BML

بنک مکرمہ
Bank Makramah Ltd.

Ref: BML/CSD/2026/08-11

FORM-8

Date: 28.08.2026

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

Subject: TRANSMISSION OF HALF YEARLY REPORT FOR THE PERIOD ENDED JUNE 30, 2026

Dear Sir,

We have to inform you that the Half Yearly Report of Bank Makramah Limited for the period ended June 30, 2026 have been transmitted through PUCARS and is also available on Bank's website.

You may please inform the TREC Holders of the Exchange accordingly.

Thanking you,

Yours truly,

For and on behalf of
Bank Makramah Limited

Bank Makramah Ltd Karachi Head Office

Assad Rabbani
Company Secretary

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

Head Office:
No. 13, COM-3, Block 6, Clifton, Karachi – Pakistan.
PABX: (021) 32402924 Email: info@bankmakramah.com, Website: www.bankmakramah.com

Bank Makramah Limited
Unconsolidated Condensed Interim Financial Statements
For The Half Year Ended June 30, 2026

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.

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 June 30, 2026	Quarter Ended Restated June 30, 2025	Half Year Ended June 30, 2026	Half Year Ended 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.

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

BANK MAKRAMAH LIMITED
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	Restated June 30, 2025	June 30, 2026	Restated June 30, 2025
	----- (Rupees in '000) -----			
(Loss) / profit after taxation for the period	**(3,949,473)**	1,566,448	**(4,663,605)**	696,619
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in (deficit) / surplus on revaluation of debt investments through FVOCI - net of tax	**156,751**	336,040	**(215,081)**	(573,774)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of property and equipment - net of tax	**-**	-	**424,794**	-
Movement in (deficit) / surplus on revaluation of equity investments - net of tax	**4**	(7)	**(10)**	10
	4	(7)	**424,784**	10
Total comprehensive (loss) / income	**(3,792,718)**	1,902,481	**(4,453,902)**	122,855

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

President / Chief Executive	Chief Financial Officer	Director	Director	Director

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

	Share capital		Capital reserves	Statutory reserve	Surplus / (deficit) on revaluation of			Accumulated losses / Unappropriated profit	Total
	Issued, subscribed and paid up	Advance against subscription of shares	Share premium		Investments	Property and equipment / Non banking assets	Property held for sale		
	(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 1.4, 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**	**(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.

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.

President / Chief Executive	Chief Financial Officer	Director	Director	Director

BANK MAKRAMAH LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2026

1. STATUS AND NATURE OF BUSINESS

1.1 Bank Makramah Limited (the Bank), is a banking company incorporated in Pakistan on December 09, 2005 as a public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at 20 - Al Asghar Plaza, Blue Area, Islamabad, Pakistan and its principal office is situated at No. 13, COM-3 , Block 6, Clifton, Karachi, Pakistan.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 147 Conventional Banking Branches and 12 Islamic Banking Branches (December 31, 2025: 149 Conventional Banking Branches and 12 Islamic Banking Branches) in Pakistan.

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

1.3 In continuation to the disclosure given in the annual financial statement of December 31, 2025, related to the capital restructuring plan, the current status is as below:

- Recoveries against non-performing loans from Omni group (refer Note 10.3)

- Sale of self-constructed building on the plot of land bearing No. G-2, Block 2, Scheme No. 5 (refer Note 15.2)

- The Bank entered into a revised agreement with DHA during the period (refer Note 15.1)

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

1.5 During the period ended, the Bank has incurred a net loss of Rs. 4,663.605 million and the Bank's retained earnings as on Dec 31, 2025 have turned into accumulated losses of Rs. 1,887.605 million. As per the applicable laws and regulations, the Bank is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of June 30, 2026. However, though the Bank has met Minimum Capital Requirement (MCR), i.e., Minimum Paid-up Capital (net of losses) (MCR), set by the State Bank of Pakistan as at June 30, 2026 the Bank has become non-compliant in respect of Capital Adequacy Ratio (CAR) which now stands at 1.77% against required CAR of 11.5%. Bank's Leverage Ratio (LR) is at 0.36%, which is below the required 3% threshold, as disclosed in note 40 to the enclosed unconsolidated condensed interim financial statements.

However, the Bank has received an investment commitment from the Sponsor of the Bank, His Excellency Nasser Abdulla Hussain Lootah to further inject Rs. 10,000.00 million into the Bank. The Board of Directors in their meeting held on August 18, 2026, considered and approved the proposal and authorized the President / CEO to execute the agreement between the Bank and the Sponsor which sets out the terms. This amount of Rs. 10,000.00 million shall be recorded as Advance Against Share Subscription, till such time regulatory and corporate approvals are obtained for the issuance of shares to the Sponsor, by way of other than right issue. At the time of approval of accounts, Rs. 4,000.00 million has been received with improvement in CAR to 10.25% and upon total receipt of Rs. 10,000.00 million the Bank will become CAR compliant.

2. BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

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

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

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

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

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

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

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

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

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

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

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

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

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

The following are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2027 but are considered not to be relevant or will not have any material effect on the Bank's financial statements other than certain additional disclosures:

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

2.6 Critical accounting estimates and judgments

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

3. BASIS OF MEASUREMENT

3.1 Accounting convention

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

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

3.2 Functional and Presentation Currency

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION

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

5. FINANCIAL RISK MANAGEMENT

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

			(Un-audited) June 30, 2026	(Audited) December 31, 2025
6.	**CASH AND BALANCES WITH TREASURY BANKS**	Note	-------- (Rupees in '000) --------	
	In hand			
	Local currency		**3,475,563**	2,993,562
	Foreign currency		**192,535**	315,610
			3,668,098	3,309,172
	With State Bank of Pakistan in			
	Local currency current account		**8,714,969**	8,273,572
	Foreign currency current account		**397,771**	428,588
	Foreign currency deposit account		**505,121**	607,487
			9,617,861	9,309,647
	With National Bank of Pakistan in Local currency current account		**358,772**	286,667
	Prize bonds		**8,905**	10,300
	Less: Credit loss allowance held against cash and balances with treasury banks		**-**	-
	Cash and balances with treasury banks - net of credit loss allowance		**13,653,636**	12,915,786
7.	**BALANCES WITH OTHER BANKS**			
	In Pakistan			
	In current account		**14,377**	26,727
	In deposit account		**-**	-
			14,377	26,727
	Outside Pakistan			
	In current account		**1,975,810**	2,674,471
	In deposit account		**61,340**	61,772
			2,037,150	2,736,243
	Less: Credit loss allowance held against balances with other banks		**(1,537)**	(2,204)
	Balances with other banks - net of credit loss allowance		**2,049,990**	2,760,766

8. LENDINGS TO FINANCIAL INSTITUTIONS

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		-------- (Rupees in '000) --------	
Reverse repo agreements		**8,427,200**	8,600,300
Bai Muajjal receivable			
- with State Bank of Pakistan		**12,579,100**	5,599,496
Musharakah		**500,000**	-
		21,506,300	14,199,796
Less: Credit loss allowance held against lending to financial institutions		**(1,205)**	-
Lendings to financial institutions - net of credit loss allowance		**21,505,095**	14,199,796

8.1 Lending to FIs - Particulars of credit loss allowance

		(Un-audited) June 30, 2026		(Audited) December 31, 2025	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
Domestic		--------------------- (Rupees in '000) ---------------------			
Performing	Stage 1	**21,506,300**	**1,205**	14,199,796	-
Under performing	Stage 2	**-**	**-**	-	-
Non-performing	Stage 3				
Substandard		**-**	**-**	-	-
Doubtful		**-**	**-**	-	-
Loss		**-**	**-**	-	-
Total		**21,506,300**	**1,205**	14,199,796	-

9. INVESTMENTS

9.1 Investments by type:

	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 FVOCI								
Federal Government Securities								
- Market Treasury Bills	**3,971,764**	**-**	**584**	**3,972,348**	8,523,342	-	16,380	8,539,722
- Pakistan Investment Bonds	**52,111,228**	**-**	**(54,265)**	**52,056,963**	35,708,939	-	64,812	35,773,751
- GoP Ijarah Sukuks	**43,793,654**	**-**	**(268,963)**	**43,524,691**	38,815,592	-	(33,008)	38,782,584
Non Government Debt Securities								
- Term Finance Certificates	**720,986**	**(8,903)**	**-**	**712,083**	742,104	(8,807)	-	733,297
- Sukuk Bonds	**2,338,918**	**(165,016)**	**-**	**2,173,902**	2,384,477	(165,578)	-	2,218,899
	102,936,550	**(173,919)**	**(322,644)**	**102,439,987**	86,174,454	(174,385)	48,184	86,048,253
Equity instruments								
Classified / Measured at FVOCI (Non-Reclassifiable)								
Shares								
- Fully paid up ordinary shares - Listed	**15**	**-**	**36**	**51**	15	-	53	68
- Fully paid up ordinary shares - Unlisted	**102,736**	**(100,906)**	**-**	**1,830**	102,736	(100,906)	-	1,830
- Preference shares - Unlisted	**46,035**	**(46,035)**	**-**	**-**	46,035	(46,035)	-	-
	148,786	**(146,941)**	**36**	**1,881**	148,786	(146,941)	53	1,898
Subsidiary								
- Summit Capital (Private) Limited	**396,942**	**(165,191)**	**-**	**231,751**	396,942	(165,191)	-	231,751
Total Investments	**103,482,278**	**(486,051)**	**(322,608)**	**102,673,619**	86,720,182	(486,517)	48,237	86,281,902

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
9.1.1 Investments given as collateral - Market Value			
Pakistan Investment Bonds		**14,363,800**	9,307,490

9.2 Credit loss allowance for diminution in value of investments

Opening balance	**486,517**	2,058,573
Other adjustments	**-**	99,906
Charge / reversals		
Charge for the period / year	**96**	-
Reversal for the period / year	**(562)**	(733,307)
Reversal on disposals	**-**	(938,655)
	(466)	(1,671,962)
Closing balance	**486,051**	486,517

9.3 Particulars of credit loss allowance against debt securities

Category of classification		June 30, 2026 (Un-audited) Outstanding amount	Credit loss allowance held	December 31, 2025 (Audited) Outstanding amount	Credit loss allowance held
		(Rupees in '000)			
Domestic					
Performing	Stage 1	**99,876,646**	**-**	83,047,873	-
Underperforming	Stage 2	**2,886,375**	**390**	2,952,496	300
Non-performing	Stage 3				
Loss		**173,529**	**173,529**	174,085	174,085
		102,936,550	**173,919**	86,174,454	174,385

10. 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.		**20,019,609**	20,786,237	**15,335,781**	16,369,109	**35,355,390**	37,155,346
Islamic financing and related assets	41.3	**2,806,503**	2,273,022	**214,832**	215,159	**3,021,335**	2,488,181
Bills discounted and purchased		**235,851**	382,186	**38,353**	38,353	**274,204**	420,539
Advances - gross		**23,061,963**	23,441,445	**15,588,966**	16,622,621	**38,650,929**	40,064,066
Credit loss allowance against advances	10.3						
- Stage 1		**(19,064)**	(18,895)	**-**	-	**(19,064)**	(18,895)
- Stage 2		**(209,942)**	(243,851)	**-**	-	**(209,942)**	(243,851)
- Stage 3		**-**	-	**(13,387,660)**	(13,674,384)	**(13,387,660)**	(13,674,384)
		(229,006)	(262,746)	**(13,387,660)**	(13,674,384)	**(13,616,666)**	(13,937,130)
Advances - net of credit loss allowance		**22,832,957**	23,178,699	**2,201,306**	2,948,237	**25,034,263**	26,126,936

10.1 Particulars of advances (Gross)

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	(Rupees in '000)	
In local currency	**38,582,325**	39,972,376
In foreign currencies	**68,604**	91,690
	38,650,929	40,064,066

10.2 Advances include Rs. 15,588.966 million (December 31, 2025: Rs. 16,622.621 million) which have been placed under non-performing / Stage 3 status as detailed below:

Category of Classification		(Un-audited) June 30, 2026 Non Performing Loans	(Un-audited) June 30, 2026 Credit loss allowance	(Audited) December 31, 2025 Non Performing Loans	(Audited) December 31, 2025 Credit loss allowance
		(Rupees in '000)			
Domestic					
Other Assets Especially Mentioned	Stage 2	**196**	**76**	-	-
Substandard	Stage 3	**634,320**	**523,169**	640,159	497,536
Doubtful	Stage 3	**4,538**	**2,699**	26,778	14,016
Loss	Stage 3	**14,949,912**	**12,861,792**	15,955,684	13,162,832
		15,588,966	**13,387,736**	16,622,621	13,674,384

10.3 Particulars of credit loss allowance against advances

	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)							
Opening balance	**18,895**	**243,851**	**13,674,384**	**13,937,130**	25,012	206,817	33,021,294	33,253,123
Charge for the period / year	**5,784**	**116,836**	**731,154**	**853,774**	11,648	225,024	139,576	376,248
Reversals for the period / year	**(5,615)**	**(150,745)**	**(1,017,723)**	**(1,174,083)**	(17,765)	(187,990)	(19,331,628)	(19,537,383)
	169	**(33,909)**	**(286,569)**	**(320,309)**	(6,117)	37,034	(19,192,052)	(19,161,135)
Amounts written off	**-**	**-**	**(155)**	**(155)**	-	-	(154,858)	(154,858)
Closing balance	**19,064**	**209,942**	**13,387,660**	**13,616,666**	18,895	243,851	13,674,384	13,937,130

10.3.1 Advances - 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)							
Opening balance	**18,895**	**243,851**	**13,674,384**	**13,937,130**	25,012	206,817	33,021,294	33,253,123
New Advances	**3,930**	**82,617**	**-**	**86,547**	1,734	2,530	-	4,264
Advances derecognised or repaid	**(1,586)**	**(4,957)**	**(860,180)**	**(866,723)**	(2,527)	(27,811)	(4,276,437)	(4,306,775)
Transfer to stage 1	**338**	**(338)**	**-**	**-**	9,162,303	(83,698)	(9,078,605)	-
Transfer to stage 2	**(7)**	**75,967**	**(75,960)**	**-**	(78)	3,303,760	(3,303,682)	-
Transfer to stage 3	**-**	**(229)**	**229**	**-**	(30)	(7,589)	7,619	-
	2,675	**153,060**	**(935,911)**	**(780,176)**	9,161,402	3,187,192	(16,651,105)	(4,302,511)
Changes in risk parameters (PDs/LGDs/EADs)	**(2,506)**	**(186,969)**	**649,342**	**459,867**	(9,167,519)	(3,150,158)	(2,540,947)	(14,858,624)
Amounts written off / charged off	**-**	**-**	**(155)**	**(155)**	-	-	(154,858)	(154,858)
Closing balance	**19,064**	**209,942**	**13,387,660**	**13,616,666**	18,895	243,851	13,674,384	13,937,130

10.3.2 Advances - Category of classification

		(Un-audited) June 30, 2026		(Audited) December 31, 2025	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
		(Rupees in '000)			
Performing	Stage 1	**19,788,003**	**19,064**	19,381,717	18,895
Underperforming	Stage 2	**3,273,960**	**209,866**	4,019,180	243,851
Non-Performing					
Other Assets Especially Mentioned	Stage 2	**196**	**76**	-	-
Substandard	Stage 3	**634,320**	**523,169**	640,159	497,536
Doubtful	Stage 3	**4,538**	**2,699**	26,778	14,016
Loss	Stage 3	**14,949,912**	**12,861,792**	15,996,232	13,162,832
Total		**38,650,929**	**13,616,666**	40,064,066	13,937,130

11. PROPERTY AND EQUIPMENT

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
Capital work-in-progress	11.1	**101,805**	43,012
Property and equipment		**7,512,346**	7,674,453
		7,614,151	7,717,465

11.1 Capital work-in-progress

Civil works and related payments / progress billings	**65,321**	-
Advances and other payments to suppliers and contractors	**36,484**	43,012
	101,805	43,012

11.2 Additions to property and equipment

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

	(Un-audited) June 30, 2026	June 30, 2025
	(Rupees in '000)	
Capital work-in-progress - net	**58,793**	(8,864)
Property and equipment		
Building improvements	**6,630**	37,890
Furniture and fixture	**1,922**	7,834
Electrical, office and computer equipment	**22,432**	29,359
Vehicles	**13,828**	-
	44,812	75,083
	103,605	66,219

11.3 Disposal of property and equipment

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

Building on leasehold land	**-**	141,743
Building improvements	**-**	11,599
Furniture and fixture	**1**	8
Electrical, office and computer equipment	**403**	436
Vehicles	**-**	85
	404	153,871

12. RIGHT-OF-USE ASSETS

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Buildings	ATMs	Total	Buildings	ATMs	Total
	(Rupees in '000)					
At January 01,						
Cost	**4,460,302**	**-**	**4,460,302**	4,316,299	-	4,316,299
Accumulated depreciation	**(1,921,524)**	**-**	**(1,921,524)**	(1,715,028)	-	(1,715,028)
Net carrying amount	**2,538,778**	**-**	**2,538,778**	2,601,271	-	2,601,271
Additions during the period / year	**807,405**	**463,167**	**1,270,572**	577,255	-	577,255
Modifications during the period / year	**(3,862)**	**-**	**(3,862)**	(6,411)	-	(6,411)
Deletions during the period / year						
Cost	**(203,971)**	**-**	**(203,971)**	(426,841)	-	(426,841)
Accumulated depreciation	**203,971**	**-**	**203,971**	333,096	-	333,096
	-	**-**	**-**	(93,745)	-	(93,745)
Depreciation charge for the period / year	**(283,604)**	**(22,056)**	**(305,660)**	(539,592)	-	(539,592)
Net carrying amount	**3,058,717**	**441,111**	**3,499,828**	2,538,778	-	2,538,778

13. INTANGIBLE ASSETS

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
Capital work-in-progress	13.1	**46,624**	45,874
Intangible assets in use	13.2	**235,694**	276,718
		282,318	322,592

13.1 Capital work-in-progress

Advances to suppliers and contractors	**46,624**	45,874
Advances against capital work in progress considered doubtful	**142,522**	142,522
Less: Provision held there against	**(142,522)**	(142,522)
	-	-
	46,624	45,874

13.2 Intangible assets in use

Computer softwares	**235,694**	276,718

13.3 Additions to intangible assets

	(Un-audited) June 30, 2026	(Un-audited) June 30, 2025
	(Rupees in '000)	
The following additions have been made to intangible assets during the period:		
Capital work-in-progress - net	**750**	(27,476)
Directly purchased	**2,208**	92,020
	2,958	64,544

13.4 There were no disposals in intangible assets during the current and prior period.

14. DEFERRED TAX ASSETS

	June 30, 2026 (Un-audited)				
	At January 01, 2026	IFRS - 9 transition / reclass impacts	Recognised in profit and loss account	Recognised in other comprehensive income	At June 30, 2026
	(Rupees in '000)				
Deductible Temporary Differences on					
- Tax losses carried forward	**10,696,970**	**-**	**1,197,259**	**-**	**11,894,229**
- Credit loss allowance against advances	**5,591,227**	**-**	**(122,096)**	**-**	**5,469,131**
- Remeasurement of advances	**162,368**	**-**	**834,143**	**-**	**996,511**
- Remeasurement of investments	**63,249**	**-**	**16,299**	**-**	**79,548**
- Surplus / (deficit) on revaluation of investments	**(20,259)**	**-**	**-**	**155,754**	**135,495**
- Credit loss allowance against investment	**204,337**	**-**	**(196)**	**-**	**204,141**
- Provision against intangible assets	**51,729**	**-**	**-**	**-**	**51,729**
- Staff compensated absences	**83,916**	**-**	**(561)**	**-**	**83,355**
- Depreciation on ROUA, related finance cost less actual rent expense - IFRS 16	**535,783**	**-**	**35,206**	**-**	**570,989**
- Workers' welfare fund	**160,273**		**5,611**		**165,884**
- Credit loss allowance against other assets	**246,602**	**-**	**(438)**	**-**	**246,164**
	17,776,195	**-**	**1,965,227**	**155,754**	**19,897,176**
Taxable Temporary Differences on					
- Surplus on revaluation of property and equipments	**(2,347,553)**	**-**	**34,683**	**424,794**	**(1,888,076)**
- Surplus on revaluation of non-banking assets	**(589,004)**	**-**	**12,799**	**-**	**(576,205)**
- Unrealized gain on forward exchange contracts	**1,059**	**-**	**(6,107)**	**-**	**(5,048)**
- Accelerated tax depreciation	**(589,099)**	**-**	**343,517**	**-**	**(245,582)**
	(3,524,597)	**-**	**384,892**	**424,794**	**(2,714,911)**
	14,251,598	**-**	**2,350,119**	**580,548**	**17,182,265**

	December 31, 2025 (Audited)				
	At January 01, 2025	IFRS - 9 transition / reclass impacts	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2025
	(Rupees in '000)				
Deductible Temporary Differences on					
- Tax losses carried forward	16,960,119	(463,961)	(5,799,188)	-	10,696,970
- Credit loss allowance against advances	10,190,747	-	(4,599,520)	-	5,591,227
- Remeasurement of advances	161,420	-	948	-	162,368
- Remeasurement of investment	-	-	63,249		63,249
- Credit loss allowance against investment	864,601	41,961	(702,225)	-	204,337
- Provision against intangible assets	51,729	-	-	-	51,729
- Staff compensated absences	65,924	-	17,992	-	83,916
- Depreciation on ROUA, related finance cost less actual rent expense - IFRS 16	-	463,961	71,822	-	535,783
- Workers' welfare fund	-	-	160,273	-	160,273
- Credit loss allowance against other assets	225,583	-	21,019	-	246,602
	28,520,123	41,961	(10,765,630)	-	17,796,454
Taxable Temporary Differences on					
- Surplus on revaluation of property and equipments	(1,107,389)	-	582,635	(1,822,799)	(2,347,553)
- Surplus on revaluation of investments	(563,491)	(41,961)	-	585,193	(20,259)
- Unrealized gain on forward exchange contracts	(8,795)	-	9,854	-	1,059
- Surplus on revaluation of property - held for sale	(470,714)	-	470,714	-	-
- Surplus on revaluation of non-banking assets	(289,585)	-	9,802	(309,221)	(589,004)
- Accelerated tax depreciation	(411,585)	-	(177,514)	-	(589,099)
	(2,851,559)	(41,961)	895,491	(1,546,827)	(3,544,856)
	25,668,564	-	(9,870,139)	(1,546,827)	14,251,598

14.1 The net deferred tax asset has been recognized in accordance with the Bank's accounting policy. The management, based on financial projections, estimates that sufficient taxable profits would be available in future against which the deferred tax asset could be realised. The projections includes certain key assumptions underlying management's estimation of profits. These assumptions includes revival of credit rating of the Bank which will boost the trust and confidence of the public in attracting the deposits which would be invested in Government securities consequently increasing the earning assets of the Bank.

15. OTHER ASSETS

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		--------- (Rupees in '000) ---------	
Income / mark-up accrued in local currency		**3,167,413**	2,310,709
Income / mark-up accrued in foreign currency		**2,772**	1,827
Advances, deposits, advance rent and other prepayments		**302,328**	396,304
Advance taxation (payments less provisions)		**-**	564,792
Non-banking assets acquired in satisfaction of claims		**1,814,540**	1,834,776
Branch adjustment account		**44,128**	1,280
Receivable from other banks against clearing and settlement		**834,438**	1,827,421
Mark to market gain on forward foreign exchange contracts		**18,985**	3,277
Acceptances		**166,104**	123,555
Stationery and stamps on hand		**6,736**	6,078
Leasehold land - Held for Sale (HFS) acquired through amalgamation with Global Haly Development Limited under scheme of arrangement	15.1	**27,620,338**	27,620,338
Receivable against sale of G2 building	15.2	**8,634,180**	10,634,180
Others		**596,164**	638,223
		43,208,126	45,962,760
Less: Provisions / credit loss allowance held against other assets	15.3	**(834,198)**	(834,486)
Other Assets (Net of provisions / credit loss allowance)		**42,373,928**	45,128,274
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		**1,371,916**	1,402,391
Other assets - total		**43,745,844**	46,530,665

15.1 Pursuant to a court-sanctioned Scheme of Arrangement, the Bank obtained control over 5.3 acres of land belonging to Global Haly Development Limited (GHDL), located at Plot No. SM-212, Faisal Street No. 2, Phase VIII, DHA, Karachi. After the amalgamation, the property is being carried at lower of carrying amount and realizable value. The Bank has entered into a new agreement with DHA, dated February 12, 2026, under which the Bank will construct a mixed-use development. Under this new agreement, DHA's entitlement is the higher of 11% of the gross saleable area or 325,000 sq. ft. of the constructed complex. The Bank is still exploring multiple options regarding the execution of the revised agreement with DHA.

15.2 During the period, the Bank (the Seller) has entered into a Tripartite Sale Agreement on April 08, 2026 with Mr. Dawood Jan Muhammad (the Seller) and United Bank Limited (the Buyer) to sell Cullinan Tower (G-2 Building) for a total sale consideration of Rs. 14,000.00 million out of which Bank will only receive the original contracted amount of Rs. 11,634.18 million. During the period the Bank has received payment of Rs. 2,000.00 million, in addition to the amount of Rs. 1,000.00 million already received in the preceding year. The recovery of the remaining amount is subject to fulfillment of conditions precedent to the agreement(s).

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
15.3	**Provisions / credit loss allowance held against other assets**		--------- (Rupees in '000) ---------	
	Income / mark-up accrued in local currency		**1,389**	1,389
	Advances, deposits, advance rent and other prepayments		**98,008**	98,008
	Non-banking assets acquired in satisfaction of claims		**360,107**	360,107
	Commission receivable on guarantees		**9,880**	9,880
	Receivable from Dewan Group		**45,310**	45,310
	Account receivable - sundry claims		**156,015**	156,303
	Receivable from Speedway Fondmetal (Pakistan) Limited		**25,694**	25,694
	Others		**137,795**	137,795
			834,198	834,486

15.3.1 Movement in provisions / credit loss allowance held against other assets

Opening balance	**834,486**	834,247
Charge for the period / year	**-**	239
Reversals for the period / year	**(288)**	-
Amount written off	**-**	-
Closing balance	**834,198**	834,486

16. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

17. BILLS PAYABLE

In Pakistan	**3,042,396**	2,749,628
Outside Pakistan	**-**	-
	3,042,396	2,749,628

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
18. BORROWINGS	Note	--------- (Rupees in '000) ---------	
Secured			
Borrowings from State Bank of Pakistan			
- Under export refinance scheme		**1,666,250**	2,521,050
- Under long-term financing facility		**69,095**	83,119
- Refinance facility for modernization of SMEs		**-**	-
- Repurchase agreement borrowings		**9,874,340**	4,795,240
Total secured		**11,609,685**	7,399,409
Unsecured			
Overdrawn nostro accounts		**5,037**	5,113
		11,614,722	7,404,522

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	**42,747,488**	**2,181,234**	**44,928,722**	36,931,967	1,945,668	38,877,635
Savings deposits	**105,149,690**	**1,443,270**	**106,592,960**	107,465,264	1,391,404	108,856,668
Term deposits	**19,233,484**	**2,555,717**	**21,789,201**	10,422,513	2,553,470	12,975,983
Others	**3,134,623**	**43,744**	**3,178,367**	2,431,513	44,053	2,475,566
	170,265,285	**6,223,965**	**176,489,250**	157,251,257	5,934,595	163,185,852
Financial institutions						
Current deposits	**305,073**	**170,231**	**475,304**	348,899	32,956	381,855
Savings deposits	**13,115,402**	**39**	**13,115,441**	4,420,364	186,135	4,606,499
Term deposits	**700,289**	**-**	**700,289**	946,887	51,263	998,150
Others	**-**	**-**	**-**	-	-	-
	14,120,764	**170,270**	**14,291,034**	5,716,150	270,354	5,986,504
	184,386,049	**6,394,235**	**190,780,284**	162,967,407	6,204,949	169,172,356

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
20. LEASE LIABILITIES	Note	--------- (Rupees in '000) ---------	
Opening		**3,313,315**	3,284,402
Additions during the period / year		**1,084,384**	520,245
Deletion during the period / year		**-**	(158,100)
Lease payments including interest		**(428,772)**	(847,932)
Interest expense		**278,925**	521,111
Modifications		**(3,862)**	(6,411)
Closing		**4,243,990**	3,313,315
20.1 Liabilities Outstanding			
Not later than one year		**1,051,495**	807,144
Later than one year and upto five years		**2,658,131**	2,025,200
Over five years		**534,364**	480,971
Total at the period / year end		**4,243,990**	3,313,315

21. SUBORDINATED DEBT

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

The TFC Holders approved the resolution by the requisite majority and the Bank has obtained the Board, shareholders and regulatory approvals, for issuance of fully paid up ordinary shares of the Bank to the TFC Holders, on a without rights basis and accordingly the respective adjustments have been accounted for in these unconsolidated condensed interim statement of financial position as at June 30, 2026 (Refer note: 1.4).

22. OTHER LIABILITIES

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		---------- (Rupees in '000) ----------	
Mark-up / return / interest payable in local currency	22.1	**211,818**	1,954,321
Mark-up / return / interest payable in foreign currencies		**29,141**	20,532
Unearned income		**105,809**	84,169
Accrued expenses		**262,171**	213,428
Advance against sale of property		**112,598**	84,737
Provision for taxation - net		**656,755**	-
Acceptances		**166,104**	123,555
Unclaimed dividends		**2,213**	2,213
Mark to market loss on forward foreign exchange contracts		**6,967**	5,799
Payable to defined benefit plan		**54,679**	143,909
Charity fund balance		**578**	350
Security deposits against lease		**123,575**	120,211
Payable to Bangladesh Bank		**41,389**	41,389
Payable to Rupali Bank - Bangladesh		**16,293**	16,283
Payable to vendors / creditors		**470,131**	419,706
Provision for compensated absences		**198,465**	199,801
Payable to Bank of Ceylon, Colombo		**20,163**	20,163
Retention money		**107,395**	81,034
Workers' welfare fund		**394,963**	394,963
Withholding taxes and government levies payable		**249,054**	240,014
Federal excise duty and sales tax payable		**10,190**	12,355
Commission payable on home remittances		**72**	72
Credit loss allowance against off-balance sheet obligations	22.2	**49,002**	50,046
Payable to DHA against purchase of land	22.3	**1,142,001**	1,142,001
Payable to sponsor		**68,414**	59,583
Others		**496,769**	373,523
		4,996,709	5,804,157

22.1 As referred in note 1.4, the Bank has converted the Term Finance Certificates (TFCs) (Rs. 1,495.515 million) and accrued markup (Rs. 1,854.512 million) thereon aggregating to Rs. 3,350.027 million to equity through issue of 27,888,469 shares other than the way of right to the TFC holders and in this respect the Bank has received consent from the TFC holders, shareholders and regulators.

			(Un-audited)	(Audited)
			June 30,	December 31,
			2026	2025
22.2	**Credit loss allowance against off-balance sheet obligations**	Note	------- (Rupees in '000)	--------
	Opening balance		**50,046**	160,905
	Charge for the period / year		**8,235**	7,888
	Reversals		**(9,279)**	(118,747)
			(1,044)	(110,859)
	Amount written off		**-**	-
	Closing balance		**49,002**	50,046

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

23. The Board of Directors in their meeting held on July 03, 2025, authorized the President & CEO to execute the agreement between the Bank and His Excellency Nasser Abdullah Hussain Lootah ("the Sponsor"). Thereafter, an agreement was signed with the Sponsor on August 01, 2025, which sets out the terms under which the Sponsor has deposited an amount equivalent to Rs 5 billion in the Bank. In this respect, SBP vide its letter no. SBPHOK-BPRD-BACPD-STB-1137701 dated May 21, 2026 has allowed the Bank to consider the "Advance against Share Subscription" for MCR and CAR calculation till December 31, 2026, subject to several conditions including the condition that the advance cannot be returned to the Sponsor without the prior approval of the SBP.

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
24.	**SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS**		---------- (Rupees in '000) -----------	
	Surplus / (deficit) on revaluation of			
	- Securities measured at FVOCI-Debt	9.1	**(322,644)**	48,184
	- Securities measured at FVOCI-Equity	9.1	**36**	53
	- Property and equipment		**5,506,834**	5,589,410
	- Non-banking assets acquired in satisfaction of claims		**1,371,916**	1,402,391
			6,556,142	7,040,038
	Deferred tax on surplus / (deficit) on revaluation of:			
	- Securities measured at FVOCI-Debt		**135,510**	(20,237)
	- Securities measured at FVOCI-Equity		**(15)**	(22)
	- Property and equipment		**(1,888,076)**	(2,347,553)
	- Non-banking assets acquired in satisfaction of claims		**(576,205)**	(589,004)
			(2,328,786)	(2,956,816)
			4,227,356	4,083,222
25.	**CONTINGENCIES AND COMMITMENTS**			
	- Guarantees	25.1	**18,075,164**	15,727,469
	- Commitments	25.2	**14,848,906**	10,939,638
	- Other contingent liabilities	25.3	**17,742,537**	17,811,218
			50,666,607	44,478,325
25.1	**Guarantees:**			
	Financial guarantees		**320,470**	320,470
	Performance guarantees		**10,220,690**	10,328,552
	Other guarantees		**7,534,004**	5,078,447
			18,075,164	15,727,469

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
25.2	**Commitments:**		---------- (Rupees in '000) -----------	
	Documentary credits and short-term trade-related transactions			
	- letters of credit		**4,931,261**	2,846,873
	Commitments in respect of:			
	- forward foreign exchange contracts	25.2.1	**4,145,681**	2,303,977
	- forward lending	25.2.2	**5,501,384**	5,531,853
	Commitments for acquisition of:			
	- property and equipment		**33,081**	19,006
	- intangible assets		**237,499**	237,929
			14,848,906	10,939,638
25.2.1	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		**3,866,691**	2,303,977
	Sale		**278,990**	-
			4,145,681	2,303,977
25.2.2	**Commitments in respect of forward lending**			
	Forward documentary bills		**5,501,384**	5,531,853
25.3	**Other contingent liabilities - claims against the Bank not acknowledged as debts**		**17,742,537**	17,811,218

25.4 Contingency for tax payable

Contingency related to tax payable is disclosed in note 34.2

			(Un-audited) Half year ended	
			June 30, 2026	June 30, 2025
26.	**MARK-UP / RETURN / INTEREST EARNED**	Note	--------- (Rupees in '000) --------	
	On:			
	Loans and advances	26.1	**(1,164,398)**	639,543
	Investments		**4,599,826**	9,139,324
	Lendings to financial institutions		**629,375**	517,166
	Balances with banks		**22,830**	33,002
			4,087,633	10,329,035

26.1 This includes the impact of modification under IFRS 9 of restructured / rescheduled parties amounting Rs. 1.981 billion.

27.	**MARK-UP / RETURN / INTEREST EXPENSED**			
	On:			
	Deposits		**5,565,805**	6,269,284
	Borrowings		**498,471**	3,923,596
	Subordinated debt		**-**	123,412
	Cost of foreign currency swaps against foreign currency deposits / borrowings		**72,342**	108,637
	Finance cost of lease liability		**278,925**	262,767
			6,415,543	10,687,696
28.	**FEE AND COMMISSION INCOME**			
	Branch banking customer fees		**90,700**	115,749
	Consumer finance related fees		**505**	494
	Card related fees (debit cards)		**70,727**	120,035
	Credit related fees		**560**	584
	Commission on trade		**203,038**	184,938
	Commission on guarantees		**68,475**	62,973
	Commission on cash management		**-**	3
	Commission on remittances including home remittances		**1,782**	2,457
	Commission on bancassurance		**425**	484
	Alternate Delivery Channels		**11,342**	13,638
	Others		**2**	5
			447,556	501,360
29.	**GAIN ON SECURITIES**			
	Realised	29.1	**112,031**	1,515,821
	Unrealised - Measured at FVPL		**-**	-
			112,031	1,515,821
29.1	**Realised gain on:**			
	Federal Government Securities		**112,031**	1,515,821
	Shares		**-**	-
			112,031	1,515,821
	Net gain/loss on financial assets (debt instruments) measured at FVOCI		**112,031**	1,515,821
	Net gain/ loss on investments in equity instruments designated at FVOCI		**-**	-
			112,031	1,515,821

			(Un-audited)	
			Half year ended	
			June 30, 2026	June 30, 2025
30.	**OTHER INCOME**	Note	--------- (Rupees in '000) --------	
	Rent on property		**762**	1,385
	Gain on sale of property and equipment - net		**7,817**	67,469
	Gain on termination of lease contracts under IFRS 16		**-**	47,313
			8,579	116,167

			(Un-audited)	(Restated) (Un-audited)
			Half year ended	
			June 30, 2026	June 30, 2025
31.	**OPERATING EXPENSES**	Note	--------- (Rupees in '000) --------	
	Total compensation expense		**1,699,039**	1,441,946
	Property expense			
	Rent and taxes		**29,055**	29,741
	Insurance - property		**5,325**	3,692
	Insurance - non banking assets		**673**	229
	Utilities cost		**223,671**	205,158
	Security (including guards)		**150,870**	142,819
	Repair and maintenance (including janitorial charges)		**102,179**	114,017
	Depreciation on owned property and equipments		**130,300**	125,144
	Depreciation on right-of-use assets		**305,660**	271,225
	Depreciation on non banking assets		**50,711**	30,327
			998,444	922,352
	Information technology expenses			
	Software maintenance		**88,529**	87,167
	Hardware maintenance		**82,031**	66,251
	Depreciation on computer equipments		**40,432**	49,361
	Amortisation of computer softwares		**43,232**	36,401
	Network charges		**46,907**	45,355
	Insurance		**153**	2,520
			301,284	287,055
	Other operating expenses			
	Directors' fees and allowances		**31,300**	24,300
	Fees and allowances to Shariah Board		**11,850**	11,850
	Legal and professional charges		**175,918**	161,493
	Outsourced services costs		**177,063**	155,370
	Travelling and conveyance		**238,575**	203,685
	NIFT clearing charges		**22,455**	25,223
	Depreciation		**35,783**	40,846
	Training and development		**2,494**	3,610
	Postage and courier charges		**15,573**	18,665
	Communication		**64,078**	75,396
	Stationery and printing		**64,290**	96,638
	Marketing, advertisement and publicity		**40,773**	30,553
	Brokerage and commission		**13,382**	20,970
	Fee and subscription		**126,942**	133,103
	Cash transportation and sorting charges		**69,087**	78,661
	Entertainment		**30,900**	35,124
	Insurance		**133,939**	86,609
	Deposit insurance premium expense		**93,674**	102,521
	Repair and maintenance		**68,671**	108,659
	Auditors' remuneration		**17,389**	8,406
	Others		**87,458**	47,693
			1,521,594	1,469,375
			4,520,361	4,120,728

	Note	(Un-audited) Half year ended	
		June 30, 2026	June 30, 2025
32. OTHER CHARGES		--------- (Rupees in '000) --------	
Penalties imposed by State Bank of Pakistan		**647**	367

33. CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET			
Credit loss allowance for diminution in value of investments		**(466)**	(590,743)
Credit loss allowance against loans and advances		**(320,309)**	(3,075,019)
Provisions / credit loss allowance against other assets		**(288)**	770
Credit loss allowance against off-balance sheet obligations		**(1,044)**	(2,646)
Credit loss allowance on balance with other banks		**(667)**	156
Credit loss allowance on lending to FI		**1,205**	609
Bad debts written off directly		**-**	932
Property and equipments written off		**-**	7
Recoveries against written off / charged off bad debts		**(193)**	-
		(321,762)	(3,665,934)
34. TAXATION			
Current	34.1 & 34.2	**63,061**	237,208
Prior years		**1,380,759**	123,668
Deferred		**(2,350,119)**	376,219
		(906,299)	737,095

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

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

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

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

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

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

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

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

		(Un-audited)	(Restated) (Un-audited)
		Half year ended	
		June 30, 2026	June 30, 2025
35. BASIC AND DILUTED (LOSS) / EARNING PER SHARE	Note	--------- (Rupees in '000) --------	
(Loss) / profit for the period		**(4,663,605)**	696,619
		------- (Number of shares) -------	
Weighted average number of ordinary shares - Basic		**1,014,175,354**	1,000,000,000
		--------- (Rupee) ---------	
Basic (loss) / earning per share	35.1	**(4.60)**	0.70
		------- (Number of shares) -------	
Weighted average number of ordinary shares - Diluted	35.2	**1,014,175,354**	1,000,000,000
		--------- (Rupee) ---------	
Diluted (loss) / earning per share		**(4.60)**	0.70

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

35.2 There are no potential ordinary shares outstanding as of June 30, 2026.

		(Un-audited)	(Restated) (Un-audited)
		Half year ended	
		June 30, 2026	June 30, 2025
36. CASH AND CASH EQUIVALENTS	Note	--------- (Rupees in '000) ---------	
Cash and balances with treasury banks		**13,653,636**	16,180,399
Balances with other banks excluding credit loss allowance		**2,051,527**	1,751,674
Overdrawn nostro accounts		**(5,037)**	(5,215)
		15,700,126	17,926,858

37. FAIR VALUE MEASUREMENTS

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

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

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

37.1 Fair value of financial assets

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

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

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

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

	June 30, 2026 (Un-audited)			
	Level 1	**Level 2**	**Level 3**	**Total**
On balance sheet financial instruments	---------------------- (Rupees in '000)	----------------------		
Financial assets - measured at fair value				
Investments				
- Federal Government Securities	-	99,554,002	-	99,554,002
- Shares - Listed	51	-	-	51
- Non Government Debt Securities	-	2,885,985	-	2,885,985
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	6,763	6,763
Non-Financial assets - measured at fair value				
Property and equipment (Land and Building)	-	-	7,018,265	7,018,265
Non banking assets acquired in satisfaction of claims	-	-	2,992,667	2,992,667
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	3,878,016	-	3,878,016
Forward sale of foreign exchange	-	278,297	-	278,297

On balance sheet financial instruments	December 31, 2025 (Audited) Level 1	Level 2	Level 3	Total
	----------------------- (Rupees in '000) -----------------------			
Financial assets - measured at fair value				
Investments				
- Federal Government Securities	-	83,096,057	-	83,096,057
- Shares - Listed	68	-	-	68
- Non Government Debt Securities	-	2,952,196	-	2,952,196
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	5,902	5,902
Non-Financial assets - measured at fair value				
Property and equipment (Land and Building)	-	-	7,120,967	7,120,967
Non banking assets acquired in satisfaction of claims	-	-	3,043,378	3,043,378
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	2,301,455	-	2,301,455
Forward sale of foreign exchange	-	-	-	-

Valuation techniques used in determination of fair value

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

38. SEGMENT INFORMATION

38.1 Segment details with respect to business activities

	For the half year ended June 30, 2026 (Un-audited)				
	Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total
	(Rupees in '000)				
Profit and Loss					
Net mark-up / return / profit	(1,452,564)	4,752,276	(5,414,607)	(213,015)	(2,327,910)
Inter segment revenue - net	(843,583)	(4,681,309)	7,867,725	(2,342,833)	-
Non mark-up / return / interest income	190,449	554,999	203,224	8,580	957,252
Total income	(2,105,698)	625,966	2,656,342	(2,547,268)	(1,370,658)
Segment direct expenses	165,888	63,187	2,620,303	1,671,630	4,521,008
Inter segment expense allocation	441,683	175,184	887,072	(1,503,939)	-
Total expenses	607,571	238,371	3,507,375	167,691	4,521,008
Credit loss allowance	(326,032)	292	632	3,346	(321,762)
Profit / (loss) before tax	(2,387,237)	387,303	(851,665)	(2,718,305)	(5,569,904)

	As at June 30, 2026 (Un-audited)				
	Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total
	(Rupees in '000)				
Balance Sheet					
Cash and bank balances	59,241	12,026,621	3,617,764	-	15,703,626
Investments	-	102,441,869	-	231,750	102,673,619
Net inter segment lending	-	-	183,409,264	-	183,409,264
Lendings to financial institutions	-	21,505,095	-	-	21,505,095
Advances - performing	20,182,970	-	281,246	2,368,741	22,832,957
Advances - non-performing	2,173,275	-	7,405	20,626	2,201,306
Others	662,758	2,443,113	4,154,045	65,064,490	72,324,406
Total assets	23,078,244	138,416,698	191,469,724	67,685,607	420,650,273
Borrowings	1,735,345	9,879,377	-	-	11,614,722
Subordinated debt	-	-	-	-	-
Deposits and other accounts	3,001,864	-	187,778,420	-	190,780,284
Net inter segment borrowing	18,283,723	128,527,213	-	36,598,328	183,409,264
Others	57,312	10,108	3,691,304	8,524,371	12,283,095
Total liabilities	23,078,244	138,416,698	191,469,724	45,122,699	398,087,365
Equity	-	-	-	22,562,908	22,562,908
Total equity and liabilities	23,078,244	138,416,698	191,469,724	67,685,607	420,650,273
Contingencies and commitments	45,329,746	4,145,681	-	1,191,180	50,666,607

	For the half year ended June 30, 2025 (Un-audited) (Restated)				
	Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total
	------------------------------- (Rupees in '000) ------------------------------				
Profit and Loss					
Net mark-up / return / profit	224,782	5,805,051	(6,065,314)	(323,180)	(358,661)
Inter segment revenue - net	(398,105)	(4,906,807)	8,588,770	(3,283,858)	-
Non mark-up / return / interest income	176,261	1,677,777	335,452	58,046	2,247,536
Total income	2,938	2,576,021	2,858,908	(3,548,992)	1,888,875
Segment direct expenses	127,734	62,565	2,589,814	1,340,982	4,121,095
Inter segment expense allocation	339,242	135,195	687,747	(1,162,184)	-
Total expenses	466,976	197,760	3,277,561	178,798	4,121,095
Credit loss allowance	(3,076,884)	(591,500)	26	2,424	(3,665,934)
Profit / (loss) before tax	2,612,846	2,969,761	(418,679)	(3,730,214)	1,433,714

	As at December 31, 2025 (Audited)				
	Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total
	------------------------------- (Rupees in '000) ------------------------------				
Balance Sheet					
Cash and Bank balances	76,291	12,357,081	3,243,180	-	15,676,552
Investments	-	86,050,151	-	231,751	86,281,902
Net inter segment lending	-	-	158,972,960	-	158,972,960
Lendings to financial institutions	-	14,199,796	-	-	14,199,796
Advances - performing	20,564,228	-	245,648	2,368,823	23,178,699
Advances - non-performing	2,912,762	-	31,319	4,156	2,948,237
Others	426,832	1,834,475	5,231,687	63,868,104	71,361,098
Total Assets	23,980,113	114,441,503	167,724,794	66,472,834	372,619,244
Borrowings	2,604,169	4,800,353	-	-	7,404,522
Subordinated debt	-	-	-	1,495,515	1,495,515
Deposits and other accounts	4,666,949	-	164,505,407	-	169,172,356
Net inter segment borrowing	16,647,057	109,617,385	-	32,708,518	158,972,960
Others	61,938	23,765	3,219,387	8,562,010	11,867,100
Total liabilities	23,980,113	114,441,503	167,724,794	42,766,043	348,912,453
Equity	-	-	-	23,706,791	23,706,791
Total equity and liabilities	23,980,113	114,441,503	167,724,794	66,472,834	372,619,244
Contingencies and commitments	40,991,131	2,303,977	-	1,183,217	44,478,325

38.1.1 The Bank does not have any operations outside Pakistan.

39. RELATED PARTY TRANSACTIONS

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

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

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

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Directors	Key management personnel	Subsidiary	Other related parties	Directors	Key management personnel	Subsidiary	Other related parties
	(Rupees in '000)							
Investments								
Opening balance	**-**	**-**	**396,942**	**-**	-	-	396,942	552,038
Investment made during the period / year	**-**	**-**	**-**	**-**	-	-	-	-
Investment redeemed / disposed off during the period / year	**-**	**-**	**-**	**-**	-	-	-	-
Transfer in / (out) - net	**-**	**-**	**-**	**-**	-	-	-	(552,038)
Closing balance	**-**	**-**	**396,942**	**-**	-	-	396,942	-
Credit loss allowance for diminution in value of investments	**-**	**-**	**165,191**	**-**	-	-	165,191	-
Advances								
Opening balance	**-**	**430,229**	**94,441**	**2,492**	-	421,468	44,902	517,251
Addition during the period / year	**-**	**111,557**	**1,151,507**	**-**	-	115,022	4,899,239	2,700
Repaid during the period / year	**-**	**(46,727)**	**(1,113,348)**	**(241)**	-	(111,691)	(4,849,700)	(399)
Transfer in / (out) - net	**-**	**(11,375)**	**-**	**-**	-	5,430	-	(517,060)
Closing balance	**-**	**483,684**	**132,600**	**2,251**	-	430,229	94,441	2,492
Credit loss allowance held against advances	**-**	**66**	**285**	**0**	-	58	417	0

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Directors	Key management personnel	Subsidiary	Other related parties	Directors	Key management personnel	Subsidiary	Other related parties
	---------- (Rupees in '000) ----------							
Other Assets								
Interest / mark-up accrued	**-**	**3,756**	**5,050**	**46**	-	1,791	6,727	21
Advances, deposits, advance rent and other prepayments	**-**	**2,966**	**-**	**-**	-	4,012	-	-
Other receivable	**4,195**	**-**	**-**	**2,250**	4,195	-	-	2,250
Credit loss allowance held against other assets	**-**	**-**	**-**	**-**	-	-	-	-
Deposits and other accounts								
Opening balance	**3,459**	**37,558**	**316,491**	**770,456**	1,495	17,811	154,871	652,361
Received during the period / year	**8,321**	**333,896**	**2,690,459**	**552,459**	17,100	584,100	7,356,493	5,857,289
Withdrawn during the period / year	**(9,119)**	**(343,406)**	**(2,855,793)**	**(286,935)**	(15,136)	(564,502)	(7,194,873)	(5,715,315)
Transfer (out) / in - net	**-**	**2,054**	**-**	**-**	-	149	-	(23,879)
Closing balance	**2,661**	**30,102**	**151,157**	**1,035,980**	3,459	37,558	316,491	770,456
Other Liabilities								
Payable to defined benefit plan	**-**	**-**	**-**	**54,679**	-	-	-	143,909
Brokerage payable	**-**	**-**	**485**	**-**	-	-	465	-
Payable to sponsor	**-**	**-**	**-**	**68,414**	-	-	-	59,583
Advance against subscription of shares	**-**	**-**	**-**	**5,000,000**	-	-	-	5,000,000
Contingencies and Commitments								
Commitments to extend credit*	**-**	**-**	**167,400**	**-**	-	-	205,559	-

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

	For the half year ended June 30, 2026 (Un-audited)				For the half year ended June 30, 2025 (Un-audited)			
	Directors	Key management personnel	Subsidiary	Other related parties	Directors	Key management personnel	Subsidiary	Other related parties
	---------- (Rupees in '000) ----------							
Income								
Mark-up / return / interest earned	**-**	**8,105**	**11,344**	**56**	-	9,586	8,586	37
Fee and commission income	**-**	**-**	**63**	**-**	-	-	81	692
Expense								
Mark-up / return / interest expensed	**99**	**465**	**5,073**	**40,344**	115	647	4,456	27,034
Operating expenses:								
- Directors' fees and allowances	**31,300**	**-**	**-**	**-**	24,300	-	-	-
- Brokerage and commission	**-**	**-**	**1,628**	**-**	-	-	1,671	-
- Fee and subscription	**-**	**1,481**	**-**	**-**	-	1,521	-	-
- Managerial Remuneration	**-**	**297,263**	**-**	**1,355**	-	255,936	-	1,060
- Contribution to defined contribution plan	**-**	**-**	**-**	**67,355**	-	-	-	44,517
- Charge for defined benefit plan	**-**	**-**	**-**	**54,679**	-	-	-	43,019
Credit loss allowance against loans and advances	**-**	**8**	**(132)**	**-**	-	(5)	642	(369,065)
Credit loss allowance for diminution in value of investments	**-**	**-**	**-**	**-**	-	-	-	(552,023)
Credit loss allowance against off-balance sheet obligations	**-**	**-**	**-**	**-**	-	-	-	(8,888)

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

40. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	-------- (Rupees in '000) --------	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	**13,391,280**	15,000,000
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier-1 (CET-1) Capital	**901,607**	5,860,530
Eligible Additional Tier-1 (ADT-1) Capital	**-**	-
Total Eligible Tier-1 Capital	**901,607**	5,860,530
Eligible Tier-2 Capital	**375,669**	2,019,056
Total Eligible Capital (Tier-1 + Tier-2)	**1,277,276**	7,879,586
Risk Weighted Assets (RWAs):		
Credit Risk	**70,359,222**	64,867,666
Market Risk	**1,277,409**	2,217,783
Operational Risk	**567,628**	567,628
Total	**72,204,259**	67,653,077
Common Equity Tier-1 Capital Adequacy Ratio (refer Note 1.5)	**1.25%**	8.66%
Tier-1 Capital Adequacy Ratio (refer Note 1.5)	**1.25%**	8.66%
Total Capital Adequacy Ratio (refer Note 1.5)	**1.77%**	11.65%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	**901,607**	5,860,530
Total Exposures	**249,219,997**	218,250,116
Leverage Ratio	**0.36%**	2.69%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	**92,485,700**	93,212,792
Total Net Cash Outflow	**34,472,035**	35,685,184
Liquidity Coverage Ratio	**268.29%**	261.21%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	**153,650,461**	123,575,527
Total Required Stable Funding	**100,914,414**	80,807,406
Net Stable Funding Ratio	**152.26%**	152.93%

41. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 12 (December 31, 2025: 12) Islamic banking branches and 81 (December 31, 2025: 82) Islamic banking windows at the end of the period.

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		**4,775,188**	4,589,844
Balances with other banks		**-**	-
Due from financial institutions	41.1	**13,079,032**	8,659,637
Investments	41.2	**43,611,790**	36,222,721
Islamic financing and related assets - net	41.3	**2,899,401**	2,380,078
Property and equipment		**203,094**	209,295
Right-of-use assets		**243,866**	213,097
Intangible assets		**-**	-
Due from Head Office		**-**	-
Deferred tax assets		**72,444**	-
Other assets		**3,149,484**	864,616
Total Assets		**68,034,299**	53,139,288
LIABILITIES			
Bills payable		**473,849**	248,357
Due to financial institutions		**-**	-
Deposits and other accounts	41.4	**57,278,809**	42,086,905
Due to Head Office		**-**	-
Lease liabilities		**281,896**	240,234
Subordinated debt		**-**	-
Deferred tax liabilities		**-**	19,852
Other liabilities		**216,984**	1,207,751
		58,251,538	43,803,099
NET ASSETS		**9,782,761**	9,336,189
REPRESENTED BY			
Islamic Banking Fund		**1,000,000**	1,000,000
Reserves		**-**	-
Surplus on revaluation of assets		**(100,042)**	27,415
Unappropriated profit	41.5	**8,882,803**	8,308,774
		9,782,761	9,336,189
CONTINGENCIES AND COMMITMENTS	41.6		

ISLAMIC BANKING BUSINESS
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

	Note	June 30, 2026	June 30, 2025
		-------- (Rupees in '000)	--------
Profit / return earned	41.7	**2,673,664**	3,406,157
Profit / return expensed	41.8	**1,498,232**	1,592,448
Net Profit / return		**1,175,432**	1,813,709
Other income			
Fee and commission income		**73,007**	95,354
Dividend income		**-**	-
Foreign exchange loss		**(14,490)**	(131,343)
Income / (loss) from derivatives		**-**	-
(Loss) / gain on securities		**(10,136)**	314,663
Other income		**-**	207
Total other income		**48,381**	278,881
Total income		**1,223,813**	2,092,590
Other expenses			
Operating expenses		**638,439**	553,388
Workers' welfare fund		**-**	-
Other charges		**102**	-
Total other expenses		**638,541**	553,388
Profit before credit loss allowance		**585,272**	1,539,202
Credit loss allowance and write offs - net		**13,798**	(18,395)
Profit before taxation		**571,474**	1,557,597
Taxation		**-**	-
Profit after taxation		**571,474**	1,557,597

ISLAMIC BANKING BUSINESS
FOR THE HALF YEAR ENDED JUNE 30, 2026

41.1 Due from Financial Institutions

	Note	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)					
Unsecured							
Bai Muajjal Receivable from State Bank of Pakistan		**12,579,100**	**-**	**12,579,100**	5,599,496	-	5,599,496
Bai Muajjal Receivable from other Financial Institutions	41.1.1	**-**	**-**	**-**	3,060,554	-	3,060,554
Musharakah		**500,000**	**-**	**500,000**	-	-	-
		13,079,100	**-**	**13,079,100**	8,660,050	-	8,660,050
Less: Credit loss allowance							
Stage 1		**(68)**	**-**	**(68)**	(413)	-	(413)
Stage 2		**-**	**-**	**-**	-	-	-
Stage 3		**-**	**-**	**-**	-	-	-
		(68)	**-**	**(68)**	(413)	-	(413)
Due from financial institutions - net of credit loss allowance		**13,079,032**	**-**	**13,079,032**	8,659,637	-	8,659,637

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

41.2 Investments

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 FVOCI								
Federal Government Securities:								
- GOP Ijarah Sukuks	**41,692,426**	**-**	**(254,538)**	**41,437,888**	34,041,160	-	(37,338)	34,003,822
Non Government Debt Securities:								
- Listed	**2,174,196**	**(294)**	**-**	**2,173,902**	2,219,199	(300)	-	2,218,899
Total Investments	**43,866,622**	**(294)**	**(254,538)**	**43,611,790**	36,260,359	(300)	(37,338)	36,222,721

41.3 Islamic financing and related assets

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	-------- (Rupees in '000) --------	
Ijarah	**540,054**	681,034
Murabaha	**3,680**	-
Running Musharakah	**343,590**	620
Diminishing Musharakah	**1,891,872**	1,529,328
Tijarah	**242,139**	272,699
Advance against Ijarah	**-**	4,500
Gross Islamic financing and related assets	**3,021,335**	2,488,181
Less: Credit loss allowance against Islamic financings		
-Stage 1	**(3,093)**	(2,346)
-Stage 2	**-**	(357)
-Stage 3	**(118,841)**	(105,400)
	(121,934)	(108,103)
Islamic financing and related assets - net of credit loss allowance	**2,899,401**	2,380,078

41.4 Deposits

	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	**9,011,552**	**1,144,251**	**10,155,803**	6,554,244	710,157	7,264,401
Savings deposits	**32,433,015**	**243,910**	**32,676,925**	29,256,517	186,454	29,442,971
Term deposits	**8,290,047**	**91,955**	**8,382,002**	4,361,280	86,549	4,447,829
Others	**482,957**	**-**	**482,957**	427,926	-	427,926
	50,217,571	**1,480,116**	**51,697,687**	40,599,967	983,160	41,583,127
Financial Institutions						
Current deposits	**4,615**	**7**	**4,622**	5,366	8	5,374
Savings deposits	**5,420,346**	**-**	**5,420,346**	343,926	-	343,926
Term deposits	**156,154**	**-**	**156,154**	154,478	-	154,478
	5,581,115	**7**	**5,581,122**	503,770	8	503,778
	55,798,686	**1,480,123**	**57,278,809**	41,103,737	983,168	42,086,905

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
41.5	**Unappropriated profit**	-------- (Rupees in '000) --------	
	Opening balance	**8,308,774**	5,919,535
	Add: Islamic Banking profit for the period / year	**571,474**	2,386,026
	Transfer in respect of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit	**2,555**	3,213
	Closing balance	**8,882,803**	8,308,774

41.6	**Contingencies and Commitments**		
	- Guarantees	**4,405,846**	3,709,728
	- Commitments	**1,662,105**	743,340
	- Other contingent liabilities	**-**	-
		6,067,951	4,453,068

		(Un-audited)	
		June 30, 2026	June 30, 2025
41.7	**Profit / Return Earned of Financing, Investments and Placement**	------- (Rupees in '000) --------	
	Profit earned on:		
	Financing	**77,759**	83,730
	Investments	**2,016,338**	2,449,866
	Placements	**579,567**	872,561
		2,673,664	3,406,157

41.8	**Profit on Deposits and other Dues Expensed**		
	Deposits and other accounts	**1,456,428**	1,524,121
	Due to Financial Institutions	**19,078**	48,962
	Finance cost of lease liability	**22,726**	19,365
		1,498,232	1,592,448

42. RESTATEMENT

With respect to the sanctioning of the Scheme of Arrangement by the Honorable High Court of Islamabad with the effective date of September 30, 2024, and filing of the certified copy of the court order with the Registrar dated November 21, 2025 (Completion date), the additional operating expense of Global Haly Development Limited for the half year ended June 30, 2025 amounting to Rs 11.153 million has been incorporated. In compliance with the requirements of IAS 8, this amount has been accounted for by restating the comparative unconsolidated condensed interim financial statements for the period ended June 30, 2025. Had this expense not been accounted for by the Bank, profit after taxation would have been higher by Rs. 11.153 million for the period ended June 30, 2025.

43. DATE OF AUTHORIZATION OF ISSUE

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

President / Chief Executive	Chief Financial Officer	Director	Director	Director

Bank Makramah Limited
Consolidated Condensed Interim Financial Statements
For The Half Year Ended June 30, 2026

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.

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.

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

BANK MAKRAMAH LIMITED
CONSOLIDATED 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	Restated June 30, 2025	June 30, 2026	Restated June 30, 2025
	(Rupees in '000)			
(Loss) / Profit after taxation for the period	**(3,931,066)**	1,572,566	**(4,682,280)**	704,474
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in (deficit) / surplus on revaluation of debt investments through FVOCI - net of tax	**156,751**	336,040	**(215,081)**	(573,774)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of property and equipment - net of tax	**-**	-	**424,794**	-
Movement in (deficit) / surplus on revaluation of equity investments - net of tax	**44,558**	9,057	**18,847**	5,007
	44,558	9,057	**443,641**	5,007
Total comprehensive loss	**(3,729,757)**	1,917,663	**(4,453,720)**	135,707

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

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.

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.

President / Chief Executive	Chief Financial Officer	Director	Director	Director

BANK MAKRAMAH LIMTED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

1. STATUS AND NATURE OF BUSINESS

1.1 The Group comprises of:

1.1.1 Holding Company: Bank Makramah Limited

Bank Makramah Limited (the Bank), is a banking company incorporated in Pakistan on December 09, 2005 as a public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at 20 - Al Asghar Plaza, Blue Area, Islamabad, Pakistan and its principal office is situated at No. 13, COM-3 , Block 6, Clifton, Karachi, Pakistan.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 147 Conventional Banking Branches and 12 Islamic Banking Branches (December 31, 2025: 149 Conventional Banking Branches and 12 Islamic Banking Branches) in Pakistan.

1.1.2 Subsidiary

Summit Capital Private Limited - 100 % Shareholding

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

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

1.3 In continuation to the disclosure given in the annual financial statement of December 31, 2025, related to the capital restructuring plan, the current status is as below:

- Recoveries against non-performing loans from Omni group (refer Note 10.3)
- Sale of self-constructed building on the plot of land bearing No. G-2, Block 2, Scheme No. 5 (refer Note 15.2)
- The Holding Company entered into a revised agreement with DHA during the period (refer Note 15.1)

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

1.5 During the period ended, the Group has incurred a net loss of Rs. 4,682.280 million and the Group’s retained earnings as on Dec 31, 2025 have turned into accumulated losses of Rs. 1,973.826 million. As per the applicable laws and regulations, the Holding Company is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of June 30, 2026. However, though the Group has met Minimum Capital Requirement (MCR), i.e., Minimum Paid-up Capital (net of losses) (MCR), set by the State Bank of Pakistan as at June 30, 2026 the Group has become non-compliant in respect of Capital Adequacy Ratio (CAR) which now stands at 2.14% against required CAR of 11.5%. Group’s Leverage Ratio (LR) is at 0.44%, which is below the required 3% threshold, as disclosed in note 40 to the enclosed consolidated condensed interim financial statements.

However, the Holding Company has received an investment commitment from the Sponsor of the Holding company, His Excellency Nasser Abdulla Hussain Lootah to further inject Rs. 10,000.00 million into the Holding Company. The Board of Directors in their meeting held on August 18, 2026, considered and approved the proposal and authorized the President / CEO to execute the agreement between the Holding Company and the Sponsor which sets out the terms. This amount of Rs. 10,000.00 million shall be recorded as Advance Against Share Subscription, till such time regulatory and corporate approvals are obtained for the issuance of shares to the Sponsor, by way of other than right issue. At the time of approval of accounts, Rs. 4,000.00 million has been received with improvement in CAR to 10.41% and upon total receipt of Rs. 10,000.00 million the Group will become CAR compliant.

2. BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

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

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

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

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

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

2.2.2 Key financial figures of the Islamic banking branches are disclosed in Note 41 to these consolidated condensed interim financial statements.

2.3 Basis of consolidation

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

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

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

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

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

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

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

The following are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 01, 2027 but are considered not to be relevant or will not have any material effect on the Group's financial statements other than certain additional disclosures:

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

2.7 Critical accounting estimates and judgements

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

3. BASIS OF MEASUREMENT

3.1 Accounting convention

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

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

3.2 Functional and Presentation Currency

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION

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

5. FINANCIAL RISK MANAGEMENT

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

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		-------- (Rupees in '000) --------	
6. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		**3,475,573**	2,993,562
Foreign currency		**192,535**	315,610
		3,668,108	3,309,172
With State Bank of Pakistan in			
Local currency current account		**8,714,969**	8,273,572
Foreign currency current account		**397,771**	428,588
Foreign currency deposit account		**505,121**	607,487
		9,617,861	9,309,647
With National Bank of Pakistan in Local currency current account		**358,772**	286,667
Prize bonds		**8,905**	10,300
Less: Credit loss allowance held against cash and balances with treasury banks		**-**	-
Cash and balances with treasury banks - net of credit loss allowance		**13,653,646**	12,915,786
7. BALANCES WITH OTHER BANKS			
In Pakistan			
In current account		**17,125**	27,866
In deposit account		**37,963**	2,292
		55,088	30,158
Outside Pakistan			
In current account		**1,975,810**	2,674,471
In deposit account		**61,340**	61,772
		2,037,150	2,736,243
Less: Credit loss allowance held against balances with other banks		**(1,537)**	(2,204)
Balances with other banks - net of credit loss allowance		**2,090,701**	2,764,197
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Reverse repo agreements		**8,427,200**	8,600,300
Bai Muajjal receivable			
- with State Bank of Pakistan		**12,579,100**	5,599,496
'Musharakah		**500,000**	-
		21,506,300	14,199,796
Less: Credit loss allowance held against lending to financial institutions		**(1,205)**	-
Lendings to financial institutions - net of credit loss allowance		**21,505,095**	14,199,796

8.1 Lending to FIs- Particulars of credit loss allowance

		June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Lending	Credit loss allowance	Lending	Credit loss allowance held
		-------------------------- (Rupees in '000) --------------------------			
Domestic					
Performing	Stage 1	**21,506,300**	**1,205**	14,199,796	-
Under performing	Stage 2	**-**	**-**	-	-
Non-performing	Stage 3				
Substandard		**-**	**-**	-	-
Doubtful		**-**	**-**	-	-
Loss		**-**	**-**	-	-
Total		**21,506,300**	**1,205**	14,199,796	-

9. INVESTMENTS

9.1 Investments by type:

	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)							
Classified / Measured at FVTPL								
Shares								
- Fully paid up ordinary shares - Listed	**178,995**	**-**	**(18,693)**	**160,302**	163,087	-	1,508	164,595
Debt Instruments								
Classified / Measured at FVOCI								
Federal Government Securities								
- Market Treasury Bills	**3,971,764**	**-**	**584**	**3,972,348**	8,523,342	-	16,380	8,539,722
- Pakistan Investment Bonds	**52,111,228**	**-**	**(54,265)**	**52,056,963**	35,708,939	-	64,812	35,773,751
- GoP Ijarah Sukuks	**43,793,654**	**-**	**(268,963)**	**43,524,691**	38,815,592	-	(33,008)	38,782,584
Non Government Debt Securities								
- Term Finance Certificates	**720,986**	**(8,903)**	**-**	**712,083**	742,104	(8,807)	-	733,297
- Sukuk Bonds	**2,338,918**	**(165,016)**	**-**	**2,173,902**	2,384,477	(165,578)	-	2,218,899
	102,936,550	**(173,919)**	**(322,644)**	**102,439,987**	86,174,454	(174,385)	48,184	86,048,253
Equity Instruments								
Classified / Measured at FVOCI (Non-Reclassifiable)								
Shares								
- Fully paid up ordinary shares - Listed	**11,025**	**-**	**96,788**	**107,813**	11,025	-	77,958	88,983
- Fully paid up ordinary shares - Unlisted	**108,037**	**(100,906)**	**-**	**7,131**	108,037	(100,906)	-	7,131
- Preference shares - Unlisted	**46,035**	**(46,035)**	**-**	**-**	46,035	(46,035)	-	-
	165,097	**(146,941)**	**96,788**	**114,944**	165,097	(146,941)	77,958	96,114
Total Investments	**103,280,642**	**(320,860)**	**(244,549)**	**102,715,233**	86,502,638	(321,326)	127,650	86,308,962

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	(Rupees in '000)	
9.1.1 Investments given as collateral		
Pakistan Investment Bonds	**14,363,800**	9,307,490

9.2 Credit loss allowance for diminution in value of investments

Opening balance	**321,326**	1,893,382
Other adjustments	**-**	99,906
Charge / reversals		
Charge for the period / year	**96**	-
Reversals for the period / year	**(562)**	(733,307)
Reversal on disposals	**-**	(938,655)
	(466)	(1,671,962)
Closing balance	**320,860**	321,326

9.3 Particulars of credit loss allowance against debt securities

Category of classification		June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
		(Rupees in '000)			
Domestic					
Performing	Stage 1	**99,876,646**	**-**	83,047,873	-
Underperforming	Stage 2	**2,886,375**	**390**	2,952,496	300
Non-performing	Stage 3				
Loss		**173,529**	**173,529**	174,085	174,085
		102,936,550	**173,919**	86,174,454	174,385

10. 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.		**19,887,009**	20,691,796	**15,335,781**	16,369,109	**35,222,790**	37,060,905
Islamic financing and related assets	41.3	**2,806,503**	2,273,022	**214,832**	215,159	**3,021,335**	2,488,181
Bills discounted and purchased		**235,851**	382,186	**38,353**	38,353	**274,204**	420,539
Advances - gross		**22,929,363**	23,347,004	**15,588,966**	16,622,621	**38,518,329**	39,969,625
Credit loss allowance against advances	10.3						
- Stage 1		**(18,779)**	(18,669)	**-**	-	**(18,779)**	(18,669)
- Stage 2		**(209,942)**	(243,851)	**-**	-	**(209,942)**	(243,851)
- Stage 3		**-**	-	**(13,387,660)**	(13,674,384)	**(13,387,660)**	(13,674,384)
		(228,721)	(262,520)	**(13,387,660)**	(13,674,384)	**(13,616,381)**	(13,936,904)
Advances - net of credit loss allowance		**22,700,642**	23,084,484	**2,201,306**	2,948,237	**24,901,948**	26,032,721

10.1 Particulars of advances (Gross)

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	--------- (Rupees in '000) ---------	
In local currency	**38,449,725**	39,877,935
In foreign currencies	**68,604**	91,690
	38,518,329	39,969,625

10.2 Advances include Rs. 15,588.966 million (December 31, 2025: Rs. 16,622.621 million) which have been placed under non-performing / Stage 3 status as detailed below:-

Category of Classification		(Un-audited) June 30, 2026 Non performing loans	(Un-audited) June 30, 2026 Credit loss allowance	(Audited) December 31, 2025 Non performing loans	(Audited) December 31, 2025 Credit loss allowance
		------- (Rupees in '000) -------			
Domestic					
Other Assets Especially Mentioned	Stage 2	**196**	**76**	-	-
Substandard	Stage 3	**634,320**	**523,169**	640,159	497,536
Doubtful	Stage 3	**4,538**	**2,699**	26,778	14,016
Loss	Stage 3	**14,949,912**	**12,861,792**	15,955,684	13,162,832
		15,588,966	**13,387,736**	16,622,621	13,674,384

10.3 Particulars of credit loss allowance against advances

	June 30, 2026 (Un-audited) Stage 1	Stage 2	Stage 3	Total	December 31, 2025 (Audited) Stage 1	Stage 2	Stage 3	Total
	------- (Rupees in '000) -------							
Opening balance	**18,669**	**243,851**	**13,674,384**	**13,936,904**	24,950	206,817	33,021,294	33,253,061
Charge for the period / year	**5,725**	**116,836**	**731,154**	**853,715**	11,484	225,024	139,576	376,084
Reversals for the period / year	**(5,615)**	**(150,745)**	**(1,017,723)**	**(1,174,083)**	(17,765)	(187,990)	(19,331,628)	(19,537,383)
	110	**(33,909)**	**(286,569)**	**(320,368)**	(6,281)	37,034	(19,192,052)	(19,161,299)
Amounts written off	**-**	**-**	**(155)**	**(155)**	-	-	(154,858)	(154,858)
Closing balance	**18,779**	**209,942**	**13,387,660**	**13,616,381**	18,669	243,851	13,674,384	13,936,904

10.4 Advances - 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)							
Opening balance	**18,669**	**243,851**	**13,674,384**	**13,936,904**	24,950	206,817	33,021,294	33,253,061
New Advances	**3,871**	**82,617**	**-**	**86,488**	1,570	2,530	-	4,100
Advances derecognised or repaid	**(1,586)**	**(4,957)**	**(860,180)**	**(866,723)**	(2,527)	(27,811)	(4,276,437)	(4,306,775)
Transfer to stage 1	**338**	**(338)**	**-**	**-**	9,162,303	(83,698)	(9,078,605)	-
Transfer to stage 2	**(7)**	**75,967**	**(75,960)**	**-**	(78)	3,303,760	(3,303,682)	-
Transfer to stage 3	**-**	**(229)**	**229**	**-**	(30)	(7,589)	7,619	-
	2,616	**153,060**	**(935,911)**	**(780,235)**	9,161,238	3,187,192	(16,651,105)	(4,302,675)
Changes in risk parameters (PDs/LGDs/EADs)	**(2,506)**	**(186,969)**	**649,342**	**459,867**	(9,167,519)	(3,150,158)	(2,540,947)	(14,858,624)
Amounts written off / charged off	**-**	**-**	**(155)**	**(155)**	-	-	(154,858)	(154,858)
Closing balance	**18,779**	**209,942**	**13,387,660**	**13,616,381**	18,669	243,851	13,674,384	13,936,904

10.5 Advances - Category of classification

		June 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
		(Rupees in '000)			
Performing	Stage 1	**19,655,403**	**18,779**	19,287,276	18,669
Underperforming	Stage 2	**3,273,960**	**209,866**	4,019,180	243,851
Non-Performing					
Other Assets Especially Mentioned	Stage 2	**196**	**76**	-	-
Substandard	Stage 3	**634,320**	**523,169**	640,159	497,536
Doubtful	Stage 3	**4,538**	**2,699**	26,778	14,016
Loss	Stage 3	**14,949,912**	**12,861,792**	15,996,232	13,162,832
Total		**38,518,329**	**13,616,381**	39,969,625	13,936,904

11. PROPERTY AND EQUIPMENT

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		(Rupees in '000)	
Capital work-in-progress	11.1	**104,305**	45,512
Property and equipment		**7,560,981**	7,725,240
		7,665,286	7,770,752

11.1 Capital work-in-progress

Civil works and related payments / progress billings	**67,821**	2,500
Advances and other payments to suppliers and contractors	**36,484**	43,012
	104,305	45,512

11.2 Additions to property and equipment

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

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

Capital work-in-progress - net	**58,793**	(8,864)
Property and equipment		
Building improvements	**6,630**	37,890
Furniture and fixture	**1,922**	7,834
Electrical, office and computer equipment	**22,723**	29,359
Vehicles	**13,828**	-
	45,103	75,083
	103,896	66,219

11.3 Disposal of property and equipment

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

Property and equipment		
Building on leasehold land	**-**	141,743
Building improvements	**-**	11,599
Furniture and fixture	**1**	8
Electrical, office and computer equipment	**403**	436
Vehicles		85
	404	153,871

			June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
			Buildings	ATMs	Total	Buildings	ATMs	Total
12.	**RIGHT-OF-USE ASSETS**	Note	(Rupees in '000)					
	At January 01,							
	Cost		**4,460,302**	-	**4,460,302**	4,316,299	-	4,316,299
	Accumulated depreciation		**(1,921,524)**	-	**(1,921,524)**	(1,715,028)	-	(1,715,028)
	Net carrying amount		**2,538,778**	-	**2,538,778**	2,601,271	-	2,601,271
	Additions during the period / year		**807,405**	**463,167**	**1,270,572**	577,255	-	577,255
	Modifications during the period / year	20	**(3,862)**	-	**(3,862)**	(6,411)	-	(6,411)
	Deletions during the period / year							
	Cost		**(203,971)**	-	**(203,971)**	(426,841)	-	(426,841)
	Accumulated depreciation		**203,971**	-	**203,971**	333,096	-	333,096
			-	**-**	**-**	(93,745)	-	(93,745)
	Depreciation charge for the period / year	31	**(283,604)**	**(22,056)**	**(305,660)**	(539,592)	-	(539,592)
	Closing net carrying amount		**3,058,717**	**441,111**	**3,499,828**	**2,538,778**	-	2,538,778

13.	**INTANGIBLE ASSETS**			
	Capital work-in-progress	13.1	**46,624**	45,874
	Intangible assets in use	13.2	**238,203**	279,228
			284,827	325,102
13.1	**Capital work-in-progress**			
	Advances to suppliers and contractors		**46,624**	45,874
	Advances against capital work in progress considered doubtful		**142,522**	142,522
	Less: Provision held there against		**(142,522)**	(142,522)
			-	-
			46,624	45,874
13.2	**Intangible assets in use**			
	Computer softwares		**237,588**	276,728
	Trading rights entitlement certificate		**615**	2,500
			238,203	279,228

		(Un-audited)	
		June 30, 2026	June 30, 2025
		(Rupees in '000)	
13.3	**Additions to intangible assets**		
	The following additions have been made to intangible assets during the period:		
	Capital work-in-progress - net	**750**	(27,476)
	Directly purchased	**2,208**	92,020
	Total	**2,958**	64,544

13.4 There were no disposals in intangible assets during the current and prior period.

14. DEFERRED TAX ASSETS

	June 30, 2026 (Un-audited)				
	At January 01, 2026	IFRS - 9 transition / reclass impact	Recognised in profit and loss account	Recognised in other comprehensive income	At June 30, 2026
	---------------------------- (Rupees in '000) ----------------------------				
Deductible Temporary differences on					
- Tax losses carried forward	**10,696,970**	**-**	**1,197,259**	**-**	**11,894,229**
- Credit loss allowance against advances	**5,591,132**	**-**	**(122,121)**	**-**	**5,469,011**
- Remeasurement of advances	**162,368**	**-**	**834,143**	**-**	**996,511**
- Remeasurement of investments	**63,249**	**-**	**16,299**	**-**	**79,548**
- Credit loss allowance against Investment	**134,956**	**-**	**(196)**	**-**	**134,760**
- (Surplus) / Deficit on revaluation of investments	**(20,259)**	**-**	**-**	**155,754**	**135,495**
- Provision against intangible assets	**51,729**	**-**	**-**	**-**	**51,729**
- Staff compensated absences	**84,974**	**-**	**(227)**	**-**	**84,747**
- Depreciation on ROUA, related finance cost less actual rent expense - IFRS 16	**535,783**	**-**	**35,206**	**-**	**570,989**
- Workers welfare fund	**160,273**	**-**	**5,611**	**-**	**165,884**
- Credit loss allowance against other assets	**246,602**	**-**	**(438)**	**-**	**246,164**
- Minimum tax	**1,137**	**-**	**(789)**	**-**	**348**
- Alternative Corporate tax	**325**	**-**	**(325)**	**-**	**-**
	17,709,239	**-**	**1,964,422**	**155,754**	**19,829,415**
Taxable Temporary Differences on					
- Surplus on revaluation of property and equipments	**(2,347,553)**	**-**	**34,683**	**424,794**	**(1,888,076)**
- Surplus on revaluation of non-banking assets	**(589,004)**	**-**	**12,799**	**-**	**(576,205)**
- Unrealized gain on forward exchange contracts	**1,059**	**-**	**(6,107)**	**-**	**(5,048)**
- Accelerated tax depreciation	**(589,939)**	**-**	**343,635**	**-**	**(246,304)**
	(3,525,437)	**-**	**385,010**	**424,794**	**(2,715,633)**
	14,183,802	**-**	**2,349,432**	**580,548**	**17,113,782**

	December 31, 2025 (Audited)				
	At January 01, 2025	IFRS - 9 transition / reclass impact	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2025
	---------------------------- (Rupees in '000) ----------------------------				
Deductible Temporary differences on					
- Tax losses carried forward	16,960,119	(463,961)	(5,799,188)	-	10,696,970
- Credit loss allowance against advances	10,190,603	-	(4,599,471)	-	5,591,132
- Remeasurement of advances	161,420	-	948	-	162,368
- Remeasurement of investments	-	-	63,249	-	63,249
- Credit loss allowance against Investment	795,338	41,961	(702,343)	-	134,956
- Provision against intangible assets	51,729	-	-	-	51,729
- Staff compensated absences	66,982	-	17,992	-	84,974
- Depreciation on ROUA, related finance cost less actual rent expense - IFRS 16	-	463,961	71,822	-	535,783
- Workers welfare fund	-	-	160,273	-	160,273
- Credit loss allowance against other assets	225,583	-	21,019	-	246,602
- Minimum tax	1,137	-	-	-	1,137
- Alternative Corporate tax	325	-	-	-	325
	28,453,236	41,961	(10,765,699)	-	17,729,498
Taxable Temporary Differences on					
- Surplus on revaluation of property and equipments	(1,107,389)	-	582,635	(1,822,799)	(2,347,553)
- Surplus on revaluation of investments	(563,491)	(41,961)	-	585,193	(20,259)
- Unrealized gain on forward exchange contracts	(8,795)	-	9,854	-	1,059
- Surplus on revaluation of property - held for sale	(470,714)	-	470,714	-	-
- Surplus on revaluation of non-banking assets	(289,585)	-	9,802	(309,221)	(589,004)
- Accelerated tax depreciation	(412,425)	-	(177,514)	-	(589,939)
	(2,852,399)	(41,961)	895,491	(1,546,827)	(3,545,696)
	25,600,837	-	(9,870,208)	(1,546,827)	14,183,802

14.1 The net deferred tax asset has been recognized in accordance with the Group's accounting policy. The management, based on financial projections, estimates that sufficient taxable profits would be available in future against which the deferred tax asset could be realised. The projections includes certain key assumptions underlying management's estimation of profits. These assumptions includes revival of credit rating of the Holding Company which will boost the trust and confidence of the public in attracting the deposits which would be invested in Government securities consequently increasing the earning assets of the Holding Company.

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
15.	**OTHER ASSETS**		--------- (Rupees in '000) ---------	
	Income / mark-up accrued in local currency		**3,162,363**	2,303,982
	Income / mark-up accrued in foreign currency		**2,772**	1,827
	Advances, deposits, advance rent and other prepayments		**319,846**	421,128
	Advance taxation (payments less provisions)		**-**	611,549
	Non-banking assets acquired in satisfaction of claims		**1,831,098**	1,851,503
	Branch adjustment account		**44,128**	1,280
	Receivable from other banks against clearing and settlement		**834,438**	1,827,421
	Mark to market gain on forward foreign exchange contracts		**18,985**	3,277
	Acceptances		**166,104**	123,555
	Stationery and stamps on hand		**6,736**	6,078
	Commission receivable on brokerage		**4,047**	9,135
	Leasehold land - Held for Sale (HFS) acquired through amalgamation with Global haly davelopment limited under scheme of arrangement	15.1	**27,620,338**	27,620,338
	Account receivable		**67,959**	77,587
	Receivable against sale of G2 building	15.2	**8,634,180**	10,634,180
	Others		**596,164**	638,227
			43,309,158	46,131,067
	Less: Provisions / credit loss allowance held against other assets	15.3	**(890,452)**	(890,828)
	Other assets (net of provisions / credit loss allowance)		**42,418,706**	45,240,239
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims		**1,371,916**	1,402,391
	Other assets - total		**43,790,626**	46,642,630

15.1 Pursuant to a court-sanctioned Scheme of Arrangement, the Holding company obtained control over 5.3 acres of land belonging to Global Haly Development Limited (GHDL), located at Plot No. SM-212, Faisal Street No. 2, Phase VIII, DHA, Karachi. After the amalgamation, the property is being carried at lower of carrying amount and realizable value. The Holding Company has entered into a new agreement with DHA, dated February 12, 2026, under which the Holding Company will construct a mixed-use development. Under this new agreement, DHA's entitlement is the higher of 11% of the gross saleable area or 325,000 sq. ft. of the constructed complex. The Holding company is still exploring multiple options regarding the execution of the revised agreement with DHA.

15.2 During the period, the Holding Company (the Seller) has entered into a Tripartite Sale Agreement on April 08, 2026 with Mr. Dawood Jan Muhammad (the Seller) and United Bank Limited (the Buyer) to sell Cullinan Tower (G-2 Building) for a total sale consideration of Rs. 14,000.00 million out of which Holding Company will only receive the original contracted amount of Rs. 11,634.18 million. During the period the Holding Company has received payment of Rs. 2,000.00 million. In addition to the amount of Rs. 1,000.00 million already received in the preceding year. The recovery of the remaining amount is subject to fulfillment of conditions precedent to the agreement(s).

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
15.3	**Provisions / Credit loss allowance held against other assets**		--------- (Rupees in '000) ---------	
	Income / mark-up accrued in local currency		**1,389**	1,389
	Advances, deposits, advance rent & other prepayments		**98,008**	98,008
	Non-banking assets acquired in satisfaction of claims		**360,107**	360,107
	Commission receivable on guarantees		**9,880**	9,880
	Receivable from Dewan Group		**45,310**	45,310
	Account receivable - sundry claims		**212,269**	212,645
	Receivable from Speedway Fondmetal (Pakistan) Limited		**25,694**	25,694
	Others		**137,795**	137,795
			890,452	890,828
15.3.1	**Movement in provisions and credit loss allowance held against other assets**			
	Opening balance		**890,828**	890,717
	Charge for the period / year		**-**	239
	Reversals for the period / year		**(376)**	(128)
	Amount written off		**-**	-
	Closing balance		**890,452**	890,828

16. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
17. BILLS PAYABLE	Note	--------- (Rupees in '000) ---------	
In Pakistan		**3,042,396**	2,749,628
Outside Pakistan		**-**	-
		3,042,396	2,749,628

18. BORROWINGS

Secured		
Borrowings from State Bank of Pakistan		
- Under export refinance scheme	**1,666,250**	2,521,050
- Under long-term financing facility	**69,095**	83,119
- Refinance facility for modernization of SMEs	**-**	-
-Repurchase agreement borrowings	**9,874,340**	4,795,240
	11,609,685	7,399,409
Unsecured		
Overdrawn nostro accounts	**5,037**	5,113
	11,614,722	7,404,522

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	**42,747,488**	**2,181,234**	**44,928,722**	36,931,967	1,945,668	38,877,635
Savings deposits	**105,149,690**	**1,443,270**	**106,592,960**	107,465,264	1,391,404	108,856,668
Term deposits	**19,233,484**	**2,555,717**	**21,789,201**	10,422,513	2,553,470	12,975,983
Others	**3,134,623**	**43,744**	**3,178,367**	2,431,513	44,053	2,475,566
	170,265,285	**6,223,965**	**176,489,250**	157,251,257	5,934,595	163,185,852
Financial institutions						
Current deposits	**304,931**	**170,231**	**475,162**	348,799	32,956	381,755
Savings deposits	**12,964,387**	**39**	**12,964,426**	4,103,972	186,135	4,290,107
Term deposits	**700,289**	**-**	**700,289**	946,887	51,263	998,150
Others	**-**	**-**	**-**	-	-	-
	13,969,607	**170,270**	**14,139,877**	5,399,658	270,354	5,670,012
	184,234,892	**6,394,235**	**190,629,127**	162,650,915	6,204,949	168,855,864

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
20. LEASE LIABILITIES	Note	--------- (Rupees in '000) ---------	
Opening		**3,313,315**	3,284,402
Additions during the period / year		**1,084,384**	520,245
Deletion during the period / year		**-**	(158,100)
Lease payments including interest		**(428,772)**	(847,932)
Interest expense		**278,925**	521,111
Modifications		**(3,862)**	(6,411)
Closing		**4,243,990**	3,313,315

20.1 Liabilities Outstanding

Not later than one year	**1,051,495**	807,144
Later than one year and upto five years	**2,658,131**	2,025,200
Over five years	**534,364**	480,971
Total at the period / year end	**4,243,990**	3,313,315

21. SUBORDINATED DEBT

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

The TFC Holders approved the resolution by the requisite majority and the Holding Company has obtained the Board, shareholders and regulatory approvals, for issuance of fully paid up ordinary shares of the Holding Company to the TFC Holders, on a without rights basis and accordingly the respective adjustments have been accounted for in these consolidated condensed interim statement of financial position as at June 30, 2026 (Refer note: 1.4).

22. OTHER LIABILITIES

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		------- (Rupees in '000) --------	
Mark-up / return / interest payable in local currency		**211,818**	1,954,321
Mark-up / return / interest payable in foreign currencies		**29,141**	20,532
Unearned income		**105,809**	84,169
Accrued expenses		**264,840**	222,250
Advance against sale of property		**112,598**	84,737
Provision for taxation - net		**607,369**	-
Acceptances		**166,104**	123,555
Unclaimed dividends		**2,213**	2,213
Mark to market loss on forward foreign exchange contracts		**6,967**	5,799
Payable to defined benefit plan		**54,679**	143,909
Charity fund balance		**578**	350
Security deposits against lease		**123,705**	120,341
Payable to Bangladesh Bank		**41,389**	41,389
Payable to Rupali Bank - Bangladesh		**16,293**	16,283
Payable to vendors / creditors		**470,131**	419,706
Provision for compensated absences		**204,180**	205,057
Payable to Bank of Ceylon, Colombo		**20,163**	20,163
Retention money		**107,395**	81,034
Workers' welfare fund		**396,825**	396,825
Withholding taxes and government levies payable		**251,451**	244,753
Federal excise duty and sales tax payable		**10,190**	12,355
Commission payable on home remittances		**72**	72
Account payable		**156,451**	320,826
Credit loss allowance against off-balance sheet obligations	22.2	**49,002**	50,046
Payable to DHA against purchase of land	22.3	**1,142,001**	1,142,001
Payable to sponsor		**68,414**	59,583
Others		**497,520**	374,273
		5,117,298	6,146,542

22.1 As referred in note 1.4, the Holding company has converted the Term Finance Certificates (TFCs) (Rs. 1,495.515 million) and accrued markup (Rs. 1,854.512 million) thereon aggregating to Rs. 3,350.027 million to equity through issue of 27,888,469 shares other than the way of right to the TFC holders and in this respect the Holding Company has received consent from the TFC holders, shareholders and regulators.

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			------- (Rupees in '000) --------	
22.2	**Credit loss allowance against off-balance sheet obligations**			
	Opening balance		**50,046**	160,905
	Charge for the period / year		**8,235**	7,888
	Reversals for the period / year		**(9,279)**	(118,747)
			(1,044)	(110,859)
	Closing balance		**49,002**	50,046

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

23. The Board of Directors in their meeting held on July 03, 2025, authorized the President & CEO to execute the agreement between the Holding Company and His Excellency Nasser Abdullah Hussain Lootah (“the Sponsor”). Thereafter, an agreement was signed with the Sponsor on August 01, 2025, which sets out the terms under which the Sponsor has deposited an amount equivalent to Rs. 5 billion in the Holding Company. In this respect, SBP vide its letter no. SBPHOK-BPRD-BACPD-STB-1137701 dated May 21, 2026 has allowed the Holding Company to consider the "Advance against Share Subscription" for MCR and CAR calculation till December 31, 2026, subject to several conditions including the condition that the advance cannot be returned to the Sponsor without the prior approval of the SBP.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
24. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS		------- (Rupees in '000) --------	
Surplus / (deficit) on revaluation of			
- Securities measured at FVOCI-Debt	9.1	**(322,644)**	48,184
- Securities measured at FVOCI-Equity	9.1	**96,788**	77,958
- Property and equipment		**5,506,834**	5,589,410
- Non-banking assets acquired in satisfaction of claims		**1,371,916**	1,402,391
		6,652,894	7,117,943
Deferred tax on surplus / (deficit) on revaluation of:			
- Securities measured at FVOCI-Debt		**135,510**	(20,237)
- Securities measured at FVOCI-Equity		**(15)**	(22)
- Property and equipment		**(1,888,076)**	(2,347,553)
- Non-banking assets acquired in satisfaction of claims		**(576,205)**	(589,004)
		(2,328,786)	(2,956,816)
		4,324,108	4,161,127

25. CONTINGENCIES AND COMMITMENTS

	Note		
-Guarantees	25.1	**18,075,164**	15,727,469
-Commitments	25.2	**14,848,906**	10,939,638
-Other contingent liabilities	25.3	**17,742,537**	17,811,218
		50,666,607	44,478,325

25.1 Guarantees:

Financial guarantees	**320,470**	320,470
Performance guarantees	**10,220,690**	10,328,552
Other guarantees	**7,534,004**	5,078,447
	18,075,164	15,727,469

25.2 Commitments:

	Note		
Documentary credits and short-term trade-related transactions			
- letters of credit		**4,931,261**	2,846,873
Commitments in respect of:			
- forward foreign exchange contracts	25.2.1	**4,145,681**	2,303,977
- forward lending	25.2.2	**5,501,384**	5,531,853
Commitments for acquisition of:			
- property and equipment		**33,081**	19,006
- intangible assets		**237,499**	237,929
		14,848,906	10,939,638

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
25.2.1	**Commitments in respect of forward foreign exchange contracts**		--------- (Rupees in '000) --------	
	Purchase		**3,866,691**	2,303,977
	Sale		**278,990**	-
			4,145,681	2,303,977
25.2.2	**Commitments in respect of forward lending**			
	Forward documentary bills		**5,501,384**	5,531,853
25.3	**Other contingent liabilities - claims against the Group not acknowledged as debts**		**17,742,537**	17,811,218

25.4 Contingency for tax payable

Contingency related to tax payable is disclosed in note 34.1 and note 34.2.

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

26. MARK-UP / RETURN / INTEREST EARNED

	Note	June 30, 2026	June 30, 2025
On:			
Loans and advances	26.1	**(1,175,742)**	630,958
Investments		**4,599,826**	9,139,324
Lendings to financial institutions		**629,375**	517,166
Balances with banks		**24,810**	34,836
		4,078,269	10,322,284

26.1 This includes the impact of modification under IFRS 9 of restructured / rescheduled parties amounting Rs. 1.981 billion.

27. MARK-UP / RETURN / INTEREST EXPENSED

	June 30, 2026	June 30, 2025
On:		
Deposits	**5,560,732**	6,262,663
Borrowings	**498,471**	3,923,596
Subordinated debt	**-**	123,412
Cost of foreign currency swaps against foreign currency deposits / borrowings	**72,342**	108,637
Finance cost of lease liability	**278,925**	262,767
	6,410,470	10,681,075

28. FEE AND COMMISSION INCOME

	June 30, 2026	June 30, 2025
Branch banking customer fees	**90,637**	115,668
Consumer finance related fees	**505**	494
Card related fees (debit cards)	**70,727**	120,035
Credit related fees	**560**	584
Commission on trade	**203,038**	184,938
Commission on guarantees	**68,475**	62,973
Commission on cash management	**-**	3
Commission on remittances including home remittances	**1,782**	2,457
Commission on bancassurance	**425**	484
Alternate Delivery Channels	**11,342**	13,638
Commission on brokerage	**65,427**	60,369
Others	**2**	5
	512,920	561,648

29. (LOSS) / GAIN ON SECURITIES

	Note	June 30, 2026	June 30, 2025
Realised	29.1	**122,575**	1,518,812
Unrealised - Measured at FVPL		**(20,201)**	5,383
		102,374	1,524,195

29.1 Realised gain on:

	June 30, 2026	June 30, 2025
Federal Government Securities	**112,031**	1,515,821
Shares	**10,544**	2,991
	122,575	1,518,812
Net gain on financial assets (debt instruments) measured at FVOCI	**112,031**	1,515,821
Net gain on investments in equity instruments designated at FVOCI	**10,544**	-
	122,575	1,515,821

30. OTHER INCOME

	June 30, 2026	June 30, 2025
Rent on property	**2,346**	2,825
Gain on sale of property and equipment - net	**7,817**	67,469
Gain on termination of lease contracts under IFRS 16	**-**	47,313
	10,163	117,607

	Note	Half year ended (Un-audited) June 30, 2026	(Restated) June 30, 2025
		--------- (Rupees in '000) --------	
31. OPERATING EXPENSES			
Total compensation expense		**1,745,388**	1,481,003
Property expense			
Rent and taxes		**33,385**	33,773
Insurance - property		**5,325**	3,692
Insurance - non banking assets		**696**	252
Utilities cost		**225,065**	206,806
Security (including guards)		**150,870**	142,819
Repair and maintenance (including janitorial charges)		**103,770**	115,567
Depreciation on owned property and equipment		**130,320**	125,167
Depreciation on right-of-use assets		**305,660**	271,225
Depreciation on non banking assets		**50,878**	30,499
		1,005,969	929,800
Information technology expenses			
Software maintenance		**89,228**	87,613
Hardware maintenance		**82,267**	66,395
Depreciation on computer equipments		**40,499**	49,456
Amortisation of computer softwares		**43,233**	36,403
Network charges		**50,344**	48,819
Insurance		**153**	2,520
		305,724	291,206
Other operating expenses			
Directors' fees and allowances		**31,300**	24,300
Fees and allowances to Shariah Board		**11,850**	11,850
Legal and professional charges		**176,737**	162,426
Outsourced services costs		**177,225**	155,532
Travelling and conveyance		**240,827**	205,236
NIFT clearing charges		**22,455**	25,223
Depreciation		**38,139**	42,234
Training and development		**2,494**	3,610
Postage and courier charges		**15,725**	18,774
Communication		**65,301**	76,562
Stationery and printing		**64,519**	96,833
Marketing, advertisement and publicity		**40,773**	30,553
Brokerage and commission		**11,767**	19,303
Fee and subscription		**127,183**	133,537
Cash transportation and sorting charges		**69,087**	78,661
Entertainment		**32,654**	36,661
Insurance		**135,846**	88,275
Deposit insurance premium expense		**93,674**	102,521
Repair and maintenance		**68,671**	108,659
Auditors' remuneration		**18,182**	9,127
Others		**88,680**	49,701
		1,533,089	1,479,578
		4,590,170	4,181,587

		Note	(Un-audited) Half year ended June 30, 2026	June 30, 2025
			--------- (Rupees in '000) --------	
32.	**OTHER CHARGES**			
	Penalties imposed by State Bank of Pakistan		**647**	367
33.	**CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET**			
	Credit loss allowance for diminution in value of investments		**(466)**	(590,743)
	Credit loss allowance against loans and advances		**(320,368)**	(3,075,661)
	Provisions / Credit loss allowance against other assets		**(376)**	1,036
	Credit loss allowance against off-balance sheet obligations		**(1,044)**	(2,646)
	Credit loss allowance against balance with other banks		**(667)**	156
	Credit loss allowance on lending to FI		**1,205**	609
	Bad debts written off directly		**-**	932
	Property and equipments written off		**-**	7
	Recoveries against written off / charged off bad debts		**(193)**	-
			(321,909)	(3,666,310)
34.	**TAXATION**			
	Current	34.1 & 34.2	**70,241**	242,380
	Prior years		**1,380,759**	123,668
	Deferred		**(2,349,432)**	376,489
			(898,432)	742,537

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

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

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

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

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

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

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

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

			(Un-audited)	(Restated) (Un-audited)
			Half year ended	
			June 30, 2026	June 30, 2025
35.	**BASIC AND DILUTED LOSS PER SHARE**	Note	--------- (Rupees in '000) --------	
	(Loss) / profit for the period		**(4,682,280)**	704,474
			------- (Number of shares) -------	
	Weighted average number of ordinary shares - Basic		**1,014,175,354**	1,000,000,000
			--------- (Rupee) ---------	
	Basic (loss) / earning per share		**(4.62)**	0.70
			------- (Number of shares) -------	
	Weighted average number of ordinary shares - Diluted	35.2	**1,014,175,354**	1,000,000,000
			--------- (Rupee) ---------	
	Diluted (loss) / earning per share		**(4.62)**	0.70

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

35.2 There are no potential ordinary shares outstanding as of June 30, 2026.

		Half year ended (Un-audited)	(Restated)
		June 30, 2026	June 30, 2025
		--------- (Rupees in '000) ---------	
36.	**CASH AND CASH EQUIVALENTS**		
	Cash and balances with treasury banks	**13,653,646**	16,180,399
	Balances with other banks excluding credit loss allowance	**2,092,238**	1,758,822
	Overdrawn nostro accounts	**(5,037)**	(5,215)
		15,740,847	17,934,006

37. FAIR VALUE MEASUREMENTS

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

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

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

37.1 Fair value of financial assets

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

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

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

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

	June 30, 2026 (Un-audited)			
	Level 1	**Level 2**	**Level 3**	**Total**
On balance sheet financial instruments	----------------------- (Rupees in '000)			-----------------------
Financial assets - measured at fair value				
Investments				
- Federal Government Securities	-	**99,554,002**	-	**99,554,002**
- Shares - Listed	**268,115**	-	-	**268,115**
- Non Government Debt Securities	-	**2,885,985**	-	**2,885,985**
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	**73,736**	**73,736**
Non-Financial assets - measured at fair value				
Property and equipment (Land and Building)	-	-	**7,042,465**	**7,042,465**
Non banking assets acquired in satisfaction of claims	-	-	**3,009,225**	**3,009,225**
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	**3,878,016**	-	**3,878,016**
Forward sale of foreign exchange	-	**278,297**	-	**278,297**

	December 31, 2025 (Audited)			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	----------------------- (Rupees in '000) -----------------------			
Financial assets - measured at fair value				
Investments				
- Federal Government Securities	-	83,096,057	-	83,096,057
- Shares - Listed	253,578	-	-	253,578
- Non Government Debt Securities	-	2,218,899	-	2,218,899
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	73,295	73,295
Non-Financial assets - measured at fair value				
Property and equipment (Land and Building)	-	-	7,145,167	7,145,167
Non banking assets acquired in satisfaction of claims	-	-	3,067,081	3,067,081
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	2,301,455	-	2,301,455
Forward sale of foreign exchange	-	-	-	-

Valuation techniques used in determination of fair value

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

38. SEGMENT INFORMATION

38.1 Segment details with respect to business activities

	For the half year ended June 30, 2026 (Un-audited)					
	Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
	(Rupees in '000)					
Profit and Loss						
Net mark-up / return / profit	(1,452,564)	4,752,276	(5,414,607)	(4,291)	(213,015)	(2,332,201)
Inter segment revenue - net	(843,583)	(4,681,309)	7,867,725	-	(2,342,833)	-
Non mark-up / return / interest income	190,449	553,371	203,161	64,836	8,580	1,020,397
Total income	(2,105,698)	624,338	2,656,279	60,545	(2,547,268)	(1,311,804)
Segment direct expenses	165,888	61,559	2,620,240	71,500	1,671,630	4,590,817
Inter segment expense allocation	441,683	175,184	887,072	-	(1,503,939)	-
Total expenses	607,571	236,743	3,507,312	71,500	167,691	4,590,817
Credit loss allowance	(326,091)	292	632	(88)	3,346	(321,909)
(Loss) / Profit before tax	(2,387,178)	387,303	(851,665)	(10,867)	(2,718,305)	(5,580,712)

	As at June 30, 2026 (Un-audited)					
	Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
	(Rupees in '000)					
Balance Sheet						
Cash and bank balances	59,241	12,026,621	3,467,231	191,254	-	15,744,347
Investments	-	102,441,868	-	273,365	-	102,715,233
Net inter segment lending	-	-	183,408,640	-	-	183,408,640
Lendings to financial institutions	-	21,505,095	-	-	-	21,505,095
Advances - performing	20,050,655	-	281,246	-	2,368,741	22,700,642
Advances - non-performing	2,173,275	-	7,405	-	20,626	2,201,306
Others	662,758	2,443,113	4,154,045	105,599	64,988,834	72,354,349
Total assets	22,945,929	138,416,697	191,318,567	570,218	67,378,201	420,629,612
Borrowings	1,602,745	9,879,377	-	132,600	-	11,614,722
Subordinated debt	-	-	-	-	-	-
Deposits and other accounts	3,001,864	-	187,627,263	-	-	190,629,127
Net inter segment borrowing	18,284,008	128,527,212	-	-	36,597,420	183,408,640
Others	57,312	10,108	3,691,304	126,124	8,518,836	12,403,684
Total liabilities	22,945,929	138,416,697	191,318,567	258,724	45,116,256	398,056,173
Equity	-	-	-	311,494	22,261,945	22,573,439
Total equity and liabilities	22,945,929	138,416,697	191,318,567	570,218	67,378,201	420,629,612
Contingencies and commitments	45,329,746	4,145,681	-	-	1,191,180	50,666,607

	For the half year ended June 30, 2025 (Un-audited) (Restated)					
	Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
	(Rupees in '000)					
Profit and Loss						
Net mark-up / return / profit	224,782	5,805,051	(6,065,314)	(130)	(323,180)	(358,791)
Inter segment revenue - net	(398,105)	(4,906,807)	8,588,770	-	(3,283,858)	-
Non mark-up / return / interest income	176,261	1,676,106	335,371	75,662	58,046	2,321,446
Total income	2,938	2,574,350	2,858,827	75,532	(3,548,992)	1,962,655
Segment direct expenses	127,734	60,894	2,589,733	62,611	1,340,982	4,181,954
Inter segment expense allocation	339,242	135,195	687,747	-	(1,162,184)	-
Total expenses	466,976	196,089	3,277,480	62,611	178,798	4,181,954
Credit loss allowance	(3,077,526)	(591,500)	26	266	2,424	(3,666,310)
Profit / (loss) before tax	2,613,488	2,969,761	(418,679)	12,655	(3,730,214)	1,447,011

	As at December 31, 2025 (Audited)					
	Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
	(Rupees in '000)					
Balance Sheet						
Cash and Bank balances	76,291	12,357,081	2,927,354	319,257	-	15,679,983
Investments	-	86,050,151	-	258,811	-	86,308,962
Net inter segment lending	-	-	158,972,294	-	-	158,972,294
Lendings to financial institutions	-	14,199,796	-	-	-	14,199,796
Advances - performing	20,470,013	-	245,648	-	2,368,823	23,084,484
Advances - non-performing	2,912,762	-	31,319	-	4,156	2,948,237
Others	426,832	1,834,475	5,231,687	177,296	63,790,774	71,461,064
Total Assets	23,885,898	114,441,503	167,408,302	755,364	66,163,753	372,654,820
Borrowings	2,509,728	4,800,353	-	94,441	-	7,404,522
Subordinated debt	-	-	-	-	1,495,515	1,495,515
Deposits and other accounts	4,666,949	-	164,188,915	-	-	168,855,864
Net inter segment borrowing	16,647,283	109,617,385	-	-	32,707,626	158,972,294
Others	61,938	23,765	3,219,387	349,577	8,554,818	12,209,485
Total liabilities	23,885,898	114,441,503	167,408,302	444,018	42,757,959	348,937,680
Equity	-	-	-	311,346	23,405,794	23,717,140
Total equity and liabilities	23,885,898	114,441,503	167,408,302	755,364	66,163,753	372,654,820
Contingencies and commitments	40,991,131	2,303,977	-	-	1,183,217	44,478,325

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

39. RELATED PARTY TRANSACTIONS

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

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

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

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
	(Rupees in '000)					
Investments						
Opening balance	-	-	-	-	-	552,038
Investment made during the period / year	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	(552,038)
Closing balance	-	-	-	-	-	-
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-
Advances						
Opening balance	-	430,229	2,492	-	421,468	517,251
Addition during the period / year	-	111,557	-	-	115,022	2,700
Repaid during the period / year	-	(46,727)	(241)	-	(111,691)	(399)
Transfer in / (out) - net	-	(11,375)	-	-	5,430	(517,060)
Closing balance	-	483,684	2,251	-	430,229	2,492
Credit loss allowance held against advances	-	66	0	-	58	0

	June 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
	(Rupees in '000)					
Other Assets						
Interest / mark-up accrued	**-**	**3,756**	**46**	-	1,791	21
Advances, deposits, advance rent and other prepayments	**-**	**2,966**	**-**	-	4,012	-
Other receivable	**4,195**	**-**	**2,250**	4,195	-	2,250
Credit loss allowance held against other assets	**-**	**-**	**-**	-	-	-
Deposits and other accounts						
Opening balance	**3,459**	**37,558**	**770,456**	1,495	17,811	652,361
Received during the period / year	**8,321**	**333,896**	**552,459**	17,100	584,100	5,857,289
Withdrawn during the period / year	**(9,119)**	**(343,406)**	**(286,935)**	(15,136)	(564,502)	(5,715,315)
Transfer (out) / in - net	**-**	**2,054**	**-**	-	149	(23,879)
Closing balance	**2,661**	**30,102**	**1,035,980**	3,459	37,558	770,456
Other Liabilities						
Payable to defined benefit plan	**-**	**-**	**54,679**	-	-	143,909
Payable to sponsor	**-**	**-**	**68,414**	**-**	**-**	59,583
Advance against subscription of shares	**-**	**-**	**5,000,000**			5,000,000

	For the half year ended June 30, 2026 (Un-audited)			For the half year ended June 30, 2025 (Un-audited)		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
	---------- (Rupees in '000) ----------					
Income						
Mark-up / return / interest earned	**-**	**8,105**	**56**	-	9,586	37
Fee and commission income	**-**	**-**	**-**	-	-	692
Expense						
Mark-up / return / interest expensed	**99**	**465**	**40,344**	115	647	27,034
Operating expenses:						
- Directors' fees and allowances	**31,300**	**-**	**-**	24,300	-	-
- Fee and subscription	**-**	**1,481**	**-**	-	1,521	-
- Managerial Remuneration	**-**	**297,263**	**1,355**	-	255,936	1,060
- Contribution to defined contribution plan	**-**	**-**	**69,142**	-	-	46,177
- Charge for defined benefit plan	**-**	**-**	**56,179**	-	-	43,769
Credit loss allowance against loans and advances	**-**	**8**	**-**	-	(5)	(369,065)
Credit loss allowance for diminution in value of investments	**-**	**-**	**-**	-	-	(552,023)
Credit loss allowance against off-balance sheet obligations	**-**	**-**	**-**	-	-	(8,888)

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

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
40.	**CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS**	-------- (Rupees in '000) --------	
	Minimum Capital Requirement (MCR):		
	Paid-up capital (net of losses)	**13,305,059**	15,000,000
	Capital Adequacy Ratio (CAR):		
	Eligible Common Equity Tier-1 (CET-1) Capital	**1,107,972**	5,900,503
	Eligible Additional Tier-1 (ADT-1) Capital	**-**	-
	Total Eligible Tier-1 Capital	**1,107,972**	5,900,503
	Eligible Tier-2 Capital	**461,655**	2,030,241
	Total Eligible Capital (Tier-1 + Tier-2)	**1,569,627**	7,930,744
	Risk Weighted Assets (RWAs):		
	Credit Risk	**70,570,836**	64,662,741
	Market Risk	**1,598,013**	2,546,973
	Operational Risk	**1,318,527**	1,318,527
	Total	**73,487,376**	68,528,241
	Common Equity Tier-1 Capital Adequacy Ratio (refer note 1.5)	**1.51%**	8.61%
	Tier-1 Capital Adequacy Ratio (refer note 1.5)	**1.51%**	8.61%
	Total Capital Adequacy Ratio (refer note 1.5)	**2.14%**	11.57%
	Leverage Ratio (LR):		
	Eligible Tier-1 Capital	**1,107,972**	5,900,503
	Total Exposures	**249,141,204**	218,176,428
	Leverage Ratio	**0.44%**	2.70%
	Liquidity Coverage Ratio (LCR):		
	Total High Quality Liquid Assets	**92,485,700**	93,212,792
	Total Net Cash Outflow	**34,472,035**	35,685,184
	Liquidity Coverage Ratio	**268.29%**	261.21%
	Net Stable Funding Ratio (NSFR):		
	Total Available Stable Funding	**153,650,461**	123,575,527
	Total Required Stable Funding	**100,914,414**	80,807,406
	Net Stable Funding Ratio	**152.26%**	152.93%

41. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 12 (December 31, 2025: 12) Islamic banking branches and 81 (December 31, 2025: 82) Islamic banking windows at the end of the period.

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		**4,775,188**	4,589,844
Balances with other banks		**-**	-
Due from financial institutions	41.1	**13,079,032**	8,659,637
Investments	41.2	**43,611,790**	36,222,721
Islamic financing and related assets - net	41.3	**2,899,401**	2,380,078
Property and equipment		**203,094**	209,295
Right-of-use assets		**243,866**	213,097
Intangible assets		**-**	-
Due from Head Office		**-**	-
Deferred tax assets		**72,444**	-
Other assets		**3,149,484**	864,616
Total Assets		**68,034,299**	53,139,288
LIABILITIES			
Bills payable		**473,849**	248,357
Due to financial institutions		**-**	-
Deposits and other accounts	41.4	**57,278,809**	42,086,905
Due to Head Office		**-**	-
Lease liabilities		**281,896**	240,234
Subordinated debt		**-**	-
Deferred tax liabilities		-	19,852
Other liabilities		**216,984**	1,207,751
		58,251,538	43,803,099
NET ASSETS		**9,782,761**	9,336,189
REPRESENTED BY			
Islamic Banking Fund		**1,000,000**	1,000,000
Reserves		**-**	-
Surplus on revaluation of assets		**(100,042)**	27,415
Unappropriated profit	41.5	**8,882,803**	8,308,774
		9,782,761	9,336,189
CONTINGENCIES AND COMMITMENTS	41.6		

ISLAMIC BANKING BUSINESS
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

	Note	June 30, 2026	June 30, 2025
		--------- (Rupees in '000) ---------	
Profit / return earned	41.7	**2,673,664**	3,406,157
Profit / return expensed	41.8	**1,498,232**	1,592,448
Net Profit / return		**1,175,432**	1,813,709
Other income			
Fee and commission income		**73,007**	95,354
Dividend income		**-**	-
Foreign exchange loss		**(14,490)**	(131,343)
Income / (loss) from derivatives		**-**	-
(Loss) / gain on securities		**(10,136)**	314,663
Other income		**-**	207
Total other income		**48,381**	278,881
Total income		**1,223,813**	2,092,590
Other expenses			
Operating expenses		**638,439**	553,388
Workers' welfare fund		**-**	-
Other charges		**102**	-
Total other expenses		**638,541**	553,388
Profit before credit loss allowance		**585,272**	1,539,202
Credit loss allowance and write offs - net		**13,798**	(18,395)
Profit before taxation		**571,474**	1,557,597
Taxation		**-**	-
Profit after taxation		**571,474**	1,557,597

ISLAMIC BANKING BUSINESS
FOR THE HALF YEAR ENDED JUNE 30, 2026

41.1 Due from Financial Institutions

	Note	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) ----					
Unsecured							
Bai Muajjal Receivable from State Bank of Pakistan		**12,579,100**	**-**	**12,579,100**	5,599,496	-	5,599,496
Bai Muajjal Receivable from other Financial Institutions	41.1.1	**-**	**-**	**-**	3,060,554	-	3,060,554
Musharakah		**500,000**	**-**	**500,000**	-	-	-
		13,079,100	**-**	**13,079,100**	8,660,050	-	8,660,050
Less: Credit loss allowance							
Stage 1		**(68)**	**-**	**(68)**	(413)	-	(413)
Stage 2		**-**	**-**	**-**	-	-	-
Stage 3		**-**	**-**	**-**	-	-	-
		(68)	**-**	**(68)**	(413)	-	(413)
Due from financial institutions - net of credit loss allowance		**13,079,032**	**-**	**13,079,032**	8,659,637	-	8,659,637

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

41.2 Investments

	June 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
Investments by segments:	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
	---- (Rupees in '000) ----							
Debt Instruments								
Classified / Measured at FVOCI								
Federal Government Securities:								
- GOP Ijarah Sukuks	**41,692,426**	**-**	**(254,538)**	**41,437,888**	34,041,160	-	(37,338)	34,003,822
Non Government Debt Securities								
- Listed	**2,174,196**	**(294)**	**-**	**2,173,902**	2,219,199	(300)	-	2,218,899
Total Investments	**43,866,622**	**(294)**	**(254,538)**	**43,611,790**	36,260,359	(300)	(37,338)	36,222,721

41.3 Islamic financing and related assets

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	---- (Rupees in '000) ----	
Ijarah	**540,054**	681,034
Murabaha	**3,680**	-
Running Musharakah	**343,590**	620
Diminishing Musharakah	**1,891,872**	1,529,328
Tijarah	**242,139**	272,699
Advance against Ijarah	**-**	4,500
Gross Islamic financing and related assets	**3,021,335**	2,488,181
Less: Credit loss allowance against Islamic financings		
- Stage 1	**(3,093)**	(2,346)
- Stage 2	**-**	(357)
- Stage 3	**(118,841)**	(105,400)
	(121,934)	(108,103)
Islamic financing and related assets - net of credit loss allowance	**2,899,401**	2,380,078

41.4 Deposits

	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	**9,011,552**	**1,144,251**	**10,155,803**	6,554,244	710,157	7,264,401
Savings deposits	**32,433,015**	**243,910**	**32,676,925**	29,256,517	186,454	29,442,971
Term deposits	**8,290,047**	**91,955**	**8,382,002**	4,361,280	86,549	4,447,829
Others	**482,957**	**-**	**482,957**	427,926	-	427,926
	50,217,571	**1,480,116**	**51,697,687**	40,599,967	983,160	41,583,127
Financial Institutions						
Current deposits	**4,615**	**7**	**4,622**	5,366	8	5,374
Savings deposits	**5,420,346**	**-**	**5,420,346**	343,926	-	343,926
Term deposits	**156,154**	**-**	**156,154**	154,478	-	154,478
	5,581,115	**7**	**5,581,122**	503,770	8	503,778
	55,798,686	**1,480,123**	**57,278,809**	41,103,737	983,168	42,086,905

41.5 Unappropriated profit

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	(Rupees in '000)	
Opening balance	**8,308,774**	5,919,535
Add: Islamic Banking profit for the period / year	**571,474**	2,386,026
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to unappropriated profit	**2,555**	3,213
Closing balance	**8,882,803**	8,308,774

41.6 Contingencies and Commitments

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
-Guarantees	**4,405,846**	3,709,728
-Commitments	**1,662,105**	743,340
-Other contingent liabilities	**-**	-
	6,067,951	4,453,068

41.7 Profit / Return Earned of Financing, Investments and Placement

	(Un-audited) June 30, 2026	June 30, 2025
	(Rupees in '000)	
Profit earned on:		
Financing	**77,759**	83,730
Investments	**2,016,338**	2,449,866
Placements	**579,567**	872,561
	2,673,664	3,406,157

		(Un-audited)	
		June 30, 2026	June 30, 2025
41.8	**Profit on Deposits and other Dues Expensed**	------- (Rupees in '000) --------	
	Deposits and other accounts	**1,456,428**	1,524,121
	Due to Financial Institutions	**19,078**	48,962
	Finance cost of lease liability	**22,726**	19,365
		1,498,232	1,592,448

42. RESTATEMENT

With respect to the sanctioning of the Scheme of Arrangement by the Honorable High Court of Islamabad with the effective date of September 30, 2024, and filing of the certified copy of the court order with the Registrar dated November 21, 2025 (Completion date), the additional operating expense of Global Haly Development Limited for the half year ended June 30, 2025 amounting to Rs 11.153 million has been incorporated. In compliance with the requirements of IAS 8, this amount has been accounted for by restating the comparative consolidated condensed interim financial statements for the period ended June 30, 2025. Had this expense not been accounted for by the Bank, profit after taxation would have been higher by Rs. 11.153 million for the period ended June 30, 2025.

43. DATE OF AUTHORIZATION OF ISSUE

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

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