28,090	21,809
Charge for employees compensated absences	6,841	5,894
Gain on termination of lease contracts under IFRS 16	-	(2,562)
Gain on sale of property and equipment	(422)	(5)
Unrealized loss / (gain) - FVTPL	49,044	(2,064)
	<u>(124,443)</u>	<u>189,767</u>
	<u>(1,370,866)</u>	<u>(534,949)</u>
<b>Decrease in operating assets</b>		
Lendings to financial institutions	8,393,579	4,730,008
Securities classified as FVTPL	(15,908)	(36,391)
Advances	452,754	1,244,020
Others assets (excluding advance taxation)	(2,217,134)	(719,487)
	<u>6,613,291</u>	<u>5,218,150</u>
<b>Decrease in operating liabilities</b>		
Bills payable	(150,571)	(269,273)
Borrowings from financial institutions	614,668	(17,351,213)
Deposits	(10,081,059)	(13,692,444)
Other liabilities (excluding current taxation)	62,283	(504,266)
	<u>(9,554,679)</u>	<u>(31,817,196)</u>
Payment on account of staff retirement benefits	(152,182)	(86,691)
Income tax paid	(205,073)	(216,952)
<b>Net cash used in operating activities</b>	<u>(4,669,509)</u>	<u>(27,437,638)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net Investments in securities classified as FVOCI	1,862,468	25,912,722
Dividend received	4,249	633
Investments in property and equipment	(10,405)	(29,621)
Investments in intangible assets	(2,208)	(4,116)
Proceeds from sale of property and equipment	570	5
<b>Net cash generated from investing activities</b>	<u>1,854,674</u>	<u>25,879,623</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payments of lease obligations against right-of-use assets	(190,046)	(207,033)
<b>Net cash used in financing activities</b>	<u>(190,046)</u>	<u>(207,033)</u>
<b>Decrease in cash and cash equivalents</b>	<u>(3,004,881)</u>	<u>(1,765,048)</u>
Cash and cash equivalents at beginning of the year	15,677,074	19,823,471
<b>Cash and cash equivalents at end of the period</b>	<u>36</u> <u>12,672,193</u>	<u>18,058,423</u>


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

  
 President / Chief Executive

  
 Chief Financial Officer

  
 Director

  
 Director

  
 Director



**BANK MAKRAMAH LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2026**

**1. STATUS AND NATURE OF BUSINESS**

**1.1** The Group comprises of:

**1.1.1 Holding Company: Bank Makramah Limited**

Bank Makramah Limited (the Bank), is a banking company incorporated in Pakistan on December 09, 2005 as a public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at 20 - Al Asghar Plaza, Blue Area, Islamabad, Pakistan and its principal office is situated at Summit Tower, Plot No. G-2, Block 2, Scheme 5, Clifton, Karachi, Pakistan.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 148 Conventional Banking Branches and 12 Islamic Banking Branches (December 31, 2025: 149 Conventional Banking Branches and 12 Islamic Banking Branches) in Pakistan.

**1.2** VIS Credit Rating Company Limited has assigned the Bank, long-term rating of 'A-' (A minus) and short term rating of 'A-2' (A Two) with a stable / positive outlook on March 24, 2026.

**1.3** During the quarter, the Bank has successfully concluded the settlement of its outstanding rated and unsecured, subordinated Term Finance Certificates ("TFCs") after the receipt of requisite regulatory approvals. Consequently, the group's financial statements reflects the extinguishment of the total outstanding liability of Rs. 3,310.019 million (comprising principal of Rs. 1,495.515 million and accrued profit of Rs. 1,814.504 million (net of tax) up to December 31, 2025) through the issuance of 27,888,469 fully paid-up ordinary shares to the TFC Holders. These shares, issued other than by way of rights at a price of Rs. 118.69 per share (par value of Rs. 10/- each).

**1.1.2 Subsidiary**

**Summit Capital Private Limited - 100 % Shareholding**

SCPL, the subsidiary company was incorporated in Pakistan on March 08, 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The subsidiary company is a corporate member / TREC holder of Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited. The principal activities of the subsidiary company are equity brokerage, money market brokerage, interbank foreign exchange brokerage, commodity brokerage, securities advisor and consultant to the issue. The registered office of the Subsidiary is situated at 504-506, 5th Floor, Balad Trade Centre III, Plot # D-75, Block 7, Clifton, Karachi. The Group acquired interest in SCPL by virtue of amalgamation of Atlas Bank Limited.

**2. BASIS OF PRESENTATION**

**2.1 STATEMENT OF COMPLIANCE**

These consolidated condensed interim financial statements represent financial statements of the Holding Company - Bank Makramah Limited and its subsidiary. The assets & liabilities of subsidiary have been consolidated on a line-by-line basis and the investment held by the holding company is eliminated against the corresponding share capital of the subsidiary in these consolidated condensed interim financial statements.

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', 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;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

**2.2.1** The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. Moreover, SBP vide BPRD Circular no. 4 of 2015, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated financial statements.

**2.2.2** Key financial figures of the Islamic banking branches are disclosed in Note 40 to these consolidated financial statements.

### 2.3 Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its investment with investee and has the ability to effect these return through its power over the investee.

These consolidated financial statements incorporate the financial statements of subsidiary from the date that control commences until the date that control ceases.

Non-controlling interests are that part of the net results of operations and of net assets of subsidiary attributable to the interest which are not owned by the Group. Material intra-group balances and transactions are eliminated.

2.4 The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 2 dated February 09, 2023 and IAS 34 'Interim Financial Reporting' and do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2025.

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

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Group for accounting periods beginning on or after January 01, 2026. These are considered either not to be relevant or not to have any significant impact on the Group's operations and therefore are not detailed in these consolidated financial statements.

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

The following 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 01, 2027 but are considered not to be relevant or will not have any material effect on the Group's financial statements other than certain additional disclosures:

<u>Standards, Interpretations</u>	<u>Effective date (annual beginning on or after)</u>
IFRS 18 - Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	January 01, 2027

### 2.7 Critical accounting estimates and judgements

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

## 3. BASIS OF MEASUREMENT

### 3.1 Accounting convention

These consolidated condensed interim financial statements have been prepared under the historical cost convention except for:

- Certain item of property and equipment and non-banking assets acquired in satisfaction of claims are stated at revalued amounts less accumulated depreciation / impairment.
- Investments classified as FVTPL and FVOCI are measured at fair value.
- Commitments in respect of forward exchange contracts, which are measured at fair value.
- Right-of-use assets and their related lease liabilities, which are measured at their present value adjusted for depreciation, interest cost and lease repayments.
- Net obligation in respect of defined benefit scheme, which is measured at their present value.

### 3.2 Functional and Presentation Currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency.

The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2025.

## 5. FINANCIAL RISK MANAGEMENT

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

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
<b>6. CASH AND BALANCES WITH TREASURY BANKS</b>		
<b>In hand</b>		
Local currency	3,951,299	2,993,562
Foreign currency	309,659	315,610
	<b>4,260,958</b>	3,309,172
<b>With State Bank of Pakistan in</b>		
Local currency current account	3,443,260	8,273,572
Foreign currency current account	400,585	428,588
Foreign currency deposit account	559,082	607,487
	<b>4,402,927</b>	9,309,647
With National Bank of Pakistan in Local currency current account	194,321	286,667
Prize bonds	9,531	10,300
Less: Credit loss allowance held against cash and balances with treasury banks	-	-
Cash and balances with treasury banks - net of credit loss allowance	<b>8,867,737</b>	12,915,786
<b>7. BALANCES WITH OTHER BANKS</b>		
<b>In Pakistan</b>		
In current account	7,618	27,866
In deposit account	98,657	2,292
	<b>106,275</b>	30,158
<b>Outside Pakistan</b>		
In current account	3,641,677	2,674,471
In deposit account	61,559	61,772
	<b>3,703,236</b>	2,736,243
Less: Credit loss allowance held against balances with other banks	(2,962)	(2,204)
Balances with other banks - net of credit loss allowance	<b>3,806,549</b>	2,764,197
<b>8. LENDINGS TO FINANCIAL INSTITUTIONS</b>		
Reverse repo agreements	-	8,600,300
Bai Muajjal receivable		
- with State Bank of Pakistan	5,806,217	5,599,496
	<b>5,806,217</b>	14,199,796
Less: Credit loss allowance held against lending to financial institutions	-	-
Lendings to financial institutions - net of credit loss allowance	<b>5,806,217</b>	14,199,796

		(Un-audited) March 31, 2026		(Audited) December 31, 2025	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
		----- (Rupees in '000) -----			
<b>8.1 Lending to FIs- Particulars of credit loss allowance</b>					
<b>Domestic</b>					
Performing	Stage 1	5,806,217	-	14,199,796	-
Under performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
Total		<b>5,806,217</b>	-	14,199,796	-

9. INVESTMENTS

9.1 Investments by type:	March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / Amortised cost	Credit loss allowance for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance for diminution	Surplus / (Deficit)	Carrying Value
----- (Rupees in '000) -----								
<b>Classified / Measured at FVTPL</b>								
<b>Shares</b>								
- Fully paid up ordinary shares - Listed	178,995	-	(47,536)	131,459	163,087	-	1,508	164,595
<b>Debt Instruments</b>								
<b>Classified / Measured at FVOCI</b>								
<b>Federal Government Securities</b>								
- Market Treasury Bills	-	-	-	-	8,523,342	-	16,380	8,539,722
- Pakistan Investment Bonds	34,843,142	-	(318,284)	34,524,858	35,708,939	-	64,812	35,773,751
- GoP Ijarah Sukuks	46,372,237	-	(274,621)	46,097,616	38,815,592	-	(33,008)	38,782,584
<b>Non Government Debt Securities</b>								
- Term Finance Certificates	731,545	(8,807)	-	722,738	742,104	(8,807)	-	733,297
- Sukuk Bonds	2,365,073	(165,575)	-	2,199,498	2,384,477	(165,578)	-	2,218,899
	84,311,997	(174,382)	(592,905)	83,544,710	86,174,454	(174,385)	48,184	86,048,253
<b>Equity Instruments</b>								
<b>Classified / Measured at FVOCI (Non-Reclassifiable)</b>								
<b>Shares</b>								
- Fully paid up ordinary shares - Listed	11,025	-	52,227	63,252	11,025	-	77,958	88,983
- Fully paid up ordinary shares - Unlisted	108,037	(100,906)	-	7,131	108,037	(100,906)	-	7,131
- Preference shares - Unlisted	46,035	(46,035)	-	-	46,035	(46,035)	-	-
	165,097	(146,941)	52,227	70,383	165,097	(146,941)	77,958	96,114
<b>Total Investments</b>	<b>84,656,089</b>	<b>(321,323)</b>	<b>(588,214)</b>	<b>83,746,552</b>	<b>86,502,638</b>	<b>(321,326)</b>	<b>127,650</b>	<b>86,308,962</b>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
9.1.1 Investments given as collateral		
Pakistan Investment Bonds	<u>10,073,425</u>	<u>9,307,490</u>

9.2 Credit loss allowance for diminution in value of investments

Opening balance	321,326	1,893,382
Other adjustments	-	99,906
Charge / reversals		
Charge for the period / year	-	-
Reversals for the period / year	(3)	(733,307)
Reversal on disposals	-	(938,655)
	(3)	(1,671,962)
Closing balance	<u>321,323</u>	<u>321,326</u>

9.3 Particulars of credit loss allowance against debt securities

Domestic		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	81,215,379	-	83,047,873	-
Underperforming	Stage 2	2,922,533	297	2,952,496	300
Non-performing	Stage 3				
Loss		174,085	174,085	174,085	174,085
		<u>84,311,997</u>	<u>174,382</u>	<u>86,174,454</u>	<u>174,385</u>



## 10. ADVANCES

	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
Note	----- (Rupees in '000) -----					
Loans, cash credits, running finances, etc. Islamic financing and related assets Bills discounted and purchased Advances - gross	21,175,161 2,465,203 213,531 23,853,895	20,691,796 2,273,022 382,186 23,347,004	15,409,472 214,996 38,353 15,662,821	16,369,109 215,159 38,353 16,622,621	36,584,633 2,680,199 251,884 39,516,716	37,060,905 2,488,181 420,539 39,969,625
Credit loss allowance against advances	10.3					
- Stage 1	(34,759)	(18,669)	-	-	(34,759)	(18,669)
- Stage 2	(276,832)	(243,851)	-	-	(276,832)	(243,851)
- Stage 3	-	-	(12,994,420)	(13,674,384)	(12,994,420)	(13,674,384)
	(311,591)	(262,520)	(12,994,420)	(13,674,384)	(13,306,011)	(13,936,904)
Advances - net of credit loss allowance	23,542,304	23,084,484	2,668,401	2,948,237	26,210,705	26,032,721

### 10.1 Particulars of advances (Gross)

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
In local currency	39,479,832	39,877,935
In foreign currencies	36,884	91,690
	<b>39,516,716</b>	<b>39,969,625</b>

10.2 Advances include Rs. 15,662.821 million (December 31, 2025: Rs. 16,622.621 million) which have been placed under non-performing / Stage 3 status as detailed below:-

Category of Classification	(Un-audited) March 31, 2026		(Audited) December 31, 2025	
	Non performing loans	Credit loss allowance	Non performing loans	Credit loss allowance
	----- (Rupees in '000) -----			
Domestic				
Substandard	634,333	523,182	640,159	497,536
Doubtful	5,759	3,613	26,778	14,016
Loss	15,022,729	12,467,625	15,955,684	13,162,832
Total	<b>15,662,821</b>	<b>12,994,420</b>	<b>16,622,621</b>	<b>13,674,384</b>

### 10.3 Particulars of credit loss allowance against advances

	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	18,669	243,851	13,674,384	13,936,904	24,950	206,817	33,021,294	33,253,061
Charge for the period / year	16,599	124,043	268,785	409,427	11,484	225,024	139,576	376,084
Reversals	(509)	(91,062)	(948,594)	(1,040,165)	(17,765)	(187,990)	(19,331,628)	(19,537,383)
	16,090	32,981	(679,809)	(630,738)	(6,281)	37,034	(19,192,052)	(19,161,299)
Amounts written off	-	-	(155)	(155)	-	-	(154,858)	(154,858)
Closing balance	34,759	276,832	12,994,420	13,306,011	18,669	243,851	13,674,384	13,936,904

10.4 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	18,669	243,851	13,674,384	13,936,904	24,950	206,817	33,021,294	33,253,061
New Advances	2,871	92,552	-	95,423	1,570	2,530	-	4,100
Advances derecognised or repaid	(113)	(3,989)	(835,613)	(839,715)	(2,527)	(27,811)	(4,276,437)	(4,306,775)
Transfer to stage 1	-	-	-	-	9,162,303	(83,698)	(9,078,605)	-
Transfer to stage 2	(68)	84,223	(84,155)	-	(78)	3,303,760	(3,303,682)	-
Transfer to stage 3	-	(161)	161	-	(30)	(7,589)	7,619	-
	2,690	172,625	(919,607)	(744,292)	9,161,238	3,187,192	(16,651,105)	(4,302,675)
Changes in risk parameters (PDs/LGDs/EADs)	13,400	(139,644)	239,798	113,554	(9,167,519)	(3,150,158)	(2,540,947)	(14,858,624)
Amounts written off / charged off	-	-	(155)	(155)	-	-	(154,858)	(154,858)
Closing balance	34,759	276,832	12,994,420	13,306,011	18,669	243,851	13,674,384	13,936,904

10.5 Advances - Category of classification

		(Un-audited)		(Audited)	
		March 31, 2026	Credit loss allowance held	December 31, 2025	Credit loss allowance held
		----- (Rupees in '000) -----			
Performing	Stage	19,323,342	34,759	19,287,276	18,669
Underperforming	Stage	4,530,553	276,832	4,019,180	243,851
Non-Performing	Stage 3	-	-	-	-
Other Assets Especially Mentioned		-	-	-	-
Substandard		634,333	523,182	640,159	497,536
Doubtful		5,759	3,613	26,778	14,016
Loss		15,022,729	12,467,625	15,996,232	13,162,832
Total		39,516,716	13,306,011	39,969,625	13,936,904

11. PROPERTY AND EQUIPMENT

	Note	(Un-audited)		(Audited)	
		March 31, 2026	Credit loss allowance held	December 31, 2025	Credit loss allowance held
		----- (Rupees in '000) -----			
Capital work-in-progress	11.1	32,074		45,512	
Property and equipment		7,643,789		7,725,240	
		7,675,863		7,770,752	

11.1 Capital work-in-progress

Civil works and related payments / progress billings	2,500	2,500
Advances and other payments to suppliers and contractors	29,574	43,012
	32,074	45,512

11.2 Additions to property and equipment

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

Capital work-in-progress - net	(13,438)	(11,798)
Property and equipment		
Building improvements	3,422	22,619
Furniture and fixture	599	6,251
Electrical, office and computer equipment	5,994	12,549
Vehicles	13828	-
	23,843	41,419
	10,405	29,621

11.3 Disposal of property and equipment

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

Property and equipment		
Building improvements	-	7
Furniture and fixture	1	-
Electrical, office and computer equipment	147	-
	148	7

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- (Rupees in '000) -----			
<b>12. RIGHT-OF-USE ASSETS</b>			
At January 01,			
Cost		4,460,302	4,316,299
Accumulated depreciation		<u>(1,921,524)</u>	<u>(1,715,028)</u>
Net carrying amount		2,538,778	2,601,271
Additions during the period / year		180,177	577,255
Modifications during the period / year	20	(3,862)	(6,411)
Deletions during the period / year			
Cost		<u>(35,182)</u>	<u>(426,841)</u>
Accumulated depreciation		<u>35,182</u>	<u>333,096</u>
		-	(93,745)
Depreciation Charge for the period / year	31	(136,542)	(539,592)
Closing net carrying amount		<u>2,578,551</u>	<u>2,538,778</u>
<b>13. INTANGIBLE ASSETS</b>			
Capital work-in-progress	13.1	45,874	45,874
Intangible assets in use	13.2	259,678	279,228
		<u>305,552</u>	<u>325,102</u>
<b>13.1 Capital work-in-progress</b>			
Advances to suppliers and contractors		45,874	45,874
Advances against capital work in progress considered doubtful		<u>142,522</u>	142,522
Less: Provision held there against		<u>(142,522)</u>	<u>(142,522)</u>
		-	-
		<u>45,874</u>	<u>45,874</u>
<b>13.2 Intangible assets in use</b>			
Computer softwares		257,178	244,752
Trading rights entitlement certificate		2,500	2,500
		<u>259,678</u>	<u>247,252</u>
		(Un-audited)	
		March 31,	March 31,
		2026	2025
		----- (Rupees in '000) -----	
<b>13.3 Additions to intangible assets</b>			
The following additions have been made to intangible assets during the period:			
Capital work-in-progress - net		-	4,116
Directly purchased		2,208	-
Total		<u>2,208</u>	<u>4,116</u>
<b>13.4</b>	There were no disposals in intangible assets during the current and prior period.		

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

At January 01, 2026	IFRS - 9 transition / reclass impact	Recognised in profit and loss account	Recognised in other comprehensive income	At March 31, 2026
---------------------	--------------------------------------	---------------------------------------	--	-------------------

**14. DEFERRED TAX ASSETS**

----- (Rupees in '000) -----

Deductible Temporary differences on

- Tax losses carried forward	10,696,970	-	413,778	-	11,110,748
- Credit loss allowance against advances	5,591,132	-	(263,928)	-	5,327,204
- Remeasurement of advances	162,368	-	-	-	162,368
- Remeasurement of investments	63,249	-	8,149	-	71,398
- Credit loss allowance against Investment	134,956	-	(1)	-	134,955
- Surplus on revaluation of investments	(20,259)	-	-	269,266	249,007
- Provision against intangible assets	51,729	-	-	-	51,729
- Staff compensated absences	84,974	-	(174)	-	84,800
- Depreciation on ROUA, related finance cost less actual rent expense	535,783	-	15,745	-	551,528
- Workers welfare fund	160,273	-	5,611	-	165,884
- Credit loss allowance against other assets	246,602	-	41	-	246,643
- Unrealized gain on forward exchange contracts	1,059	-	(129)	-	930
- Minimum tax	1,137	-	(789)	-	348
- Alternative Corporate tax	325	-	(325)	-	-
	<b>17,710,298</b>	<b>-</b>	<b>177,978</b>	<b>269,266</b>	<b>18,157,542</b>

Taxable Temporary Differences on

- Surplus on revaluation of property and equipments	(2,347,553)	-	17,342	424,794	(1,905,417)
- Surplus on revaluation of non-banking assets	(589,004)	-	6,400	-	(582,604)
- Accelerated tax depreciation	(589,939)	-	335,513	-	(254,426)
	<b>(3,526,496)</b>	<b>-</b>	<b>359,255</b>	<b>424,794</b>	<b>(2,742,447)</b>
	<b>14,183,802</b>	<b>-</b>	<b>537,233</b>	<b>694,060</b>	<b>15,415,095</b>

**December 31, 2025 (Audited)**

At January 01, 2025	IFRS - 9 transition / reclass impact	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2025
---------------------	--------------------------------------	---------------------------------------	--	----------------------

----- (Rupees in '000) -----

Deductible Temporary differences on

- Tax losses carried forward	16,960,119	(463,961)	(5,799,188)	-	10,696,970
- Credit loss allowance against advances	10,190,603	-	(4,599,471)	-	5,591,132
- Remeasurement of advances	161,420	-	948	-	162,368
- Remeasurement of investments	-	-	63,249	-	63,249
- Credit loss allowance against Investment	795,338	41,961	(702,343)	-	134,956
- Provision against intangible assets	51,729	-	-	-	51,729
- Staff compensated absences	66,982	-	17,992	-	84,974
- Depreciation on ROUA, related finance cost less actual rent expense	-	463,961	71,822	-	535,783
- Workers welfare fund	-	-	160,273	-	160,273
- Credit loss allowance against other assets	225,583	-	21,019	-	246,602
- Minimum tax	1,137	-	-	-	1,137
- Alternative Corporate tax	325	-	-	-	325
	<b>28,453,236</b>	<b>41,961</b>	<b>(10,765,699)</b>	<b>-</b>	<b>17,729,498</b>

Taxable Temporary Differences on

- Surplus on revaluation of property and equipments	(1,107,389)	-	582,635	(1,822,799)	(2,347,553)
- Surplus on revaluation of investments	(563,491)	(41,961)	-	585,193	(20,259)
- Unrealized gain on forward exchange contracts	(8,795)	-	9,854	-	1,059
- Surplus on revaluation of property - held for sale	(470,714)	-	470,714	-	-
- Surplus on revaluation of non-banking assets	(289,585)	-	9,802	(309,221)	(589,004)
- Accelerated tax depreciation	(412,425)	-	(177,514)	-	(589,939)
	<b>(2,852,399)</b>	<b>(41,961)</b>	<b>895,491</b>	<b>(1,546,827)</b>	<b>(3,545,696)</b>
	<b>25,600,837</b>	<b>-</b>	<b>(9,870,208)</b>	<b>(1,546,827)</b>	<b>14,183,802</b>

**14.1** The net deferred tax asset has been recognized in accordance with the Bank's accounting policy. The management, based on financial projections, estimates that sufficient taxable profits would be available in future against which the deferred tax asset could be realized.

	Note	(Un-audited)	(Audited)
		March 31, 2026	December 31, 2025
<b>15. OTHER ASSETS</b>		----- (Rupees in '000) -----	
Income / mark-up accrued in local currency		<b>3,287,012</b>	2,303,982
Income / mark-up accrued in foreign currency		<b>2,276</b>	1,827
Advances, deposits, advance rent and other prepayments		<b>357,502</b>	421,128
Advance taxation (payments less provisions)		<b>770,349</b>	611,549
Non-banking assets acquired in satisfaction of claims		<b>1,841,301</b>	1,851,503
Branch adjustment account		<b>23,763</b>	1,280
Receivable from other banks against clearing and settlement		<b>3,035,001</b>	1,827,421
Mark to market gain on forward foreign exchange contracts		<b>2,236</b>	3,277
Acceptances		<b>199,331</b>	123,555
Stationery and stamps on hand		<b>7,047</b>	6,078
Commission receivable on brokerage		<b>15,458</b>	9,135
Leasehold land - Held for Sale (HFS) acquired through amalgamation with Global haly davelopment limited under scheme of arrangement	15.1	<b>27,620,338</b>	27,620,338
Account receivable		<b>72,943</b>	77,587
Receivable against sale of G2 building		<b>10,634,180</b>	10,634,180
Others		<b>630,303</b>	638,227
		<b>48,499,040</b>	46,131,067
Less: Provisions / credit loss allowance held against other assets	15.2	<b>(891,214)</b>	(890,828)
Other assets (net of provisions and credit loss allowance)		<b>47,607,826</b>	45,240,239
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		<b>1,387,152</b>	1,402,391
Other assets - total		<b>48,994,978</b>	46,642,630

**15.1** Pursuant to a court-sanctioned Scheme of Arrangement, the Bank obtained control over 5.3 acres of land belonging to Global Haly Development Limited (GHDL), located at Plot No. SM-212, Faisal Street No. 2, Phase VIII, DHA, Karachi. After the amalgamation, the property is being carried at lower of carrying amount and realizable value.

	(Un-audited)	(Audited)
	March 31, 2026	December 31, 2025
<b>15.2 Provisions and Credit loss allowance held against other assets</b>	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	<b>1,389</b>	1,389
Advances, deposits, advance rent & other prepayments	<b>98,008</b>	98,008
Non-banking assets acquired in satisfaction of claims	<b>360,107</b>	360,107
Commission receivable on guarantees	<b>9,880</b>	9,880
Receivable from Dewan Group	<b>45,310</b>	45,310
Account receivable - sundry claims	<b>213,031</b>	212,645
Receivable from Speedway Fondmetal (Pakistan) Limited	<b>25,694</b>	25,694
Others	<b>137,795</b>	137,795
	<b>891,214</b>	890,828

**15.2.1 Movement in provisions and credit loss allowance held against other assets**

Opening balance	<b>890,828</b>	890,717
Charge for the period / year	<b>530</b>	239
Reversals	<b>(144)</b>	(128)
Amount written off	-	-
Closing balance	<b>891,214</b>	890,828

**16. CONTINGENT ASSETS**

There were no contingent assets at the balance sheet date.

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
<b>17. BILLS PAYABLE</b>		
In Pakistan	2,599,057	2,749,628
Outside Pakistan	-	-
	<u>2,599,057</u>	<u>2,749,628</u>

**18. BORROWINGS**

**Secured**

Borrowings from State Bank of Pakistan

- Under export refinance scheme
- Under long-term financing facility
- Refinance facility for modernization of SMEs
- Repurchase agreement borrowings

2,313,750	2,521,050
78,182	83,119
-	-
<b>5,622,145</b>	<b>4,795,240</b>
<b>8,014,077</b>	<b>7,399,409</b>

**Unsecured**

Overdrawn nostro accounts

5,055	5,113
<b>8,019,132</b>	<b>7,404,522</b>

	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) -----					
<b>19. DEPOSITS AND OTHER ACCOUNTS</b>						
<b>Customers</b>						
Current deposits	31,284,665	1,966,338	33,251,003	36,931,967	1,945,668	38,877,635
Savings deposits	104,129,752	1,908,159	106,037,911	107,465,264	1,391,404	108,856,668
Term deposits	9,255,710	2,045,074	11,300,784	10,422,513	2,553,470	12,975,983
Others	2,493,851	43,900	2,537,751	2,431,513	44,053	2,475,566
	<b>147,163,978</b>	<b>5,963,471</b>	<b>153,127,449</b>	<b>157,251,257</b>	<b>5,934,595</b>	<b>163,185,852</b>
<b>Financial institutions</b>						
Current deposits	222,295	77,368	299,663	348,799	32,956	381,755
Savings deposits	4,109,798	11,019	4,120,817	4,103,972	186,135	4,290,107
Term deposits	1,175,791	51,085	1,226,876	946,887	51,263	998,150
Others	-	-	-	-	-	-
	<b>5,507,884</b>	<b>139,472</b>	<b>5,647,356</b>	<b>5,399,658</b>	<b>270,354</b>	<b>5,670,012</b>
	<b>152,671,862</b>	<b>6,102,943</b>	<b>158,774,805</b>	<b>162,650,915</b>	<b>6,204,949</b>	<b>168,855,864</b>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
<b>20. LEASE LIABILITIES</b>		
Opening	3,313,315	3,284,402
Additions during the period / year	170,952	520,245
Deletion during the period / year	-	(158,100)
Lease payments including interest	(180,821)	(847,932)
Finance cost	130,404	521,111
Modifications	(3,862)	(6,411)
Closing	<u>3,429,988</u>	<u>3,313,315</u>

**20.1 Liabilities Outstanding**

Not later than one year	828,574	807,144
Later than one year and upto five years	2,062,211	2,025,200
Over five years	539,203	480,971
Total at the period end	<u>3,429,988</u>	<u>3,313,315</u>

## 21. SUBORDINATED DEBT

The group on January 28, 2026 moved a Resolution of TFC Holders by way of Circulation for conversion of their principal (Rs. 1,495,515,000/- (Pakistan Rupees One Billion Four Hundred Ninety-five Million Five Hundred Fifteen Thousand only)) and profit thereon (Rs. 1,814,503,776.75/- (Pakistan Rupees One Billion Eight Hundred Fourteen Million Five Hundred Three Thousand Seven Hundred Seventy-six Rupees and Seventy-five paise only)), accrued till December 31, 2025, adjusted for tax, into fully paid ordinary shares of the Bank. Accordingly, against the total outstanding amount of Rs. 3,310,018,776.75 (net of tax), the number of shares representing this balance is 27,888,469 shares, which forms the part of the Bank's Tier 1 Capital.

The TFC Holders approved the resolution by the requisite majority and the Bank has obtained the Board, shareholders and regulatory approvals, for issuance of fully paid up ordinary shares of the Bank to the TFC Holders, on a without rights basis and accordingly the respective adjustments have been accounted for in these unconsolidated condensed interim statement of financial position as at March 31, 2026 (Refer note: 1.3).

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
<b>22. OTHER LIABILITIES</b>		
Mark-up / return / interest payable in local currency	238,598	1,954,321
Mark-up / return / interest payable in foreign currencies	18,604	20,532
Unearned income	72,657	84,169
Accrued expenses	222,458	222,250
Advance against sale of property	85,367	84,737
Acceptances	199,331	123,555
Unclaimed dividends	2,213	2,213
Mark to market loss on forward foreign exchange contracts	4,451	5,799
Payable to defined benefit plan	27,340	143,909
Charity fund balance	486	350
Security deposits against lease	121,659	120,341
Payable to Bangladesh Bank	41,389	41,389
Payable to Rupali Bank - Bangladesh	16,293	16,283
Payable to vendors / creditors	404,871	419,706
Provision for compensated absences	204,375	205,057
Payable to Bank of Ceylon, Colombo	20,163	20,163
Retention money	85,960	81,034
Workers' welfare fund	396,825	396,825
Withholding taxes and government levies payable	221,208	244,753
Federal excise duty and sales tax payable	9,771	12,355
Commission payable on home remittances	72	72
Account payable	126,698	320,826
Credit loss allowance against off-balance sheet obligations	22.2 50,142	50,046
Payable to DHA against purchase of land	1,142,001	1,142,001
Payable to sponsor	22.3 63,580	59,583
Others	505,109	374,273
	<b>4,281,621</b>	<b>6,146,542</b>

**22.1** As referred in note 1.3, the Bank has converted the Term Finance Certificates (TFCs) (Rs. 1,495.515 million) and accrued markup (Rs. 1,854.512 million) thereon aggregating to Rs. 3,350.027 million to equity through issue of 27,888,469 shares other than the way of right to the TFC holders and in this respect the Bank has received consent from the TFC holders, shareholders and regulators.

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

**22.2 Credit loss allowance against off-balance sheet obligations**

Opening balance	<b>50,046</b>	160,905
Charge for the period / year	<b>11,486</b>	7,888
Reversals	<b>(11,390)</b>	(118,747)
	<b>96</b>	(110,859)
 Closing balance	<b>50,142</b>	50,046

**22.3** This amount represents the balance consideration for land acquired from DHA (refer note 15.1) and will be settled against a portion of the total saleable area upon the completion of the project.

**23.** The Board of Directors in their meeting held on July 03, 2025, authorized the President & CEO to execute the agreement between the Bank and His Excellency Nasser Abdullah Hussain Lootah ("the Sponsor"). Thereafter, an agreement was signed with the Sponsor on August 01, 2025, which sets out the terms under which the Sponsor has deposited an amount equivalent to Rs 5 billion in the Bank. In this respect, SBP vide its letter no. SBPHOK-BPRD-BACPD-STB-996916 dated October 17, 2025 has allowed the Bank to consider the "Advance against Share Subscription" for MCR and CAR calculation till March 31, 2026, subject to several conditions including the condition that the advance cannot be returned to the Sponsor without the prior approval of the SBP.



		(Un-audited) March 31, 2026	(Audited) December 31, 2025
<b>24. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS</b>	Note	----- (Rupees in '000) -----	
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI-Debt	9.1	<b>(592,905)</b>	48,184
- Securities measured at FVOCI-Equity	9.1	<b>52,227</b>	77,958
- Property and equipment		<b>5,548,122</b>	5,589,410
- Non-banking assets acquired in satisfaction of claims		<b>1,387,152</b>	1,402,391
		<b>6,394,596</b>	7,117,943
Deferred tax on surplus / (deficit) on revaluation of:			
- Securities measured at FVOCI-Debt		<b>249,020</b>	(20,237)
- Securities measured at FVOCI-Equity		<b>(13)</b>	(22)
- Property and equipment		<b>(1,905,417)</b>	(2,347,553)
- Non-banking assets acquired in satisfaction of claims		<b>(582,604)</b>	(589,004)
		<b>(2,239,014)</b>	(2,956,816)
		<b>4,155,582</b>	4,161,127
<b>25. CONTINGENCIES AND COMMITMENTS</b>			
-Guarantees	25.1	<b>16,642,589</b>	15,727,469
-Commitments	25.2	<b>10,483,226</b>	10,939,638
-Other contingent liabilities	25.3	<b>17,842,537</b>	17,811,218
		<b>44,968,352</b>	44,478,325
<b>25.1 Guarantees:</b>			
Financial guarantees		<b>320,470</b>	320,470
Performance guarantees		<b>11,137,813</b>	10,328,552
Other guarantees		<b>5,184,306</b>	5,078,447
		<b>16,642,589</b>	15,727,469
<b>25.2 Commitments:</b>			
Documentary credits and short-term trade-related transactions			
- letters of credit		<b>3,395,096</b>	2,846,873
Commitments in respect of:			
- forward foreign exchange contracts	25.2.1	<b>1,262,834</b>	2,303,977
- forward lending	25.2.2	<b>5,568,697</b>	5,531,853
Commitments for acquisition of:			
- property and equipment		<b>20,074</b>	19,006
- intangible assets		<b>236,525</b>	237,929
		<b>10,483,226</b>	10,939,638

		(Un-audited) March 31, 2026	(Audited) December 31, 2025
<b>25.2.1</b>	<b>Commitments in respect of forward foreign exchange contracts</b>		
	Purchase	<u>1,262,834</u>	<u>2,303,977</u>
<b>25.2.2</b>	<b>Commitments in respect of forward lending</b>		
	Forward documentary bills	<u>5,568,697</u>	<u>5,531,853</u>
<b>25.3</b>	<b>Other contingent liabilities - claims against the Group not acknowledged as debts</b>	<u>17,842,537</u>	<u>17,811,218</u>
<b>25.4</b>	<b>Contingency for tax payable</b>		
	Contingency related to tax payable is disclosed in note 34.1 and note 34.2.		

Note

----- (Rupees in '000) -----

		(Un-audited)	
		Quarter ended	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
<b>26. MARK-UP / RETURN / INTEREST EARNED</b>	Note		
On:			
Loans and advances		491,089	340,925
Investments		2,074,673	5,337,391
Lendings to financial institutions		257,863	240,512
Balances with banks		9,500	12,824
		<u>2,833,125</u>	<u>5,931,652</u>
<b>27. MARK-UP / RETURN / INTEREST EXPENSED</b>			
On:			
Deposits		2,559,481	3,291,145
Borrowings		109,738	2,343,414
Subordinated debt		-	64,053
Cost of foreign currency swaps against foreign currency deposits / borrowings		27,454	48,063
Finance cost of lease liability		130,404	128,442
		<u>2,827,077</u>	<u>5,875,117</u>
<b>28. FEE AND COMMISSION INCOME</b>			
Branch banking customer fees		45,318	115,660
Consumer finance related fees		146	81
Card related fees (debit cards)		42,230	76,184
Credit related fees		204	267
Commission on trade		99,659	99,696
Commission on guarantees		33,937	31,824
Commission on cash management		-	2
Commission on remittances including home remittances		1,040	1,398
Commission on bancassurance		226	-
Alternate Delivery Channels		6,069	7,309
Commission on brokerage		41,128	31,117
Others		1	1
		<u>269,958</u>	<u>363,539</u>
<b>29. (LOSS) / GAIN ON SECURITIES</b>			
Realised	29.1	47,256	599,078
Unrealised - Measured at FVPL		(49,044)	2,064
		<u>(1,788)</u>	<u>601,142</u>
<b>29.1 Realised gain on:</b>			
Federal Government Securities		36,712	599,078
Shares		10,544	-
		<u>47,256</u>	<u>599,078</u>
Net gain on financial assets (debt instruments) measured at FVOCI		36,712	599,078
Net gain / loss on investments in equity instruments designated at FVOCI		10,544	-
		<u>47,256</u>	<u>599,078</u>
<b>30. OTHER INCOME</b>			
Rent on property / locker		1,935	1,759
Gain on sale of property and equipment - net		422	5
Gain on termination of lease contracts under IFRS 16		-	2,562
		<u>2,357</u>	<u>4,326</u>

	(Restated)	
	(Un-audited)	(Un-audited)
	Quarter ended	
	March 31, 2026	March 31, 2025
Note	----- (Rupees in '000) -----	
<b>31. OPERATING EXPENSES</b>		
<b>Total compensation expense</b>	<b>874,502</b>	706,581
<b>Property expense</b>		
Rent and taxes	15,587	20,941
Insurance - property	3,011	1,738
Insurance - non banking assets	359	138
Utilities cost	90,961	106,506
Security (including guards)	75,399	71,694
Repair and maintenance (including janitorial charges)	49,087	58,129
Depreciation on owned property and equipment	65,900	63,697
Depreciation on right-of-use assets	136,542	133,985
Depreciation on non banking assets	25,440	15,248
	<b>462,286</b>	472,076
<b>Information technology expenses</b>		
Software maintenance	42,431	44,007
Hardware maintenance	46,519	34,307
Depreciation on computer equipments	20,134	24,676
Amortisation of computer softwares	21,757	17,012
Network charges	24,758	23,964
Insurance	70	1,260
	<b>155,669</b>	145,226
<b>Other operating expenses</b>		
Directors' fees and allowances	10,700	15,100
Fees and allowances to Shariah Board	5,925	5,925
Legal and professional charges	141,557	65,450
Outsourced services costs	97,485	77,646
Travelling and conveyance	100,052	104,407
NIFT clearing charges	12,173	13,031
Depreciation	19,113	21,031
Training and development	1,151	2,621
Postage and courier charges	8,733	10,670
Communication	33,649	39,049
Stationery and printing	37,410	56,803
Marketing, advertisement and publicity	19,991	14,530
Brokerage and commission	4,043	9,083
Fee and subscription	67,039	64,766
Cash transportation and sorting charges	37,201	34,140
Entertainment	14,927	16,442
Insurance	65,507	43,566
Deposit insurance premium expense	51,261	51,261
Repair and maintenance	26,471	56,552
Auditors' remuneration	12,196	4,380
Others	78,019	9,054
	<b>844,603</b>	715,507
	<b>2,337,060</b>	2,039,390

		(Un-audited)	
		Quarter ended	
		March 31, 2026	March 31, 2025
Note		----- (Rupees in '000) -----	
<b>32. OTHER CHARGES</b>			
	Penalties imposed by State Bank of Pakistan	<u>265</u>	<u>112</u>
<b>33. CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET</b>			
	Credit loss allowance for diminution in value of investments	(3)	(28,160)
	Credit loss allowance against loans and advances	(630,738)	(147,598)
	Provisions / credit loss allowance against other assets	386	255
	Credit loss allowance against off-balance sheet obligations	96	(25,855)
	Credit loss allowance against balance with other banks	758	696
	Credit loss allowance on lending to FI	-	(667)
	Property and equipments written off	-	7
	Recoveries against written off / charged off bad debts	(130)	-
		<u>(629,631)</u>	<u>(201,322)</u>
<b>34. TAXATION</b>			
	Current	34.1 & 34.2 46,273	89,598
	Prior years	-	122,970
	Deferred	(537,233)	(68,559)
		<u>(490,960)</u>	<u>144,009</u>

**34.1** This represents the provision for minimum taxation made in accordance with the requirements of section 113 of the Income Tax Ordinance, 2001. Therefore, reconciliation of tax expense and accounting profit / loss has not been disclosed.

**34.2** The Income Tax Returns of the Bank and its subsidiary have been submitted up to and including financial year ended December 31, 2024 i.e. tax year 2025.

In respect of assessments of Bank Makramah Limited from tax years 2009 to tax year 2019 and from tax year 2022 to tax year 2023, the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand (net of rectification) of Rs. 418.48 million through amended assessment orders and the same have been paid / stayed / adjusted against available refunds.

In respect of assessments of Bank Makramah Limited AJK Region from tax year 2013 to tax year 2017, the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand of Rs. 57.96 million through amended assessment orders and the same have been paid / stayed / adjusted against advance tax paid. The Bank has recorded a prior year charge of minimum tax amounting to Rs. 0.960 million for Tax Year 2020.

In respect of assessments of ex-My Bank Limited (now Bank Makramah Limited) from tax year 2003 to tax year 2011, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 456.62 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-Atlas Bank Limited (now Bank Makramah Limited) from tax year 2003 to tax year 2010, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 89.74 million through amended assessment orders and the same have been paid / adjusted against available refunds.

Such issues mainly include disallowances of mark up payable, taxation of mutual fund distribution at corporate tax rate, disallowance of provision against non-performing loans, disallowance of reversal of provisions, allocation of expenses against dividend income and capital gain, disallowances against non-banking assets, disallowances of certain HO expenses, addition to mark-up/interest earned in AJK region etc. The Bank has filed appeals before the various appellate forums against these amended assessment orders which are either pending for hearing or order.

The management of the Bank is confident about the favourable outcome of the appeals hence, no provision / adjustment with respect to the above matters has been made in these unconsolidated financial statements.

		(Restated)	
		(Un-audited)	(Un-audited)
		Quarter ended	
		March 31, 2026	March 31, 2025
		----- (Rupees in '000) -----	
<b>35. BASIC AND DILUTED LOSS PER SHARE</b>	Note		
Loss for the period		<u>(751,214)</u>	<u>(868,092)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Basic		<u>1,000,309,872</u>	<u>1,000,000,000</u>
		----- (Rupee) -----	
Basic loss per share		<u>(0.75)</u>	<u>(0.87)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Diluted	35.2	<u>1,000,309,872</u>	<u>1,000,000,000</u>
		----- (Rupee) -----	
Diluted loss per share		<u>(0.75)</u>	<u>(0.87)</u>
<b>35.1</b>	The earning per share has been restated for March 31, 2025 due to reduction of share capital and effect of amalgamation with GHDL under the Scheme of Arrangement approved by the Honorable High Court of Islamabad (IHC) with effect from September 30, 2024.		
<b>35.2</b>	There are no potential ordinary shares outstanding as of March 31, 2026.		

	(Restated)		
	(Un-audited)	(Un-audited)	
		Quarter ended	
		March 31, 2026	
		March 31, 2025	
		----- (Rupees in '000) -----	
<b>36. CASH AND CASH EQUIVALENTS</b>			
Cash and balances with treasury banks excluding credit loss allowance		<b>8,867,737</b>	15,704,366
Balances with other banks excluding credit loss allowance		<b>3,809,511</b>	2,359,089
Overdrawn nostro accounts		<b>(5,055)</b>	(5,032)
		<u><b>12,672,193</b></u>	<u>18,058,423</u>

### 37. FAIR VALUE MEASUREMENTS

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 is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

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 repriced.

#### 37.1 Fair value of financial assets

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

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

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or 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).

37.2 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)			
	Level 1	Level 2	Level 3	Total
<b>On balance sheet financial instruments</b>	----- (Rupees in '000) -----			
<b>Financial assets - measured at fair value</b>				
Investments				
- Federal Government Securities	-	80,622,474	-	80,622,474
- Shares - Listed	194,711	-	-	194,711
- Non Government Debt Securities	-	2,922,236	-	2,922,236
<b>Financial assets - disclosed but not measured at fair value</b>				
Investments				
- Shares - Unlisted	-	-	75,248	75,248
<b>Non-Financial assets - measured at fair value</b>				
Property and equipment (Land and Building)	-	-	7,093,816	7,093,816
Non banking assets acquired in satisfaction of claims	-	-	3,034,664	3,034,664
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	1,260,619	-	1,260,619
Forward sale of foreign exchange	-	-	-	-

**December 31, 2025 (Audited)**

Level 1	Level 2	Level 3	Total
---------	---------	---------	-------

----- (Rupees in '000) -----

**On balance sheet financial instruments**

**Financial assets - measured at fair value**

Investments

- Federal Government Securities	-	83,096,057	-	83,096,057
- Shares - Listed	253,578	-	-	253,578
- Non Government Debt Securities	-	2,218,899	-	2,218,899

**Financial assets - disclosed but not measured at fair value**

Investments

- Shares - Unlisted	-	-	73,295	73,295
---------------------	---	---	--------	--------

**Non-Financial assets - measured at fair value**

Property and equipment (Land and Building)	-	-	7,145,167	7,145,167
Non banking assets acquired in satisfaction of claims	-	-	3,067,081	3,067,081

**Off-balance sheet financial instruments - measured at fair value**

Forward purchase of foreign exchange	-	2,301,455	-	2,301,455
Forward sale of foreign exchange	-	-	-	-

**Valuation techniques used in determination of fair value**

Item	Valuation approach and input used
Federal Government Securities - Unlisted	The fair values of Market Treasury Bills (MTB) and Pakistan Investment Bonds (PIB) are determined using the PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair values of GOP Ijarah Sukuks are derived using the PKISRV rates.
Federal Government Securities - Listed	The fair value of investment in listed GOP Ijarah Sukuk are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Listed	The fair value of investment in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	This represents breakup value of investments.
Non-Government Debt Securities	Investments in debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Forward foreign exchange contracts	The valuation has been incorporated by interpolating the foreign exchange revaluation rates announced by the SBP.
Property and equipment (land and building) and non-banking assets acquired in satisfaction of claims	The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties.  The effect of changes in the unobservable input used in the valuation can not be determined with certainty. Accordingly a qualitative disclosure of sensitivity has not been presented in these consolidated financial statements.



## 38. SEGMENT INFORMATION

### 38.1 Segment details with respect to business activities

For the quarter ended March 31, 2026 (Un-audited)

Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
-----------------------------	----------	----------------	--------------------	--------	-------

----- (Rupees in '000) -----

#### Profit and Loss

Net mark-up / return / profit	342,402	2,243,586	(2,483,157)	(2,792)	(93,991)	6,048
Inter segment revenue - net	(229,054)	(2,089,378)	3,584,080	-	(1,265,648)	-
Non mark-up / return / interest income	94,832	246,654	108,075	8,346	1,565	459,472
<b>Total income</b>	<b>208,180</b>	<b>400,862</b>	<b>1,208,998</b>	<b>5,554</b>	<b>(1,358,074)</b>	<b>465,520</b>

Segment direct expenses	88,566	29,761	1,299,628	36,443	882,927	2,337,325
Inter segment expense allocation	215,363	86,865	424,587	-	(726,815)	-
<b>Total expenses</b>	<b>303,929</b>	<b>116,626</b>	<b>1,724,215</b>	<b>36,443</b>	<b>156,112</b>	<b>2,337,325</b>

Credit loss allowance and write offs - net	(636,401)	758	632	530	4,850	(629,631)
--	-----------	-----	-----	-----	-------	-----------

<b>Profit / (loss) before tax</b>	<b>540,652</b>	<b>283,478</b>	<b>(515,849)</b>	<b>(31,419)</b>	<b>(1,519,036)</b>	<b>(1,242,174)</b>
-----------------------------------	----------------	----------------	------------------	-----------------	--------------------	--------------------

As at March 31, 2026 (Un-audited)

Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
-----------------------------	----------	----------------	--------------------	--------	-------

----- (Rupees in '000) -----

#### Balance Sheet

Cash and bank balances	73,583	8,301,851	4,165,405	133,447	-	12,674,286
Investments	-	83,546,585	-	199,967	-	83,746,552
Net inter segment lending	-	-	147,927,220	-	-	147,927,220
Lendings to financial institutions	-	5,806,217	-	-	-	5,806,217
Advances - performing	21,041,986	-	293,210	-	2,207,108	23,542,304
Advances - non-performing	2,641,201	-	23,044	-	4,156	2,668,401
Others	627,500	2,586,146	6,386,022	179,654	65,190,717	74,970,039
<b>Total assets</b>	<b>24,384,270</b>	<b>100,240,799</b>	<b>158,794,901</b>	<b>513,068</b>	<b>67,401,981</b>	<b>351,335,019</b>

Borrowings	2,279,433	5,627,199	-	112,500	-	8,019,132
Subordinated debt	-	-	-	-	-	-
Deposits and other accounts	3,215,283	-	155,559,522	-	-	158,774,805
Net inter segment borrowing	18,796,746	94,607,378	-	-	34,523,096	147,927,220
Others	92,808	6,222	3,235,379	152,136	6,824,121	10,310,666
<b>Total liabilities</b>	<b>24,384,270</b>	<b>100,240,799</b>	<b>158,794,901</b>	<b>264,636</b>	<b>41,347,217</b>	<b>325,031,823</b>

Equity	-	-	-	248,432	26,054,764	26,303,196
--------	---	---	---	---------	------------	------------

<b>Total equity and liabilities</b>	<b>24,384,270</b>	<b>100,240,799</b>	<b>158,794,901</b>	<b>513,068</b>	<b>67,401,981</b>	<b>351,335,019</b>
-------------------------------------	-------------------	--------------------	--------------------	----------------	-------------------	--------------------

<b>Contingencies and commitments</b>	<b>42,428,319</b>	<b>1,262,834</b>	<b>-</b>	<b>-</b>	<b>1,277,199</b>	<b>44,968,352</b>
--------------------------------------	-------------------	------------------	----------	----------	------------------	-------------------

**For the quarter ended March 31, 2025 (Un-audited) (Restated)**

<b>Corporate, SME &amp; Commercial</b>	<b>Treasury</b>	<b>Retail Banking</b>	<b>Brokerage Business</b>	<b>Others</b>	<b>Total</b>
--	-----------------	-----------------------	---------------------------	---------------	--------------

----- (Rupees in '000) -----

**Profit and Loss**

Net mark-up / return / profit	127,380	3,279,127	(3,191,882)	370	(158,460)	56,535
Inter segment revenue - net	(205,186)	(2,548,968)	4,402,654	-	(1,648,500)	-
Non mark-up / return / interest income	92,734	715,035	211,576	34,616	3,601	1,057,562
<b>Total income</b>	<b>14,928</b>	<b>1,445,194</b>	<b>1,422,348</b>	<b>34,986</b>	<b>(1,803,359)</b>	<b>1,114,097</b>

Segment direct expenses	59,386	28,987	1,275,665	30,760	644,704	2,039,502
Inter segment expense allocation	168,595	67,134	332,745	-	(568,474)	-
<b>Total expenses</b>	<b>227,981</b>	<b>96,121</b>	<b>1,608,410</b>	<b>30,760</b>	<b>76,230</b>	<b>2,039,502</b>

Credit loss allowance and write offs - net	(171,235)	(28,189)	(364)	15	(1,549)	(201,322)
--	-----------	----------	-------	----	---------	-----------

<b>Profit / (loss) before tax</b>	<b>(41,818)</b>	<b>1,377,262</b>	<b>(185,698)</b>	<b>4,211</b>	<b>(1,878,040)</b>	<b>(724,083)</b>
-----------------------------------	-----------------	------------------	------------------	--------------	--------------------	------------------

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

<b>Corporate, SME &amp; Commercial</b>	<b>Treasury</b>	<b>Retail Banking</b>	<b>Brokerage Business</b>	<b>Others</b>	<b>Total</b>
--	-----------------	-----------------------	---------------------------	---------------	--------------

----- (Rupees in '000) -----

**Balance Sheet**

Cash and Bank balances	76,291	12,357,081	2,927,354	319,257	-	15,679,983
Investments	-	86,050,151	-	258,811	-	86,308,962
Net inter segment lending	-	-	158,972,294	-	-	158,972,294
Lendings to financial institutions	-	14,199,796	-	-	-	14,199,796
Advances - performing	20,470,013	-	245,648	-	2,368,823	23,084,484
Advances - non-performing	2,912,762	-	31,319	-	4,156	2,948,237
Others	426,832	1,834,475	5,231,687	177,296	63,790,774	71,461,064
<b>Total Assets</b>	<b>23,885,898</b>	<b>114,441,503</b>	<b>167,408,302</b>	<b>755,364</b>	<b>66,163,753</b>	<b>372,654,820</b>

Borrowings	2,509,728	4,800,353	-	94,441	-	7,404,522
Subordinated debt	-	-	-	-	1,495,515	1,495,515
Deposits and other accounts	4,666,949	-	164,188,915	-	-	168,855,864
Net inter segment borrowing	16,647,283	109,617,385	-	-	32,707,626	158,972,294
Others	61,938	23,765	3,219,387	349,577	8,554,818	12,209,485
<b>Total liabilities</b>	<b>23,885,898</b>	<b>114,441,503</b>	<b>167,408,302</b>	<b>444,018</b>	<b>42,757,959</b>	<b>348,937,680</b>

Equity	-	-	-	311,346	23,405,794	23,717,140
--------	---	---	---	---------	------------	------------

<b>Total equity and liabilities</b>	<b>23,885,898</b>	<b>114,441,503</b>	<b>167,408,302</b>	<b>755,364</b>	<b>66,163,753</b>	<b>372,654,820</b>
-------------------------------------	-------------------	--------------------	--------------------	----------------	-------------------	--------------------

<b>Contingencies and commitments</b>	<b>40,991,131</b>	<b>2,303,977</b>	<b>-</b>	<b>-</b>	<b>1,183,217</b>	<b>44,478,325</b>
--------------------------------------	-------------------	------------------	----------	----------	------------------	-------------------

**38.1.** The Group does not have any operations outside Pakistan.

### 39. RELATED PARTY TRANSACTIONS

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

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

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

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
----- (Rupees in '000) -----						
<b>Investments</b>						
Opening balance	-	-	-	-	-	552,038
Investment made during the period / year	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	(552,038)
Other adjustment	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-
<b>Advances</b>						
Opening balance	-	430,229	2,492	-	421,468	517,251
Addition during the period / year	-	12,406	-	-	115,022	2,700
Repaid during the period / year	-	(22,911)	(122)	-	(111,691)	(399)
Transfer in / (out) - net	-	-	-	-	5,430	(517,060)
Closing balance	-	419,724	2,370	-	430,229	2,492
Credit loss allowance held against advances	-	57	0	-	58	0

	March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
	----- (Rupees in '000) -----					
<b>Other Assets</b>						
Interest / mark-up accrued	-	2,536	29	-	1,791	21
Advances, deposits, advance rent and other prepayments	-	3,489	-	-	4,012	-
Other receivable	4,195	-	2,250	4,195	-	2,250
Credit loss allowance held against other assets	-	-	-	-	-	-
<b>Deposits and other accounts</b>						
Opening balance	3,459	37,558	770,456	1,495	17,811	652,361
Received during the period / year	3,324	133,736	300,397	17,100	584,100	5,857,289
Withdrawn during the period / year	(6,029)	(148,361)	(124,302)	(15,136)	(564,502)	(5,715,315)
Transfer (out) / in - net	-	-	-	-	149	(23,879)
Closing balance	754	22,933	946,551	3,459	37,558	770,456
<b>Other Liabilities</b>						
Interest / mark-up payable	-	35	8	-	-	-
Payable to defined benefit plan	-	-	27,340	-	-	143,909
Payable to sponsor	-	-	63,580	-	-	59,583
Advance against subscription of shares	-	-	5,000,000	-	-	5,000,000

**For the quarter ended March 31, 2026 (Un-audited) For the quarter ended March 31, 2025 (Un-audited)**

Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties

----- (Rupees in '000) -----

**Income**

Mark-up / return / interest earned

Fee and commission income

**Expense**

Mark-up / return / interest expensed

Operating expenses:

- Directors' fees and allowances

- Fee and subscription

- Managerial Remuneration

- Contribution to defined contribution plan

- Charge for defined benefit plan

Credit loss allowance against loans and advances

	-	3,877	29		-	5,941	2
	-	-	-		-	-	346
	53	204	17,762		33	118	9,548
	10,700	-	-		15,100	-	-
	-	731	-		-	748	-
	-	144,843	641		-	121,125	493
	-	-	34,178		-	-	17,111
	-	-	28,090		-	-	21,809
	-	(1)	147,994		-	(12)	-

Directors include Non-Executive Directors only. Executive Directors including the President / CEO are part of key management personnel.

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

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

**Minimum Capital Requirement (MCR):**

Paid-up capital (net of losses)	15,278,885	15,000,000
---------------------------------	------------	------------

**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier-1 (CET-1) Capital	7,500,098	5,900,503
Eligible Additional Tier-1 (ADT-1) Capital	-	-
Total Eligible Tier-1 Capital	7,500,098	5,900,503
Eligible Tier-2 Capital	2,663,320	2,030,241
Total Eligible Capital (Tier-1 + Tier-2)	10,163,419	7,930,744

**Risk Weighted Assets (RWAs):**

Credit Risk	69,711,761	64,662,741
Market Risk	2,191,939	2,546,973
Operational Risk	1,318,527	1,318,527
Total	73,222,227	68,528,241

Common Equity Tier-1 Capital Adequacy Ratio	10.24%	8.61%
Tier-1 Capital Adequacy Ratio	10.24%	8.61%
Total Capital Adequacy Ratio	13.89%	11.57%

**Leverage Ratio (LR):**

Eligible Tier-1 Capital	7,500,098	5,900,503
Total Exposures	223,561,794	218,176,428
Leverage Ratio	3.35%	2.70%

**Liquidity Coverage Ratio (LCR):**

Total High Quality Liquid Assets	86,067,562	93,212,792
Total Net Cash Outflow	30,432,203	35,685,184
Liquidity Coverage Ratio	282.82%	261.21%

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

Total Available Stable Funding	147,679,513	123,575,527
Total Required Stable Funding	96,991,957	80,807,406
Net Stable Funding Ratio	152.26%	152.93%

#### 41. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 12 (December 31, 2025: 12) Islamic banking branches and 82 (December 31, 2025: 82) Islamic banking windows at the end of the period.

##### STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2026

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
	Note ----- (Rupees in '000) -----	
<b>ASSETS</b>		
Cash and balances with treasury banks	1,574,200	4,589,844
Balances with other banks	-	-
Due from financial institutions	41.1 5,806,217	8,659,637
Investments	41.2 39,585,046	36,222,721
Islamic financing and related assets - net	41.3 2,558,379	2,380,078
Property and equipment	205,577	209,295
Right-of-use assets	204,093	213,097
Intangible assets	-	-
Due from Head Office	-	-
Deferred tax assets	69,448	-
Other assets	1,281,490	864,616
<b>Total Assets</b>	<b>51,284,450</b>	<b>53,139,288</b>
<b>LIABILITIES</b>		
Bills payable	283,041	248,357
Due to financial institutions	41.4 #REF!	-
Deposits and other accounts	41.5 38,079,482	42,086,905
Due to Head Office	-	-
Lease liabilities	241,528	240,234
Subordinated debt	-	-
Deferred tax liabilities	-	19,852
Other liabilities	1,833,829	1,207,751
	#REF!	43,803,099
<b>NET ASSETS</b>	<b>#REF!</b>	<b>9,336,189</b>
<b>REPRESENTED BY</b>		
Islamic Banking Fund	1,000,000	1,000,000
Reserves	-	-
Surplus on revaluation of assets	(95,904)	27,415
Unappropriated profit	41.6 8,642,474	8,308,774
	<b>9,546,570</b>	<b>9,336,189</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	41.7	

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

	March 31, 2026	March 31, 2025
Note	----- (Rupees in '000) -----	
Profit / return earned	41.8 <b>1,249,079</b>	1,885,592
Profit / return expensed	41.9 <b>639,141</b>	769,246
<b>Net Profit / return</b>	<b>609,938</b>	1,116,346
<b>Other income</b>		
Fee and commission income	<b>40,067</b>	49,350
Dividend income	-	-
Foreign exchange loss	<b>(3,106)</b>	(54,935)
Income / (loss) from derivatives	-	-
Gain on sale of securities	<b>2,707</b>	221,270
Other income	-	-
<b>Total other income</b>	<b>39,668</b>	215,685
<b>Total income</b>	<b>649,606</b>	1,332,031
<b>Other expenses</b>		
Operating expenses	<b>301,916</b>	280,529
Workers' welfare fund	-	-
Other charges	<b>77</b>	-
<b>Total other expenses</b>	<b>301,993</b>	280,529
<b>Profit before credit loss allowance</b>	<b>347,613</b>	1,051,502
Credit loss allowance and write offs - net	<b>15,191</b>	217
<b>Profit before taxation</b>	<b>332,422</b>	1,051,285
Taxation	-	-
<b>Profit after taxation</b>	<b>332,422</b>	1,051,285



**ISLAMIC BANKING BUSINESS**  
**FOR THE QUARTER ENDED MARCH 31, 2026**

		March 31, 2026 (Un-audited)			December 31, 2025 (Audited)		
		In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
<b>41.1 Due from Financial Institutions</b>	Note	----- (Rupees in '000) -----					
<b>Unsecured</b>							
Bai Muajjal Receivable from							
State Bank of Pakistan		5,806,217	-	5,806,217	5,599,496	-	5,599,496
Bai Muajjal Receivable from other		-	-	-	-	-	-
Financial Institutions	41.1.1	-	-	-	3,060,554	-	3,060,554
Musharakah		-	-	-	-	-	-
		<b>5,806,217</b>	<b>-</b>	<b>5,806,217</b>	<b>8,660,050</b>	<b>-</b>	<b>8,660,050</b>
Less: Credit loss allowance							
Stage 1		-	-	-	(413)	-	(413)
Stage 2		-	-	-	-	-	-
Stage 3		-	-	-	-	-	-
		-	-	-	(413)	-	(413)
Due from financial institutions - net of credit loss allowance		<b>5,806,217</b>	<b>-</b>	<b>5,806,217</b>	<b>8,659,637</b>	<b>-</b>	<b>8,659,637</b>

**41.1.1** This represented Bai Muajjal agreements with conventional operations of Bank Makramah Limited and carried profit rate of 10.5% per annum on December 31, 2025 and have matured on January 27, 2026.

**41.2 Investments**

		March 31, 2026 (Un-audited)				December 31, 2025 (Audited)			
		Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
<b>Investments by segments:</b>		----- (Rupees in '000) -----							
<b>Classified / Measured at FVOCI</b>									
<b>Federal Government Securities:</b>									
- GOP Ijarah Sukuks		37,634,228	-	(248,681)	37,385,547	34,041,160	-	(37,338)	34,003,822
<b>Non Government Debt Securities</b>									
- Listed		2,199,796	(297)	-	2,199,499	2,219,199	(300)	-	2,218,899
<b>Total Investments</b>		<b>39,834,024</b>	<b>(297)</b>	<b>(248,681)</b>	<b>39,585,046</b>	<b>36,260,359</b>	<b>(300)</b>	<b>(37,338)</b>	<b>36,222,721</b>

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- (Rupees in '000) -----		
<b>41.3 Islamic financing and related assets</b>		
Ijarah	619,062	681,034
Running Musharakah	124,847	620
Diminishing Musharakah	1,676,151	1,529,328
Diminishing Musharakah-IERF	-	-
Tijarah	260,139	272,699
Advance against Ijarah	-	4,500
Gross Islamic financing and related assets	<b>2,680,199</b>	<b>2,488,181</b>
Less: Credit loss allowance against Islamic financings		
- Stage 1	(2,663)	(2,346)
- Stage 2	(166)	(357)
- Stage 3	(118,991)	(105,400)
	<b>(121,820)</b>	<b>(108,103)</b>
Islamic financing and related assets - net of credit loss allowance	<b><u>2,558,379</u></b>	<b><u>2,380,078</u></b>

#### 41.4 Due to financial institutions

##### Unsecured

Musharakah

41.4.1 **1,300,000** -

**41.4.1** This represents acceptance of funds by Islamic operations of Bank Makramah Limited from conventional operations of Bank Makramah Limited on Musharaka basis.

#### 41.5 Deposits

	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) -----						
<b>Customers</b>						
Current deposits	5,651,678	753,589	6,405,267	6,554,244	710,157	7,264,401
Savings deposits	26,899,141	240,329	27,139,470	29,256,517	186,454	29,442,971
Term deposits	3,481,906	86,269	3,568,175	4,361,280	86,549	4,447,829
Others	476,294	-	476,294	427,926	-	427,926
	<b>36,509,019</b>	<b>1,080,187</b>	<b>37,589,206</b>	<b>40,599,967</b>	<b>983,160</b>	<b>41,583,127</b>
<b>Financial Institutions</b>						
Current deposits	5,150	7	5,157	5,366	8	5,374
Savings deposits	328,963	-	328,963	343,926	-	343,926
Term deposits	156,156	-	156,156	154,478	-	154,478
	<b>490,269</b>	<b>7</b>	<b>490,276</b>	<b>503,770</b>	<b>8</b>	<b>503,778</b>
	<b>36,999,288</b>	<b>1,080,194</b>	<b>38,079,482</b>	<b>41,103,737</b>	<b>983,168</b>	<b>42,086,905</b>

#### 41.6 Accumulated profit

	(Un-audited) March 31, 2026	(Audited) December 31, 2025
----- (Rupees in '000) -----		
Opening balance	8,308,774	5,919,535
Add: Islamic Banking profit for the period / year	332,422	2,386,026
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated profit	1,278	3,213
Closing balance	<b>8,642,474</b>	<b>8,308,774</b>

#### 41.7 CONTINGENCIES AND COMMITMENTS

-Guarantees	4,311,836	3,709,728
-Commitments	653,210	743,340
-Other contingent liabilities	-	-
	<b>4,965,046</b>	<b>4,453,068</b>

#### 41.8 Profit / Return Earned of Financing, Investments and Placement

	(Un-audited) March 31, 2026	March 31, 2025
----- (Rupees in '000) -----		
Profit earned on:		
Financing	41,597	46,831
Investments	913,067	1,327,830
Placements	294,415	510,931
	<b>1,249,079</b>	<b>1,885,592</b>

41.9 Profit on Deposits and other Dues Expensed

Deposits and other accounts  
Due to Financial Institutions  
Finance cost of lease liability

(Un-audited)	
March 31, 2026	March 31, 2025
----- (Rupees in '000) -----	
619,700	733,674
8,364	26,978
11,077	8,594
<u>639,141</u>	<u>769,246</u>

42. RESTATEMENT

With respect to the sanctioning of the Scheme of Arrangement by the Honorable High Court of Islamabad with the effective date of September 30, 2024, and filing of the certified copy of the court order with the Registrar dated November 21, 2025 (Completion date), the additional operating expense of Global Haly Development Limited for the quarter ended March 31, 2025 amounting to Rs 5.677 million has been incorporated. In compliance with the requirements of IAS 8, this amount has been accounted for by restating the comparative consolidated condensed interim financial statements for the period ended March 31, 2025. Had this expense not been accounted for by the Holding Company, profit after taxation would have been higher by Rs. 5.677 million for the period ended March 31, 2025.

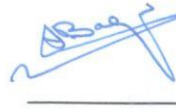
43. DATE OF AUTHORIZATION OF ISSUE

These consolidated condensed interim financial statements were authorised for issue on 29 APR 2026 by the Board of Directors of the Group.

  
\_\_\_\_\_  
President/Chief Executive

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

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director