BML

بنک مکرمہ
Bank Makramah Ltd.

Ref: BML/CSD/2026/08-10

Date: 28.08.2026

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

**Subject:** **FINANCIAL RESULTS FOR THE HALF YEAR ENDED JUNE 30, 2026**

Dear Sir,

We have to inform you that the Board of Directors of Bank Makramah Limited ('the Bank') in their 160th meeting held on Friday, August 28, 2026 at 12:30 p.m. at Karachi recommended the following:

| | |
|---|---|
| (i) CASH DIVIDEND | NIL |
| (ii) BONUS SHARES | NIL |
| (iii) RIGHT SHARES | NIL |
| (iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION | NIL |
| (v) ANY OTHER PRICE-SENSITIVE INFORMATION | NIL |

The financial results of the Bank as of 30th June 2026 are enclosed as Annexure "A".

The half yearly report of the Bank for the period ended June 30, 2026 will be transmitted through PUCARS, within the specified time.

You may please inform the members of the Exchange accordingly.

Thanking You,

Very truly yours,

For and on behalf of
Bank Makramah Limited

**Assad Rabbani**
*Company Secretary*

Bank Makramah Ltd. Karachi Head Office

*Encls: Annexure "A"*

*c.c.:*

*I. The Director (Enforcement), Securities & Exchange Commission of Pakistan, NIC Building, 63 Jinnah Avenue, Blue Area, Islamabad.*

*II. The Director, Banking Policy and Regulations Department, State Bank of Pakistan, I.I. Chundrigar Road, Karachi*

*III. The Director, Banking Supervision Department-II, State Bank of Pakistan, I.I. Chundrigar Road, Karachi.*

ANNEXURE "A"

**BANK MAKRAMAH LIMITED**
**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 | 6 | **13,653,636** | 12,915,786 |
| Balances with other banks | 7 | **2,049,990** | 2,760,766 |
| Lendings to financial institutions | 8 | **21,505,095** | 14,199,796 |
| Investments | 9 | **102,673,619** | 86,281,902 |
| Advances | 10 | **25,034,263** | 26,126,936 |
| Property and equipment | 11 | **7,614,151** | 7,717,465 |
| Right-of-use assets | 12 | **3,499,828** | 2,538,778 |
| Intangible assets | 13 | **282,318** | 322,592 |
| Deferred tax assets | 14 | **17,182,265** | 14,251,598 |
| Other assets | 15 | **43,745,844** | 46,530,665 |
| **Total Assets** | | **237,241,009** | 213,646,284 |
| **LIABILITIES** | | | |
| Bills payable | 17 | **3,042,396** | 2,749,628 |
| Borrowings | 18 | **11,614,722** | 7,404,522 |
| Deposits and other accounts | 19 | **190,780,284** | 169,172,356 |
| Lease liabilities | 20 | **4,243,990** | 3,313,315 |
| Subordinated debt | 21 | **-** | 1,495,515 |
| Deferred tax liabilities | | **-** | - |
| Other liabilities | 22 | **4,996,709** | 5,804,157 |
| **Total Liabilities** | | **214,678,101** | 189,939,493 |
| **NET ASSETS** | | **22,562,908** | 23,706,791 |
| **REPRESENTED BY** | | | |
| Share capital - net | | **10,278,885** | 10,000,000 |
| Advance against subscription of shares | 23 | **5,000,000** | 5,000,000 |
| Reserves | | **4,944,272** | 1,913,138 |
| Surplus / (deficit) on revaluation of assets | 24 | **4,227,356** | 4,083,222 |
| Accumulated losses / unappropriated profit | | **(1,887,605)** | 2,710,431 |
| | | **22,562,908** | 23,706,791 |
| **CONTINGENCIES AND COMMITMENTS** | 25 | | |

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

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Bank Makramah Ltd. • Karachi • Finance

| President / Chief Executive | Chief Financial Officer | Director | Director | Director |
|---|---|---|---|---|

BANK MAKRAMAH LIMITED

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 | Restated June 30, 2025 | June 30, 2026 | Restated June 30, 2025 |
| | | (Rupees in '000) | | | |
| Mark-up / return / interest earned | 26 | **1,248,576** | 4,394,674 | **4,087,633** | 10,329,035 |
| Mark-up / return / interest expensed | 27 | **3,585,326** | 4,809,500 | **6,415,543** | 10,687,696 |
| Net mark-up / interest expense | | **(2,336,750)** | (414,826) | **(2,327,910)** | (358,661) |
| **NON MARK-UP / INTEREST INCOME** | | | | | |
| Fee and commission income | 28 | **218,663** | 168,869 | **447,556** | 501,360 |
| Dividend income | | **412** | - | **412** | 412 |
| Foreign exchange income | | **203,978** | 25,854 | **388,674** | 113,776 |
| Income / (loss) from derivatives | | **-** | - | **-** | - |
| Gain on securities | 29 | **75,319** | 916,743 | **112,031** | 1,515,821 |
| Net gains / (loss) on derecognition of financial assets measured at amortised cost | | **-** | - | **-** | - |
| Other income | 30 | **7,014** | 112,561 | **8,579** | 116,167 |
| Total non-markup / interest income | | **505,386** | 1,224,027 | **957,252** | 2,247,536 |
| Total income | | **(1,831,364)** | 809,201 | **(1,370,658)** | 1,888,875 |
| **NON MARK-UP / INTEREST EXPENSES** | | | | | |
| Operating expenses | 31 | **2,219,004** | 2,111,535 | **4,520,361** | 4,120,728 |
| Workers welfare fund | | **-** | - | **-** | - |
| Other charges | | **382** | 255 | **647** | 367 |
| Total non-markup / interest expenses | | **2,219,386** | 2,111,790 | **4,521,008** | 4,121,095 |
| Loss before credit loss allowance | | **(4,050,750)** | (1,302,589) | **(5,891,666)** | (2,232,220) |
| Credit loss allowance and write offs - net | 33 | **308,167** | (3,464,857) | **(321,762)** | (3,665,934) |
| Extra ordinary / unusual items | | **-** | - | **-** | - |
| **(LOSS) / PROFIT BEFORE TAXATION** | | **(4,358,917)** | 2,162,268 | **(5,569,904)** | 1,433,714 |
| Taxation | 34 | **(409,444)** | 595,820 | **(906,299)** | 737,095 |
| **(LOSS) / PROFIT AFTER TAXATION** | | **(3,949,473)** | 1,566,448 | **(4,663,605)** | 696,619 |
| | | (Rupees) | | | |
| **Basic (loss) / earning per share** | 35 | **(3.89)** | 1.57 | **(4.60)** | 0.70 |
| **Diluted (loss) / earning per share** | 35 | **(3.89)** | 1.57 | **(4.60)** | 0.70 |

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

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Bank Makramah Ltd. Karachi Finance

| President / Chief Executive | Chief Financial Officer | Director | Director | Director |
|---|---|---|---|---|

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

| | Share capital | | Capital reserves | | Surplus / (deficit) on revaluation of | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Issued, subscribed and paid up | Advance against subscription of shares | Share premium | Statutory reserve | Investments | Property and equipment / Non banking assets | Property held for sale | Accumulated losses / Unappropriated profit | Total |
| | (Rupees in '000) | | | | | | | | |
| **Balance as at January 01, 2025 (Audited) (Restated)** | 10,000,000 | - | - | 154,162 | 778,154 | 2,862,556 | 650,035 | (6,132,049) | 8,312,858 |
| Profit after taxation for the six months ended June 30, 2025 (Restated) (refer note 42) | - | - | - | - | - | - | - | 696,619 | 696,619 |
| Effect of reclassification from listed to unlisted due to delisting of securities | - | - | - | - | 57,945 | - | - | (57,945) | - |
| Other comprehensive income - net of tax | - | - | - | - | (573,764) | - | - | - | (573,764) |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses | - | - | - | - | - | (26,896) | - | 26,896 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses | - | - | - | - | - | (6,768) | - | 6,768 | - |
| Transfer from surplus on revaluation of property and equipment on sale to accumulated losses | - | - | - | - | - | (46,212) | - | 46,212 | - |
| **Balance as at July 01, 2025 (Un-audited) (Restated)** | 10,000,000 | - | - | 154,162 | 262,335 | 2,782,680 | 650,035 | (5,413,499) | 8,435,713 |
| Profit after taxation for the six months ended December 31, 2025 (Restated) (refer note 42) | - | - | - | - | - | - | - | 8,098,261 | 8,098,261 |
| Other comprehensive income - net of tax | - | - | - | - | (234,357) | 2,459,086 | - | (51,912) | 2,172,817 |
| Transfer to statutory reserve | - | - | - | 1,758,976 | - | - | - | (1,758,976) | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit | - | - | - | - | - | (22,481) | - | 22,481 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to unappropriated profit | - | - | - | - | - | (6,768) | - | 6,768 | - |
| Transfer from surplus on revaluation of property and equipment on disposal to unappropriated profit | - | - | - | - | - | (1,157,273) | - | 1,157,273 | - |
| Transfer from surplus on revaluation of property held for sale on disposal to unappropriated profit | - | - | - | - | - | - | (650,035) | 650,035 | - |
| **Transactions with owners, recorded directly in equity** | | | | | | | | | |
| Advance received against subscription of shares | - | 5,000,000 | - | - | - | - | - | - | 5,000,000 |
| **Balance as at January 01, 2026 (Audited)** | 10,000,000 | 5,000,000 | - | 1,913,138 | 27,978 | 4,055,244 | - | 2,710,431 | 23,706,791 |
| Loss after taxation for the six months ended June 30, 2026 | - | - | - | - | - | - | - | (4,663,605) | (4,663,605) |
| Other comprehensive income - net of tax | - | - | - | - | (215,091) | 424,794 | - | - | 209,703 |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses | - | - | - | - | - | (47,895) | - | 47,895 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses | - | - | - | - | - | (17,674) | - | 17,674 | - |
| **Transactions with owners, recorded directly in equity** | | | | | | | | | |
| Issue of shares against conversion of TFCs (refer note 1.3, 21 and 22.1) | 278,885 | - | 3,031,134 | - | - | - | - | - | 3,310,019 |
| **Balance as at June 30, 2026 (Un-audited)** | 10,278,885 | 5,000,000 | 3,031,134 | 1,913,138 | (187,113) | 4,414,469 | - | (1,887,605) | 22,562,908 |

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

4D

Bank Makramah Ltd. • Karachi • Finance

President / Chief Executive | Chief Financial Officer | Director | Director | Director

**BANK MAKRAMAH LIMITED**
**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**
**FOR THE HALF YEAR ENDED JUNE 30, 2026**

| | Note | June 30, 2026 | Restated June 30, 2025 |
|---|---|---|---|
| | | --------- (Rupees in '000) | -------- |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| **(Loss) / profit before taxation** | | **(5,569,904)** | 1,433,714 |
| Less: Dividend income | | **(412)** | (412) |
| | | **(5,570,316)** | 1,433,302 |
| **Adjustments:** | | | |
| Depreciation on property and equipment | | **206,515** | 215,351 |
| Depreciation on right-of-use assets | | **305,660** | 271,225 |
| Depreciation on non-banking assets | | **50,711** | 30,327 |
| Finance charges on leased assets | | **278,925** | 262,767 |
| Amortization | | **43,232** | 36,401 |
| Credit loss allowance and write offs - net | | **(321,569)** | (3,665,934) |
| Gain on forward exchange contracts | | **(12,018)** | (31,315) |
| Charge for defined benefit plan | | **54,679** | 43,019 |
| Charge for employees compensated absences | | **12,211** | 11,339 |
| Gain on termination of lease contracts under IFRS 16 | | **-** | (47,313) |
| Gain on sale of property and equipment | | **(7,817)** | (67,469) |
| | | **610,529** | (2,941,602) |
| | | **(4,959,787)** | (1,508,300) |
| **(Increase) / decrease in operating assets** | | | |
| Lendings to financial institutions | | **(7,306,504)** | (3,623,611) |
| Advances | | **1,412,982** | 3,141,579 |
| Others assets (excluding advance taxation) | | **2,188,596** | 2,768,548 |
| | | **(3,704,926)** | 2,286,516 |
| **Increase / (decrease) in operating liabilities** | | | |
| Bills payable | | **292,768** | (39,651) |
| Borrowings from financial institutions | | **4,210,276** | (39,026,164) |
| Deposits | | **21,607,928** | (2,698,416) |
| Other liabilities (excluding current taxation) | | **1,091,695** | (899,276) |
| | | **27,202,667** | (42,663,507) |
| Payment on account of staff retirement benefits | | **(157,456)** | (93,133) |
| Income tax paid | | **(879,028)** | (322,442) |
| **Net cash generated from / (used in) operating activities** | | **17,501,470** | (42,300,866) |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Net Investments in securities classified as FVOCI | | **(16,762,096)** | 40,772,096 |
| Dividend received | | **412** | 412 |
| Investments in property and equipment | | **(103,605)** | (54,712) |
| Investments in intangible assets | | **(2,958)** | (64,544) |
| Proceeds from sale of property and equipment | | **8,221** | 210,289 |
| **Net cash (used in) / generated from investing activities** | | **(16,860,026)** | 40,863,541 |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| Payments of lease obligations against right-of-use assets | | **(614,961)** | (457,034) |
| **Net cash used in financing activities** | | **(614,961)** | (457,034) |
| **Increase / (decrease) in cash and cash equivalents** | | **26,483** | (1,894,359) |
| Cash and cash equivalents at beginning of the year | | **15,673,643** | 19,821,217 |
| **Cash and cash equivalents at end of the period** | 36 | **15,700,126** | 17,926,858 |

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

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Bank Makramah Ltd. Karachi Finance

President / Chief Executive | Chief Financial Officer | Director | Director | Director

**BANK MAKRAMAH LIMTED**

**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 | 6 | **13,653,646** | 12,915,786 |
| Balances with other banks | 7 | **2,090,701** | 2,764,197 |
| Lendings to financial institutions | 8 | **21,505,095** | 14,199,796 |
| Investments | 9 | **102,715,233** | 86,308,962 |
| Advances | 10 | **24,901,948** | 26,032,721 |
| Property and equipment | 11 | **7,665,286** | 7,770,752 |
| Right-of-use assets | 12 | **3,499,828** | 2,538,778 |
| Intangible assets | 13 | **284,827** | 325,102 |
| Deferred tax assets | 14 | **17,113,782** | 14,183,802 |
| Other assets | 15 | **43,790,626** | 46,642,630 |
| **Total Assets** | | **237,220,972** | 213,682,526 |
| **LIABILITIES** | | | |
| Bills payable | 17 | **3,042,396** | 2,749,628 |
| Borrowings | 18 | **11,614,722** | 7,404,522 |
| Deposits and other accounts | 19 | **190,629,127** | 168,855,864 |
| Lease liabilities | 20 | **4,243,990** | 3,313,315 |
| Subordinated debt | 21 | **-** | 1,495,515 |
| Deferred tax liabilities | | **-** | - |
| Other liabilities | 22 | **5,117,298** | 6,146,542 |
| **Total Liabilities** | | **214,647,533** | 189,965,386 |
| **NET ASSETS** | | **22,573,439** | 23,717,140 |
| **REPRESENTED BY** | | | |
| Share capital - net | | **10,278,885** | 10,000,000 |
| Advance against subscription of shares | 23 | **5,000,000** | 5,000,000 |
| Reserves | | **4,944,272** | 1,913,138 |
| Surplus / (deficit) on revaluation of assets | 24 | **4,324,108** | 4,161,127 |
| Accumulated losses / Unappropriated profit | | **(1,973,826)** | 2,642,875 |
| | | **22,573,439** | 23,717,140 |
| **CONTINGENCIES AND COMMITMENTS** | 25 | | |

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

Makramah Ltd. Karachi Finance

| President / Chief Executive | Chief Financial Officer | Director | Director | Director |
|---|---|---|---|---|

BANK MAKRAMAH LIMITED
CONSOLIDATED 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 | Restated June 30, 2025 | June 30, 2026 | Restated June 30, 2025 |
| | | (Rupees in '000) | | | |
| Mark-up / return / interest earned | 26 | **1,245,144** | 4,390,632 | **4,078,269** | 10,322,284 |
| Mark-up / return / interest expensed | 27 | **3,583,393** | 4,805,958 | **6,410,470** | 10,681,075 |
| Net Mark-up / interest expense | | **(2,338,249)** | (415,326) | **(2,332,201)** | (358,791) |
| **NON MARK-UP / INTEREST INCOME** | | | | | |
| Fee and commission income | 28 | **242,962** | 198,109 | **512,920** | 561,648 |
| Dividend income | | **2,017** | 3,587 | **6,266** | 4,220 |
| Foreign exchange income | | **203,978** | 25,854 | **388,674** | 113,776 |
| Income / (loss) from derivatives | | - | - | - | - |
| Gain on securities | 29 | **104,162** | 923,053 | **102,374** | 1,524,195 |
| Net gains / (loss) on derecognition of financial assets measured at amortised cost | | - | - | - | - |
| Other income | 30 | **7,806** | 113,281 | **10,163** | 117,607 |
| Total non-markup / interest income | | **560,925** | 1,263,884 | **1,020,397** | 2,321,446 |
| Total income | | **(1,777,324)** | 848,558 | **(1,311,804)** | 1,962,655 |
| **NON MARK-UP / INTEREST EXPENSES** | | | | | |
| Operating expenses | 31 | **2,253,110** | 2,142,197 | **4,590,170** | 4,181,587 |
| Workers welfare fund | | - | - | - | - |
| Other charges | 32 | **382** | 255 | **647** | 367 |
| Total non-markup / interest expenses | | **2,253,492** | 2,142,452 | **4,590,817** | 4,181,954 |
| Loss before credit loss allowance | | **(4,030,816)** | (1,293,894) | **(5,902,621)** | (2,219,299) |
| Credit loss allowance and write offs - net | 33 | **307,722** | (3,464,988) | **(321,909)** | (3,666,310) |
| Extra ordinary / unusual items | | - | - | - | - |
| **(LOSS) / PROFIT BEFORE TAXATION** | | **(4,338,538)** | 2,171,094 | **(5,580,712)** | 1,447,011 |
| Taxation | 34 | **(407,472)** | 598,528 | **(898,432)** | 742,537 |
| **(LOSS) / PROFIT AFTER TAXATION** | | **(3,931,066)** | 1,572,566 | **(4,682,280)** | 704,474 |
| | | (Rupees) | | | |
| **Basic (loss) / earning per share** | 35 | **(3.87)** | 1.57 | **(4.62)** | 0.70 |
| **Diluted (loss) / earning per share** | 35 | **(3.87)** | 1.57 | **(4.62)** | 0.70 |

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

Bank Makramah Ltd. Karachi Finance

| President / Chief Executive | Chief Financial Officer | Director | Director | Director |
|---|---|---|---|---|

BANK MAKRAMAH LIMTED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2026

| | Share capital | | Capital reserves | | Surplus / (deficit) on revaluation of | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Issued, subscribed and paid up | Advance against subscription of shares | Share premium | Statutory reserve | Investments | Property and equipment / Non Banking Assets | Property held for sale | Accumulated losses / Unappropriated profit | Total |
| | ------------ (Rupees in '000) ------------ | | | | | | | | |
| **Balance as at January 01, 2025 (Audited) - Restated** | 10,000,000 | - | - | 154,162 | 822,278 | 2,862,556 | 650,035 | (6,237,420) | 8,251,611 |
| Profit after taxation for six months period ended June 30, 2025 (Restated) (refer note 42) | - | - | - | - | - | - | - | 704,474 | 704,474 |
| Effect of reclassification from listed to unlisted due to delising of securities | - | - | - | - | 57,945 | - | - | (57,945) | - |
| Other comprehensive income - net of tax | - | - | - | - | (568,767) | - | - | - | (568,767) |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses | - | - | - | - | - | (26,896) | - | 26,896 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses | - | - | - | - | - | (6,768) | - | 6,768 | - |
| Transfer from surplus on revaluation of property and equipment on disposal to accumulated losses | - | - | - | - | - | (46,212) | - | 46,212 | - |
| **Balance as at July 01, 2025 (Un-audited) - Restated** | 10,000,000 | - | - | 154,162 | 311,456 | 2,782,680 | 650,035 | (5,511,015) | 8,387,318 |
| Profit after taxation six months period ended December 31, 2025 (Restated) (refer note 42) | - | - | - | - | - | - | - | 8,125,789 | 8,125,789 |
| Other comprehensive income - net of tax | - | - | - | - | (200,680) | 2,459,086 | - | (54,373) | 2,204,033 |
| Transfer to statutory reserve | - | - | - | 1,758,976 | - | - | - | (1,758,976) | - |
| Transfer from surplus on revaluation of investment at FVOCI on sale to unappropriated profit | - | - | - | - | (4,893) | - | - | 4,893 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit | - | - | - | - | - | (22,481) | - | 22,481 | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to unappropriated profit | - | - | - | - | - | (6,768) | - | 6,768 | - |
| Transfer from surplus on revaluation of property and equipment on disposal to unappropriated profit | - | - | - | - | - | (1,157,273) | - | 1,157,273 | - |
| Transfer from surplus on revaluation of non-banking assets on disposal to unappropriated profit | - | - | - | - | - | - | - | - | - |
| Transfer from surplus on revaluation of property held for sale on disposal to unappropriated profit | - | - | - | - | - | - | (650,035) | 650,035 | - |
| **Transactions with owners, recorded directly in equity** | | | | | | | | | |
| Advance received against subscription of shares | - | 5,000,000 | - | - | - | - | - | - | 5,000,000 |
| **Balance as at January 01, 2026 (Audited)** | **10,000,000** | **5,000,000** | - | **1,913,138** | **105,883** | **4,055,244** | - | **2,642,875** | **23,717,140** |
| Loss after taxation for six months period ended June 30, 2026 | - | - | - | - | - | - | - | **(4,682,280)** | **(4,682,280)** |
| Other comprehensive income - net of tax | - | - | - | - | **(196,234)** | **424,794** | - | - | **228,560** |
| Transfer to statutory reserve | - | - | - | - | - | - | - | - | - |
| Transfer from surplus on revaluation of investment at FVOCI on sale to accumulated losses | - | - | - | - | **(10)** | - | - | **10** | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to accumulated losses | - | - | - | - | - | **(47,895)** | - | **47,895** | - |
| Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses | - | - | - | - | - | **(17,674)** | - | **17,674** | - |
| **Transactions with owners, recorded directly in equity** | | | | | | | | | |
| Issue of shares against conversion of TFCs (refer note 1.4, 21 and 22.1) | **278,885** | - | **3,031,134** | - | - | - | - | - | **3,310,019** |
| **Balance as at June 30, 2026 (Un-audited)** | **10,278,885** | **5,000,000** | **3,031,134** | **1,913,138** | **(90,361)** | **4,414,469** | - | **(1,973,826)** | **22,573,439** |

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

Bank Makramah Ltd. • Karachi • Finance

| President / Chief Executive | Chief Financial Officer | Director | Director | Director |
|---|---|---|---|---|

**BANK MAKRAMAH LIMTED**
**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**
**FOR THE HALF YEAR ENDED JUNE 30, 2026**

| | Note | June 30, 2026 | Restated June 30, 2025 |
|---|---|---|---|
| | | ---------- (Rupees in '000) ---------- | |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| **(Loss) / Profit before taxation** | | (5,580,712) | 1,447,011 |
| Less: Dividend income | | (6,266) | (4,220) |
| | | (5,586,978) | 1,442,791 |
| **Adjustments:** | | | |
| Depreciation on property and equipment | | 208,958 | 216,857 |
| Depreciation on right-of-use assets | | 305,660 | 271,225 |
| Depreciation on non-banking assets | | 50,878 | 30,499 |
| Finance charges on leased assets | | 278,925 | 262,767 |
| Amortization | | 43,233 | 36,403 |
| Credit loss allowance and write offs - net | | (321,716) | (3,666,310) |
| Gain on forward exchange contracts | | (12,018) | (31,315) |
| Charge for defined benefit plan | | 56,179 | 43,769 |
| Charge for employees compensated absences | | 12,876 | 11,789 |
| Gain on termination of lease contracts under IFRS 16 | | - | (47,313) |
| Gain on sale of property and equipment | | (7,817) | (67,469) |
| Unrealized loss / (gain) - FVTPL | | 20,201 | (5,383) |
| | | 635,359 | (2,944,481) |
| | | (4,951,619) | (1,501,690) |
| **Decrease in operating assets** | | | |
| Lendings to financial institutions | | (7,306,504) | (3,623,611) |
| Securities classified as FVTPL | | (15,908) | (77,043) |
| Advances | | 1,451,141 | 3,163,175 |
| Others assets (excluding advance taxation) | | 2,208,943 | 2,863,509 |
| | | (3,662,328) | 2,326,030 |
| **Decrease in operating liabilities** | | | |
| Bills payable | | 292,768 | (39,651) |
| Borrowings from financial institutions | | 4,210,276 | (39,026,164) |
| Deposits | | 21,773,263 | (2,660,397) |
| Other liabilities (excluding current taxation) | | 869,440 | (974,922) |
| | | 27,145,747 | (42,701,134) |
| Payment on account of staff retirement benefits | | (159,162) | (93,969) |
| Income tax paid | | (839,451) | (329,017) |
| **Net cash used in operating activities** | | 17,533,187 | (42,299,780) |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Net Investments in securities classified as FVOCI | | (16,762,085) | 40,772,096 |
| Dividend received | | 6,266 | 4,220 |
| Investments in property and equipment | | (103,896) | (54,712) |
| Investments in intangible assets | | (2,959) | (64,544) |
| Proceeds from sale of property and equipment | | 8,221 | 210,289 |
| **Net cash generated from investing activities** | | (16,854,453) | 40,867,349 |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| Payments of lease obligations against right-of-use assets | | (614,961) | (457,034) |
| **Net cash used in financing activities** | | (614,961) | (457,034) |
| **Decrease in cash and cash equivalents** | | 63,773 | (1,889,465) |
| Cash and cash equivalents at beginning of the year | | 15,677,074 | 19,823,471 |
| **Cash and cash equivalents at end of the period** | 36 | 15,740,847 | 17,934,006 |

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

Bank Makramah Ltd. Karachi Finance

President / Chief Executive | Chief Financial Officer | Director | Director | Director