

ALIGNED FOR IMPACT

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



CORPORATE INFORMATION

BOARD OF DIRECTORS

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

BOARD AUDIT COMMITTEE

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

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

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

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

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

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

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

INFORMATION TECHNOLOGY AND COMMUNICATIONS COMMITTEE (IT&CC)

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

ENVIRONMENT, SOCIAL & GOVERNANCE COMMITTEE (ES&GC)

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

AUDITORS

A.F. Ferguson & Co. Chartered Accountants

REGISTERED OFFICE

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Main Boulevard, Gulberg-III, Lahore.
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Fax No. +92 42 35783975 UAN: 111 200 100

REGISTRAR

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WEBSITE www.bop.com.pk

The Bank of Punjab
Directors' Report
Quarterly Financial Statements – September 30, 2026

On behalf of the Board of Directors, I am pleased to present the un-audited condensed interim financial statements of The Bank of Punjab for the nine months period ended September 30, 2026.

During Jan-Sep 2026, Pakistan's economy operated in a challenging external environment characterized by heightened geopolitical tensions, elevated international energy prices and uncertainty surrounding global financial conditions. Supported by the stabilization measures implemented under the International Monetary Fund (IMF) programs, the economy posted a modest GDP growth of 3.65% in FY2026, up from 3.11% in FY2025. However, heightened commodity price pressures in the second quarter of 2026 have led to the rise in inflation back into double digits, with SBP tightening rates in the April meeting.

Consumer price inflation increased to 10.3% year-on-year in Sep 2026, compared with 5.6% in Sep 2025. Improved domestic food supply situation and Government fuel subsidy measures contained the pass-through of higher global oil prices to food inflation, keeping it at 8% year-on-year in Sep 2026.

Pakistan's external account position continued to benefit from policy discipline, higher remittance inflows and an upgrade from the global credit rating agencies. In Sep 2026, Pakistan raised a record \$3 billion through Eurobond issuance, strengthening SBP foreign exchange reserves to an all-time high of \$21.4 billion by Sep 2026. However, the outlook remains susceptible to higher energy import costs, with current account deficit rising to \$874 million (up 16%) during Jul-Sep 2026.

The economic outlook for the remainder of 2026 will depend on the international energy prices driven by geopolitical events, and the government actions to contain its fallout on the domestic economy. The Staff Level agreement with IMF on the fourth review of IMF Extended Fund Facility and third review of Resilience and Sustainability program in October 2026 is a positive development.

Building on its strong performance during the first half of the year, the Bank maintained its steady growth momentum, delivering sustained business expansion, robust core earnings, and consistent operational performance. The results reflect BOP's strengthening financial fundamentals, effective strategic execution, and growing competitive position within Pakistan's

banking industry, reinforcing its commitment to sustainable growth and long-term value creation for stakeholders.

Financial Highlights:

	<i>Rs. in Million</i>
Profit before taxation	30,457.310
Taxation – net	15,930.725
Profit after taxation	14,526.585
Earnings per share (Rupees)	4.44

The Bank of Punjab continued its upward earnings trajectory during the nine months ended September 30, 2026, demonstrating the strength of its core banking franchise and the effectiveness of its business strategy. Operating Profit (before provisions and gains) climbed to Rs. 34.42 billion, marking an impressive 34% year-on-year increase. The Bank's revenue performance remained equally encouraging, with Net Interest Income reaching Rs. 69.40 billion, up 19%, while Non-Markup Income (excluding gains) advanced to Rs. 18.04 billion, recording 47% growth. These results highlight the Bank's ability to generate sustainable earnings through strategic balance sheet management, strengthening non-funded income streams, and a diversified revenue base.

The sustained strength in core earnings, complemented by disciplined expense management, continued to support the Bank's overall profitability. Profit Before Tax rose to Rs. 30.46 billion, representing 15% year-on-year growth, while Profit After Tax increased to Rs. 14.53 billion, reflecting a 22% improvement over the corresponding period last year. The Bank's continued focus on productivity, cost optimization, and operational discipline contributed to improved efficiency, with the Cost-to-Income Ratio (excluding gains) improving by 3.03%. This combination of revenue growth, profitability, and enhanced operating efficiency reflects BOP's progress towards building a stronger, more competitive, and financially resilient banking institution.

The Bank also demonstrated sustained business momentum during the nine months ended September 30, 2026, with gross advances registering an impressive 28% year-on-year growth, reflecting the Bank's expanding lending footprint and continued support for economic activity. Despite a broadly stable overall balance sheet, the Bank made significant strides in strengthening its core deposit franchise, with current deposits growing by 16% year-on-year, while average current deposits recorded a remarkable 25% increase over the corresponding period last year. This strong growth in low-cost deposits underscores the Bank's continued focus on improving its

funding mix, enhancing funding efficiency, and building a more sustainable foundation for long-term profitability. Total assets and deposits stood at Rs. 2,456 billion and Rs. 1,928 billion, respectively, while gross advances reached Rs. 1,073 billion, highlighting the Bank's continued emphasis on productive asset deployment and strengthening its core banking business.

The Bank further reinforced its capital position, supported by strong financial performance and continued equity support from the Government of Punjab. During the period, the Bank received Rs. 15.6 billion from the Government of Punjab under the equity injection arrangements, representing a significant step towards strengthening its capital base. As of September 30, 2026, the Bank's Capital Adequacy Ratio (CAR) stood at 13.94%, while its Leverage Ratio reached 4.07%, both comfortably above the regulatory requirements prescribed by the State Bank of Pakistan. The Bank also maintained full compliance with applicable IFRS 9 provisioning requirements, reaffirming its commitment to prudent financial management, regulatory discipline, and long-term financial resilience.

The year 2026 marked significant strategic achievements for The Bank of Punjab, further strengthening its institutional standing and growth prospects. The Bank's long-term credit rating was upgraded by PACRA to the highest AAA category with a Stable Outlook, reflecting its strengthened financial profile and institutional resilience. Expanding its international footprint, BOP also secured in-principle approval from the State Bank of Pakistan to establish an Overseas Wholesale Banking Unit in the Kingdom of Bahrain, opening new avenues for cross-border business and regional connectivity. Complementing these milestones, the Bank continued to earn prestigious national recognition, securing three accolades at the Pakistan Banking Awards 2026 for Agriculture Inclusion, SME Banking, and Women's Inclusion. These achievements extend BOP's remarkable track record of consecutive awards across key banking segments, reinforcing its growing market standing, commitment to financial inclusion, and pursuit of sustainable long-term growth.

The Bank of Punjab continues to strengthen its position as a dynamic and increasingly competitive financial institution, combining its established public-sector relationships with a growing commercial banking franchise. Beyond its traditional role as a key financial partner to the Government of Punjab, BOP is progressively broadening its business horizons through deeper customer engagement, diversification of banking services, and a sharper focus on sustainable, relationship-driven growth. The Bank remains committed to leveraging technology, digital innovation, and operational excellence to enhance customer experience, improve service delivery, and build a more efficient and agile banking model. With a clear emphasis on

strengthening core banking capabilities, maintaining prudent risk management, and capitalizing on emerging domestic and international opportunities, BOP aims to translate its institutional progress into enduring financial performance. Looking ahead, the Bank's strategic direction remains firmly anchored in profitable growth, customer-centric innovation, financial inclusion, and sustainable stakeholder value, while continuing to play a meaningful role in Pakistan's economic development.

With a nationwide network of 914 branches (including 279 Taqwa Islamic Banking branches and 17 sub-branches) alongside 976 ATMs, the Bank is strategically positioned to drive financial inclusion and elevate customer service. Our comprehensive suite of modern solutions, spanning Mobile and Internet Banking, Credit Cards, Cash Management, and Branchless Banking, is continuously evolving to meet the dynamic needs of our diverse customer base.

On behalf of the Board, we extend our deepest gratitude to our valued customers and shareholders for their unwavering trust and confidence in our vision. We also highly appreciate the continuous guidance and support from the Government of the Punjab and the State Bank of Pakistan. Finally, we commend our management team and every employee; their dedication, professionalism, and relentless efforts are the true engine behind the Bank's ongoing progress and success.

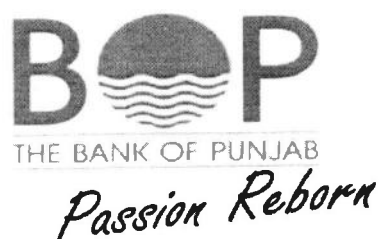
For and on behalf of the Board



President/CEO



Chairman



**UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2026**

THE BANK OF PUNJAB
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	Rupees in '000'	
ASSETS			
Cash and balances with treasury banks	7	104,245,808	111,746,522
Balances with other banks	8	11,660,635	5,442,677
Lendings to financial institutions	9	10,995,318	223,417,798
Investments	10	1,101,451,662	1,549,511,408
Advances	11	1,026,249,523	881,423,846
Property and equipment	12	30,819,364	29,761,745
Right-of-use assets	13	13,154,943	13,146,170
Intangible assets	14	3,170,113	2,702,385
Deferred tax assets - net	15	17,146,851	7,607,184
Other assets	16	137,004,299	126,924,032
Total assets		2,455,898,516	2,951,683,767
LIABILITIES			
Bills payable	18	10,827,162	9,139,194
Borrowings	19	219,624,121	624,807,992
Deposits and other accounts	20	1,927,695,351	2,051,536,304
Lease liabilities	21	18,947,155	18,267,085
Subordinated debts	22	30,808,784	30,812,558
Deferred tax liabilities		-	-
Other liabilities	23	128,430,274	112,981,210
Total liabilities		2,336,332,847	2,847,544,343
NET ASSETS		119,565,669	104,139,424
REPRESENTED BY			
Share capital - net	24	32,452,535	32,452,535
Reserves		23,719,644	20,814,327
Share deposit money	25	15,600,000	-
Surplus on revaluation of assets - net of tax	26	4,707,544	10,692,754
Unappropriated profit		43,085,946	40,179,808
		119,565,669	104,139,424
CONTINGENCIES AND COMMITMENTS			
	27		

The annexed notes 1 to 46 form an integral part of these unconsolidated condensed interim financial statements.


Chief Financial Officer


President


Chairman


Director


Director

THE BANK OF PUNJAB

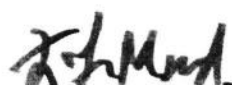
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)

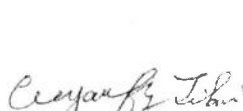
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

	Note	Quarter Ended		Period Ended	
		September 30,	September 30,	September 30,	September 30,
		2026	2025	2026	2025
		Rupees in '000'			
Mark-up / return / interest earned	28	65,389,576	67,104,538	195,790,399	202,190,976
Mark-up / return / interest expensed	29	42,033,547	44,456,379	126,388,680	143,730,943
Net mark-up / interest income		23,356,029	22,648,159	69,401,719	58,460,033
NON MARK-UP / INTEREST INCOME					
Fee and commission income	30	4,427,445	3,562,630	13,925,469	9,876,523
Dividend income		39,791	50,079	177,749	219,422
Foreign exchange income		1,587,981	908,174	3,493,572	1,631,427
Income / (loss) from derivatives		-	-	-	-
Gain / (loss) on securities - net	31	608,469	939,119	(530,133)	3,607,719
Net loss on derecognition of financial assets measured at amortised cost	32	(321,729)	(214,266)	(1,103,901)	(783,315)
Other income	33	123,042	352,421	444,076	524,550
Total non-markup / interest income		6,464,999	5,598,157	16,406,832	15,076,326
Total income		29,821,028	28,246,316	85,808,551	73,536,359
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	34	17,304,596	14,928,254	52,312,692	44,165,185
Workers' Welfare Fund		243,797	250,265	698,151	783,613
Other charges	35	6,835	64,238	7,947	68,224
Total non-markup / interest expenses		17,555,228	15,242,757	53,018,790	45,017,022
Profit before credit loss allowance		12,265,800	13,003,559	32,789,761	28,519,337
Charge of credit loss allowance and write offs - net	36	2,253,617	1,764,688	2,332,451	2,122,547
PROFIT BEFORE TAXATION		10,012,183	11,238,871	30,457,310	26,396,790
Taxation - net	37	5,014,993	6,093,734	15,930,725	14,446,824
PROFIT AFTER TAXATION		4,997,190	5,145,137	14,526,585	11,949,966
Basic earnings per share - Rupees	38	1.53	1.57	4.44	3.65
Diluted earnings per share - Rupees	39	1.53	1.57	4.44	3.65

The annexed notes 1 to 46 form an integral part of these unconsolidated condensed interim financial statements.


Chief Financial Officer


President


Chairman


Director


Director

THE BANK OF PUNJAB

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

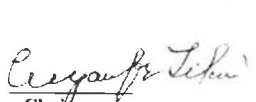
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

	Quarter Ended		Period Ended	
	September 30,	September 30,	September 30,	September 30,
	2026	2025	2026	2025
	Rupees in '000'			
Profit after taxation for the period	4,997,190	5,145,137	14,526,585	11,949,966
Other comprehensive income / (loss):				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus / (deficit) on revaluation of debt investments classified as FVOCI - net of tax	(520,305)	(1,304,130)	(5,105,870)	1,247,637
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	(252,035)	964,855	(276,314)	831,644
Total comprehensive income for the period	4,224,850	4,805,862	9,144,401	14,029,247

The annexed notes 1 to 46 form an integral part of these unconsolidated condensed interim financial statements.


Chief Financial Officer


President


Chairman


Director


Director

THE BANK OF PUNJAB
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

	Share capital - net		Capital reserves	Statutory reserve	Share deposit money	Surplus / (deficit) - net of tax on revaluation of		Unappropriated profit	Total
	Share capital	Discount on issue of shares	Share premium			Investments	Property & equipment / NBAs		
	Rupees In '000'								
Balance as on December 31, 2024 - audited	32,715,693	(263,158)	2,215,040	15,411,761	-	1,013,947	6,940,423	34,497,439	92,531,145
Effect of remeasurement on adoption of IFRS-9 - net of tax	-	-	-	-	-	29,198	-	-	29,198
Balance as on January 01, 2025 - as restated	32,715,693	(263,158)	2,215,040	15,411,761	-	1,043,145	6,940,423	34,497,439	92,560,343
Profit after taxation for the period ended September 30, 2025	-	-	-	-	-	-	-	11,949,966	11,949,966
Other comprehensive income / (loss):									
Movement in surplus on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	-	1,247,637	-	-	1,247,637
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	-	-	-	-	-	831,644	-	-	831,644
Total other comprehensive income - net of tax for the period ended September 30, 2025	-	-	-	-	-	2,079,281	-	-	2,079,281
Transfer to statutory reserve during the period	-	-	-	2,389,993	-	-	-	(2,389,993)	-
Transfer from surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	-	(707,812)	-	1,474,608	766,796
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	-	(113,270)	113,270	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	-	(794)	794	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit on disposal	-	-	-	-	-	-	(92,042)	92,042	-
Transactions with owners recorded directly in equity:									
Final cash dividend - December 31, 2024 declared subsequent to year end at 18% per share	-	-	-	-	-	-	-	(5,888,825)	(5,888,825)
Interim cash dividend - June 30, 2025 declared at 10% per share	-	-	-	-	-	-	-	(3,271,569)	(3,271,569)
	-	-	-	-	-	-	-	(9,160,394)	(9,160,394)
Balance as on September 30, 2025 - un-audited	32,715,693	(263,158)	2,215,040	17,801,754	-	2,414,614	6,734,317	36,577,732	98,195,992
Profit after taxation for the period ended December 31, 2025	-	-	-	-	-	-	-	3,987,664	3,987,664
Other comprehensive income / (loss):									
Remeasurement loss on defined benefit obligation	-	-	-	-	-	-	-	(146,737)	(146,737)
Movement in surplus on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	-	1,793,985	-	-	1,793,985
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	-	-	-	-	-	143,736	-	-	143,736
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	1,811	-	1,811
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	9,532	-	9,532
Total other comprehensive income - net of tax for the period ended December 31, 2025	-	-	-	-	-	1,937,721	11,343	(146,737)	1,802,327
Transfer to statutory reserve during the period	-	-	-	797,533	-	-	-	(797,533)	-
Transfer from surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	-	(141,638)	-	295,079	153,441
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	-	(37,774)	37,774	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	-	(246)	246	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit on disposal	-	-	-	-	-	-	(225,583)	225,583	-
Balance as on December 31, 2025 - audited	32,715,693	(263,158)	2,215,040	18,599,287	-	4,210,697	6,482,057	40,179,808	104,139,424
Impact of adoption of IFRS 09 - net of tax (note 4.1.1)	-	-	-	-	-	(111,292)	-	590,212	478,920
Opening balance as at January 01, 2026 - as restated	32,715,693	(263,158)	2,215,040	18,599,287	-	4,099,405	6,482,057	40,770,020	104,618,344
Profit after taxation for the period ended September 30, 2026	-	-	-	-	-	-	-	14,526,585	14,526,585
Other comprehensive income / (loss):									
Movement in surplus / (deficit) on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	-	(5,105,870)	-	-	(5,105,870)
Movement in surplus on revaluation of investments in equity instruments classified as FVOCI - net of tax	-	-	-	-	-	(276,314)	-	-	(276,314)
Total other comprehensive loss - net of tax for the period ended September 30, 2026	-	-	-	-	-	(5,382,184)	-	-	(5,382,184)
Transfer to statutory reserve during the period	-	-	-	2,905,317	-	-	-	(2,905,317)	-
Transfer of surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	-	(318,267)	-	663,056	344,789
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	(107,669)	107,669	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	-	(1,224)	1,224	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit on disposal	-	-	-	-	-	-	(64,574)	64,574	-
Transactions with owners recorded directly in equity:									
Final cash dividend - December 31, 2025 declared subsequent to year end at 15% per share	-	-	-	-	-	-	-	(4,907,354)	(4,907,354)
Interim cash dividend - June 30, 2026 declared at 16% per share	-	-	-	-	-	-	-	(5,234,511)	(5,234,511)
Share deposit money received during the period	-	-	-	-	15,600,000	-	-	-	15,600,000
	-	-	-	-	15,600,000	-	-	(10,141,865)	5,458,135
Balance as on September 30, 2026 - un-audited	32,715,693	(263,158)	2,215,040	21,504,604	15,600,000	(1,601,046)	6,308,590	43,085,946	119,565,669

The annexed notes form an integral part of these unconsolidated condensed interim financial statements

Chief Financial Officer

President

Chairman

Director

Director

THE BANK OF PUNJAB
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

		Period Ended	
		September 30, 2026	September 30, 2025
	Note	Rupees in '000'	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		30,457,310	26,396,790
Less: Dividend income		(177,749)	(219,422)
		30,279,561	26,177,368
Adjustments:			
Net mark-up / interest income excluding mark-up on lease liability against right of use assets & IFRS-09 adjustments - notional		(70,010,463)	(58,922,435)
Depreciation on property and equipment	34	2,923,445	2,462,910
Depreciation on non banking assets acquired in satisfaction of claims	34	26,048	24,219
Depreciation on ijarah assets under IFAS - 2	34	1,484,387	484,753
Depreciation on right-of-use assets	34	1,871,201	1,631,382
Amortization on intangible assets	34	393,937	335,020
Amortization of discount on debt securities - net		(19,340,361)	(11,343,902)
Mark-up on lease liability against right of use assets	29	1,836,014	1,754,825
Unrealized loss / (gain) on revaluation of investments classified as FVTPL	31	72,788	(7,510)
Reversal of credit loss allowance against lending to financial institutions	36	(15,969)	(21,349)
(Reversal) / charge of credit loss allowance on investments	36	(67,008)	584,205
Credit loss allowance on advances	36	2,611,461	2,284,655
Charge of credit loss allowance against other assets	36	38,300	314,658
Reversal of credit loss allowance against off balance sheet obligations	36	(39,476)	(1,001,968)
Reversal of credit loss allowance against balance with other banks	36	(2,026)	(3,185)
Reversal of credit loss allowance against balances with treasury banks	36	(89,409)	(34,469)
IFRS-09 adjustments on advances - notional		(2,015,453)	(1,967,596)
IFRS-09 adjustment on borrowings - notional		788,183	675,173
IFRS-09 adjustment on compensation expense - notional	34.1	840,800	987,448
Workers' Welfare Fund		698,151	783,613
Gain on termination of lease liability against right of use assets	33	(289,729)	(94,637)
Gain on sale of property and equipment - net	33	(63,106)	(171,895)
Gain on sale of non banking assets acquired in satisfaction of claims - net	33	-	(177,888)
Realized loss / (gain) on sale of securities - net	31.1	457,345	(3,600,209)
Net loss on derecognition of financial assets measured at amortised cost	32	1,103,901	783,315
Provision for employees compensated absences		39,707	23,308
Provision for gratuity		519,072	395,695
		(76,228,260)	(63,821,864)
		(45,948,699)	(37,644,496)
(Increase) / decrease in operating assets:			
Lendings to financial institutions		212,438,450	(4,613,350)
Net investments in securities classified as FVTPL		(15,823,417)	57,087,239
Advances		(149,308,272)	(13,674,211)
Others assets (excluding non-banking assets and markup receivable)		1,009,768	(4,406,225)
		48,316,529	34,393,453
Increase / (decrease) in operating liabilities:			
Bills payable		1,687,968	(316,035)
Borrowings		(404,955,379)	(23,619,789)
Deposits and other accounts		(123,840,953)	174,817,568
Other liabilities (excluding provision for taxation - net, markup payable and payable to gratuity fund)		24,350,183	14,683,911
		(502,758,181)	165,565,655

THE BANK OF PUNJAB

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

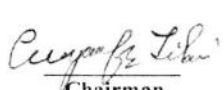
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

	Period Ended	
	September 30, 2026	September 30, 2025
	Rupees in '000'	
Payment made to gratuity fund	(704,791)	(421,347)
Mark-up / return / interest received	182,910,890	191,983,549
Mark-up / return / interest paid	(132,535,523)	(167,572,488)
Income tax paid	(21,346,912)	(10,389,649)
Net cash (used in) / flow from operating activities	(472,066,687)	175,914,677
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities classified as FVOCI	541,453,873	(162,423,512)
Net investments in amortized cost securities	(67,440,964)	1,086,237
Dividends received	154,333	205,256
Investments in property and equipment	(4,010,191)	(2,777,908)
Investments in intangible assets	(861,665)	(590,604)
Proceeds from sale of property and equipment	92,232	186,968
Proceeds from sale of non banking assets acquired in satisfaction of claims	113,371	500,000
Investment in subsidiary	(500,000)	-
Net cash flow from / (used in) investing activities	469,000,989	(163,813,563)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of subordinated debts	(3,774)	(3,774)
Share deposit money received	15,600,000	-
Payment of cash dividend	(10,141,854)	(9,160,380)
Payment of lease liability against right of use assets	(2,746,189)	(2,501,464)
Net cash flow from / (used in) financing activities	2,708,183	(11,665,618)
(Decrease) / increase in cash and cash equivalents	(357,515)	435,496
Effect of credit loss allowance changes on cash and cash equivalents	91,435	37,654
Cash and cash equivalents at beginning of the period	108,817,042	103,413,315
Cash and cash equivalents at end of the period	108,550,962	103,886,465
Cash and cash equivalents:		
Cash and balances with treasury banks	7 104,245,808	104,599,534
Balances with other banks	8 11,660,635	3,835,200
Call borrowing	19 (100,000)	(2,200,000)
Overdrawn nostro accounts	19 (7,255,481)	(2,348,269)
	108,550,962	103,886,465

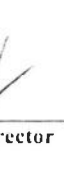
The annexed notes 1 to 46 form an integral part of these unconsolidated condensed interim financial statements.


 Chief Financial Officer


 President


 Chairman


 Director


 Director

THE BANK OF PUNJAB

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2026

1 STATUS AND NATURE OF BUSINESS

The Bank of Punjab (the Bank) was constituted in Pakistan pursuant to The Bank of Punjab Act, 1989. It was given the status of a scheduled bank by the State Bank of Pakistan (SBP) on September 19, 1994. It is principally engaged in commercial banking and related services with its registered office at BOP Tower, 10-B, Block E-II, Main Boulevard, Gulberg III, Lahore. The Bank has 914 branches including 17 sub branches and 279 Islamic banking branches (December 31, 2025: 901 branches including 17 sub branches and 210 Islamic banking branches) in Pakistan and Azad Jammu and Kashmir (AJK) at the period end. The Bank also has 617 Islamic banking windows (December 31, 2025: 534). The Bank has obtained in-principle approval from SBP for establishment of an overseas wholesale banking unit in Kingdom of Bahrain. The Bank's ordinary shares are listed on Pakistan Stock Exchange. The majority shares of the Bank are held by Government of the Punjab (GoPb). The Pakistan Credit Rating Agency (PACRA) assigned long term rating of AAA and short term rating of A1+ to the Bank with stable outlook.

2 BASIS OF PREPARATION

In accordance with the directives of the Government of Pakistan regarding the conversion of the Banking system to Islamic modes, the SBP has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by the banks from their customers and immediate resale to them at appropriate price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.

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

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

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Directives issued by the SBP and the Securities and Exchange Commission of Pakistan (SECP);
- Requirements of The Bank of Punjab Act, 1989; and
- Provisions of, directives and notifications issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017.

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

2.1.2 SBP has deferred the applicability of International Accounting Standards 40, 'Investment Property' for Banking Companies through BSD Circular letter No. 10 dated August 26, 2002. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

2.1.3 The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred applicability of 'Islamic Financial Accounting Standard - 3' for Profit & Loss Sharing on Deposits (IFAS 3) issued by the Institute of Chartered Accountants of Pakistan and notified by the SECP, vide its SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IFS). Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

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

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

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

There are certain standards and amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2026. These are considered either to not be relevant or to not have any material impact on these condensed interim unconsolidated financial statements, except for the following:

- IFRS 7 'Financial Instruments: Disclosures': the SECP through S.R.O. 742(1)/2025 dated April 16, 2025 has required disclosures regarding the significance of financial instruments to the Bank's financial position and performance, as well as the nature, extent, and management of risks arising from such instruments. Accordingly, the Bank will adopt IFRS 7 in preparing its annual financial statements for the year ending December 31, 2026.
- Effective Interest Rate (EIR) requirements of IFRS 9 have become applicable from January 01, 2026 pursuant to relaxations earlier provided by the SBP. The impact of EIR is summarized in note 4.1.1 below.
- Certain amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments' have become applicable on the Bank which clarify the date of recognition and derecognition of a financial asset or financial liability. These amendments do not have any material impact and therefore, have not been detailed in these unconsolidated condensed interim financial statements.

2.1.7 New accounting standards and IFRS interpretations that are not yet effective:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2026 but are considered not to be relevant or do not have any material effect on the Bank's operations except for:

- IFRS 18 'Presentation and Disclosure in Financial Statements' will become applicable from January 01, 2027. The application of IFRS 18 will impact the presentation of the 'Statement of Profit and Loss Account' with certain additional disclosures as and when instructed by the SBP.
- General provision, over and above the ECL for Stage 1 and Stage 2 exposures may be maintained up to December 31, 2026 as per the relaxations earlier provided by the SBP in respect of the implementation of IFRS 9.
- IFRS 19 'Subsidiaries without Public Accountability Disclosures' will become applicable from January 01, 2027.

3 BASIS OF MEASUREMENT

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

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

4 SIGNIFICANT ACCOUNTING POLICY

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

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

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

In addition, the SBP, in a separate instruction, through BPRD Circular Letter No. 1 dated January 22, 2025, allowed an extension for application of the Effective Interest Rate (EIR) up to December 31, 2025. During the current period, in accordance with the aforementioned instruction, the Bank has applied EIR on the financial instruments appearing as at January 01, 2026, and the cumulative impact of application of EIR amounting to Rs. 590,212 thousand, net of tax, has been recorded as an adjustment to unappropriated profit and Rs. 111,292 thousand net of tax has been recorded as adjustment to surplus on investment at the beginning of the current period under modified retrospective approach.

- 4.1.2 The SBP has directed the Banks through its BPRD Circular Letter No. 01 dated January 22, 2025 to continue the existing revenue recognition methodology for Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions. Had IFRS-09 been adopted in its entirety for revenue recognition from Islamic operations, the profit before tax of the Bank would have been higher by Rs. 392,919 thousand (September 30, 2025: Rs. 517,518 thousand).

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting judgments and key estimates adopted in preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited unconsolidated financial statements of the Bank for the year ended December 31, 2025.

6 FINANCIAL RISK MANAGEMENT

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

THE BANK OF PUNJAB

(Un-audited)	(Audited)
September 30,	December 31,
2026	2025

Rupees in '000'

7 CASH AND BALANCES WITH TREASURY BANKS

In hand:

Local currency

Foreign currencies

25,623,701	29,661,102
3,058,843	3,202,466
28,682,544	32,863,568

With SBP in:

Local currency current account

Foreign currency current accounts

Foreign currency deposit accounts

61,120,348	64,097,151
2,078,358	2,205,969
4,805,961	4,388,833
68,004,667	70,691,953

With National Bank of Pakistan in:

Local currency current accounts

Prize bonds

Less: Credit loss allowance held against cash and balances with treasury banks

Cash and balances with treasury banks - net of credit loss allowance

7,452,107	8,098,988
201,378	276,310
(94,888)	(184,297)
104,245,808	111,746,522

8 BALANCES WITH OTHER BANKS

In Pakistan:

Current accounts

Deposit accounts

221,204	9,983
-	-
221,204	9,983

Outside Pakistan:

Current accounts

Deposit accounts

9,426,819	5,442,714
2,020,605	-
11,447,424	5,442,714

Less: Credit loss allowance held against balances with other banks

Balances with other banks - net of credit loss allowance

11,668,628	5,452,697
(7,993)	(10,020)
11,660,635	5,442,677

9 LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (Reverse Repo)

Placements

-	156,438,450
11,000,000	67,000,000
11,000,000	223,438,450

Less: Credit loss allowance held against lendings to financial institutions

Lendings to financial institutions - net of credit loss allowance

9.1	(4,682)	(20,652)
	10,995,318	223,417,798

9.1 Lendings to financial institutions - particulars of credit loss allowance

[illegible]

THE BANK OF PUNJAB

10.1.1 The Bank has four subsidiary companies i.e. Punjab Modaraba Services (Private) Limited (PMSL), First Punjab Modaraba (Private) Limited (BOP CS) and BOP Exchange (Private) Limited (BOP Exchange). During the period, the Bank injected further capital of Rs. 800,000 thousand in BOP Exchange. PMSL, the wholly owned subsidiary company of the Bank, exercises control over First Punjab Modaraba (Private) Limited (BOP CS) and BOP Exchange (Private) Limited (BOP Exchange). Further, the Bank also holds an investment in an associated company i.e. Punjab Life Insurance Company Limited (PLIC) (9.5% holding). The country of incorporation of all subsidiaries and associated company is Pakistan. Key financial results of all subsidiaries & associated company are as follows:

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
Investment in subsidiaries & associated company		
	Rupees in '000'	
Punjab Modaraba Services (Private) Limited - subsidiary	164,945	164,945
BOP Capital Securities (Private) Limited - subsidiary	210,487	210,487
BOP Exchange (Private) Limited - subsidiary	2,000,000	1,500,000
Punjab Life Insurance Company Limited - associate	285,000	285,000
	2,660,432	2,160,432
Less: Credit loss allowance held against Punjab Modaraba Services (Private) Limited	(164,945)	(164,945)
Closing balance	2,495,487	1,995,487

Punjab Modaraba Services (Private) Limited - subsidiary
BOP Capital Securities (Private) Limited - subsidiary
BOP Exchange (Private) Limited - subsidiary
Punjab Life Insurance Company Limited - associate

Less: Credit loss allowance held against Punjab Modaraba Services (Private) Limited
Closing balance

	PLIC			BOP Exchange			PMSL			FPM			BOP CS		
	September 30, 2026	December 31, 2025	Audited	September 30, 2026	September 30, 2025	Audited	September 30, 2026	September 30, 2025	Audited	September 30, 2026	September 30, 2025	Audited	September 30, 2026	September 30, 2025	Audited
	Un-audited			Un-audited			Un-audited			Un-audited			Un-audited		
Total assets	6,551,591	3,044,430		1,602,402	1,307,409		416,469	134,134		1,727,537	1,739,892		433,912	444,020	
Total liabilities	3,544,280	42,573		151,628	138,013		115,530	106,644		2,263,148	2,204,495		140,186	179,935	
Percentage of holding	9.50%	9.50%		100%	100%		100%	100%		39.16%	39.16%		100%	100%	
	PLIC			BOP Exchange			PMSL			FPM			BOP CS		
Revenue	282,326	-		61,410	40,502		-	-		145,934	164,859		80,572	59,771	
Profit / (loss) after tax	5,455	-		(218,622)	(176,475)		7,301	(308)		(71,008)	(126,470)		18,128	19,358	
Total comprehensive income / (loss)	5,455	-		(218,622)	(176,475)		273,449	41,386		(71,008)	(126,470)		29,642	23,749	
	PLIC			BOP Exchange			PMSL			FPM			BOP CS		
Investments given as collateral	282,326	-		61,410	40,502		-	-		145,934	164,859		80,572	59,771	
Market treasury bills	5,455	-		(218,622)	(176,475)		7,301	(308)		(71,008)	(126,470)		18,128	19,358	
Pakistan investment bonds	5,455	-		(218,622)	(176,475)		273,449	41,386		(71,008)	(126,470)		29,642	23,749	
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Investments given as collateral	282,326	-		61,410	40,502		-	-		145,934	164,859		80,572	59,771	
Market treasury bills	5,455	-		(218,622)	(176,475)		7,301	(308)		(71,008)	(126,470)		18,128	19,358	
Pakistan investment bonds	5,455	-		(218,622)	(176,475)		273,449	41,386		(71,008)	(126,470)		29,642	23,749	
	PLIC			BOP Exchange			PMSL			FPM			BOP CS		
Investments given as collateral	282,326	-		61,410	40,502		-	-		145,934	164,859		80,572	59,771	
Market treasury bills	5,455	-		(218,622)	(176,475)		7,301	(308)		(71,008)	(126,470)		18,128	19,358	
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Pakistan investment bonds	5,455	-		(218,622)	(176,475)		273,449	41,386		(71,008)	(126,470)		29,642	23,749	
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Pakistan investment bonds	5,455	-		(218,622)	(176,475)		273,449	41,386		(71,008)	(126,470)		29,642	23,749	
	PLIC			BOP Exchange			PMSL			FPM			BOP CS		
Investments given as collateral	282,326	-		61,410	40,502		-	-		145,934	164,859		80,572	59,771	
Market treasury bills	5,455	-		(218,622)	(176,475)		7,301	(308)		(71,008)	(126,470)		18,128	19,358	
Pakistan investment bonds	5,455	-		(218,622)	(176,475)		273,449	41,386		(71,008)	(126,470)		29,642	23,749	
	PLIC			BOP Exchange			PMSL			FPM			BOP CS		
Investments given as collateral	282,326	-		61,410	40,502		-	-		145,934	164,859		80,572	59,771	
Market treasury bills	5,455	-		(218,622)	(176,475)		7,301	(308)		(71,008)	(126,470)		18,128	19,358	
Pakistan investment bonds	5,455	-		(218,622)	(176,475)		273,449	41,386		(71,008)	(126,470)		29,642	23,749	
	PLIC			BOP Exchange			PMSL			FPM			BOP		

THE BANK OF PUNJAB

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

10.3 Credit loss allowance for diminution in value of investments

10.3.1 Movement in credit loss allowance for diminution in value of investments

Opening balance	1,086,614	403,445
Charge / (reversals)		
Charge for the period / year		714,182
Reversals for the period / year	(67,008)	(31,913)
Closing balance	(67,008)	683,169
	1,019,606	1,086,614

	(Un-audited)	(Audited)
	September 30,	December 31,
	2026	2025

Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
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Rupees in '000'

10.3.2 Particulars of credit loss allowance against debt securities

Category of classification

Performing
Under performing
Non-performing

Stage 1
Stage 2

Substandard
Doubtful
Loss

Stage 3

1,685,785	784	1,707,169	1,125
-	-	-	-
853,877	853,877	920,544	920,544
853,877	853,877	920,544	920,544
2,539,662	854,661	2,627,713	921,669

	Performing		Non performing		Total	
	(Un-audited) September 30, 2026	(Audited) December 31, 2025	(Un-audited) September 30, 2026	(Audited) December 31, 2025	(Un-audited) September 30, 2026	(Audited) December 31, 2025
ADVANCES						
Loans, cash credits, running finances, etc	800,655,479	726,906,842	46,905,128	41,912,306	847,560,607	768,879,148
Islamic financing and related assets	198,443,349	132,168,449	2,252,612	2,247,218	200,695,961	134,415,667
Bills discounted and purchased	24,303,947	22,547,524	157,229	167,222	24,461,176	22,714,746
Advances - gross	1,023,402,775	881,682,815	49,314,969	44,326,746	1,072,717,744	926,009,561
Credit loss allowance against advances						
-Stage 1	(10,170,300)	(4,918,727)	-	-	(10,170,300)	(4,918,727)
-Stage 2	(1,271,139)	(1,271,007)	(571,568)	(65,865)	(1,842,707)	(1,336,872)
-Stage 3	(797,104)	(972,324)	(33,658,110)	(35,095,952)	(34,455,214)	(36,068,276)
-General Provision	-	(2,261,840)	-	-	-	(2,261,840)
Advances - net of credit loss allowance	(12,238,543)	(9,423,898)	(34,229,678)	(35,161,817)	(46,468,221)	(44,585,715)
	1,011,164,232	872,258,917	15,085,291	9,164,929	1,026,249,523	881,423,846
Particulars of advances (gross)						
In local currency					(Un-audited) September 30, 2026	(Audited) December 31, 2025
In foreign currencies					Rupees in '000'	
					1,045,755,095	907,440,125
					26,962,649	18,569,436
					1,072,717,744	926,009,561

11.2 Advances include Rs. 49,314,969 thousand (December 31, 2025: Rs. 44,326,746 thousand) which have been placed under non-performing stage 2 and 3 status as detailed below

Category of classification	Note	(Un-audited)		(Audited)	
		September 30, 2026	December 31, 2025	September 30, 2026	December 31, 2025
		Non performing loans	Credit loss allowance	Non performing loans	Credit loss allowance
		Rupees in '000'			
Other assets especially mentioned	11.2.1	2,417,817	571,568	129,318	65,865
Other assets especially mentioned		162,174	58,193	2,335,969	523,012
Substandard		3,502,403	544,885	1,001,064	413,294
Doubtful		8,872,776	3,211,771	5,474,823	2,683,844
Loss		34,359,799	29,844,261	35,385,572	31,475,802
Grand total		49,314,969	34,229,678	44,326,746	35,161,817

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

September 30, 2026 (Un-audited)

December 31, 2025 (Audited)

Particulars of credit loss allowance against advances	September 30, 2026 (Un-audited)					December 31, 2025 (Audited)				
	Stage 3	Stage 2	Stage 1	General Provision	Total	Stage 3	Stage 2	Stage 1	General Provision	Total
Opening balance	36,068,276	1,336,872	4,918,727	2,261,840	44,585,715	44,616,459	1,871,302	3,557,873	-	50,045,634
Charge for the period / year	4,505,881	1,305,432	7,012,575	-	12,823,888	5,957,488	850,017	3,685,438	2,261,840	12,754,783
Reversals for the period / year	(5,389,988)	(799,597)	(1,761,002)	(2,261,840)	(10,212,427)	(4,792,119)	(1,384,447)	(2,324,584)	-	(8,501,150)
	(884,107)	505,835	5,251,573	(2,261,840)	2,611,461	1,165,369	(534,430)	1,360,854	2,261,840	4,253,633
Amounts written off	-	-	-	-	-	(220)	-	-	-	(220)
Amounts charged off during the period / year	(728,955)	-	-	-	(728,955)	(9,713,332)	-	-	-	(9,713,332)
Closing balance	34,455,214	1,842,707	10,170,300	-	46,468,221	36,068,276	1,336,872	4,918,727	2,261,840	44,585,715

11.3.1 The Bank has availed the benefit of Forced Sale Value (FSV) of collateral against non-performing advances as allowed vide BSD Circular No.1 dated October 21, 2011. This has resulted in decrease in credit loss allowance against non-performing advances by Rs. 465,555 thousand (December 31, 2025: Rs. 559,227 thousand). The FSV benefit availed is not available for cash or stock dividend. Further, the Bank has availed benefit of eligible collaterals for the calculation of ECL amounting to Rs. 3,122,355 thousand (December 31, 2025: Rs. 2,813,713 thousand)

Advances - particulars of credit loss allowance	September 30, 2026 (Un-audited)					December 31, 2025 (Audited)				
	Stage 1	Stage 2	Stage 3	Total	Rupees in '000'	Stage 1	Stage 2	Stage 3	Total	
Opening balance	7,180,567	1,336,872	36,068,276	44,585,715		3,557,873	1,871,302	44,616,459	50,045,634	
New advances	5,809,217	281,320	1,667,743	7,758,280		2,210,627	297,506	2,044,303	4,552,436	
Advances derecognized or repaid	(550,609)	(162,482)	(1,940,066)	(2,653,157)		(492,432)	(392,872)	(1,764,744)	(2,650,048)	
Transfer to stage 1	2,038,771	(264,379)	(1,774,392)	-		445,856	(350,861)	(94,995)	-	
Transfer to stage 2	(270,984)	570,003	(299,019)	-		(76,895)	624,132	(547,237)	-	
Transfer to stage 3	(40,395)	(260,637)	301,032	-		(23,799)	(202,859)	226,658	-	
General provision	6,986,000	163,825	(2,044,702)	5,105,123		2,063,357	(24,954)	(136,015)	1,902,388	
Amounts written off	(2,261,840)	-	-	(2,261,840)		2,261,840	-	-	2,261,840	
Amounts charged off	-	-	-	-		-	-	-	(220)	
Changes in risk parameters	-	-	(728,955)	(728,955)		-	-	(9,713,332)	(9,713,332)	
Closing balance	10,170,300	1,842,707	34,455,214	46,468,221		7,180,567	1,336,872	36,068,276	44,585,715	

11.4.1 This includes provision amounting to Rs. 196,450 thousand (December 31, 2025: Rs. 664,883 thousand) against Excess Over Limit exposure under digital lending portfolio on account of a system glitch, in an application managed by a vendor of the Bank.

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

Advances - category of classification	September 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held	Credit loss allowance held	Credit loss allowance held
Performing	986,813,364	10,170,300	842,128,468	7,180,567	7,180,567	7,180,567
Underperforming	35,258,927	1,271,139	38,237,355	1,271,007	1,271,007	1,271,007
	1,022,072,291	11,441,439	880,365,823	8,451,574	8,451,574	8,451,574
Non-Performing	2,417,817	571,568	129,319	65,865	65,865	65,865
Other assets especially mentioned	162,174	58,193	2,335,969	523,012	523,012	523,012
Substandard	3,502,403	544,885	1,001,064	413,294	413,294	413,294
Doubtful	8,872,776	3,211,771	5,474,823	2,683,844	2,683,844	2,683,844
Loss	34,359,799	29,843,261	35,385,572	31,475,802	31,475,802	31,475,802
Underperforming	46,897,152	33,658,110	44,197,428	35,095,952	35,095,952	35,095,952
Total	1,330,484	797,104	1,316,991	972,324	972,324	972,324
	1,072,717,744	46,468,221	926,009,561	44,585,715	44,585,715	44,585,715

THE BANK OF PUNJAB

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	Rupees in '000'	
12 PROPERTY AND EQUIPMENT			
Capital work-in-progress	12.1	651,090	843,391
Property and equipment	12.2 & 12.4	30,168,274	28,918,354
		<u>30,819,364</u>	<u>29,761,745</u>
12.1 Capital work-in-progress			
Civil works		623,985	579,324
Advances to suppliers		27,105	264,067
		<u>651,090</u>	<u>843,391</u>
		(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
		Rupees in '000'	
12.2 Additions to property and equipment			
The following additions / transfers have been made to property and equipment during the period:			
Capital work-in-progress - net		(192,301)	(321,832)
Property and equipment:			
Building on freehold land		40,605	-
Furniture and fixtures		183,197	124,341
Electrical and office equipments		1,683,028	663,152
Computer equipments		1,627,399	887,034
Lease hold improvements		649,754	966,506
Vehicles		18,509	458,707
Land & building transferred from NBA		-	400,606
		<u>4,202,492</u>	<u>3,500,346</u>
		<u>4,010,191</u>	<u>3,178,514</u>
12.3 Disposal of property and equipment:			
The net book value of property and equipment disposed off during the period is as follows:			
Furniture and fixtures		9,584	5,199
Electrical and office equipments		8,107	8,734
Computer equipments		624	897
Lease hold improvements		10,811	243
Vehicles	12.3.1	-	-
		<u>29,126</u>	<u>15,073</u>
12.3.1	Gross carrying amount / cost of vehicles disposed off during the period was Rs. 146,701 thousand (September 30, 2025: Rs. 120,941 thousand).		
12.4	This includes a commercial property with a carrying value of Rs. 2,752,513 thousand, under a sub-lease arrangement after completion of due legal process. Following cancellation of the Master Lease Deed and dismissal of related petitions by the Honorable Islamabad High Court, the management, based on legal counsel's opinion and assessment of the merits of the case, believes that the Bank continues to retain its proprietary and possessory rights and has reasonable legal remedies available to protect its interests. Accordingly, the management has concluded after due assessment that there is no requirement of recognition of impairment loss against the carrying amount of the property. The matter remains subject to the outcome of the legal proceedings, and management will continue to pursue the matter to safeguard the Bank's interests.		
		(Un-audited) September 30, 2026	(Audited) December 31, 2025
		Rupees in '000'	
13 RIGHT-OF-USE ASSETS			
As at January 01,			
Cost		22,394,457	19,966,779
Accumulated depreciation		(9,248,287)	(7,101,015)
Net carrying amount as at January 01,		13,146,170	12,865,764
Additions / modifications during the period / year		2,119,960	2,726,457
Terminations - at cost during the period / year		(376,110)	(298,779)
Depreciation on terminations during the period / year		136,124	126,944
Terminations - at book value		(239,986)	(171,835)
Depreciation charge for the period / year		(1,871,201)	(2,274,216)
Net carrying amount		<u>13,154,943</u>	<u>13,146,170</u>

THE BANK OF PUNJAB

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
14 INTANGIBLE ASSETS	Rupees in '000'	
Intangible in progress	564,277	333,273
Software and long term licenses	2,605,836	2,369,112
	<u>3,170,113</u>	<u>2,702,385</u>
	(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
14.1 Additions to intangible assets	Rupees in '000'	
The following additions / transfers have been made to intangible assets during the period:		
Intangible in progress - net	231,004	(142,144)
Intangible assets purchased	630,661	732,748
	<u>861,665</u>	<u>590,604</u>
	(Un-audited) September 30, 2026	(Audited) December 31, 2025
15 DEFERRED TAX ASSETS - NET	Rupees in '000'	
Deductible temporary differences on:		
Right of use assets net of lease liabilities	3,011,949	2,662,876
Workers' Welfare Fund	1,800,992	1,437,953
Deficit on revaluation of investments classified as FVOCI	1,734,466	-
Credit loss allowance against off balance sheet obligations	340,866	361,394
Credit loss allowance against lendings to financial institutions	2,435	10,739
Credit loss allowance against balance with other banks	4,158	5,212
Credit loss allowance against balance with treasury banks	49,342	95,834
Credit loss allowance against investments	330,648	365,492
Credit loss allowance against other assets	934,310	914,394
Credit loss allowance against advances	14,153,271	10,865,712
	<u>22,362,437</u>	<u>16,719,606</u>
Taxable temporary differences on:		
Surplus on revaluation of property and equipment	(2,993,738)	(3,110,378)
Surplus on revaluation of investments classified as FVOCI	-	(4,561,588)
Transition to EIR methodology under IFRS-09	(722,017)	-
Accelerated tax depreciation	(1,465,804)	(1,405,102)
Surplus on revaluation of non banking assets acquired in satisfaction of claims	(34,027)	(35,354)
	<u>(5,215,586)</u>	<u>(9,112,422)</u>
	<u>17,146,851</u>	<u>7,607,184</u>

THE BANK OF PUNJAB

		(Un-audited)	(Audited)	
		September 30,	December 31,	
		2026	2025	
16	OTHER ASSETS	Note	Rupees in '000'	
	Income / mark-up accrued in local currency		76,090,060	65,259,453
	Income / mark-up accrued in foreign currency		276,838	243,389
	Advances, deposits, advance rent and other prepayments		7,250,307	2,818,480
	Non-banking assets acquired in satisfaction of claims		3,694,379	3,674,098
	Acceptances	23	18,498,673	18,550,252
	Deferred fair value loss on remeasurement of staff loans - notional		17,902,601	16,573,483
	Deferred fair value loss on derecognition of financial asset measured at amortised cost		6,320,848	7,285,045
	Branch adjustment account		117,904	249,582
	Stock of stationery and cards		692,517	457,899
	Suspense account		172,802	13,632
	Mark to market gain on forward foreign exchange contracts - net	23	-	216,221
	Zakat recoverable from National Investment Trust Limited (NITL)		36,790	36,790
	Receivable against fraud and forgeries		714,852	653,626
	Auto Teller Machine and Point of Sale receivable - net		101,560	48,098
	Inter bank fund transfer and RAAST receivable - net		1,094,361	5,693,033
	Receivable against settlement arrangements		217,826	219,175
	Receivable against litigation expenses		334,690	334,690
	Receivable against sale of shares - net		-	3,863
	Receivable against Pakistan Remittance Initiative (PRI) rebate		894,590	2,094,444
	Receivable on account of GoPb schemes		2,212,585	1,768,753
	Others		2,533,338	2,784,452
			139,157,521	128,978,458
	Less: Credit loss allowance held against other assets	16.1	(2,729,573)	(2,697,901)
	Other assets (net of credit loss allowance)		136,427,948	126,280,557
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims	26	576,351	643,475
	Other assets - total		137,004,299	126,924,032

THE BANK OF PUNJAB

(Un-audited) (Audited)
September 30, December 31,
2026 2025

	Note	Rupees in '000'	
16.1 Credit loss allowance held against other assets			
Advances, deposits, advance rent & other prepayments		222,330	222,330
Acceptances		44,023	85,180
Income / mark-up accrued		856,632	449,215
Non banking assets acquired in satisfaction of claims		30,876	30,876
Zakat recoverable from NITL		36,790	36,790
Fraud and forgeries	16.1.2	544,934	496,889
Receivable against settlement arrangements		217,826	219,175
Receivable against litigation expenses		334,690	334,690
Others	16.1.3	441,472	822,756
	16.1.1	<u>2,729,573</u>	<u>2,697,901</u>
16.1.1 Movement in credit loss allowance held against other assets			
Opening balance		2,697,901	1,332,437
Charge for the period / year		600,819	1,610,372
Reversals during the period / year		(562,519)	(244,820)
		38,300	1,365,552
Amount written off		(6,628)	(88)
Closing balance		<u>2,729,573</u>	<u>2,697,901</u>

16.1.2 This includes provision amounted to Rs. 4,365 thousand (December 31, 2025: Rs. 3,006 thousand) maintained against certain closed cases as per approval of the management.

16.1.3 This includes amount recoverable from a service provider under settlement against certain disputed transaction. The Bank's claim is under consideration at service provider end, however, provision has been created on prudence basis and without prejudice to the Bank's claim against service provider.

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
17 CONTINGENT ASSETS	Rupees in '000'	
Contingent assets	Nil	Nil
18 BILLS PAYABLE		
In Pakistan	10,827,162	9,139,194
Outside Pakistan	-	-
	<u>10,827,162</u>	<u>9,139,194</u>

19 BORROWINGS

Secured

Borrowings from SBP under:

Export Refinance Scheme (ERF)

Long Term Financing Facility (LTFF)

Financing Facility for Storage of Agriculture Produce (FFSAP)

Finance Facility for Special Persons

Financing Scheme for Renewable Energy Performance Platform (REPP)

Refinancing Facility for Combating COVID-19

Temporary Economic Refinance Scheme (TERF)

Refinance and Credit Guarantee Scheme for Women Entrepreneurs

Finance Facility for SAAF Rozgar Reimbursement Credit

Finance Facility for Shamsi Tawanai Consumer

Islamic Temporary Economic Refinance Facility (ITERF)

Refinancing Facility for Modernization of SMEs

Refinance Facility for Working Capital of SMEs

Repurchase agreement borrowings

Borrowing from Pakistan Mortgage Refinance Company Limited (PMRC)

Total secured

Unsecured

Call borrowings

Overdrawn nostro accounts

Borrowing from Agence Francaise De Development (AFD)

Total unsecured

9,464,888	17,633,451
4,886,776	6,545,639
346,905	400,112
17,250	-
4,318,060	4,983,962
54,900	200,869
8,600,658	9,765,661
24,333	35,783
11,095,863	11,654,968
28,782	38,905
681,547	789,014
98,485	132,875
-	30,000
<u>39,618,447</u>	52,211,239
164,233,647	558,128,341
<u>2,412,308</u>	2,454,656
<u>206,264,402</u>	612,794,236
<u>100,000</u>	5,200,000
7,255,481	3,172,157
6,004,238	3,641,599
<u>13,359,719</u>	12,013,756
<u>219,624,121</u>	624,807,992

19.1 These borrowings are secured against Pakistan Investment Bonds with carrying value of Rs. 504,008 thousand (December 31, 2025: Rs. 2,632,095 thousand).

20 DEPOSITS AND OTHER ACCOUNTS

	September 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	435,244,270	13,048,530	448,292,800	457,167,831	12,864,423	470,032,254
Savings deposits	759,797,734	4,843,369	764,641,103	707,245,769	4,948,228	712,193,997
Term deposits	662,871,473	19,190,393	682,061,866	780,906,332	22,400,840	803,307,172
Margin deposits	18,842,460	-	18,842,460	10,858,217	-	10,858,217
	1,876,755,937	37,082,292	1,913,838,229	1,956,178,149	40,213,491	1,996,391,640
Financial institutions:						
Current deposits	5,089,646	811,358	5,901,004	3,474,761	2,254,680	5,729,441
Savings deposits	6,452,741	2,677	6,455,418	21,579,125	2,838	21,581,963
Term deposits	1,493,000	-	1,493,000	27,822,366	-	27,822,366
Margin deposits	7,700	-	7,700	10,894	-	10,894
	13,043,087	814,035	13,857,122	52,887,146	2,257,518	55,144,664
	1,889,799,024	37,896,327	1,927,695,351	2,009,065,295	42,471,009	2,051,536,304

20.1 Current deposits include call deposits amounting to Rs. 38,330,556 thousand (December 31, 2025: Rs. 47,794,091 thousand)

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Rupees in '000'	
21 LEASE LIABILITIES		
Outstanding at the start of the period / year	18,267,085	17,101,125
Additions during the period / year	2,119,960	2,726,457
Mark-up accrued during the period / year	1,836,014	2,398,792
Terminations during the period / year	(529,715)	(411,022)
Payment of lease liabilities against right of use assets during the period / year	(2,746,189)	(3,548,267)
Outstanding at the end of the period / year	18,947,155	18,267,085
21.1 Liabilities outstanding		
Not later than one year	74,259	106,595
Later than one year and up to five years	3,442,853	2,361,932
Over five years	15,430,043	15,798,558
Total at the end of the period / year	18,947,155	18,267,085
21.1.1 For the purpose of discounting PKRV rates are being used.		
22 SUBORDINATED DEBTS		
Subordinated perpetual term finance certificates - ADT I	8,017,500	8,017,500
Subordinated perpetual term finance certificates - ADT I 2nd issue	3,950,000	3,950,000
Privately placed term finance certificates - II	4,286,240	4,287,100
Privately placed term finance certificates - III	6,991,600	6,993,000
Privately placed term finance certificates - IV	7,563,444	7,564,958
	30,808,784	30,812,558

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

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

THE BANK OF PUNJAB

23 OTHER LIABILITIES

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
Note		Rupees in '000'	
	Mark-up / return / interest payable in local currency	31,681,440	41,078,180
	Mark-up / return / interest payable in foreign currencies	324,085	468,035
	Mark-up payable on subordinated debts	1,274,865	505,215
	Provision for taxation - net	1,875,179	3,408,359
	Sundry creditors and accrued expenses	4,867,492	2,757,035
	Lease key money	44,209,713	31,204,602
	Acceptances	16 18,498,673	18,550,252
	Payable to gratuity fund	519,072	704,791
	Gratuity payable to key management personnel	44,318	44,318
	Provision for employees compensated absences	235,840	207,343
	Mark to market loss on forward foreign exchange contracts - net	16 97,757	-
	Unrealized loss on revaluation of foreign bills and trade loans	200,899	119,909
	Credit loss allowance against off-balance sheet obligations	23.2 699,495	738,971
	Levies and taxes payable	2,065,953	1,244,917
	Dividend payable	25	14
	Unclaimed dividends	2,586	2,586
	Payable to charity fund	3,807	4,166
	Charges payable against financing of consumer assets	3,448,661	1,802,648
	Payable against purchase of shares	171,155	-
	Workers' Welfare Fund	23.1 3,748,401	3,050,250
	Deferred and unearned income	3,542,255	2,095,729
	Clearing and settlement accounts	2,146,734	537,664
	Credit loss guarantee received against advances	3,934,832	1,890,761
	Payable on account of GoPb schemes	1,935,060	394,750
	Others	2,901,977	2,170,715
		128,430,274	112,981,210

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

23.2 Credit loss allowance against off-balance sheet obligations

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Rupees in '000'	
Opening balance	738,971	1,805,577
Charge for the period / year	323,711	394,861
Reversals during the period / year	(363,187)	(1,461,467)
	(39,476)	(1,066,606)
Closing balance	699,495	738,971

24 SHARE CAPITAL - NET**24.1 Authorized capital**

(Un-audited) September 30, 2026	(Audited) December 31, 2025		(Un-audited) September 30, 2026	(Audited) December 31, 2025
Number of shares			Rupees in '000'	
<u>5,000,000,000</u>	<u>5,000,000,000</u>	Ordinary / Preference shares of Rs. 10 each	<u>50,000,000</u>	<u>50,000,000</u>

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

24.2 Issued, subscribed and paid up capital

(Un-audited) September 30, 2026	(Audited) December 31, 2025		(Un-audited) September 30, 2026	(Audited) December 31, 2025
Number of shares			Rupees in '000'	
1,607,912,555	1,607,912,555	Ordinary shares of Rs. 10 each paid in cash	16,079,125	16,079,125
526,315,789	526,315,789	Ordinary shares of Rs. 10 each issued at discount	5,263,158	5,263,158
1,137,340,975	1,137,340,975	Issued as bonus shares	11,373,410	11,373,410
3,271,569,319	3,271,569,319		32,715,693	32,715,693
-	-	Less: Discount on issue of shares	(263,158)	(263,158)
<u>3,271,569,319</u>	<u>3,271,569,319</u>		<u>32,452,535</u>	<u>32,452,535</u>

GoPb held 57.47% shares in the Bank as at September 30, 2026 (December 31, 2025: 57.47%).

25 SHARE DEPOSIT MONEY

The Shareholders, in Extraordinary general meeting held on September 08, 2026, have approved, subject to obtaining all applicable regulatory and corporate approvals, the issuance of ordinary shares, otherwise than by way of right issue, to the Government of Punjab, against proposed equity subscription of up to Rs. 30,000,000 thousand to be undertaken in two tranches: up to Rs. 20,000,000 thousand by December 31, 2026, and the balance by June 30, 2027.

The issue price for the proposed issuance shall be Rs. 38.20 per ordinary share; provided that, where the prevailing market price of Bank's ordinary shares at the time of issuance exceeds Rs. 38.20 per share, the applicable issue price for such issuance shall be the prevailing market price plus a premium of five percent (5%). Accordingly, the Bank has received Rs. 15,600,000 thousand as of September 30, 2026.

26 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

	Note	(Un-audited) September 30, 2026	(Audited) December 31, 2025
		Rupees in '000'	
Surplus / (deficit) on revaluation of			
Securities measured at FVOCI - debt instruments	10.1	(3,007,013)	7,862,074
Securities measured at FVOCI - equity investments	10.1	(328,499)	910,210
Property and equipment		8,760,004	8,984,314
Non-banking assets acquired in satisfaction of claims	16	576,351	643,475
		6,000,843	18,400,073
Deferred tax on surplus / (deficit) on revaluation of			
Securities measured at FVOCI - debt instruments		1,563,647	(4,088,278)
Securities measured at FVOCI - equity investments		170,819	(473,309)
Property and equipment		(2,993,738)	(3,110,378)
Non-banking assets acquired in satisfaction of claims		(34,027)	(35,354)
		(1,293,299)	(7,707,319)
		<u>4,707,544</u>	<u>10,692,754</u>

27 CONTINGENCIES AND COMMITMENTS

Guarantees	27.1	186,053,952	159,015,216
Commitments	27.2	645,288,487	629,902,611
Other contingent liabilities	27.3	291,951	291,951
		<u>831,634,390</u>	<u>789,209,778</u>

THE BANK OF PUNJAB

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
		Rupees in '000'	
27.1	Guarantees:		
	Financial guarantees	42,068,346	48,606,898
	Performance guarantees	45,461,984	34,815,732
	Other guarantees:		
	Back to back guarantees	56,701,337	47,766,322
	Mobilization and bid bond guarantees	17,729,756	15,732,308
	Other guarantees	24,092,529	12,093,956
		<u>98,523,622</u>	<u>75,592,586</u>
		<u>186,053,952</u>	<u>159,015,216</u>
27.2	Commitments:		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	200,299,338	166,340,789
	Commitments in respect of:		
	- forward foreign exchange contracts	27.2.1 331,622,455	265,923,625
	- forward Government securities transactions	27.2.2 52,990,000	146,400,000
	- forward lending	27.2.3 60,263,529	50,851,386
	Commitments for acquisition of:		
	- property and equipment	74,667	310,087
	- intangible assets	38,498	76,724
		<u>645,288,487</u>	<u>629,902,611</u>
27.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	164,851,037	138,875,962
	Sale	166,771,418	127,047,663
		<u>331,622,455</u>	<u>265,923,625</u>
27.2.2	Commitments in respect of forward Government securities transactions		
	Purchase	2,990,000	79,800,000
	Sale	50,000,000	66,600,000
		<u>52,990,000</u>	<u>146,400,000</u>
27.2.3	Commitments in respect of forward lending		
	Undrawn formal standby facilities, credit lines and other commitments to lend	27.2.3.1 60,263,529	50,851,386
27.2.3.1	These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense. In addition, the Bank makes revocable commitments that do not attract any significant penalty or expense if the facility is unilaterally withdrawn.		
27.3	Other contingent liabilities	27.3.1 291,951	291,951
27.3.1	For tax years 2014 - 2025, the tax department disputed Bank's treatment on certain issues, where the Bank's appeals are pending at various appellate forums. Such issues inter alia principally include disallowance of expenses for initial depreciation allowances, non deduction of withholding tax on profit, non availability of underlying records and provision for non performing loans.		
	The Bank has filed appeals which are pending at various appellate forums. In addition, certain decisions made in favour of the Bank are being contested by the department at higher forums. No provision has been made in these unconsolidated condensed interim financial statements regarding the aforesaid additional tax demand and already issued favourable decisions where the tax department is in appeal, as the management is of the view that the issues will be decided in the Bank's favour as and when these are taken up by the Appellate authorities.		
27.4	Claims against the Bank not acknowledged as debts		
	An amount of Rs. 51,241,919 thousand (December 31, 2025: Rs. 55,348,429 thousand) involved in the claims filed against the Bank are yet to be adjudicated by the concerned Courts as the same have been filed as outburst to Bank's recovery suits. Up till now, in no case, any claim has been adjudicated, determined or decreed by the Courts against the Bank. Moreover, there is no likelihood of decreeing the suits against the Bank because, the claims are frivolous.		

THE BANK OF PUNJAB

		(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
	Note	Rupees in '000'	
28 MARK-UP / RETURN / INTEREST EARNED			
Loans and advances		82,885,291	71,582,789
Investments		109,703,208	126,774,751
Lendings to financial institutions		1,004,373	1,636,437
Balances with banks		182,074	229,403
IFRS-09 adjustments - notional:			
Staff loans		840,800	987,448
Other loans		1,174,653	980,148
		<u>195,790,399</u>	<u>202,190,976</u>
28.1 Interest income recognised on:			
Financial assets measured at amortised cost		98,923,444	87,534,111
Financial assets measured at FVOCI		94,503,971	108,656,708
Financial assets measured at FVTPL		2,362,984	6,000,157
		<u>195,790,399</u>	<u>202,190,976</u>
29 MARK-UP / RETURN / INTEREST EXPENSED			
Deposits and other accounts		96,663,442	105,529,649
Borrowings		24,169,620	32,547,857
Subordinated debts		2,931,421	3,223,439
Mark-up on lease liability against right of use assets		1,836,014	1,754,825
IFRS-09 adjustment on borrowings - notional		788,183	675,173
		<u>126,388,680</u>	<u>143,730,943</u>
30 FEE AND COMMISSION INCOME			
Branch banking customer fees		336,716	348,621
Consumer finance related fees		614,758	445,876
Card related fees		6,182,757	3,204,580
Credit related fees		1,039,370	901,262
Investment banking fees		772,975	547,257
Branchless banking fees		1,210,781	522,758
Commission on trade		1,167,112	1,244,282
Commission on guarantees		917,736	856,828
Commission on cash management		710,784	177,860
Commission on remittances including home remittances		(591,378)	256,135
Commission on bancassurance		168,886	275,326
SMS banking income		1,394,972	1,095,738
		<u>13,925,469</u>	<u>9,876,523</u>
31 (LOSS) / GAIN ON SECURITIES - NET			
Realized (loss) / gain on sale of securities - net	31.1	(457,345)	3,600,209
Unrealized (loss) / gain - measured at FVTPL	10.1	(72,788)	7,510
		<u>(530,133)</u>	<u>3,607,719</u>
31.1 Realized (loss) / gain on sale of securities - net:			
Federal government securities		(475,770)	3,597,317
Non government debt securities		26,926	32,482
Shares		(8,501)	(29,590)
		<u>(457,345)</u>	<u>3,600,209</u>
31.2 Realized (loss) / gain on sale of securities - net:			
Net (loss) / gain on financial assets measured at FVTPL:			
- Designated upon initial recognition		(141,918)	76,713
- Mandatorily measured at FVTPL		26,926	32,482
Net (loss) / gain on financial assets measured at FVOCI		(342,353)	3,491,014
		<u>(457,345)</u>	<u>3,600,209</u>
32 NET LOSS ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST			
Loss on derecognition on financial assets measured at amortised cost	32.1	(1,103,901)	(783,315)
32.1 This includes amortization of deferred loss / modification impact(s) on PIA Corporation Limited and other parties.			

		THE BANK OF PUNJAB	
		(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
		Rupees in '000'	
33	OTHER INCOME	Note	
	Rent on property	18,811	13,684
	Gain on sale of property and equipment - net	63,106	171,895
	Gain on sale of non banking assets acquired in satisfaction of claims - net	-	177,888
	Gain on termination of lease liability against right of use assets	289,729	94,637
	Notice pay on resignations	72,430	66,446
		<u>444,076</u>	<u>524,550</u>
34	OPERATING EXPENSES		
	Total compensation expense	34.1	26,403,455
	Property expense:		
	Rent and taxes	27,099	51,710
	Insurance	9,611	14,876
	Utilities cost	1,558,750	1,514,182
	Security	2,593	1,230
	Repair and maintenance including janitorial charges	187,727	178,291
	Depreciation	1,008,702	884,179
	Depreciation on right of use assets	1,871,201	1,631,382
		<u>4,665,683</u>	<u>4,275,850</u>
	Information technology expenses:		
	Software maintenance	2,041,799	1,532,050
	Hardware maintenance	65,487	64,935
	Depreciation on computer equipment	978,679	851,129
	Amortization on intangible assets	393,937	335,020
	Network charges	516,657	431,306
		<u>3,996,559</u>	<u>3,214,440</u>
	Other operating expenses:		
	Directors' fees and allowances	52,601	40,931
	Fees and allowances to shariah board	11,095	10,304
	Legal and professional charges	825,273	561,731
	Subscription charges	93,319	68,492
	Outsourced staff services costs	1,423,881	978,188
	Travelling and conveyance	308,093	347,135
	NIFT clearing charges	102,922	125,225
	Depreciation	936,064	727,602
	Depreciation on non banking assets acquired in satisfaction of claims	26,048	24,219
	Depreciation on ijarah assets under IFAS - 2	1,484,387	484,753
	Training and development	81,111	88,012
	Postage and courier charges	294,588	308,845
	Stationery and printing	486,896	553,838
	Marketing, advertisement and publicity	620,766	595,576
	Auditors remuneration	8,814	11,622
	Insurance	122,645	305,811
	Deposit protection fee	811,776	696,884
	Repair and maintenance	702,542	774,129
	Entertainment expenses	267,686	250,194
	Vehicle running expenses	106,542	84,137
	Fuel for generator	327,770	257,054
	Commission and brokerage	778,706	1,444,208
	SMS banking charges	504,716	587,473
	Bank charges	74,644	72,781
	Card related expenses	4,726,056	3,335,686
	Cash remittance charges	711,553	763,853
	Branch license fee	25,738	23,385
	CNIC verification / ECIB charges	899,682	433,222
	Organizational development	46,064	60,302
	Promotional expenses for public sector programs	158,493	118,896
	Miscellaneous expenses	226,524	277,186
		<u>17,246,995</u>	<u>14,411,674</u>
		<u>52,312,692</u>	<u>44,165,185</u>
34.1	This includes IFRS-09 adjustment on staff loans - notional amounting to Rs. 840,800 thousand (September 30, 2025: Rs. 987,448 thousand).		
		(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
35	OTHER CHARGES	Rupees in '000'	
	Penalties imposed by SBP	-	65,389
	Operational loss	7,947	2,835
		<u>7,947</u>	<u>68,224</u>

THE BANK OF PUNJAB

(Un-audited) (Un-audited)
September 30, September 30,
2026 2025

	Note	Rupees in '000'	
36 CHARGE / (REVERSAL) OF CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET			
Reversal of credit loss allowance against lending to financial institutions	9	(15,969)	(21,349)
(Reversal) / charge of credit loss allowance against investments	10.3.1	(67,008)	584,205
Charge of credit loss allowance against loans & advances	11.3	2,611,461	2,284,655
Reversal of credit loss allowance against balances with treasury banks	7	(89,409)	(34,469)
Charge of credit loss allowance against other assets	16.1.1	38,300	314,658
Reversal of credit loss allowance against off balance sheet obligations	23.2	(39,476)	(1,001,968)
Reversal of credit loss allowance against balance with other banks	8	(2,026)	(3,185)
Recovery of charged off loans		(103,422)	-
		<u>2,332,451</u>	<u>2,122,547</u>
37 TAXATION - NET			
Current	37.1	18,514,963	16,219,236
Prior years		1,298,769	-
Deferred		(3,883,007)	(1,772,412)
		<u>15,930,725</u>	<u>14,446,824</u>

37.1 This includes provision for super tax in accordance with Income Tax Ordinance, 2001.

38 BASIC EARNINGS PER SHARE

Profit after taxation for the period (Rs in '000')	14,526,585	11,949,966
Weighted average number of ordinary shares (No.).	3,271,569,319	3,271,569,319
Basic earnings per share - Rs.	4.44	3.65

39 DILUTED EARNINGS PER SHARE

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

40 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

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

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

40.2 Fair value of financial assets

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

September 30, 2026 (Un-audited)					
	Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Rupees in '000'					
On balance sheet financial instruments					
Financial assets measured at fair value:					
Federal government securities	899,022,696	-	899,022,696	-	899,022,696
Shares	5,761,187	5,662,871	98,316	-	5,761,187
Non-Government debt securities	1,039,949	-	1,039,949	-	1,039,949
Mutual fund & investment trust units	1,980,171	1,853,061	127,110	-	1,980,171
Foreign securities	42,784	-	-	42,784	42,784
Subsidiary companies	2,210,487	-	-	2,210,487	2,210,487
Associated company	285,000	-	-	285,000	285,000
Financial assets disclosed but not measured at fair value:					
Federal government securities	190,506,762	-	185,247,049	-	185,247,049
Non-Government debt securities	602,626	-	602,626	-	602,626
Off balance sheet financial instruments measured at fair value:					
Forward purchase of foreign exchange contracts	163,130,756	-	163,130,756	-	163,130,756
Forward sale of foreign exchange contracts	165,148,894	-	165,148,894	-	165,148,894
Forward purchase of Government Securities transaction	2,990,000		2,990,000		2,990,000
Forward sale of Government securities transactions	50,000,000		50,000,000		50,000,000
December 31, 2025 (Audited)					
	Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Rupees in '000'					
On balance sheet financial instruments					
Financial assets measured at fair value:					
Federal government securities	1,415,135,885	-	1,415,135,885	-	1,415,135,885
Shares	9,601,123	9,515,608	85,515	-	9,601,123
Non-Government debt securities	755,878	-	755,878	-	755,878
Mutual funds & investment trust units	2,162,473	2,045,638	116,835	-	2,162,473
Foreign securities	40,036	-	-	40,036	40,036
Subsidiary companies	1,710,487	-	-	1,710,487	1,710,487
Associated company	285,000	-	-	285,000	285,000
Financial assets disclosed but not measured at fair value:					
Federal government securities	118,887,560	-	122,858,845	-	122,858,845
Non-Government debt securities	932,966	-	932,966	-	932,966

December 31, 2025 (Audited)

Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Rupees in '000'				
137,714,546	-	137,714,546	-	137,714,546
125,670,026	-	125,670,026	-	125,670,026
79,800,000	-	79,800,000	-	79,800,000
66,600,000	-	66,600,000	-	66,600,000

40.3 Fair value of non financial assets

September 30, 2026 (Un-audited)

Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Rupees in '000'				
16,371,344	-	16,371,344	-	16,371,344
4,239,854	-	4,239,854	-	4,239,854

December 31, 2025 (Audited)

Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Rupees in '000'				
16,722,737	-	16,722,737	-	16,722,737
4,286,697	-	4,286,697	-	4,286,697

40.4 The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements of investment in unquoted equity securities.

Description	Valuation technique	Unobservable input	Discount rate	Relationship of unobservable inputs to fair value
Unquoted equity investments	DCF method	Discount rate	16.83%	Increase / decrease discount rate by 1% with all other variables held constant, would decrease / increase the fair value by Rs. 0.922 million and Rs 0.950 million respectively.

The following table shows reconciliation of investments Level 3 fair value movement:

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
Rupees in '000'		
Opening balance	125,551	97,786
Remeasurement recognised in OCI	14,628	27,765
Closing balance	140,179	125,551

41 SEGMENT INFORMATION

41.1 Segment details with respect to business activities

	(Un-audited) September 30, 2026						
	Corporate and investment banking	Cards and public sector deposits	Consumer banking group	Treasury	Islamic	Others including Head Office	Total
Rupees in '000'							
Unconsolidated statement of profit & loss account							
Mark-up / return / profit	30,720,187	11,776,726	26,893,119	101,652,899	22,966,986	1,780,482	195,790,399
Inter segment (cost) / revenue - net	(15,543,830)	63,443,263	30,176,471	(77,916,462)	(137,789)	(21,653)	-
Non mark-up / return / interest income	2,675,077	8,938,372	1,790,170	2,601,201	1,085,936	(683,924)	16,406,832
Total income	17,851,434	84,158,361	58,859,760	26,337,638	23,915,133	1,074,905	212,197,231
Segment total expenses	16,547,431	58,974,340	41,767,851	20,832,047	18,145,093	23,140,708	179,407,470
Profit before credit loss allowance and tax	1,304,003	25,184,021	17,091,909	5,505,591	5,770,040	(22,065,803)	32,789,761
(Reversal) / charge of credit loss allowance	(2,114,467)	(2,131,794)	4,105,470	(492,567)	2,956,260	9,549	2,332,451
Profit / (loss) before tax	3,418,470	27,315,815	12,986,439	5,998,158	2,813,780	(22,075,352)	30,457,310
Unconsolidated statement of financial position							
Cash and bank balances	-	239,580	31,666,843	63,634,432	20,365,588	-	115,906,443
Investments - net	1,131,843	-	-	1,022,517,898	77,801,921	-	1,101,451,662
Net inter segment lending	-	728,816,696	379,156,657	-	5,563,044	46,221,911	1,159,758,308
Lendings to financial institutions	-	-	-	9,000,000	1,995,318	-	10,995,318
Advances - performing	348,535,737	136,172,885	318,074,843	-	195,036,713	13,344,054	1,011,164,232
- non-performing - net	4,762,866	6,917,960	2,634,232	-	752,368	17,865	15,085,291
Others	35,972,393	12,177,870	24,487,266	17,420,741	24,719,046	86,518,254	201,295,570
Total assets	390,402,839	884,324,991	756,019,841	1,112,573,071	326,233,998	146,102,084	3,615,656,824
Borrowings	(17,510,170)	-	15,984,578	166,745,955	54,403,758	-	219,624,121
Subordinated debts	-	-	-	-	-	30,808,784	30,808,784
Deposits and other accounts	176,536,239	867,407,762	649,428,091	-	234,323,259	-	1,927,695,351
Net inter segment borrowing	214,558,301	-	-	945,200,007	-	-	1,159,758,308
Others	16,818,468	16,917,229	90,607,171	627,109	10,828,642	22,405,972	158,204,591
Total liabilities	390,402,838	884,324,991	756,019,840	1,112,573,071	299,555,659	53,214,756	3,496,091,155
Equity	-	-	-	-	-	-	119,565,669
Total equity and liabilities	-	-	-	-	-	-	3,615,656,824
Contingencies and commitments	366,032,283	-	33,831,624	378,947,309	52,430,624	392,550	831,634,390

(Un-audited)

September 30, 2025

	Corporate and investment banking	Cards and public sector deposits	Consumer banking group	Treasury	Islamic	Others including Head Office	Total
Rupees in '000'							
Unconsolidated statement of profit & loss account							
Mark-up / return / profit	38,399,350	5,525,749	20,378,899	121,815,211	14,228,866	1,842,901	202,190,976
Inter segment revenue - net	(16,011,784)	70,538,848	31,868,959	(86,119,158)	(685)	(276,180)	-
Non mark-up / return / interest income	2,807,984	4,799,199	1,523,934	5,682,755	528,987	(266,533)	15,076,326
Total income	25,195,550	80,863,796	53,771,792	41,378,808	14,757,168	1,300,188	217,267,302
Segment total expenses	19,947,826	60,105,387	40,515,316	31,342,904	12,499,988	24,336,544	188,747,965
Profit before credit loss allowance and tax	5,247,724	20,758,409	13,256,476	10,035,904	2,257,180	(23,036,356)	28,519,337
(Reversal) / charge of credit loss allowance	(786,439)	1,443,629	872,883	133,520	510,192	(51,238)	2,122,547
Profit / (loss) before tax	6,034,163	19,314,780	12,383,593	9,902,384	1,746,988	(22,985,118)	26,396,790

(Audited)

December 31, 2025

Unconsolidated statement of financial position

Cash and bank balances	-	190,118	34,687,859	61,760,512	20,550,710	-	117,189,199
Investments - net	903,661	-	-	1,431,923,987	116,683,760	-	1,549,511,408
Net inter segment lending	-	753,710,611	556,523,199	-	3,030,374	33,564,829	1,346,829,013
Lendings to financial institutions	-	-	-	221,420,747	1,997,051	-	223,417,798
Advances - performing	422,531,230	106,517,334	197,515,122	-	130,680,448	15,014,783	872,258,917
- non-performing	2,798,404	1,629,792	2,952,000	-	1,777,315	7,418	9,164,929
Others	35,491,690	6,587,853	21,839,615	23,737,472	18,822,850	73,662,036	180,141,516
Total assets	461,724,985	868,635,708	813,517,795	1,738,842,718	293,542,508	122,249,066	4,298,512,780
Borrowings	48,872,487	-	2,626,436	566,500,498	6,808,571	-	624,807,992
Subordinated debts	-	-	-	-	-	30,812,558	30,812,558
Deposits and other accounts	218,020,501	855,075,604	727,292,451	-	251,147,748	-	2,051,536,304
Net inter segment borrowing	177,270,371	-	-	1,169,558,642	-	-	1,346,829,013
Others	17,561,626	13,560,104	83,598,908	2,783,578	11,156,976	11,726,297	140,387,489
Total liabilities	461,724,985	868,635,708	813,517,795	1,738,842,718	269,113,295	42,538,855	4,194,373,356
Equity							104,139,424
Total equity and liabilities							4,298,512,780
Contingencies and commitments	305,984,951	-	27,885,919	408,061,809	46,912,843	364,256	789,209,778

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

The Bank has related party transactions with its subsidiaries, associate, employee benefit plans, directors and Key Management Personnel. The Bank enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with a 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. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

	(Un-audited) September 30, 2026					(Audited) December 31, 2025						
	Directors	Key management personnel	Subsidiary companies and managed modaraba	Associated company	Employee funds	Other related parties	Directors	Key management personnel	Subsidiary companies and managed modaraba	Associated company	Employee funds	Other related parties
						Rupees in '000						
Lendings to financial institutions:												
Opening balance	-	-	2,000,000	-	-	-	-	-	1,985,000	-	-	-
Addition during the period / year	-	-	2,000,000	-	-	-	-	-	4,000,000	-	-	-
Repaid during the period / year	-	-	2,000,000	-	-	-	-	-	3,985,000	-	-	-
Closing balance	-	-	2,000,000	-	-	-	-	-	2,000,000	-	-	-
Credit loss allowance against lendings to financial institutions	-	-	2,599	-	-	-	-	-	2,949	-	-	-
Investments (gross):												
Opening balance	-	-	1,875,432	285,000	-	-	-	-	1,375,432	-	-	-
Addition during the period / year	-	-	500,000	-	-	-	-	-	500,000	285,000	-	-
Repaid during the period / year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	2,375,432	285,000	-	-	-	-	1,875,432	285,000	-	-
Credit loss allowance for diminution in value of investments	-	-	164,945	-	-	-	-	-	164,945	-	-	-
Advances (gross):												
Opening balance	-	543,321	-	-	-	27,684	-	527,614	-	-	-	-
Addition during the period / year	-	135,065	-	123,855	-	-	-	198,393	-	-	-	30,000
Repaid during the period / year	-	147,989	-	-	-	4,274	-	182,686	-	-	-	2,316
Closing balance	-	530,397	-	123,855	-	23,410	-	543,321	-	-	-	27,684
Credit loss allowance held against advances	-	6,932	-	431	-	60	-	7,604	-	-	-	89
Fair value loss held against advances	-	233,657	-	-	-	-	-	208,103	-	-	-	-
Other assets - advance deposits and prepayments												
Opening balance	-	-	100,000	-	-	-	-	-	100,000	-	-	-
Addition during the period / year	-	94,124	90,022	6,310	-	58	-	25,187	55,614	-	-	71
Repaid during the period / year	-	2,131	115	36	-	7	-	623	38	-	-	5
Closing balance	-	-	-	-	-	-	-	-	-	-	-	-
Credit loss allowance against other assets	-	-	-	-	-	75,036	-	-	-	-	-	79,974
Right of use assets	-	-	-	-	-	5,590	-	-	-	-	-	5,057
Lease liability against right of use assets	-	-	-	-	-	-	-	-	-	-	-	-
Deposits and other accounts:												
Opening balance	16,544	63,004	588,491	2,684,614	1,399,082	1,990,351	22,222	116,930	723,563	-	2,587,664	874,132
Received during the period / year	52,759	1,056,075	60,676,519	22,129,064	14,175,921	1,179,726	29,745	2,000,987	31,561,051	122,250,831	6,542,556	3,612,472
Withdrawal during the period / year	31,631	933,065	61,108,013	24,080,946	14,900,695	3,006,932	35,423	2,084,913	31,696,123	119,566,217	7,731,138	2,495,773
Closing balance	37,672	186,014	156,997	732,732	674,308	163,645	16,544	63,004	588,491	2,684,614	1,399,082	1,990,351
Markup & commission payable	-	80	10,204	12,647	-	17,150	62	289	3,210	11,820	-	615
Contingencies (non funded exposure)	-	-	27,995	103,003	-	55,939	-	-	-	-	-	56,300
Credit loss allowance against contingencies	-	-	-	-	-	637	-	-	-	-	-	167

September 30, 2026 (Un-audited)

September 30, 2025 (Un-audited)

	Directors	Key management personnel	Subsidiary companies and managed companies/modaraba	Associated company	Employee Funds	Other related parties	Directors	Key management personnel	Subsidiary companies and managed companies/modaraba	Associated company	Employee Funds	Other related parties
Income:												
Mark-up / return / interest earned	-	35,591	172,544	6,515	-	2,541	-	36,160	336,306	-	-	-
Fee and commission income	14	1,616	16	-	-	122	103	-	111	-	-	1,073
Other income (total)	-	-	18,811	-	-	-	-	-	13,684	-	-	-
Expense:												
Mark-up expensed on deposits	1,402	2,792	72,237	208,586	82,999	216,017	1,362	5,118	10,656	-	120,693	63,665
Depreciation on right of use assets	-	-	-	-	-	4,938	-	-	-	-	-	3,319
Mark-up on lease liability against right of use assets	-	-	-	-	-	533	-	-	-	-	-	1,832
Compensation expense	-	890,304	-	-	-	-	-	736,419	-	-	-	-
Commission expense	-	-	14,805	-	-	-	-	-	14,876	-	-	-
Training and development	-	-	-	-	-	-	-	-	-	-	-	-
Outsourced staff services cost	-	-	-	-	-	5,526	-	-	-	-	-	36,828
Directors fee and allowances	-	-	471,165	-	-	-	-	-	-	-	-	90
42.1 Balances pertaining to parties that were related at the beginning of the year but ceased to be so related during any part of the current period are not reflected as part of the closing balance. The same are accounted for through movement presented above	52,601	-	-	-	-	-	40,931	-	-	-	-	-

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

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Rupees in '000'	
Advances	6,216,954	6,832,672
Credit loss allowance held against advances	3,750	5,148
Deposits and other accounts	920,867,370	929,677,436
Bills payable	632,814	435,155
Subordinated debts	13,121,295	13,122,981
Acceptances	71,829	71,829
Contingencies and commitments	32,079,339	31,106,542
Credit loss allowance against off balance sheet obligations	362	107
Mark-up receivable	16,170,913	7,398,490
Credit loss allowance against other assets	138	3
Mark-up payable on subordinated debts	413,147	206,698
Mark-up payable on deposits and other accounts	20,448,673	34,402,345
	(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
	Rupees in '000'	
Mark-up earned	764,194	398,221
Mark-up expensed	41,885,410	55,828,921
Income on contingencies and commitments	225,800	267,921
Mark-up expense on subordinated debts	1,232,363	1,353,581

42.3 The Bank made contribution of Rs. 621,590 thousand and Rs. 704,791 thousand (September 30, 2025 Rs. 526,125 thousand and Rs. 421,347 thousand) to employees provident fund and gratuity fund during the period respectively.

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

42.5 Advances to employees as at September 30, 2026, other than key management personnel, net of deferred fair value adjustments amounted to Rs. 16,038,977 thousand (December 31, 2025 Rs. 15,059,421 thousand) with markup receivable of Rs. 4,268,524 thousand (December 31, 2025 Rs. 3,934,785 thousand) and markup income of Rs. 2,081,062 thousand (September 30, 2025 Rs. 1,124,137 thousand) and fee & commission income of Rs. 44,260 thousand (September 30, 2025 Rs. 47,405 thousand). The PCL on said advances including markup and unutilized limits amounted to Rs. 484,714 thousand (December 31, 2025 Rs. 471,980 thousand). Compensation expense includes deferred cash bonus for President / CEO, key management personnel and other material risk takers / controllers. Deferred cash bonus as on September 30, 2026 stood at Rs. 162,836 thousand (December 31, 2025 Rs. 128,175 thousand).

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

42.7 The Bank held government securities in fiduciary capacity for its employee fund, GoPb & other related parties in IPS account amounting to Rs. 12,127,700 thousand (December 31, 2025 Rs. 9,021,700 thousand).

THE BANK OF PUNJAB

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Rupees in '000'	
43 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital including share premium (net of losses)	<u>34,667,575</u>	<u>34,667,575</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>112,051,140</u>	<u>92,594,272</u>
Eligible Additional Tier 1 (ADT 1) Capital	<u>11,967,500</u>	<u>11,967,500</u>
Total Eligible Tier 1 Capital	<u>124,018,640</u>	<u>104,561,772</u>
Eligible Tier 2 Capital	<u>26,052,215</u>	<u>29,249,551</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>150,070,855</u>	<u>133,811,323</u>
Risk Weighted Assets (RWAs):		
Credit risk	<u>878,468,893</u>	<u>676,450,427</u>
Market risk	<u>66,737,237</u>	<u>133,202,612</u>
Operational risk	<u>131,320,931</u>	<u>131,320,931</u>
Total	<u>1,076,527,061</u>	<u>940,973,970</u>
Common equity tier I capital adequacy ratio	<u>10.41%</u>	<u>9.84%</u>
Tier I Capital Adequacy Ratio	<u>11.52%</u>	<u>11.11%</u>
Total Capital Adequacy Ratio	<u>13.94%</u>	<u>14.22%</u>
43.1 Leverage Ratio (LR):		
Eligible Tier-I Capital	<u>124,018,640</u>	<u>104,561,772</u>
Total exposures	<u>3,048,812,595</u>	<u>3,363,545,140</u>
Leverage Ratio	<u>4.07%</u>	<u>3.11%</u>
43.2 Liquidity Coverage Ratio (LCR):		
Total high quality liquid assets	<u>1,009,313,504</u>	<u>1,044,794,202</u>
Total net cash outflow	<u>558,123,460</u>	<u>517,654,929</u>
Liquidity Coverage Ratio	<u>180.84%</u>	<u>201.83%</u>
43.3 Net Stable Funding Ratio (NSFR):		
Total available stable funding	<u>1,467,563,574</u>	<u>1,501,658,047</u>
Total required stable funding	<u>1,053,610,544</u>	<u>883,472,667</u>
Net Stable Funding Ratio	<u>139.29%</u>	<u>169.97%</u>
43.4 The Bank availed the benefit of stage I and II staggering as allowed by SBP vide IFRS-09 application instructions. Had this relaxation not availed, the CAR, LR and NSFR would have been 13.74%, 3.85% and 138.99% respectively.		

44 ISLAMIC BANKING BUSINESS

The Bank has started Islamic banking operations in the year 2013. As at close of the September 30, 2026, the Bank is operating 279 Islamic banking branches (December 31, 2025: 210 Islamic banking branches) and 617 Islamic banking windows (December 31, 2025: 534).

STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	Rupees in '000'	
ASSETS			
Cash and balances with treasury banks		13,713,373	17,123,462
Balances with other banks		6,652,215	3,427,248
Due from financial institutions	44.1	1,995,318	1,997,051
Investments	44.2	77,801,921	116,683,760
Islamic financing and related assets	44.3	195,789,081	132,457,763
Property and equipment		2,409,036	2,347,799
Right of use assets		3,209,784	3,301,907
Intangible assets		10,126	11,708
Due from head office		5,563,044	3,030,374
Other assets		19,090,100	13,161,436
Total assets		326,233,998	293,542,508
LIABILITIES			
Bills payable		970,558	1,185,243
Due to financial institutions		54,403,758	6,808,571
Deposits and other accounts	44.4	234,323,259	251,147,748
Lease liabilities		4,527,907	4,390,951
Due to head office		-	-
Other liabilities		5,330,177	5,580,782
		299,555,659	269,113,295
NET ASSETS		26,678,339	24,429,213
REPRESENTED BY			
Islamic banking fund		2,000,000	2,000,000
Reserves		1,406	14,001
(Deficit) / surplus on revaluation of assets		(239,612)	312,447
Unappropriated profit	44.5	24,916,545	22,102,765
		26,678,339	24,429,213
CONTINGENCIES AND COMMITMENTS	44.6		

ISLAMIC BANKING BUSINESS
STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

		Quarter Ended		Period Ended	
		September 30,	September 30,	September 30,	September 30,
		2026	2025	2026	2025
Note		Rupees in '000'			
Profit / return earned	44.7	8,448,470	4,901,927	22,966,986	14,228,866
Profit / return expensed	44.8	4,120,274	2,493,933	11,281,151	7,255,881
Net profit / return		4,328,196	2,407,994	11,685,835	6,972,985
Fee and commission income		517,804	291,376	1,186,732	662,790
Dividend income		-	-	-	-
Foreign exchange loss		(134,669)	(80,008)	(145,695)	(204,840)
Gain on securities - net		102	41	102	559
Other income		282	41,525	44,797	70,478
		383,519	252,934	1,085,936	528,987
Total income		4,711,715	2,660,928	12,771,771	7,501,972
Operating expenses		2,513,523	1,916,655	7,001,710	5,244,550
Workers' Welfare Fund		-	-	-	-
Other charges		16	62	21	242
		2,513,539	1,916,717	7,001,731	5,244,792
Profit before credit loss allowance		2,198,176	744,211	5,770,040	2,257,180
Credit loss allowance and write offs - net		1,873,355	173,410	2,956,260	510,192
Profit before taxation		324,821	570,801	2,813,780	1,746,988
Taxation	44.9	-	-	-	-
Profit after taxation		324,821	570,801	2,813,780	1,746,988

	September 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'					
44.1 DUE FROM FINANCIAL INSTITUTIONS						
Placements	2,000,000	-	2,000,000	2,000,000	-	2,000,000
Less: Credit loss allowance	(4,682)	-	(4,682)	(2,949)	-	(2,949)
	1,995,318	-	1,995,318	1,997,051	-	1,997,051

44.1.1 Profit rate on these placements ranging from 12.17% per annum (December 31, 2025: 10.91% per annum). These placements are unsecured (December 31, 2025: Unsecured).

	September 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost/Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value	Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value
44.2 INVESTMENTS	Rupees in '000'							
Investments by segment:								
Debt instruments								
Classified / measured at FVTPL								
Federal government securities								
- Islamic Naya Pakistan Certificate	188,070	-	-	188,070	322,201	-	-	322,201
	188,070	-	-	188,070	322,201	-	-	322,201
Classified / measured at FVOCI								
Federal government securities								
- Ijara Sukuk	60,308,740	-	(379,207)	59,929,533	102,565,732	-	172,852	102,738,584
	60,308,740	-	(379,207)	59,929,533	102,565,732	-	172,852	102,738,584
Classified / measured at amortised cost								
Federal Government securities								
- Ijara Sukuk	13,921,479	-	-	13,921,479	9,529,795	-	-	9,529,795
- Bai Muajjal	3,160,214	-	-	3,160,214	3,160,214	-	-	3,160,214
Non government debt securities	1,210,477	(607,852)	-	602,625	1,541,158	(608,192)	-	932,966
	18,292,170	(607,852)	-	17,684,318	14,231,167	(608,192)	-	13,622,975
Total investments	78,788,980	(607,852)	(379,207)	77,801,921	117,119,100	(608,192)	172,852	116,683,760

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

44.2.1 Particulars of credit loss allowance - non government debt securities

Stage 1	784	1,124
Stage 2	-	-
Stage 3	607,068	607,068
	607,852	608,192

44.3 ISLAMIC FINANCING AND RELATED ASSETS

Ijarah	13,254,936	8,515,516
Murabaha	277,892	261,848
Musharaka	16,916,542	20,428,804
Diminishing musharaka	136,885,617	75,135,626
Payment against documents	72,802	55,304
Waqala	3,469,000	4,107,244
Istisna	15,715,416	15,786,835
Musawamah financing	13,382,453	8,732,339
Tijarah financing	721,303	1,392,151
Gross Islamic financing and related assets	200,695,961	134,415,667
Less: credit loss allowance against Islamic financings		
- Stage 1	3,113,045	469,962
- Stage 2	308,117	218,987
- Stage 3	1,485,718	1,268,955
	4,906,880	1,957,904
Islamic financing and related assets - net	195,789,081	132,457,763

44.4 DEPOSITS AND OTHER ACCOUNTS

	September 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	93,062,641	2,899,785	95,962,426	83,549,224	2,152,123	85,701,347
Savings deposits	111,998,496	661,585	112,660,081	125,553,606	485,182	126,038,788
Term deposits	16,681,992	6,529,306	23,211,298	31,464,235	6,432,976	37,897,211
Margin deposits	150,292	-	150,292	41,434	-	41,434
	221,893,421	10,090,676	231,984,097	240,608,499	9,070,281	249,678,780
Financial institutions:						
Current deposits	44,175	151,385	195,560	48,653	69,567	118,220
Savings deposits	2,143,588	14	2,143,602	1,350,573	-	1,350,573
Term deposits	-	-	-	-	-	-
Margin deposits	-	-	-	175	-	175
	2,187,763	151,399	2,339,162	1,399,401	69,567	1,468,968
	224,081,184	10,242,075	234,323,259	242,007,900	9,139,848	251,147,748

44.4.1 Current deposits include call deposits amounting to Rs. 6,553,045 thousand (December 31, 2025: Rs. 6,266,180 thousand).

THE BANK OF PUNJAB

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Rupees in '000'	
44.5 UNAPPROPRIATED PROFIT - ISLAMIC BANKING BUSINESS		
Opening balance	22,102,765	17,713,483
Islamic banking profit for the period / year	2,813,780	4,389,282
Closing balance	24,916,545	22,102,765
44.6 CONTINGENCIES AND COMMITMENTS		
Guarantees:		
Financial guarantees	21,200	18,200
Performance guarantees	3,527,982	2,488,032
Other guarantees	11,095,729	3,745,185
	14,644,911	6,251,417
Commitments:		
Documentary credits and short-term trade-related transactions - letters of credit	18,735,820	14,627,627
Commitments in respect of forward lending	13,372,182	21,457,478
Commitments in respect of purchase forward foreign exchange contracts	5,665,146	4,553,767
Commitments for acquisition of:		
- fixed assets	9,789	1,513
- intangible assets	2,776	21,041
	37,785,713	40,661,426
	52,430,624	46,912,843
	(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
	Rupees in '000'	
44.7 PROFIT / RETURN EARNED OF FINANCING, INVESTMENTS AND PLACEMENT		
Profit earned on:		
Financing	13,630,539	7,319,758
Investments	9,025,842	5,896,724
Placements	186,314	902,917
IFRS-09 adjustments - notional:		
Staff loans	83,109	92,627
Other loans	41,182	16,840
	22,966,986	14,228,866
44.8 PROFIT ON DEPOSITS AND OTHER DUES EXPENSED		
Deposits and other accounts	8,096,038	6,680,091
Markup on lease liability against right of use assets	462,939	411,659
Markup on call borrowings	2,394,532	9,519
Markup on borrowings from SBP	129,536	110,796
Profit on deposits from conventional head office	137,789	685
IFRS-09 adjustment on borrowings - notional	60,317	43,131
	11,281,151	7,255,881

44.9 The Bank calculates and files a single corporate tax return as per the requirements of Income Tax Ordinance, 2001. Segmental calculation is not required for filing. However, considering the format requirement of the financial statements to disclose Islamic Banking segment's tax charge separately, a notional net tax charge for Islamic Banking is expected to be Rs. 1,463,166 thousand (September 30, 2025: Rs. 925,904 thousand).

44.10 During the period, following pools have been created:

- Taqwa Foreign Currency AED Pool (AED POOL)
- Taqwa Foreign Currency SAR Pool (SAR POOL)

The main characteristics of the pools are as under:

- i) Profit sharing ratio between Mudarib and Rab-ul-mal is 50:50.
- ii) Profit equalization reserve up to 2% of net income will be created, if needed.
- iii) Investment risk reserve up to 1% of distributable profit of depositors will be created, if needed.

45 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on October 26, 2026 by the Board of Directors of the Bank.

46 GENERAL

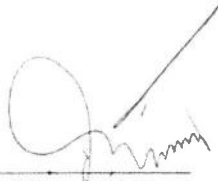
46.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise specified.

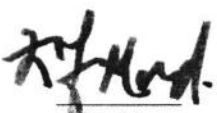
46.2 Corresponding figures have been re-arranged or re-classified wherever necessary, for better and fair presentation. However, no significant reclassification or re-arrangement has been made during the period except for following:

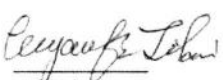
- In 'Other assets', Rs. 105,752 thousand previously included in 'Income / mark-up accrued in local currency' has now been presented in 'Others' for better presentation and comparability.

- In 'Other liabilities', Rs. 169,127 thousand and Rs. 274,524 thousand previously included in 'Others' has now been presented in 'Sundry creditors and accrued expenses' and 'Payable on account of GoPb schemes' respectively, for better presentation and comparability.

- In 'Operating expenses' Rs. 118,896 thousand related to 'Promotional expenses for public sector programs', previously included in 'Marketing, advertisement and publicity' has now been presented separately for better presentation and comparability.

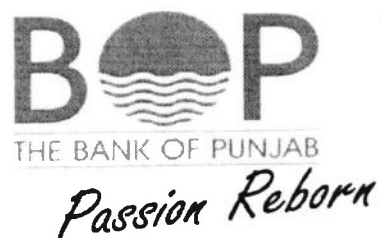

 Chief Financial Officer


 President


 Chairman


 Director


 Director

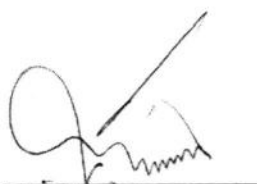


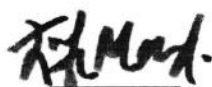
**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2026**

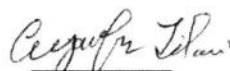
THE BANK OF PUNJAB AND ITS SUBSIDIARIES
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	Rupees in '000'	
ASSETS			
Cash and balances with treasury banks	7	104,627,462	111,971,791
Balances with other banks	8	12,373,930	5,626,479
Lendings to financial institutions	9	8,999,318	221,421,798
Investments	10	1,099,600,293	1,548,043,219
Advances	11	1,027,602,962	882,763,832
Property and equipment	12	31,036,048	29,987,166
Right-of-use assets	13	13,224,612	13,229,973
Intangible assets	14	3,187,927	2,727,709
Deferred tax assets - net	15	17,256,930	7,724,369
Other assets	16	137,214,198	127,243,450
Total assets		2,455,123,680	2,950,739,786
LIABILITIES			
Bills payable	18	10,827,162	9,139,194
Borrowings	19	219,624,121	624,807,992
Deposits and other accounts	20	1,927,538,355	2,050,947,814
Lease liabilities	21	19,029,720	18,367,358
Subordinated debts	22	30,808,784	30,812,558
Deferred tax liabilities		-	-
Other liabilities	23	128,816,621	113,343,838
Total liabilities		2,336,644,763	2,847,418,754
NET ASSETS		118,478,917	103,321,032
REPRESENTED BY			
Share capital - net	24	32,452,535	32,452,535
Reserves		23,803,050	20,897,733
Share deposit money	25	15,600,000	-
Surplus on revaluation of assets - net of tax	26	4,712,836	10,695,407
Non controlling interest		1,051,241	1,090,389
Unappropriated profit		40,859,255	38,184,968
		118,478,917	103,321,032
CONTINGENCIES AND COMMITMENTS			
	27		

The annexed notes 1 to 46 form an integral part of these consolidated condensed interim financial statements.


Chief Financial Officer


President


Chairman


Director


Director

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

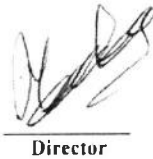
		Quarter Ended		Period Ended	
		September 30,	September 30,	September 30,	September 30,
		2026	2025	2026	2025
Note		Rupees in '000'			
Mark-up / return / interest earned	28	65,404,109	67,111,289	195,972,600	202,125,947
Mark-up / return / interest expensed	29	42,047,193	44,450,378	126,497,488	143,646,794
Net mark-up / interest income		23,356,916	22,660,911	69,475,112	58,479,153
NON MARK-UP / INTEREST INCOME					
Fee and commission income	30	4,448,425	3,602,955	13,999,542	9,976,895
Dividend income		43,761	51,345	183,939	220,688
Foreign exchange income		1,600,159	908,174	3,554,982	1,631,427
Income / (loss) from derivatives		-	-	-	-
Gain / (loss) on securities - net	31	631,384	948,311	(531,126)	3,611,458
Net loss on derecognition of financial assets measured at amortised cost	32	(321,729)	(214,266)	(1,103,901)	(783,315)
Other income	33	130,986	338,094	444,076	510,866
Total non-markup / interest income		6,532,986	5,634,613	16,547,512	15,168,019
Total income		29,889,902	28,295,524	86,022,624	73,647,172
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	34	17,467,797	15,075,092	52,802,851	44,538,034
Workers' Welfare Fund		244,318	250,265	698,672	783,613
Other charges	35	6,835	64,238	7,947	68,224
Total non-markup / interest expenses		17,718,950	15,389,595	53,509,470	45,389,871
Profit before credit loss allowance		12,170,952	12,905,929	32,513,154	28,257,301
Charge of credit loss allowance and write offs - net	36	2,267,268	1,731,840	2,316,176	2,196,591
Share of loss from associated company		716	-	518	-
PROFIT BEFORE TAXATION		9,904,400	11,174,089	30,197,496	26,060,710
Taxation - net	37	5,019,114	6,091,951	15,941,910	14,459,448
PROFIT AFTER TAXATION		4,885,286	5,082,138	14,255,586	11,601,262
PROFIT ATTRIBUTABLE TO:					
Equity holders of the Bank		4,921,895	5,031,810	14,294,734	11,512,333
Non controlling interest		(36,609)	50,328	(39,148)	88,929
		4,885,286	5,082,138	14,255,586	11,601,262
Basic earnings per share - Rupees	38	1.51	1.54	4.37	3.52
Diluted earnings per share - Rupees	39	1.51	1.54	4.37	3.52

The annexed notes 1 to 46 form an integral part of these consolidated condensed interim financial statements.


Chief Financial Officer


President


Chairman


Director

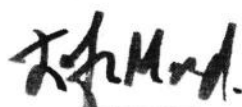

Director

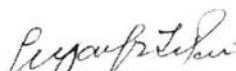
THE BANK OF PUNJAB AND ITS SUBSIDIARIES
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

	Quarter Ended		Period Ended	
	September 30,	September 30,	September 30,	September 30,
	2026	2025	2026	2025
	Rupees in '000'			
Profit after taxation for the period	4,885,286	5,082,138	14,255,586	11,601,262
Other comprehensive income / (loss):				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus / (deficit) on revaluation of debt investments classified as FVOCI - net of tax	(523,796)	(1,304,130)	(5,105,870)	1,249,941
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	(249,964)	967,808	(273,675)	833,732
Total comprehensive income for the period	4,111,526	4,745,816	8,876,041	13,684,935
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Equity holders of the parent	4,148,135	4,695,488	8,915,189	13,596,006
Non-controlling interest	(36,609)	50,328	(39,148)	88,929
	4,111,526	4,745,816	8,876,041	13,684,935

The annexed notes 1 to 46 form an integral part of these consolidated condensed interim financial statements.


Chief Financial Officer


President


Chairman

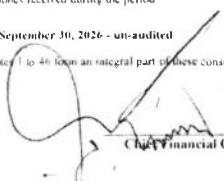

Director


Director

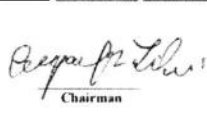
THE BANK OF PUNJAB AND ITS SUBSIDIARIES
CONSOLIDATED (CONDENSED) INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

	Share capital - net		Capital reserves	Statutory reserve	Share deposit money	Surplus / (deficit) - net of tax on revaluation of		Non controlling interest	Unappropriated profit	Total
	Share capital	Discount on issue of shares	Share premium			Investments	Property & equipment / NBAs			
Rupees in '000										
Balance as on December 31, 2024 - audited	32,715,693	(263,158)	2,215,040	15,495,167	-	1,011,643	6,949,423	954,312	33,046,272	92,115,392
Effect of reneasurement on adoption of IFRS-9 - net of tax	-	-	-	-	-	29,198	-	-	-	29,198
Balance as on January 01, 2025 - as restated	32,715,693	(263,158)	2,215,040	15,495,167	-	1,040,841	6,949,423	954,312	33,046,272	92,144,590
Profit after taxation for the period ended September 30, 2025	-	-	-	-	-	-	-	88,929	11,512,333	11,601,262
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	-	1,249,941	-	-	-	1,249,941
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	-	-	-	-	-	833,722	-	-	-	833,722
Total other comprehensive income - net of tax for the period ended September 30, 2025	-	-	-	-	-	2,083,673	-	-	-	2,083,673
Transfer to statutory reserve during the period	-	-	-	2,389,993	-	-	-	-	(2,389,993)	-
Transfer from surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	-	(707,812)	-	-	1,474,608	766,796
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	-	(113,270)	-	113,270	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	-	(794)	-	794	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit on disposal	-	-	-	-	-	-	(92,042)	-	92,042	-
Transactions with owners recorded directly in equity:										
Final cash dividend - December 31, 2024 declared subsequent to year end at 18% per share	-	-	-	-	-	-	-	-	(5,888,825)	(5,888,825)
Interim cash dividend - June 30, 2025 declared at 10% per share	-	-	-	-	-	-	-	-	(3,271,569)	(3,271,569)
Balance as on September 30, 2025 - un-audited	32,715,693	(263,158)	2,215,040	17,885,160	-	2,416,702	6,734,317	1,043,241	34,686,932	97,435,927
Profit after taxation for the period ended December 31, 2025	-	-	-	-	-	-	-	47,148	3,881,624	3,928,772
Other comprehensive income / (loss)	-	-	-	-	-	-	-	-	-	-
Remeasurement loss on defined benefit obligation	-	-	-	-	-	-	-	-	(146,737)	(146,737)
Movement in surplus on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	-	1,793,083	-	-	-	1,793,083
Movement in surplus on revaluation of equity investments classified as FVOCI - net of tax	-	-	-	-	-	144,301	-	-	-	144,301
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	1,811	-	-	1,811
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	9,532	-	-	9,532
Total other comprehensive income - net of tax for the period ended December 31, 2025	-	-	-	-	-	1,938,286	11,343	-	(146,737)	1,802,892
Transfer to statutory reserve during the period	-	-	-	797,533	-	-	-	-	(797,533)	-
Transfer from surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	-	(141,638)	-	-	205,009	163,441
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	-	(37,774)	-	37,774	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	-	(246)	-	246	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit on disposal	-	-	-	-	-	-	(225,583)	-	225,583	-
Balance as on December 31, 2025 - audited	32,715,693	(263,158)	2,215,040	18,682,693	-	4,213,350	6,482,057	1,090,389	36,184,908	105,321,052
Impact of adoption of IFRS 09 - net of tax (note 4.1.1)	-	-	-	-	-	(111,292)	-	-	590,212	478,920
Opening balance as at January 01, 2026 - as restated	32,715,693	(263,158)	2,215,040	18,682,693	-	4,102,058	6,482,057	1,090,389	36,775,100	103,799,952
Profit after taxation for the period ended September 30, 2026	-	-	-	-	-	-	-	(39,148)	14,294,714	14,255,566
Other comprehensive income / (loss):										
Movement in surplus / (deficit) on revaluation of investments in debt instruments classified as FVOCI - net of tax	-	-	-	-	-	(5,105,870)	-	-	-	(5,105,870)
Movement in surplus on revaluation of investments in equity instruments classified as FVOCI - net of tax	-	-	-	-	-	(273,675)	-	-	-	(273,675)
Total other comprehensive loss - net of tax for the period ended September 30, 2026	-	-	-	-	-	(5,379,545)	-	-	-	(5,379,545)
Transfer to statutory reserve during the period	-	-	-	2,905,317	-	-	-	-	(2,905,317)	-
Transfer from surplus on revaluation of equity investments classified as FVOCI to unappropriated profit on disposal	-	-	-	-	-	(318,267)	-	-	663,856	344,789
Transfer from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	(107,669)	-	107,669	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit - net of tax	-	-	-	-	-	-	(1,224)	-	1,224	-
Transfer from surplus on revaluation of non banking assets to unappropriated profit on disposal	-	-	-	-	-	-	(64,574)	-	64,574	-
Transactions with owners recorded directly in equity:										
Final cash dividend - December 31, 2025 declared subsequent to year end at 15% per share	-	-	-	-	-	-	-	-	(4,907,354)	(4,907,354)
Interim cash dividend - June 30, 2026 declared at 16% per share	-	-	-	-	-	-	-	-	(5,234,511)	(5,234,511)
Share deposit money received during the period	-	-	-	-	15,600,000	-	-	-	-	15,600,000
Balance as on September 30, 2026 - un-audited	32,715,693	(263,158)	2,215,040	21,588,010	15,600,000	(1,595,794)	6,308,590	1,051,241	40,859,255	118,478,917

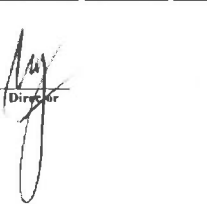
The annexed notes 1 to 46 form an integral part of these consolidated condensed interim financial statements


Chief Financial Officer


President


Chairman


Director


Director

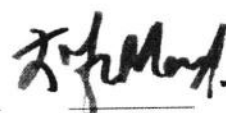
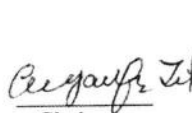
THE BANK OF PUNJAB AND ITS SUBSIDIARIES
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

		Period Ended	
		September 30, 2026	September 30, 2025
		Rupees in '000'	
Note			
CASH FLOW FROM OPERATING ACTIVITIES			
	Profit before taxation	30,197,496	26,060,710
	Less: Dividend income	(183,939)	(220,688)
		30,013,557	25,840,022
Adjustments:			
	Net mark-up / interest income excluding mark-up on lease liability against right of use assets & IFRS-09 adjustments - notional	(70,092,263)	(58,950,154)
34	Depreciation on property and equipment	2,954,428	2,485,367
34	Depreciation on non banking assets acquired in satisfaction of claims	26,048	24,219
34	Depreciation on ijarah assets under IFAS - 2	1,522,835	527,436
34	Depreciation on right-of-use assets	1,886,646	1,643,517
34	Amortization on intangible assets	395,666	336,915
	Amortization of discount on debt securities - net	(19,340,361)	(11,343,902)
29	Mark-up on lease liability against right of use assets	1,844,421	1,763,424
31	Unrealized loss / (gain) on revaluation of investments classified as FVTPL	74,142	(7,469)
36	Reversal of credit loss allowance against lending to financial institutions	(15,969)	(21,349)
36	(Reversal) / charge of credit loss allowance on investments	(67,008)	584,205
36	Charge of credit loss allowance on advances	2,601,173	2,364,858
36	Charge of credit loss allowance against other assets	33,649	308,499
36	Reversal of credit loss allowance against off balance sheet obligations	(39,476)	(1,001,968)
36	Reversal of credit loss allowance against balance with other banks	(2,026)	(3,185)
36	Reversal of credit loss allowance against balances with treasury banks	(90,745)	(34,469)
	IFRS-09 adjustments on advances - notional	(2,015,453)	(1,967,596)
	IFRS-09 adjustment on borrowings - notional	788,183	675,173
34.1	IFRS-09 adjustment on compensation expense - notional	840,800	987,448
	Workers' Welfare Fund	698,672	783,613
33	Gain on termination of lease liability against right of use assets	(289,729)	(94,637)
33	Gain on sale of property and equipment - net	(63,106)	(171,895)
33	Gain on sale of non banking assets acquired in satisfaction of claims - net	-	(177,888)
31.1	Realized loss / (gain) on sale of securities - net	456,984	(3,603,989)
	Share of profit from associated company	(518)	-
32	Net loss on derecognition of financial assets measured at amortised cost	1,103,901	783,315
	Provision for employees compensated absences	39,707	23,308
	Provision for gratuity	519,072	395,695
		(76,230,327)	(63,691,509)
		(46,216,770)	(37,851,487)
(Increase) / decrease in operating assets:			
	Lendings to financial institutions	212,438,450	(4,516,509)
	Net investments in securities classified as FVTPL	(15,949,631)	57,107,902
	Advances	(149,349,885)	(13,178,589)
	Others assets (excluding non-banking assets and markup receivable)	1,077,104	(4,730,415)
		48,216,038	34,682,389
Increase / (decrease) in operating liabilities:			
	Bills payable	1,687,968	(316,035)
	Borrowings	(404,955,379)	(23,619,789)
	Deposits and other accounts	(123,409,459)	175,352,785
	Other liabilities (excluding provision for taxation - net, markup payable and payable to gratuity fund)	24,321,899	14,897,036
		(502,354,971)	166,313,997

THE BANK OF PUNJAB AND ITS SUBSIDIARIES
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...)
FOR THE PERIOD ENDED SEPTEMBER 30, 2026

	Period Ended	
	September 30,	September 30,
	2026	2025
	Rupees in '000'	
Payment made to gratuity fund	(704,791)	(421,347)
Mark-up / return / interest received	183,198,843	191,919,812
Mark-up / return / interest paid	(132,571,685)	(167,526,713)
Income tax paid	(21,422,680)	(10,392,506)
	<u>28,499,687</u>	<u>13,579,246</u>
Net cash (used in) / flow from operating activities	(471,856,016)	176,724,145
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities classified as FVOCI	541,465,431	(162,419,732)
Net investments in amortized cost securities	(67,440,964)	1,086,237
Dividends received	160,523	206,522
Investments in property and equipment	(4,032,437)	(2,942,275)
Investments in intangible assets	(855,884)	(590,430)
Proceeds from sale of property and equipment	92,232	186,968
Proceeds from sale of non banking assets acquired in satisfaction of claims	113,371	500,000
	<u>469,502,272</u>	<u>(163,972,710)</u>
Net cash flow from / (used in) investing activities		
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of subordinated debts	(3,774)	(3,774)
Share deposit money received	15,600,000	-
Payment of cash dividend	(10,141,840)	(9,160,380)
Payment of lease liability against right of use assets	(2,773,615)	(2,511,079)
	<u>2,680,771</u>	<u>(11,675,233)</u>
Net cash flow from / (used in) financing activities		
Increase in cash and cash equivalents	327,027	1,076,202
Effect of credit loss allowance changes on cash and cash equivalents	92,771	37,654
	<u>109,226,113</u>	<u>103,413,315</u>
Cash and cash equivalents at beginning of the period	109,645,911	104,527,171
Cash and cash equivalents at end of the period		
Cash and cash equivalents:		
Cash and balances with treasury banks	7 104,627,462	104,856,250
Balances with other banks	8 12,373,930	4,219,190
Call borrowing	19 (100,000)	(2,200,000)
Overdrawn nostro accounts	19 (7,255,481)	(2,348,269)
	<u>109,645,911</u>	<u>104,527,171</u>

The annexed notes 1 to 46 form an integral part of these consolidated condensed interim financial statements.

				
Chief Financial Officer	President	Chairman	Director	Director

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

1 STATUS AND NATURE OF BUSINESS

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

The Group consists of :

Parent

The Bank of Punjab

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

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

The Bank of Punjab (the Bank) was constituted in Pakistan pursuant to The Bank of Punjab Act, 1989. It was given the status of a scheduled bank by the State Bank of Pakistan (SBP) on September 19, 1994. It is principally engaged in commercial banking and related services with its registered office at BOP Tower, 10-B, Block E-II, Main Boulevard, Gulberg III, Lahore. The Bank has 914 branches including 17 sub branches and 279 Islamic banking branches (December 31, 2025: 901 branches including 17 sub branches and 210 Islamic banking branches) in Pakistan and Azad Jammu and Kashmir (AJK) at the period end. The Bank also has 617 Islamic banking windows (December 31, 2025: 534). The Bank has obtained in-principle approval from SBP for establishment of an overseas wholesale banking unit in Kingdom of Bahrain. The Bank's ordinary shares are listed on Pakistan Stock Exchange. The majority shares of the Bank are held by Government of the Punjab (GoPb). The Pakistan Credit Rating Agency (PACRA) assigned long term rating of AAA and short term rating of A1+ to the Bank with stable outlook.

Punjab Modaraba Services (Private) Limited

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

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

First Punjab Modaraba

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

During the period ended June 30, 2026, the Modaraba has incurred operating loss which has contributed to the continued erosion of equity reserves of the Modaraba. The accumulated losses - net of capital reserves, as at December 31, 2025 exceeds fifty percent of the total amount subscribed by the holders of the Modaraba Certificates, which is a non-compliance of Section 23 of Modaraba Companies and Modaraba (Flotation and Control) Ordinance, 1980 (the Modaraba Ordinance).

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

BOP Capital Securities (Private) Limited

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

BOP Exchange (Private) Limited

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

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

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

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

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

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

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

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

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

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

2 BASIS OF PREPARATION

In accordance with the directives of the Government of Pakistan regarding the conversion of the Banking system to Islamic modes, the SBP has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by the banks from their customers and immediate resale to them at appropriate price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these consolidated condensed interim financial statements as such but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereon.

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

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

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Directives issued by the SBP and the Securities and Exchange Commission of Pakistan (SECP);
- Requirements of The Bank of Punjab Act, 1989; and
- Provisions of, directives and notifications issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017.

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

2.1.2 SBP has deferred the applicability of International Accounting Standards 40, 'Investment Property' for Banking Companies through BSD Circular letter No. 10 Dated August 26, 2002. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

2.1.3 The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred applicability of 'Islamic Financial Accounting Standard - 3' for Profit & Loss Sharing on Deposits (IFAS 3) issued by the Institute of Chartered Accountants of Pakistan and notified by the SECP, vide its SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IFS). Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

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

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

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

There are certain standards and amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2026. These are considered either to not be relevant or to not have any material impact on these condensed interim consolidated financial statements, except for the following:

- IFRS 7 'Financial Instruments: Disclosures'; the SEC/P through S.R.O. 742(1)/2025 dated April 16, 2025 has required disclosures regarding the significance of financial instruments to the Bank's financial position and performance, as well as the nature, extent, and management of risks arising from such instruments. Accordingly, the Bank will adopt IFRS 7 in preparing its annual financial statements for the year ending December 31, 2026.

- Effective Interest Rate (EIR) requirements of IFRS 9 have become applicable from January 01, 2026 pursuant to relaxations earlier provided by the SBP. The impact of EIR is summarized in note 4.1.1 below.

- Certain amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments' have become applicable on the Bank which clarify the date of recognition and derecognition of a financial asset or financial liability. These amendments do not have any material impact and therefore, have not been detailed in these consolidated condensed interim financial statements.

2.1.7 New accounting standards and IFRS interpretations that are not yet effective:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2026 but are considered not to be relevant or do not have any material effect on the Bank's operations except for:

- IFRS 18 'Presentation and Disclosure in Financial Statements' will become applicable from January 01, 2027. The application of IFRS 18 will impact the presentation of the 'Statement of Profit and Loss Account' with certain additional disclosures as and when instructed by the SBP.

- General provision, over and above the ECL for Stage 1 and Stage 2 exposures may be maintained up to December 31, 2026 as per the relaxations earlier provided by the SBP in respect of the implementation of IFRS 9.

- IFRS 19 'Subsidiaries without Public Accountability Disclosures' will become applicable from January 01, 2027.

3 BASIS OF MEASUREMENT

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

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

4 SIGNIFICANT ACCOUNTING POLICY

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

4.1 IFRS 09 - Financial Instruments

4.1.1 Transition to Effective Interest Rate (EIR) methodology

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

In addition, the SBP, in a separate instruction, through BPRD Circular Letter No. 1 dated January 22, 2025, allowed an extension for application of the Effective Interest Rate (EIR) up to December 31, 2025. During the current period, in accordance with the aforementioned instruction, the Bank has applied EIR on the financial instruments appearing as at January 01, 2026, and the cumulative impact of application of EIR amounting to Rs. 590,212 thousand, net of tax, has been recorded as an adjustment to unappropriated profit and Rs. 111,292 thousand net of tax has been recorded as adjustment to surplus on investment at the beginning of the current period under modified retrospective approach.

4.1.2 The SBP has directed the Banks through its BPRD Circular Letter No. 01 dated January 22, 2025 to continue the existing revenue recognition methodology for Islamic Operations, including the requirements of IFAS 1 and IFAS 2 until further instructions. Had IFRS-09 been adopted in its entirety for revenue recognition from Islamic operations, the profit before tax of the Bank would have been higher by Rs. 392,919 thousand (September 30, 2025: Rs. 517,518 thousand).

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting judgments and key estimates adopted in preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited consolidated financial statements of the Bank for the year ended December 31, 2025.

6 FINANCIAL RISK MANAGEMENT

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

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Rupees in '000'	
7 CASH AND BALANCES WITH TREASURY BANKS		
In hand:		
Local currency	25,838,744	29,677,504
Foreign currencies	3,225,454	3,411,216
	29,064,198	33,088,720
With SBP in:		
Local currency current account	61,120,348	64,097,268
Foreign currency current accounts	2,078,358	2,205,969
Foreign currency deposit accounts	4,805,961	4,388,833
	68,004,667	70,692,070
With National Bank of Pakistan in:		
Local currency current accounts	7,452,107	8,098,988
Prize bonds	201,378	276,310
Less: Credit loss allowance held against cash and balances with treasury banks	(94,888)	(184,297)
Cash and balances with treasury banks - net of credit loss allowance	104,627,462	111,971,791
8 BALANCES WITH OTHER BANKS		
In Pakistan:		
Current accounts	856,309	193,785
Deposit accounts	78,190	-
	934,499	193,785
Outside Pakistan:		
Current accounts	9,426,819	5,442,714
Deposit accounts	2,020,605	-
	11,447,424	5,442,714
	12,381,923	5,636,499
Less: Credit loss allowance held against balances with other banks	(7,993)	(10,020)
Balances with other banks - net of credit loss allowance	12,373,930	5,626,479
9 LENDINGS TO FINANCIAL INSTITUTIONS		
Repurchase agreement lendings (Reverse Repo)	-	156,438,450
Placements	9,004,000	65,004,000
	9,004,000	221,442,450
Less: Credit loss allowance held against lendings to financial institutions	(4,682)	(20,652)
Lendings to financial institutions - net of credit loss allowance	8,999,318	221,421,798

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
Rupees in '000'		
161,570,128	250,420,755	
3,487,025	311,423,718	
165,057,153	561,844,473	

10.3 Credit loss allowance for diminution in value of investments

10.3.1 Movement in credit loss allowance for diminution in value of investments

Opening balance	921,669	238,500
Charge / (reversals):		
Charge for the period / year	-	714,182
Reversals for the period / year	(67,008)	(31,013)
	(67,008)	683,169
Closing balance	854,661	921,669

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
Outstanding amount	853,877	920,544
Credit loss allowance held	853,877	920,544
Credit loss allowance held	853,877	920,544

10.3.2 Particulars of credit loss allowance against debt securities

Category of classification

Performing	1,685,785	784	1,707,169	1,125
Under performing	-	-	-	-
Non-performing	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
	853,877	853,877	920,544	920,544
	853,877	853,877	920,544	920,544
	2,539,662	854,661	2,627,713	921,669

	Performing		Non performing		Total	
	(Un-audited) September 30, 2026	(Audited) December 31, 2025	(Un-audited) September 30, 2026	(Audited) December 31, 2025	(Un-audited) September 30, 2026	(Audited) December 31, 2025
11 ADVANCES				Rupees in '000'		
Loans, cash credits, running finances, etc	802,008,918	728,640,239	47,178,787	41,912,306	849,187,705	770,552,545
Islamic financing and related assets	198,443,349	132,168,449	2,252,612	2,247,218	200,695,961	134,415,667
Bills discounted and purchased	24,303,947	22,547,524	157,229	167,222	24,461,176	22,714,746
Advances - gross	1,024,756,214	883,356,212	49,588,628	44,326,746	1,074,344,842	927,682,958
Credit loss allowance against advances:						
-Stage 1	(10,170,300)	(5,252,138)	-	-	(10,170,300)	(5,252,138)
-Stage 2	(1,271,139)	(1,271,007)	(571,568)	(65,865)	(1,842,707)	(1,336,872)
-Stage 3	(797,104)	(972,324)	(33,931,769)	(35,095,952)	(34,728,873)	(36,068,276)
-General Provision	-	(2,261,840)	-	-	-	(2,261,840)
Advances - net of credit loss allowance	(12,238,543)	(9,757,309)	(34,503,337)	(35,161,817)	(46,741,880)	(41,919,126)
	1,012,517,671	873,598,903	15,085,291	9,164,929	1,027,602,962	882,763,832
					(Un-audited) September 30, 2026	(Audited) December 31, 2025
11.1 Particulars of advances (gross)					Rupees in '000'	
In local currency					1,047,382,193	909,113,522
In foreign currencies					26,962,649	18,569,436
					1,074,344,842	927,682,958

11.2 Advances include Rs. 49,588,628 thousand (December 31, 2025: Rs. 44,326,746 thousand) which have been placed under non-performing / stage 2 and 3 status as detailed below:

Category of classification	Note	(Un-audited) September 30, 2026		(Audited) December 31, 2025	
		Non performing loans	Credit loss allowance	Non performing loans	Credit loss allowance
		Rupees in '000'			
Other assets especially mentioned	11.2.1	2,417,817	571,568	129,318	65,865
Other assets especially mentioned		162,174	58,193	2,335,969	523,012
Substandard		3,502,403	544,885	1,001,064	413,294
Doubtful		8,872,776	3,211,771	5,474,823	2,683,844
Loss		34,633,458	30,116,920	35,385,572	31,475,802
Grand total		49,588,628	34,503,337	44,326,746	35,161,817

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

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

December 31, 2025 (Audited)

September 30, 2026 (Un-audited)

11.3 Particulars of credit loss allowance against advances

	Stage 3	Stage 2	Stage 1	General Provision	Total	Stage 3	Stage 2	Stage 1	General Provision	Total
					Rupees in '000'					
Opening balance	36,068,276	1,336,872	5,252,138	2,261,840	44,919,126	45,078,764	1,871,299	3,608,050	-	50,558,113
Charge for the period / year	4,505,881	1,305,432	7,012,575	-	12,823,888	5,957,488	850,020	3,719,963	2,261,840	12,789,311
Reversals for the period / year	(5,400,276)	(799,597)	(1,761,002)	(2,261,840)	(10,222,715)	(4,792,119)	(1,384,447)	(2,324,584)	-	(8,501,150)
	(894,395)	505,835	5,251,573	(2,261,840)	2,601,173	1,165,369	(534,427)	1,395,379	2,261,840	4,288,161
Amounts written off	-	-	-	-	(220)	(220)	-	-	-	(220)
Amounts charged off during the period / year	(728,955)	-	-	-	(728,955)	(9,713,332)	-	-	-	(9,713,332)
Others	283,947	-	(333,411)	(49,464)	(462,305)	(462,305)	-	248,709	-	(213,596)
Closing balance	34,728,873	1,842,707	10,170,300	-	46,741,880	36,068,276	1,336,872	5,252,138	2,261,840	44,919,126

11.3.1 The Bank has availed the benefit of Forced Sale Value (FSV) of collateral against non-performing advances as allowed vide BSD Circular No 1 dated October 21, 2011. This has resulted in decrease in credit loss allowance against non-performing advances by Rs. 465,555 thousand (December 31, 2025: Rs. 559,227 thousand). The FSV benefit availed is not available for cash or stock dividend. Further, the Bank has availed benefit of eligible collaterals for the calculation of ECL amounting to Rs. 3,132,355 thousand (December 31, 2025: Rs. 2,813,713 thousand)

11.4 Advances - particulars of credit loss allowance

	September 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Stage 1	Stage 2	Total	Stage 1	Stage 2	Total
			Rupees in '000'			
Opening balance	7,513,978	1,336,872	36,068,276	3,583,850	1,895,499	45,078,764
New advances	5,809,217	281,320	1,667,743	2,544,038	297,506	2,041,303
Advances derecognized or repaid	(550,609)	(162,482)	(1,940,066)	(518,409)	(417,069)	(2,227,049)
Transfer to stage 1	2,038,771	(264,379)	(1,774,392)	445,856	(350,861)	(94,995)
Transfer to stage 2	(270,984)	570,003	(299,019)	(76,895)	624,132	(547,237)
Transfer to stage 3	(40,395)	(260,637)	301,032	(23,799)	(202,859)	226,658
	6,986,000	163,825	(2,044,702)	2,370,791	(49,151)	(598,320)
General provision	(2,261,840)	-	-	2,261,840	-	2,261,840
Amounts written off	-	-	-	-	-	(220)
Amounts charged off	-	-	(728,955)	-	-	(9,713,332)
Changes in risk parameters	(2,067,838)	342,010	1,434,254	(702,503)	(509,476)	1,301,384
Closing balance	10,170,300	1,842,707	34,728,873	7,513,978	1,336,872	36,068,276
			46,741,880			44,919,126

11.4.1 This includes provision amounting to Rs. 196,450 thousand (December 31, 2025: Rs. 664,883 thousand) against Excess Over Limit exposure under digital lending portfolio on account of a system glitch, in an application managed by a vendor of the Bank.

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

11.5 Advances - category of classification

	September 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held		
		Rupees in '000'				
Performing	988,166,803	10,170,300	843,813,912	7,513,978		
Underperforming	35,258,927	1,271,139	38,225,962	1,271,007		
	1,023,425,730	11,441,439	882,039,874	8,784,985		
Non-Performing	2,417,817	571,568	126,571	65,865		
Other assets especially mentioned	162,174	58,193	2,334,889	523,012		
Substandard	3,502,403	544,885	1,001,064	413,294		
Doubtful	8,872,776	3,211,771	5,474,823	2,683,844		
Loss	34,633,458	30,116,920	35,389,399	31,475,802		
	47,170,811	33,931,769	44,200,175	35,095,952		
Underperforming	1,330,484	797,104	1,316,338	972,324		
Total	1,074,344,842	46,741,880	927,682,958	44,919,126		

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	Rupees in '000'	
12 PROPERTY AND EQUIPMENT			
Capital work-in-progress	12.1	651,090	843,391
Property and equipment	12.2 & 12.4	30,384,958	29,143,775
		<u>31,036,048</u>	<u>29,987,166</u>
12.1 Capital work-in-progress			
Civil works		623,985	579,324
Advances to suppliers		27,105	264,067
		<u>651,090</u>	<u>843,391</u>
		(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
		Rupees in '000'	
12.2 Additions to property and equipment			
The following additions / transfers have been made to property and equipment during the period:			
Capital work-in-progress - net		(192,301)	(321,832)
Property and equipment:			
Building on freehold land		40,605	-
Furniture and fixtures		183,933	149,352
Electrical and office equipments		1,684,526	723,873
Computer equipments		1,627,760	921,677
Lease hold improvements		650,406	1,010,023
Vehicles		37,508	459,182
Land & building transferred from NBA		-	400,606
		<u>4,224,738</u>	<u>3,664,713</u>
		<u>4,032,437</u>	<u>3,342,881</u>
12.3 Disposal of property and equipment:			
The net book value of property and equipment disposed off during the period is as follows:			
Furniture and fixtures		9,584	5,199
Electrical and office equipments		8,107	8,734
Computer equipments		624	897
Lease hold improvements		10,811	243
Vehicles	12.3.1	-	-
		<u>29,126</u>	<u>15,073</u>
12.3.1	Gross carrying amount / cost of vehicles disposed off during the period was Rs. 146,701 thousand (September 30, 2025: Rs. 120,941 thousand).		
12.4	This includes a commercial property with a carrying value of Rs. 2,752,513 thousand, under a sub-lease arrangement after completion of due legal process. Following cancellation of the Master Lease Deed and dismissal of related petitions by the Honorable Islamabad High Court, the management, based on legal counsel's opinion and assessment of the merits of the case, believes that the Bank continues to retain its proprietary and possessory rights and has reasonable legal remedies available to protect its interests. Accordingly, the management has concluded after due assessment that there is no requirement of recognition of impairment loss against the carrying amount of the property. The matter remains subject to the outcome of the legal proceedings, and management will continue to pursue the matter to safeguard the Bank's interests.		
		(Un-audited) September 30, 2026	(Audited) December 31, 2025
		Rupees in '000'	
13 RIGHT-OF-USE ASSETS			
As at January 01,			
Cost		22,495,409	19,966,779
Accumulated depreciation		(9,265,436)	(7,101,015)
Net carrying amount as at January 01,		13,229,973	12,865,764
Additions / modifications during the period / year		2,125,759	2,827,409
Terminations - at cost during the period / year		(388,550)	(298,779)
Depreciation on terminations during the period / year		144,076	126,944
Terminations - at book value		(244,474)	(171,835)
Depreciation charge for the period / year		(1,886,646)	(2,291,365)
Net carrying amount		<u>13,224,612</u>	<u>13,229,973</u>

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
		Rupees in '000'	
14	INTANGIBLE ASSETS		
	Intangible in progress	564,277	333,273
	Software and long term licenses	2,623,650	2,394,436
		<u>3,187,927</u>	<u>2,727,709</u>
		(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
		Rupees in '000'	
14.1	Additions to intangible assets		
	The following additions / transfers have been made to intangible assets during the period:		
	Intangible in progress - net	231,004	(142,144)
	Intangible assets purchased	624,880	732,574
		<u>855,884</u>	<u>590,430</u>
		(Un-audited) September 30, 2026	(Audited) December 31, 2025
		Rupees in '000'	
15	DEFERRED TAX ASSETS - NET		
	Deductible temporary differences on:		
	Right of use assets net of lease liabilities	3,011,949	2,662,876
	Workers' Welfare Fund	1,800,992	1,437,953
	Deficit on revaluation of investments classified as FVOCI	1,734,466	-
	Credit loss allowance against off balance sheet obligations	340,866	361,394
	Credit loss allowance against lendings to financial institutions	2,435	10,739
	Credit loss allowance against balance with other banks	4,158	5,212
	Credit loss allowance against balance with treasury banks	49,342	95,834
	Credit loss allowance against investments	330,648	365,492
	Credit loss allowance against other assets	934,310	914,394
	Credit loss allowance against advances	14,153,271	10,904,032
	Business losses in subsidiary	110,079	59,234
		<u>22,472,516</u>	<u>16,817,160</u>
	Taxable temporary differences on:		
	Surplus on revaluation of property and equipment	(2,993,738)	(3,110,378)
	Surplus on revaluation of investments classified as FVOCI	-	(4,561,588)
	Transition to EIR methodology under IFRS-09	(722,017)	-
	Accelerated tax depreciation	(1,465,804)	(1,385,471)
	Surplus on revaluation of non banking assets acquired in satisfaction of claims	(34,027)	(35,354)
		<u>(5,215,586)</u>	<u>(9,092,791)</u>
		<u>17,256,930</u>	<u>7,724,369</u>

		(Un-audited)	(Audited)	
		September 30,	December 31,	
		2026	2025	
		Rupees in '000'		
16	OTHER ASSETS	Note		
	Income / mark-up accrued in local currency		76,090,060	65,365,205
	Income / mark-up accrued in foreign currency		276,838	243,389
	Advances, deposits, advance rent and other prepayments		7,347,275	3,157,426
	Advance taxation (payments less provisions)		49,479	-
	Non-banking assets acquired in satisfaction of claims		3,694,379	3,674,098
	Acceptances	23	18,498,673	18,550,252
	Deferred fair value loss on remeasurement of staff loans - notional		17,902,601	16,573,483
	Deferred fair value loss on derecognition of financial asset measured at amortised cost		6,320,848	7,285,045
	Branch adjustment account		117,904	249,582
	Stock of stationery and cards		692,517	457,899
	Suspense account		172,802	13,632
	Mark to market gain on forward foreign exchange contracts - net	23	-	216,221
	Zakat recoverable from National Investment Trust Limited (NITL)		36,790	36,790
	Receivable against fraud and forgeries		714,852	653,626
	Auto Teller Machine and Point of Sale receivable - net		101,560	48,098
	Inter bank fund transfer and RAAST receivable - net		1,094,361	5,693,033
	Receivable against settlement arrangements		217,826	219,175
	Receivable against litigation expenses		334,690	334,690
	Receivable against sale of shares - net		-	3,863
	Receivable against Pakistan Remittance Initiative (PRI) rebate		894,590	2,094,444
	Receivable on account of GoPb schemes		2,212,585	1,768,753
	Others		2,779,198	2,828,752
			139,549,828	129,467,456
	Less: Credit loss allowance held against other assets	16.1	(2,911,981)	(2,867,481)
	Other assets (net of credit loss allowance)		136,637,847	126,599,975
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims	26	576,351	643,475
	Other assets - total		137,214,198	127,243,450

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
		Rupees in '000'	
16.1 Credit loss allowance held against other assets	Note		
Advances, deposits, advance rent & other prepayments		222,330	311,833
Acceptances		44,023	85,180
Income / mark-up accrued		856,632	449,215
Non banking assets acquired in satisfaction of claims		30,876	30,876
Zakat recoverable from NITL		36,790	36,790
Fraud and forgeries	16.1.2	544,934	496,889
Receivable against settlement arrangements		217,826	219,175
Receivable against litigation expenses		334,690	334,690
Others	16.1.3	623,880	902,833
	16.1.1	2,911,981	2,867,481
16.1.1 Movement in credit loss allowance held against other assets			
Opening balance		2,867,481	1,392,319
Charge for the period / year		600,819	1,610,372
Reversals during the period / year		(567,170)	(244,914)
		33,649	1,365,458
Amount written off		(6,628)	(88)
Others		17,479	109,792
Closing balance		2,911,981	2,867,481
16.1.2	This includes provision amounted to Rs. 4,365 thousand (December 31, 2025: Rs. 3,006 thousand) maintained against certain closed cases as per approval of the management.		
16.1.3	This includes amount recoverable from a service provider under settlement against certain disputed transaction. The Bank's claim is under consideration at service provider end, however, provision has been created on prudence basis and without prejudice to the Bank's claim against service provider.		
		(Un-audited) September 30, 2026	(Audited) December 31, 2025
		Rupees in '000'	
17 CONTINGENT ASSETS			
Contingent assets		Nil	Nil
18 BILLS PAYABLE			
In Pakistan		10,827,162	9,139,194
Outside Pakistan		-	-
		10,827,162	9,139,194
19 BORROWINGS			
Secured			
Borrowings from SBP under:			
Export Refinance Scheme (ERF)		9,464,888	17,633,451
Long Term Financing Facility (LTFF)		4,886,776	6,545,639
Financing Facility for Storage of Agriculture Produce (FFSAP)		346,905	400,112
Finance Facility for Special Persons		17,250	-
Financing Scheme for Renewable Energy Performance Platform (REPP)		4,318,060	4,983,962
Refinancing Facility for Combating COVID-19		54,900	200,869
Temporary Economic Refinance Scheme (TERF)		8,600,658	9,765,661
Refinance and Credit Guarantee Scheme for Women Entrepreneurs		24,333	35,783
Finance Facility for SAAF Rozgar Reimbursement Credit		11,095,863	11,654,968
Finance Facility for Shamsi Tawanai Consumer		28,782	38,905
Islamic Temporary Economic Refinance Facility (ITERF)		681,547	789,014
Refinancing Facility for Modernization of SMEs		98,485	132,875
Refinance Facility for Working Capital of SMEs		-	30,000
		39,618,447	52,211,239
Repurchase agreement borrowings		164,233,647	558,128,341
Borrowing from Pakistan Mortgage Refinance Company Limited (PMRC)	19.1	2,412,308	2,454,656
Total secured		206,264,402	612,794,236
Unsecured			
Call borrowings		100,000	5,200,000
Overdrawn nostro accounts		7,255,481	3,172,157
Borrowing from Agence Francaise De Development (AFD)		6,004,238	3,641,599
Total unsecured		13,359,719	12,013,756
		219,624,121	624,807,992

19.1 These borrowings are secured against Pakistan Investment Bonds with carrying value of Rs. 504,008 thousand (December 31, 2025: Rs. 2,632,095 thousand).

20 DEPOSITS AND OTHER ACCOUNTS

	September 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	435,244,270	13,048,530	448,292,800	457,167,831	12,864,423	470,032,254
Savings deposits	759,797,734	4,843,369	764,641,103	707,245,769	4,948,228	712,193,997
Term deposits	662,871,473	19,190,393	682,061,866	780,906,332	22,400,840	803,307,172
Margin deposits	18,842,460	-	18,842,460	10,858,217	-	10,858,217
	1,876,755,937	37,082,292	1,913,838,229	1,956,178,149	40,213,491	1,996,391,640
Financial institutions:						
Current deposits	5,014,124	811,358	5,825,482	2,966,774	2,254,680	5,221,454
Savings deposits	6,371,267	2,677	6,373,944	21,498,622	2,838	21,501,460
Term deposits	1,493,000	-	1,493,000	27,822,366	-	27,822,366
Margin deposits	7,700	-	7,700	10,894	-	10,894
	12,886,091	814,035	13,700,126	52,298,656	2,257,518	54,556,174
	1,889,642,028	37,896,327	1,927,538,355	2,008,476,805	42,471,009	2,050,947,814

20.1 Current deposits include call deposits amounting to Rs. 38,330,556 thousand (December 31, 2025: Rs. 47,794,091 thousand)

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Rupees in '000'	
21 LEASE LIABILITIES		
Outstanding at the start of the period / year	18,367,358	17,101,125
Additions during the period / year	2,125,759	2,830,502
Mark-up accrued during the period / year	1,844,421	2,410,483
Terminations during the period / year	(534,203)	(411,022)
Payment of lease liabilities against right of use assets during the period / year	(2,773,615)	(3,563,730)
Outstanding at the end of the period / year	19,029,720	18,367,358
21.1 Liabilities outstanding		
Not later than one year	74,259	106,595
Later than one year and up to five years	3,442,853	2,361,932
Over five years	15,512,608	15,898,831
Total at the end of the period / year	19,029,720	18,367,358
21.1.1 For the purpose of discounting PKRV rates are being used.		
22 SUBORDINATED DEBTS		
Subordinated perpetual term finance certificates - ADT I	8,017,500	8,017,500
Subordinated perpetual term finance certificates - ADT I 2nd issue	3,950,000	3,950,000
Privately placed term finance certificates - II	4,286,240	4,287,100
Privately placed term finance certificates - III	6,991,600	6,993,000
Privately placed term finance certificates - IV	7,563,444	7,564,958
	30,808,784	30,812,558

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

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

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

23 OTHER LIABILITIES

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	Rupees in '000'	
Mark-up / return / interest payable in local currency		31,787,909	41,120,410
Mark-up / return / interest payable in foreign currencies		324,085	468,035
Mark-up payable on subordinated debts		1,274,865	505,215
Provision for taxation - net		1,886,657	3,432,608
Sundry creditors and accrued expenses		5,127,797	2,882,729
Lease key money		44,209,713	31,204,602
Acceptances	16	18,498,673	18,550,252
Payable to gratuity fund		519,072	704,791
Gratuity payable to key management personnel		44,318	44,318
Provision for employees compensated absences		235,840	207,343
Mark to market loss on forward foreign exchange contracts - net	16	97,757	-
Unrealized loss on revaluation of foreign bills and trade loans		200,899	119,909
Credit loss allowance against off-balance sheet obligations	23.2	699,495	738,971
Levies and taxes payable		2,065,953	1,244,917
Dividend payable		25	-
Unclaimed dividends		2,586	2,586
Payable to charity fund		3,807	4,166
Charges payable against financing of consumer assets		3,448,661	1,802,648
Payable against purchase of shares		171,155	-
Workers' Welfare Fund	23.1	3,748,401	3,050,250
Deferred and unearned income		3,542,255	2,095,729
Clearing and settlement accounts		2,146,734	500,972
Credit loss guarantee received against advances		3,934,832	1,879,765
Payable on account of GoPh schemes		1,935,060	120,226
Others		2,910,072	2,663,396
		<u>128,816,621</u>	<u>113,343,838</u>

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

23.2 Credit loss allowance against off-balance sheet obligations

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Rupees in '000'	
Opening balance	738,971	1,805,577
Charge for the period / year	323,711	394,861
Reversals during the period / year	(363,187)	(1,461,467)
	(39,476)	(1,066,606)
Closing balance	<u>699,495</u>	<u>738,971</u>

24 SHARE CAPITAL - NET**24.1 Authorized capital**

(Un-audited)	(Audited)		(Un-audited)	(Audited)
September 30,	December 31,		September 30,	December 31,
2026	2025		2026	2025
Number of shares			Rupees in '000'	
5,000,000,000	5,000,000,000	Ordinary / Preference shares of Rs. 10 each	50,000,000	50,000,000

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

24.2 Issued, subscribed and paid up capital

(Un-audited)	(Audited)		(Un-audited)	(Audited)
September 30,	December 31,		September 30,	December 31,
2026	2025		2026	2025
Number of shares			Note	Rupees in '000'
1,607,912,555	1,607,912,555	Ordinary shares of Rs. 10 each paid in cash	16,079,125	16,079,125
526,315,789	526,315,789	Ordinary shares of Rs. 10 each issued at discount	5,263,158	5,263,158
1,137,340,975	1,137,340,975	Issued as bonus shares	11,373,410	11,373,410
3,271,569,319	3,271,569,319		32,715,693	32,715,693
-	-	Less: Discount on issue of shares	(263,158)	(263,158)
3,271,569,319	3,271,569,319		32,452,535	32,452,535

GoPb held 57.47% shares in the Bank as at September 30, 2026 (December 31, 2025: 57.47%).

25 SHARE DEPOSIT MONEY

The Shareholders, in Extraordinary general meeting held on September 08, 2026, have approved, subject to obtaining all applicable regulatory and corporate approvals, the issuance of ordinary shares, otherwise than by way of right issue, to the Government of Punjab, against proposed equity subscription of up to Rs. 30,000,000 thousand to be undertaken in two tranches: up to Rs. 20,000,000 thousand by December 31, 2026, and the balance by June 30, 2027.

The issue price for the proposed issuance shall be Rs. 38.20 per ordinary share; provided that, where the prevailing market price of Bank's ordinary shares at the time of issuance exceeds Rs. 38.20 per share, the applicable issue price for such issuance shall be the prevailing market price plus a premium of five percent (5%). Accordingly, the Bank has received Rs. 15,600,000 thousand as of September 30, 2026.

26 SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

Surplus / (deficit) on revaluation of:

Securities measured at FVOCI - debt instruments
 Securities measured at FVOCI - equity investments
 Property and equipment
 Non-banking assets acquired in satisfaction of claims

10.1	(3,007,013)	7,862,074
10.1	(323,207)	912,863
	8,760,004	8,984,314
16	576,351	643,475
	6,006,135	18,402,726

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

Securities measured at FVOCI - debt instruments
 Securities measured at FVOCI - equity investments
 Property and equipment
 Non-banking assets acquired in satisfaction of claims

	1,563,647	(4,088,278)
	170,819	(473,309)
	(2,993,738)	(3,110,378)
	(34,027)	(35,354)
	(1,293,299)	(7,707,319)
	4,712,836	10,695,407

27 CONTINGENCIES AND COMMITMENTS

Guarantees	27.1	186,053,952	159,015,216
Commitments	27.2	645,288,487	629,902,611
Other contingent liabilities	27.3	291,951	291,951
		831,634,390	789,209,778

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
		Rupees in '000'	
Note			
27.1	Guarantees:		
	Financial guarantees	42,068,346	48,606,898
	Performance guarantees	45,461,984	34,815,732
	Other guarantees:		
	Back to back guarantees	56,701,337	47,766,322
	Mobilization and bid bond guarantees	17,729,756	15,732,308
	Other guarantees	24,092,529	12,093,956
		<u>98,523,622</u>	<u>75,592,586</u>
		<u>186,053,952</u>	<u>159,015,216</u>
27.2	Commitments:		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	200,299,338	166,340,789
	Commitments in respect of:		
	- forward foreign exchange contracts	27.2.1 331,622,455	265,923,625
	- forward Government securities transactions	27.2.2 52,990,000	146,400,000
	- forward lending	27.2.3 60,263,529	50,851,386
	Commitments for acquisition of:		
	- property and equipment	74,667	310,087
	- intangible assets	38,498	76,724
		<u>645,288,487</u>	<u>629,902,611</u>
27.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	164,851,037	138,875,962
	Sale	166,771,418	127,047,663
		<u>331,622,455</u>	<u>265,923,625</u>
27.2.2	Commitments in respect of forward Government securities transactions		
	Purchase	2,990,000	79,800,000
	Sale	50,000,000	66,600,000
		<u>52,990,000</u>	<u>146,400,000</u>
27.2.3	Commitments in respect of forward lending		
	Undrawn formal standby facilities, credit lines and other commitments to lend	27.2.3.1 60,263,529	50,851,386
27.2.3.1	These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense. In addition, the Bank makes revocable commitments that do not attract any significant penalty or expense if the facility is unilaterally withdrawn.		
27.3	Other contingent liabilities	27.3.1 291,951	291,951
27.3.1	For tax years 2014 - 2025, the tax department disputed Bank's treatment on certain issues, where the Bank's appeals are pending at various appellate forums. Such issues inter alia principally include disallowance of expenses for initial depreciation allowances, non deduction of withholding tax on profit, non availability of underlying records and provision for non performing loans.		
	The Bank has filed appeals which are pending at various appellate forums. In addition, certain decisions made in favour of the Bank are being contested by the department at higher forums. No provision has been made in these consolidated condensed interim financial statements regarding the aforesaid additional tax demand and already issued favourable decisions where the tax department is in appeal, as the management is of the view that the issues will be decided in the Bank's favour as and when these are taken up by the Appellate authorities		
27.4	Claims against the Bank not acknowledged as debts		
	An amount of Rs. 51,241,919 thousand (December 31, 2025: Rs. 55,348,429 thousand) involved in the claims filed against the Bank are yet to be adjudicated by the concerned Courts as the same have been filed as outburst to Bank's recovery suits. Up till now, in no case, any claim has been adjudicated, determined or decreed by the Courts against the Bank. Moreover, there is no likelihood of decreeing the suits against the Bank because, the claims are frivolous.		

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
	Note	Rupees in '000'	
28	MARK-UP / RETURN / INTEREST EARNED		
	Loans and advances	83,079,401	71,808,144
	Investments	109,727,135	126,774,751
	Lendings to financial institutions	1,004,200	1,300,131
	Balances with banks	146,411	275,325
	IFRS-09 adjustments - notional:		
	Staff loans	840,800	987,448
	Other loans	1,174,653	980,148
		<u>195,972,600</u>	<u>202,125,947</u>
28.1	Interest income recognised on:		
	Financial assets measured at amortised cost	99,105,645	87,469,082
	Financial assets measured at FVOCI	94,503,971	108,656,708
	Financial assets measured at FVTPL	2,362,984	6,000,157
		<u>195,972,600</u>	<u>202,125,947</u>
29	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits and other accounts	96,591,391	105,520,263
	Borrowings	24,342,072	32,464,495
	Subordinated debts	2,931,421	3,223,439
	Mark-up on lease liability against right of use assets	1,844,421	1,763,424
	IFRS-09 adjustment on borrowings - notional	788,183	675,173
		<u>126,497,488</u>	<u>143,646,794</u>
30	FEE AND COMMISSION INCOME		
	Branch banking customer fees	336,716	389,123
	Consumer finance related fees	608,259	445,319
	Card related fees	6,182,757	3,204,580
	Credit related fees	1,039,370	901,918
	Investment banking fees	772,975	547,257
	Branchless banking fees	1,210,781	522,758
	Commission on trade	1,247,684	1,304,053
	Commission on guarantees	917,736	856,828
	Commission on cash management	710,784	177,860
	Commission on remittances including home remittances	(591,378)	256,135
	Commission on bancassurance	168,886	275,326
	SMS banking income	1,394,972	1,095,738
		<u>13,999,542</u>	<u>9,976,895</u>
31	(LOSS) / GAIN ON SECURITIES - NET		
	Realized (loss) / gain on sale of securities - net	31.1 (456,984)	3,603,989
	Unrealized (loss) / gain - measured at FVTPL	10.1 (74,142)	7,469
		<u>(531,126)</u>	<u>3,611,458</u>
31.1	Realized (loss) / gain on sale of securities - net:		
	Federal government securities	(475,409)	3,601,097
	Non government debt securities	26,926	32,482
	Shares	(8,501)	(29,590)
		<u>(456,984)</u>	<u>3,603,989</u>
31.2	Realized (loss) / gain on sale of securities - net:		
	Net (loss) / gain on financial assets measured at FVTPL:		
	- Designated upon initial recognition	(141,918)	76,713
	- Mandatorily measured at FVTPL	26,926	32,482
	Net (loss) / gain on financial assets measured at FVOCI	(341,992)	3,494,794
		<u>(456,984)</u>	<u>3,603,989</u>
32	NET LOSS ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST		
	Loss on derecognition on financial assets measured at amortised cost	32.1 (1,103,901)	(783,315)
32.1	This includes amortization of deferred loss / modification impact(s) on PIA Corporation Limited and other parties.		

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
		Rupees in '000'	
33	OTHER INCOME	Note	
	Rent on property	18,811	171,895
	Gain on sale of property and equipment - net	63,106	177,888
	Gain on sale of non banking assets acquired in satisfaction of claims - net	-	94,637
	Gain on termination of lease liability against right of use assets	289,729	66,446
	Notice pay on resignations	72,430	-
		<u>444,076</u>	<u>510,866</u>
34	OPERATING EXPENSES		
	Total compensation expense	34.1 26,683,081	22,487,195
	Property expense:		
	Rent and taxes	38,006	61,119
	Insurance	9,611	14,876
	Utilities cost	1,578,441	1,526,651
	Security	4,964	3,282
	Repair and maintenance including janitorial charges	187,727	178,291
	Depreciation	1,008,702	906,636
	Depreciation on right of use assets	1,886,646	1,643,517
		4,714,097	4,334,372
	Information technology expenses:		
	Software maintenance	2,042,086	1,532,050
	Hardware maintenance	65,487	64,935
	Depreciation on computer equipment	978,679	851,129
	Amortization on intangible assets	395,666	336,915
	Network charges	516,657	431,306
		3,998,575	3,216,335
	Other operating expenses:		
	Directors' fees and allowances	52,826	40,931
	Fees and allowances to shariah board	11,095	10,304
	Legal and professional charges	830,229	570,940
	Subscription charges	101,787	72,922
	Outsourced staff services costs	1,423,881	978,098
	Travelling and conveyance	312,923	350,877
	NIFT clearing charges	102,922	125,225
	Depreciation	967,047	727,602
	Depreciation on non banking assets acquired in satisfaction of claims	26,048	24,219
	Depreciation on ijarah assets under IFAS - 2	1,522,835	527,436
	Training and development	81,111	88,237
	Postage and courier charges	328,749	317,518
	Stationery and printing	489,725	558,230
	Marketing, advertisement and publicity	624,020	733,363
	Auditors remuneration	10,377	12,995
	Insurance	130,002	314,451
	Deposit protection fee	811,776	696,884
	Repair and maintenance	714,799	782,318
	Entertainment expenses	271,378	254,318
	Vehicle running expenses	107,269	85,035
	Fuel for generator	327,770	257,054
	Commission and brokerage	778,706	1,444,208
	SMS banking charges	504,716	587,473
	Bank charges	75,722	72,781
	Card related expenses	4,726,056	3,335,686
	Cash remittance charges	711,553	763,853
	Branch license fee	25,738	23,385
	CNIC verification / ECIB charges	899,682	433,222
	Organizational development	46,064	60,302
	Promotional expenses for public sector programs	158,493	-
	Miscellaneous expenses	231,799	250,265
		<u>17,407,098</u>	<u>14,500,132</u>
		<u>52,802,851</u>	<u>44,538,034</u>
34.1	This includes IFRS-09 adjustment on staff loans - notional amounting to Rs. 840,800 thousand (September 30, 2025: Rs. 987,448 thousand).		
		(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
35	OTHER CHARGES	Rupees in '000'	
	Penalties imposed by SBP	-	65,389
	Operational loss	7,947	2,835
		<u>7,947</u>	<u>68,224</u>

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
		Rupees in '000'	
36	CHARGE / (REVERSAL) OF CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET	Note	
	Reversal of credit loss allowance against lending to financial institutions	9	(15,969)
	(Reversal) / charge of credit loss allowance against investments	10.3.1	(67,008)
	Charge of credit loss allowance against loans & advances	11.3	2,601,173
	Reversal of credit loss allowance against balances with treasury banks	7	(90,745)
	Charge of credit loss allowance against other assets	16.1.1	33,649
	Reversal of credit loss allowance against off balance sheet obligations	23.2	(39,476)
	Reversal of credit loss allowance against balance with other banks	8	(2,026)
	Recovery of charged off loans		(103,422)
			<u>2,316,176</u>
37	TAXATION - NET		<u>2,196,591</u>
	Current	37.1	18,528,481
	Prior years		1,298,769
	Deferred		(3,885,340)
			<u>15,941,910</u>
37.1	This includes provision for super tax in accordance with Income Tax Ordinance, 2001.		
38	BASIC EARNINGS PER SHARE		
	Profit after taxation for the period (Rs in '000')		14,294,734
	Weighted average number of ordinary shares (No.).		3,271,569,319
	Basic earnings per share - Rs.		4.37
39	DILUTED EARNINGS PER SHARE		
	There were no convertible dilutive potential ordinary shares outstanding as at reporting dates.		
40	FAIR VALUE OF FINANCIAL INSTRUMENTS		
	The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in subsidiaries, is determined on the basis of valuation methodologies.		
	The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.		
	In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since these are either short-term in nature or, in the case of customer loans and deposits, are frequently reprised.		
40.1	The Bank measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:		
	Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.		
	Level 2: Fair value measurement using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly, (i.e. derived from prices).		
	Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).		
40.1.1	Valuation techniques used in determination of fair values within level 2 and level 3		

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

40.2 Fair value of financial assets

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

	September 30, 2026 (Un-audited)				
	Carrying value / Notional value	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	Rupees in '000'				
Financial assets measured at fair value:					
Federal government securities	899,372,976	-	899,372,976	-	899,372,976
Shares	5,769,282	5,670,966	98,316	-	5,769,282
Non-Government debt securities	1,039,949	-	1,039,949	-	1,039,949
Mutual fund & investment trust units	1,980,171	1,853,061	127,110	-	1,980,171
Foreign securities	42,784	-	-	42,784	42,784
Associated company	285,743	-	-	285,743	285,743
Financial assets disclosed but not measured at fair value:					
Federal government securities	190,506,762	-	185,247,049	-	185,247,049
Non-Government debt securities	602,626	-	602,626	-	602,626
Off balance sheet financial instruments measured at fair value:					
Forward purchase of foreign exchange contracts	163,130,756	-	163,130,756	-	163,130,756
Forward sale of foreign exchange contracts	165,148,894	-	165,148,894	-	165,148,894
Forward purchase of Government Securities transaction	2,990,000		2,990,000		2,990,000
Forward sale of Government securities transactions	50,000,000		50,000,000		50,000,000
	December 31, 2025 (Audited)				
	Carrying value / Notional value	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	Rupees in '000'				
Financial assets measured at fair value:					
Federal government securities	1,415,361,305	-	1,415,361,305	-	1,415,361,305
Shares	9,617,776	9,532,261	85,515	-	9,617,776
Non-Government debt securities	755,878	-	755,878	-	755,878
Mutual funds & investment trust units	2,162,473	2,045,638	116,835	-	2,162,473
Foreign securities	40,036	-	-	40,036	40,036
Associated company	285,225	-	-	285,225	285,225
Financial assets disclosed but not measured at fair value:					
Federal government securities	118,887,560	-	122,858,845	-	122,858,845
Non-Government debt securities	932,966	-	932,966	-	932,966

December 31, 2025 (Audited)

	Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Rupees in '000'					
Off balance sheet financial instruments measured at fair value:					
Forward purchase of foreign exchange contracts	137,714,546	-	137,714,546	-	137,714,546
Forward sale of foreign exchange contracts	125,670,026	-	125,670,026	-	125,670,026
Forward purchase of Government Securities transaction	79,800,000	-	79,800,000	-	79,800,000
Forward sale of Government Securities transaction	66,600,000	-	66,600,000	-	66,600,000

40.3 Fair value of non financial assets

September 30, 2026 (Un-audited)

	Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Rupees in '000'					
Non financial assets measured at fair value:					
Property and equipment (land & building)	16,371,344	-	16,371,344	-	16,371,344
Non banking assets acquired in satisfaction of claims	4,239,854	-	4,239,854	-	4,239,854

December 31, 2025 (Audited)

	Carrying value / Notional value	Level 1	Level 2	Level 3	Total
Rupees in '000'					
Non financial assets measured at fair value:					
Property and equipment (land & building)	16,722,737	-	16,722,737	-	16,722,737
Non banking assets acquired in satisfaction of claims	4,286,697	-	4,286,697	-	4,286,697

40.4 The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements of investment in unquoted equity securities.

Description	Valuation technique	Unobservable input	Discount rate	Relationship of unobservable inputs to fair value
Unquoted equity investments	DCF method	Discount rate	16.83%	Increase / decrease discount rate by 1% with all other variables held constant, would decrease / increase the fair value by Rs. 0.922 million and Rs 0.950 million respectively.

The following table shows reconciliation of investments Level 3 fair value movement:

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
Rupees in '000'		
Opening balance	125,551	97,786
Remeasurement recognised in OCI	14,628	27,765
Closing balance	140,179	125,551

41 SEGMENT INFORMATION

41.1 Segment details with respect to business activities

	(Un-audited)					
	September 30, 2026					
	Corporate and investment banking	Cards and public sector deposits	Consumer banking group	Treasury	Islamic	Others including Head Office
Rupees in '000'						
Consolidated statement of profit & loss account						
Mark-up / return / profit	30,720,187	11,776,726	27,075,320	101,652,899	22,966,986	1,780,482
Inter segment (cost) / revenue - net	(15,543,830)	63,443,263	30,176,471	(77,916,462)	(137,789)	(21,653)
Non mark-up / return / interest income	2,675,077	8,938,372	1,930,850	2,601,201	1,085,936	(683,924)
Total income	17,851,434	84,158,361	59,182,641	26,337,638	23,915,133	1,074,905
Segment total expenses	16,547,431	58,974,340	42,367,335	20,832,047	18,145,093	23,140,712
Profit before credit loss allowance and tax	1,304,003	25,184,021	16,815,306	5,505,591	5,770,040	(22,065,807)
(Reversal) / charge of credit loss allowance	(2,114,467)	(2,131,794)	4,089,195	(492,567)	2,956,260	9,549
Profit / (loss) before tax	3,418,470	27,315,815	12,726,111	5,998,158	2,813,780	(22,075,356)
Consolidated statement of financial position						
Cash and bank balances	-	239,580	32,761,792	63,634,432	20,365,588	-
Investments - net	1,131,843	-	-	1,020,666,529	77,801,921	-
Net inter segment lending	-	728,816,696	376,396,039	-	5,563,044	45,135,161
Lendings to financial institutions	-	-	-	7,004,000	1,995,318	-
Advances - performing	348,535,737	136,172,885	319,428,282	-	195,036,713	13,344,054
- non-performing - net	4,762,866	6,917,960	2,634,232	-	752,368	17,865
Others	35,972,393	12,177,870	25,111,411	17,420,741	24,719,046	86,518,254
Total assets	390,402,839	884,324,991	756,331,756	1,108,725,702	326,233,998	145,015,334
Borrowings	(17,510,170)	-	15,984,578	166,745,955	54,403,758	-
Subordinated debts	-	-	-	-	-	30,808,784
Deposits and other accounts	176,536,239	867,407,762	649,271,095	-	234,323,259	-
Net inter segment borrowing	214,558,302	-	-	941,352,638	-	-
Others	16,818,468	16,917,229	91,076,083	627,109	10,828,642	22,405,972
Total liabilities	390,402,839	884,324,991	756,331,756	1,108,725,702	299,555,659	53,214,756
Equity						3,492,555,703
Total equity and liabilities						118,478,917
Contingencies and commitments	366,032,283	-	33,831,624	378,947,309	52,430,624	392,550
						831,634,390

(Un-audited)

September 30, 2025

	Corporate and investment banking	Cards and public sector deposits	Consumer banking group	Treasury	Islamic	Others including Head Office	Total
	Rupees in '000'						
Mark-up / return / profit	42,481,762	5,525,749	16,231,458	121,815,211	14,228,866	1,842,901	202,125,947
Inter segment revenue - net	(17,539,608)	70,538,848	34,033,895	(86,756,270)	(685)	(276,180)	-
Non mark-up / return / interest income	2,807,984	4,799,199	1,621,787	5,682,755	528,987	(272,693)	15,168,019
Total income	27,750,138	80,863,796	51,887,140	40,741,696	14,757,168	1,294,028	217,293,966
Segment total expenses	19,947,826	60,105,387	40,804,018	31,342,904	12,499,988	24,336,542	189,036,665
Profit before credit loss allowance and tax	7,802,312	20,758,409	11,083,122	9,398,792	2,257,180	(23,042,514)	28,257,301
(Reversal) / charge of credit loss allowance	(786,439)	1,443,629	953,086	133,520	510,192	(57,397)	2,196,591
Profit / (loss) before tax	8,588,751	19,314,780	10,130,036	9,265,272	1,746,988	(22,985,117)	26,060,710

Consolidated statement of profit & loss account

Mark-up / return / profit	42,481,762	5,525,749	16,231,458	121,815,211	14,228,866	1,842,901	202,125,947
Inter segment revenue - net	(17,539,608)	70,538,848	34,033,895	(86,756,270)	(685)	(276,180)	-
Non mark-up / return / interest income	2,807,984	4,799,199	1,621,787	5,682,755	528,987	(272,693)	15,168,019
Total income	27,750,138	80,863,796	51,887,140	40,741,696	14,757,168	1,294,028	217,293,966
Segment total expenses	19,947,826	60,105,387	40,804,018	31,342,904	12,499,988	24,336,542	189,036,665
Profit before credit loss allowance and tax	7,802,312	20,758,409	11,083,122	9,398,792	2,257,180	(23,042,514)	28,257,301
(Reversal) / charge of credit loss allowance	(786,439)	1,443,629	953,086	133,520	510,192	(57,397)	2,196,591
Profit / (loss) before tax	8,588,751	19,314,780	10,130,036	9,265,272	1,746,988	(22,985,117)	26,060,710

(Audited)

December 31, 2025

Cash and bank balances	-	190,118	34,287,713	62,569,729	20,550,710	-	117,598,270
Investments - net	903,661	-	-	1,430,455,797	116,683,761	-	1,548,043,219
Net inter segment lending	-	753,710,611	554,686,619	-	3,030,374	32,746,438	1,344,174,042
Lendings to financial institutions	-	-	-	219,424,747	1,997,051	-	221,421,798
Advances - performing	422,531,230	106,517,334	198,855,108	-	130,680,448	15,014,783	873,598,903
- non-performing	2,798,404	1,629,792	2,952,000	-	1,777,315	7,418	9,164,929
Others	35,491,690	6,587,853	22,710,766	23,737,472	18,822,850	73,562,036	180,912,667
Total assets	461,724,985	868,635,708	813,492,206	1,736,187,745	293,542,509	121,330,675	4,294,913,828
Borrowings	48,872,487	-	2,626,436	566,500,498	6,808,571	-	624,807,992
Subordinated debts	-	-	-	-	-	30,812,558	30,812,558
Deposits and other accounts	218,020,501	855,075,604	726,703,961	-	251,147,748	-	2,050,947,814
Net inter segment borrowing	177,270,371	-	-	1,166,903,671	-	-	1,344,174,042
Others	17,561,626	13,560,104	84,161,809	2,783,576	11,156,976	11,626,299	140,850,390
Total liabilities	461,724,985	868,635,708	813,492,206	1,736,187,745	269,113,295	42,438,857	4,191,592,796
Equity	-	-	-	-	-	-	103,321,032
Total equity and liabilities	-	-	-	-	-	-	4,294,913,828
Contingencies and commitments	303,984,951	-	27,885,919	408,061,809	46,912,843	364,256	789,209,778

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

The Bank has related party transactions with its subsidiaries, associate, employee benefit plans, directors and Key Management Personnel. The Bank enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations. Terms of the contribution plan: Remuneration to the executives, officers is determined in accordance with the terms of their appointment.

	(Un-audited)					(Audited)				
	September 30, 2026					December 31, 2025				
	Directors	Key management personnel	Associated company	Employee funds	Other related parties	Directors	Key management personnel	Associated company	Employee funds	Other related parties
Lendings to financial institutions:										
Opening balance	-	-	-	-	-	-	-	-	-	-
Addition during the period / year	-	-	-	-	-	-	-	-	-	-
Repaid during the period / year	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-	-
Credit loss allowance against lendings to financial institutions	-	-	-	-	-	-	-	-	-	-
Investments (gross):										
Opening balance	-	-	285,000	-	-	-	-	-	-	-
Addition during the period / year	-	-	-	-	-	-	-	285,000	-	-
Repaid during the period / year	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	285,000	-	-	-	-	285,000	-	-
Advances (gross):										
Opening balance	-	627,665	-	-	27,684	-	567,927	-	-	-
Addition during the period / year	-	206,161	123,855	-	-	-	255,954	-	-	30,000
Repaid during the period / year	-	242,891	-	-	4,274	-	196,216	-	-	2,316
Closing balance	-	590,935	123,855	-	23,410	-	627,665	-	-	27,684
Credit loss allowance held against advances	-	7,661	431	-	60	-	8,735	-	-	89
Fair value loss held against advances	-	257,469	-	-	-	-	235,636	-	-	-
Other assets - advance deposits and prepayments										
Other assets - markup receivable	-	110,268	6,310	-	58	-	28,760	-	-	71
Credit loss allowance against other assets	-	2,412	36	-	7	-	706	-	-	5
Right of use assets	-	-	-	-	75,036	-	-	-	-	79,974
Lease liability against right of use assets	-	-	-	-	5,590	-	-	-	-	5,057
Deposits and other accounts:										
Opening balance	16,544	63,017	2,684,614	1,399,082	1,990,851	22,222	116,975	-	2,587,664	874,152
Received during the period / year	52,759	1,110,618	22,129,064	14,175,921	1,179,726	29,745	2,093,993	122,250,831	6,542,556	3,612,472
Withdrawn during the period / year	31,631	987,418	24,080,946	14,900,695	3,006,932	35,423	2,147,951	119,566,217	7,731,138	2,495,773
Closing balance	37,672	186,217	732,732	674,308	163,645	16,544	63,017	2,684,614	1,399,082	1,990,851
Markup & commission payable	-	80	12,647	-	17,150	62	289	11,820	-	615
Contingencies (non funded exposure)	-	-	103,003	-	55,919	-	-	-	-	56,300
Credit loss allowance against contingencies	-	-	-	-	637	-	-	-	-	167

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

September 30, 2025 (Un-audited)

September 30, 2026 (Un-audited)

	Directors	Key management personnel	Associated company	Employee Funds	Other related parties	Directors	Key management personnel	Associated company	Employee Funds	Other related parties
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Rupees in '000'

Income:										
Mark-up / return / interest earned	-	43,187	6,515	-	2,541	-	43,475	-	-	-
Fee and commission income	14	1,646	-	-	122	103	2,079	-	-	1,073
Other income (rental)	-	-	-	-	-	-	-	-	-	-
Expense:										
Mark-up expensed on deposits	1,402	2,792	208,586	82,999	216,017	1,562	5,157	-	120,693	63,665
Depreciation on right of use assets	-	-	-	-	4,938	-	-	-	-	3,319
Mark-up on lease liability against right of use assets	-	-	-	-	533	-	-	-	-	1,832
Compensation expense	-	974,273	-	-	-	-	825,090	-	-	-
Commission expense	-	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-	-
Outsourced staff services cost	-	-	-	-	5,526	-	-	-	-	36,828
Directors fee and allowances	52,601	-	-	-	-	40,931	-	-	-	90

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

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

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Rupees in '000'	
Advances	6,216,954	6,832,672
Credit loss allowance held against advances	3,750	5,148
Deposits and other accounts	920,867,370	929,677,436
Bills payable	632,814	435,155
Subordinated debts	13,121,295	13,122,981
Acceptances	71,929	71,929
Contingencies and commitments	32,079,339	31,106,542
Credit loss allowance against off balance sheet obligations	362	107
Mark-up receivable	16,170,913	7,398,490
Credit loss allowance against other assets	138	3
Mark-up payable on subordinated debts	413,147	206,698
Mark-up payable on deposits and other accounts	20,448,673	34,402,345
	(Un-audited) September 30, 2026	(Un-audited) September 30, 2025

	Rupees in '000'	
Mark-up earned	764,194	398,221
Mark-up expensed	41,885,410	55,828,921
Income on contingencies and commitments	225,800	267,921
Mark-up expense on subordinated debts	1,232,363	1,353,581

42.3 The Bank made contribution of Rs. 621,590 thousand and Rs. 704,791 thousand (September 30, 2025: Rs. 526,125 thousand and Rs. 421,347 thousand) to employees provident fund and gratuity fund during the period respectively.

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

42.5 Advances to employees as at September 30, 2026, other than key management personnel, net of deferred fair value adjustments amounted to Rs. 16,002,184 thousand (December 31, 2025: Rs. 14,987,326 thousand) with markup receivable of Rs. 4,254,830 thousand (December 31, 2025: Rs. 3,934,785 thousand) and markup income of Rs. 2,078,323 thousand (September 30, 2025: Rs. 1,123,294 thousand) and fee & commission income of Rs. 44,260 thousand (September 30, 2025: Rs. 47,405 thousand). The FCI on said advances including markup and unutilized limits amounted to Rs. 483,702 thousand (December 31, 2025: Rs. 472,513 thousand). Compensation expense includes deferred cash bonus for President / CEO, key management personnel and other material risk takers / controllers. Deferred cash bonus as on September 30, 2026 stood at Rs. 16,285 thousand (December 31, 2025: Rs. 128,175 thousand).

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

42.7 The Bank held government securities in fiduciary capacity for its employee fund, GoPb & other related parties in IPS account amounting to Rs. 12,127,700 thousand (December 31, 2025: Rs. 9,021,700 thousand).

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
		Rupees in '000'	
43	CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
	Minimum Capital Requirement (MCR):		
	Paid-up capital including share premium (net of losses)	34,667,575	34,667,575
	Capital Adequacy Ratio (CAR):		
	Eligible Common Equity Tier 1 (CET 1) Capital	110,720,343	91,882,060
	Eligible Additional Tier 1 (ADT 1) Capital	11,967,500	11,967,500
	Total Eligible Tier 1 Capital	122,687,843	103,849,560
	Eligible Tier 2 Capital	26,057,639	29,371,987
	Total Eligible Capital (Tier 1 + Tier 2)	148,745,482	133,221,547
	Risk Weighted Assets (RWAs):		
	Credit risk	872,562,903	672,763,927
	Market risk	66,761,100	133,421,822
	Operational risk	131,613,037	131,613,037
	Total	1,070,937,040	937,798,786
	Common equity tier 1 capital adequacy ratio	10.34%	9.80%
	Tier 1 Capital Adequacy Ratio	11.46%	11.07%
	Total Capital Adequacy Ratio	13.89%	14.21%
43.1	Leverage Ratio (LR):		
	Eligible Tier-I Capital	122,687,843	103,849,560
	Total exposures	3,048,548,380	3,362,575,836
	Leverage Ratio	4.02%	3.09%
43.2	Liquidity Coverage Ratio (LCR):		
	Total high quality liquid assets	1,009,313,504	1,044,794,202
	Total net cash outflow	558,123,460	517,654,929
	Liquidity Coverage Ratio	180.84%	201.83%
43.3	Net Stable Funding Ratio (NSFR):		
	Total available stable funding	1,467,563,574	1,501,658,047
	Total required stable funding	1,053,610,544	883,472,667
	Net Stable Funding Ratio	139.29%	169.97%
43.4	The Bank availed the benefit of stage I and II staggering as allowed by SBP vide IFRS-09 application instructions. Had this relaxation not availed, the CAR, LR and NSFR would have been 13.68%, 3.80% and 138.99% respectively.		

44 ISLAMIC BANKING BUSINESS

The Bank has started Islamic banking operations in the year 2013. As at close of the September 30, 2026, the Bank is operating 279 Islamic banking branches (December 31, 2025: 210 Islamic banking branches) and 617 Islamic banking windows (December 31, 2025: 534).

**STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026**

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	Rupees in '000'	
ASSETS			
Cash and balances with treasury banks		13,713,373	17,123,462
Balances with other banks		6,652,215	3,427,248
Due from financial institutions	44.1	1,995,318	1,997,051
Investments	44.2	77,801,921	116,683,760
Islamic financing and related assets	44.3	195,789,081	132,457,763
Property and equipment		2,409,036	2,347,799
Right of use assets		3,209,784	3,301,907
Intangible assets		10,126	11,708
Due from head office		5,563,044	3,030,374
Other assets		19,090,100	13,161,436
Total assets		326,233,998	293,542,508
LIABILITIES			
Bills payable		970,558	1,185,243
Due to financial institutions		54,403,758	6,808,571
Deposits and other accounts	44.4	234,323,259	251,147,748
Lease liabilities		4,527,907	4,390,951
Due to head office		-	-
Other liabilities		5,330,177	5,580,782
		299,555,659	269,113,295
NET ASSETS		26,678,339	24,429,213
REPRESENTED BY			
Islamic banking fund		2,000,000	2,000,000
Reserves		1,406	14,001
(Deficit) / surplus on revaluation of assets		(239,612)	312,447
Unappropriated profit	44.5	24,916,545	22,102,765
		26,678,339	24,429,213
CONTINGENCIES AND COMMITMENTS	44.6		

ISLAMIC BANKING BUSINESS

STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2026

		Quarter Ended		Period Ended	
		September 30,	September 30,	September 30,	September 30,
		2026	2025	2026	2025
Note		Rupees in '000'			
Profit / return earned	44.7	8,448,470	4,901,927	22,966,986	14,228,866
Profit / return expensed	44.8	4,120,274	2,493,933	11,281,151	7,255,881
Net profit / return		4,328,196	2,407,994	11,685,835	6,972,985
Fee and commission income		517,804	291,376	1,186,732	662,790
Dividend income		-	-	-	-
Foreign exchange loss		(134,669)	(80,008)	(145,695)	(204,840)
Gain on securities - net		102	41	102	559
Other income		282	41,525	44,797	70,478
		383,519	252,934	1,085,936	528,987
Total income		4,711,715	2,660,928	12,771,771	7,501,972
Operating expenses		2,513,523	1,916,655	7,001,710	5,244,550
Workers' Welfare Fund		-	-	-	-
Other charges		16	62	21	242
		2,513,539	1,916,717	7,001,731	5,244,792
Profit before credit loss allowance		2,198,176	744,211	5,770,040	2,257,180
Credit loss allowance and write offs - net		1,873,355	173,410	2,956,260	510,192
Profit before taxation		324,821	570,801	2,813,780	1,746,988
Taxation	44.9	-	-	-	-
Profit after taxation		324,821	570,801	2,813,780	1,746,988

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

		September 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'					
44.1	DUE FROM FINANCIAL INSTITUTIONS						
	Placements	2,000,000	-	2,000,000	2,000,000	-	2,000,000
	Less: Credit loss allowance	(4,682)	-	(4,682)	(2,949)	-	(2,949)
		1,995,318	-	1,995,318	1,997,051	-	1,997,051

44.1.1 Profit rate on these placements ranging from 12.17% per annum (December 31, 2025: 10.91% per annum). These placements are unsecured (December 31, 2025: Unsecured)

		September 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
		Cost/ Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value	Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying value
Rupees in '000'									
44.2	INVESTMENTS								
	Investments by segment:								
	Debt instruments								
	Classified / measured at FVTPL								
	Federal government securities								
	- Islamic Naya Pakistan Certificate	188,070	-	-	188,070	322,201	-	-	322,201
		188,070	-	-	188,070	322,201	-	-	322,201
	Classified / measured at FVOCI								
	Federal government securities								
	- Ijara Sukuk	60,308,740	-	(379,207)	59,929,533	102,565,732	-	172,852	102,738,584
		60,308,740	-	(379,207)	59,929,533	102,565,732	-	172,852	102,738,584
	Classified / measured at amortised cost								
	Federal Government securities								
	- Ijara Sukuk	13,921,479	-	-	13,921,479	9,529,795	-	-	9,529,795
	- Bai Muajjal	3,160,214	-	-	3,160,214	3,160,214	-	-	3,160,214
	Non government debt securities	1,210,477	(607,852)	-	602,625	1,541,158	(608,192)	-	932,966
		18,292,170	(607,852)	-	17,684,318	14,231,167	(608,192)	-	13,622,975
	Total investments	78,788,980	(607,852)	(379,207)	77,801,921	117,119,100	(608,192)	172,852	116,683,760
						(Un-audited)	(Audited)		
						September 30,	December 31,		
						2026	2025		
Rupees in '000'									

44.2.1 Particulars of credit loss allowance - non government debt securities

Stage 1	784	1,124
Stage 2	-	-
Stage 3	607,068	607,068
	607,852	608,192

44.3 ISLAMIC FINANCING AND RELATED ASSETS

Ijarah	13,254,936	8,515,516
Murabaha	277,892	261,848
Musharaka	16,916,542	20,428,804
Diminishing musharaka	136,885,617	75,135,626
Payment against documents	72,802	55,304
Waqala	3,469,000	4,107,244
Istisna	15,715,416	15,786,835
Musawamah financing	13,382,453	8,732,339
Tijarah financing	721,303	1,392,151
Gross islamic financing and related assets	200,695,961	134,415,667
Less: credit loss allowance against Islamic financings		
-Stage 1	3,113,045	469,962
-Stage 2	308,117	218,987
-Stage 3	1,485,718	1,268,955
	4,906,880	1,957,904
Islamic financing and related assets - net	195,789,081	132,457,763

44.4 DEPOSITS AND OTHER ACCOUNTS

	September 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	93,062,641	2,899,785	95,962,426	83,549,224	2,152,123	85,701,347
Savings deposits	111,998,496	661,585	112,660,081	125,553,606	485,182	126,038,788
Term deposits	16,681,992	6,529,306	23,211,298	31,464,235	6,432,976	37,897,211
Margin deposits	150,292	-	150,292	41,434	-	41,434
	221,893,421	10,090,676	231,984,097	240,608,499	9,070,281	249,678,780
Financial institutions:						
Current deposits	44,175	151,385	195,560	48,653	69,567	118,220
Savings deposits	2,143,588	14	2,143,602	1,350,573	-	1,350,573
Term deposits	-	-	-	-	-	-
Margin deposits	-	-	-	175	-	175
	2,187,763	151,399	2,339,162	1,399,401	69,567	1,468,968
	224,081,184	10,242,075	234,323,259	242,007,900	9,139,848	251,147,748

44.4.1 Current deposits include call deposits amounting to Rs. 6,553,045 thousand (December 31, 2025: Rs. 6,266,180 thousand)

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Rupees in '000'	
44.5 UNAPPROPRIATED PROFIT - ISLAMIC BANKING BUSINESS		
Opening balance	22,102,765	17,713,483
Islamic banking profit for the period / year	<u>2,813,780</u>	<u>4,389,282</u>
Closing balance	<u><u>24,916,545</u></u>	<u><u>22,102,765</u></u>
44.6 CONTINGENCIES AND COMMITMENTS		
Guarantees:		
Financial guarantees	21,200	18,200
Performance guarantees	3,527,982	2,488,032
Other guarantees	11,095,729	3,745,185
	<u>14,644,911</u>	<u>6,251,417</u>
Commitments:		
Documentary credits and short-term trade-related transactions - letters of credit	18,735,820	14,627,627
Commitments in respect of forward lending	13,372,182	21,457,478
Commitments in respect of purchase forward foreign exchange contracts	5,665,146	4,553,767
Commitments for acquisition of:		
- fixed assets	9,789	1,513
- intangible assets	2,776	21,041
	<u>37,785,713</u>	<u>40,661,426</u>
	<u><u>52,430,624</u></u>	<u><u>46,912,843</u></u>
	(Un-audited) September 30, 2026	(Un-audited) September 30, 2025
	Rupees in '000'	
44.7 PROFIT / RETURN EARNED OF FINANCING, INVESTMENTS AND PLACEMENT		
Profit earned on:		
Financing	13,630,539	7,319,758
Investments	9,025,842	5,896,724
Placements	186,314	902,917
IFRS-09 adjustments - notional:		
Staff loans	83,109	92,627
Other loans	41,182	16,840
	<u>22,966,986</u>	<u>14,228,866</u>
44.8 PROFIT ON DEPOSITS AND OTHER DUES EXPENSED		
Deposits and other accounts	8,096,038	6,680,091
Markup on lease liability against right of use assets	462,939	411,659
Markup on call borrowings	2,394,532	9,519
Markup on borrowings from SBP	129,536	110,796
Profit on deposits from conventional head office	137,789	685
IFRS-09 adjustment on borrowings - notional	60,317	43,131
	<u>11,281,151</u>	<u>7,255,881</u>

THE BANK OF PUNJAB AND ITS SUBSIDIARIES

44.9 The Bank calculates and files a single corporate tax return as per the requirements of Income Tax Ordinance, 2001. Segmental calculation is not required for filing. However, considering the format requirement of the financial statements to disclose Islamic Banking segment's tax charge separately, a notional net tax charge for Islamic Banking is expected to be Rs. 1,463,166 thousand (September 30, 2025: Rs. 925,904 thousand).

44.10 During the period, following pools have been created:

- Taqwa Foreign Currency AED Pool (AED POOL)
- Taqwa Foreign Currency SAR Pool (SAR POOL)

The main characteristics of the pools are as under:

- i) Profit sharing ratio between Mudarib and Rab-ul-mal is 50:50.
- ii) Profit equalization reserve up to 2% of net income will be created, if needed.
- iii) Investment risk reserve up to 1% of distributable profit of depositors will be created, if needed.

45 DATE OF AUTHORIZATION FOR ISSUE

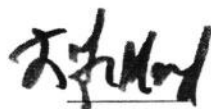
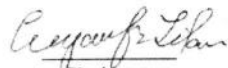
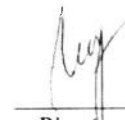
These consolidated condensed interim financial statements were authorized for issue on October 26, 2026 by the Board of Directors of the Bank.

46 GENERAL

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

46.2 Corresponding figures have been re-arranged or re-classified wherever necessary, for better and fair presentation. However, no significant reclassification or re-arrangement has been made during the period except for following:

- In 'Other assets', Rs. 105,752 thousand previously included in 'Income / mark-up accrued in local currency' has now been presented in 'Others' for better presentation and comparability.
- In 'Other liabilities', Rs. 169,127 thousand and Rs. 274,524 thousand previously included in 'Others' has now been presented in 'Sundry creditors and accrued expenses' and 'Payable on account of GoPb schemes' respectively, for better presentation and comparability.
- In 'Operating expenses' Rs. 118,896 thousand related to 'Promotional expenses for public sector programs', previously included in 'Marketing, advertisement and publicity' has now been presented separately for better presentation and comparability.


Chief Financial Officer
President
Chairman
Director
Director



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