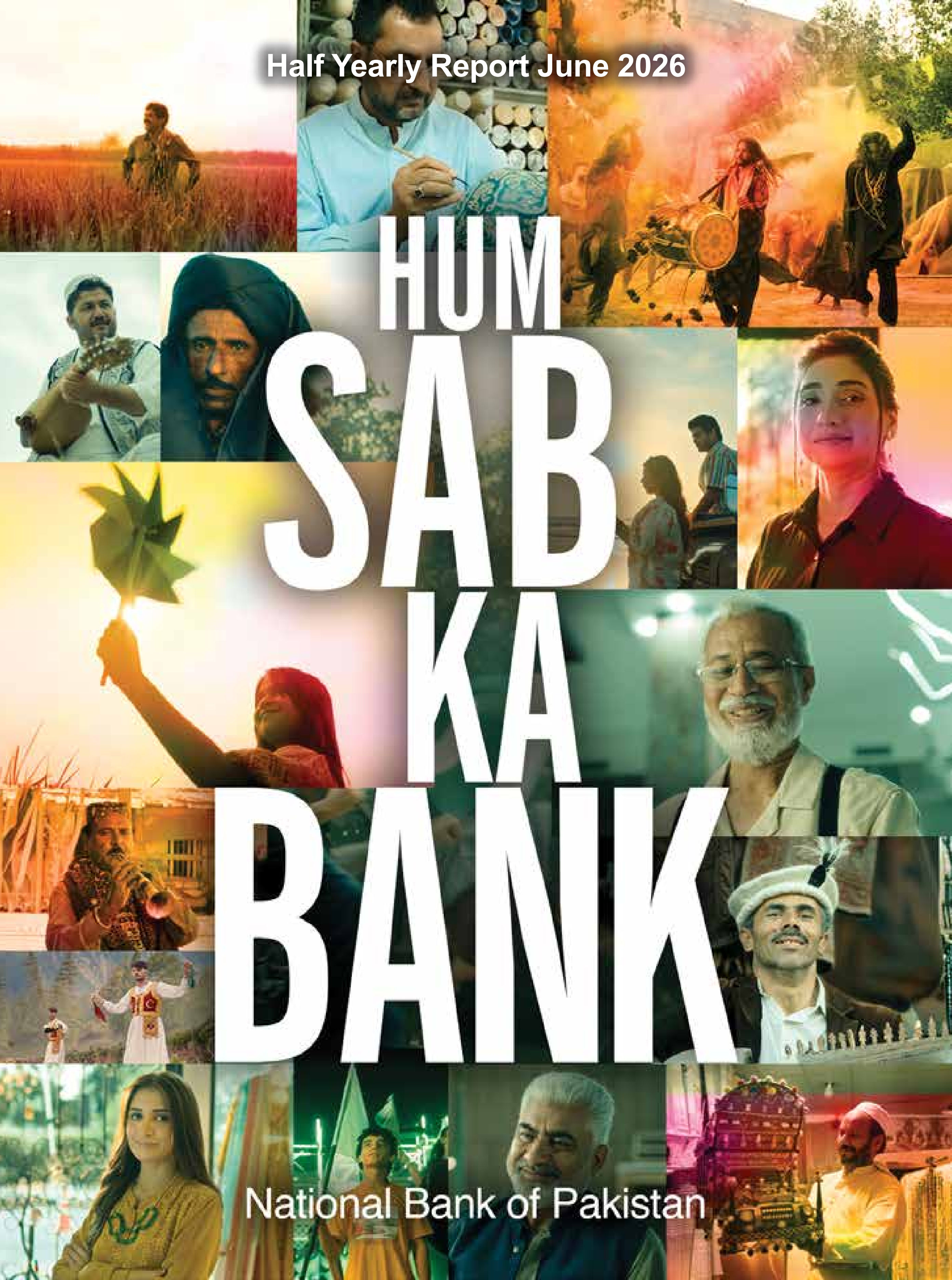
Half Yearly Report June 2026



National Bank of Pakistan

CORPORATE INFORMATION

Board of Directors	
Chairman	Mr. Naved Abid Khan
Directors	Mr. Amjad Mahmood
	Mr. Ali Syed
	Mr. Nasim Ahmad
	Mr. Muhammad Sohail Tabba
	Ms. Aaiza Khan
	Mr. Navaid Hasib Malik
President & CEO (Acting)	Mr. Abdul Wahid Sethi
Audit Committee	
Chairman	Mr. Nasim Ahmad
	Mr. Amjad Mahmood
	Mr. Ali Syed
	Ms. Aaiza Khan
	Mr. Muhammad Sohail Tabba
Chief Financial Officer	Mr. Abdul Wahid Sethi
Company Secretary (Acting)	Ms. Mehnaz Salar
Auditors	Yousuf Adil Chartered Accountants BDO Ebrahim & Co Chartered Accountants
Legal Advisors	Khalid Anwar & Co. Advocates & Legal Advisors
Registered & Head Office	NBP Building I.I. Chundrigar Road, Karachi, Pakistan. Phone: 92-21-99220100 (30 lines), 92-21-99062000 (60 lines) NBP Call Center: 111-627-627
Registrar & Share Registration Office	CDC Share Registrar Services Limited CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400, Pakistan. 111-111-500
Website	www.nbp.com.pk

Unconsolidated Condensed Interim Financial Statements
For the six months period ended June 30, 2026

Directors' Report to the Shareholders
Standalone Financial Statements

Dear Shareholders,
On behalf of the Board of Directors, we are pleased to present the condensed interim standalone financial statements of the Bank, reviewed by the Bank's external auditors, for the half-year period ended June 30, 2026.

Operating Context
The Bank's performance for 1H’26 should be seen against a macroeconomic environment that has transitioned from stabilisation-led monetary easing toward a more balanced, but still uncertain, phase. During FY26, the SBP policy rate was reduced substantially from the restrictive levels prevailing a year earlier, reaching 11.5% by June 2026.

The earlier monetary easing cycle had largely run its course, while the exchange rate remained broadly stable around PKR 278 per US dollar. External buffers also strengthened, with SBP's Forex reserves reaching US$ 18.4 Bn by the end of June 2026, while total liquid reserves, including commercial banks, stood at approximately US$ 23.2 Bn. Fiscal consolidation remained an important anchor of macroeconomic stability. The newly announced FY’27 budget continues this consolidation path, targeting a 2.0% primary surplus and an overall fiscal deficit of 3.6% of GDP, alongside measures aimed at supporting investment and economic activity. The IMF projects real GDP growth of 3.6% in FY26, with growth expected to remain moderate at 3.5% in FY27. Financial markets, meanwhile, recovered from the volatility experienced earlier in the year. The KSE-100 closed June at circa 180K points, representing a gain of around 5% during FY26.

Against this backdrop, the Bank maintained a disciplined approach to balance sheet management, focusing on liquidity and funding resilience, deposit stability and selective asset growth while navigating the lower-yield environment and subdued private-sector credit demand. The moderation in interest rates continued to place pressure on asset yields and reinvestment returns, although the stabilisation of the policy rate toward the close of the period provides greater visibility for future balance-sheet repricing.

Looking ahead, the operating environment is expected to become increasingly activity-driven and market-driven rather than predominantly rate-driven. With the major phase of monetary easing largely behind us, earnings dynamics will increasingly depend on the pace of credit recovery, deposit mobilisation, investment portfolio optimisation and the performance of capital and fixed-income markets.

Key Financial Indicators
The Bank maintained a resilient performance during the first half of 2026, recording a Profit After Tax of PKR 32.4 Bn for the half-year, representing a 25.5% year-on-year decline, primarily reflecting margin compression and normalization of income levels following a high base in the prior period. Despite the emerging challenges, the Bank continued focused on disciplined asset-liability management and long-term value creation.

Key Indicators **(PKR ‘Bn)**

No.	Key Items	Jun'26	Jun'25	Better/ (Worse)	
				Amount	%
1	NII	100.06	130.56	(30.5)	(23.4%)
2	NFI	27.57	26.57	1.0	**3.8%**
3	**Total Income**	**127.63**	**157.13**	**(29.5)**	**(18.8%)**
4	Admin Exp.	65.54	59.14	(6.4)	(10.8%)
5	Pre-Prov. Profit	62.09	98.00	(35.9)	(36.6%)
6	Credit Loss Allowance / (Reversal)	(5.26)	4.77	10.0	**210.2%**
7	**Pre-tax Profit**	**67.35**	**93.23**	**(25.9)**	**(27.8%)**
8	Tax	34.94	49.75	14.8	**29.8%**
9	**After-tax Profit**	**32.41**	**43.47**	**(11.1)**	**(25.5%)**
10	EPS (Rs.)	15.23	20.43	(5.2)	(25.5%)

Resilient Core Earnings

The Bank's earnings performance in 1H'26 reflects active and disciplined balance sheet management in a declining interest rate environment. Gross interest income for the half-year stood at PKR 361.7 Bn compared to PKR 410.9 Bn in 1H'25, with the reduction of PKR 49.2 Bn (-12% YoY), primarily driven by the cumulative impact of monetary easing and the consequent repricing of the asset book.

The policy rate averaged ~10.85% during the period, compared to an average of ~11.85% in the corresponding period last year, resulting in rate-driven compression in asset yields. The investment portfolio remained central to the Bank's balance sheet strategy, averaging PKR 4,820.3 Bn (1H'25: PKR 4,490.6 Bn), as high-yielding government securities matured and were reinvested in a lower-rate environment. The adverse rate variance impact of PKR 50.8 Bn was however consciously managed through volume growth that contributed a favourable variance of PKR 19.1 Bn. Accordingly, income from investments closed at PKR 279.4 Bn compared to PKR 311.1 Bn in 1H'25, with yield closing at 11.69% compared to 13.97% in 1H'25. Moreover, placements generated mark-up income of PKR 3.7 Bn.

On the advances side, the gross portfolio averaged PKR 1,608.3 Bn (1H'25: PKR 1,692.2 Bn), generating income of PKR 78.6 Bn (1H'25: PKR 95.8 Bn). Yields adjusted to 9.86% (1H'25 : 11.42%) in line with benchmark rate movements and prevailing market conditions. Total cost of funds decreased by PKR 18.7 Bn YoY to close at PKR 261.7 Bn, primarily driven by a favourable rate impact of PKR 27.0 Bn, underscoring the Bank's ability to transfer lower policy rates across its liability base in a timely manner. This benefit was partly offset by an adverse volume impact of PKR 8.3 Bn, as average funding expanded to PKR 6,281.9 Bn (1H'25: PKR 6,081.6 Bn). Overall cost of funds reduced to 8.4% from 9.3% in 1H'25, providing a meaningful offset to asset-side yield compression and reinforcing the Bank's ability to actively manage margins through the rate cycle.

Overall, Net Interest Income for the half year stood at PKR 100.1 Bn compared to PKR 130.6 Bn in 1H'25. Despite the cyclical compression in spreads, the Bank's proactive asset-liability management, disciplined volume growth, and funding strength enabled it to navigate the transition effectively while preserving core earnings resilience.

Non-Interest Income

The Bank's non-funded income performance in 1H'26 also reflects a measured response to subdued market activity and heightened geopolitical uncertainty, with non-mark-up income closing at PKR 27.6 Bn compared to PKR 26.6 Bn in 1H'25 (Up 3.8% YoY). In an environment characterised by lower trade flows and weak capital market sentiment, the Bank maintained underlying resilience in its core fee-generating businesses, with fee and commission income sustaining at PKR 13.6 Bn (1H'25: PKR 14.7 Bn). Forex income also demonstrated improvement, rising to PKR 5.4 Bn from PKR 3.5 Bn, reflecting continued client activity and effective positioning in currency markets. Given the increasing market confidence and higher payout, Dividend income increased by 30% to PKR 4.1 Bn (1H'25:PKR 3.1 Bn). In addition, the correction in equity markets during the half year led to a net gain of PKR 5.34 Bn on securities.

Disciplined Cost Management

On the cost front, the Bank continued to pursue a disciplined approach, with operating expenses increasing around 11% YoY to PKR 65.5 Bn (1H'25: PKR 59.1 Bn). This increase reflects targeted investments in systems, technology, and infrastructure, including digital capabilities, managed services, and system resilience. While these investments, coupled with lower income levels, led to a higher cost-to-income ratio of 51.4% (1H'25: 37.6%), they remain aligned with the Bank's strategic objective of strengthening long-term operating capacity and scalability.

Proactive Risk Management

The Bank recorded a net reversal of PKR 5.3 Bn in 1H'26 in credit loss allowances/provisions, compared to a charge of PKR 4.8 Bn in the same period last year. This outcome reflects a forward-looking assessment of portfolio risks under evolving macroeconomic and sector-specific conditions, alongside a shift in portfolio-mix and improved asset quality and recoveries, while reinforcing our commitment to maintaining a robust risk posture. Asset quality remained fairly stable, with specific NPL provision coverage at 93% as per applicable SBP regulations. Moreover, the Bank also maintains strong IFRS 9 ECL coverage to absorb extended credit losses across its financial asset.

▪ Resilient Bottom Line Performance

Profit Before Tax stood at PKR 67.3 Bn in 1H'26, compared to PKR 93.2 Bn in 1H'25, reflecting a 27.8% decline YoY. With an effective corporate tax rate of approximately 52%, the Bank recorded a tax expense of PKR 34.9 Bn for the half year under review. Despite the lower PBT and a substantial tax charge, the Bank delivered a Profit After Tax of PKR 32.4 Bn, underscoring the resilience of its business fundamentals and its ability to sustain value creation in a challenging operating environment. This translates into Rs. 15.23 Earnings per Share.

▪ Appropriation of Profit

Profit for the six months period ended June 30, 2026, after carrying-forward the accumulated profit of 2025 is appropriated as follows:

	(PKR 'Mn)
Unappropriated profit brought forward - Dec 31, 2025	301,772.2
Impact of transition to EIR method under IFRS 9 - net of tax	(363.7)
Balance as at January 01, 2026 - restated	301,408.5
Profit after tax for the half-year ended June 30, 2026	32,407.8
Remeasurement loss on defined benefit obligation-net of tax	(1,631.2)
Gain on sale of Equity shares FVOCI - net of tax	1,123.4
Transfer from surplus on revaluation of fixed assets and non-banking assets (net of tax)	88.2
	31,988.2
Profit available for appropriation	333,396.7
Less : Appropriation	
Dividend for the year 2025	74,463.0
Transfer to Statutory Reserve (@ 10% of PAT)	3,240.8
	77,703.8
Unappropriated profit carried forward	255,692.9

Financial Position as of June 30, 2026

The Bank's balance sheet stood at PKR 7.8 Tn as of June 30, 2026, compared to PKR 7.1 Tn at year-end 2025, reflecting a 10.9% expansion during the half year. This growth primarily reflects targeted asset rebalancing and selective adjustments in high-performing segments, aligned with our broader strategy of enhancing yield while managing risk and liquidity.

Key changes in the asset mix highlight a repositioning toward safer and yield-accretive segments, including an increase in investments and tactical management of advances and interbank placements.

▪ Advances

Gross advances stood at PKR 1,576.3 Bn as of June 30, 2026, reflecting a 2.4% decline from PKR 1,614.8 Bn at year-end 2025, primarily due to seasonal factors in the SME and Commercial segments, which are expected to reverse in the coming quarters. Conventional loans continued to account for the bulk of the portfolio, while Islamic financing (net) recorded significant 27% YTD growth to close at PKR 312.8 Bn.

▪ Investments

Investments rose by 15.1% to PKR 5.7 Tn, compared to PKR 4.9 Tn at year-end 2025, as the Bank continued to deploy surplus liquidity into secure government securities and high-grade instruments, capitalizing on prevailing market opportunities. With the major phase of the rate cycle adjustment largely behind us, the Bank's investment book remains significantly skewed towards the shorter maturity government papers to tap-in on any emerging re-pricing opportunities going forward.

- ### Funding & Liquidity

Total deposits of the Bank stood at PKR 4.2 Tn as of 1H'26, compared to PKR 4.4 Tn at year-end 2025, reflecting a 4.8% contraction during the half year. The deposit mix remained diversified and well-balanced, with a consistent focus on optimizing cost of funds and supporting liquidity resilience. Current deposits aggregated to PKR 2,072.2 Bn, representing 49.2% of total deposits, versus 48.8% at YE'25. The total CASA base stood at PKR 3,534.7 Bn, translating into a CASA ratio around 84%, marginally higher than 80.7% at YE'25, consistent with the Bank's strategy to maintain a low-cost and stable funding structure. This funding mix continues to support sustainable margins and reinforces depositor confidence.

Moreover, the Bank's Liquidity Coverage Ratio and Net Stable Funding Ratio remained well above the regulatory threshold of 100%, standing at 198% and 152%, respectively, as of June 30, 2026. These indicators affirm the Bank's prudent liquidity management practices and its capacity to absorb market volatility and meet both short- and long-term obligations without disruption.

- ### Capital & Equity

The Bank's balance sheet remains robust, liquid, and strategically aligned. Net assets stood at PKR 465.6 Bn as of June 30, 2026, compared to PKR 531.4 Bn at year-end 2025, reflecting a decline mainly due to the reduction in surplus on revaluation of assets (down from PKR 125.5 Bn to PKR 103.1 Bn) and appropriation of profit for dividend payout. Despite this contraction, the Bank remains well-capitalized. As of June 30, 2026, the Bank's total capital amounted to PKR 466.5 Bn, with Tier-1 capital amounting to PKR 354.1 Bn, and eligible Tier-2 capital amounting to PKR 112.4 Bn. Consistent with the Bank's prudent approach to asset growth, Risk Weighted Assets recorded a small increase of PKR 20.7 Bn or 1.0% during the period to close at PKR 2,108.9 Bn of June 30, 2026.

Against the backdrop of a reduction in eligible capital, mainly including the impact of the large dividend payout, the Bank's Total Capital Adequacy Ratio stood at 22.12%, with the Tier-1 Capital Adequacy Ratio at 16.79%, compared to 26.21% and 19.65%, respectively, at YE'25. As of June 30, 2026, the Bank's leverage ratio stood at 3.62%, while other financial soundness ratios remained well within applicable regulatory requirements.

Changes in the Board of Directors

The following changes took place in the Board of Directors during 2026:

1. The Federal Government appointed Mr. Naved Abid Khan as Chairman/Non-Executive Director of the Board of Directors for a term of three (03) years effective from March 16, 2026.

2. The Federal Government reappointed Mr. Nasim Ahmad as Independent Director for a term of three (03) years effective from March 16, 2026.

3. The Federal Government reappointed Mr. Ali Syed as Independent Director for a term of three (03) years effective from March 31, 2026.

4. The Federal Government, Finance Division vide Notification No. F.No. 1(33) Bkg-III/2018 dated August 21, 2026, has assigned Mr. Abdul Wahid Sethi, SEVP/Chief Financial Officer, National Bank of Pakistan, additional acting charge of President / CEO Office, to manage the day-to-day affairs of the Bank, for an interim period of three months or till the appointment of a regular President / CEO, whichever is earlier.

Contingency Regarding the Pension Case

Status of contingencies in respect of employees' benefits including pension and other related matters is same as disclosed under Note 25.3.3.1 to the annual audited unconsolidated financial statements for the year ended December 31, 2025, except that the hearing related to the Government increases in pension has been concluded and the judgment in the matter has been reserved.

Credit Ratings

NBP has been rated as 'AAA' by both the recognized credit rating agencies in Pakistan. In June 2026, M/s VIS Credit Rating Company re-affirmed the Bank's standalone credit rating as "AAA", the highest credit rating awarded by the company for a bank in Pakistan. Similarly, M/s PACRA Credit Rating Company also reaffirmed the Bank long-term entity rating as 'AAA' (Triple AAA) and short-term credit rating as 'A1+' (A-one Plus).

Outlook

Against the backdrop of a challenging macroeconomic and geopolitical landscape since early 2026, the Bank remains cautiously optimistic about a gradual strengthening in domestic economic activity. Sustaining the gains achieved in macroeconomic stability, however, will require continued fiscal discipline, prudent monetary management and timely mobilisation of external resources. With its strong capital position, robust liquidity profile and diversified asset base, the Bank remains well placed to navigate the evolving interest rate and economic environment. At the same time, the Bank will continue to play its role in supporting broad-based and sustainable economic growth, with particular focus on underserved and strategically important segments, including agriculture, infrastructure, trade and export-oriented sectors, while creating sustainable long-term value for all stakeholders.

Acknowledgement & Appreciation

We extend our sincere appreciation to our employees for their unwavering dedication and commitment, which continues to underpin the Bank's resilience and its ability to serve the nation. We also gratefully acknowledge the continued support and guidance of the Government of Pakistan, the State Bank of Pakistan, SECP and other regulatory authorities, whose enabling environment has supported the Bank in realising its potential and contributing to the socio-economic development of the country.

For and on behalf of the Board of Directors

Abdul Wahid Sethi
President & CEO (A)

Ali Syed
Director

Dated: August 27, 2026
Karachi

BDO Ebrahim & Co.
Chartered Accountants
2nd Floor, Block-C,
Lakson Square Building No.1
Sarwar Shaheed Road
Karachi - 74200

Yousuf Adil
Chartered Accountants
Cavish Court, A-35,
Block 7 & 8 KCHSU,
Shahrah-e-Faisal,
Karachi

INDEPENDENT AUDITOR'S REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS OF NATIONAL BANK OF PAKISTAN

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **NATIONAL BANK OF PAKISTAN** ("the Bank") as at June 30, 2026 and the related unconsolidated condensed interim statement of profit and loss account, the unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the half year period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Bank. Accordingly, the figures of the unconsolidated condensed interim statement of profit and loss account and unconsolidated condensed interim statement of comprehensive income for the three months period ended June 30, 2026 have not been reviewed by us.

The financial statements of the Bank for the year ended December 31, 2025 and half year ended June 30, 2025 were audited and reviewed by another firm of Chartered Accountants who had expressed an unmodified opinion / conclusion on those statements vide their reports dated March 09, 2026 and August 29, 2025, respectively.

The engagement partner on the review resulting in this independent auditor's report are Zulfikar Ali Causer and Hena Sadiq on behalf of BDO Ebrahim & Co., Chartered Accountants and Yousuf Adil Chartered Accountants, respectively.

BDO Ebrahim & Co.
Chartered Accountants
Place: Karachi
Dated: August 27, 2026
UDIN: RR202610067LkfJhNY4A

Member firm of BDO International

Yousuf adil

Yousuf Adil
Chartered Accountants
Place: Karachi
Dated: August 27, 2026
UDIN: RR202610057G3y74SmNg

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks	7	**327,652,333**	375,045,628
Balances with other banks	8	**53,872,794**	33,440,273
Lendings to financial institutions	9	**99,823,420**	46,000,000
Investments	10	**5,665,265,369**	4,922,100,157
Advances	11	**1,314,387,724**	1,338,085,653
Property and equipment	12	**66,561,059**	66,907,175
Right-of-use assets	13	**6,053,392**	6,215,360
Intangible assets	14	**2,486,629**	2,519,665
Deferred tax assets	15	**-**	-
Other assets	16	**304,261,227**	276,666,993
Total assets		**7,840,363,947**	7,066,980,904
LIABILITIES			
Bills payable	17	**26,233,141**	20,817,212
Borrowings	18	**2,819,727,691**	1,689,657,086
Deposits and other accounts	19	**4,215,743,491**	4,429,265,022
Lease liability against right-of-use assets	20	**8,046,006**	8,021,852
Subordinated debt		**-**	-
Deferred tax liabilities	15	**10,759,132**	36,545,766
Other liabilities	21	**294,249,928**	351,254,766
Total liabilities		**7,374,759,389**	6,535,561,704
NET ASSETS		**465,604,558**	531,419,200
REPRESENTED BY			
Share capital		**21,275,131**	21,275,131
Reserves		**85,514,345**	82,914,091
Surplus on revaluation of assets - net of tax	22	**103,122,131**	125,457,722
Unappropriated profit		**255,692,951**	301,772,256
		465,604,558	531,419,200
CONTINGENCIES AND COMMITMENTS	23		

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

Chairman	**President / CEO (A)**	**Chief Financial Officer**	**Director**	**Director**

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2026

	Note	Quarter ended		Half year ended	
		June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025
		------------------------------ (Rupees in '000)	-------------------------------		
Mark-up / return / interest earned	24	**183,431,390**	197,786,241	**361,710,031**	410,900,319
Mark-up / return / interest expensed	25	**135,352,261**	136,814,170	**261,650,050**	280,340,526
Net mark-up / return / interest income		**48,079,129**	60,972,071	**100,059,981**	130,559,793
NON MARK-UP / INTEREST INCOME					
Fee and commission income	26	**6,751,156**	7,341,177	**13,640,961**	14,746,250
Dividend income		**2,861,041**	1,394,910	**4,093,161**	3,141,375
Foreign exchange income		**3,147,467**	1,528,345	**5,348,940**	3,530,589
Income / (loss) from derivatives		**-**	-	**-**	-
Gain on securities - net	27	**5,751,600**	5,398,375	**5,338,810**	5,286,113
Net loss on derecognition of financial assets measured at amortised cost	16.3	**(557,549)**	(327,637)	**(1,049,270)**	(655,451)
Other income	28	**182,440**	142,087	**200,131**	525,381
Total non mark-up / interest income		**18,136,155**	15,477,257	**27,572,733**	26,574,257
Total income		**66,215,284**	76,449,328	**127,632,714**	157,134,050
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	29	**35,500,131**	30,916,435	**65,522,838**	59,107,358
Other charges	30	**1,295**	19,896	**20,153**	31,686
Total non mark-up / interest expenses		**35,501,426**	30,936,331	**65,542,991**	59,139,044
Profit before credit loss allowance / provisions		**30,713,858**	45,512,997	**62,089,723**	97,995,006
(Reversal of provisions / credit loss allowance) / Credit loss allowance / provisions and write offs - net	31	**(1,759,722)**	(1,624,689)	**(5,256,198)**	4,769,111
PROFIT BEFORE TAXATION		**32,473,580**	47,137,686	**67,345,921**	93,225,895
Taxation	32	**16,790,731**	25,115,034	**34,938,112**	49,754,139
PROFIT AFTER TAXATION		**15,682,849**	22,022,652	**32,407,809**	43,471,756
		------------------------------------- (Rupees)	--		
Basic and diluted earnings per share	33	**7.37**	10.35	**15.23**	20.43

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

Chairman	President / CEO (A)	Chief Financial Officer	Director	Director

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2026

	Quarter ended		Half year ended	
	June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025
	---------- (Rupees in '000) ----------			
Profit after taxation for the period	**15,682,849**	22,022,652	**32,407,809**	43,471,756
Other comprehensive income / (loss)				
Items that may be reclassified to the statement of profit and loss account in subsequent periods:				
Exchange (loss) / gain on translation of net assets of foreign branches	**(1,905,968)**	1,041,484	**(640,527)**	1,412,525
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	**11,105,980**	16,845,089	**(17,833,082)**	7,464,431
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	**(34,534)**	(1,248,938)	**(2,138,364)**	(1,609,878)
	9,165,478	16,637,635	**(20,611,973)**	7,267,078
Items that will not be reclassified to the statement of profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit obligations - net of tax	**2,671,224**	(435,055)	**(1,631,212)**	(699,034)
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	**6,077,954**	(1,003,725)	**(1,020,676)**	(3,799,453)
Movement in surplus on revaluation of property and equipment - net of tax	**49,433**	218,547	**50,711**	218,547
Movement in deficit on revaluation of non-banking assets - net of tax	**(181,357)**	-	**(182,637)**	-
	8,617,254	(1,220,233)	**(2,783,814)**	(4,279,940)
Total comprehensive income	**33,465,581**	37,440,054	**9,012,022**	46,458,894

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

Chairman	**President / CEO (A)**	**Chief Financial Officer**	**Director**	**Director**

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2026

		Capital reserves				Revenue reserves		Surplus / (Deficit) on revaluation of				
	Share capital	Exchange translation reserve	Statutory reserve	Merger reserve	General	General reserve	Total	Invest-ments	Property and equipment / Non banking - assets	Total	Unappro-priated profit	Total
	(Rupees in '000)											
Balance as at December 31, 2024 (Audited)	21,275,131	31,686,803	49,840,151	363,606	-	521,338	82,411,898	69,704,773	48,497,652	118,202,425	235,061,992	456,951,446
Impact of adoption of IFRS 9 - net of tax	-	-	-	-	-	-	-	3,806,901	-	3,806,901	422,049	4,228,950
Balance as at January 01, 2025 - restated	**21,275,131**	**31,686,803**	**49,840,151**	**363,606**	**-**	**521,338**	**82,411,898**	**73,511,674**	**48,497,652**	**122,009,326**	**235,484,041**	**461,180,396**
Profit after taxation for the half year ended June 30, 2025	-	-	-	-	-	-	-	-	-	-	43,471,756	43,471,756
Effect of translation of net investment in foreign branches	-	1,412,525	-	-	-	-	1,412,525	-	-	-	-	1,412,525
Movement in surplus on revaluation of investments in debt instruments through FVOCI - net of tax	-	-	-	-	-	-	-	7,464,431	-	7,464,431	-	7,464,431
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	-	-	(1,609,878)	-	(1,609,878)	-	(1,609,878)
Movement in deficit on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	-	-	(3,799,453)	-	(3,799,453)		(3,799,453)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	-	(699,034)	(699,034)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	-	218,547	218,547	-	218,547
Total comprehensive income - net of tax	**-**	**1,412,525**	**-**	**-**	**-**	**-**	**1,412,525**	**2,055,100**	**218,547**	**2,273,647**	**42,772,722**	**46,458,894**
Transfer to statutory reserve	-	-	4,347,176	-	-	-	4,347,176	-	-	-	(4,347,176)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	(89,815)	(89,815)	89,815	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	-	-	(3,259,198)	-	(3,259,198)	3,259,198	-
Transactions with owners, recorded directly in equity												
Final Cash dividend-Rs 8.00 per share decalred subsequent to the year ended December 31,2024	-	-	-	-	-	-	-	-	-	-	(17,020,104)	(17,020,104)
Balance as at June 30, 2025 (Un-audited)	**21,275,131**	**33,099,328**	**54,187,327**	**363,606**	**-**	**521,338**	**88,171,599**	**72,307,576**	**48,626,384**	**120,933,960**	**260,238,496**	**490,619,186**
Profit after taxation for half year ended December 31, 2025	-	-	-	-	-	-	-	-	-	-	42,440,628	42,440,628
Effect of translation of net investment in foreign branches	-	(96,869)	-	-	-	-	(96,869)	-	-	-	-	(96,869)
Transfer of exchange loss translation reserves on closure of foreign branches from OCI to the statement of profit and loss account	-	(9,404,701)	-	-		-	(9,404,701)	-	-	-	-	(9,404,701)
Movement in surplus on revaluation of investments in debt instruments - net of tax	-	-	-	-		-	-	5,672,727	-	5,672,727	-	5,672,727
Gain on sale of securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-		-	-	(1,060,577)	-	(1,060,577)	-	(1,060,577)
Movement in surplus on revaluation of investments in equity instruments - net of tax	-	-	-	-		-	-	3,777,806	-	3,777,806	-	3,777,806
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-		-	-	-	-	-	(683,617)	(683,617)
Movement in deficit on revaluation of property and equipment - net of tax	-	-	-	-		-	-	-	(106,411)	(106,411)	-	(106,411)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-		-	-	-	261,028	261,028	-	261,028
Total comprehensive income - net of tax	**-**	**(9,501,570)**	**-**	**-**	**-**	**-**	**(9,501,570)**	**8,389,956**	**154,617**	**8,544,573**	**41,757,011**	**40,800,014**
Transfer to statutory reserve	-	-	4,244,062	-	-	-	4,244,062	-	-	-	(4,244,062)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	(89,815)	(89,815)	89,815	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-		-	-	(3,930,996)	-	(3,930,996)	3,930,996	-
Balance as at December 31, 2025 (Audited)	**21,275,131**	**23,597,758**	**58,431,389**	**363,606**	**-**	**521,338**	**82,914,091**	**76,766,536**	**48,691,186**	**125,457,722**	**301,772,256**	**531,419,200**
Balance carried forward	**21,275,131**	**23,597,758**	**58,431,389**	**363,606**	**-**	**521,338**	**82,914,091**	**76,766,536**	**48,691,186**	**125,457,722**	**301,772,256**	**531,419,200**

	Share capital	Capital reserves: Exchange translation reserve	Capital reserves: Statutory reserve	Capital reserves: Merger reserve	General	Revenue reserves: General reserve	Revenue reserves: Total	Surplus / (Deficit) on revaluation of: Invest-ments	Surplus / (Deficit) on revaluation of: Property and equipment / Non banking - assets	Surplus / (Deficit) on revaluation of: Total	Unappro-priated profit	Total
	---- (Rupees in '000) ----											
Balance brought forward	21,275,131	23,597,758	58,431,389	363,606	-	521,338	82,914,091	76,766,536	48,691,186	125,457,722	301,772,256	531,419,200
Effect of Transition on EIR Method - net of tax (Note 4.1.1)	-	-	-	-	-	-	-	-	-	-	(363,707)	(363,707)
Balance as at January 01, 2026 - restated	21,275,131	23,597,758	58,431,389	363,606	-	521,338	82,914,091	76,766,536	48,691,186	125,457,722	301,408,549	531,055,493
Profit after taxation for half year ended June 30, 2026	-	-	-	-	-	-	-	-	-	-	32,407,809	32,407,809
Effect of translation of net investment in foreign branches	-	(640,527)	-	-	-	-	(640,527)	-	-	-	-	(640,527)
Movement in surplus/ (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	-	-	-	-	(17,833,082)	-	(17,833,082)	-	(17,833,082)
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	-	-	(2,138,364)	-	(2,138,364)	-	(2,138,364)
Movement in deficit on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	-	-	(1,020,676)	-	(1,020,676)	-	(1,020,676)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-		-	(1,631,212)	(1,631,212)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	-	50,711	50,711	-	50,711
Movement in deficit on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	-	(182,637)	(182,637)	-	(182,637)
Total comprehensive income - net of tax	-	(640,527)	-	-	-	-	(640,527)	(20,992,122)	(131,926)	(21,124,048)	30,776,597	9,012,022
Transfer to statutory reserve	-	-	3,240,781	-	-	-	3,240,781	-	-	-	(3,240,781)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	(88,094)	(88,094)	88,094	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	-	-	(1,123,448)	-	(1,123,448)	1,123,448	-
Transactions with owners, recorded directly in equity												
Final cash dividend - Rs. 35 per share declared subsequent to the year ended December 31, 2025	-	-	-	-	-	-	-	-	-	-	(74,462,956)	(74,462,956)
Balance as at June 30, 2026 (Un-audited)	21,275,131	22,957,231	61,672,170	363,606	-	521,338	85,514,345	54,650,966	48,471,165	103,122,131	255,692,951	465,604,558

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

Chairman **President / CEO (A)** **Chief Financial Officer** **Director** **Director**

NATIONAL BANK OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

	Note	June 30, 2026	June 30, 2025
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		**67,345,921**	93,225,895
Less: dividend income		**(4,093,161)**	(3,141,375)
		63,252,760	90,084,520
Adjustments:			
Net mark-up / interest income		**(100,059,981)**	(130,559,793)
Depreciation on property and equipment	29	**2,736,263**	1,930,706
Depreciation on right-of-use assets	29	**991,191**	955,915
Amortisation	29	**377,114**	268,542
(Reversal) / credit loss allowance and write offs		**(5,256,871)**	4,772,121
Gain on sale of property and equipment	28	**(99,684)**	(6,165)
Financial charges on leased assets	29	**71,210**	74,966
Staff loan - notional cost		**3,177,769**	2,587,907
Modification gain		**-**	(101,735)
Net loss on derecognition of financial assets measured at amortised cost		**1,049,270**	655,451
Unrealised loss / (gain) on revaluation of investments classified as FVTPL	27	**550,380**	(74,339)
Charge for defined benefit plans - net		**8,676,290**	9,166,145
		(87,787,049)	(110,330,279)
		(24,534,289)	(20,245,759)
Increase in operating assets			
Lendings to financial institutions		**(53,823,375)**	(11,452,073)
Securities classified as FVTPL		**(38,591,308)**	(85,229,121)
Advances		**35,921,410**	91,852,981
Other assets (excluding advance taxation and mark-up accrued)		**(17,947,892)**	(17,904,852)
		(74,441,167)	(22,733,065)
Increase in operating liabilities			
Bills payable		**5,415,929**	103,647,983
Borrowings from financial institutions		**1,136,893,523**	(428,205,975)
Deposits		**(213,521,531)**	838,291,291
Other liabilities (excluding current taxation and mark-up accrued)		**31,685,840**	14,645,400
		960,473,761	528,378,699
Mark-up / interest received		**350,740,373**	405,141,375
Mark-up / interest paid		**(340,149,271)**	(348,590,941)
Income tax paid / adjusted		**(56,973,280)**	(69,035,707)
Benefits paid		**(4,935,334)**	(5,467,845)
Net cash generated from operating activities		**810,180,793**	467,446,757
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investments in securities classified as FVOCI		**(660,054,687)**	(350,383,919)
Net investments in securities carried at amortised cost		**(90,115,568)**	2,200,423
Dividends received		**709,488**	3,141,375
Net investment in associates		**(295,712)**	-
Investments in property and equipment		**(2,700,633)**	(3,327,771)
Proceeds from sale of property and equipment		**116,804**	42,230
Effect of translation of net investment in foreign branches		**(1,428,966)**	2,318,644
Net cash used in investing activities		**(753,769,275)**	(346,009,018)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease obligations against right-of-use assets	20	**(1,387,375)**	(1,320,937)
Dividend paid		**(74,462,956)**	(16,957,513)
Net cash used in financing activities		**(75,850,331)**	(18,278,450)
Net increase in cash and cash equivalents		**(19,438,813)**	103,159,289
Cash and cash equivalents at beginning of the period		**357,496,419**	373,774,358
Effects of exchange rate changes on cash and cash equivalents		**2,601,561**	5,109,506
		360,097,980	378,883,864
Expected credit loss allowance / (reversal)]n cash and cash equivalent - net		**673**	(3,010)
Cash and cash equivalents at end of the period	34	**340,659,840**	482,040,143

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

Chairman	President / CEO (A)	Chief Financial Officer	Director	Director

NATIONAL BANK OF PAKISTAN
NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR HALF YEAR ENDED JUNE 30, 2026

1. STATUS AND NATURE OF BUSINESS

National Bank of Pakistan (the Bank) was incorporated in Pakistan under the National Bank of Pakistan Ordinance, 1949 and is listed on the Pakistan Stock Exchange (PSX). The registered and head office of the Bank is situated at I.I. Chundrigar Road, Karachi. The Bank is engaged in providing commercial banking and related services in Pakistan and overseas. The Bank also handles treasury transactions for the Government of Pakistan (GoP) as an agent to the State Bank of Pakistan (SBP). The Bank operates 1,503 (December 31, 2025: 1,503) branches in Pakistan including 312 (December 31, 2025: 312) Islamic Banking branches and 14 (December 31 2025: 14) overseas branches (including the Export Processing Zone branch, Karachi). The Bank also provides services in respect of Endowment Fund for students loan scheme and IPS accounts.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;

- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and

- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Wherever 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 IAS 34 or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

2.1.2 The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks through its notification S.R.O 411(I)/2008 dated April 28, 2008. The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 had deferred the applicability of Islamic Financial Accounting Standard-3 for Profit and Loss Sharing on Deposits (IFAS-3) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

The SECP vide SRO 56 (1) / 2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under Trust structure.

2.1.3 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 the requirements of International Accounting Standard 34, 'Interim Financial Reporting'. These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements and should be read in conjunction with the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2025.

2.1.4 These unconsolidated condensed interim financial statements are the separate financial statements of the Bank in which the investments in subsidiaries and associates are stated at cost and have not been accounted for on the basis of reported results and net assets of the investees.

2.1.5 Key financial figures of the Islamic Banking branches are disclosed in note 39 to these unconsolidated condensed interim financial statements.

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

2.2 Standards, interpretations of and amendments to published accounting and reporting standards that are effective in the current period:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2026 but are considered not to be relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these unconsolidated condensed interim financial statements. The impact of Effective Interest Rate as required by IFRS 9 for the current period is disclosed in note 4.1 to these unconsolidated condensed interim financial statements.

2.3 Standards, interpretations of and amendments to published accounting and reporting standards that are not yet effective:

There are certain new and amended standards, issued by the 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 unconsolidated condensed interim financial statements except for:

- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 01, 2027 by IASB. IFRS 18 has been adopted by Securities and Exchange Commission of Pakistan (SECP) for the period beginning from January 01, 2027 but yet to be adopted by State Bank of Pakistan (SBP). IFRS 18 when adopted and applicable will impact the presentation of the 'Statement of Profit and Loss Account' with certain additional disclosures in the unconsolidated condensed interim financial statements.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain property and equipment and non banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit and loss and fair value through other comprehensive income; foreign exchange contracts and derivative financial instruments are measured at fair value; defined benefit obligations are carried at present value; right of use of asset and related lease liability are measured at present value on initial recognition; and staff loans are measured at fair value on initial recognition.

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. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2025 except for changes mentioned in note 4.1 to these unconsolidated condensed interim Financial Statements.

4.1 IFRS 9 - 'Financial Instruments'

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

In addition, the SBP, in a separate instruction, SBPHOK-BPRD-RPD-BAF-834424 dated January 22, 2025, allowed an extension for application of the Effective Interest Rate (EIR) up to December 31, 2025. During the current period, in accordance with the aforementioned instruction, the Bank has applied EIR on the financial instruments appearing as at January 01, 2026, and the cumulative impact of application of EIR amounting to Rs. 363.7 million, net of tax, has been recognised as an adjustment to equity at the beginning of the current period.

4.1.2 The SBP has directed the Banks through its BPRD Circular Letter No.1 dated January 22, 2025 to disclose the impact of IFRS 9 on revenue recognition from Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions which is as follows:

Had IFRS 9 been adopted for revenue recognition related to Islamic financing, the unappropriated profit of the Bank as at June 30, 2026 would have been lower by Rs. 17.1 million.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses as well as in the disclosure of contingent liabilities. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and in future periods if the revision affects both current and future periods.

The significant judgments made by the management in applying the Bank's accounting policies and the key sources of estimation were the same as those applied in the preparation of annual audited unconsolidated financial statements for the year ended December 31, 2025, except for matters related to IFRS 9 which have been disclosed in note 4.1 to these unconsolidated condensed interim financial statements.

6. FINANCIAL RISK MANAGEMENT

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

7. CASH AND BALANCES WITH TREASURY BANKS

	Note	**(Un-audited) June 30, 2026**	(Audited) December 31, 2025
		--------- (Rupees in '000)	----------
In hand			
- Local currency		**76,852,490**	73,953,817
- Foreign currencies		**5,435,671**	5,473,502
		82,288,161	79,427,319
With the State Bank of Pakistan in			
- Local currency current accounts	7.1	**148,769,962**	184,777,761
- Foreign currency current accounts	7.2	**22,417,779**	24,048,368
- Foreign currency deposit accounts	7.2	**44,505,824**	47,789,001
		215,693,565	256,615,130
With other central banks in			
- Foreign currency current accounts	7.3	**25,007,654**	34,465,663
- Foreign currency deposit accounts	7.3 & 7.4	**4,539,294**	3,549,438
		29,546,948	38,015,101
National prize bonds		**130,537**	995,242
		327,659,211	375,052,792
Less: Credit loss allowance held against cash and bank balances with treasury banks		**(6,878)**	(7,164)
Cash and Balances with treasury banks - net of credit loss allowance		**327,652,333**	375,045,628

7.1 This includes statutory liquidity reserves maintained with the SBP under Section 22 of the Banking Companies Ordinance, 1962.

7.2 These represent mandatory reserves maintained in respect of foreign currency deposits under FE-25 scheme, as prescribed by the SBP.

7.3 These balances pertain to the foreign branches and are held with central banks of respective countries. These include balances to meet the statutory and regulatory requirements in respect of liquidity and capital requirements of respective countries.

7.4 The deposit accounts carry interest at the rate of 0.01 % to 2.00 % per annum (December 31, 2025: 0.01 % to 2.00% per annum).

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			--------- (Rupees in '000) ----------	
8.	**BALANCES WITH OTHER BANKS**			
	In Pakistan			
	In deposit accounts	8.1	**373**	368
	Outside Pakistan			
	In current accounts		**34,232,886**	27,832,645
	In deposit accounts	8.2	**19,640,517**	5,607,283
			53,873,403	33,439,928
			53,873,776	33,440,296
	Less: Credit loss allowance held against balances with other banks		**(982)**	(23)
	Balances with other banks - net of credit loss allowance		**53,872,794**	33,440,273

8.1 These include various deposits with banks and carry interest at the rates ranging from 2.00% to 8.00 % per annum (December 31, 2025: 2.56% to 6.80% per annum).

8.2 These include various deposits with correspondent banks outside Pakistan and carry interest at rates ranging from 1.00% to 2.45% per annum (December 31, 2025: 1.00% to 3.60% per annum).

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
9.	**LENDINGS TO FINANCIAL INSTITUTIONS**		--------- (Rupees in '000) ----------	
	Repurchase agreement lendings (reverse repo) - secured	9.2	**69,823,420**	16,000,000
	Musharaka lending- secured	9.3	**30,000,000**	30,000,000
	Letters of placement	9.4	**172,150**	172,150
			99,995,570	46,172,150
	Less: Credit loss allowance held against lending to financial institutions		**(172,150)**	(172,150)
	Lendings to financial institutions - net of credit loss allowance		**99,823,420**	46,000,000

9.1	**Lending to Financial Institutions - particulars of credit loss allowance**		Note	**(Un-audited) June 30, 2026**		(Audited) December 31, 2025	
				Lendings	**Credit loss allowance held**	Lendings	Credit loss allowance held
	Domestic			---------------------------------- (Rupees in '000)		------------------------------------	
	Performing	Stage 1		**99,823,420**	**-**	46,000,000	-
	Under performing	Stage 2		**-**	**-**	-	-
	Non-performing	Stage 3					
	Substandard			**-**	**-**	-	-
	Doubtful			**-**	**-**	-	-
	Loss			**172,150**	**172,150**	172,150	172,150
	Total			**99,995,570**	**172,150**	46,172,150	172,150

9.2 These carry mark-up at rates ranging from 11.5 % to 11.55 % per annum (December 31, 2025: 10.55 % to 11.00%) with maturities ranging from July 02, 2026 to July 28, 2026 (December 31, 2025: from January 02, 2026 to January 12, 2026) and are collatarised by government securities.

9.3 These carry profit rates 10.4% per annum (December 31, 2025: 10.4% per annum) with maturity on 03 July 2026 (December 31, 2025: January 2,2026).

9.4 These are overdue placements and full provision has been made against these placements as at December 31, 2025 and June 30, 2026.

10. INVESTMENTS

10.1 Investments by type:

	Note	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
		Cost / amortised cost	**Credit loss allowance / Provision**	**Surplus / (deficit)**	**Carrying value**	Cost / amortised cost	**Credit loss allowance / Provision**	Surplus / (deficit)	Carrying value
		---------- (Rupees in '000) ----------							
FVTPL									
Federal Government Securities									
- Market Treasury Bills		**48,862,256**	**-**	**(9,241)**	**48,853,015**	35,213,166	-	6,078	35,219,244
- Pakistan Investment Bonds		**31,842,713**	**-**	**(83,305)**	**31,759,408**	9,685,616	-	7,040	9,692,656
Units of mutual funds		**6,324,449**	**-**	**(92,838)**	**6,231,611**	4,723,266	-	1,612,129	6,335,395
Non-Government debt securities									
- Term finance certificates and sukuks		**10,997,756**	**-**	**(18,746)**	**10,979,010**	9,486,572	-	11,547	9,498,119
Preference shares									
- Listed		**1,106,410**	**-**	**48,477**	**1,154,887**	992,711	-	113,700	1,106,411
- Unlisted		**558,284**	**(558,284)**	**-**	**-**	558,284	(558,284)	-	-
Real estate investment trust units		**2,487,311**	**-**	**(94,319)**	**2,392,992**	3,244,532	-	(757,221)	2,487,311
Ordinary shares									
- Listed companies		**16,279,095**	**-**	**(260,065)**	**16,019,030**	11,620,213	-	3,389,676	15,009,889
		118,458,274	**(558,284)**	**(510,037)**	**117,389,953**	75,524,360	(558,284)	4,382,949	79,349,025
FVOCI									
Federal Government Securities									
- Pakistan Investment Bonds		**2,797,696,886**	**-**	**35,601,183**	**2,833,298,069**	2,546,378,172	-	65,431,828	2,611,810,000
- Market Treasury Bills		**1,557,510,554**	**-**	**(814,490)**	**1,556,696,064**	1,265,626,161	-	5,084,947	1,270,711,108
- GOP Ijarah Sukuks		**12,502,037**	**-**	**6,476**	**12,508,513**	22,706,580	-	201,261	22,907,841
- GOP Ijarah Sukuks - Traded		**349,262,709**	**-**	**(3,962,709)**	**345,300,000**	220,403,613	-	1,303,382	221,706,995
- GOP Ijarah Sukuks - Discounted		**3,586,370**	**-**	**(95,370)**	**3,491,000**	3,387,533	-	(128,529)	3,259,004
- Foreign currency debt securities	10.2.2	**27,068,299**	**(2,730,810)**	**(221,361)**	**24,116,128**	29,803,957	(2,599,421)	41,502	27,246,038
Ordinary Shares									
- Listed companies		**42,974,161**	**-**	**35,555,913**	**78,530,074**	35,739,845	-	41,506,937	77,246,782
- Unlisted companies		**2,107,603**	**-**	**7,488,298**	**9,595,901**	2,107,198	-	7,287,787	9,394,985
Non-Government debt securities									
- Term finance certificates and sukuks	10.2.2	**23,355,347**	**(6,488,891)**	**4,628**	**16,871,084**	26,429,153	(6,565,316)	188,409	20,052,246
Foreign securities									
- Equity securities - listed		**463,295**	**-**	**40,293,614**	**40,756,909**	463,294	-	39,010,025	39,473,319
- Government debt securities	10.2.2	**-**	**-**	**-**	**-**	2,304,806	(98)	2,735	2,307,443
		4,816,527,261	**(9,219,701)**	**113,856,182**	**4,921,163,742**	4,155,350,312	(9,164,835)	159,930,284	4,306,115,761
Amortised cost									
Federal Government Securities									
- Pakistan Investment Bonds	10.3	**544,397,788**	**-**	**-**	**544,397,788**	461,461,674	-	-	461,461,674
- GOP Ijarah Sukuks-Traded		**-**	**-**	**-**	**-**	4,999,075	-	-	4,999,075
- GOP Ijarah Sukuks	10.3	**28,012,171**	**-**	**-**	**28,012,171**	14,027,812	-	-	14,027,812
- Bai Muajjal with Government of Pakistan		**8,466,335**	**-**	**-**	**8,466,335**	8,466,335	-	-	8,466,335
- Foreign currency debt securities	10.2.2 and 10.3	**9,045,497**	**(439,444)**	**-**	**8,606,053**	9,685,261	(87,361)	-	9,597,900
Non-Government debt securities									
- Term finance certificates, participation term certificates, bonds, debentures and sukuks		**353,853**	**(353,853)**	**-**	**-**	360,481	(360,481)	-	-
Foreign securities									
- Government debt securities	10.2.2 and 10.3	**35,761,944**	**(197,902)**	**-**	**35,564,042**	36,921,367	(208,380)	-	36,712,987
- Non-Government debt securities	10.3	**1,064**	**-**	**-**	**1,064**	1,079	-	-	1,079
		626,038,652	**(991,199)**	**-**	**625,047,453**	535,923,084	(656,222)	-	535,266,862
Associates	10.1.2	**1,556,155**	**(503,012)**	**-**	**1,053,143**	1,260,443	(503,012)	-	757,431
Subsidiaries	10.1.3	**767,323**	**(156,245)**	**-**	**611,078**	767,323	(156,245)	-	611,078
Total investments		**5,563,347,665**	**(11,428,441)**	**113,346,145**	**5,665,265,369**	4,768,825,522	(11,038,598)	164,313,233	4,922,100,157

10.1.1 Investments given as collateral

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
The book value of investment given as collateral against borrowings is as follows:			
Pakistan Investment Bonds		**1,468,302,427**	1,192,522,540
Market Treasury Bills		**1,272,809,125**	403,505,550
	18.4	**2,741,111,552**	1,596,028,090

10.1.1.1 The market value of securities given as collateral is Rs. 2,756,527 million (December 31, 2025: 1,609,647 Rs. million)

	June 30, 2026 (Un-audited)								
	Number of shares	Percentage of holding	Country of incorporation	Based on the financial statements as at	Assets	Liabilities	Revenue	Profit / (loss) after taxation	Total comprehensive income / (loss)
10.1.2 Associates					(Rupees in '000)				
Listed									
First Credit and Investment Bank Limited	20,000,000	30.77%	Pakistan	March 31, 2026 (Unaudited)	4,511,660	3,633,982	170,667	55,729	377
National Fibres Limited	17,030,231	20.19%	Pakistan	N/A**	-	-	-	-	-
SG Allied Businesses Limited	3,754,900	25.03%	Pakistan	March 31, 2026 (Unaudited)	1,535,868	274,104	20,066	(10,820)	(10,820)
Nina Industries Limited	4,906,000	20.27%	Pakistan	N/A**	-	-	-	-	-
NBP Stock Fund	31,871,171	2.33%	Pakistan	March 31, 2026 (Unaudited)	51,040,999	403,199	7,897,119	6,361,962	6,361,962
Unlisted									
Pakistan Emerging Venture Limited	12,500,000	33.33%	Pakistan	June 30, 2022 (Audited)	478	404	56	(385)	(385)
National Fructose Company Limited	1,300,000	39.50%	Pakistan	N/A**	-	-	-	-	-
Venture Capital Fund Management *	33,333	33.33%	Pakistan	N/A**	-	-	-	-	-
Kamal Enterprises Limited *	11,000	20.37%	Pakistan	N/A**	-	-	-	-	-
Mehran Industries Limited *	37,500	32.05%	Pakistan	N/A**	-	-	-	-	-
Tharparkar Sugar Mills Limited *	2,500,000	21.52%	Pakistan	N/A**	-	-	-	-	-
Youth Investment Promotion Society *	644,508	25.00%	Pakistan	N/A**	-	-	-	-	-
Dadabhoy Energy Supply Company Limited	9,900,000	23.11%	Pakistan	N/A**	-	-	-	-	-
K-Agricole Limited *	5,000	20.00%	Pakistan	N/A**	-	-	-	-	-
New Pak Limited *	200,000	20.00%	Pakistan	N/A**	-	-	-	-	-
Pakistan Mercantile Exchange Limited	30,363,501	33.98%	Pakistan	December 31, 2025 (Unaudited)	17,926,756	16,542,672	914,751	387,981	387,981
Prudential Fund Management Limited *	150,000	20.00%	Pakistan	N/A**	-	-	-	-	-

* Nil figure represent shares which have been acquired under different arrangements without any cost

10.1.3 Subsidiaries

	Number of shares	Percentage of holding	Country of incorporation	Based on the financial statements as at	Assets	Liabilities	Revenue	Profit / (loss) after taxation	Total comprehensive income / (loss)
NBP Exchange Company Limited	174,998,950	99.99%	Pakistan	June 30,2026	2,498,420	169,652	214,315	22,479	22,479
NBP Modaraba Management Company Limited	10,499,000	99.99%	Pakistan	June 30,2026	138,795	113,268	7,864	(3,763)	(3,763)
Taurus Securities Limited	7,875,002	58.32%	Pakistan	June 30,2026	1,686,078	1,266,100	172,846	19,523	19,523
Cast-N-Link Products Limited	1,245,000	76.51%	Pakistan	N/A**	-	-	-	-	-
NBP Fund Management Limited	13,499,996	54.00%	Pakistan	June 30,2026	9,197,754	6,342,949	3,333,563	771,675	771,675

** N/A represents not available

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			(Rupees in '000)	
10.2	**Particulars of credit loss allowance / provision for diminution in value of investments**			
10.2.1	Opening balance		**11,038,598**	17,277,034
	Impact of adoption of IFRS 9 - reversal of provision held against unlisted shares		**-**	(573,853)
	Impact of ECL recognized on adoption of IFRS 9		**-**	158,085
			11,038,598	16,861,266
	Charge for the period / year		**486,351**	98
	Reversal for the period / year		**(95,324)**	(5,828,907)
		31	**391,025**	(5,828,809)
	Charge off / Write- off during the period / year		**(1,182)**	-
	Exchange adjustment		**-**	6,140
	Closing balance		**11,428,441**	11,038,598

10.2.2 Particulars of credit loss allowance against debt securities

Category of classification		**(Un-audited) June 30, 2026**		(Audited) December 31, 2025	
		Outstanding amount	**Credit loss allowance held**	Outstanding amount	Credit loss allowance held
		(Rupees in '000)			
Domestic					
Performing	Stage 1	**4,166,081**	**25,825**	4,332,164	24,272
Underperforming	Stage 2	**1,000,000**	**61,933**	1,400,000	110,664
Non-performing	Stage 3				
Substandard		**-**	**-**	-	-
Doubtful		**-**	**-**	-	-
Loss		**6,754,987**	**6,754,987**	6,790,763	6,790,763
		11,921,068	**6,842,745**	12,522,927	6,925,699
Overseas					
Performing	Stage 1	**4,062,415**	**475**	6,485,444	116
Underperforming	Stage 2	**67,814,389**	**3,367,681**	71,846,673	2,895,242
Non-Performing	Stage 3				
Substandard		**-**	**-**	-	-
Doubtful		**-**	**-**	-	-
Loss		**-**	**-**	-	-
		71,876,804	**3,368,156**	78,332,117	2,895,358
Total		**83,797,872**	**10,210,901**	90,855,044	9,821,057

10.3 The market value of securities classified at amortised cost as at June 30, 2026 amounted to Rs. 614,484 million (December 31, 2025: Rs.538,129 million).

10.4 The non-government debt securities carried at FVOCI amounting to Rs. 11,788 million (December 31, 2025: Rs. 14,267 million) pertains to government guaranteed exposure. The exposure is exempted for the calculation of ECL by the SBP.

10.5 Subsequent to the period end, the Bank's holding of 7,698,441 shares in First Women Bank Limited was disposed of at Rs. 12.52 per share, for total proceeds of Rs. 96.753 million against a cost of Rs. 21.10 million.

11. ADVANCES

	Note	Performing (Un-audited) June 30, 2026	Performing (Audited) December 31, 2025	Non Performing (Un-audited) June 30, 2026	Non Performing (Audited) December 31, 2025	Total (Un-audited) June 30, 2026	Total (Audited) December 31, 2025
		(Rupees in '000)					
Loans, cash credits, running finances, etc.		**996,753,217**	1,098,536,201	**213,311,314**	207,998,332	**1,210,064,531**	1,306,534,533
Islamic financing and related assets	39.3	**314,945,300**	248,313,166	**2,175,868**	2,173,921	**317,121,168**	250,487,087
Bills discounted and purchased		**32,954,838**	45,014,230	**16,187,186**	12,811,346	**49,142,024**	57,825,576
Advances - gross	11.1	**1,344,653,355**	1,391,863,597	**231,674,368**	222,983,599	**1,576,327,723**	1,614,847,196
Credit loss allowance against advances							
-Stage 1		**18,193,471**	16,062,649	**-**	-	**18,193,471**	16,062,649
-Stage 2		**15,313,951**	23,412,505	**-**	-	**15,313,951**	23,412,505
-Stage 3		**-**	-	**214,978,556**	219,764,473	**214,978,556**	219,764,473
-General		**13,454,021**	17,521,916	**-**	-	**13,454,021**	17,521,916
	11.3	**46,961,443**	56,997,070	**214,978,556**	219,764,473	**261,939,999**	276,761,543
Advances - net of credit loss allowance / provision		**1,297,691,912**	1,334,866,527	**16,695,812**	3,219,126	**1,314,387,724**	1,338,085,653

11.1 Particulars of advances (gross)

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	(Rupees in '000)	
In local currency	**1,250,113,190**	1,251,654,699
In foreign currencies	**326,214,533**	363,192,497
	1,576,327,723	1,614,847,196

11.2 Advances includes Rs. 231,674 million (December 31, 2025: Rs. 222,984 million) which have been placed under non-performing / stage 3 status as detailed below:

	(Un-audited) June 30, 2026		(Audited) December 31, 2025	
Category of Classification	**Non performing loans**	**Credit loss allowance / provision**	Non performing loans	Credit loss allowance / provision
	---------- (Rupees in '000) ----------			
Domestic				
Other assets especially mentioned	**2,523,612**	**1,290,569**	2,268,835	1,499,383
Substandard	**8,918,287**	**5,937,204**	13,247,022	8,590,584
Doubtful	**19,748,390**	**13,184,925**	2,666,190	1,838,229
Loss	**139,958,750**	**136,265,820**	143,575,094	140,178,215
	171,149,039	**156,678,518**	161,757,141	152,106,411
Overseas				
Substandard	-	-	-	-
Doubtful	**-**	**-**	387,241	247,721
Loss	**60,525,329**	**58,300,038**	60,839,217	58,598,233
	60,525,329	**58,300,038**	61,226,458	58,845,954
Stage 3 as per IFRS 9	**-**	**-**	-	8,812,108
Total	**231,674,368**	**214,978,556**	222,983,599	219,764,473

11.3 Particulars of credit loss allowance / provision against advances

	Note	June 30, 2026 (Un-audited)					December 31, 2025 (Audited)				
		Stage 1	**Stage 2**	**Stage 3**	**General provision**	**Total**	Stage 1	Stage 2	Stage 3	General provision	Total
		(Rupees in '000)					(Rupees in '000)				
Opening balance		**16,062,649**	**23,412,505**	**219,764,473**	**17,521,916**	**276,761,543**	19,751,831	10,808,620	225,833,262	11,501,411	267,895,124
IFRS-9 adoption		**-**	**-**	**-**	**-**	**-**	-	30,103	124,994	-	155,097
		16,062,649	**23,412,505**	**219,764,473**	**17,521,916**	**276,761,543**	19,751,831	10,838,723	225,958,256	11,501,411	268,050,221
Exchange adjustments		**-**	**-**	**(749,539)**	**(35,201)**	**(784,740)**	-	-	(2,933,410)	(10,247)	(2,943,657)
Charge for the period / year		**7,276,894**	**1,323,626**	**2,368,288**	**(37,555)**	**10,931,253**	1,449,113	16,561,201	10,916,537	2,938,784	31,865,635
Reversals		**(4,283,610)**	**(8,508,613)**	**(5,687,605)**	**-**	**(18,479,828)**	(3,967,654)	(7,946,792)	(7,148,783)	-	(19,063,229)
		2,993,284	**(7,184,987)**	**(3,319,317)**	**(37,555)**	**(7,548,575)**	(2,518,541)	8,614,409	3,767,754	2,938,784	12,802,406
Amounts written off		**-**	**-**	**(23,496)**	**-**	**(23,496)**	-	-	(63,652)	-	(63,652)
Amounts charged off - agriculture financing	**11.4.5**	**-**	**-**	**(61,297)**	**-**	**(61,297)**	-	-	(370,152)	-	(370,152)
Transfer to stage 1		**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
Transfer to stage 2		**(834,134)**	**834,134**	**-**	**-**	**-**	(666,997)	4,765,421	-	(4,098,424)	-
Transfer to stage 3		**(28,328)**	**(283,058)**	**311,386**	**-**	**-**	(503,644)	(806,048)	1,309,692	-	-
Other movement	**21.1**	**-**	**(1,464,643)**	**(943,655)**	**(3,995,139)**	**(6,403,437)**	-	-	(7,904,014)	7,190,392	(713,622)
Closing balance		**18,193,471**	**15,313,951**	**214,978,556**	**13,454,021**	**261,939,999**	16,062,649	23,412,505	219,764,473	17,521,916	276,761,543

11.4 Advances - particulars of credit loss allowance / provision against advances

		June 30, 2026 (Un-audited)					December 31, 2025 (Audited)				
		Stage 1	**Stage 2**	**Stage 3**	**General provision**	**Total**	Stage 1	Stage 2	Stage 3	General provision	Total
		(Rupees in '000)					(Rupees in '000)				
11.4.1 **Opening balance**		**16,062,649**	**23,412,505**	**219,764,473**	**17,521,916**	**276,761,543**	19,751,831	10,808,620	225,833,262	11,501,411	267,895,124
IFRS-9 adoption		**-**	**-**	**-**	**-**	**-**	-	30,103	124,994	-	155,097
		16,062,649	**23,412,505**	**219,764,473**	**17,521,916**	**276,761,543**	19,751,831	10,838,723	225,958,256	11,501,411	268,050,221
New Advances		**7,276,894**	**1,323,626**	**2,368,288**	**(37,555)**	**10,931,253**	1,449,113	16,561,201	10,916,537	2,938,784	31,865,635
Exchange adjustment		**-**	**-**	**(749,539)**	**(35,201)**	**(784,740)**	-	-	(2,933,410)	(10,247)	(2,943,657)
Advances derecognised or repaid		**(4,283,610)**	**(8,508,613)**	**(5,687,605)**	**-**	**(18,479,828)**	(3,967,654)	(7,946,792)	(7,148,783)	-	(19,063,229)
Transfer to stage 1		**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
Transfer to stage 2		**(834,134)**	**834,134**	**-**	**-**	**-**	(666,997)	4,765,421	-	(4,098,424)	-
Transfer to stage 3		**(28,328)**	**(283,058)**	**311,386**	**-**	**-**	(503,644)	(806,048)	1,309,692	-	-
Other movement	**21.1**	**-**	**(1,464,643)**	**(943,655)**	**(3,995,139)**	**(6,403,437)**	-	-	(7,904,014)	7,190,392	(713,622)
		2,130,822	**(8,098,554)**	**(4,701,125)**	**(4,067,895)**	**(14,736,752)**	(3,689,182)	12,573,782	(5,759,978)	6,020,505	9,145,127
Amounts written off		**-**	**-**	**(23,496)**	**-**	**(23,496)**	-	-	(63,652)	-	(63,652)
Amounts charged off - agriculture financing		**-**	**-**	**(61,297)**	**-**	**(61,297)**	-	-	(370,152)	-	(370,152)
Closing balance		**18,193,471**	**15,313,951**	**214,978,556**	**13,454,021**	**261,939,999**	16,062,649	23,412,505	219,764,473	17,521,916	276,761,543

11.4.2 Advances - Category of classification

		June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
		Outstanding amount	Credit loss allowance held	Net of Advances	Outstanding amount	Credit loss allowance held	Net of Advances
		(Rupees in '000)					
Domestic							
Performing	Stage 1	**1,164,945,020**	**18,189,032**	**1,146,755,989**	1,118,791,805	16,062,649	1,102,729,156
Underperforming	Stage 2	**114,186,430**	**15,234,519**	**98,951,911**	185,541,665	23,412,505	162,129,160
Non-Performing	Stage 3						
Other assets especially mentioned		**2,523,612**	**1,290,569**	**1,233,044**	2,268,835	1,499,383	769,452
Substandard		**8,918,287**	**5,937,204**	**2,981,083**	13,247,022	8,590,584	4,656,438
Doubtful		**19,748,390**	**13,184,925**	**6,563,465**	2,666,190	1,838,229	827,961
Loss		**139,958,750**	**136,265,820**	**3,692,930**	143,575,094	140,178,215	3,396,879
Stage 3 as per IFRS 9		**-**	**-**	**-**	13,775,376	8,812,108	4,963,268
General Provision		**-**	**13,454,021**	**(13,454,021)**	-	17,521,916	(17,521,916)
		171,149,039	**170,132,538**	**1,016,501**	175,532,517	178,440,435	(2,907,918)
Sub total		**1,450,280,489**	**203,556,089**	**1,246,724,401**	1,479,865,987	217,915,589	1,261,950,398
Overseas							
Performing	Stage 1	**17,254,509**	**4,440**	**17,250,069**	22,390,335	-	22,390,335
Underperforming	Stage 2	**48,267,396**	**79,432**	**48,187,964**	51,364,416	-	51,364,416
Non-Performing	Stage 3						
Substandard		**-**	**-**	**-**	-	-	-
Doubtful		**-**	**-**	**-**	387,241	247,721	139,520
Loss		**60,525,329**	**58,300,038**	**2,225,291**	60,839,217	58,598,233	2,240,984
		60,525,329	**58,300,038**	**2,225,291**	61,226,458	58,845,954	2,380,504
Sub total		**126,047,234**	**58,383,910**	**67,663,324**	134,981,209	58,845,954	76,135,255
Total		**1,576,327,723**	**261,939,999**	**1,314,387,724**	1,614,847,196	276,761,543	1,338,085,653

11.4.3 General provision includes provision amounting to Rs.349 million (December 31, 2025: Rs. 467 million) pertaining to overseas advances to meet the requirements of regulatory authorities of the respective countries in which the Bank operates where IFRS 9 has not been implemented. The general provision can be maintained till December 31, 2026 under BPRD circular No. 1 of 2025 dated January 22, 2025.

11.4.4 The SBP had allowed specific relaxation to the Bank for non-classification of overdue loans of certain Public Sector Entities (PSEs) which are guaranteed by Government of Pakistan as non-performing loans up till December 31, 2026. No provision is required against these loans; however, mark-up is being suspended as required by the Prudential Regulations. Further SBP has allowed specific relaxation on the requirement for ECL against overdue foreign currency loans of certain Public Sector Entities permanently.

11.4.5 These represent non-performing advances for agriculture finance which have been classified as loss and fully provided for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held in accordance with Prudential Regulations for Agriculture Financing issued by the SBP. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

			(Un-audited)	(Audited)
			June 30, 2026	December 31, 2025
			--------- (Rupees in '000) ----------	
12.	**PROPERTY AND EQUIPMENT**			
	Capital work-in-progress	12.1	**1,939,952**	2,260,719
	Property and equipment		**64,621,107**	64,646,456
			66,561,059	66,907,175
12.1	**Capital work-in-progress**			
	Civil works		**1,643,923**	1,259,425
	Equipment		**10,372**	17,476
	Advances to suppliers		**285,657**	983,818
			1,939,952	2,260,719

		(Un-audited)	
		June 30, 2026	June 30, 2025
		For the half year ended	
12.2	**Additions to property and equipment**	--------- (Rupees in '000) ----------	
	The following additions have been made to property and equipment during the period:		
	Capital work-in-progress	**1,455,195**	276,179
	Property and equipment		
	Leasehold land	**2,500**	-
	Building on freehold land	**144,729**	185,199
	Building on leasehold land	**116,361**	7,986
	Furniture and fixtures	**617,801**	391,958
	Computer and peripheral equipment	**921,820**	983,649
	Electrical and office equipment	**418,414**	422,850
	Vehicles	**580,395**	553,012
		2,802,020	2,544,654
	Total additions to property and equipment	**4,257,215**	2,820,833
12.3	**Disposal of property and equipment**		
	The net book value of property and equipment disposed off during the period is as follows:		
	Furniture and fixtures	**1**	792
	Electrical and office equipment	**173**	165
	Vehicles	**15,740**	35,020
	Computer equipment	**1,206**	88
	Total disposals of property and equipment	**17,120**	36,065

13. RIGHT-OF-USE ASSETS

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Buildings	**Vehicles**	**Total**	Buildings	Vehicles	Total
	---------- (Rupees in '000) ----------					
At January 01						
Cost	**20,931,630**	**68,237**	**20,999,867**	17,996,306	92,500	18,088,806
Accumulated depreciation	**(14,753,673)**	**(30,834)**	**(14,784,507)**	(11,746,918)	(24,264)	(11,771,182)
Net carrying amount at January 01	**6,177,957**	**37,403**	**6,215,360**	6,249,388	68,236	6,317,624
Additions during the period / year	**829,223**	**-**	**829,223**	2,935,324	-	2,935,324
Deletions during the period / year	**-**	**-**	**-**	(1,169,225)	-	(1,169,225)
Depreciation charge for the period / year	**(975,774)**	**(15,417)**	**(991,191)**	(1,837,530)	(30,833)	(1,868,363)
Net carrying amount	**6,031,406**	**21,986**	**6,053,392**	6,177,957	37,403	6,215,360

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		---------- (Rupees in '000) ----------	
14. INTANGIBLE ASSETS			
Capital work-in-progress - Software Implementation		**1,278,428**	1,394,645
Computer software		**1,208,201**	1,125,020
		2,486,629	2,519,665

	(Un-audited) June 30, 2026	(Un-audited) June 30, 2025
	For the half year ended	
	---------- (Rupees in '000) ----------	
14.1 Additions to intangible assets		
The following additions have been made to intangible assets during the period:		
Capital work-in-progress	**141,415**	745,170
Directly purchased	**448,708**	424,042
Total additions to intangible assets	**590,123**	1,169,212

14.2 There were no disposal of intangible assets during the period ended June 30, 2025 and June 30, 2026.

15. DEFERRED TAX ASSETS / (DEFERRED TAX LIABILITIES)

	June 30, 2026	December 31, 2025
Deductible temporary differences on:		
- Tax losses carried forward	**10,705**	10,705
- Post retirement employee benefits	**10,718,337**	8,951,190
- Net credit loss allowance against investments	**2,228,489**	2,025,156
- Net credit loss allowance against loans and advances	**33,878,301**	35,667,648
- Net credit loss allowance against off-balance sheet obligations	**2,851,895**	1,959,634
property and equipment and intangibles	**402,612**	(63,437)
- Other credit loss allowance	**1,013,566**	1,025,842
- Provision against contingencies	**509,411**	401,043
- Net credit loss allowance against balances with other banks	**1,573**	1,074
- Net credit loss allowance against balances with other central banks	**2,514**	2,663
- Right-of-use assets	**1,036,159**	939,376
	52,653,562	50,920,895
Taxable temporary differences on:		
- Surplus on revaluation of property and equipment	**(3,613,907)**	(3,706,570)
- Exchange translation reserve	**(485,504)**	(485,504)
- Surplus on revaluation of investments	**(59,205,215)**	(83,163,748)
- Surplus on revaluation of non-banking assets	**(108,069)**	(110,840)
	(63,412,695)	(87,466,662)
	(10,759,132)	(36,545,766)

16. OTHER ASSETS

	Note	June 30, 2026	December 31, 2025
Income / return / mark-up accrued in local currency		**178,187,157**	168,073,970
Income / return / mark-up accrued in foreign currencies		**6,150,973**	9,181,791
Advances, deposits, advance rent and other prepayments		**50,161,622**	45,013,017
Compensation for delayed tax refunds		**22,129,925**	22,129,925
Non-banking assets acquired in satisfaction of claims		**1,143,860**	1,146,897
Assets acquired from Corporate and Industrial Restructuring Corporation (CIRC)		**158,931**	158,931
Mark to market gain on forward foreign exchange contracts		**194**	-
Commission receivable on Government treasury transactions		**11,487,408**	5,428,242
Stationery and stamps on hand		**460,516**	506,656
Barter trade balances		**195,399**	195,399
Receivable on account of Government transactions		**323,172**	323,172
Receivable from Government under VHS scheme		**418,834**	418,834
Receivable against sale of shares		**1,159,242**	7,143
Acceptances		**13,814,684**	10,335,656
Deferred fair value loss	16.3	**10,519,278** `	11,275,985
Dividend receivable		**6,651,034**	3,267,361
Others		**15,715,185**	13,485,582
		318,677,414	290,948,561

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		---------- (Rupees in '000) ----------	
Less: Provision held against other assets	16.1	**16,245,587**	16,223,310
Less: Credit loss allowance held against other assets	16.2	**1,228,434**	1,301,500
Other assets (net of credit loss allowance / provision)		**301,203,393**	273,423,751
Surplus on revaluation of non-banking assets acquired in satisfaction of claims - net		**3,057,834**	3,243,242
Other assets		**304,261,227**	276,666,993

16.1 Provision held against other assets

Income / mark-up accrued in local currency	**152,607**	152,607
Advances, deposits, advance rent and other prepayments	**800,000**	800,000
Stationery and stamps on hand	**74,075**	74,075
Barter trade balances	**195,399**	195,399
Receivable on account of Government transactions	**323,172**	323,172
Receivable from Government under VHS scheme	**418,834**	418,834
Protested bills	**4,284,350**	4,399,671
Ex-MBL / NDFC - other assets	**760,941**	760,941
Assets acquired from Corporate and Industrial Restructuring Corporation asset (CIRC)	**158,931**	158,931
Dividend receivable	**3,237,161**	3,237,161
Others	**5,840,117**	5,702,519
	16,245,587	16,223,310

16.1.1 Movement in provision held against other assets

Opening balance	**16,223,310**	15,892,557
Charge for the period / year	**49,457**	615,423
Adjustment against provision	**(27,180)**	20,234
Other movement	**-**	(304,904)
Closing balance	**16,245,587**	16,223,310

16.2 Movement in credit loss allowance held against other assets

Opening balance	**1,301,500**	1,225,858
Impact of ECL recognition on adoption of IFRS-9	**-**	535
Reversal for the period / year	**(73,066)**	(71,766)
Transfer in	**-**	146,873
Closing balance	**1,228,434**	1,301,500

16.3 This represents fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). The SBP through its Circular Letter No. BPRD / BRD / PIAHCL / 733688 – 2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates 5%, 10%, 15%, 20%, 25% and 25% from year 1 to year 6. Accordingly, the Bank has recognised proportionate amount of 3rd year's 15% of loss in these unconsolidated condensed interim financial statements.

17. BILLS PAYABLE

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
In Pakistan	**26,197,300**	20,781,510
Outside Pakistan	**35,841**	35,702
	26,233,141	20,817,212

18. BORROWINGS

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
Secured			
Borrowings from the State Bank of Pakistan			
Under Export Refinance Scheme		**11,817,899**	15,873,707
Uner Financing Scheme for Renewable Energy		**945,120**	1,112,560
Under Refinance Facility for Modernization of Small and Medium Enterprises (SMEs)		**244,039**	204,159
Under Financing Facility for Storage of Agriculture Produce (FFSAP)		**248,636**	246,803
Under Long-Term Financing Facility (LTFF)		**8,859,849**	10,470,123
Under Temporary Economic Refinance Facility		**10,564,091**	11,726,436
Under Refinance and Credit Guarantee Scheme for Women Entrepreneurs (RCWE)		**68,651**	61,937
Under Export Refinance scheme for bill discounting		**1,998,991**	2,511,175
Under Refinance Facility for Combating COVID-19		**3,576**	7,152
Under Refinance Facility for working capital		**-**	27,000
		34,750,852	42,241,052
Repurchase agreement borrowings	10.1.1	**2,741,111,552**	1,596,028,090
Total secured		**2,775,862,404**	1,638,269,142
Unsecured			
Call borrowings		**40,865,287**	48,387,944
Borrowing from Pakistan Mortgage Refinance Company		**3,000,000**	3,000,000
Total unsecured		**43,865,287**	51,387,944
		2,819,727,691	1,689,657,086

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	---------- (Rupees in '000) ----------	

18.1 Particulars of borrowings with respect to currencies

In local currency	**2,778,862,404**	1,641,269,142
In foreign currencies	**40,865,287**	48,387,944
	2,819,727,691	1,689,657,086

18.2 Mark-up / interest rates and other terms are as follows:

- The Bank has entered into agreements with the SBP for extending export refinance to customers. As per the terms of the agreement, the Bank has granted SBP the right to recover the outstanding amount from the Bank at the date of maturity of finances by directly debiting the current account maintained by the Bank with the SBP. These borrowings carry mark-up of 0.00 % to 16.00 % per annum (December 31, 2025: 0.00% to 16.00% per annum).

- Repurchase agreement borrowings carry mark-up ranging from 10.60 % to 12.50 % per annum (December 31, 2025: 10.49% to 11.50% per annum) having maturities ranging from July 02, 2026 to July 28, 2026.

- Call borrowings carry interest ranging from 4.16 % to 5.63 % per annum (December 31, 2025: 4.36% to 6.60% per annum).

18.3 Borrowings from the SBP under export oriented projects refinance schemes of the SBP are secured by the Bank's cash and security balances held by the SBP.

18.4 Pakistan Investment Bonds and Market Treasury Bills having maturity of 2 - 5 Years and 1 Year respectively, are pledged as security under borrowing having carrying amount of Rs. 2,741,111 million (December 31, 2025: Rs. 1,596,028 million).

19. DEPOSITS AND OTHER ACCOUNTS

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	---- (Rupees in '000) ----					
Customers						
Current deposits - remunerative	**791,518,358**	**-**	**791,518,358**	932,883,053	-	932,883,053
Current deposits - non-remunerative	**715,989,578**	**178,448,905**	**894,438,483**	661,037,204	154,955,433	815,992,638
Savings deposits	**1,305,209,847**	**91,136,131**	**1,396,345,978**	1,223,390,842	144,899,660	1,368,290,502
Term deposits	**336,567,127**	**291,503,740**	**628,070,867**	504,918,393	272,899,557	777,817,950
Others	**43,452,485**	**7,071**	**43,459,556**	23,156,231	2,862,591	26,018,822
	3,192,737,395	**561,095,847**	**3,753,833,242**	3,345,385,723	575,617,241	3,921,002,965
Financial Institutions						
Current deposits - remunerative	**4,654,757**	**-**	**4,654,757**	57,731,344	-	57,731,344
Current deposits - non-remunerative	**380,212,038**	**1,340,115**	**381,552,153**	353,072,890	2,846,955	355,919,844
Savings deposits	**66,219,691**	**-**	**66,219,691**	42,073,982	2,890,259	44,964,241
Term deposits	**5,738,558**	**3,744,816**	**9,483,374**	38,069,277	11,577,351	49,646,628
Others	**-**	**274**	**274**	-	-	-
	456,825,044	**5,085,205**	**461,910,249**	490,947,493	17,314,565	508,262,057
	3,649,562,439	**566,181,052**	**4,215,743,491**	3,836,333,216	592,931,806	4,429,265,022

19.1 Foreign currencies deposits includes deposit of foreign branches amounting to Rs. 125,262 million (December 31, 2025: Rs. 112,156 million).

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			---------- (Rupees in '000) ----------	
20.	**LEASE LIABILITY AGAINST RIGHT-OF-USE ASSETS**			
	Outstanding amount at the start of the period / year		**8,021,852**	8,030,117
	Additions during the period / year		**838,974**	3,028,869
	Lease payments during the period / year		**(1,387,375)**	(2,833,704)
	Interest expense	25	**576,255**	1,131,784
	Exchange difference		**(3,700)**	7,041
	Closure of branch		**-**	(1,342,254)
	Outstanding amount at the end of the period / year		**8,046,006**	8,021,852
	Liabilities outstanding			
	Less than one year		**1,419,337**	1,532,423
	One to five years		**4,188,405**	4,098,864
	Five to ten years		**1,494,317**	1,590,093
	More than ten years		**943,947**	800,471
	Total lease liabilities		**8,046,006**	8,021,852

20.1 For the purpose of discounting 1-Year (Offer) KIBOR +1% spread rates are being used.

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
21.	**OTHER LIABILITIES**			
	Mark-up / return / interest payable in local currency		**49,683,180**	129,606,109
	Mark-up / return / interest payable in foreign currencies		**5,658,426**	5,510,712
	Unearned commission and income on bills discounted		**1,454,707**	1,019,222
	Accrued expenses		**17,799,542**	16,176,261
	Advance payments		**349,966**	330,616
	Current taxation (provisions less payments)		**2,927,931**	10,796,160
	Unclaimed dividends		**466,919**	172,688
	Mark to market loss on forward foreign exchange contracts		**1,532,745**	3,609,169
	Branch adjustment account		**1,627,695**	445,201
	Payable to defined benefit plan:			
	Pension fund		**77,963,052**	75,312,954
	Post retirement medical benefits		**51,800,290**	48,234,725
	Benevolent fund		**2,005,885**	2,145,147
	Gratuity scheme		**6,211,793**	5,836,026
	Compensated absences		**11,190,677**	10,503,531
	Staff welfare fund		**371,265**	371,257
	Liabilities relating to Barter trade agreements		**4,275,351**	4,299,845
	Credit loss allowance against off-balance sheet obligations	21.1	**10,579,410**	2,460,086
	Provision against contingencies	21.2	**6,426,845**	6,258,300
	Payable to brokers		**299,752**	82,324
	PIBs short selling		**1,223,204**	-
	Acceptances		**13,814,684**	10,335,656
	Others		**26,586,609**	17,748,777
			294,249,928	351,254,766
21.1	**Credit loss allowance against off-balance sheet obligations**			
	Opening balance		**2,460,086**	1,726,164
	Impact of adoption of IFRS-9		**-**	125
	Charge for the period / year		**1,715,887**	167,047
	Transfer in		**6,403,437**	566,750
	Closing balance		**10,579,410**	2,460,086
21.2	**Provision against contingencies**			
	Opening balance		**6,258,300**	5,343,606
	Charge for the period / year		**208,401**	344,812
	Other movement		**200,000**	584,882
	Adjustment		**(239,856)**	(15,000)
	Closing balance		**6,426,845**	6,258,300

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------------- Rupees in '000 -------------	

22. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

	Note	June 30, 2026	December 31, 2025
Surplus on revaluation of:			
- Securities measured at FVOCI - Debt	10.1	**30,518,357**	72,125,535
- Securities measured at FVOCI - Equity	10.1	**83,337,825**	87,804,749
- Property and equipment		**49,135,306**	49,265,353
- Non-banking assets acquired in satisfaction of claims		**3,057,834**	3,243,242
		166,049,322	212,438,879
Less: Deferred tax liability on surplus on revaluation of:			
- Securities measured at FVOCI - Debt		**(15,869,546)**	(37,505,278)
- Securities measured at FVOCI - Equity		**(43,335,669)**	(45,658,469)
- Property and equipment		**(3,613,907)**	(3,706,571)
- Non-banking assets acquired in satisfaction of claims		**(108,069)**	(110,839)
		(62,927,191)	(86,981,157)
		103,122,131	125,457,722

23. CONTINGENCIES AND COMMITMENTS

	Note	June 30, 2026	December 31, 2025
Guarantees	23.1	**570,482,075**	533,648,579
Commitments	23.2	**2,910,358,046**	2,733,126,110
Other contingent liabilities	23.3	**23,863,727**	24,698,907
		3,504,703,848	3,291,473,596

23.1 Guarantees

		June 30, 2026	December 31, 2025
Financial guarantees		**466,266,677**	418,325,647
Performance guarantees		**104,215,398**	115,322,932
		570,482,075	533,648,579

23.2 Commitments

	Note	June 30, 2026	December 31, 2025
Documentary credits and short-term trade-related transactions			
- letters of credit		**1,809,113,138**	1,836,712,713
Commitments in respect of:			
- forward foreign exchange contracts	23.2.1	**1,048,186,584**	857,254,845
- forward government securities transactions	23.2.2	**32,669,610**	16,508,022
- forward lending	23.2.3	**18,783,649**	20,217,417
Commitments for acquisition of:			
- property and equipment		**1,605,065**	2,433,113
		2,910,358,046	2,733,126,110

23.2.1 Commitments in respect of forward foreign exchange contracts

		June 30, 2026	December 31, 2025
Purchase		**658,527,248**	569,734,831
Sale		**389,659,336**	287,520,014
		1,048,186,584	857,254,845

Commitments for outstanding forward foreign exchange contracts are disclosed in these unconsolidated condensed interim financial statements at contracted rates. Commitments denominated in foreign currencies are expressed in Rupee terms at the rates of exchange prevailing at the statement of financial position date.

23.2.2 Commitments in respect of forward government securities transactions

		June 30, 2026	December 31, 2025
Purchase		**29,283,802**	10,463,492
Sale		**3,385,808**	6,044,530
		32,669,610	16,508,022

Commitments for outstanding forward government securities transactions are disclosed in these unconsolidated condensed interim financial statements at contracted rates.

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
23.2.3	**Commitments in respect of forward lending**	(Rupees in '000)	
	Undrawn formal standby facilities, credit lines and other commitment to lend	**18,783,649**	20,217,417

These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.

23.3 Other contingent liabilities

23.3.1	Claims against the Bank not acknowledged as debt	**23,863,727**	24,698,907

Claims against the Bank not acknowledged as debts includes claims relating to former Mehran Bank Limited amounting to Rs. 1,597 million (December 31, 2025: Rs. 1,597 million).

Moreover, these claims also represent counter claims by the borrowers for damages, claims filed by former employees of the Bank and other claims relating to banking transactions. Based on legal advice and / or internal assessments, the management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome against the Bank is remote and accordingly no provision has been made in these unconsolidated condensed interim financial statements.

23.3.2 Taxation

The status of tax contingency is same as disclosed in annual audited unconsolidated financial statements of the bank for the year ended December 31, 2025 except for the following:

- The return of income for tax year 2025 has been amended under section 122 (5A) of the Ordinance. The Bank has preferred an appeal before the Commissioner Inland Revenue Appeals (CIR-A) against the additions made by the officer. The appeal is currently pending for adjudication.

- The amended assessment order for the Tax Year 2022 has been further amended under section 122(5A) read with subsection (4) of section 122 of the Ordinance by the ADCIR. The Bank has preferred an appeal before the Commissioner Inland Revenue (Appeals) challenging the additions made therein. The appeal is currently pending adjudication.

- The aggregate effect of contingencies as on June 30, 2026 including amount of Rs. 325 million (December 31, 2025: Rs. 204 million) in respect of indirect tax issues, amounts to Rs. 32,986 million (December 31, 2025: Rs. 32,327 million). No provision has been made against these contingencies, based on the opinion of tax consultant of the Bank, who expect favorable outcome upon decision in pending appeals.

23.3.3 Contingencies in respect of employees benefits and other matters

As at June 30, 2026, the status of contingencies in respect of employees benefits including pension and other related matters is same as disclosed in the annual audited unconsolidated financial statements for the year ended December 31, 2025, other than the following:

23.3.3.1 Pensionary benefits to retired employees

The hearing related to the Government increases in pension has been concluded and the judgment in the matter has been reserved.

23.3.3.2 During the year 2025, SBP imposed penalties on the Bank amounting to Rs. 1,276 million on account of detection of certain counterfeit bank notes. The Bank maintains chest operations as custodian of SBP. During the current period, an amount of Rs. 1,276 million were recovered from relevant depositing bank against their deposit accounts with the Bank against lien.

		(Un-audited) For the half year ended	
		June 30, 2026	June 30, 2025
24.	**MARK-UP / RETURN / INTEREST EARNED**	(Rupees in '000)	
	On:		
	- Loans and advances	**78,620,901**	95,833,748
	- Investments	**279,418,156**	311,112,691
	- Lendings to financial institutions	**2,624,622**	2,660,201
	- Balances with banks	**1,046,352**	1,293,679
		361,710,031	410,900,319

			(Un-audited)	
			For the half year ended	
			June 30, 2026	June 30, 2025
		Note	------------- (Rupees in '000) -------------	
25.	**MARK-UP / RETURN / INTEREST EXPENSED**			
	On:			
	- Deposits		**130,954,449**	144,399,831
	- Borrowings		**2,965,343**	2,270,692
	- Cost of foreign currency swaps against foreign currency deposits		**5,830,847**	5,342,057
	- Finance charges - lease liability against right-of-use assets		**576,255**	556,360
	- Securities sold under repurchase agreements		**121,323,156**	127,771,586
			261,650,050	280,340,526
26.	**FEE AND COMMISSION INCOME**			
	Branch banking customer fees		**591,602**	859,810
	Consumer finance related fees		**405,331**	465,543
	Card related fees		**2,805,678**	2,364,972
	Credit related fees		**256,361**	162,668
	Investment banking fees		**236,948**	207,892
	Commission on trade		**1,016,166**	1,121,461
	Commission on guarantees		**1,484,165**	1,530,357
	Commission on cash management		**53,534**	30,684
	Commission on remittances including home remittances		**441,683**	246,014
	Commission on bancassurance		**159,108**	115,289
	Commission on Government transactions		**6,172,407**	7,588,402
	Others		**17,978**	53,158
			13,640,961	14,746,250
27.	**GAIN ON SECURITIES - NET**			
	Realised gain	27.1	**5,889,190**	5,211,774
	Unrealised (loss) / gain - measured at FVTPL	10.1 and 27.2	**(510,037)**	74,339
	Unrealised loss - Short selling		**(40,343)**	-
			5,338,810	5,286,113
27.1	**Realised gain on**			
	Federal Government Securities		**4,782,675**	3,908,204
	Shares		**563,624**	1,153,521
	Foreign securities		**67**	79
	Associates - mutual funds		**399,193**	-
	Non-Government debt securities		**143,631**	149,970
			5,889,190	5,211,774
27.2	**Net gain / (loss) on financial assets measured at FVTPL:**			
	Designated upon initial recognition		**(446,931)**	(85,113)
	Mandatorily measured at FVTPL		**(63,106)**	159,452
			(510,037)	74,339
28.	**OTHER INCOME**			
	Rent on properties		**36,969**	52,848
	Gain on sale of property and equipment - net		**99,684**	6,165
	Postal, SWIFT and other charges recovered		**62,524**	-
	Reversal of expenses		**-**	269,158
	Insurance Claim		**-**	68,491
	Compensation against delayed vehicle delivery		**501**	-
	Swift share allocation		**-**	22,256
	Gain on modification on financial assets		**-**	101,735
	Others		**453**	4,728
			200,131	525,381

		(Un-audited)	
		For the half year ended	
		June 30, 2026	June 30, 2025
29.	**OPERATING EXPENSES**	------------- (Rupees in '000) -------------	
	Total compensation expenses	**40,240,074**	37,255,823
	Property expenses		
	Rent and taxes	**817,959**	714,790
	Insurance	**18,281**	19,063
	Utilities	**1,501,675**	1,326,687
	Security (including guards)	**2,299,044**	2,329,829
	Repair and maintenance (including janitorial charges)	**944,971**	1,126,980
	Depreciation	**262,512**	256,643
	Depreciation on non-banking assets	**8,366**	8,769
	Depreciation on right-of-use assets	**991,191**	955,915
		6,843,999	6,738,676
	Information technology expenses		
	Software maintenance	**3,686,237**	2,526,098
	Hardware maintenance	**151,156**	97,913
	Depreciation	**1,289,913**	755,044
	Amortisation	**377,114**	268,542
	Network charges	**776,252**	836,859
	IT manage services	**266,466**	960,641
		6,547,138	5,445,097
	Other operating expenses		
	Directors' fees and allowances	**45,002**	52,848
	Fees and allowances to Shariah Board	**11,713**	10,531
	Legal and professional charges	**833,630**	551,023
	Outsourced services costs	**832,311**	920,598
	Travelling and conveyance	**680,900**	691,658
	NIFT clearing charges	**30,470**	164,653
	Depreciation	**1,175,472**	910,250
	Training and development	**50,965**	87,672
	Postage and courier charges	**158,281**	127,522
	Communication	**838,521**	758,169
	Stationery and printing	**1,583,736**	806,760
	Marketing, advertisement and publicity	**1,916,739**	985,672
	Donations	**2,646**	80,981
	Auditors' remuneration	**152,813**	127,537
	Entertainment	**202,588**	235,411
	Clearing, verification, license fee charges	**306,374**	227,482
	Brokerage	**87,891**	99,424
	Financial charges on leased assets	**71,210**	74,966
	Insurance	**573,263**	525,690
	Vehicle expenses	**140,958**	145,832
	Repairs and maintenance	**817,992**	686,530
	Deposit premium expense	**1,101,134**	961,231
	Others	**277,018**	435,322
		11,891,627	9,667,762
		65,522,838	59,107,358
30.	**OTHER CHARGES**		
	Penalties imposed by State Bank of Pakistan	**20,153**	31,686
		20,153	31,686

		Note	(Un-audited) For the half year ended June 30, 2026	June 30, 2025
			------------- (Rupees in '000) -------------	
31.	**CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS / (REVERSAL OF PROVISIONS / CREDIT LOSS ALLOWANCE) - NET**			
	Net credit loss allowance / provision / (reversal) against investments	10.2	**391,025**	(1,266,967)
	Net (reversal) / credit loss allowance / provision against loans and advances	11.3	**(7,548,575)**	5,658,492
	Net provision held against other assets	16.1.1	**49,457**	311,608
	Net provision against contingencies	21.2	**208,401**	62,762
	Net credit loss allowance / provision / (reversal) against balances with other banks		**959**	(1,884)
	Net (reversal) / credit loss allowance / provision against balances with other central banks		**(286)**	4,894
	Net reversal of credit loss allowance against other assets	16.2	**(73,066)**	(348,858)
	Net credit loss allowance against off-balance sheet	21.1	**1,715,887**	349,064
			(5,256,198)	4,769,111
32.	**TAXATION**			
	Current			
	For the period		**34,999,068**	**51,291,438**
	Deferred			
	For the period		**(60,956)**	(1,537,299)
			34,938,112	49,754,139
33.	**EARNINGS PER SHARE - BASIC AND DILUTED**			
	Profit for the period		**32,407,809**	43,471,756
			------ (Number of shares in '000) -----	
	Weighted average number of ordinary shares		**2,127,513**	2,127,513

		Note	(Un-audited) For the half year ended June 30, 2026	June 30, 2025
			-------------- (Rupees) --------------	
	Earnings per share - basic and diluted		**15.23**	20.43

33.1 Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.

		Note	June 30, 2026	June 30, 2025
34.	**CASH AND CASH EQUIVALENTS**			
	Cash and balances with treasury banks	7	**327,652,333**	468,591,344
	Balances with other banks	8	**53,872,794**	31,167,871
	Call money borrowings	18	**(40,865,287)**	(15,323,096)
	Overdrawn nostro accounts	18	**-**	(2,395,976)
			340,659,840	482,040,143

35. FAIR VALUE MEASUREMENTS

Fair value measurement defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified as amortised cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of valuation methodologies. The fair value of fixed term financings, other assets, other liabilities, fixed term deposits and due to financial institutions 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 financings and deposits, are frequently repriced.

35.1 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).

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

	June 30, 2026 (Un-audited)				
	Carrying value	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					
- Market Treasury Bills	1,605,549,079	-	1,605,549,079	-	1,605,549,079
- Pakistan Investment Bonds	2,865,057,477	-	2,865,057,477	-	2,865,057,477
- GOP Ijarah Sukuks	361,299,513	348,791,000	12,508,513	-	361,299,513
- Foreign currency debt securities	24,116,128	-	24,116,128	-	24,116,128
Ordinary Shares					
- Listed companies	94,549,104	94,549,104	-	-	94,549,104
- Unlisted companies	9,595,901	-	-	9,595,901	9,595,901
Preference shares					
- Listed companies	1,154,887	1,154,887	-	-	1,154,887
Non-Government debt securities					
- Term finance certificates and sukuks	27,850,094	7,644,856	20,205,238	-	27,850,094
Mutual Fund units	6,231,611	-	6,231,611	-	6,231,611
Real estate investment trust units	2,392,992	-	2,392,992	-	2,392,992
Foreign securities					
- Equity securities - listed	40,756,909	40,756,909	-	-	40,756,909
	5,038,553,695	492,896,756	4,536,061,038	9,595,901	5,038,553,695

	June 30, 2026 (Un-audited)				
	Carrying value	**Level 1**	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)				
Financial assets - disclosed but not measured at fair value					
Investments					
Federal Government Securities					
- Pakistan Investment Bonds	**544,397,788**	**-**	**533,366,391**	**-**	**533,366,391**
- Ijarah Sukuks	**28,012,171**	**-**	**27,842,800**	**-**	**27,842,800**
- Foreign Currency Debt securities	**8,606,053**	**-**	**9,045,502**	**-**	**9,045,502**
-Bai muajjal with Government of Pakistan	**8,466,335**	-	**8,466,335**	**-**	**8,466,335**
Foreign Securities					
- Government debt securities	**35,564,042**	**-**	**35,761,957**	**-**	**35,761,957**
- Non-Government debt securities	**1,064**	**-**	**1,064**	**-**	**1,064**
	625,047,453	**-**	**614,484,049**	**-**	**614,484,049**
	5,663,601,148	**492,896,756**	**5,150,545,087**	**9,595,901**	**5,653,037,744**
Off-balance sheet financial instruments - measured at fair value					
Commitments					
Forward purchase and sale of foreign exchange	**1,048,186,584**	**-**	**(1,532,745)**	**-**	**(1,532,745)**
Forward government securities transactions	**32,669,610**	**-**	**200,503**	**-**	**200,503**

	December 31, 2025 (Audited)				
	Carrying value	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					
- Market Treasury Bills	1,305,930,352	-	1,305,930,352	-	1,305,930,352
- Pakistan Investment Bonds	2,621,502,656	-	2,621,502,656	-	2,621,502,656
- Ijarah Sukuks	247,873,840	224,965,999	22,907,841	-	247,873,840
- Foreign Currency Debt securities	27,246,038	-	27,246,038	-	27,246,038
Ordinary Shares					
- Listed Companies	92,256,671	92,256,671	-	-	92,256,671
- Unlisted Companies	9,394,985	-	-	9,394,985	9,394,985
Preference shares					
- Listed	1,106,411	1,106,411	-	-	1,106,411
Mutual Fund units	6,335,395	-	6,335,395	-	6,335,395
Real estate investment trust units	2,487,311	-	2,487,311	-	2,487,311
Non-Government debt securities					
- Term Finance Certificates and Sukuk Bonds	29,550,365	11,365,995	18,184,370	-	29,550,365
Foreign Securities					
- Government debt securities	2,307,443	-	2,307,443	-	2,307,443
- Equity Securities - Listed	39,473,319	39,473,319	-	-	39,473,319
	4,385,464,786	369,168,395	4,006,901,405	9,394,985	4,385,464,786

	December 31, 2025 (Audited)				
	Carrying value	Level 1	Level 2	Level 3	Total
Financial assets - disclosed but not measured at fair value	(Rupees in '000)				
Investments					
Federal Government Securities					
- Pakistan Investment Bonds	461,461,674	-	463,990,379	-	463,990,379
- Ijarah Sukuks	4,999,075	5,184,500	-	-	5,184,500
- Foreign Currency Debt securities	9,597,900	-	9,597,900	-	9,597,900
- GOP Ijarah Sukuks	14,027,812	-	14,176,100	-	14,176,100
- Bai Muajjal with Government of Pakistan (through State Bank of Pakistan)	8,466,335	-	8,466,335	-	8,466,335
Foreign Securities					
- Government debt securities	36,712,987	-	36,712,987	-	36,712,987
- Non-Government debt securities	1,079	1,079	-	-	1,079
	535,266,862	5,185,579	532,943,701	-	538,129,280
	4,920,731,648	374,353,974	4,539,845,106	9,394,985	4,923,594,066
Off-balance sheet financial instruments - measured at fair value					
Foreign exchange contracts purchase and sale	857,254,845	-	(5,863,308)	-	(5,863,308)
Forward government securities	16,508,022	-	24,389	-	24,389

Valuation techniques used in determination of fair valuation of financial instruments within level 2 and level 3

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuks listed on the Pakistan Stock Exchange has been determined through closing rates of the Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuks, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Overseas Sukuks, Overseas and GoP Euro Bonds	The fair value of overseas government sukuks, and overseas bonds are determined on the basis of price available on Bloomberg.
Mutual funds	The valuation has been determined based on net asset values declared by respective funds.
Ordinary shares - listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - unlisted	The fair value of investments in unlisted equity securities are valued on the basis of fair value.
Foreign Securities	The fair value of foreign securities is determined using the prices from Reuter page.
Forward foreign exchange contracts and Forward Government securities transactions	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Property and equipment and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these unconsolidated condensed interim financial statements.

35.2 Fair value of non-financial assets

Information about the fair value hierarchy of Bank’s non-financial assets as at the end of the reporting period are as follows:

	June 30, 2026 (Un-audited)				
	Carrying value	**Level 1**	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)				
Land and building (Fixed Assets)	**54,710,208**	**-**	**-**	**54,710,208**	**54,710,208**
Non-banking assets acquired in satisfaction of claims	**4,201,694**	**-**	**-**	**4,201,694**	**4,201,694**
	58,911,902	**-**	**-**	**58,911,902**	**58,911,902**

	December 31, 2025 (Audited)				
	Carrying value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Land and building (Fixed Assets)	54,656,176	-	-	54,656,176	54,656,176
Non-banking assets acquired in satisfaction of claims	4,390,139	-	-	4,390,139	4,390,139
	59,046,315	-	-	59,046,315	59,046,315

36. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

36.1 Segment Details with respect to Business Activities

	Half year ended June 30, 2026 (Un-audited)									
	Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total
	(Rupees in '000)									
Profit and loss account										
Net mark-up / return / interest (expense) / income	(80,607,958)	10,577,984	(5,304,621)	150,710,997	1,640,162	20,782,676	2,260,741	100,059,981	-	100,059,981
Inter segment revenue - net	116,929,474	(9,554,761)	14,390,773	(127,406,385)	-	(7,770,108)	13,411,007	-	-	-
Non mark-up / return / interest income / (loss)	10,141,987	227,409	4,107,158	13,072,771	726,169	179,721	(882,482)	27,572,733	-	27,572,733
Total income	46,463,502	1,250,631	13,193,310	36,377,383	2,366,331	13,192,289	14,789,266	127,632,714	-	127,632,714
Segment direct expenses	25,405,824	301,490	747,821	322,762	3,830,039	2,960,122	257,434	33,825,492	-	33,825,492
Inter segment expense allocation	-	-	-	-	-	-	31,717,499	31,717,499	-	31,717,499
Total expenses	25,405,824	301,490	747,821	322,762	3,830,039	2,960,122	31,974,934	65,542,991	-	65,542,991
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	573,535	(2,623,354)	(1,003,436)	959	363,584	607,948	(3,175,434)	(5,256,198)	-	(5,256,198)
Profit / (loss) before taxation	20,484,144	3,572,496	13,448,925	36,053,662	(1,827,292)	9,624,219	(14,010,233)	67,345,921	-	67,345,921

	As at June 30, 2026 (Un-audited)									
	Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total
	(Rupees in '000)									
Statement of financial position										
Cash and balances with treasury and other banks	147,464,793	9,729,310	407,264	146,579,750	51,915,494	25,428,515	-	381,525,127	-	381,525,127
Investments	-	-	17,878,849	5,223,687,614	68,287,305	353,746,299	1,665,302	5,665,265,369	-	5,665,265,369
Net inter segment lending	2,365,461,916	-	140,364,657	-	-	-	415,860,999	2,921,687,572	(2,921,687,572)	-
Lendings to financial institutions	-	-	-	69,823,420	-	30,000,000	-	99,823,420	-	99,823,420
Advances - performing	296,205,778	173,518,195	502,905,337	-	65,521,905	314,945,300	(8,443,160)	1,344,653,355	-	1,344,653,355
Advances - non-performing	5,507,226	30,493,545	32,321,882	-	60,525,329	2,175,868	100,650,519	231,674,368	-	231,674,368
Credit allowance against Advances	(7,696,952)	(36,167,212)	(53,203,638)	-	(58,732,640)	(4,248,181)	(101,891,375)	(261,939,999)	-	(261,939,999)
Advances - Net	294,016,051	167,844,527	482,023,582	-	67,314,594	312,872,987	(9,684,016)	1,314,387,724	-	1,314,387,724
Others	51,490,797	3,411,890	24,788,207	128,264,967	8,248,671	19,569,014	143,588,760	379,362,307	-	379,362,307
Total assets	2,858,433,558	180,985,727	665,462,560	5,568,355,751	195,766,062	741,616,816	551,431,045	10,762,051,519	(2,921,687,572)	7,840,363,947
Borrowings	-	5,016,758	32,734,095	2,741,111,552	40,865,287	-	-	2,819,727,691	-	2,819,727,691
Deposits and other accounts	2,790,802,319	-	604,740,146	-	125,262,131	695,538,267	(599,373)	4,215,743,491	-	4,215,743,491
Net inter segment borrowing	-	171,511,256	-	2,678,989,368	25,605,910	45,581,038	-	2,921,687,572	(2,921,687,572)	-
Others	67,631,239	4,457,713	27,988,318	19,495,097	3,869,723	4,644,516	211,201,602	339,288,207	-	339,288,207
Total liabilities	2,858,433,558	180,985,727	665,462,560	5,439,596,016	195,603,052	745,763,821	210,602,229	10,296,446,961	(2,921,687,572)	7,374,759,389
Equity	-	-	-	128,759,735	163,011	(4,147,005)	340,828,816	465,604,558	-	465,604,558
Total equity and liabilities	2,858,433,558	180,985,727	665,462,560	5,568,355,751	195,766,063	741,616,816	551,431,046	10,762,051,519	(2,921,687,572)	7,840,363,947
Contingencies and commitments	-	98,847,679	2,272,430,067	1,099,639,842	21,729,946	-	15,644,281	3,508,291,816	-	3,508,291,816

	Half year ended June 30, 2025 (Un-audited)									
	Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total
	(Rupees in '000)									
Profit and loss account										
Net mark-up / return / interest (expense) / income	(103,809,717)	18,553,390	4,737,246	189,154,441	2,676,327	15,455,571	3,792,535	130,559,793	-	130,559,793
Inter segment revenue - net	145,382,200	(14,898,781)	6,640,696	(139,137,460)	-	(7,431,325)	9,444,670	-	-	-
Non mark-up / return / interest income / (loss)	11,313,205	304,161	3,927,721	10,572,645	761,446	100,270	(405,191)	26,574,257	-	26,574,257
Total income	52,885,688	3,958,770	15,305,663	60,589,626	3,437,773	8,124,516	12,832,014	157,134,050	-	157,134,050
Segment direct expenses	23,609,924	266,065	671,918	306,165	3,681,755	2,174,276	224,361	30,934,464	-	30,934,464
Inter segment expense allocation	-	-	-	-	-	-	28,204,580	28,204,580	-	28,204,580
Total expenses	23,609,924	266,065	671,918	306,165	3,681,755	2,174,276	28,428,941	59,139,044	-	59,139,044
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) - net	815,302	3,169,622	(247,685)	(1,884)	(147,582)	450,663	730,675	4,769,111	-	4,769,111
Profit / (loss) before taxation	28,460,462	523,083	14,881,430	60,285,345	(96,400)	5,499,577	(16,327,602)	93,225,895	-	93,225,895

	As at December 31, 2025 (Audited)									
	Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total
	(Rupees in '000)									
Statement of financial position										
Cash and balances with treasury and other banks	67,215,059	5,538,863	310,376	228,837,426	49,089,296	57,494,880	-	408,485,901	-	408,485,901
Investments	-	-	16,741,471	4,553,954,044	75,865,368	274,169,693	1,369,581	4,922,100,157	-	4,922,100,157
Net inter segment lending	2,722,751,375	-	210,940,044	-	-	-	464,197,106	3,397,888,525	(3,397,888,525)	-
Lendings to financial institutions	-	-	-	16,000,000	-	30,000,000	-	46,000,000	-	46,000,000
Advances - performing	286,541,911	247,306,913	542,668,102	-	73,574,286	248,313,158	(6,540,773)	1,391,863,597	-	1,391,863,597
Advances - non-performing	4,734,919	28,913,516	23,512,412	-	61,226,458	2,173,921	102,422,372	222,983,599	-	222,983,599
Credit loss against advances	(7,107,886)	(39,239,520)	(63,646,127)	-	(59,630,834)	(3,603,303)	(103,533,873)	(276,761,543)	-	(276,761,543)
Advances - net	284,168,944	236,980,909	502,534,387	-	75,169,910	246,883,776	(7,652,274)	1,338,085,652	-	1,338,085,653
Others	44,702,056	3,702,498	25,929,267	113,500,962	6,878,032	16,434,554	141,161,823	352,309,192	-	352,309,193
Total assets	3,118,837,436	246,222,272	756,455,547	4,912,292,434	207,002,608	624,982,905	599,076,238	10,464,869,428	(3,397,888,525)	7,066,980,904
Borrowings	-	5,019,895	40,221,157	1,596,028,090	48,387,944	-	-	1,689,657,086	-	1,689,657,086
Deposits and other accounts	3,060,705,704	-	686,670,290	-	112,155,588	558,984,228	10,749,213	4,429,265,022	-	4,429,265,022
Net inter segment borrowing	-	236,416,880	-	3,061,016,810	41,648,541	58,806,295	-	3,397,888,525	(3,397,888,525)	-
Others	58,131,731	4,785,495	29,564,098	85,337,166	4,381,925	5,720,002	228,719,179	416,639,596	-	416,639,596
Total liabilities	3,118,837,435	246,222,270	756,455,546	4,742,382,066	206,573,998	623,510,525	239,468,392	9,933,450,228	(3,397,888,525)	6,535,561,704
Equity	-	-	-	169,910,366	428,609	1,472,380	359,607,845	531,419,200	-	531,419,200
Total equity and liabilities	3,118,837,435	246,222,270	756,455,546	4,912,292,433	207,002,606	624,982,903	599,076,236	10,464,869,426	(3,397,888,525)	7,066,980,901
Contingencies and commitments	-	91,942,598	2,257,591,624	893,980,284	20,827,070	-	27,132,020	3,291,473,596	-	3,291,473,596

37. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, subsidiaries, associates, employee benefit plans and its directors and key management personnel. The details of investment in subsidiary companies and associated undertaking and their provisions are stated in note 10 of the unconsolidated condensed interim financial statements of the Bank.

The Banks 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, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

	As at June 30, 2026 (Un-audited)								As at December 31, 2025 (Audited)							
	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties
	(Rupees in '000)															
Balances with other banks																
In current accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69,472
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69,472
Investments																
Opening balance	-	-	-	-	-	-	-	1,292,340	-	-	-	-	-	-	-	100
Investment made during the period / year	-	-	-	-	-	-	-	204,728	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,292,240
Closing balance	-	-	-	-	-	-	-	1,497,068	-	-	-	-	-	-	-	1,292,340
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances																
Opening balance	-	285,184	437,063	183,172	-	-	-	18,471,971	-	258,612	452,063	183,172	-	-	-	-
Addition during the period / year	-	5,300	20,000	-	-	-	-	1,165,291	-	106,284	-	-	-	-	-	-
Repaid during the period / year	-	(18,387)	-	-	-	-	-	-	-	(55,143)	(15,000)	-	-	-	-	-
Transfer in / (out) - net	-	(3,249)	-	-	-	-	-	-	-	(24,569)	-	-	-	-	-	18,471,971
Closing balance	-	268,848	457,063	183,172	-	-	-	19,637,262	-	285,184	437,063	183,172	-	-	-	18,471,971
Credit loss allowance held against advances	-	-	217,063	183,172	-	-	-	-	-	-	217,063	183,172	-	-	-	-

	As at June 30, 2026 (Un-audited)								As at December 31, 2025 (Audited)							
	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties
	(Rupees in '000)															
Other Assets																
Mark-up / Interest accrued	-	-	218,638	-	-	-	-	-	-	-	208,032	-	-	-	-	-
Other receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission paid in advance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent and utility receivable	-	-	110,050	-	-	-	-	-	-	-	108,977	70	-	-	-	-
	-	-	328,688	-	-	-	-	-	-	-	317,009	70	-	-	-	-
Credit loss allowance against other assets	-	-	110,050	-	-	-	-	-	-	-	108,977	-	-	-	-	-
Borrowings																
Opening balance	-	-	-	-	-	-	-	119,385	-	-	-	-	-	-	-	575,441
Borrowings during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(456,056)
Settled during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	(119,385)	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	119,385
Deposits and other accounts																
Opening balance	30,849	129,995	1,595,340	574,105	100	701,583	15,036,171	10,011,660	21,088	96,414	352,585	77,968	87,283	268,614	14,199,203	4,528,343
Received during the period / year	1,636	615,867	17,724	-	13,413,037	5,979,549	1,330,298	54,161,128	45,868	1,098,623	1,242,994	496,137	56,585,775	22,950,794	3,210,515	91,857,367
Withdrawn during the period / year	(2,235)	(558,620)	(284,286)	(453,053)	(13,275,901)	(5,571,102)	(807,268)	(49,409,890)	(36,107)	(1,060,791)	(239)	-	(56,672,958)	(22,517,825)	(2,373,547)	(86,574,892)
Transfer in / (out) - net*	(29,556)	(54,064)	-	-	-	-	-	(36,597)	-	(4,250)	-	-	-	-	-	200,841
Closing balance	694	133,178	1,328,778	121,052	137,236	1,110,030	15,559,200	14,726,301	30,849	129,995	1,595,340	574,105	100	701,583	15,036,171	10,011,660
Provident Fund Subsidiary	-	-	-	-	-	-	41,416	-	-	-	-	-	-	-	34,603	-
Other Liabilities																
Mark-up / Interest accrued	-	23	9,980	4,272	-	-	-	-	270	1,671	41,895	14,974	-	112,119	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Brokerage	-	-	2,899	-	-	-	-	-	-	-	3,079	-	-	-	-	-
	-	23	12,879	4,272	-	-	-	-	270	1,671	44,974	14,974	-	112,119	-	-
Contingencies and commitments	-	-	-	-	-	-	-	17,596,239	-	-	-	-	-	-	-	6,111,725

* Transfer in / (out) - net due to retirement / appointment of directors and changes in key management executives.

	For the half year ended June 30, 2026 (Un-audited)							For the half year ended June 30, 2025 (Un-audited)						
	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund	Provident Fund	Others	Directors	Key management personnel	Subsidiaries	Associates	Pension Fund	Provident Fund	Others
	(Rupees in '000)													
Income														
Mark-up / return / interest earned	-	3,078	6,833	-	-	-	611,317	-	3,588	3,691	-	-	-	830,692
Dividend income	-	-	376,380	-	-	-	68,359	-	-	-	2,219	-	-	68,657
Capital gain on transaction	-	-	399,193	-	-	-	-	-	-	-	-	-	-	-
Capital gain on IPS account activities	-	65	2,746	292	-	-	-	-	-	-	-	-	-	-
Rent income / lighting and power and bank charges	-	-	5,482	4,446	-	-	10,513	-	-	2,938	3,701	-	-	10,513
Fee and Commission income	-	-	-	-	-	-	-	-	-	25,886	-	-	-	-
Locker Fee Income	-	18	4	-	-	-	-	-	-	-	-	-	-	-
Fee and Commission non fund exposure	-	-	-	-	-	-	348,403	-	-	-	-	-	-	-
Expense														
Mark-up / return / interest paid	60	2,212	39,517	3,548	172,525	904,765	382,243	1,707	3,990	66,223	13,228	146,006	933,399	525,262
Provident Fund Deposit Markup	-	-	1,319	-	-	-	-	-	-	922	-	-	-	-
Expenses paid to company in which Directors of the bank is interested as director	-	-	-	-	-	-	928,465	-	-	-	-	-	-	237,648
Remuneration to key management executives including charge for defined benefit plan	-	546,662	-	-	-	-	-	-	413,987	-	-	-	-	-
Commission paid to subsidiaries	-	-	12,855	-	-	-	-	-	-	36,913	-	-	-	-
Directors fee & other allowances	45,002	-	-	-	-	-	-	52,848	-	-	-	-	-	-

37.1 Transactions with Government-related entities

The entities which are owned and / or controlled by the Federal Government, or where the Federal Government may exercise significant influence, are related parties of the Bank.

The Bank in the ordinary course of business enters into transaction with Government-related entities. Such transactions include lending to, deposits from and provision of other banking services to Government-related entities.

The Bank also earned commission on handling treasury transactions on behalf of the Government of Pakistan amounting to Rs.6,172 million (June 30, 2025: Rs. 7,588 million) for the half year ended June 30, 2026. As at the statement of financial position date, the loans and advances, deposits and contingencies relating to Government–related entities amounted to Rs. 564,210 million (December 31, 2025: Rs. 363,960 million), Rs. 1,985,709 million (December 31, 2025: Rs. 1,931,350 million) and Rs. 2,048,874 million (December 31, 2025: Rs. 2,073,574 million respectively and income earned on advances and investment and profit paid on deposits amounted to Rs. 22,454 million (June 30, 2025: Rs. 23,023 million) and Rs. 79,830 million (June 30, 2025: Rs. 94,986 million) respectively.

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	------------- (Rupees in '000) -------------	
Minimum Capital Requirement (MCR)		
Paid-up capital (net of losses)	**21,275,131**	21,275,131
Capital Adequacy Ratio (CAR)		
Eligible Common Equity Tier 1 (CET 1) Capital	**354,085,355**	410,259,194
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	**354,085,355**	410,259,194
Eligible Tier 2 Capital	**112,388,020**	137,113,040
Total Eligible Capital (Tier 1 + Tier 2)	**466,473,375**	547,372,234
Risk Weighted Assets (RWAs):		
Credit Risk	**1,181,651,485**	1,183,017,720
Market Risk	**471,599,079**	449,493,155
Operational Risk	**455,602,112**	455,602,112
Total	**2,108,852,676**	2,088,112,987
Common Equity Tier 1 Capital Adequacy ratio	**16.79%**	19.65%
Tier 1 Capital Adequacy Ratio	**16.79%**	19.65%
Total Capital Adequacy Ratio	**22.12%**	26.21%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	**354,085,355**	410,259,194
Total Exposures	**9,774,883,188**	9,389,802,735
Leverage Ratio	**3.62%**	4.37%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	**2,516,333,868**	2,886,833,909
Total Net Cash Outflow	**1,271,451,600**	1,341,932,335
Liquidity Coverage Ratio	**198%**	215%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	**3,872,352,828**	4,181,169,255
Total Required Stable Funding	**2,543,801,001**	2,370,313,223
Net Stable Funding Ratio	**152%**	176%

38.1 Impact on Regulatory Capital:

The introduction of IFRS 9 has resulted in reduction in regulatory capital of the Banks, which has reduced their lending capacity and ability to support their clients. In order to mitigate the impact of ECL models on capital, SBP has permitted Banks to opt for transitional arrangement for the ECL impact on regulatory capital from the application of ECL accounting. Annexure B of the 'Application Instructions' issued by SBP has detailed the transitional arrangement.

Accordingly, the Bank has opted for transition arrangement to phase in ECL impact and below tabulated is the impact on key ratios, had the transitional arrangement not applied.

Key Ratios	With Transitional arrangement	Without Transitional arrangement
Total Capital to total RWA (CAR)	22.12%	21.28%
Leverage Ratio	3.62%	3.49%

38.2 As per SBP Circular No. BPRD/BA&CP/881411/2025 dated May 16, 2025, banks and DFIs are required to gradually reclassify their AFS/FVOCI portfolio from the Banking Book to the Trading Book for CAR calculation purposes, with a minimum of 25% by December 2025, 50% by December 2026 and 100% by December 2027. In order to adopt a prudent and conservative approach, the bank has already reclassified 50% of its FVOCI portfolio into the Trading Book.

38.3 SBP , through its letter No. BSD-1/BANK/NBP/984597/2025 dated August 22 , 2025 has enhanced the D-SIB buffer requirement for the Bank from 1.50% to 2.50% which is applicable from March 31 , 2026.

39. ISLAMIC BANKING BUSINESS

The bank is operating with 312 (December 31, 2025: 312) Islamic banking branches and 674 (December 31, 2025: 350) Islamic banking windows as at June 30, 2026.

The statement of financial position of the Bank's Islamic banking branches as at June 30, 2026 is as follows:

	Note	**(Un-audited) June 30, 2026**	(Audited) December 31, 2025
		------------- (Rupees in '000) -------------	
ASSETS			
Cash and balances with treasury banks		**25,388,439**	57,468,760
Balances with other banks		**40,076**	26,120
Due from financial institutions	39.1	**30,000,000**	30,000,000
Investments	39.2	**353,746,297**	274,169,693
Islamic financing and related assets - net	39.3	**312,872,987**	246,883,716
Property and equipment		**287,581**	215,071
Right of use assets		**584,190**	602,879
Intangible assets		**-**	-
Due from Head Office	39.4	**-**	-
Other assets		**18,697,243**	15,616,604
Total Assets		**741,616,813**	624,982,843
LIABILITIES			
Bills payable		**872,542**	521,444
Due to financial Institutions		**-**	-
Deposits and other accounts	39.5	**695,538,267**	558,984,258
Due to Head Office		**7,407,258**	30,256,644
Lease liabilities		**827,365**	841,857
Subordinated debts		**-**	-
Other liabilities		**2,944,609**	4,356,700
		707,590,041	594,960,903
NET ASSETS		**34,026,772**	30,021,940
REPRESENTED BY			
Islamic Banking Fund		**14,864,000**	14,864,000
Reserves		**-**	-
(Deficit) / Surplus on revaluation of assets		**(4,147,005)**	1,472,380
Unappropriated / Unremitted Profit	39.6	**23,309,777**	13,685,560
		34,026,772	30,021,940
CONTINGENCIES AND COMMITMENTS	39.7		

The profit and loss account of the Bank's Islamic banking branches for the half year ended June 30, 2026 is as follows:

	Note	**(Un-audited) For the half year ended**	
		June 30, 2026	June 30, 2025
		------------- (Rupees in '000) -------------	
Profit / return earned	39.8	**31,223,800**	22,082,380
Profit / return expensed	39.9	**18,211,232**	14,058,135
Net profit / return		**13,012,568**	8,024,245
Other income			
Fee and Commission Income		**171,194**	104,959
Dividend Income		**108**	127
Foreign exchange income / (loss)		**30,208**	(1,192)
Loss on securities		**(22,152)**	(9,570)
Other income		**362**	5,946
Total other income		**179,720**	100,270
Total Income		**13,192,288**	8,124,515
Other expenses			
Operating expenses		**2,960,122**	2,174,176
Worker Welfare Fund		**-**	-
Other charges		**-**	100
		2,960,122	2,174,276
Profit before credit loss allowance		**10,232,166**	5,950,239
Credit loss allowance and write offs - net		**607,949**	450,663
Profit before taxation		**9,624,217**	5,499,576
Taxation		**-**	-
Profit after taxation		**9,624,217**	5,499,576

39.1 Due from Financial Institutions	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	(Rupees in '000)					
Musharkah Lending	**30,000,000**	**-**	**30,000,000**	30,000,000	-	30,000,000
Due from financial Institutions - net of credit loss allowance	**30,000,000**	**-**	**30,000,000**	30,000,000	-	30,000,000

39.2 Investments by segments:	June 30, 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)							
Debt Instruments								
Classified / Measured at amortised cost								
Federal Government securities								
- GOP Ijarah Sukuks	**28,012,171**	**-**	**-**	**28,012,171**	19,026,887	-	-	19,026,887
- Bai Muajjal with GoP	**8,466,335**	**-**	**-**	**8,466,335**	8,466,335	-	-	8,466,335
Non Government debt securities-Sukuks	**113,168**	**(113,168)**	**-**	**-**	113,446	(113,446)	-	-
	36,591,674	**(113,168)**	**-**	**36,478,506**	27,606,668	(113,446)	-	27,493,222
Classified / Measured at FVOCI								
Federal Government securities								
-GOP Ijarah Sukuks	**311,770,146**	**-**	**(4,151,633)**	**307,618,513**	232,907,863	-	1,376,114	234,283,977
Non Government debt securities-Sukuks	**8,578,867**	**(404,665)**	**4,628**	**8,178,830**	11,230,599	(454,292)	96,266	10,872,573
	320,349,013	**(404,665)**	**(4,147,005)**	**315,797,343**	244,138,462	(454,292)	1,472,380	245,156,550
Classified / Measured at FVTPL								
Non Government debt securities								
-Sukuks	**1,395,994**	**-**	**(2,143)**	**1,393,851**	1,394,666	-	1,328	1,395,994
Mutual Funds Units (for the purpose of personal finance)	**75,837**	**-**	**760**	**76,597**	124,991	-	(1,064)	123,927
Total Investments	**358,412,518**	**(517,833)**	**(4,148,388)**	**353,746,297**	273,264,787	(567,738)	1,472,644	274,169,693

39.2.1 Particulars of credit loss allowance

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)							
Non Government debt securities	**2,733**	**61,932**	**453,168**	**517,833**	3,628	110,664	453,446	567,738

39.3 Islamic financing and related assets	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
Ijarah	39.3.1	**51,249,164**	33,447,156
Murabaha		**44,022,738**	47,649,156
Musawama		**32,461,847**	16,260,863
Running Musharaka		**121,123,886**	108,853,414
Diminishing Musharaka		**39,033,365**	19,911,201
Tijarah		**500,000**	-
Advance for Diminishing Musharaka		**760,739**	937,269
Advance for Istisna		**21,452,218**	19,077,274
Inventories against Tijara		**-**	500,000
Inventories against Istisna		**6,517,211**	3,850,754
Gross Islamic financing and related assets		**317,121,168**	250,487,087
Less: Credit loss allowance against Islamic financings			
Stage 1		**(1,645,765)**	(1,250,869)
Stage 2		**(492,236)**	(247,855)
Stage 3		**(2,110,180)**	(2,104,647)
		(4,248,181)	(3,603,371)
Islamic financing and related assets - net of credit loss allowance		**312,872,987**	246,883,716

39.3.1 Ijarah

	June 30, 2026 (Un-audited)						
	Cost			**Accumulated Depreciation**			**Book Value as at June 30, 2026**
	As at January 01, 2026	**Additions / (disposal) / (adjustment)**	**As at June 30, 2026**	**As at January 01, 2026**	**Charge/ Adjustment for the period**	**As at June 30, 2026**	
	----Rupees in 000----						
Plant & Machinery	**34,677,404**	**27,378,806**	**62,054,068**	**1,230,248**	**9,574,656**	**10,804,904**	**51,249,164**
		(2,142)			**-**		
Total	**34,677,404**	**27,378,806**	**62,054,068**	**1,230,248**	**9,574,656**	**10,804,904**	**51,249,164**
		(2,142)			**-**		

	December 31, 2025 (Audited)						
	Cost			Accumulated Depreciation			Book Value as at December 31, 2025
	As at January 01, 2026	Additions / (deletions) / (adjustment)	As at December 31, 2025	As at January 01, 2026	Charge/ Adjustment for the Year	As at December 31, 2025	
	----Rupees in 000----						
Plant & Machinery	55,484	34,624,145	34,677,404	47,048	1,183,200	1,230,248	33,447,156
		(2,225)			-		
Vehicles	2,645	-	-	2,645	-	-	-
		(2,645)			(2,645)		
Total	58,129	34,624,145	34,677,404	49,693	1,183,200	1,230,248	33,447,156
		(4,870)			(2,645)		

Future Ijarah payments receivable

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Not later than 1 year	**Later than 1 year and less than 5 years**	**Over Five Years**	**Total**	Not later than 1 year	Later than 1 year and less than 5 years	Over Five Years	Total
	----Rupees in 000----							
Ijarah rental receivables	**22,594,292**	**38,159,249**	**-**	**60,753,541**	22,594,767	15,502,885	-	38,097,652

39.4 Due from Head Office

Due from Head Office Rs. Nil (2025: Rs. Nil)

39.5 Deposits and other accounts

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In Local Currency	**In Foreign Currency**	**Total**	In Local Currency	In Foreign Currency	Total
	----Rupees in 000----					
Customers						
Current deposits - remunerative	**2,354,823**	**-**	**2,354,823**	4,282,135	-	4,282,135
Current deposits - non remunerative	**154,113,301**	**271,978**	**154,385,279**	102,986,536	254,621	103,241,157
Savings deposits	**250,295,550**	**-**	**250,295,550**	184,103,510	-	184,103,510
Term deposits	**16,193,845**	**-**	**16,193,845**	17,845,260	-	17,845,260
Others	**7,368,839**	**-**	**7,368,839**	7,390,576	-	7,390,576
	430,326,358	**271,978**	**430,598,336**	316,608,017	254,621	316,862,638
Financial Institutions						
Current deposits - remunerative	**990,334**	**-**	**990,334**	696,562	-	696,562
Current deposits - non remunerative	**218,209,541**	**-**	**218,209,541**	197,508,539	-	197,508,539
Savings deposits	**45,127,056**	**-**	**45,127,056**	43,244,519	-	43,244,519
Term deposits	**613,000**	**-**	**613,000**	672,000	-	672,000
	264,939,931	**-**	**264,939,931**	242,121,620	-	242,121,620
	695,266,289	**271,978**	**695,538,267**	558,729,637	254,621	558,984,258

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	------------- (Rupees in '000) -------------	
39.6 Islamic Banking Business Unremitted Profit		
Opening Balance	**13,685,560**	4,892,128
Add: Islamic Banking profit for the period / year	**9,624,217**	13,685,560
Less: Transferred / Remitted to Head Office	**-**	(4,892,128)
Closing Balance	**23,309,777**	13,685,560
39.7 Contingencies and Commitments		
-Guarantees	-	-
-Commitments	-	-
-Other contingent liabilities	-	-
	-	-

	(Un-audited) For the half year ended June 30, 2026	June 30, 2025
	------------- (Rupees in '000) -------------	
39.8 Profit / Return Earned of Financing, Investments and Placement		
Profit earned on:		
Financing	**14,643,569**	10,385,464
Investments	**16,554,582**	11,686,370
Placements	**25,649**	10,546
	31,223,800	22,082,380
39.9 Profit on Deposits and Other Dues Expensed		
Deposits and other accounts	**10,370,866**	6,552,747
Others (General Account)	**7,770,108**	7,431,325
Amortisation of lease liability against right-of-use assets	**70,258**	74,063
	18,211,232	14,058,135

39.10 Pool Management

NBP-AIBG has managed following pools for profit and loss distribution.

a) General depositor pool

The General pool consists of all other remunerative deposits. NBP Aitemaad (the Mudarib) accept deposits on the basis of Mudaraba from depositors (Rabbulmaal). The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. The entire net return after paying equity share to Mudarib is considered as distributable profit of the pool.

b) Special depositor pools (Total 93 during the period and 43 as at June 30, 2026)

Special pool(s) are created where the customers desire to invest in high yield assets. These pool(s) rates is(are) higher than the general pool depending on the assets. In case of loss in special pool, the loss will be borne by the special pool members. The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. From the net return, and after allocation of share of profit to commingled equity, profit is paid to the Mudarib in the ratio of the Mudarib's equity in the pool to the total pool. The balance represents the distributable profit.

c) Equity pool

Equity pools include AIBG's fund and current account deposits. The equity pool may have constructive liquidation every month and risk associated with assets of pool includes operational, market, equity, return and shariah.

Key features and risk & reward characteristics

Deposits are accepted from customers on the basis of Qard (current accounts) and Mudarabah (Saving and term deposits). No profit or loss is passed on to current account depositors.

For deposits accepted on Mudarabah basis from depositors (Rab ul Maal) the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financings. Rab ul Maal share is distributed among depositors according to weightages declared for a month before start of the period.

In case of loss in a pool during the profit calculation period, the loss is distributed among the depositors (remunerative) according to their ratio of investment.

For all pools, the Mudarib's share is deducted from the distributable profit to calculate the profit to be allocated to depositors. The allocation of the profit to various deposit categories is determined by the amount invested in that category relative to the total pool, as well as by the weightage assigned to the various deposit categories.

The assets, liabilities, equities, income and expenses are segregated for each of the pool. No pool investment is intermingled with each other. The risk associated with each pool is thus equally distributed among the pools.

Avenues/sectors of economy/business where Mudaraba based deposits have been deployed.

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
Sector	---------------Percentage---------------	
Fertilizer	**1.28%**	0.42%
Textile	**0.74%**	1.07%
Fuel & energy	**14.95%**	17.06%
Leasing / Mudaraba	**0.08%**	0.06%
Sugar	**2.72%**	1.76%
Cement	**3.30%**	0.96%
Gas	**0.03%**	0.11%
Financial	**4.47%**	7.23%
Federal Government	**49.36%**	45.49%
Real Estate	**0.40%**	0.58%
Agriculture	**0.41%**	0.43%
Commodity Operations	**17.80%**	20.24%
Others	**4.47%**	4.59%
Total	**100.00%**	100.00%

Parameters for profit allocation and charging expenses

Profit of the pools has been distributed between Mudarib and Rab-ul-Mall by using preagreed profit sharing ratios. The share of Rab-ul-Mall's profit has been distributed among different customers using the various weightages assigned to the different categories of the pool.

Administrative expense are borne by Mudarib and not charged to Mudaraba pool.

	June 30, 2026
	Rupees in '000
Mudarib Share	
Gross Distributable Income	23,507,927
Mudarib (Bank) share of profit before Hiba	9,717,067
Mudarib Share in %age	41.34%
Hiba from Mudarib Share	
Mudarib (Bank) share of profit before Hiba	9,717,067
Hiba from bank's share to depositors	3,746,047
Hiba from bank's share to depositors in %age	38.55%

Profit rates

During the half year ended June 30, 2026, the average profit rate earned by NBP Aitemaad Islamic Banking Group is 10.51% and the profit distributed to the depositors is 8.43%.

40 GENERAL

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

41 CORRESPONDING FIGURES

41.1 Comparative information has been re-classified, re-arranged, restated or additionally incorporated in these unconsolidated condensed interim financial statements, wherever necessary to facilitate comparison.

42. DATE OF AUTHORISATION FOR ISSUE

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

Chairman	President / CEO (A)	Chief Financial Officer	Director	Director

Consolidated Condensed Interim Financial Statements
For the six months period ended June 30, 2026

Directors' Report to the Shareholders
Consolidated Financial Statements

On behalf of the Board of Directors, we are pleased to present the Directors' Review of the unaudited consolidated financial statements of National Bank of Pakistan ("the Bank") and its subsidiaries (collectively, "the Group") for the half year ended June 30, 2026.

The Group reported consolidated profit after tax of PKR 32.842 billion 'Bn' for the half year ended June 30, 2026, compared to PKR 43.078 Bn for the corresponding six-months period of 2025, representing a YoY decline of 23.8%. Subsidiary companies of the Bank contributed PKR 0.807 Bn to the Group's profitability (June 30, 2025: PKR 1.062 Bn), while the Group's share of profit from its associate companies amounted to PKR 0.031 Bn, compared to PKR 0.055 Bn in the corresponding six-months period of 2025. Accordingly, consolidated earnings per share stood at PKR 15.27, compared to PKR 20.05 for the same period last year.

Despite the moderation in profitability, the Group's balance sheet continued to expand reasonably, with total assets increasing to PKR 7,853.0 Bn as at June 30, 2026, representing an increase of PKR 774.6 Bn, or 10.9%, from PKR 7,078.4 Bn as at December 31, 2025.

Profit for the half year ended June 30, 2026, together with the accumulated profit carried forward from 2025, is proposed to be appropriated as follows:

	(PKR'Mn)
Unappropriated profit brought forward	306,950.0
Effect of transition on EIR Method - net of tax	(363.7)
Unappropriated profit as of January 01,2026 – restated	**306,586.3**
After-tax consolidated profit for the half year ended June 30, 2026	32,842.2
Remeasurement loss on defined benefit obligation - net of tax	(1,631.2)
Non-controlling interest	(363.4)
Transfer from surplus on revaluation of fixed assets – net of tax	88.1
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	1,123.4
	32,059.1
Profit available for appropriations	**338,645.4**
Appropriation:	
Transfer to statutory reserve	3,240.8
Dividend for the year 2025	74,463.0
	77,703.8
Unappropriated profit carried forward	**260,941.6**

Abdul Wahid Sethi
President & CEO (A)

Ali Syed
Director

Dated: August 27, 2026
Karachi

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks	7.	**328,473,915**	375,938,408
Balances with other banks	8.	**54,625,473**	33,532,943
Lendings to financial institutions	9.	**99,823,420**	46,000,000
Investments	10.	**5,668,572,126**	4,924,846,783
Advances	11.	**1,314,018,943**	1,337,738,847
Property and equipment	12.	**67,156,338**	67,508,646
Right-of-use assets	13.	**6,540,283**	6,706,135
Intangible assets	14.	**3,082,187**	3,126,286
Deferred tax assets	15.	**-**	-
Other assets	16.	**310,660,096**	282,998,653
Total Assets		**7,852,952,781**	7,078,396,701
LIABILITIES			
Bills payable	17.	**26,233,141**	20,817,212
Borrowings	18.	**2,819,727,691**	1,689,657,086
Deposits and other accounts	19.	**4,214,408,308**	4,427,667,537
Lease liabilities	20.	**8,855,385**	8,883,515
Subordinated debt		**-**	-
Deferred tax liabilities	15.	**10,500,429**	36,292,883
Other liabilities	21.	**301,003,007**	357,152,768
Total Liabilities		**7,380,727,961**	6,540,471,001
NET ASSETS		**472,224,820**	537,925,700
REPRESENTED BY			
Share capital		**21,275,131**	21,275,131
Reserves		**85,247,784**	82,647,530
Surplus on revaluation of assets - net of tax	22.	**103,028,747**	125,364,336
Unappropriated profit		**260,941,591**	306,949,971
Total equity attributable to the equity holders of the Bank		**470,493,253**	536,236,968
Non-controlling interest		**1,731,567**	1,688,732
		472,224,820	537,925,700

CONTINGENCIES AND COMMITMENTS 23.

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

Chairman	President / CEO (A)	Chief Financial Officer	Director	Director

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

		Quarter ended		Half year ended	
		June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025
	Note	(Rupees in '000)			
Mark-up / return / interest earned	24.	**183,442,818**	197,686,146	**361,727,363**	410,941,321
Mark-up / return / interest expensed	25.	**135,340,447**	136,809,057	**261,630,413**	280,311,315
Net mark-up / return / interest income		**48,102,371**	60,877,089	**100,096,950**	130,630,006
NON MARK-UP / INTEREST INCOME					
Fee and commission income	26.	**8,447,807**	9,032,034	**17,050,930**	18,241,725
Dividend income		**2,914,285**	1,459,511	**3,770,025**	3,205,976
Foreign exchange income		**3,241,799**	1,528,606	**5,520,812**	3,530,867
Income / (loss) from derivatives		**-**	-	**-**	-
Gain on securities - net	27.	**5,800,997**	4,730,235	**5,331,765**	4,629,815
Net (loss) on derecognition of financial assets measured at amortised cost		**(557,549)**	(327,637)	**(1,049,270)**	(655,451)
Share of profit from associates - net of tax		**453,657**	32,212	**31,089**	54,861
Other income	28.	**191,053**	373,001	**220,185**	767,455
Total non-mark-up / interest income		**20,492,049**	16,827,962	**30,875,536**	29,775,248
Total income		**68,594,420**	77,705,051	**130,972,486**	160,405,254
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	29.	**36,710,637**	31,944,427	**67,884,457**	61,151,420
Other charges	30.	**1,295**	19,896	**20,153**	31,686
Total non-markup / interest expenses		**36,711,932**	31,964,323	**67,904,610**	61,183,106
Profit before credit loss allowance / provisions		**31,882,488**	45,740,728	**63,067,876**	99,222,148
(Reversal of provisions / credit loss allowance) / Credit loss allowance / provisions and write offs - net	31.	**(1,759,722)**	(442,821)	**(5,256,198)**	5,950,978
PROFIT BEFORE TAXATION		**33,642,210**	46,183,549	**68,324,074**	93,271,170
Taxation	32.	**17,089,063**	25,210,474	**35,481,885**	50,193,053
PROFIT AFTER TAXATION		**16,553,147**	20,973,075	**32,842,189**	43,078,117
Attributable to:					
Equity holders of the Bank		**16,347,514**	20,779,677	**32,478,734**	42,663,280
Non-controlling interest		**205,633**	193,398	**363,455**	414,837
		16,553,147	20,973,075	**32,842,189**	43,078,117
		(Rupees)			
Basic and diluted earnings per share	33.	**7.68**	9.77	**15.27**	20.05

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

Chairman	President / CEO (A)	Chief Financial Officer	Director	Director

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

	Quarter ended		Half year ended	
	June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025
	---------- (Rupees in '000) ----------			
Profit after taxation for the period	**16,553,147**	20,973,075	**32,842,189**	43,078,117
Other comprehensive income / (loss)				
Items that may be reclassified to the statement of profit and loss account in subsequent periods:				
Exchange (loss) / gain on translation of net assets of foreign branches	**(1,905,968)**	1,008,219	**(640,527)**	1,412,525
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	**11,105,980**	16,845,089	**(17,833,082)**	7,464,431
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	**(34,534)**	(1,248,938)	**(2,138,364)**	(1,609,878)
	9,165,478	16,604,370	**(20,611,973)**	7,267,078
Items that will not be reclassified to statement of profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit obligations - net of tax	**2,671,224**	(435,055)	**(1,631,212)**	(699,034)
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	**6,077,954**	(1,003,725)	**(1,020,676)**	(3,799,453)
Movement in surplus on revaluation of property and equipment - net of tax	**49,433**	218,547	**50,713**	218,547
Movement in (deficit) on revaluation of non-banking assets - net of tax	**(181,357)**	-	**(182,637)**	-
	8,617,253	(1,220,233)	**(2,783,813)**	(4,279,940)
Total comprehensive income	**34,335,878**	36,357,212	**9,446,403**	46,065,255
Total comprehensive income attributable to:				
Equity holders of the Bank	**34,130,245**	36,163,814	**9,082,948**	45,650,418
Non-controlling interest	**205,633**	193,398	**363,455**	414,837
	34,335,878	36,357,212	**9,446,403**	46,065,255

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

Chairman	President / CEO (A)	Chief Financial Officer	Director	Director

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

	Share capital	Reserves				Surplus / (Deficit) on revaluation of			Unappropriated profit	Sub Total	Non-Controlling Interest	Total
		Exchange translation reserve	Statutory reserve	General reserve	Total	Investments	Property & Equipment / Non banking - assets	Total				
	------------------ (Rupees in '000) ------------------											
Balance as at December 31, 2024 (Audited)	21,275,131	31,686,803	49,937,196	521,338	82,145,337	69,611,395	48,497,649	118,109,044	241,120,418	462,649,930	1,398,811	464,048,741
Impact of adoption of IFRS-9					-	3,806,901	-	3,806,901	422,049	4,228,950		4,228,950
Balance as at January 01, 2025 - restated	21,275,131	31,686,803	49,937,196	521,338	82,145,337	73,418,296	48,497,649	121,915,945	241,542,467	466,878,880	1,398,811	468,277,691
Profit after taxation for the half year ended June 30, 2025	-	-	-	-	-	-	-	-	42,663,280	42,663,280	414,837	43,078,117
Effect of translation of net investment in foreign branches	-	1,412,525	-	-	1,412,525	-	-	-	-	1,412,525	-	1,412,525
Movement in surplus on revaluation of investments in debt instruments through FVOCI - net of tax	-	-	-	-	-	7,464,431	-	7,464,431	-	7,464,431	-	7,464,431
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	(1,609,878)	-	(1,609,878)	-	(1,609,878)	-	(1,609,878)
Movement in (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	(3,799,453)	-	(3,799,453)	-	(3,799,453)	-	(3,799,453)
Remeasurement (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(699,034)	(699,034)	-	(699,034)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	218,547	218,547	-	218,547	-	218,547
Other comprehensive income / (loss) - net of tax	-	1,412,525	-	-	1,412,525	2,055,100	218,547	2,273,647	41,964,246	45,650,418	414,837	46,065,255
Transfer to statutory reserve	-	-	4,347,176	-	4,347,176	-	-	-	(4,347,176)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	(89,815)	(89,815)	89,815	-	-	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	(3,259,198)	-	(3,259,198)	3,259,198	-	-	-
Transactions with owners, recorded directly in equity												
Final Cash dividend - Rs. 8.00 per share declared subsequent to the year ended December 31, 2024 by the bank	-	-	-	-	-	-	-	-	(17,020,104)	(17,020,104)	-	(17,020,104)
Balance as at June 30, 2025 (Un-audited)	21,275,131	33,099,328	54,284,372	521,338	87,905,038	72,214,198	48,626,381	120,840,579	265,488,446	495,509,194	1,813,648	497,322,842
Profit after taxation for the half year ended December 31, 2025	-	-	-	-	-	-	-	-	42,368,393	42,368,393	431,305	42,799,698
Other Comprehensive Income for the year					-			-		-		-
Effect of translation of net investment in foreign branches	-	(96,869)	-	-	(96,869)	-	-	-	-	(96,869)	-	(96,869)
Transfer of exchange loss translation reserves on closure of foreign branches from OCI to consolidated statement of profit and loss account	-	(9,404,701)	-	-	(9,404,701)	-	-	-	-	(9,404,701)	-	(9,404,701)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	5,672,727	-	5,672,727	-	5,672,727	-	5,672,727
Gain on sale of debt securities carried at FVOCI reclassified to the consolidated statement of profit and loss account - net of tax	-	-	-	-	-	(1,060,577)	-	(1,060,577)	-	(1,060,577)	-	(1,060,577)
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	-	-	-	-	-	3,777,801	-	3,777,801	-	3,777,801	-	3,777,801
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(683,617)	(683,617)	-	(683,617)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	(100,955)	(100,955)	-	(100,955)	-	(100,955)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	255,572	255,572	-	255,572	-	255,572
Total Other comprehensive income - Net of tax	-	(9,501,570)	-	-	(9,501,570)	8,389,951	154,617	8,544,568	41,684,776	40,727,774	431,305	41,159,079
Transfer to statutory reserve	-	-	4,244,062	-	4,244,062	-	-	-	(4,244,062)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	(89,815)	(89,815)	89,815	-	-	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	(3,930,996)	-	(3,930,996)	3,930,996	-	-	-
Cash dividend paid / profit distribution by subsidiaries	-	-	-	-	-	-	-	-	-	-	(556,221)	(556,221)
Balance as at December 31, 2025 (audited)	21,275,131	23,597,758	58,528,434	521,338	82,647,530	76,673,153	48,691,183	125,364,336	306,949,971	536,236,968	1,688,732	537,925,700
Balance carried forward	21,275,131	23,597,758	58,528,434	521,338	82,647,530	76,673,153	48,691,183	125,364,336	306,949,971	536,236,968	1,688,732	537,925,700

	Share capital	Reserves				Surplus / (Deficit) on revaluation of			Unappropriated profit	Sub Total	Non-Controlling Interest	Total
		Exchange translation reserve	Statutory reserve	General reserve	Total	Investments	Property & Equipment / Non banking - assets	Total				
	(Rupees in '000)											
Balance brought forward	**21,275,131**	**23,597,758**	**58,528,434**	**521,338**	**82,647,530**	**76,673,153**	**48,691,183**	**125,364,336**	**306,949,971**	**536,236,968**	**1,688,732**	**537,925,700**
Effect of Transition on EIR Method - net of tax (Note 4.1.1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(363,707)**	**(363,707)**	**-**	**(363,707)**
Balance as at January 01, 2026 - Restated	**21,275,131**	**23,597,758**	**58,528,434**	**521,338**	**82,647,530**	**76,673,153**	**48,691,183**	**125,364,336**	**306,586,264**	**535,873,261**	**1,688,732**	**537,561,993**
Profit after taxation for the half year ended June 30, 2026	-	-	-	-	-	-	-	-	32,478,734	32,478,734	363,455	32,842,189
Effect of translation of net investment in foreign branches	-	(640,527)	-	-	(640,527)	-	-	-	-	(640,527)	-	(640,527)
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	-	(17,833,082)	-	(17,833,082)	-	(17,833,082)	-	(17,833,082)
Gain on sale of debt securities carried at FVOCI reclassified to the statement of profit and loss account - net of tax	-	-	-	-	-	(2,138,364)	-	(2,138,364)	-	(2,138,364)	-	(2,138,364)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	(1,020,676)	-	(1,020,676)	-	(1,020,676)	-	(1,020,676)
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(1,631,212)	(1,631,212)	-	(1,631,212)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	50,713	50,713	-	50,713	-	50,713
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	(182,637)	(182,637)	-	(182,637)	-	(182,637)
Total other comprehensive income / (loss) - net of tax	-	(640,527)	-	-	(640,527)	(20,992,122)	(131,924)	(21,124,047)	30,847,522	9,082,948	363,455	9,446,403
Transfer to statutory reserve	-	-	3,240,781	-	3,240,781	-	-	-	(3,240,781)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	(88,094)	(88,094)	88,094	-	-	-
Transfer of gain on FVOCI equity securities to unappropriated profit - net of tax	-	-	-	-	-	(1,123,448)	-	(1,123,448)	1,123,448	-	-	-
Transactions with owners, recorded directly in equity												
Final cash dividend - Rs. 35.00 per share declared subsequent to the year ended December 31, 2025 by the bank	-	-	-	-	-	-	-	-	(74,462,956)	(74,462,956)	-	(74,462,956)
Cash dividend paid / profit distribution by subsidiaries	-	-	-	-	-	-	-	-	-	-	(320,620)	(320,620)
Balance as at june 30, 2026	21,275,131	22,957,231	61,769,215	521,338	85,247,784	54,557,583	48,471,165	103,028,747	260,941,591	470,493,253	1,731,567	472,224,820

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

Chairman | President & CEO (A) | Chief Financial Officer | Director | Director

NATIONAL BANK OF PAKISTAN
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

	Note	Half year ended June 30, 2026	Half year ended June 30, 2025
		------------ (Rupees in '000) ------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		**68,324,074**	93,271,170
Less: dividend income		**(3,770,025)**	(3,205,976)
		64,554,049	90,065,194
Adjustments:			
Net mark-up / interest income		**(100,096,950)**	(130,630,006)
Depreciation on property and equipment	29.	**2,827,309**	2,009,917
Depreciation on right of use assets	29.	**1,070,195**	1,032,178
Amortisation	29.	**388,727**	284,854
(Reversal) / credit loss allowance and write offs	31.	**(5,256,872)**	5,953,988
Gain on sale of property and equipment	28.	**(121,383)**	(15,099)
Financial charges on leased assets	29.	**88,877**	95,469
Staff loan - notional cost		**3,177,769**	2,587,907
Modification (gain) / loss	28.	**-**	(101,735)
Net loss on derecognition of financial assets measured at amortised cost		**1,049,270**	655,451
Unrealised loss on revaluation of investments classified as FVTPL	27.	**651,114**	(115,603)
Charge for defined benefit plans - net		**8,676,290**	9,166,145
Share of (profit) / loss from associates - net of tax		**(31,089)**	(54,861)
		(87,576,743)	(109,131,395)
		(23,022,694)	(19,066,201)
(Increase) / decrease in operating assets			
Lendings to financial institutions		**(53,823,375)**	(11,452,073)
Securities classified as FVTPL		**(38,993,102)**	(85,229,121)
Advances		**35,943,384**	89,243,187
Other assets (excluding advance taxation and mark-up accrued)		**(17,376,890)**	(17,867,840)
		(74,249,983)	(25,305,847)
Increase/ (decrease) in operating liabilities			
Bills payable		**5,415,929**	103,647,983
Borrowings from financial institutions		**1,136,893,523**	(428,385,489)
Deposits		**(213,259,229)**	837,919,130
Other liabilities (excluding current taxation and mark-up payable)		**32,006,027**	2,525,748
		961,056,250	515,707,372
Mark-up / Interest received		**350,813,869**	401,075,072
Mark-up / Interest paid		**(340,086,648)**	(348,418,314)
Income tax paid / adjusted		**(57,717,566)**	(54,796,816)
Benefits paid		**(4,927,651)**	(5,295,782)
Net cash flows generated from operating activities		**811,865,578**	463,899,484
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI		**(660,054,683)**	(350,383,919)
Net investments in securities carried at amortised cost		**(90,388,005)**	2,262,292
Dividends received		**386,352**	6,443,137
Net investment in associates		**(251,258)**	-
Investments in property and equipment		**(2,799,534)**	(3,487,079)
Proceeds from sale of property and equipment		**152,001**	51,164
Effect of translation of net investment in foreign branches		**(1,428,966)**	2,119,602
Net cash used in investing activities		**(754,384,093)**	(342,994,803)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of lease obligations against right-of-use assets	20.	**(1,547,888)**	(1,392,445)
Dividend paid		**(74,783,576)**	(16,957,938)
Net cash used in financing activities		**(76,331,465)**	(18,350,383)
Net (decrease) / increase in cash and cash equivalents		**(18,849,980)**	102,554,298
Cash and cash equivalents at beginning of the period		**358,481,846**	376,136,072
Effects of exchange rate changes on cash and cash equivalents		**2,601,561**	5,109,506
		361,083,407	381,245,578
Expected credit loss allowance on cash and cash equivalent - net		**674**	(3,010)
Cash and cash equivalents at end of the period	34.	**342,234,101**	483,796,866

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

Chairman	President / CEO (A)	Chief Financial Officer	Director	Director

1. THE GROUP AND ITS OPERATIONS

1.1 The "Group" consists of:

Holding Company
- National Bank of Pakistan (the Bank)

Subsidiary Companies
- NBP Exchange Company Limited, Pakistan
- National Bank Modaraba Management Company Limited, Pakistan
- First National Bank Modaraba, Pakistan
- Taurus Securities Limited, Pakistan
- NBP Fund Management Limited, Pakistan
- Cast-N-Link Products Limited, Pakistan

The subsidiary company of the Group, National Bank Modaraba Management Company Limited, Pakistan exercises control over First National Bank Modaraba, Pakistan as its management company and also has a direct economic interest in it. The Group has consolidated the financial statements of the modaraba as the ultimate holding company.

The Group is principally engaged in commercial banking, modaraba management, brokerage, leasing, foreign currency remittances, asset management, exchange transactions and investment advisory asset.

National Bank of Pakistan (the Bank) was incorporated in Pakistan under the National Bank of Pakistan Ordinance, 1949 and is listed on the Pakistan Stock Exchange (PSX). The registered and head office of the Bank is situated at I.I. Chundrigar Road, Karachi. The Bank is engaged in providing commercial banking and related services in Pakistan and overseas. The Bank also handles treasury transactions for the Government of Pakistan (GoP) as an agent to the State Bank of Pakistan (SBP). The Bank operates 1,503 (December 31, 2025: 1,503) branches in Pakistan and including 312 (December 31, 2025: 312) Islamic Banking branches and 14 (December 31 2025: 14) overseas branches (including the Export Processing Zone branch, Karachi). The Bank also provides services in respect of Endowment Fund for students loan scheme and IPS accounts.

NBP Exchange Company Limited, National Bank Modaraba Management Company Limited are wholly owned subsidiaries of the holding company while the controlling interest in Taurus Securities Limited is 58.32%, NBP Fund Management Limited is 54%, First National Bank Modarba 30% and Cast-N-Link Products Limited 76.51%.

1.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Bank (Holding Company) and its subsidiary companies together - "the Group".

- Subsidiary companies are fully consolidated from the date on which more than 50% of voting rights are transferred to the Group or power to control the company is established and excluded from consolidation from the date of disposal or when the control is lost.
- The assets, liabilities, income and expenses of subsidiary companies have been consolidated on a line by line basis.
- Income and expenses of subsidiaries acquired during the year are included in the consolidated statement of the comprehensive income from the effective date of acquisition.
- Non-Controlling interest / (minority interest) in equity of the subsidiary companies are measured at fair value for all the subsidiaries acquired from period beginning on or after January 1, 2010 whereas minority interest of previously acquired subsidiaries are measured at the proportionate net assets of subsidiary companies attributable to interest which is not owned by holding company.
- Material intra-group balances and transactions have been eliminated.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

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

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

Wherever 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 IAS 34 or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

2.1.2 The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks through its notification S.R.O 411(I)/2008 dated April 28, 2008. The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 had deferred the applicability of Islamic Financial Accounting Standard-3 for Profit and Loss Sharing on Deposits (IFAS-3) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

The SECP vide SRO 56 (1) / 2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under Trust structure.

2.1.3 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 the requirements of International Accounting Standard 34, 'Interim Financial Reporting'. These consolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements and should be read in conjunction with the annual audited consolidated financial statements of the Bank for the year ended December 31, 2025.

2.1.4 Key financial figures of the Islamic Banking branches are disclosed in note 39 to these consolidated condensed interim financial statements.

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

2.2 Standards, interpretations of and amendments to published accounting and reporting standards that are effective in the current period:

There are certain new and amended standards, issued by the International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2026 but are considered not relevant or do not have any material effect on the Bank's operations and are therefore not detailed in these consolidated financial statements. The impact of IFRS 9 for the current year is disclosed in note 4.1 to these consolidated financial statements.

2.3 Standards, interpretations of and amendments to published accounting and reporting standards that are not yet

There are certain new and amended standards, issued by the 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 consolidated condensed interim financial statements except for:

- the new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (published in April 2024) with applicability date of January 01, 2027 by IASB. IFRS 18 has been adopted by Securities and Exchange Commission of Pakistan (SECP) for the period beginning from January 01, 2027 but yet to be adopted by State Bank of Pakistan (SBP). IFRS 18 when adopted and applicable will impact the presentation of the 'Statement of Profit and Loss Account' with certain additional disclosures in the consolidated condensed interim financial statements.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain property and equipment and non banking assets acquired in satisfaction of claims are stated at revalued amounts; investments classified at fair value through profit and loss and fair value through other comprehensive income; foreign exchange contracts and derivative financial instruments are measured at fair value; defined benefit obligations are carried at present value; right of use of asset and related lease liability are measured at present value on initial recognition; and staff loans are measured at fair value on initial recognition.

3.2 Functional and presentation currency

These consolidated 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. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited consolidated financial statements of the Bank for the year ended December 31, 2025 except for changes mentioned in note 4.1 to these consolidated condensed interim financial statements.

4.1 IFRS 9 - 'Financial Instruments'

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

In addition, the SBP, in a separate instruction, SBPHOK-BPRD-RPD-BAF-834424 dated January 22, 2025, allowed an extension for application of the Effective Interest Rate (EIR) up to December 31, 2025. During the current period, in accordance with the aforementioned instruction, the Bank has applied EIR on the financial instruments appearing as at January 1, 2026, and the cumulative impact of application of EIR amounting to Rs. 363.7 million, net of tax, has been recognized as an adjustment to equity at the beginning of the current period.

4.1.2 The SBP has directed the Banks through its BPRD Circular Letter No.1 dated January 22, 2025 to disclose the impact of IFRS 9 on revenue recognition from Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions which is as follows:

Had IFRS 9 been adopted for revenue recognition related to Islamic financing, the unappropriated profit of the Bank as at June 30, 2026 would have been lower by Rs. 17.1 million.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses as well as in the disclosure of contingent liabilities. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of revision and in future periods if the revision affects both current and future periods.

The significant judgments made by the management in applying the Bank's accounting policies and the key sources of estimation were the same as those applied in the preparation of annual audited consolidated financial statements for the year ended December 31, 2025, except for matters related to IFRS 9 which have been disclosed in note 4.1 to these consolidated condensed interim financial statements.

6. FINANCIAL RISK MANAGEMENT

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

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			------------- (Rupees in '000) -------------	
7.	**CASH AND BALANCES WITH TREASURY BANKS**			
	In hand			
	Local currency		**77,111,635**	74,100,296
	Foreign currencies		**5,995,041**	5,894,248
			83,106,676	79,994,544
	With State Bank of Pakistan in			
	Local currency current accounts	7.1	**148,773,029**	185,103,316
	Foreign currency current accounts	7.2	**22,417,779**	24,048,368
	Foreign currency deposit accounts	7.2	**44,505,824**	47,789,001
			215,696,632	256,940,685
	With other central banks in			
	Foreign currency current accounts	7.3	**25,007,655**	34,465,663
	Foreign currency deposit accounts	7.3 & 7.4	**4,539,294**	3,549,438
			29,546,949	38,015,101
	National prize bonds		**130,537**	995,242
			328,480,794	375,945,572
	Less: Credit loss allowance held against cash and bank balances with treasury bank		**(6,879)**	(7,164)
	Cash and balances with treasury banks - net of credit loss allowance		**328,473,915**	375,938,408

7.1 This includes statutory liquidity reserves maintained with the SBP under Section 22 of the Banking Companies Ordinance, 1962.

7.2 These represent mandatory reserves maintained in respect of foreign currency deposits under FE-25 scheme, as prescribed by the SBP.

7.3 These balances pertain to the foreign branches and are held with central banks of respective countries. These include balances to meet the statutory and regulatory requirements in respect of liquidity and capital requirements of respective countries.

7.4 The deposit accounts carry interest at the rate of 0.01 % to 2.00 % per annum (December 31, 2025: 0.01 % to 2.00% per annum).

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			------------- (Rupees in '000) -------------	
8.	**BALANCES WITH OTHER BANKS**			
	In Pakistan			
	In current accounts		**52,300**	49,976
	In deposit accounts	8.1	**674,569**	43,062
			726,869	93,038
	Outside Pakistan			
	In current accounts		**34,259,069**	27,832,645
	In deposit accounts	8.2	**19,640,517**	5,607,283
			53,899,586	33,439,928
			54,626,455	33,532,966
	Less: Credit loss allowance held against balances with other banks		**(982)**	(23)
	Balances with other banks - net of credit loss allowance		**54,625,473**	33,532,943

8.1 These include various deposits with banks and carry interest at the rates ranging from 2.00% to 8.00 % per annum (December 31, 2025: 2.56% to 6.80% per annum).

8.2 These include various deposits with correspondent banks outside Pakistan and carry interest at rates ranging from 1.00% to 2.45% per annum (December 31, 2025: 1.00% to 3.60% per annum).

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------------- (Rupees in '000) -------------	

9. LENDINGS TO FINANCIAL INSTITUTIONS

	Note	June 30, 2026	December 31, 2025
Repurchase agreement lendings (Reverse Repo) - Secured	9.2	**69,823,420**	16,000,000
Musharaka Lending	9.3	**30,000,000**	30,000,000
Letters of placement	9.4	**172,150**	172,150
		99,995,570	46,172,150
Less: Credit loss allowance held against lending to financial institutions		**(172,150)**	(172,150)
Lendings to financial institutions - net of credit loss allowance		**99,823,420**	46,000,000

9.1 Lending to Financial Institutions - Particulars of credit loss

		Note	(Un-audited) June 30, 2026		(Audited) December 31, 2025	
			Lending	**Credit loss allowance held**	Lending	Credit loss allowance held
			------ Rupees in '000 ------			
Performing	Stage 1		**99,823,420**	**-**	46,000,000	-
Under performing	Stage 2		**-**	**-**	-	-
Non-performing	Stage 3					
Loss			**172,150**	**172,150**	172,150	172,150
			172,150	**172,150**	172,150	172,150
Total			**99,995,570**	**172,150**	46,172,150	172,150

9.2 These carry mark-up at rates ranging from 11.5 % to 11.55 % per annum (December 31, 2025: 10.55 % to 11.00%) with maturities ranging from July 2, 2026 to July 28, 2026 (December 31, 2025: from January 2, 2026 to January 12, 2026) and are collatarised by government securities.

9.3 These carry profit rates 10.4% per annum (December 31, 2025:10.40 %) with maturity on July 03, 2026 (December 31, 2025: January 2,2026).

9.4 These are overdue placements and full provision has been made against these placements as at December 31, 2025 and June 30, 2026.

10. INVESTMENTS

10.1 Investments by types

	Note	June 30, 2026 (Un-audited) Cost / amortized cost	Credit loss allowance / Provision for diminution	Surplus / (deficit)	Carrying value	December 31, 2025 (Audited) Cost / amortized cost	Credit loss allowance / Provision for diminution	Surplus / (deficit)	Carrying value
		------------ Rupees in '000 ------------							
FVTPL									
Federal Government securities									
- Market treasury bills		**48,862,256**	**-**	**(9,241)**	**48,853,015**	35,213,166	-	6,078	35,219,244
- Pakistan investment bonds		**31,842,713**	**-**	**(83,305)**	**31,759,408**	9,685,616	-	7,040	9,692,656
					-				
Units of mutual funds		**8,974,782**	**-**	**(193,572)**	**8,781,210**	6,872,004	-	1,711,929	8,583,933
Non Government debt securities									
- Term finance certificates, 'participation term certificates, bond, debentures and sukuks		**10,997,756**	**-**	**(18,746)**	**10,979,010**	9,486,572	-	11,547	9,498,119
Preference shares									
- Listed		**1,106,410**	**-**	**48,477**	**1,154,887**	992,711	-	113,700	1,106,411
- Unlisted		**558,284**	**(558,284)**	**-**	**-**	558,284	(558,284)	-	-
Real Estate Investment Trust units		**2,487,311**	**-**	**(94,319)**	**2,392,991**	3,244,532	-	(757,221)	2,487,311
Ordinary Shares									
- Listed Companies		**16,279,095**	**-**	**(260,065)**	**16,019,030**	11,620,213	-	3,389,676	15,009,889
		121,108,607	**(558,284)**	**(610,772)**	**119,939,551**	77,673,098	(558,284)	4,482,749	81,597,563
FVOCI									
Federal Government securities									
- Market treasury bills		**1,557,510,554**	**-**	**(814,490)**	**1,556,696,064**	1,265,626,161	-	5,084,947	1,270,711,108
- Pakistan investment bonds		**2,797,696,886**	**-**	**35,601,183**	**2,833,298,069**	2,546,378,172	-	65,431,828	2,611,810,000
- GOP ijarah sukuks		**12,502,037**	**-**	**6,476**	**12,508,513**	22,706,580	-	201,261	22,907,841
- GOP ijarah sukuks-Traded		**349,262,709**	**-**	**(3,962,709)**	**345,300,000**	220,403,613	-	1,303,382	221,706,995
- GOP ijarah sukuks-Discounted		**3,586,370**	**-**	**(95,370)**	**3,491,000**	3,387,533	-	(128,529)	3,259,004
- Foreign currency debt securities	10.2.2	**27,068,299**	**(2,730,810)**	**(221,361)**	**24,116,128**	29,803,957	(2,599,421)	41,502	27,246,038
									-
									-
Ordinary Shares									-
- Listed Companies		**42,974,161**	**-**	**35,555,913**	**78,530,074**	35,739,845	-	41,506,937	77,246,782
- Unlisted Companies		**2,107,603**	**-**	**7,488,298**	**9,595,901**	2,107,198	-	7,287,787	9,394,985
									-
Non Government debt securities									-
- Term finance certificates, 'participation term certificates, bond, debentures and sukuks	10.2.2 & 10.4	**23,355,347**	**(6,488,891)**	**4,628**	**16,871,084**	26,429,153	(6,565,316)	188,409	20,052,246
									-
Foreign securities									-
- Equity securities-Listed Bank		**463,295**	**-**	**40,293,614**	**40,756,909**	463,294	-	39,010,025	39,473,319
- Government debt securities	10.2.2	**-**	**-**	**-**	**-**	2,304,806	(98)	2,735	2,307,443
		4,816,527,261	**(9,219,701)**	**113,856,182**	**4,921,163,742**	4,155,350,312	(9,164,835)	159,930,284	4,306,115,761
Amortised Cost									
Federal Government securities									
- Market Tresury bills		**326,910**	**-**	**-**	**326,910**	54,473	-	-	54,473
- Pakistan investment bonds	10.3	**544,397,788**	**-**	**-**	**544,397,788**	461,461,674	-	-	461,461,674
- GOP ijarah sukuks - Traded		**-**	**-**	**-**	**-**	4,999,075	-	-	4,999,075
- GOP Ijarah Sukuks	10.3	**28,012,171**	**-**	**-**	**28,012,171**	14,027,812	-	-	14,027,812
- Bai Muajjal with Government of Pakistan (through State Bank of Pakistan)		**8,466,335**	**-**	**-**	**8,466,335**	8,466,335	-	-	8,466,335
- Foreign currency debt securities	10.2.2 & 10.3	**9,045,497**	**(439,444)**	**-**	**8,606,053**	9,685,261	(87,361)	-	9,597,900
									-
Non Government debt securities									-
- Term finance certificates, 'participation term certificates, bond, debentures and sukuks		**353,853**	**(353,853)**	**-**	**-**	360,481	(360,481)	-	-
Foreign securities									
- Government debt securities	10.2.2 & 10.3	**35,761,944**	**(197,902)**	**-**	**35,564,042**	36,921,367	(208,380)	-	36,712,987
- Non-Government debt securities	10.3	**1,064**	**-**	**-**	**1,064**	1,079			1,079
		626,365,562	**(991,199)**	**-**	**625,374,363**	535,977,557	(656,222)	-	535,321,335
Associates	10.1.2	**2,597,483**	**(503,012)**	**-**	**2,094,471**	2,315,136	(503,012)	-	1,812,124
Subsidiaries	10.1.3	**1,245**	**(1,245)**	**-**	**-**	1,245	(1,245)	-	-
Total investments		**5,566,600,158**	**(11,273,441)**	**113,245,410**	**5,668,572,126**	4,771,317,348	(10,883,598)	164,413,033	4,924,846,783

10.1.1 Investments given as collateral

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
The book value of investments given as collateral against borrowings is as follows:			
Pakistan Investment Bonds		**1,468,302,427**	1,192,522,540
Market Treasury Bills		**1,272,809,125**	403,505,550
	18.4	**2,741,111,552**	1,596,028,090

10.1.1.1 The market value of securities given as collateral is Rs. 2,756,527 million (December 31, 2025: Rs. 1,609,647 million)

10.1.2 Associates

	June 30, 2026 (Un-audited)								
	Number of shares	Percentage of holding	Country of incorporation	Based on the financial statements as at	Assets	Liabilities	Revenue	Profit / (loss) after taxation	Total comprehensive income / (loss)
					(Rupees in '000)				
Listed									
First Credit and Investment Bank Limited	20,000,000	30.77%	Pakistan	March 31, 2026 (Unaudited)	4,511,660	3,633,982	170,667	55,729	377
National Fibres Limited	17,030,231	20.19%	Pakistan	N/A **	-	-	-	-	-
SG Allied Businesses Limited	3,754,900	25.03%	Pakistan	March 31, 2026 (Unaudited)	1,535,868	274,104	20,066	(10,820)	(10,820)
Nina Industries Limited	4,906,000	20.27%	Pakistan	N/A **	-	-	-	-	-
NBP Stock Fund	31,871,171	2.33%	Pakistan	March 31, 2026 (Unaudited)	51,040,999	403,199	7,897,119	6,361,962	6,361,962
Unlisted									
Pakistan Emerging Venture Limited	12,500,000	33.33%	Pakistan	June 30, 2022 (Audited)	478	404	56	(385)	(385)
National Fructose Company Limited	1,300,000	39.50%	Pakistan	N/A **	-	-	-	-	-
Venture Capital Fund Management *	33,333	33.33%	Pakistan	N/A **	-	-	-	-	-
Kamal Enterprises Limited *	11,000	20.37%	Pakistan	N/A **	-	-	-	-	-
Mehran Industries Limited *	37,500	32.05%	Pakistan	N/A **	-	-	-	-	-
Tharparkar Sugar Mills Limited *	2,500,000	21.52%	Pakistan	N/A **	-	-	-	-	-
Youth Investment Promotion Society *	644,508	25.00%	Pakistan	N/A **	-	-	-	-	-
Dadabhoy Energy Supply Company Limited	9,900,000	23.11%	Pakistan	N/A **	-	-	-	-	-
K-Agricole Limited *	5,000	20.00%	Pakistan	N/A **	-	-	-	-	-
New Pak Limited *	200,000	20.00%	Pakistan	N/A **	-	-	-	-	-
Pakistan Mercantile Exchange Limited	30,363,501	33.98%	Pakistan	Dec 31, 2025 (Unaudited)	17,926,756	16,542,672	914,751	387,981	387,981
Prudential Fund Management Limited *	150,000	20.00%	Pakistan	N/A **	-	-	-	-	-

* Nil figure represent shares which have been acquired under different arrangements without any cost.

10.1.3 Subsidiaries

Cast-N-Link Products Limited	1,245,000	76.51%	Pakistan	N/A **	-	-	-	-	-

** N/A: Not Available

10.2 Particulars of credit loss allowance / provision for diminution in value of investments

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			------- (Rupees in '000) ---------	
10.2.1	Opening balance		**10,883,598**	15,940,168
	Impact of adoption of IFRS 9 - reversal of provision held against unlisted shares		**-**	(573,853)
	Impact of ECL recognized on adoption of IFRS 9		**-**	158,085
			10,883,598	15,524,400
	Charge for the period / year		**486,351**	98
	Reversals for the period / year		**(95,324)**	(4,647,040)
		31.	**391,026**	(4,646,942)
	Others movement		**-**	6
	Exchange adjustment		**-**	6,134
	Charge of / Write off during the period / year		**(1,185)**	-
	Closing Balance		**11,273,441**	10,883,598

10.2.2 Particulars of credit loss allowance against debt securities

Category of classification		June 30, 2026 (Un-audited) Outstanding amount	June 30, 2026 (Un-audited) Credit loss allowance Held	December 31, 2025 (Audited) Outstanding amount	December 31, 2025 (Audited) Credit loss allowance
		---------------------------- (Rupees in '000)		----------------------	
Domestic					
Performing	Stage 1	**4,166,081**	**25,825**	4,332,164	24,272
Underperforming	Stage 2	**1,000,000**	**61,933**	1,400,000	110,664
Non-Performing	Stage 3				
Loss		**6,754,987**	**6,754,987**	6,790,763	6,790,763
		11,921,068	**6,842,745**	12,522,927	6,925,699
Overseas					
Performing	Stage 1	**4,062,415**	**475**	6,485,444	116
Underperforming	Stage 2	**67,814,388**	**3,367,681**	71,846,673	2,895,242
Non-Performing	Stage 3				
		71,876,804	**3,368,156**	78,332,117	2,895,358
Total		**83,797,871**	**10,210,901**	90,855,044	9,821,057

10.3 The market value of securities classified at amortised cost as at June 30, 2026 amounted to Rs. 614,484 million (December 31, 2025: Rs.538,129 million).

10.4 The non-government debt securities carried at FVOCI amounting to Rs. 11,788 million (December 31, 2025: Rs. 14,267 million) pertains to government guaranteed exposure. The exposure is exempted for the calculation of ECL by the SBP.

10.5 Subsequent to the period end, the Bank's holding of 7,698,441 shares in First Women Bank Limited was disposed of at Rs. 12.52 per share, for total proceeds of Rs. 96.753 million against a cost of Rs. 21.10 million.

11. ADVANCES

	Note	Performing		Non Performing		Total	
		(Un-audited) June 30, 2026	(Audited) December 31, 2025	**(Un-audited) June 30, 2026**	(Audited) December 31, 2025	**(Un-audited) June 30, 2026**	(Audited) December 31, 2025
		(Rupees in '000)					
Loans, cash credits, running finances, etc.		**996,548,115**	1,098,351,027	**213,094,251**	208,016,112	**1,209,642,366**	1,306,367,139
Islamic financing and related assets	39.3	**314,945,300**	248,313,166	**2,373,920**	2,173,921	**317,319,220**	250,487,087
Bills discounted and purchased		**32,954,838**	45,014,230	**16,187,186**	12,811,346	**49,142,024**	57,825,576
Advances - gross	11.1	**1,344,448,253**	1,391,678,423	**231,655,357**	223,001,379	**1,576,103,610**	1,614,679,802
Credit loss allowance against advances							
- Stage 1		**18,193,471**	16,062,649	**-**	-	**18,193,471**	16,062,649
- Stage 2		**15,313,951**	23,412,505	**-**	-	**15,313,951**	23,412,505
- Stage 3		**-**	-	**215,123,224**	219,943,885	**215,123,224**	219,943,885
- General		**13,454,021**	17,521,916	**-**	-	**13,454,021**	17,521,916
	11.3	**46,961,443**	56,997,070	**215,123,224**	219,943,885	**262,084,667**	276,940,955
Advances - net of credit loss allowance / provision		**1,297,486,810**	1,334,681,353	**16,532,133**	3,057,494	**1,314,018,943**	1,337,738,847

11.1 Particulars of advances (Gross)

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	(Rupees in '000)	
In local currency	**1,249,889,077**	1,251,487,305
In foreign currencies	**326,214,533**	363,192,497
	1,576,103,610	1,614,679,802

11.2 Advances includes Rs. 231,655.357 million (December 31, 2025: Rs. 223,001.379 million) which have been placed under non-performing / stage 3 status as detailed below:

Category of Classification	**June 30, 2026 (Un-audited)**		December 31, 2025 (Audited)	
	Non Performing Loans	**Credit Loss Allowance**	Non Performing Loans	Credit Loss Allowance
	---------------------------- (Rupees in '000)	--------------------------		
Domestic				
Other Assets Especially Mentioned (OAEM)	**2,523,612**	**1,290,569**	2,268,835	1,499,383
Substandard	**8,918,287**	**5,937,204**	13,264,802	8,769,996
Doubtful	**19,748,390**	**13,184,925**	2,666,190	1,838,229
Loss	**139,939,739**	**136,437,411**	143,575,094	140,178,215
Sub total	**171,130,028**	**156,850,108**	161,774,921	152,285,823
Overseas				
Doubtful	**-**	**-**	387,241	247,721
Loss	**60,525,329**	**58,273,115**	60,839,217	58,598,233
	60,525,329	**58,273,115**	61,226,458	58,845,954
Total	**231,655,357**	**215,123,223**	223,001,379	211,131,777
Stage 3 as per IFRS 9	**-**	**-**	-	8,812,108
Total	**231,655,357**	**215,123,224**	223,001,379	219,943,885

11.3 Particulars of credit loss allowance against advances

		June 30, 2026 (Un-audited)						December 31, 2025 (Audited)					
		Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total
	Note	(Rupees in '000)						(Rupees in '000)					
Opening balance		16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955	19,751,831	10,808,620	226,013,550	-	11,501,411	268,075,412
IFRS-9 adoption		-	-	-	-	-	-	-	30,103	124,994	-	-	155,097
Opening balance restated		16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955	19,751,831	10,838,723	226,138,544	-	11,501,411	268,230,509
Exchange adjustments		-	-	(749,539)	-	(35,201)	(784,740)	-	-	(2,933,410)	-	(10,247)	(2,943,657)
Charge for the period / year		7,276,894	1,323,625	2,368,288	-	(37,555)	10,931,252	1,449,113	16,561,201	10,915,661	-	2,938,784	31,864,758
Reversals		(4,283,610)	(8,508,613)	(5,687,605)	-	-	(18,479,828)	(3,967,654)	(7,946,792)	(7,148,783)	-	-	(19,063,229)
		2,993,284	(7,184,988)	(3,319,317)	-	(37,555)	(7,548,576)	(2,518,541)	8,614,409	3,766,878	-	2,938,784	12,801,529
Amounts written off		-	-	(58,240)	-	-	(58,240)	-	-	(63,652)	-	-	(63,652)
Amounts charged off - agriculture financing	11.4.5	-	-	(61,297)	-	-	(61,297)	-	-	(370,152)	-	-	(370,152)
Transfer to stage 1		-	-	-	-	-	-	-	-	-	-	-	-
Transfer to stage 2		(834,134)	834,134	-	-	-	-	(666,997)	4,765,421	-	-	(4,098,424)	-
Transfer to stage 3		(28,328)	(283,058)	311,386	-	-	-	(503,644)	(806,048)	1,309,692	-	-	-
Other movement	21.1	-	(1,464,643)	(943,655)	-	(3,995,139)	(6,403,437)	-	-	(7,904,014)	-	7,190,392	(713,622)
Closing balance		18,193,471	15,313,951	215,123,224	-	13,454,021	262,084,667	16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955

11.4 Advances - particulars of credit loss allowance / provision against advances

			June 30, 2026 (Un-audited)						December 31, 2025 (Audited)					
			Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision	Total
			(Rupees in '000)						(Rupees in '000)					
11.4.1	Opening balance		16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955	19,751,831	10,808,620	226,013,550	-	11,501,411	268,075,412
	IFRS-9 adoption		-	-	-	-	-	-	-	30,103	124,994	-	-	155,097
			16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955	19,751,831	10,838,723	226,138,544	-	11,501,411	268,230,509
	New Advances		7,276,894	1,323,625	2,368,288	-	(37,555)	10,931,252	1,449,113	16,561,201	10,915,661	-	2,938,784	31,864,758
	Exchange Adjustment		-	-	(749,539)	-	(35,201)	(784,740)	-	-	(2,933,410)	-	(10,247)	(2,943,657)
	Advances derecognised or repaid		(4,283,610)	(8,508,613)	(5,687,605)	-	-	(18,479,828)	(3,967,654)	(7,946,792)	(7,148,783)	-	-	(19,063,229)
	Transfer to stage 1		-	-	-	-	-	-	-	-	-	-	-	-
	Transfer to stage 2		(834,134)	834,134	-	-	-	-	(666,997)	4,765,421	-	-	(4,098,424)	-
	Transfer to stage 3		(28,328)	(283,058)	311,386	-	-	-	(503,644)	(806,048)	1,309,692	-	-	-
	Other movement	21.1	-	(1,464,643)	(943,655)	-	(3,995,139)	(6,403,437)	-	-	(7,904,014)	-	7,190,392	(713,622)
			2,130,822	(8,098,554)	(4,701,125)	-	(4,067,895)	(14,736,753)	(3,689,182)	12,573,782	(5,760,855)	-	6,020,505	9,144,250
	Amounts written off		-	-	(58,240)	-	-	(58,240)	-	-	(63,652)	-	-	(63,652)
	Amounts charged off - agriculture financing	11.4.5	-	-	(61,297)	-	-	(61,297)	-	-	(370,152)	-	-	(370,152)
								-						-
	Closing balance		18,193,471	15,313,951	215,123,223	-	13,454,021	262,084,667	16,062,649	23,412,505	219,943,885	-	17,521,916	276,940,955

11.4.2 Advances - Category of classification

Domestic		June 30, 2026 (Un-audited) Outstanding amount	Credit loss allowance Held	Net of Advances	December 31, 2025 (Audited) Outstanding amount	Credit loss allowance Held	Net of Advances
		(Rupees in '000)			(Rupees in '000)		
Performing	Stage 1	**1,164,739,918**	**18,189,031**	**1,146,550,887**	1,118,606,631	16,062,649	1,102,543,982
Underperforming	Stage 2	**114,186,430**	**15,234,519**	**98,951,911**	185,541,665	23,412,505	162,129,160
Non-Performing	Stage 3						
Other Assets Especially Mentioned		**2,523,612**	**1,290,569**	**1,233,044**	2,268,835	1,499,383	769,451
Substandard		**8,918,287**	**5,937,204**	**2,981,083**	13,264,802	8,769,996	4,494,806
Doubtful		**19,748,390**	**13,184,925**	**6,563,465**	2,666,190	1,838,229	827,961
Loss		**139,939,739**	**136,437,411**	**3,502,328**	143,575,094	140,178,215	3,396,879
Stage 3 as per IFRS 9		**-**	**-**	**-**	13,775,376	8,812,108	4,963,268
General Provision		**-**	**13,454,021**	**(13,454,021)**	-	17,521,916	(17,521,916)
		171,130,028	**170,304,129**	**825,899**	175,550,297	178,619,847	(3,069,550)
Sub Total		**1,450,056,376**	**203,727,679**	**1,246,328,697**	1,479,698,593	218,095,001	1,261,603,592
Overseas							
Performing	Stage 1	**17,254,509**	**4,440**	**17,250,069**	22,390,335	-	22,390,335
Underperforming	Stage 2	**48,267,396**	**79,432**	**48,187,964**	51,364,416	-	51,364,416
Non-Performing	Stage 3						
Substandard		**-**	**-**	**-**	-	-	-
Doubtful		**-**	**-**	**-**	387,241	247,721	139,520
Loss		**60,525,329**	**58,273,114**	**2,252,214**	60,839,217	58,598,233	2,240,984
		60,525,329	**58,273,114**	**2,252,214**	61,226,458	58,845,954	2,380,504
Sub total		**126,047,234**	**58,356,986**	**67,690,247**	134,981,209	58,845,954	76,135,255
Total		**1,576,103,610**	**262,084,667**	**1,314,018,943**	1,614,679,802	276,940,955	1,337,738,847

11.4.3 General provision includes provision amounting to Rs.349 million (December 31, 2025: Rs. 467 million) pertaining to overseas advances to meet the requirements of regulatory authorities of the respective countries in which the Bank operates where IFRS 9 has not been implemented. The general provision can be maintained till December 31, 2026 under BPRD circular No. 1 of 2025 dated January 22, 2025.

11.4.4 The SBP had allowed specific relaxation to the Bank for non-classification of overdue loans of certain Public Sector Entities (PSEs) which are guaranteed by Government of Pakistan as non-performing loans up till December 31, 2025. Bank has applied for further relaxation from SBP, however, response is awaited. No provision is required against these loans; however, mark-up is being suspended as required by the Prudential Regulations. Further SBP has allowed specific relaxation on the requirement for ECL against overdue foreign currency loan of a Public Sector Entity permanently.

11.4.5 These represent non-performing advances for agriculture finance which have been classified as loss and fully provided for more than 3 years. These non-performing advances have been charged off by extinguishing them against the provision held in accordance with Prudential Regulations for Agriculture Financing issued by the SBP. This charge off does not, in any way, prejudice the Bank's right of recovery from these customers.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------------- (Rupees in '000) -------------	
12. Property and equipment			
Capital work-in-progress	12.1	**1,946,046**	2,260,719
Property and equipment		**65,210,292**	65,247,927
		67,156,338	67,508,646

12.1 Capital work-in-progress

Civil works	**1,643,923**	1,259,425
Equipment	**10,372**	17,476
Advances to suppliers	**291,751**	983,818
	1,946,046	2,260,719

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

12.2 Additions to Property and equipment

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

	June 30, 2026	June 30, 2025
Capital work-in-progress	**1,455,195**	276,179
Property and equipment		
Leasehold land	**2,500**	-
Building on freehold land	**144,729**	185,199
Building on leasehold land	**116,361**	7,986
Furniture and fixtures	**622,894**	392,283
Computer and peripheral equipment	**955,532**	984,002
Electrical and office equipment	**423,034**	422,866
Vehicles	**580,395**	553,012
Assets given under finance lease - Vehicles	**54,163**	-
	2,899,608	2,545,348
Total additions to property and equipment	**4,354,803**	2,821,527

12.3 Disposal of Property and equipment

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

	June 30, 2026	June 30, 2025
Furniture and fixture	**27**	792
Electrical and office equipment	**284**	165
Vehicles	**15,740**	35,020
Computer equipment	**1,321**	88
Assets held under finance lease - Vehicle	**12,881**	-
Assets given under finance lease - Office Equipment	**365**	-
Total disposal to property and equipment	**30,618**	36,065

13. RIGHT-OF-USE ASSETS	**June 30, 2026 (Un-audited)**			December 31, 2025 (Audited)		
	Buildings	**Vehicles**	**Total**	Buildings	Vehicles	Total
	-------------- (Rupees in '000) --------------					
At January 1,						
Cost	**20,709,537**	**92,500**	**20,802,037**	18,542,570	92,500	18,635,070
Accumulated Depreciation	**(14,040,805)**	**(55,097)**	**(14,095,902)**	(12,014,464)	(24,264)	(12,038,728)
Net carrying amount at January 1	**6,668,732**	**37,403**	**6,706,135**	6,528,106	68,236	6,596,342
Additions during the period / year	**905,474**	**-**	**905,474**	3,384,553	-	3,384,553
Deletions during the year	**(1,131)**	**-**	**(1,131)**	(1,217,586)	-	(1,217,586)
Depreciation Charge for the period / year	**(1,054,778)**	**(15,417)**	**(1,070,195)**	(2,026,341)	(30,833)	(2,057,174)
Net carrying amount	**6,518,297**	**21,986**	**6,540,283**	6,668,732	37,403	6,706,135

14. INTANGIBLE ASSETS

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	------------- (Rupees in '000) -------------	
Capital work-in-progress - Software Implementation	**1,278,428**	1,394,645
Computer Software	**1,241,206**	1,169,088
Goodwill on NBP Fund Acquisition	**562,553**	562,553
	3,082,187	3,126,286

14.1 Additions to intangible assets

	(Un-audited)	
	June 30, 2026	June 30, 2025
	------------- (Rupees in '000) -------------	
The following additions have been made to intangible assets during the period:		
Capital work-in-progress	**141,415**	745,170
Directly purchased	**448,708**	424,042
Total additions to intangible assets	**590,123**	1,169,212

14.2 There were no disposal of intangible assets during the period ended June 30, 2025 and June 30, 2026.

15. DEFERRED TAX LIABILITIES

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
Deductible temporary differences on :	------------- (Rupees in '000) -------------	
- Tax losses carried forward	**10,705**	10,705
- Post retirement employee benefits	**10,718,337**	9,208,635
- Net credit loss allowance against investments	**2,228,489**	2,025,156
- Net credit loss allowance against loans and advances	**33,878,301**	35,667,648
- Net credit loss allowance against off-balance sheet obligations	**2,851,895**	1,959,634
- Excess of accounting book values over tax written down values of property and equipment	**402,612**	(174,003)
- Other credit loss allowance	**1,286,283**	1,055,833
- Provision against contingencies	**509,411**	401,043
- Net credit loss allowance against Balance with other banks	**1,573**	1,074
- Net credit loss allowance against Balance with other Central bank	**2,515**	2,663
- Right-of-use assets	**1,021,329**	939,376
- Accelerated tax depreciation	**816**	223
	52,912,265	51,097,987
Taxable temporary differences on		
- Surplus on revaluation of Property and equipment	**(3,613,907)**	(3,598,138)
- Exchange translation reserve	**(485,504)**	(518,148)
- Surplus/Deficit on revaluation of investments	**(59,205,215)**	(83,163,747)
- Surplus on revaluation of non-banking assets	**(108,069)**	(110,839)
- Excess of accounting book value of leased assets	**-**	2
	(63,412,695)	(87,390,870)
	(10,500,429)	(36,292,883)

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			------------- (Rupees in '000) -------------	
16.	**OTHER ASSETS**			
	Income / return / mark-up accrued in local currency		**178,187,233**	168,130,210
	Income / return / mark-up accrued in foreign currencies		**6,150,973**	9,181,791
	Advances, deposits, advance rent and other prepayments		**50,392,672**	45,273,396
	Advance taxation (payments less provisions)		**4,118,992**	3,423,946
	Income tax refunds receivable		**-**	99,383
	Compensation for delayed tax refunds		**22,129,925**	22,129,925
	Non-banking assets acquired in satisfaction of claims		**1,143,860**	1,146,897
	Assets acquired from Corporate and Industrial Restructuring Corporation (CIRC)		**158,931**	158,931
	Mark to market gain on forward foreign exchange contracts		**194**	-
	Commission receivable on Government treasury transactions		**11,490,002**	5,431,654
	Stationery and stamps on hand		**460,516**	506,656
	Barter trade balances		**195,399**	195,399
	Receivable on account of Government transactions		**323,172**	323,172
	Receivable from Government under VHS scheme		**418,834**	418,834
	Receivable against sale of shares		**1,159,242**	7,143
	Acceptances		**13,814,684**	10,335,656
	Receivable from Customers		**2,364,981**	2,345,811
	Deferred fair value loss	16.3	**10,519,278**	11,275,985
	Dividend receivable		**6,651,034**	3,267,361
	Others		**15,396,361**	13,628,070
			325,076,283	297,280,221
	Less: Provision held against other assets	16.1	**16,245,587**	16,223,310
	Less: Credit loss allowance held against other assets	16.2	**1,228,434**	1,301,500
	Other Assets (Net of credit loss allowance / provision)		**307,602,262**	279,755,411
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims - net		**3,057,834**	3,243,242
			310,660,096	282,998,653

16.1	**Provision held against other assets**		
	Income / mark-up accrued in local currency	**152,607**	152,607
	Advances, deposits, advance rent and other prepayments	**800,000**	800,000
	Stationery and stamps on hand	**74,075**	74,075
	Barter trade balances	**195,399**	195,399
	Receivable on account of Government transactions	**323,172**	323,172
	Receivable from Government under VHS scheme	**418,834**	418,834
	Protested bills	**4,284,350**	4,399,671
	Ex-MBL / NDFC - other assets	**760,941**	760,941
	Assets Acquired from Corporate and Industrial Restructuring Corporation asset (CIRC)	**158,931**	158,931
	Dividend Receivable	**3,237,161**	3,237,161
	Others	**5,840,117**	5,702,519
		16,245,587	16,223,310

16.1.1	**Movement in Provision held against other assets**		
	Opening balance	**16,223,310**	15,892,557
	Charge for the period / year	**49,457**	615,423
	Adjustment against provision	**(27,179)**	(304,904)
	Other movement	**-**	20,234
	Closing balance	**16,245,587**	16,223,310

16.2	**Movement in credit loss allowance held against other assets**		
	Opening balance	**1,301,500**	1,225,858
	Impact of ECL recognition on adoption of IFRS-9	**-**	535
	(Reversal) for the period / year	**(73,066)**	(71,766)
	Transfer in	**-**	146,873
	Closing balance	**1,228,434**	1,301,500

16.3 This represents fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). The SBP through its Circular Letter No. BPRD / BRD / PIAHCL / 733688 – 2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 6 years at rates 5%, 10%, 15%, 20%, 25% and 25% from year 1 to year 6. Accordingly, the Bank has recognised proportionate amount of 3rd year’s 15% of loss in these consolidated condensed interim financial statements.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------------- (Rupees in '000) -------------	

17. BILLS PAYABLE

In Pakistan		**26,197,300**	20,781,510
Outside Pakistan		**35,841**	35,702
		26,233,141	20,817,212

18. BORROWINGS

Secured			
Borrowings from State Bank of Pakistan			
Under Export Refinance Scheme		**11,817,899**	15,873,707
Under Financing Scheme for Renewable Energy		**945,120**	1,112,560
Refinance Facility for Modernization of Small and Medium Enterprises (SMEs)		**244,039**	204,159
Under Financing Facility for Storage of Agriculture Produce (FFSAP)		**248,636**	246,803
Under Long-Term Financing Facility (LTFF)		**8,859,849**	10,470,123
Under Temporary Economic Refinance Facility		**10,564,091**	11,726,436
Under Refinance and Credit Guarantee Scheme for Women Entrepreneurs (RCWE)		**68,651**	61,937
Under Export Refinance Scheme for Bill Discounting		**1,998,991**	2,511,175
Under Refinance Facility for Combating Covid-19		**3,576**	7,152
Under Refinance Scheme for Working Capital		**-**	27,000
		34,750,852	42,241,052
Repurchase agreement borrowings	10.1.1	**2,741,111,552**	1,596,028,090
Total Secured		**2,775,862,404**	1,638,269,142
Unsecured			
Call borrowings		**40,865,287**	48,387,944
Overdrawn nostro accounts		**-**	-
Borrowing from Pakistan Mortgage Refinance Company		**3,000,000**	3,000,000
Total Unsecured		**43,865,287**	51,387,944
		2,819,727,691	1,689,657,086

18.1 Particulars of borrowings with respect to currencies

In local currency		**2,778,862,404**	1,641,269,142
In foreign currencies		**40,865,287**	48,387,944
		2,819,727,691	1,689,657,086

18.2 Mark-up / interest rates and other terms are as follows:

- The Bank has entered into agreements with the SBP for extending export refinance to customers. As per the terms of the agreement, the Bank has granted SBP the right to recover the outstanding amount from the Bank at the date of maturity of finances by directly debiting the current account maintained by the Bank with the SBP. These borrowings carry mark-up of 0.00 % to 16.00 % per annum (December 31, 2025: 0.00% to 16.00% per annum).

- Repurchase agreement borrowings carry mark-up ranging from 10.60 % to 12.50 % per annum (December 31, 2025: 10.49% to 11.50% per annum) having maturities ranging from July 2, 2026 to July 28, 2026.

- Call borrowings carry interest ranging from 4.16 % to 5.63 % per annum (December 31, 2025: 4.36% to 6.60% per annum).

18.3 Borrowings from the SBP under export oriented projects refinance schemes of the SBP are secured by the Bank's cash and security balances held by the SBP.

18.4 Pakistan Investment Bonds and Market Treasury Bills having maturity of 2 - 5 Years and 1 Year respectively, are pledged as security under borrowing having carrying amount of Rs.2,741,111 million (December 31, 2025: Rs. 1,596,028 million).

19. DEPOSITS AND OTHER ACCOUNTS

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In local currency	**In foreign currencies**	**Total**	In local currency	In foreign currencies	Total
	(Rupees in '000)			(Rupees in '000)		
Customers						
Current deposits - remunerative	**791,518,358**	**-**	**791,518,358**	932,883,053	-	932,883,053
Current deposits - non remunerative	**715,983,173**	**178,448,905**	**894,432,078**	661,035,059	154,955,433	815,990,492
Savings deposits	**1,305,209,847**	**91,136,131**	**1,396,345,978**	1,223,390,842	144,899,660	1,368,290,502
Term deposits	**336,567,127**	**291,503,740**	**628,070,867**	504,918,393	272,899,557	777,817,950
Others	**43,452,485**	**7,071**	**43,459,556**	23,156,231	2,862,591	26,018,822
	3,192,730,990	**561,095,847**	**3,753,826,837**	3,345,383,578	575,617,241	3,921,000,819
Financial Institutions						
Current deposits - remunerative	**4,578,604**	**-**	**4,578,604**	57,570,811	-	57,570,811
Current deposits - non remunerative	**378,959,413**	**1,340,115**	**380,299,528**	353,072,890	2,846,955	355,919,845
Savings deposits	**66,219,691**	**-**	**66,219,691**	42,073,982	2,890,259	44,964,241
Term deposits	**5,738,558**	**3,744,816**	**9,483,374**	36,634,470	11,577,351	48,211,821
Others	**-**	**274**	**274**	-	-	-
	455,496,266	**5,085,205**	**460,581,471**	489,352,153	17,314,565	506,666,718
	3,648,227,256	**566,181,052**	**4,214,408,308**	3,834,735,731	592,931,806	4,427,667,537

19.1 Foreign currencies deposits includes deposit of foreign branches amounting to Rs. 125,262 million (December 31, 2025: Rs. 112,156 million).

20. LEASE LIABILITIES

	Note	**(Un-audited) June 30, 2026**	(Audited) December 31, 2025
		(Rupees in '000)	
Outstanding amount at the start of the year / period		**8,883,515**	8,324,955
Additions during the period / year		**914,823**	3,850,737
Lease payments including interest		**(1,547,888)**	(3,093,814)
Interest expense	25.	**608,635**	1,136,851
Exchange difference		**(3,700)**	7,041
Closure of branch		**-**	(1,342,254)
Outstanding amount at the end of the period / year		**8,855,385**	8,883,515
Liabilities Outstanding			
Less than one year		**1,564,937**	1,786,291
One to five years		**4,619,991**	4,657,271
Five to Ten Years		**1,636,619**	1,622,944
More than Ten Years		**1,033,838**	817,009
Total lease liabilities		**8,855,385**	8,883,515

20.1 For the purpose of discounting 1-Year (Offer) KIBOR +1% spread rates are being used.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		---------- (Rupees in '000) ----------	

21. OTHER LIABILITIES

	Note	June 30, 2026	December 31, 2025
Mark-up / return / interest payable in local currency		**49,901,818**	129,814,141
Mark-up / return / interest payable in foreign currencies		**5,658,426**	5,510,712
Unearned commission and income on bills discounted		**1,454,707**	1,036,128
Accrued expenses		**18,549,318**	16,692,340
Advance payments		**376,466**	405,737
Current taxation (provisions less payments)		**6,537,340**	13,905,216
Unclaimed dividends		**466,919**	172,688
Mark to market loss on forward foreign exchange contracts		**1,532,745**	3,609,168
Branch adjustment account		**1,627,695**	445,201
Payable to defined benefit plan:			
Pension fund		**77,963,052**	75,312,954
Post retirement medical benefits		**51,800,290**	48,234,725
Benevolent fund		**2,005,885**	2,145,147
Gratuity scheme		**6,816,864**	6,433,413
Compensated absences		**11,190,677**	10,503,531
Staff welfare fund		**426,838**	400,457
Liabilities relating to barter trade agreements		**4,275,351**	4,299,845
Credit loss allowance against off-balance sheet obligations	21.1	**10,579,410**	2,460,086
Provision against contingencies	21.2	**6,426,845**	6,258,300
Payable to brokers		**299,752**	82,324
PIBs short selling		**1,223,204**	-
Payable to customers		**947,081**	892,134
Acceptances		**13,814,684**	10,335,656
Others		**27,127,640**	18,202,864
		301,003,007	357,152,768

21.1 Credit loss allowance against off-balance sheet obligations

	June 30, 2026	December 31, 2025
Opening balance	**2,460,086**	1,726,164
imapct of adoption of IFRS-9	**-**	125
Charge for the period / year	**1,715,887**	167,047
Transfer in	**6,403,437**	566,750
Closing balance	**10,579,410**	2,460,086

21.2 Provision against contingencies

	June 30, 2026	December 31, 2025
Opening balance	**6,258,300**	5,343,606
Charge for the period / year	**208,401**	344,812
Other movement	**200,000**	584,882
Adjustment	**(239,856)**	(15,000)
Closing balance	**6,426,845**	6,258,300

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			(Rupees in '000)	

22. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

	Note	June 30, 2026	December 31, 2025
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI - Debt	10.1	**30,518,357**	72,125,535
- Securities measured at FVOCI - Equity	10.1	**83,337,825**	87,804,749
- Property and equipment		**49,135,306**	49,265,354
- Non-banking assets acquired in satisfaction of claims		**3,057,834**	3,243,242
- On securities of associates and joint venture		**(93,384)**	(93,384)
		165,955,938	212,345,496
Less: Deferred tax Liability on (surplus) / deficit on revaluation of:			
- Securities measured at FVOCI - Debt		**(15,869,546)**	(37,505,278)
- Securities measured at FVOCI - Equity		**(43,335,669)**	(45,658,469)
- Property and equipment		**(3,613,907)**	(3,706,574)
- Non-banking assets acquired in satisfaction of claims		**(108,069)**	(110,839)
		(62,927,191)	(86,981,160)
		103,028,747	125,364,336

23. CONTINGENCIES AND COMMITMENTS

	Note	June 30, 2026	December 31, 2025
Guarantees	23.1	**570,482,075**	533,648,579
Commitments	23.2	**2,910,358,046**	2,733,126,110
Other contingent liabilities	23.3	**23,863,727**	24,698,907
		3,504,703,848	3,291,473,596

23.1 Guarantees

	June 30, 2026	December 31, 2025
Financial guarantees	**466,266,677**	418,325,647
Performance guarantees	**104,215,398**	115,322,932
	570,482,075	533,648,579

23.2 Commitments

	Note	June 30, 2026	December 31, 2025
Documentary credits and short-term trade-related transactions			
- letters of credit		**1,809,113,138**	1,836,712,713
Commitments in respect of:			
- forward foreign exchange contracts	23.2.1	**1,048,186,584**	857,254,845
- forward government securities transactions	23.2.2	**32,669,609**	16,508,022
- forward lending	23.2.3	**18,783,649**	20,217,417
Commitments for acquisition of:			
- Property and equipment		**1,605,066**	2,433,113
		2,910,358,046	2,733,126,110

23.2.1 Commitments in respect of forward foreign exchange contracts

	June 30, 2026	December 31, 2025
Purchase	**658,527,248**	569,734,830
Sale	**389,659,336**	287,520,014
	1,048,186,584	857,254,845

Commitments for outstanding forward foreign exchange contracts are disclosed in these consolidated condensed interim financial statements at contracted rates. Commitments denominated in foreign currencies are expressed in Rupee terms at the rates of exchange prevailing at the statement of financial position date.

23.2.2 Commitments in respect of forward government securities transactions

	June 30, 2026	December 31, 2025
Purchase	**29,283,802**	10,463,492
Sale	**3,385,808**	6,044,530
	32,669,609	16,508,022

Commitments for outstanding forward government securities transactions are disclosed in these consolidated condensed interim financial statements at contracted rates.

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
		-------------- (Rupees in '000) --------------	
23.2.3	**Commitments in respect of forward lending**		
	Undrawn formal standby facilities, credit lines and other commitment to lend	**18,783,649**	20,217,417

These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.

23.3 Other contingent liabilities

23.3.1	Claims against the Bank not acknowledged as debt	**23,863,727**	24,698,907

Claims against the Bank not acknowledged as debts includes claims relating to former Mehran Bank Limited amounting to Rs. 1,597 million (December 31, 2025: Rs. 1,597 million).

Moreover, these claims also represent counter claims by the borrowers for damages, claims filed by former employees of the Bank and other claims relating to banking transactions. Based on legal advice and / or internal assessments, the management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome against the Bank is remote and accordingly no provision has been made in these consolidated condensed interim financial statements.

23.3.2 Taxation

The status of tax contingency is same as disclosed in annual audited consolidated financial statements of the bank for the year ended December 31, 2025 except for the following:

- The return of income for tax year 2025 has been amended under section 122 (5A) of the Ordinance. The Bank has preferred an appeal before the Commissioner Inland Revenue Appeals (CIR-A) against the additions made by the officer. The appeal is currently pending for adjudication.

- The amended assessment order for the Tax Year 2022 has been further amended under section 122(5A) read with subsection (4) of section 122 of the Ordinance by the ADCIR. The Bank has preferred an appeal before the Commissioner Inland Revenue (Appeals) challenging the additions made therein. The appeal is currently pending adjudication.

- The aggregate effect of contingencies as on June 30, 2026 including amount of Rs. 325 million (Dec 31, 2025: Rs. 204 million) in respect of indirect tax issues, amounts to Rs. 32,986 million (Dec 31, 2025: Rs. 32,327 million). No provision has been made against these contingencies, based on the opinion of tax consultant of the Bank, who expect favorable outcome upon decision in pending appeals.

23.3.3 Contingencies in respect of employees benefits and other matters

As at June 30, 2026. the status of contingencies in respect of employees benefits including pension and other related matters is same as disclosed in the annual audited consolidated financial statements for the year ended December 31, 2025, other than the following:

23.3.3.1 Pensionary benefits to retired employees

The hearing related to the Government increases in pension has been concluded and the judgment in the matter has been reserved.

23.3.3.2 During the year 2025, SBP imposed penalties on the Bank amounting to Rs.1,276 million on account of detection of certain counterfeit bank notes. The Bank maintains chest operations as custodian of SBP. During the current period, an amount of Rs.1,276 million were recovered from relevant depositing bank against their deposit accounts with the Bank against lien.

		Note	(Un-audited) For the Half year ended June 30, 2026	June 30, 2025
			------------- (Rupees in '000) -------------	
24.	**MARK-UP / RETURN / INTEREST EARNED**			
	On:			
	Loans and advances		**78,603,540**	95,831,969
	Investments		**279,432,658**	311,135,341
	Lendings to financial institutions		**2,627,557**	2,660,201
	Balances with banks		**1,063,608**	1,313,810
			361,727,363	410,941,321
25.	**MARK-UP / RETURN / INTEREST EXPENSED**			
	On:			
	Deposits		**130,914,932**	144,333,608
	Borrowings		**2,952,843**	2,270,692
	Cost of foreign currency swaps against foreign currency deposits		**5,830,847**	5,342,057
	Finance Charges - lease liability against right-of-use assets		**608,635**	593,372
	Securities sold under repurchase agreements		**121,323,156**	127,771,586
			261,630,413	280,311,315
26.	**FEE AND COMMISSION INCOME**			
	Branch banking customer fees		**591,602**	859,810
	Consumer finance related fees		**405,331**	465,543
	Card related fees		**2,820,829**	2,364,972
	Credit related fees		**256,361**	177,456
	Investment banking fees		**236,948**	207,892
	Commission on trade		**1,016,166**	1,124,176
	Commission on guarantees		**1,484,165**	1,530,357
	Commission on cash management		**53,534**	30,684
	Commission on remittances including home remittances		**454,591**	293,957
	Commission on bancassurance		**159,108**	115,289
	Commission on government transactions		**6,174,154**	7,588,402
	Management fee and sale load		**3,228,218**	3,343,483
	Brokerage income		**158,631**	77,480
	Others		**11,292**	62,224
			17,050,930	18,241,725
27.	**GAIN ON SECURITIES - NET**			
	Realised	27.1	**5,982,879**	4,514,212
	Unrealised (loss) / gain - Measured at FVPL	10.1 & 27.2	**(610,772)**	115,603
	Unrealized - Short selling		**(40,342)**	-
			5,331,765	4,629,815
27.1	**Realized gain on**			
	Federal Government Securities		**4,782,675**	3,279,004
	Shares		**563,624**	1,085,159
	Foreign Securities		**67**	79
	Associates - mutual funds		**354,740**	-
	Non-Government debt securities		**143,631**	149,970
	Mutual Funds		**138,142**	-
			5,982,879	4,514,212
27.2	**Net gain / (loss) on financial assets measured at FVTPL:**			
	Designated upon initial recognition		**(446,931)**	(85,113)
	Mandatorily measured at FVTPL		**(163,841)**	200,716
			(610,772)	115,603
28.	**OTHER INCOME**			
	Rent on property		**36,969**	51,920
	Gain on sale of Property and equipment - net		**121,383**	15,099
	Reversal of Expenses		**-**	495,658
	Insurance Claim		**-**	68,491
	Postal, SWIFT and other charges recovered		**60,879**	-
	Swift share allocation		**-**	22,256
	Gain on modification of financial asset		**-**	101,735
	Deley delivery of Vehicle compensation		**501**	-
	Others		**453**	12,296
			220,185	767,455

		Note	(Un-audited) For the Half year ended June 30, 2026	June 30, 2025
			------------- (Rupees in '000)	-------------
29.	**OPERATING EXPENSES**			
	Total compensation expenses		**41,623,320**	38,490,180
	Property expense			
	Rent and taxes		**844,036**	736,010
	Insurance		**59,495**	48,434
	Utilities		**1,531,181**	1,373,087
	Security (including guards)		**2,366,795**	2,353,128
	Repair and maintenance (including janitorial charges)		**952,016**	1,142,148
	Depreciation		**353,558**	335,854
	Depreciation on non banking assets		**8,366**	8,769
	Depreciation on right of use assets		**1,070,195**	1,032,178
			7,185,642	7,029,608
	Information technology expenses			
	Software maintenance		**3,698,338**	2,534,298
	Hardware maintenance		**151,156**	97,913
	Depreciation		**1,289,913**	755,044
	Amortisation		**388,727**	284,854
	Network charges		**776,252**	837,099
	IT Manage Services		**297,286**	987,451
			6,601,672	5,496,659
	Other operating expenses			
	Directors' fees and allowances		**45,002**	52,848
	Directors' fees and reimbursement of other expenses - subsidiaries		**11,430**	10,880
	Fees and allowances to Shariah Board		**15,762**	10,831
	Legal and professional charges		**866,907**	607,094
	Outsourced services costs		**833,262**	921,600
	Travelling and conveyance		**696,333**	696,397
	NIFT clearing charges		**30,470**	164,653
	Depreciation		**1,175,472**	910,250
	Training and development		**52,803**	89,383
	Postage and courier charges		**165,695**	138,545
	Communication		**883,786**	788,192
	Stationery and printing		**1,596,226**	819,409
	Marketing, advertisement and publicity		**1,964,531**	1,061,232
	Donations		**5,196**	82,679
	Auditors' Remuneration		**157,890**	132,611
	Entertainment		**216,547**	244,044
	Clearing, verification and license fee charges		**306,374**	227,482
	Brokerage		**387,036**	350,479
	Financial charges on leased assets		**88,877**	95,469
	Insurance		**573,263**	525,690
	Vehicle Expenses		**143,079**	154,006
	Repairs and maintenance		**840,109**	690,392
	Deposit premium expense		**1,101,134**	961,231
	WWF		**26,373**	30,596
	Others		**290,266**	368,980
			12,473,823	10,134,973
			67,884,457	61,151,420
30.	**OTHER CHARGES**			
	Penalties imposed by State Bank of Pakistan		**20,153**	31,686
			20,153	31,686
31.	**CREDIT LOSS ALLOWANCE / PROVISIONS AND WRITE OFFS / (REVERSAL OF PROVISIONS / CREDIT LOSS ALLOWANCE) - NET**			
	Net credit loss allowance / provision / (reversal) against investments	10.2	**391,026**	(85,100)
	Net (reversal) / credit loss allowance / provision against loans and advances	11.3	**(7,548,576)**	5,658,492
	Net provision held against other assets	16.1.1	**49,457**	311,608
	Net provision against contingencies	21.2	**208,401**	62,762
	Net credit loss allowance / provision / (reversal) against balances with other banks		**959**	(1,884)
	Net (reversal) / credit loss allowance / provision against balances with other central banks		**(285)**	4,894
	Net reversal of credit loss allowance against other assets	16.2	**(73,066)**	(348,858)
	Net credit loss allowance against off-balance sheet	21.1	**1,715,887**	349,064
			(5,256,198)	5,950,978

	Note	(Un-audited) For the Half year ended June 30, 2026	June 30, 2025
		------------- (Rupees in '000) -------------	

32. TAXATION

Current			
- For the Period		**35,548,345**	51,981,553
- Prior years		**316**	-
		35,548,661	51,981,553
Deferred			
- For the Period		**(66,776)**	(1,788,500)
		(66,776)	(1,788,500)
		35,481,885	50,193,053

33. EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the period (Rupees in '000)		**32,478,734**	42,663,280
Weighted average number of ordinary shares (Numbers in '000)		**2,127,513**	2,127,513
Earnings per share - basic and diluted (Rupees)		**15.27**	20.05

33.1 Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.

34. CASH AND CASH EQUIVALENT

Cash and balances with treasury banks	7.	**328,473,915**	469,599,486
Balances with other banks	8.	**54,625,473**	31,916,452
Call money borrowings	18.	**(40,865,287)**	(15,323,096)
Overdrawn nostro accounts	18.	**-**	(2,395,976)
		342,234,101	483,796,866

35. FAIR VALUE MEASUREMENTS

Fair value measurement defines fair value as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of quoted securities other than those classified as amortised cost, is based on quoted market price. Quoted debt securities classified as amortised cost are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of valuation methodologies. The fair value of fixed term financings, other assets, other liabilities, fixed term deposits and due to financial institutions 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 financings and deposits, are frequently repriced.

35.1 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).

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

	June 30, 2026 (Un-audited)				
	Carrying Value	**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					
- Market Treasury Bills	**1,605,549,078**	**-**	**1,605,549,078**	**-**	**1,605,549,078**
- Pakistan Investment Bonds	**2,865,057,478**	**-**	**2,865,057,478**	**-**	**2,865,057,478**
- GOP Ijarah sukuks	**361,299,513**	**348,791,000**	**12,508,513**	**-**	**361,299,513**
- Foreign currency debt securities	**24,116,128**	**-**	**24,116,128**	**-**	**24,116,128**
Ordinary Shares					
- Listed Companies	**94,549,104**	**94,549,104**	**-**	**-**	**94,549,104**
- Unlisted Companies	**9,595,901**	**-**	**-**	**9,595,901**	**9,595,901**
Preference shares					
- Listed Companies	**1,154,887**	**1,154,887**	**-**	**-**	**1,154,887**
Non-Government debt securities					
- Term finance certificates and sukuk bonds	**27,850,094**	**7,644,856**	**20,205,239**	**-**	**27,850,094**
Units of mutual funds	**8,781,210**	**-**	**8,781,210**	**-**	**8,781,210**
Real estate investment trust units	**2,392,991**	**-**	**2,392,991**	**-**	**2,392,991**
Foreign Securities					
- Equity Securities - Listed	**40,756,909**	**40,756,909**	**-**	**-**	**40,756,909**
	5,041,103,293	**492,896,756**	**4,538,610,636**	**9,595,901**	**5,041,103,293**
Financial assets - disclosed but not measured at fair value					
Investments					
Federal Government Securities					
- Market Treasury Bills	**326,910**	**-**	**326,910**	**-**	**326,910**
- Pakistan Investment Bonds	**544,397,788**	**-**	**533,366,391**	**-**	**533,366,391**
- Ijarah sukuks	**28,012,171**	**-**	**27,842,800**	**-**	**27,842,800**
- Bai Muajjal with Government of Pakistan (through State Bank of Pakistan)	**8,466,335**		**8,466,335**		**8,466,335**
- Foreign Currency Debt securities	**8,606,053**	**-**	**9,045,502**	**-**	**9,045,502**
					-
Foreign Securities					**-**
- Government debt securities	**35,564,042**	**-**	**35,761,957**	**-**	**35,761,957**
- Non-Government debt securities	**1,064**	**-**	**1,064**	**-**	**1,064**
	625,374,363	**-**	**614,810,959**	**-**	**614,810,959**
	5,666,477,656	**492,896,756**	**5,153,421,595**	**9,595,901**	**5,655,914,252**
Off-balance sheet financial instruments - measured at fair value					
Commitments					
Forward exchange contract purchase and sale	**1,048,186,584**	**-**	**(1,532,745)**	**-**	**(1,532,745)**
Forward government securities	**32,669,609**	**-**	**200,503**	**-**	**200,503**

	December 31, 2025 (Audited)				
	Carrying Value	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					
- Market Treasury Bills	1,305,930,352	-	1,305,930,352	-	1,305,930,352
- Pakistan Investment Bonds	2,621,502,656	-	2,621,502,656	-	2,621,502,656
- Ijarah Sukuks	247,873,840	224,965,999	22,907,841	-	247,873,840
- Foreign Currency Debt securities	27,246,038	-	27,246,038	-	27,246,038
					-
Ordinary Shares					-
- Listed Companies	92,256,671	92,256,671	-	-	92,256,671
- Unlisted Companies	9,394,985	-	-	9,394,985	9,394,985
					-
Preference shares					-
- Listed	1,106,411	1,106,411	-	-	1,106,411
					-
Non-Government debt securities					-
- Term Finance Certificates and Sukuk Bonds	29,550,365	4,164,544	25,385,821	-	29,550,365
					-
Units of mutual funds	8,583,933	-	8,583,933	-	8,583,933
					-
Real estate investment trust units	2,487,311	-	2,487,311	-	2,487,311
					-
Foreign Securities					-
- Government debt securities	2,307,443	-	2,307,443	-	2,307,443
- Equity Securities - Listed	39,473,319	39,473,319	-	-	39,473,319
	4,387,713,324	361,966,944	4,016,351,395	9,394,985	4,387,713,324

Financial assets - disclosed but not measured at fair value

Investments					
Federal Government Securities					
- Market Treasury Bills	54,473	-	54,473	-	54,473
- Pakistan Investment Bonds	461,461,674	-	463,990,379	-	463,990,379
- Ijarah Sukuks	14,027,812	5,184,500	-	-	5,184,500
- Foreign Currency Debt securities	9,597,900	-	9,597,900	-	9,597,900
- GOP ijarah sukuks - Traded	4,999,075	-	14,176,100	-	14,176,100
- Bai Muajjal with Government of Pakistan (through State Bank of Pakistan)	8,466,335	-	8,466,335	-	8,466,335
					-
Foreign Securities					-
- Government debt securities	36,712,987	-	36,712,987	-	36,712,987
- Non-Government debt securities	1,079	1,079	-	-	1,079
					-
	535,321,335	5,185,579	532,998,174	-	538,183,753
	4,923,034,659	367,152,523	4,549,349,569	9,394,985	4,925,897,077

Off-balance sheet financial instruments - measured at fair value

Commitments					
Foreign exchange contracts purchase and sale	857,254,846		(3,609,169)	-	(3,609,169)
Forward government securities transactions	16,508,022		24,389	-	24,389

Valuation techniques used in determination of fair valuation of financial instruments within level 2 and level 3

Item	Valuation approach and input used
Market Treasury Bills (MTB) / Pakistan Investment Bonds (PIB), and GoP Sukuks (GIS) including their forward contracts	The fair value of MTBs and PIBs are derived using PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair value of GoP sukuks listed on the Pakistan Stock Exchange has been determined through closing rates of the Pakistan Stock Exchange. The fair value of other GIS are revalued using PKISRV rates.
Debt Securities (TFCs and Sukuk other than Government)	Investment in sukuks, debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Overseas Sukuks, Overseas and GoP Euro Bonds	The fair value of overseas government sukuks, and overseas bonds are determined on the basis of price available on Bloomberg.
Mutual funds	The valuation has been determined based on net asset values declared by respective funds.
Ordinary shares - Listed	The fair value of investments in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	The fair value of investments in unlisted equity securities are valued on the basis of fair value.
Foreign Securities	The fair value of foreign securities is determined using the prices from Reuter page.
Forward foreign exchange contracts and Forward Government securities transactions	The valuation has been determined by interpolating the FX revaluation rates announced by the SBP.
Property and equipment and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these consolidated condensed interim financial statements.

35.2 Fair value of non-financial assets

Information about the fair value hierarchy of Bank's non-financial assets as at the end of the reporting period are as follows:

	June 30, 2026 (Un-audited)				
	Carrying Value	**Level 1**	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)				
Land and building (Fixed assets)	**54,710,208**	**-**	**-**	**54,710,208**	**54,710,208**
Non-banking assets acquired in satisfaction of claims	**4,201,694**	**-**	**-**	**4,201,694**	**4,201,694**
	58,911,902	**-**	**-**	**58,911,902**	**58,911,902**

	December 31, 2025 (Audited)				
	Carrying Value	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Land and building (Fixed assets)	54,673,276	-	-	54,673,276	54,673,276
Non-banking assets acquired in satisfaction of claims	4,390,139	-	-	4,390,139	4,390,139
	59,063,415	-	-	59,063,415	59,063,415

36. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

36.1 Segment Details with respect to Business Activities

Segment determination should be on the basis of management accountability and monitoring and should be properly documented (based on the guidelines specified in IFRS)

FOR THE HALF YEAR ENDED JUNE 30, 2026 (UN-AUDITED)

	Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total
	(Rupees in '000)									
Profit and loss account										
Net mark-up / return / interest (expense) / income	(80,607,958)	10,577,984	(5,304,621)	150,710,997	1,640,162	20,782,676	2,297,710	100,096,950	-	100,096,950
Inter segment revenue - net	116,929,474	(9,554,761)	14,390,773	(127,406,385)	-	(7,770,108)	13,411,007	(0)	-	-
Non mark-up / return / interest income / (loss)	10,141,987	227,409	4,107,158	13,072,771	726,169	179,721	2,420,321	30,875,536	-	30,875,536
Total Income	46,463,502	1,250,631	13,193,310	36,377,383	2,366,331	13,192,289	18,129,038	130,972,486	-	130,972,486
Segment direct expenses	25,405,824	301,490	747,821	322,762	3,830,039	2,960,122	2,619,053	36,187,111	-	36,187,111
Inter segment expense allocation	-	-	-	-	-	-	31,717,499	31,717,499	-	31,717,499
Total expenses	25,405,824	301,490	747,821	322,762	3,830,039	2,960,122	34,336,553	67,904,610	-	67,904,610
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance) -	573,535	(2,623,354)	(1,003,436)	959	363,584	607,948	(3,175,434)	(5,256,198)	-	(5,256,198)
Profit / (loss) before taxation	20,484,144	3,572,496	13,448,925	36,053,662	(1,827,292)	9,624,219	(13,032,081)	68,324,074	-	68,324,074

AS AT JUNE 30, 2026 (UN-AUDITED)

	Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total
	(Rupees in '000)									
Statement of financial position										
Cash and balances with treasury and other banks	146,129,610	9,729,310	407,264	146,579,750	51,915,494	25,428,515	2,909,444	383,099,388	-	383,099,388
Investments	-	-	17,878,849	5,223,687,614	68,287,305	353,746,299	4,972,060	5,668,572,126	-	5,668,572,126
Net inter segment lending	2,365,461,916	-	140,364,657	-	-	-	415,860,999	2,921,687,572	(2,921,687,572)	-
Lendings to financial institutions	-	-	-	69,823,420	-	30,000,000	-	99,823,420	-	99,823,420
Advances - performing	296,205,778	173,518,195	502,905,337	-	65,521,905	314,945,300	(8,648,262)	1,344,448,253	-	1,344,448,253
Advances - non-performing	5,507,226	30,493,545	32,321,882	-	60,525,329	2,175,868	100,631,508	231,655,357	-	231,655,357
Credit allowance against Advances	(7,696,952)	(36,167,212)	(53,203,638)	-	(58,732,640)	(4,248,181)	(102,036,043)	(262,084,667)	-	(262,084,667)
Advances - Net	294,016,051	167,844,527	482,023,582	-	67,314,594	312,872,987	(10,052,797)	1,314,018,943	-	1,314,018,943
Others	51,490,797	3,411,890	24,788,207	128,264,967	8,248,671	19,569,014	151,665,356	387,438,903	-	387,438,903
Total Assets	2,857,098,374	180,985,727	665,462,560	5,568,355,751	195,766,064	741,616,816	565,355,060	10,774,640,352	(2,921,687,572)	7,852,952,781
Borrowings	-	5,016,758	32,734,095	2,741,111,552	40,865,287	-	-	2,819,727,691	-	2,819,727,691
Deposits and other accounts	2,789,467,136	-	604,740,146	-	125,262,131	695,538,267	(599,373)	4,214,408,308	-	4,214,408,308
Net inter segment borrowing	-	171,511,256	-	2,678,989,368	25,605,910	45,581,038	-	2,921,687,572	(2,921,687,572)	-
Others	67,631,239	4,457,713	27,988,318	19,495,097	3,869,723	4,644,516	218,505,357	346,591,962	-	346,591,962
Total liabilities	2,857,098,375	180,985,727	665,462,560	5,439,596,016	195,603,052	745,763,821	217,905,984	10,302,415,534	(2,921,687,572)	7,380,727,961
Equity	-	-	-	128,759,735	163,011	(4,147,005)	347,449,079	472,224,820	-	472,224,820
Total equity and liabilities	2,857,098,375	180,985,727	665,462,560	5,568,355,751	195,766,063	741,616,816	565,355,063	10,774,640,354	(2,921,687,572)	7,852,952,781
Contingencies and commitments	-	98,847,679	2,272,430,067	1,099,639,842	21,729,946	-	12,056,313	3,504,703,848	-	3,504,703,848

FOR THE HALF YEAR ENDED JUNE 30, 2025 (UN-AUDITED)

	Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total
	---------- (Rupees in '000) ----------									
Profit and loss account										
Net mark-up / return / interest income / (expense)	(103,809,717)	18,553,390	4,737,246	189,154,441	2,676,327	15,455,571	3,862,748	130,630,006	-	130,630,006
Inter segment revenue - net	145,382,200	(14,898,781)	6,640,696	(139,137,460)	-	(7,431,325)	9,444,670	-	-	-
Non mark-up / return / interest income	11,313,205	304,161	3,927,721	10,572,645	761,446	100,270	2,795,800	29,775,248	-	29,775,248
Total Income	52,885,688	3,958,770	15,305,663	60,589,626	3,437,773	8,124,516	16,103,218	160,405,254	-	160,405,254
								-		
Segment direct expenses	23,609,924	266,065	671,918	306,165	3,681,755	2,174,276	224,361	30,934,464	-	30,934,464
Inter segment expense allocation	-	-	-	-	-	-	30,248,642	30,248,642	-	30,248,642
Total expenses	23,609,924	266,065	671,918	306,165	3,681,755	2,174,276	30,473,003	61,183,106	-	61,183,106
Credit loss allowance / provisions and write offs / (reversal of provisions / credit loss allowance)-net	815,302	3,169,622	(247,685)	(1,884)	(147,582)	450,663	1,912,542	5,950,978	-	5,950,978
Profit / (loss) before taxation	28,460,462	523,083	14,881,430	60,285,345	(96,400)	5,499,577	(16,282,327)	93,271,170	-	93,271,170

AS AT DECEMBER 31, 2025 (AUDITED)

	Retail Banking Group	Inclusive Development Group	Corporate and Investment Banking Group	Treasury	International, Financial Institution and Remittance Group	Aitemaad and Islamic Banking Group	Head Office / Others	Sub total	Eliminations	Total
	---------- (Rupees in '000) ----------									
Statement of financial position										
Cash and balances with treasury and other banks	65,617,574	5,538,863	310,376	228,837,426	49,089,296	57,494,880	2,582,935	409,471,351	-	409,471,351
Investments	-	-	16,741,471	4,553,954,044	75,865,368	274,169,693	4,116,207	4,924,846,783	-	4,924,846,783
Net inter segment lending	2,722,751,375	-	210,940,044	-	-	-	464,197,106	3,397,888,525	(3,397,888,525)	-
Lendings to financial institutions	-	-	-	16,000,000	-	30,000,000	-	46,000,000	-	46,000,000
Advances - performing	286,541,911	247,306,913	542,448,102	-	73,574,286	248,313,158	(6,505,947)	1,391,678,423	-	1,391,678,423
Advances - non-performing	4,734,919	28,913,516	23,295,347	-	61,226,458	2,173,921	102,657,217	223,001,379	-	223,001,379
Credit allowance against Advances	(7,107,886)	(39,239,520)	(63,646,127)	-	(59,630,834)	(3,603,303)	(103,713,285)	(276,940,955)	-	(276,940,955)
Advances - net	284,168,944	236,980,909	502,097,323	-	75,169,910	246,883,776	(7,562,015)	1,337,738,847	-	1,337,738,847
Others	44,702,056	3,702,498	25,929,267	113,500,962	6,878,032	16,434,554	149,192,351	360,339,720	-	360,339,720
Total Assets	3,117,239,950	246,222,270	756,018,481	4,912,292,432	207,002,606	624,982,903	612,526,584	10,476,285,226	(3,397,888,525)	7,078,396,701
								-		
Borrowings	-	5,019,895	39,784,092	1,596,028,090	48,387,944	-	437,065	1,689,657,086	-	1,689,657,086
Deposits and other accounts	3,059,108,219	-	686,670,290	-	112,155,588	558,984,228	10,749,213	4,427,667,537	-	4,427,667,537
Net inter segment borrowing	-	236,416,880	1	3,061,016,810	41,648,541	58,806,294	-	3,397,888,526	(3,397,888,525)	-
Others	58,131,731	4,785,495	29,564,097	85,337,166	4,381,925	5,720,004	235,225,961	423,146,379	-	423,146,379
Total liabilities	3,117,239,950	246,222,270	756,018,481	4,742,382,066	206,573,997	623,510,525	246,412,239	9,938,359,528	(3,397,888,525)	6,540,471,001
Equity	-	-	-	169,910,366	428,609	1,472,379	366,114,345	537,925,699	-	537,925,700
Total equity and liabilities	3,117,239,950	246,222,270	756,018,481	4,912,292,432	207,002,606	624,982,903	612,526,584	10,476,285,226	(3,397,888,525)	7,078,396,701
Contingencies and commitments	-	91,942,598	2,257,591,624	893,980,284	20,827,070	-	27,132,020	3,291,473,596	-	3,291,473,596

37. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its parent, subidiaries, asssociates, employee benefit plans and its directors and Key Management Personnel. The details of investments in subsidary companies and associated undertakings and their provisions are stated in note 10 of the consolidated condensed interim financial statements of the Group.

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, other than those which have been disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

	June 30, 2026 (Un-audited)							December 31, 2025 (Audited)						
	Directors	**Key manage-ment personnel**	**Associates**	**Pension Fund (Current)**	**Pension Fund (N.I.D.A A/c)**	**Provident Fund**	**Other related parties**	Directors	Key manage-ment personnel	Associates	Pension Fund (Current)	Pension Fund (N.I.D.A A/c)	Provident Fund	Other related parties
	(Rupees in '000)							(Rupees in '000)						
Balances with other banks														
In current accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	69,472
	-	-	-	-	-	-	-	-	-	-	-	-	-	69,472
Investments														
Opening balance	-	-	-	-	-	-	**1,292,340**	-	-	-	-	-	-	100
Investment made during the period / year	-	-	-	-	-	-	**204,728**	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-	-	-	-	1,292,240
Closing balance	-	-	-	-	-	-	**1,497,068**	-	-	-	-	-	-	1,292,340
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances														
Opening balance	-	**285,185**	**183,172**	-	-	-	**18,471,971**	-	258,612	183,172	-	-	-	-
Addition during the period / year	-	**5,300**	-	-	-	-	**1,165,291**	-	106,284	-	-	-	-	-
Repaid during the period / year	-	**(18,387)**	-	-	-	-	-	-	(55,143)	-	-	-	-	-
Transfer in / (out) - net	-	**(3,249)**	-	-	-	-	-	-	(24,569)	-	-	-	-	18,471,971
Closing balance	-	**268,848**	**183,172**	-	-	-	**19,637,262**	-	285,185	183,172	-	-	-	18,471,971
Credit loss allowance held against advances	-	-	**183,172**	-	-	-	-	-	-	183,172	-	-		-
Other Assets														
Mark-up / Interest accrued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission paid in advance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent and utility receivable	-	-	-	-	-	-	-	-	-	70	-	-	-	-
	-	-	-	-	-	-	-	-	-	70	-	-	-	-
Credit loss allowance against other assets	-	-	-	-	-	-	-	-		-	-	-	-	-
Borrowings														
Opening balance	-	-	-	-	-	-	**119,385**	-	-	-	-	-	-	575,441
Borrowings during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	(456,056)
Settled during the period / year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	**(119,385)**	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-	-	-	-	-	119,385
Deposits and other accounts														
Opening balance	**30,849**	**129,995**	**574,105**	**100**	**701,583**	**15,036,171**	**10,011,660**	21,088	96,412	77,968	87,283	268,614	14,199,203	4,528,343
Received during the period / year	**1,636**	**615,867**	-	**13,413,037**	**5,979,549**	**1,330,298**	**54,161,128**	45,868	1,098,623	496,137	56,585,775	22,950,794	3,210,515	91,857,367
Withdrawn during the period / year	**(2,235)**	**(558,620)**	**(453,053)**	**(13,275,901)**	**(5,571,102)**	**(807,268)**	**(49,409,890)**	(36,107)	(1,060,791)	-	(56,672,958)	(22,517,825)	(2,373,547)	(86,574,892)
Transfer in / (out) - net *	**(29,556)**	**(54,064)**	-	-	-	-	**(36,597)**	-	(4,250)	-	-	-	-	200,841
Closing balance	**694**	**133,178**	**121,052**	**137,236**	**1,110,030**	**15,559,200**	**14,726,301**	30,849	129,995	574,105	100	701,583	15,036,171	10,011,660
Provident Fund Subsidiary	-	-	-	-	-	**41,416**	-	-	-	-	-	-	34,603	-
Other Liabilities														
Mark-up / interest accrued	-	**23**	**4,272**	-	-	-	-	270	1,671	14,974	-	112,119	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Brokerage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	**23**	**4,272**	-	-	-	-	270	1,671	14,974	-	112,119	-	-
Contingencies and commitments	-	-	-	-	-	-	**17,596,239**	-	-	-	-	-	-	6,111,725

* Transfer in / (out) - net due to retirement / appointment of directors and changes in key management executives.

	FOR THE HALF YEAR ENDED JUNE 30, 2026 (UN-AUDITED)						FOR THE HALF YEAR ENDED JUNE 30, 2025 (UN-AUDITED)					
	Directors	**Key manage-ment personnel**	**Associates**	**Pension Fund**	**Provident Fund**	**Other related parties**	Directors	Key manage-ment personnel	Associates	Pension Fund	Provident Fund	Other related parties
	(Rupees in '000)						(Rupees in '000)					
Income												
Mark-up / return / interest earned	**-**	**3,078**	**-**	**-**	**-**	**611,317**	-	3,588	-	-	-	830,692
Dividend income	**-**	**-**	**-**	**-**	**-**	**68,359**	-	-	2,219	-	-	68,657
Capital gain on transaction	**-**	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-	-
Capital gain on IPS account activities	**-**	**65**	**292**	**-**	**-**	**-**	-	-	-	-	-	-
Rent income / lighting & power and bank charges	**-**	**-**	**4,446**	**-**	**-**	**10,513**	-	-	3,701	-	-	10,513
Commission Fee	**-**	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-	-
Locker Fee Income	**-**	**18**	**-**	**-**	**-**	**-**	-	-	-	-	-	-
Fee and Commission non fund exposure	**-**	**-**	**-**	**-**	**-**	**348,403**	-	-	-	-	-	-
Expenses												
Mark-up / return / interest paid	**60**	**2,212**	**3,548**	**172,525**	**904,765**	**382,243**	1,707	3,990	13,228	146,006	933,399	525,262
Provident Fund Deposit Markup	**-**	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-	-
Expenses paid to company in which Directors of the bank is interested as Director	**-**	**-**	**-**	**-**	**-**	**928,465**	-	-	-	-	-	237,648
Remuneration to key management executives including charge for defined benefit plan	**-**	**546,662**	**-**	**-**	**-**	**-**	-	413,987	-	-	-	-
Commission paid to subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-	-
Directors' fee & other allowances	**45,002**	**-**	**-**	**-**	**-**	**-**	52,848	-	-	-	-	-

37.1 Transactions with Government-related entities

The entities which are owned and / or controlled by the Federal Government, or where the Federal Government may exercise significant influence, are related parties of the Bank.

The Bank in the ordinary course of business enters into transaction with Government–related entities. Such transactions include lending to, deposits from and provision of other banking services to Government–related entities.

The Bank also earned commission on handling treasury transactions on behalf of the Government of Pakistan amounting to Rs.6,172 million (June 30, 2025: Rs. 7,588 million) for the half year ended June 30, 2026. As at the statement of financial position date, the loans and advances, deposits and contingencies relating to Government–related entities amounted to Rs. 564,210 million (December 31, 2025: Rs. 363,960 million), Rs. 1,985,709 million (December 31, 2025: Rs. 1,931,350 million) and Rs. 2,048,874 million (December 31, 2025: Rs. 2,073,574 million respectively and income earned on advances and investment and profit paid on deposits amounted to Rs. 22,454 million (June 30, 2025: Rs. 23,023 million) and Rs. 79,830 million (June 30, 2025: Rs. 94,986 million) respectively.

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38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	---- (Rupees in '000) ----	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	**21,275,131**	21,275,131
Capital Adequacy Ratio (CAR)		
Eligible Common Equity Tier 1 (CET 1) Capital	**358,910,530**	416,132,062
Eligible Additional Tier 1 (ADT 1) Capital	**-**	-
Total Eligible Tier 1 Capital	**358,910,530**	416,132,062
Eligible Tier 2 Capital	**114,207,538**	137,018,612
Total Eligible Capital (Tier 1 + Tier 2)	**473,118,068**	553,150,674
Risk Weighted Assets (RWAs):		
Credit Risk	**1,192,671,114**	1,182,909,902
Market Risk	**472,037,731**	458,002,737
Operational Risk	**455,602,112**	462,352,850
Total	**2,120,310,958**	2,103,265,488
Common Equity Tier 1 Capital Adequacy Ratio	**16.93%**	19.79%
Tier 1 Capital Adequacy Ratio	**16.93%**	19.79%
Total Capital Adequacy Ratio	**22.31%**	26.30%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	**358,910,530**	416,132,062
Total Exposure	**9,778,558,307**	9,390,144,210
Leverage Ratio	**3.67%**	4.43%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	**2,516,333,868**	2,886,883,909
Total Net Cash Outflow	**1,271,451,600**	1,341,932,335
Liquidity Coverage Ratio	**198%**	215%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	**3,872,352,828**	4,181,169,255
Total Required Stable Funding	**2,543,801,001**	2,370,313,223
Net Stable Funding Ratio	**152%**	176%

38.1 Impact on Regulatory Capital:

The introduction of IFRS 9 has resulted in reduction in regulatory capital of the Banks, which has reduced their lending capacity and ability to support their clients. In order to mitigate the impact of ECL models on capital, SBP has permitted Banks to opt for transitional arrangement for the ECL impact on regulatory capital from the application of ECL accounting. Annexure B of the 'Application Instructions' issued by SBP has detailed the transitional arrangement.

Accordingly, Bank has opted for transition arrangement to phase in ECL impact and below tabulated is the impact on key ratios, had the transitional arrangement not applied.

Key Ratios	With Transitional arrangement	Without Transitional arrangement
Total Capital to total RWA (CAR)	22.31%	21.48%
Leverage Ratio	3.67%	3.54%

38.2 As per SBP Circular No. BPRD/BA&CP/881411/2025 dated May 16, 2025, banks and DFIs are required to gradually reclassify their AFS/FVOCI portfolio from the Banking Book to the Trading Book for CAR calculation purposes, with a minimum of 25% by December 2025, 50% by December 2026 and 100% by December 2027. In order to adopt a prudent and conservative approach, the bank has already reclassified 50% of its FVOCI portfolio into the Trading Book.

38.3 SBP , through its letter No. BSD-1/BANK/NBP/984597/2025 dated August 22 , 2025 has enhanced the D-SIB buffer requirement for the Bank from 1.50% to 2.50% which is applicable from March 31 , 2026.

39. ISLAMIC BANKING BUSINESS

The bank is operating with 312 (December 31, 2025: 312) Islamic banking branches and 674 (December 31, 2025: 350) Islamic banking windows as at June 30, 2026.

The statement of financial position of the Bank's Islamic banking branches as at June 30, 2026 is as follows:

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
ASSETS			
Cash and balances with treasury banks		**25,388,439**	57,468,760
Balances with other banks		**40,076**	26,120
Due from financial institutions	39.1	**30,000,000**	30,000,000
Investments	39.2	**353,746,299**	274,169,693
Islamic financing and related assets - net	39.3	**312,872,987**	246,883,716
Property and equipment		**287,581**	215,071
Right of use assets		**584,190**	602,879
Intangible assets		**-**	-
Due from Head Office	39.4	**-**	-
Other assets		**18,697,243**	15,616,604
Total Assets		**741,616,815**	624,982,843
LIABILITIES			
Bills payable		**872,542**	521,444
Due to financial Institutions		**-**	-
Deposits and other accounts	39.5	**695,538,267**	558,984,258
Due to Head Office		**7,407,258**	30,256,644
Lease liabilities		**827,365**	841,857
Subordinated debts		**-**	-
Other liabilities		**2,944,609**	4,356,700
		707,590,041	594,960,903
NET ASSETS		**34,026,774**	30,021,940
REPRESENTED BY			
Islamic Banking Fund		**14,864,000**	14,864,000
Reserves		**-**	-
(Deficit) / Surplus on revaluation of assets		**(4,147,005)**	1,472,380
Unremitted Profit	39.6	**23,309,779**	13,685,560
		34,026,774	30,021,940
CONTINGENCIES AND COMMITMENTS	39.7		

The profit and loss account of the Bank's Islamic banking branches for the half year ended June 30, 2026 is as follows:

	Note	(Un-audited) For the half year ended June 30, 2026	June 30, 2025
		(Rupees in '000)	
Profit / return earned	39.8	**31,223,800**	22,082,380
Profit / return expensed	39.9	**18,211,232**	14,058,135
Net profit / return		**13,012,568**	8,024,245
Other income			
Fee and Commission Income		**171,194**	104,959
Dividend Income		**108**	127
Foreign exchange income / (loss)		**30,208**	(1,192)
Gain / (Loss) on securities		**(22,151)**	(9,570)
Other income		**362**	5,946
Total other income		**179,721**	100,270
Total Income		**13,192,289**	8,124,515
Other expenses			
Operating expenses		**2,960,122**	2,174,176
Worker Welfare Fund		**-**	-
Other charges		**-**	100
		2,960,122	2,174,276
Profit before credit loss allowance		**10,232,167**	5,950,239
Credit loss allowance and write offs - net		**607,948**	450,663
Profit before taxation		**9,624,219**	5,499,576
Taxation		**-**	-
Profit after taxation		**9,624,219**	5,499,576

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
39.1 Due from Financial Institutions	(Rupees in '000)					
Call Money Placement	**30,000,000**	**-**	**30,000,000**	30,000,000	-	30,000,000
Due from financial Institutions - net of credit loss allowance	**30,000,000**	**-**	**30,000,000**	30,000,000	-	30,000,000

39.2 Investments by segments:

	June 30, 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)							
Debt Instruments								
Classified / Measured at amortised cost								
Federal Government securities								
- GOP Ijarah Sukuks	**28,012,173**	**-**	**-**	**28,012,173**	19,026,887	-	-	19,026,887
- Bai Muajjal with GoP	**8,466,335**	**-**	**-**	**8,466,335**	8,466,335	-	-	8,466,335
Non Government debt securities-Sukuks	**113,168**	**(113,168)**	**-**	**-**	113,446	(113,446)	-	-
	36,591,676	**(113,168)**	**-**	**36,478,508**	27,606,668	(113,446)	-	27,493,222
Classified / Measured at FVOCI								
Federal Government securities								
-GOP Ijarah Sukuks	**311,770,146**	**-**	**(4,151,633)**	**307,618,513**	232,907,863	-	1,376,114	234,283,977
Non Government debt securities-Sukuks	**8,578,867**	**(404,665)**	**4,628**	**8,178,830**	11,230,599	(454,292)	96,266	10,872,573
	320,349,013	**(404,665)**	**(4,147,005)**	**315,797,343**	244,138,462	(454,292)	1,472,380	245,156,550
Classified / Measured at FVTPL								
Non Government debt securities								
-Sukuks	**1,395,994**	**-**	**(2,143)**	**1,393,851**	1,394,666	-	1,328	1,395,994
Mutual Funds Units (for the purpose of personal finance)	**75,837**	**-**	**760**	**76,597**	124,991	-	(1,064)	123,927
Total Investments	**358,412,520**	**(517,833)**	**(4,148,388)**	**353,746,299**	273,264,787	(567,738)	1,472,644	274,169,693

39.2.1 Particulars of credit loss allowance

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)							
Non Government debt securities	**2,733**	**61,932**	**453,168**	**517,833**	3,628	110,664	453,446	567,738

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
39.3 Islamic financing and related assets			
Ijarah	39.3.1	**51,249,164**	33,447,156
Murabaha		**44,022,738**	47,649,156
Musawama		**32,461,847**	16,260,863
Running Musharaka		**121,123,886**	108,853,414
Diminishing Musharaka		**39,033,365**	19,911,201
Tijarah		**500,000**	-
Advance for Diminishing Musharaka		**760,739**	937,269
Advance for Istisna		**21,452,218**	19,077,274
Inventories against Tijara		**-**	500,000
Inventories against Istisna		**6,517,211**	3,850,754
Gross Islamic financing and related assets		**317,121,168**	250,487,087
Less: Credit loss allowance against Islamic financings			
Stage 1		**(1,645,765)**	(1,250,869)
Stage 2		**(492,236)**	(247,855)
Stage 3		**(2,110,180)**	(2,104,647)
		(4,248,181)	(3,603,371)
Islamic financing and related assets - net of credit loss allowance		**312,872,987**	246,883,716

39.3.1 Ijarah

	June 30, 2026 (Un-audited)						
	Cost			Accumulated Depreciation			Book Value as at June 30, 2026
	As at Jan 01, 2026	Additions / (deletions) / (adjustment)	As at June 30, 2026	As at Jan 01, 2026	Charge/ Adjustment for the period	As at June 30, 2026	
	-----Rupees in 000-----						
Plant & Machinery	**34,677,404**	**27,378,806** **(2,142)**	**62,054,068**	**1,230,248**	**9,574,656** **-**	**10,804,904**	**51,249,164**
Total	**34,677,404**	**27,378,806** **(2,142)**	**62,054,068**	**1,230,248**	**9,574,656** **-**	**10,804,904**	**51,249,164**

	December 31, 2025 (Audited)						
	Cost			Accumulated Depreciation			Book Value as at Dec 31, 2025
	As at Jan 01, 2025	Additions / (deletions) / (adjustment)	As at Dec 31, 2025	As at Jan 01, 2025	Charge/ Adjustment for the Year	As at Dec 31, 2025	
	-----Rupees in 000-----						
Plant & Machinery	55,484	34,624,145 (2,225)	34,677,404	47,048	1,183,200 -	1,230,248	33,447,156
Vehicles	2,645	- (2,645)	-	2,645	- (2,645)	-	-
Total	58,129	34,624,145 (4,870)	34,677,404	49,693	1,183,200 (2,645)	1,230,248	33,447,156

Future Ijarah payments receivable

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Not later than 1 year	Later than 1 year and less than 5 years	Over Five Years	Total	Not later than 1 year	Later than 1 year and less than 5 years	Over Five Years	Total
	-----Rupees in 000-----							
Ijarah rental receivables	**22,594,292**	**38,159,249**	**-**	**60,753,541**	22,594,767	15,502,885	-	38,097,652

39.4 Due from Head Office

Due from Head Office Rs. Nil (2025: Rs. Nil)

39.5 Deposits and other accounts

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In Local Currency	**In Foreign Currency**	**Total**	In Local Currency	In Foreign Currency	Total
	----Rupees in 000----					
Customers						
Current deposits - remunerative	**2,354,823**	**-**	**2,354,823**	4,282,135	-	4,282,135
Current deposits - non remunerative	**154,113,301**	**271,978**	**154,385,279**	102,986,536	254,621	103,241,157
Savings deposits	**250,295,550**	**-**	**250,295,550**	184,103,510	-	184,103,510
Term deposits	**16,193,845**	**-**	**16,193,845**	17,845,260	-	17,845,260
Others	**7,368,839**	**-**	**7,368,839**	7,390,576	-	7,390,576
	430,326,358	**271,978**	**430,598,336**	316,608,017	254,621	316,862,638
Financial Institutions						
Current deposits - remunerative	**990,334**	**-**	**990,334**	696,562	-	696,562
Current deposits - non remunerative	**218,209,541**	**-**	**218,209,541**	197,508,539	-	197,508,539
Savings deposits	**45,127,056**	**-**	**45,127,056**	43,244,519	-	43,244,519
Term deposits	**613,000**	**-**	**613,000**	672,000	-	672,000
	264,939,931	**-**	**264,939,931**	242,121,620	-	242,121,620
	695,266,289	**271,978**	**695,538,267**	558,729,637	254,621	558,984,258

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	------------ (Rupees in '000) ------------	

39.6 Islamic Banking Business Unremitted Profit

	2026	2025
Opening Balance	**13,685,560**	4,892,128
Add: Islamic Banking profit for the period	**9,624,219**	13,685,560
Less: Transferred / Remitted to Head Office	**-**	(4,892,128)
Closing Balance	**23,309,779**	13,685,560

39.7 Contingencies and Commitments

	2026	2025
-Guarantees	-	-
-Commitments	-	-
-Other contingent liabilities	-	-
	-	-

	(Un-audited) For the half year ended June 30, 2026	June 30, 2025
	------------ (Rupees in '000) ------------	

39.8 Profit / Return Earned of Financing, Investments and Placement

	2026	2025
Profit earned on:		
Financing	**14,643,569**	10,385,464
Investments	**16,554,582**	11,686,370
Placements	**25,649**	10,546
	31,223,800	22,082,380

39.9 Profit on Deposits and Other Dues Expensed

	2026	2025
Deposits and other accounts	**10,370,866**	6,552,747
Others (General Account)	**7,770,108**	7,431,325
Amortisation of lease liability against right-of-use assets	**70,258**	74,063
	18,211,232	14,058,135

39.10 Pool Management

NBP-AIBG has managed following pools for profit and loss distribution.

a) General depositor pool

The General pool consists of all other remunerative deposits. NBP Aitemaad (the Mudarib) accept deposits on the basis of Mudaraba from depositors (Rabbulmaal). The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. The entire net return after paying equity share to Mudarib is considered as distributable profit of the pool.

b) Special depositor pools (Total 93 during the period and 43 as at June 30, 2026)

Special pool(s) are created where the customers desire to invest in high yield assets. These pool(s) rates is(are) higher than the general pool depending on the assets. In case of loss in special pool, the loss will be borne by the special pool members. The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. From the net return, and after allocation of share of profit to commingled equity, profit is paid to the Mudarib in the ratio of the Mudarib’s equity in the pool to the total pool. The balance represents the distributable profit.

c) Equity pool

Equity pools include AIBG's fund and current account deposits. The equity pool may have constructive liquidation every month and risk associated with assets of pool includes operational, market, equity, return and shariah.

Key features and risk & reward characteristics

Deposits are accepted from customers on the basis of Qard (current accounts) and Mudarabah (Saving and term deposits). No profit or loss is passed on to current account depositors.

For deposits accepted on Mudarabah basis from depositors (Rab ul Maal) the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financings. Rab ul Maal share is distributed among depositors according to weightages declared for a month before start of the period.

In case of loss in a pool during the profit calculation period, the loss is distributed among the depositors (remunerative) according to their ratio of investment.

For all pools, the Mudarib’s share is deducted from the distributable profit to calculate the profit to be allocated to depositors. The allocation of the profit to various deposit categories is determined by the amount invested in that category relative to the total pool, as well as by the weightage assigned to the various deposit categories.

The assets, liabilities, equities, income and expenses are segregated for each of the pool. No pool investment is intermingled with each other. The risk associated with each pool is thus equally distributed among the pools.

Avenues/sectors of economy/business where Mudaraba based deposits have been deployed.

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
Sector	**Percentage**	
Fertilizer	**1.28%**	0.42%
Textile	**0.74%**	1.07%
Fuel & energy	**14.95%**	17.06%
Leasing / Mudaraba	**0.08%**	0.06%
Sugar	**2.72%**	1.76%
Cement	**3.30%**	0.96%
Gas	**0.03%**	0.11%
Financial	**4.47%**	7.23%
Federal Government	**49.36%**	45.49%
Real Estate	**0.40%**	0.58%
Agriculture	**0.41%**	0.43%
Commodity Operations	**17.80%**	20.24%
Others	**4.47%**	4.60%
Total	**100.0%**	100.0%

Parameters for profit allocation and charging expenses

Profit of the pools has been distributed between Mudarib and Rab-ul-Mall by using preagreed profit sharing ratios. The share of Rab-ul-Mall's profit has been distributed among different customers using the various weightages assigned to the different categories of the pool.

Administrative expense are borne by Mudarib and not charged to Mudaraba pool.

	June 30, 2026
Mudarib Share	**---Rupees in '000---**
Gross Distributable Income	23,507,927
Mudarib (Bank) share of profit before Hiba	9,717,067
Mudarib Share in %age	41.34%
Hiba from Mudarib Share	
Mudarib (Bank) share of profit before Hiba	9,717,067
Hiba from bank's share to depositors	3,746,047
Hiba from bank's share to depositors in %age	38.55%

Profit rates

During the half year ended June 30, 2026, the average profit rate earned by NBP Aitemaad Islamic Banking Group is 10.51% and the profit distributed to the depositors is 8.43%.

40. GENERAL

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

41 CORRESPONDING FIGURES

41.1 Comparative information has been re-classified, re-arranged, restated or additionally incorporated in these consolidated condensed interim financial statements, wherever necessary to facilitate comparison.

42. DATE OF AUTHORIZATION FOR ISSUE

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

Chairman	President / CEO (A)	Chief Financial Officer	Director	Director

NATIONAL BANK OF PAKISTAN

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