



[Subsidiary of Habib Bank AG Zurich]

HABIBMETRO

THIRD QUARTER REPORT SEPTEMBER 2026

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هَذَا فَضْلُكَ

OUR VISION

To be the most respected financial institution
based on trust, service and commitment



OUR VALUES

RESPECT

We respect our heritage, our team's dedication, and our customers' faith in us.

INTEGRITY

We set high professional and ethical standards for ourselves and each other.

TEAMWORK

We play to our strengths and build teams that deliver at the local and global levels.

RESPONSIBILITY

We take responsibility for ourselves, our actions, and always give our best.

COMMITMENT

We are committed to responding to the needs of our customers.

TRUST

We safeguard the trust that our customers place in us, and foster the same with passion.



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CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN

Mohamedali R. Habib

PRESIDENT & CHIEF EXECUTIVE OFFICER

Khurram Shahzad Khan

DIRECTORS

Ali Abbas Sikander
Hamza Habib
Mohomed Bashir
Mohsin A. Nathani
Muhammad H. Habib
Rashid Ahmed Jafer
Tushna D. Kandawalla

BOARD COMMITTEES

AUDIT

Hamza Habib
Mohsin A. Nathani
Muhammad H. Habib
Rashid Ahmed Jafer
Tushna D. Kandawalla

CREDIT

Hamza Habib
Khurram Shahzad Khan
Mohamedali R. Habib
Mohsin A. Nathani
Rashid Ahmed Jafer

HUMAN RESOURCE & REMUNERATION

Mohamedali R. Habib
Mohomed Bashir
Mohsin A. Nathani
Tushna D. Kandawalla

SHARIAH BOARD

Mufti Mohammed Najeeb Khan - Chairman
Mufti Abdul Sattar Laghari - Member
Mufti Shahzaib Rajper - Member
Mufti Khawaja Noor ul Hassan - Resident Member

HEAD OF LEGAL & COMPANY SECRETARY

Mehvish Muneera

REGISTERED OFFICE

Ground Floor, HabibMetro Head Office
I. I. Chundrigar Road,
Karachi - 74200, Pakistan

INFORMATION TECHNOLOGY

Ali Abbas Sikander
Hamza Habib
Khurram Shahzad Khan
Mohamedali R. Habib

RISK & COMPLIANCE

Ali Abbas Sikander
Hamza Habib
Khurram Shahzad Khan
Mohsin A. Nathani
Muhammad H. Habib

SHARE REGISTRAR

CDC Share Registrar Services Limited
CDC House, 99-B, Block-B,
S.M.C.H.S., Main Shahrah-e-Faisal,
Karachi - 74400

DIRECTORS' REVIEW

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

Pakistan entered FY27 with macroeconomic stability intact, although the prolonged Middle East conflict continued to weigh on domestic prices. Headline inflation eased to 10.3 percent in September 2026 from 11.1 percent in August 2026, taking average inflation for Q1-FY27 to 10.2 percent against 4.3 percent a year earlier. Inflation is expected to remain above the SBP medium term range of 5.00 - 7.00 percent in the near term before moving toward its upper bound by June 2027.

The current account posted a deficit of USD 874 Mn in Q1-FY27, compared to USD 755 Mn in the same period last year. Robust workers' remittances of USD 10.9 Bn, up 14.0 percent year-on-year, helped finance a wider trade gap, as imports rose 14.6 percent against export growth of 11.0 percent, expanding the deficit by USD 1.62 Bn to USD 10.16 Bn. Supported by the USD 3.0 Bn Eurobond, issued on September 3, 2026, SBP reserves climbed to a record USD 21.44 Bn as of September 25, 2026, with total liquid reserves providing nearly three months of import cover. The PKR remained broadly stable against the USD at around 277-278 range.

Economic activity has started to recover gradually after slowing in Q4-FY26, with large-scale manufacturing growing by 3.03 percent year-on-year in July 2026, and real GDP growth is projected in the range of 3.5 - 4.5 percent in FY27. The fiscal deficit narrowed to 2.6 percent of GDP in FY26, the lowest in 22 years, while the primary surplus of 2.9 percent of GDP exceeded the IMF target of 2.5 percent. The Federal Board of Revenue exceeded its Q1-FY27 target of Rs. 3.05 trillion on a provisional basis. Further, a staff-level agreement has been reached with the IMF under the fourth review of Extended Fund Facility.

The State Bank of Pakistan kept the policy rate unchanged at 11.5 percent on September 14, 2026, a third consecutive hold following the 100 basis point increase effective April 28, 2026, while noting that uncertainty regarding the outlook has increased. Moody's upgraded the sovereign credit rating to B3 from Caa1 with a stable outlook.

The banking sector remained resilient, with total deposits expanding by 16.0 percent year-on-year to Rs. 40.8 trillion as at end-September 2026. Advances increased by 14.3 percent year-on-year to Rs. 15.4 trillion, while investments rose by 12.1 percent year-on-year to Rs. 40.1 trillion, highlighting sustained balance-sheet strength amid a challenging macroeconomic environment.

By the Grace of Allah, HABIBMETRO posted a profit before tax of Rs. 28,627 million for the first nine months of 2026, with after-tax earnings per share of Rs. 12.99. Net mark-up income stood at Rs. 44,655 million, while non-mark-up income is Rs. 18,002 million. The Bank's investments stood at Rs. 892,246 million as compared to Rs. 864,652 million in December 2025, while net advances increased to Rs. 542,874 million from Rs. 514,783 million in December 2025. Deposits grew by 11.0 percent to Rs. 1,243,028 million.

HABIBMETRO

The Bank's net equity stood at Rs. 125,090 million with a capital adequacy ratio of 15.63 percent. The Board approved an interim cash dividend of Rs. 2.50 per share (25%) for the third quarter ended September 30, 2026. This is in addition to the Rs. 5.0 per share paid during the first half of the year (Cash Dividend March 2026: 25% and June 2026: 25%), taking the total interim payout for nine months of 2026 to Rs. 7.50 per share (75%).

Pakistan Credit Rating Agency Limited (PACRA) has upgraded HABIBMETRO's long-term credit rating to 'AAA', the highest attainable rating, while reaffirming the short-term rating at 'A1+', the highest short-term rating category in the ongoing year. These ratings underscore the Bank's exceptionally strong capacity to meet financial commitments and reflect the highest degree of credit quality.

HABIBMETRO operates 575 branches in 234 cities across Pakistan, including 254 Islamic banking branches and 311 Islamic banking windows. The Bank continues to offer a comprehensive suite of conventional and Islamic banking products and services under the brand of Sirat.

The Bank remains committed to corporate social responsibility, with a strong focus on healthcare and education, and promotes active employee participation in community-based initiatives as recognized by Overseas Investors Chamber of Commerce and Industry (OICCI) CSR Report 2025.

The Bank also continues to drive its digital transformation strategy, with enhancements to mobile apps, web banking, and card-based services, ensuring a seamless and modern banking experience for its customers.

We extend our sincere gratitude to the State Bank of Pakistan, the Ministry of Finance, and the Securities and Exchange Commission of Pakistan for their ongoing support. We are equally grateful to our valued shareholders and customers for their trust, the Board of Directors for their guidance, and our dedicated staff for their tireless efforts, which remain central to the Bank's continued growth and success.

On behalf of the Board

KHURRAM SHAHZAD KHAN

President & Chief Executive Officer

Karachi: October 22, 2026

بینک کی خالص ایکویٹی 125,090 ملین روپے رہی، جبکہ کیپٹل ایکویٹی کا تناسب 15.63 فیصد ریکارڈ کیا گیا۔ بورڈ آف ڈائریکٹرز نے 30 ستمبر 2026 کو ختم ہونے والی تیسری سہ ماہی کیلئے فی شیئر 2.5 روپے (25 فیصد) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔ یہ ادائیگی سال کی پہلی ششماہی کے دوران ادا کیے گئے 5.0 روپے فی شیئر کے منافع منقسمہ کے علاوہ ہے (نقد منافع منقسمہ مارچ 2026، 25 فیصد اور جون 2026، 25 فیصد)۔ اس طرح سال 2026 کے پہلے نو ماہ کے لئے مجموعی عبوری منافع منقسمہ 7.5 روپے فی شیئر (75 فیصد) ہو جائے گا۔

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے حبیب میٹرو کی طویل مدتی کریڈٹ ریٹنگ کو اپ گریڈ کرتے ہوئے 'AAA' کر دیا ہے، جو بلند ترین قابل حصول ریٹنگ ہے، جبکہ قلیل مدتی کریڈٹ ریٹنگ کو 'A1+' پر برقرار رکھا ہے، جو سال کی قلیل مدتی ریٹنگ کی بلند ترین درجہ بندی ہے۔ یہ ریٹنگز مالیاتی ذمہ داریوں کی ادائیگی کے حوالے سے بینک کی غیر معمولی طور پر مضبوط صلاحیت کی عکاسی کرتی ہیں اور اس کے اعلیٰ ترین درجے کے کریڈٹ معیار کی توثیق کرتی ہیں۔

حبیب میٹرو پاکستان بھر کے 234 شہروں میں 575 برانچز کے ذریعے اپنی خدمات انجام دے رہا ہے، جن میں 254 اسلامک بینکنگ برانچز اور 311 اسلامک بینکنگ ونڈوز شامل ہیں۔ بینک روایتی اور ”صراط“ برانڈ کے تحت اسلامک بینکنگ کی مکمل مصنوعات اور خدمات فراہم کر رہا ہے۔

بینک کارپوریٹ سماجی ذمہ داری کے لئے اپنے عزم پر قائم ہے، جس میں صحت اور تعلیم کے شعبوں پر خصوصی توجہ دی جاتی ہے، اور کیونٹی کی بنیاد پر اقدامات میں ملازمین کی فعال شرکت کو فروغ دیا جاتا ہے جس کا اعتراف اور سبز انویسٹرز چیئر آف کامرس اینڈ انڈسٹری (CSR (OICCI رپورٹ 2025 میں بھی کیا گیا ہے۔

بینک اپنی ڈیجیٹل تبدیلی کی حکمت عملی کو بھی جاری رکھے ہوئے ہے، جس کے تحت موبائل ایپس، ویب بینکنگ، اور کارڈ بیسڈ خدمات میں بہتری لائی جا رہی ہے تاکہ صارفین کو جدید اور ہموار بینکنگ کا تجربہ فراہم کیا جاسکے۔

ہم اسٹیٹ بینک آف پاکستان، پاکستان کی وزارت خزانہ اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے مسلسل تعاون پر تہ دل سے شکر گزار ہیں۔ ہم اپنے معزز شیئرز، ہولڈرز اور صارفین کا بھی ان کے اعتماد، بورڈ آف ڈائریکٹرز کا ان کی سرپرستی و رہنمائی اور حبیب میٹرو کے اسٹاف کا ان کی انتھک محنت پر بھی شکریہ ادا کرنا چاہیں گے، جو بینک کی مسلسل ترقی اور کامیابی میں بنیادی کردار ادا کر رہے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

خرم شہزاد خان

صدر و چیف ایگزیکٹو آفیسر

کراچی: 22 اکتوبر 2026

ڈائریکٹرز ریویو

میں نہایت مسرت کے ساتھ حبیب میٹرو پبلیشن بینک کے بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2026 کو ختم ہونے والی تیسری سہ ماہی کے غیر آڈٹ شدہ عبوری مالیاتی گوشوارے پیش کر رہا ہوں۔

پاکستان نے مالی سال 2027 میں مجموعی معاشی استحکام کے ساتھ قدم رکھا، تاہم مشرق وسطیٰ میں جاری طویل تنازع کے باعث ملکی قیمتوں پر دباؤ برقرار رہا۔ مہنگائی کی شرح میں کمی واقع ہوئی اور ستمبر 2026 میں یہ 10.3 فیصد رہی، جبکہ اگست 2026 میں 11.1 فیصد تھی۔ اس طرح مالی سال 2027 کی پہلی سہ ماہی کیلئے اوسط مہنگائی کی شرح 10.2 فیصد رہی، جبکہ گزشتہ سال اسی عرصے میں یہ شرح 4.3 فیصد تھی۔ توقع ہے کہ قلیل مدت میں مہنگائی اسٹیٹ بینک آف پاکستان کی مقرر کردہ 5.00 تا 7.00 فیصد کی درمیانی مدت کی حد سے بلند رہے گی، تاہم جون 2027 تک بتدریج اس حد کی بالائی سطح کی جانب آنے کا امکان ہے۔

مالی سال 2027 کی پہلی سہ ماہی میں جاری کھاتے (کرنٹ اکاؤنٹ) کو 874 ملین امریکی ڈالر کے خسارے کا سامنا رہا، جبکہ گزشتہ سال اسی عرصے میں یہ خسارہ 755 ملین امریکی ڈالر تھا۔ بیرون ملک مقیم پاکستانیوں کی جانب سے 10.9 ملین امریکی ڈالر کی مضبوط ترسیلات زر، جو سال بہ سال 14.0 فیصد اضافے کی عکاس ہیں، نے وسیع ہوتے ہوئے تجارتی فرق کو کم کرنے میں مدد فراہم کی۔ اس دوران درآمدات میں 14.6 فیصد اضافہ ہوا، جبکہ برآمدات میں 11.0 فیصد اضافہ ریکارڈ کیا گیا، جس کے نتیجے میں تجارتی خسارہ 1.62 ملین امریکی ڈالر بڑھ کر 10.16 ملین امریکی ڈالر ہو گیا۔ 3.0 ملین امریکی ڈالر کے پوروبانڈ کے اجراء سے حاصل ہونے والی معاونت کے باعث، جو 3 ستمبر 2026 کو جاری کیا گیا، 25 ستمبر 2026 تک اسٹیٹ بینک کے زرمبادلہ کے ذخائر بڑھ کر ریکارڈ 21.44 ملین امریکی ڈالر تک پہنچ گئے۔ مجموعی لیکویڈ ذخائر تقریباً تین ماہ کی درآمدات کیلئے کافی رہے۔ پاکستانی روپے کی قدر امریکی ڈالر کے مقابلے میں تقریباً 277 تا 278 روپے کی حد میں عمومی طور پر مستحکم رہی۔

مالی سال 2026 کی چوتھی سہ ماہی میں سست روی کے بعد معاشی سرگرمیوں میں بتدریج بحالی شروع ہو گئی ہے۔ جولائی 2026 میں بڑے پیمانے کی صنعتوں کی پیداوار میں سال بہ سال 3.03 فیصد اضافہ ریکارڈ کیا گیا، جبکہ مالی سال 2027 میں حقیقی مجموعی ملکی پیداوار (حقیقی GDP) کی شرح نمو 3.5 تا 4.5 فیصد رہنے کی توقع ہے۔ مالی سال 2026 میں مالیاتی خسارہ کم ہو کر جی ڈی پی کے 2.6 فیصد تک آ گیا، جو گزشتہ 22 سال کی کم ترین سطح ہے۔ اسی دوران بنیادی پبلکس جی ڈی پی کے 2.9 فیصد تک پہنچ گیا، جو آئی ایم ایف کے 2.5 فیصد کے مقررہ ہدف سے زیادہ ہے۔ فیڈرل بورڈ آف ریونیو نے مالی سال 2027 کی پہلی سہ ماہی کیلئے اپنے 3.05 ٹریلین روپے کے ہدف کو ابتدائی اعداد و شمار کی بنیاد پر عبور کر لیا۔ مزید برآں، توسیعی فنڈ سہولت کے تحت آئی ایم ایف کے چوتھے جائزے کے دوران عملے کی سطح پر ایک اضافی معاہدہ طے پا گیا ہے۔

اسٹیٹ بینک آف پاکستان نے 14 ستمبر 2026 کو پالیسی ریٹ تبدیل کیے بغیر 11.5 فیصد پر برقرار رکھا۔ یہ فیصلہ 28 اپریل 2026 کو 100 بیس پوائنٹس کے اضافے کے بعد مسلسل تیسری مرتبہ شرح سود برقرار رکھنے کا تسلسل ہے۔ جبکہ اپنے فیصلے میں معاشی منظر نامے سے متعلق غیر یقینی صورتحال میں اضافے کی نشاندہی بھی کی۔ دوسری جانب، موڈیز نے پاکستان کی خود مختار کریڈٹ ریٹنگ کو Caa1 سے بہتر کر کے B3 کر دیا اور آؤٹ لک کو مستحکم قرار دیا۔

بینکنگ شعبہ بدستور مضبوط اور مستحکم رہا۔ ستمبر 2026 کے اختتام تک بینکنگ شعبے کے مجموعی ڈپازٹس سال بہ سال بنیاد پر 16.0 فیصد بڑھ کر 40.8 ٹریلین روپے ہو گئے۔ اسی دوران، انڈوائسز میں سال بہ سال 14.3 فیصد اضافہ ہوا اور یہ 15.4 ٹریلین روپے تک پہنچ گئے، جبکہ سرمایہ کاری میں 12.1 فیصد سال بہ سال اضافہ ریکارڈ کیا گیا، جس کے نتیجے میں سرمایہ کاری کا حجم 40.1 ٹریلین روپے ہو گیا۔ یہ اعداد و شمار ایک چیلنجنگ مجموعی معاشی ماحول کے باوجود بینکاری شعبے کی مسلسل مضبوط پبلیس شیٹ اور مستحکم مالیاتی بنیاد کو اجاگر کرتے ہیں۔

اللہ تعالیٰ کے فضل و کرم سے حبیب میٹرو نے سال 2026 کے پہلے نو ماہ کے لئے 28,627 ملین روپے کا قبل از ٹیکس منافع حاصل کیا۔ اس کے ساتھ بعد از ٹیکس فی شیئر آمدنی 12.99 روپے رہی۔ خالص مارک آپ آمدنی 44,655 ملین روپے، جبکہ نان مارک آپ آمدنی 18,002 ملین روپے ریکارڈ کی گئی۔ بینک کی سرمایہ کاری دسمبر 2025 کے 864,652 ملین روپے کے مقابلے میں بڑھ کر 892,246 ملین روپے ہو گئی، جبکہ خالص پیٹنگی رقم میں اضافہ ہوا اور یہ دسمبر 2025 کے 514,783 ملین روپے سے بڑھ کر 542,874 ملین روپے تک پہنچ گئیں۔ ڈپازٹس میں 11.0 فیصد اضافہ ہوا اور یہ بڑھ کر 1,243,028 ملین روپے ہو گئے۔

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2026

	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
ASSETS			
Cash and balances with treasury banks	7	94,362,484	88,751,233
Balances with other banks	8	17,731,885	13,542,382
Lendings to financial institutions	9	—	45,950,890
Investments	10	892,246,315	864,651,712
Advances	11	542,874,174	514,782,767
Property and equipment	12	18,112,414	17,446,345
Right-of-use assets	13	9,647,673	8,969,420
Intangible assets	14	660,704	641,326
Deferred tax assets	15	894,966	—
Other assets	16	127,543,759	104,141,556
Total Assets		1,704,074,374	1,658,877,631
LIABILITIES			
Bills payable	17	26,413,132	29,736,142
Borrowings	18	182,681,373	272,083,732
Deposits and other accounts	19	1,243,027,782	1,119,625,165
Lease liabilities	20	12,242,818	11,253,857
Subordinated debt		—	—
Deferred tax liabilities	15	—	5,095,030
Other liabilities	21	114,619,278	93,274,221
Total Liabilities		1,578,984,383	1,531,068,147
NET ASSETS		125,089,991	127,809,484
REPRESENTED BY			
Share capital		10,478,315	10,478,315
Reserves		38,969,576	37,609,753
Surplus on revaluation of assets - net of tax	22	9,775,696	16,471,384
Unappropriated profit		65,866,404	63,250,032
		125,089,991	127,809,484
CONTINGENCIES AND COMMITMENTS			
	23		

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

FUZAIL ABBAS Chief Financial Officer **KHURRAM SHAHZAD KHAN** Chief Executive Officer **MOHSIN A. NATHANI** Director **RASHID AHMED JAFER** Director **MOHAMEDALI R. HABIB** Chairman

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

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2026

	Note	Quarter ended		Nine months ended	
		30 September 2026	30 September 2025	30 September 2026	30 September 2025
		Rupees in '000			
Mark-up / return / interest earned	25	39,458,290	38,873,962	119,792,621	120,573,786
Mark-up / return / interest expensed	26	(24,599,261)	(22,929,756)	(75,137,712)	(69,624,842)
Net mark-up / interest income		14,859,029	15,944,206	44,654,909	50,948,944
NON MARK-UP / INTEREST INCOME					
Fee and commission income	27	2,815,500	2,761,786	8,357,309	8,340,657
Dividend income		246,185	173,262	865,589	605,082
Foreign exchange income		2,209,158	1,927,675	7,037,279	6,086,871
Income / (loss) from derivatives		-	-	-	-
Gain on securities - net	28	616,438	1,353,463	1,644,514	2,732,869
Net gain / (loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	29	18,987	20,369	97,055	103,892
Total non mark-up / interest income		5,906,268	6,236,555	18,001,746	17,869,371
Total Income		20,765,297	22,180,761	62,656,655	68,818,315
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	30	11,442,400	9,715,586	33,519,122	29,230,721
Workers' welfare fund		192,529	247,078	584,231	761,954
Other charges	31	990	3,666	1,992	291,563
Total non-mark-up / interest expenses		(11,635,919)	(9,966,330)	(34,105,345)	(30,284,238)
Profit before credit loss allowance		9,129,378	12,214,431	28,551,310	38,534,077
Credit loss allowance and write offs - net	32	304,607	(107,596)	76,042	(1,198,356)
PROFIT BEFORE TAXATION		9,433,985	12,106,835	28,627,352	37,335,721
Taxation	33	(5,017,386)	(6,528,359)	(15,012,808)	(20,187,676)
PROFIT AFTER TAXATION		4,416,599	5,578,476	13,614,544	17,148,045
Rupees					
Basic and diluted earnings per share	34	4.21	5.32	12.99	16.37

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

FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
Chief Executive Officer

MOHSIN A. NATHANI
Director

RASHID AHMED JAFER
Director

MOHAMEDALI R. HABIB
Chairman

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

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2026

	Quarter ended		Nine months ended	
	30 September 2026	30 September 2025	30 September 2026	30 September 2025
	Rupees in '000			
Profit after taxation for the period	4,416,599	5,578,476	13,614,544	17,148,045
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Effect of translation of net investment in an offshore branch	(927)	(2,469)	(1,631)	3
Movement in deficit on revaluation of debt securities measured at FVOCI - net of tax	(1,456,357)	(1,412,131)	(5,547,128)	(1,157,953)
	(1,457,284)	(1,414,600)	(5,548,759)	(1,157,950)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit obligations - net of tax	78,811	65,258	(57,181)	(78,824)
Movement in (deficit) / surplus on revaluation of equity securities measured at FVOCI - net of tax	(535,935)	1,537,274	(717,200)	1,852,834
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	25,924
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	477,760
	(457,124)	1,602,532	(774,381)	2,277,694
Total comprehensive income	2,502,191	5,766,408	7,291,404	18,267,789

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

FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
Chief Executive Officer

MOHSIN A. NATHANI
Director

RASHID AHMED JAFER
Director

MOHAMEDALI R. HABIB
Chairman

**UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2026

	Share capital	Reserves					Surplus / (deficit) on revaluation		Un-appropriated profit	Total
		Exchange translation reserve	Share premium	Statutory reserve	Special reserve	Revenue reserve	Investments	Property, equipment & Non-banking assets		
	Rupees in '000									
Balance as at 31 December 2024 (Audited)	10,478,315	11,360	2,550,985	31,050,108	240,361	1,500,000	7,460,729	6,872,955	54,867,002	115,031,815
Impact of adoption of IFRS 9 as at 1 January 2025 - net of tax	-	-	-	-	-	-	31,462	-	-	31,462
Balance as at 1 January 2025 (Audited)	10,478,315	11,360	2,550,985	31,050,108	240,361	1,500,000	7,492,191	6,872,955	54,867,002	115,063,277
Profit after taxation for the period	-	-	-	-	-	-	-	-	17,148,045	17,148,045
Other comprehensive income										
Effect of translation of net investment in an offshore branch	-	3	-	-	-	-	-	-	-	3
Movement in deficit on revaluation of debt securities measured at FVOCI - net of tax	-	-	-	-	-	-	(1,157,953)	-	-	(1,157,953)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(78,824)	(78,824)
Movement in surplus on revaluation of equity securities measured at FVOCI - net of tax	-	-	-	-	-	-	1,852,834	-	-	1,852,834
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	25,924	-	25,924
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	477,760	-	477,760
Total comprehensive income	-	3	-	-	-	-	694,881	503,684	(78,824)	1,119,744
Gain on sale of equity investments - FVOCI - net of tax	-	-	-	-	-	-	(482,981)	-	482,981	-
Transfer to statutory reserve	-	-	-	1,714,805	-	-	-	-	(1,714,805)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(114,329)	114,329	-
Transactions with owners, recorded directly in equity										
Final cash dividend (Rs. 4.50 per share) for the year ended 31 December 2024	-	-	-	-	-	-	-	-	(4,715,242)	(4,715,242)
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 31 March 2025	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 30 June 2025	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)
Balance as at 30 September 2025 (Un-audited)	10,478,315	11,363	2,550,985	32,764,913	240,361	1,500,000	7,704,091	7,262,310	60,864,328	123,376,666

	Share capital	Exchange translation reserve	Reserves				Surplus / (deficit) on revaluation		Un-appropriated profit	Total
Share premium			Statutory reserve	Special reserve	Revenue reserve	Investments	Property, equipment & Non-banking assets			
	Rupees in '000									
Profit after taxation for the period	-	-	-	-	-	-	-	-	5,436,638	5,436,638
Other comprehensive income										
Effect of translation of net investment in an offshore branch	-	(1,532)	-	-	-	-	-	-	-	(1,532)
Movement in surplus on revaluation of debt securities measured at FVOCI - net of tax	-	-	-	-	-	-	1,145,273	-	-	1,145,273
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	47,945	47,945
Movement in surplus on revaluation of equity securities measured at FVOCI - net of tax	-	-	-	-	-	-	424,073	-	-	424,073
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	(1,532)	-	-	-	-	1,569,346	-	47,945	1,615,759
Gain on sale of equity investments - FVOCI - net of tax	-	-	-	-	-	-	(25,836)	-	25,836	-
Transfer to statutory reserve	-	-	-	543,663	-	-	-	-	(543,663)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(38,527)	38,527	-
Transactions with owners, recorded directly in equity										
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 30 September 2025	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)
Balance as at 31 December 2025 (Audited)	10,478,315	9,831	2,550,985	33,308,576	240,361	1,500,000	9,247,601	7,223,783	63,250,032	127,809,494

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	Share capital	Exchange translation reserve	Reserves				Surplus / (deficit) on revaluation		Un-appropriated profit	Total
			Share premium	Statutory reserve	Special reserve	Revenue reserve	Investments	Property, equipment & Non-banking assets		
	Rupees in '000									
Impact of adoption of IFRS 9 as at 1 January 2026 - net of tax (note 3.1)	-	-	-	-	-	-	-	-	(56,497)	(56,497)
Balance as at 1 January 2026 (Un-audited)	10,478,315	9,831	2,550,985	33,308,576	240,361	1,500,000	9,247,601	7,223,783	63,193,535	127,752,987
Profit after taxation for the period	-	-	-	-	-	-	-	-	13,614,544	13,614,544
Other comprehensive income										
Effect of translation of net investment in an offshore branch	-	(1,631)	-	-	-	-	-	-	-	(1,631)
Movement in deficit on revaluation of debt securities measured at FVOCI - net of tax	-	-	-	-	-	-	(5,547,128)	-	-	(5,547,128)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	(57,181)	(57,181)
Movement in deficit on revaluation of equity securities measured at FVOCI - net of tax	-	-	-	-	-	-	(717,200)	-	-	(717,200)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	(1,631)	-	-	-	-	(6,264,328)	-	(57,181)	(6,323,140)
Gain on sale of equity investments - FVOCI - net of tax	-	-	-	-	-	-	(317,031)	-	317,031	-
Transfer to statutory reserve	-	-	-	1,361,454	-	-	-	-	(1,361,454)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	(114,329)	114,329	-
Transactions with owners, recorded directly in equity										
Final cash dividend (Rs. 450 per share) for the year ended 31 December 2025	-	-	-	-	-	-	-	-	(4,715,242)	(4,715,242)
Interim cash dividend (Rs. 250 per share) for the quarter ended 31 March 2026	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)
Interim cash dividend (Rs. 250 per share) for the quarter ended 30 June 2026	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)
Balance as at 30 September 2026 (Un-audited)	10,478,315	8,200	2,550,985	34,670,030	240,361	1,500,000	2,666,242	7,109,454	65,866,404	125,089,991

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

FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
Chief Executive Officer

MOHSIN A. NATHANI
Director

RASHID AHMED JAFER
Director

MOHAMEDALI R. HABIB
Chairman

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2026

	Note	30 September 2026	30 September 2025
		Rupees in '000	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		28,627,352	37,335,721
Less: Dividend income		(865,589)	(605,082)
		27,761,763	36,730,639
Adjustments			
Net mark-up / interest income (excluding mark-up on lease liabilities against right-of-use assets)		(45,750,343)	(51,912,542)
Depreciation on property and equipment	30	2,296,467	2,084,755
Depreciation on right-of-use assets	30	1,383,689	1,197,004
Depreciation on non-banking assets	30	2,988	1,710
Amortisation	30	259,325	214,845
Mark-up on lease liabilities against right-of-use assets	26	1,095,434	963,598
Credit loss allowance (excluding recoveries of written off / charged off bad debts)	32	(76,042)	1,410,198
Gain on sale of investment in subsidiary	29	-	(5,576)
Gain on sale of property and equipment - net	29	(26,741)	(36,504)
Gain on termination of right-of-use assets	29	(34,127)	-
Gain on sale of ijarah assets	29	(10,914)	(44,081)
Unrealised loss / (gain) on FVTPL securities	28	122,631	(840,068)
Unrealised - forward purchase of federal Government securities transactions	28	132,304	-
Provision against workers' welfare fund		584,231	761,954
Provision against compensated absences		224,195	187,684
Provision against defined benefit plan		306,709	268,339
		(39,490,194)	(45,748,684)
		(11,728,431)	(9,018,045)
(Increase) / decrease in operating assets			
Lendings to financial institutions		45,951,231	(39,736,173)
Securities classified as FVTPL		5,833,309	(494,251)
Advances		(27,664,922)	(2,288,273)
Other assets (excluding dividend, non-banking assets and advance taxation)		(6,324,709)	(1,811,206)
		17,794,909	(44,329,903)
Increase / (decrease) in operating liabilities			
Bills payable		(3,323,010)	(2,856,980)
Borrowings from financial institutions		(91,058,852)	19,716,047
Deposits and other accounts		123,402,617	110,909,122
Other liabilities (excluding unclaimed dividend)		6,779,708	19,141,135
		35,800,463	146,909,324
		41,866,941	93,561,376
Payment against compensated absences		(79,970)	(71,284)
Contribution to the defined benefit plan		(60,000)	(215,000)
Mark-up / Interest received		112,773,792	115,589,736
Mark-up / Interest paid		(69,595,905)	(74,309,634)
Income tax paid		(15,813,051)	(27,482,491)
		69,091,807	107,072,703
Net cash flow generated from operating activities			
CASH FLOW FROM INVESTING ACTIVITIES			
Net investment in securities classified as amortised cost		21,535,081	7,778,175
Net investment in securities classified as FVOCI		(67,447,688)	(81,124,262)
Net investment in subsidiaries		(700,000)	38,724
Dividend received		865,589	599,239
Investment in property and equipment		(2,970,603)	(2,332,091)
Investment in intangible assets		(278,703)	(164,660)
Proceeds from sale of property and equipment		34,475	50,098
Proceeds from sale of ijarah assets		77,101	172,784
Effect of translation of net investment in an offshore branch		(1,630)	3
		(48,886,378)	(74,981,990)
Net cash flow used in investing activities			
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		(10,057,912)	(10,055,033)
Payment of lease liabilities against right-of-use assets		(2,134,288)	(1,896,923)
		(12,192,200)	(11,951,956)
Net cash flow used in financing activities			
Increase in cash and cash equivalents		8,013,229	20,138,757
Cash and cash equivalents at the beginning of the period		93,982,812	86,737,498
Cash and cash equivalents at the end of the period		101,996,041	106,876,255

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

FUZAIL ABBAS	KHURRAM SHAHZAD KHAN	MOHSIN A. NATHANI	RASHID AHMED JAFER	MOHAMEDALI R. HABIB
Chief Financial Officer	Chief Executive Officer	Director	Director	Chairman

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

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2026

1. STATUS AND NATURE OF BUSINESS

Habib Metropolitan Bank Limited (the Bank) was incorporated in Pakistan on 3 August 1992, as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is engaged in commercial banking and related services. Its shares are listed on the Pakistan Stock Exchange. The Bank operates 575 (31 December 2025: 562) branches, including 254 (31 December 2025: 243) Islamic banking branches, an offshore branch (Karachi Export Processing Zone branch) (31 December 2025: 1) and 1 sub branch (31 December 2025: 1) in Pakistan. The Bank is a subsidiary of Habib Bank AG Zurich - Switzerland (the holding company with 51% shares in the Bank) which is incorporated in Switzerland.

- 1.1** The Pakistan Credit Rating Agency Limited (PACRA) has assigned the Bank's long term rating as AAA (31 December 2025: AA+) and short term rating as A1+ (31 December 2025: A1+) dated 30 June 2026.

The registered office of the Bank is situated at HabibMetro Head Office, I.I. Chundrigar Road, Karachi.

2. BASIS OF PREPARATION

- 2.1** The Bank has controlling interest in HabibMetro Modaraba Management Company (Private) Limited, Habib Metropolitan Financial Services Limited, HabibMetro Exchange Services Limited and First Habib Modaraba and is required to prepare consolidated financial statements under the provisions of Companies Act 2017. These condensed interim financial statements represent the unconsolidated results of the Bank and a separate set of condensed interim consolidated financial statements are also being presented by the Bank.

2.2 Statement of Compliance

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 for interim financial reporting consist of:

- International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the IFRS 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 (ICAP), as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP) from time to time.

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

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standard for Profit and Loss Sharing on Deposits (IFAS-3) issued by the ICAP and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

The SBP has adopted the requirements of IFRS 9 along with the application instructions through BPRD Circular No. 07 of 2023 dated 13 April 2023, while deferring certain requirements. For its Islamic Banking Window operations, Islamic banking institutions are allowed to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and continue existing accounting practices for other Islamic products until further instructions. However, if these relaxations had not been granted by the SBP, the unappropriated profit of the Bank as at 30 September 2026 would have been higher by Rs 489,440 thousand (net of tax).

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

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

There are certain new and amended standards, 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 and are therefore not detailed in these unconsolidated condensed interim financial statements except for the following:

– IFRS 9 – Certain Requirements of IFRS 9 were deferred by the SBP as explained in Note 3.1

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

There are certain new and amended standards, issued by the IFRS Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2027 but are considered not to be relevant or do not have any material effect on the Bank's operations.

The following standards, amendments and interpretations with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective standards, amendments or interpretations:

Standards, interpretations of and amendments to:	Effective date (annual periods beginning on or after)
Presentation and Disclosure in Financial Statements - IFRS 18	1 January 2027

The above amendments are not expected to have any material impact on the unconsolidated condensed interim financial statements of the Bank.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of unconsolidated annual financial statements of the Bank for the year ended 31 December 2025 except for the requirements of IFRS 9 relating to Effective Interest Rate (EIR) Method as explained in note 3.1

3.1 Change in accounting policy

IFRS 9 'Financial Instruments' – Mark-up / return earned and Mark-up / return expensed

The Bank adopted IFRS 9 – Financial Instruments effective 1 January 2024, except for certain relaxations and extensions granted by the SBP from time to time. The effects of these relaxations and extensions were incorporated in the Bank's audited financial statements for the years ended 31 December 2024 and 2025, using the modified retrospective approach, as permitted under IFRS 9.

Further, vide SBP instruction BPRD/RPD/822456/25 dated January 22, 2025, the Bank was allowed an extension for the application of recognition of mark-up / interest income and expense using Effective Interest Rate (EIR) method up to 31 December 2025. Accordingly, the Bank has adopted the EIR method with effect from 1 January 2026 and has recognized the cumulative impact of this transition in equity at the beginning of the current accounting period, applying the modified retrospective approach for transition permitted under IFRS 9. The resulting change to the material accounting policy is as follows:

Mark-up / return earned and Mark-up / return expensed are recognised in the unconsolidated profit and loss account under the Effective Interest Rate (EIR). The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

The calculation of the EIR includes all transaction costs, fees, and points paid or received between parties to the contract that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability.

When calculating the EIR for financial instruments other than purchased or originated credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. For purchased or originated credit-impaired financial assets, a credit-adjusted EIR is calculated using estimated future cash flows including ECL.

For financial assets that were credit-impaired on initial recognition, mark-up income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of mark-up income does not revert to a gross basis, even if the credit risk of the asset is improved.

The impact of application as at 1 January 2026 is shown below:

Financial Assets / Liabilities	Balances as of 31 December 2025	Impact due to remeasurements	Taxation	Impact - net of tax	Balances as of 1 January 2026
Rupees in '000					
Assets					
Advances	514,782,767	(117,998)	–	(117,998)	514,664,769
Lendings to Financial Institutions	45,950,890	185	–	185	45,951,075
Liabilities					
Borrowings	272,083,732	(111)	–	(111)	272,083,621
Deferred tax liabilities	5,095,030	(61,205)	–	(61,205)	5,033,825
Equity					
Unappropriated profit	63,250,032	(117,702)	61,205	(56,497)	63,193,535

4. BASIS OF MEASUREMENT

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for certain property and equipment and non-banking assets acquired in satisfaction of claims which are stated at revalued amounts; certain investments and derivative contracts which have been marked to market and are carried at fair value, obligation in respect of staff retirement benefits and lease liabilities which have been carried at present value and right-of-use assets which are initially measured at an amount equal to the corresponding lease liabilities (adjusted for any lease payment and costs) and are depreciated over the respective lease term.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

6. FINANCIAL RISK MANAGEMENT

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

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
7. CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	15,159,832	13,125,548
Foreign currencies	1,066,310	1,290,906
	16,226,142	14,416,454
With State Bank of Pakistan in		
Local currency current accounts	45,504,656	45,336,035
Foreign currencies current accounts	3,708,703	3,192,545
Foreign currencies deposit accounts		
- cash reserve accounts	9,266,587	8,015,602
- special cash reserve	17,463,836	14,633,400
	75,943,782	71,177,582
With National Bank of Pakistan in		
Local currency current accounts	2,157,278	3,218,028
Local currency deposit accounts	37,687	67,225
	2,194,965	3,285,253
National Prize Bonds	2,135	7,410
Less: Credit loss allowance held against cash and balances with treasury banks - stage 1	(4,540)	(135,466)
Cash and balances with treasury banks - net of credit loss allowance	94,362,484	88,751,233

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
8. BALANCES WITH OTHER BANKS		
In Pakistan		
In current accounts	8,320	44,637
In deposit accounts	184	170
	8,504	44,807
Outside Pakistan		
In current accounts	17,723,553	13,497,853
Less: Credit loss allowance held against balances with other banks - stage 1	(172)	(278)
Balances with other banks - net of credit loss allowance	17,731,885	13,542,382
9. LENDINGS TO FINANCIAL INSTITUTIONS		
Call / clean money lendings	-	2,801,231
Repurchase agreement lendings (reverse repo)	-	10,000,000
Musharaka placements	-	33,150,000
Less: Credit loss allowance held against lendings to financial institutions - stage 1	-	(341)
Lendings to financial institutions - net of credit loss allowance	-	45,950,890
9.1 Particulars of lendings - gross		
In local currency - secured	-	43,150,000
In foreign currency - unsecured	-	2,801,231
	-	45,951,231

	30 September 2026 (Un-Audited)		31 December 2025 (Audited)	
	Lendings	Credit loss allowance held	Lendings	Credit loss allowance held
	Rupees in '000			
9.2 Lendings to FIs - Particulars of credit loss allowance				
Domestic				
Performing Stage 1	-	-	43,150,000	127
Under-performing Stage 2	-	-	-	-
Non-performing Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
Total Domestic	-	-	43,150,000	127
Overseas				
Performing Stage 1	-	-	2,801,231	214
Under-performing Stage 2	-	-	-	-
Non-performing Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
Total Overseas	-	-	2,801,231	214
Total	-	-	45,951,231	341

10. INVESTMENTS

10.1 Investments by type

	30 September 2026 (Un-Audited)				31 December 2025 (Audited)			
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
	Rupees in '000							
FVTPL								
Federal Government securities	26,447,310	-	6,326	26,453,636	32,219,761	-	105,026	32,324,787
Non-Government debt securities	1,997,125	-	2,257	1,999,382	1,997,423	-	(5,346)	1,992,077
Real estate investment trust units	1,709,926	-	1,941,373	3,651,299	1,770,486	-	1,984,463	3,754,949
	30,154,361	-	1,949,956	32,104,317	35,987,670	-	2,084,143	38,071,813
FVOCI								
Federal Government securities	731,773,937	-	290,281	732,064,218	663,430,895	-	11,846,798	675,277,693
Shares	8,010,155	-	5,317,080	13,327,235	6,802,827	-	7,415,266	14,218,093
Mutual Funds	229,628	-	(52,690)	176,938	171,829	-	3,771	175,600
Non-Government debt securities	1,914,446	(414,595)	-	1,499,851	3,414,446	(414,700)	-	2,999,746
	741,928,166	(414,595)	5,554,671	747,068,242	673,819,997	(414,700)	19,265,835	692,671,132
Amortised Cost								
Federal Government securities	109,376,909	-	-	109,376,909	127,611,990	-	-	127,611,990
Non-Government debt securities	1,200,000	(5)	-	1,199,995	4,500,000	(75)	-	4,499,925
	110,576,909	(5)	-	110,576,904	132,111,990	(75)	-	132,111,915
Subsidiaries	2,496,852	-	-	2,496,852	1,796,852	-	-	1,796,852
Total investments	885,156,288	(414,600)	7,504,627	892,246,315	843,716,509	(414,775)	21,349,978	864,651,712

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

10.1.1 Investments given as collateral against repo borrowings

The market value of investments given as collateral against borrowings is as follows:

Federal Government securities

Market treasury bills	-	2,912,934
Pakistan investment bonds	94,466,291	181,798,076
	<u>94,466,291</u>	<u>184,711,010</u>

10.2 Credit loss allowance for diminution in value of investments

Opening balance	414,775	426,206
Charge / (reversal)		
Charge for the period / year	-	-
Reversal for the period / year	(175)	(11,431)
Reversal on disposal	-	-
Net reversal for the period / year	(175)	(11,431)
Amounts written off	-	-
Closing balance	<u>414,600</u>	<u>414,775</u>

30 September 2026 (Un-Audited)		31 December 2025 (Audited)	
Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
Rupees in '000			

10.3 Particulars of credit loss allowance against debt securities

Category of classification - Domestic

Performing	Stage 1	2,700,000	154	7,500,000	329
Under-performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		<u>414,446</u>	<u>414,446</u>	<u>414,446</u>	<u>414,446</u>
		<u>414,446</u>	<u>414,446</u>	<u>414,446</u>	<u>414,446</u>
Total		<u>3,114,446</u>	<u>414,600</u>	<u>7,914,446</u>	<u>414,775</u>

10.4 Investment in subsidiaries - incorporated in Pakistan

30 September 2026 (Un-Audited)							
	Country of Incorporation	Holding	Assets	Liabilities	Revenue	Profit / (loss) after tax	Total comprehensive income for the period
Rupees in '000							
Subsidiaries							
Habib Metropolitan Financial Services Limited	Pakistan	100%	693,668	145,948	84,902	(22,207)	(23,116)
Habib Metropolitan Modaraba Management Company (Private) Limited	Pakistan	100%	1,127,832	14,065	107,908	64,559	20,005
First Habib Modaraba (FHM)	Pakistan	4.43%	43,365,454	36,827,425	3,932,874	720,438	711,461
HabibMetro Exchange Services Limited	Pakistan	100%	1,664,618	301,489	79,062	(69,267)	(69,267)
31 December 2025 (Audited)							
	Country of Incorporation	Holding	Assets	Liabilities	Revenue	Profit / (loss) after tax	Total comprehensive income for the year
Rupees in '000							
Subsidiaries							
Habib Metropolitan Financial Services Limited	Pakistan	100%	873,939	503,339	149,610	6,527	36,730
Habib Metropolitan Modaraba Management Company (Private) Limited	Pakistan	100%	1,109,859	20,616	216,436	102,377	265,122
First Habib Modaraba (FHM)	Pakistan	4.43%	38,924,306	32,784,380	4,574,333	705,906	714,658
HabibMetro Exchange Services Limited	Pakistan	100%	934,784	41,559	115,199	(125,386)	(125,386)

10.5 The market value of federal Government securities classified as amortised cost is Rs. 110,802,095 thousand (31 December 2025: Rs. 131,396,941 thousand).

11. ADVANCES

	Performing/Under-Performing		Non-Performing		Total	
	30 September 2026 (Un-Audited)	31 December 2025 (Audited)	30 September 2026 (Un-Audited)	31 December 2025 (Audited)	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000						
Loans, cash credits, running finances, etc.	329,295,895	315,897,047	18,190,361	19,020,911	347,486,256	334,917,958
Islamic financing and related assets	167,283,455	146,232,761	2,465,918	2,028,444	169,749,373	148,261,205
Bills discounted and purchased	50,500,366	57,182,825	5,650,975	5,529,373	56,151,341	62,712,198
Advances - gross	547,079,716	519,312,633	26,307,254	26,578,728	573,386,970	545,891,361
Credit loss allowance against advances						
- Stage 1	(569,274)	(237,628)	-	-	(569,274)	(237,628)
- Stage 2	(3,862,352)	(4,568,401)	-	-	(3,862,352)	(4,568,401)
- Stage 3	-	-	(26,081,170)	(26,302,565)	(26,081,170)	(26,302,565)
	(4,431,626)	(4,806,029)	(26,081,170)	(26,302,565)	(30,512,796)	(31,108,594)
Advances - net of credit loss allowance	542,648,090	514,506,604	226,084	276,163	542,874,174	514,782,767

11.1 Particulars of advances - gross

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
In local currency	457,450,984	449,351,243
In foreign currencies	115,935,986	96,540,118
	<u>573,386,970</u>	<u>545,891,361</u>

11.2 Advances include Rs. 26,307,254 thousand (31 December 2025: Rs. 26,578,728 thousand) which have been placed under non-performing / Stage 3 status as detailed below:

	30 September 2026 (Un-Audited)		31 December 2025 (Audited)	
	Non-performing loans	Credit loss allowance held	Non-performing loans	Credit loss allowance held
	Rupees in '000			
Category of classification in Stage 3				
Domestic				
Other asset especially mentioned (OAEM)	30,257	13,142	74,209	34,681
Substandard	64,712	29,649	87,887	41,520
Doubtful	133,804	78,173	30,105	16,992
Loss	26,078,481	25,960,206	26,386,527	26,209,372
	<u>26,307,254</u>	<u>26,081,170</u>	<u>26,578,728</u>	<u>26,302,565</u>

11.3 Particulars of credit loss allowance against advances

	30 September 2026 (Un-Audited)				31 December 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000							
Opening balance	237,628	4,568,401	26,302,565	31,108,594	853,418	4,527,310	24,121,428	29,502,156
Charge for the period/year	422,404	1,155,289	1,123,658	2,701,351	114,620	2,916,719	4,421,944	7,453,283
Reversal for the period/year	(90,758)	(1,861,338)	(1,345,053)	(3,297,149)	(730,410)	(2,875,628)	(2,240,807)	(5,846,845)
Net charge / (reversal) for the period/year	331,646	(706,049)	(221,395)	(595,798)	(615,790)	41,091	2,181,137	1,606,438
Amounts written off	-	-	-	-	-	-	-	-
Closing balance	<u>569,274</u>	<u>3,862,352</u>	<u>26,081,170</u>	<u>30,512,796</u>	<u>237,628</u>	<u>4,568,401</u>	<u>26,302,565</u>	<u>31,108,594</u>

11.4 Consideration of forced sales value (FSV) for the purposes of provisioning against non-performing loans

During the current period, the Bank decided not to avail the benefit of Forced Sales Value (FSV) against non-performing loans, as available under BSD Circular No. I of 21 October 2011 issued by the SBP.

11.5 Advances - Particulars of credit loss allowance

	30 September 2026 (Un-Audited)			31 December 2025 (Audited)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Rupees in '000						
11.5.1 Opening balance	237,628	4,568,401	26,302,565	853,418	4,527,310	24,121,428
New advances	379,180	1,140,643	645,845	112,992	2,673,931	905,091
Advances derecognised or repaid	(55,999)	(1,663,315)	(1,340,891)	(575,997)	(2,533,500)	(2,240,807)
Transfer to stage 1	43,224	(43,224)	–	1,628	(1,628)	–
Transfer to stage 2	(10,484)	14,646	(4,162)	(63,755)	63,755	–
Transfer to stage 3	(662)	(65,401)	66,063	(5,504)	(340,500)	346,004
	355,259	(616,651)	(633,145)	(530,636)	(137,942)	(989,712)
Amounts written off / charged off	–	–	–	–	–	–
Changes in risk parameters	(23,613)	(89,398)	411,750	(85,154)	179,033	3,170,849
Closing balance	569,274	3,862,352	26,081,170	237,628	4,568,401	26,302,565

		30 September 2026 (Un-Audited)		31 December 2025 (Audited)	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
Rupees in '000					
11.5.2 Advances - Category of classification					
Domestic					
Performing	Stage 1	449,748,059	569,274	406,383,496	237,628
Under-performing	Stage 2	97,331,657	3,862,352	112,929,137	4,568,401
Non-Performing	Stage 3				
OAEM		30,257	13,142	74,209	34,681
Substandard		64,712	29,649	87,887	41,520
Doubtful		133,804	78,173	30,105	16,992
Loss		26,078,481	25,960,206	26,386,527	26,209,372
		26,307,254	26,081,170	26,578,728	26,302,565
Total		573,386,970	30,512,796	545,891,361	31,108,594

	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	
12. PROPERTY AND EQUIPMENT			
Capital work-in-progress	12.1	901,953	917,133
Property and equipment		17,210,461	16,529,212
		<u>18,112,414</u>	<u>17,446,345</u>
12.1 Capital work-in-progress			
Civil works	12.1.1	855,555	448,002
Advance to suppliers		46,398	469,131
		<u>901,953</u>	<u>917,133</u>
12.1.1 This represents advance against purchase and renovation being carried out at various locations.			
		30 September 2026 (Un-Audited)	30 September 2025
		Rupees in '000	
12.2 Additions to property and equipment			
The following additions have been made to property and equipment during the period:			
Capital work-in-progress (transfer to property and equipment) / additions - net		(15,180)	265,668
Property and equipment			
Freehold land		269,925	—
Leasehold land		621,249	—
Buildings on freehold land		36,975	—
Buildings on leasehold land		18,751	180,000
Furniture and fixture		82,383	137,887
Electrical, office and computer equipment		1,666,367	1,373,949
Vehicles		—	4,479
Lease hold improvements		290,133	370,108
		<u>2,985,783</u>	<u>2,066,423</u>
Total		<u>2,970,603</u>	<u>2,332,091</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 fixture		159	327
Electrical, office and computer equipment		521	1,459
Vehicles		7,054	11,808
Total		<u>7,734</u>	<u>13,594</u>

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	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
13. RIGHT-OF-USE ASSETS		
Cost	14,763,394	13,419,612
Accumulated Depreciation	(5,793,974)	(4,811,230)
Net carrying amount as at the start of the period / year	8,969,420	8,608,382
Additions during the period / year	2,177,473	2,014,226
Modification during the period / year	-	12,200
Termination / maturities during the period / year - Cost	(598,454)	(682,644)
Termination / maturities during the period / year - Accumulated Depreciation	482,923	649,502
Depreciation charge for the period / year	(1,383,689)	(1,632,246)
Closing carrying amount as at the end of the period / year	9,647,673	8,969,420
14. INTANGIBLE ASSETS		
Capital work-in-progress - Computer Software	298,181	141,554
Computer Software	362,523	499,772
	660,704	641,326
	30 September 2026 (Un-Audited)	30 September 2025
	Rupees in '000	
14.1 Additions to intangible assets		
The following additions have been made to intangible assets during the period:		
Capital work-in-progress additions	156,627	61,708
Directly purchased	122,076	102,952
	278,703	164,660
	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
15. DEFERRED TAX ASSETS / (LIABILITIES)		
Deductible temporary differences on:		
- Credit loss allowance for diminution in value of investments	215,592	215,683
- Credit loss allowance against advances	1,995,283	3,913,002
- Credit loss allowance against off-balance sheet obligations	740,824	227,026
- Credit loss allowance - Others	235,432	469,753
- Right-of-use assets and related lease liabilities	649,399	667,145
- Deferred mark-up income	53,625	-
- Accelerated tax depreciation	805,897	573,881
- Deferred liability on defined benefit plan	145,959	39,187
- Surplus on revaluation of investments	(2,888,429)	(10,018,234)
	1,953,582	(3,912,557)
Taxable temporary differences on:		
- Surplus on revaluation of property and equipment	(1,058,616)	(1,182,473)
	894,966	(5,095,030)

	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	
16. OTHER ASSETS			
Income / mark-up / profit accrued in local currency		35,696,312	28,744,917
Income / mark-up / profit accrued in foreign currencies		334,174	266,740
Advances, deposits, advance rent and other prepayments		1,283,121	875,772
Advance taxation		8,080,610	6,316,032
Non-banking assets acquired in satisfaction of claim		3,900,448	3,903,436
Mark-to-market gain on forward foreign exchange contracts		6,010,693	3,025,313
Mark-to-market gain on forward purchase of federal Government securities transactions		—	122,190
Acceptances		50,369,160	42,280,823
Receivable against rebate and remittances		2,569,745	4,386,735
Receivable from the SBP against encashment of Government securities		90,419	10,317
Stationery and stamps on hand		442,487	393,740
Receivable from 1Link		8,452,496	4,846,526
Prepaid employment benefit		7,494,291	6,525,898
Others		820,391	780,476
		<u>125,544,347</u>	<u>102,478,915</u>
Credit loss allowance / provision held against other assets	16.1	(573,459)	(910,230)
Other Assets (Net of credit loss allowance / provision)		<u>124,970,888</u>	<u>101,568,685</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	16.2	2,572,871	2,572,871
Other assets - Total		<u>127,543,759</u>	<u>104,141,556</u>
16.1 Credit loss allowance / provision held against other assets			
Claims receivable against fraud and forgeries		559,075	559,075
Acceptances		14,384	351,155
		<u>573,459</u>	<u>910,230</u>
16.1.1 Movement in credit loss allowance / provision held against other assets			
Opening balance		910,230	412,982
Charge for the period / year		—	332,989
Reversal for the period / year		(336,771)	—
Net (reversal) / charge for the period / year		(336,771)	332,989
Amounts written off		—	—
Transfer in		—	164,259
Closing balance		<u>573,459</u>	<u>910,230</u>
16.1.2 Particulars of credit loss allowance / provision held against other assets			
Stage 1		7,479	1,014
Stage 2		6,905	6,170
Stage 3 / others		559,075	903,046
		<u>573,459</u>	<u>910,230</u>

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16.2 Non-banking assets acquired in satisfaction of claims have been revalued as at June 30, 2026 by M/s Akbani & Javed Associates. The valuation was performed by the independent professional valuer on the basis of assessment of present market values. The revaluation has resulted in no incremental surplus over the existing revaluation surplus carried in the books. The total surplus arising on revaluation of Non-banking assets acquired in satisfaction of claims as at September 30, 2026 amounted to Rs. 2,572,871 thousand.

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
17. BILLS PAYABLE		
In Pakistan	26,304,420	29,634,183
Outside Pakistan	108,712	101,959
	26,413,132	29,736,142
18. BORROWINGS		
Secured		
Borrowings from the SBP under:		
Export refinance scheme	27,549,002	42,610,243
Long term financing facility - renewable energy scheme	1,418,351	1,702,102
Long term financing facility	9,333,520	11,814,747
Temporary economic refinance facility	13,955,758	16,290,260
Long term financing facility - for storage of agricultural produce scheme	397,774	516,269
Refinance facility for modernization of SME	150,908	219,118
Refinance facility for combating COVID-19	-	2,590
Refinance and credit guarantee scheme for women entrepreneurs	36,156	50,398
	52,841,469	73,205,727
Repurchase agreement borrowings (Repo) - secured	94,136,468	182,762,717
Due against bills rediscounting - secured	431,244	2,066,279
Total secured	147,409,181	258,034,723
Unsecured		
Call borrowing	25,169,152	5,602,462
Overdrawn nostro accounts	10,103,040	8,446,547
Total unsecured	35,272,192	14,049,009
Total Borrowings	182,681,373	272,083,732

19. DEPOSITS AND OTHER ACCOUNTS

	30 September 2026 (Un-Audited)			31 December 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	Rupees in '000					
Customers						
Current deposits	363,180,177	71,919,093	435,099,270	343,056,005	68,835,626	411,891,631
Savings deposits	358,443,631	14,774,375	373,218,006	364,627,202	14,914,346	379,541,548
Term deposits	236,459,412	95,042,964	331,502,376	98,912,194	92,354,106	191,266,300
Others	26,205,795	13,226	26,219,021	31,094,342	7,461	31,101,803
	984,289,015	181,749,658	1,166,038,673	837,689,743	176,111,539	1,013,801,282
Financial institutions						
Current deposits	4,784,036	1,622,701	6,406,737	2,284,174	173,906	2,458,080
Savings deposits	70,276,920	–	70,276,920	103,077,540	–	103,077,540
Term deposits	283,096	22,356	305,452	265,666	22,597	288,263
Others	–	–	–	–	–	–
	75,344,052	1,645,057	76,989,109	105,627,380	196,503	105,823,883
	1,059,633,067	183,394,715	1,243,027,782	943,317,123	176,308,042	1,119,625,165

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

20. LEASE LIABILITIES

Outstanding amount as at the start of the period / year	11,253,857	10,463,713
Additions during the period / year	2,177,473	2,014,226
Modification during the period / year	–	12,200
Deletions during the period / year	(149,658)	(39,180)
Lease payments including interest	(2,134,288)	(2,512,852)
Interest expense	1,095,434	1,315,750
Outstanding amount as at the end of the period / year	12,242,818	11,253,857

20.1 Liabilities Outstanding

Not later than one year	1,443,867	1,258,819
Later than one year and up to five years	6,549,294	5,921,896
Over five years	4,249,657	4,073,142
Total at the period / year end	12,242,818	11,253,857

Aggregate 12.31% (31 December 2025: 12.35%) is used as discounting factor for the calculation of lease liabilities.

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	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
21. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		17,293,635	12,568,370
Mark-up / return / interest payable in foreign currencies		1,204,086	1,482,978
Unearned commission and income on bills discounted		1,289,099	1,071,473
Accrued expenses		4,902,440	2,977,005
Acceptances		50,369,160	42,280,823
Clearing and settlement account		16,433,637	14,832,413
Unclaimed dividend		84,202	187,714
Branch adjustment account		11,718	9,330
Mark-to-market loss on forward foreign exchange contracts		7,117,149	4,428,601
Mark-to-market loss on forward purchase of federal Government securities transactions		10,114	–
Provision for compensated absences		557,703	413,478
Deferred liability on defined benefit plan		561,381	150,719
Credit loss allowance against off-balance sheet obligations	21.1	1,424,662	436,587
Workers' welfare fund	21.2	6,479,695	5,895,464
Charity fund		732	126
Excise duty payable		3,258	2,676
Locker deposits		1,255,135	1,205,428
Advance against diminishing musharaka		–	152,755
Advance rental for ijarah		20,235	20,354
Security deposits against leases / ijarah		72,313	75,860
Sundry creditors		4,094,043	3,413,334
Withholding tax / duties		1,121,742	1,199,912
Deferred grant income		68,933	99,269
Others		244,206	369,552
		114,619,278	93,274,221
21.1 Credit loss allowance against off-balance sheet obligations			
Opening balance		436,587	353,883
Charge for the period / year		988,075	82,704
Reversal for the period / year		–	–
Net charge for the period / year		988,075	82,704
Amounts written off		–	–
Closing balance		1,424,662	436,587
21.1.1 Particulars of credit loss allowance against off-balance sheet obligations			
Stage 1		56,593	17,307
Stage 2		132,249	88,713
Stage 3		1,235,820	330,567
		1,424,662	436,587

21.2 Under the Workers' Welfare Ordinance 1971, the Bank is liable to pay workers' welfare fund (WWF) @ 2% of accounting profit before tax or taxable income, whichever is higher. The Bank has made full provision for WWF based on profit for the respective years.

The Supreme Court of Pakistan vide its order dated 10 November 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of 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 judgement may not currently be treated as conclusive. Accordingly the Bank maintains its provision in respect of WWF.

	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
22. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX			
Rupees in '000			
Surplus on revaluation of:			
- Securities measured at FVOCI-Debt	10.1	290,281	11,846,798
- Securities measured at FVOCI-Equity	10.1	5,264,390	7,419,037
- Property and Equipment		5,595,199	5,833,385
- Non-banking assets acquired in satisfaction of claims		2,572,871	2,572,871
		13,722,741	27,672,091
Less: Deferred tax on surplus on revaluation of:			
- Securities measured at FVOCI-Debt		150,946	6,160,335
- Securities measured at FVOCI-Equity		2,737,483	3,857,899
- Property and Equipment		1,058,616	1,182,473
- Non-banking assets acquired in satisfaction of claims		-	-
		(3,947,045)	(11,200,707)
		9,775,696	16,471,384
23. CONTINGENCIES AND COMMITMENTS			
Guarantees	23.1	132,486,404	166,456,804
Commitments	23.2	1,058,525,992	842,389,120
Other contingent liabilities	23.3	2,670,338	2,880,338
		1,193,682,734	1,011,726,262
23.1 Guarantees			
Financial guarantees		29,722,861	35,104,991
Performance guarantees		42,645,416	45,403,766
Other guarantees		60,118,127	85,948,047
		132,486,404	166,456,804

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	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	
23.2 Commitments			
Documentary credits and short-term trade-related transactions:			
Letters of credit		343,201,490	208,094,052
Commitments in respect of:			
Forward foreign exchange contracts	23.2.1	713,580,334	607,256,815
Forward Government securities transactions	23.2.2	440,786	26,408,764
Forward lendings	23.2.3	—	74,976
Commitments for:			
Acquisition of property and equipment		1,303,382	554,513
		<u>1,058,525,992</u>	<u>842,389,120</u>
23.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		384,801,827	332,412,173
Sale		328,778,507	274,844,642
		<u>713,580,334</u>	<u>607,256,815</u>
23.2.2 Commitments in respect of forward purchase of federal Government securities transactions			
Purchase		440,786	26,408,764
Sale		—	—
		<u>440,786</u>	<u>26,408,764</u>
23.2.3 Commitments in respect of forward lendings			
The Bank has made commitments to extend credit in the normal course of its business, but none of these commitments is irrevocable or attract any penalty if the facility is unilaterally withdrawn, except for:			
	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	
Commitments in respect of syndicate financing		—	74,976
23.3 Other contingent liabilities			
Claims against the bank not acknowledged as debt	23.3.1	2,670,338	2,880,338
23.3.1 These mainly represent counter claims by borrowers for damages. Based on legal advice and internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these unconsolidated condensed interim financial statements.			

24. DERIVATIVE INSTRUMENTS

The Bank deals in derivative financial instruments, namely forward foreign exchange contracts and foreign currency swaps with the principal view of hedging the risks arising from its trade business.

As per the Bank's policy, these contracts are reported at their fair value at the statement of financial position date. The gains and losses from revaluation of these contracts are included under "Foreign exchange income". mark-to-market gains and losses on these contracts are recorded in the statement of financial position under "other assets/ other liabilities".

These products are offered to the Bank's customers to protect them against unfavorable movements in foreign currencies. The Bank hedges such exposures in the inter-bank foreign exchange market.

These positions are reviewed on a regular basis by the Bank's Asset and Liability Committee (ALCO).

24.1 Product Analysis

Counter Parties	Forward foreign exchange contracts			
	30 September 2026 (Un-Audited)		31 December 2025 (Audited)	
	Notional Principal	Mark-to-market Gain / (Loss)	Notional Principal	Mark-to-market Gain / (Loss)
	Rupees in '000			
Banks				
Hedging	537,156,015	1,538,793	448,643,639	412,051
Other Entities				
Hedging	176,424,319	(2,645,249)	158,613,176	(1,815,339)
Total				
Hedging	<u>713,580,334</u>	<u>(1,106,456)</u>	<u>607,256,815</u>	<u>(1,403,288)</u>
	Note	30 September 2026	30 September 2025	
		(Un-Audited)		
		Rupees in '000		
25. MARK-UP / RETURN / INTEREST EARNED				
Loans and advances		38,108,951	40,053,353	
Investments	25.1	78,952,102	77,755,218	
Lendings with financial institutions		2,455,839	2,446,228	
Balances with banks		275,729	318,987	
		<u>119,792,621</u>	<u>120,573,786</u>	
25.1 Interest income (calculated using effective interest rate method) recognised on:				
Financial assets measured at amortised cost;		10,839,379	8,096,753	
Financial assets measured at FVTPL; and		3,890,392	4,896,939	
Financial assets measured at FVOCI		64,222,331	64,761,526	
		<u>78,952,102</u>	<u>77,755,218</u>	
26. MARK-UP / RETURN / INTEREST EXPENSED				
Deposits		53,472,102	40,287,535	
Borrowings		15,754,887	25,246,136	
Cost of foreign currency swaps against foreign currency deposits / borrowings		4,815,289	3,127,573	
Lease liabilities against right-of-use assets		1,095,434	963,598	
		<u>75,137,712</u>	<u>69,624,842</u>	

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	Note	30 September 2026	30 September 2025
		(Un-Audited)	
		Rupees in '000	
27. FEE & COMMISSION INCOME			
Branch banking customer fees		1,136,873	1,129,539
Credit related fees		99,133	36,305
Card related fees		946,874	1,009,882
Commission on trade		4,850,105	4,715,503
Commission on guarantees		934,640	1,022,290
Commission on remittances including home remittances		5,081	40,831
Commission on bancassurance		112,379	132,442
Commission on cash management		179,363	154,961
Investment Banking Fee		53,480	63,346
Others		39,381	35,558
		8,357,309	8,340,657
28. GAIN / (LOSS) ON SECURITIES - NET			
Realised	28.1	1,899,449	1,932,463
Unrealised - measured at FVTPL		(122,631)	840,068
Unrealised - forward purchase of federal Government securities transactions		(132,304)	(39,662)
		1,644,514	2,732,869
28.1 Realised gain on:			
Federal Government securities - net		1,894,818	1,828,912
Shares		-	5,576
Mutual funds - net		-	97,975
Real estate investment trust - net		4,631	-
		1,899,449	1,932,463
28.2 Net gain on financial assets / liabilities measured at FVTPL:			
Designated upon initial recognition		-	-
Mandatorily measured at FVTPL		127,991	1,248,943
		127,991	1,248,943
Net gain on financial assets measured at FVOCI - Debt		1,516,523	1,483,926
		1,644,514	2,732,869
29. OTHER INCOME			
Rent on properties		25,273	23,685
Gain on sale of property and equipment - net		26,741	36,504
Gain on sale of ijarah assets - net		10,914	44,081
Gain on termination of right-of-use assets		34,127	(436)
Staff notice period and other recoveries		-	58
		97,055	103,892

	30 September 2026	30 September 2025
	(Un-Audited)	
	Rupees in '000	
30. OPERATING EXPENSES		
Total compensation expense	12,874,168	12,237,086
Property expense		
Rent & taxes	184,420	104,917
Insurance	9,249	14,994
Utilities cost	1,365,284	1,138,926
Security	1,067,094	1,026,557
Repair & maintenance	784,556	849,617
Depreciation on property and equipment	817,897	835,239
Depreciation on right-of-use assets	1,383,689	1,197,004
Depreciation on non-banking assets	2,988	1,710
	5,615,177	5,168,964
Information technology expenses		
Software maintenance	977,175	975,245
Hardware maintenance	470,816	405,441
Depreciation	710,280	523,061
Amortisation	259,325	214,845
Network charges	518,998	345,949
	2,936,594	2,464,541
Other operating expenses		
Directors' fees and allowances	24,001	20,554
Fees and allowances to Shariah Board	26,409	26,949
Legal & professional charges	297,730	186,753
Outsourced services costs	343,757	323,540
Travelling & conveyance	1,326,525	982,593
NIFT clearing charges	113,729	120,700
Depreciation	768,290	726,455
Training & development	59,116	52,286
Postage & courier charges	142,369	146,188
Communication	534,848	670,391
Subscription	844,801	680,489
Entertainment	178,676	205,099
Repair & maintenance	335,655	237,630
Brokerage & commission	277,565	195,944
Stationery & printing	322,303	353,530
Marketing, advertisement & publicity	2,491,575	419,333
Management fee	1,682,324	1,541,388
Insurance	1,267,076	1,191,176
Donations	368,170	394,949
Auditors' Remuneration	31,898	28,999
Security	431,787	373,935
Others	224,579	481,249
	12,093,183	9,360,130
	33,519,122	29,230,721

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	Note	30 September 2026	30 September 2025
		(Un-Audited)	
		Rupees in '000	
31. OTHER CHARGES			
Penalties imposed by the SBP		<u>1,992</u>	<u>291,563</u>
32. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance against cash and balances with banks		(131,032)	98,579
Credit loss allowance against lendings to financial institutions		(341)	380
Credit loss allowance for diminution in value of investments	10.2	(175)	(1,699)
Credit loss allowance against advances	11.3	(595,798)	530,923
Credit loss allowance against other assets		(336,771)	3,602
Credit loss allowance against off-balance sheet obligations		988,075	778,413
Recoveries of written off / charged off bad debts		-	(211,842)
		<u>(76,042)</u>	<u>1,198,356</u>
33. TAXATION			
Current			
- For the period		13,713,596	19,090,662
- Prior year		-	579,141
		<u>13,713,596</u>	<u>19,669,803</u>
Deferred			
- For the period		1,299,212	1,275,490
- Prior year		-	(757,617)
		<u>1,299,212</u>	<u>517,873</u>
		<u>15,012,808</u>	<u>20,187,676</u>
34. BASIC AND DILUTED EARNINGS PER SHARE			
Profit after taxation for the period		<u>13,614,544</u>	<u>17,148,045</u>
		Number in '000	
Weighted average number of ordinary shares		<u>1,047,831</u>	<u>1,047,831</u>
		Rupees	
Basic and diluted earnings per share		<u>12.99</u>	<u>16.37</u>

35. FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than investment in subsidiaries and 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 measured using replacement price determined by the investee company on which shares can be surrendered.

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.

The fair values of the remaining financial assets and liabilities are not significantly different from their carrying values since they are either short-term in nature or, in the case of customer advances, deposits and certain long-term borrowings are frequently repriced.

35.1 Fair value of financial assets

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

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

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

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

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

On balance sheet financial instruments

	30 September 2026 (Un-Audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Financial assets measured at fair value				
Investments				
Federal Government securities	-	758,517,854	-	758,517,854
Non Government debt securities	-	3,499,233	-	3,499,233
Shares				
- Listed companies	13,224,470	-	-	13,224,470
- Unlisted companies	-	-	102,765	102,765
Mutual funds	176,938	-	-	176,938
Real estate investment trust	3,651,299	-	-	3,651,299
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government securities	-	110,802,095	-	110,802,095
Non Government debt securities	-	-	1,199,995	1,199,995
	17,052,707	872,819,182	1,302,760	891,174,649
Off-balance sheet financial instruments measured at fair value				
Forward purchase of foreign exchange contracts	-	377,742,674	-	377,742,674
Forward sale of foreign exchange contracts	-	334,731,204	-	334,731,204
Forward purchase of federal Government securities transactions	-	430,672	-	430,672

On balance sheet financial instruments

31 December 2025 (Audited)

	Fair value			Total
	Level 1	Level 2	Level 3	
	Rupees in '000			
Financial assets measured at fair value				
Investments				
Federal Government securities	46,580,000	661,022,480	–	707,602,480
Non Government debt securities	–	4,991,823	–	4,991,823
Shares				
– Listed companies	14,122,623	–	–	14,122,623
– Unlisted companies	–	–	95,470	95,470
Mutual funds	175,600	–	–	175,600
Real estate investment trust	3,754,949	–	–	3,754,949

Financial assets - disclosed but not measured at fair value

Investments				
Federal Government securities	–	131,396,941	–	131,396,941
Non Government debt securities	–	–	4,499,925	4,499,925
	<u>64,633,172</u>	<u>797,411,244</u>	<u>4,595,395</u>	<u>866,639,811</u>

Off-balance sheet financial instruments measured at fair value

Forward purchase of foreign exchange contracts	–	328,217,866	–	328,217,866
Forward sale of foreign exchange contracts	–	277,635,661	–	277,635,661
Forward purchase of federal Government securities transactions	–	26,530,954	–	26,530,954

35.2 Fair value of non-financial assets

30 September 2026 (Un-Audited)

	Fair value			Total
	Level 1	Level 2	Level 3	
	Rupees in '000			
Non-financial assets measured at fair value				
– Property and equipment	–	11,213,998	–	11,213,998
– Non-banking assets acquired in satisfaction of claim	–	6,473,319	–	6,473,319
	<u>–</u>	<u>17,687,317</u>	<u>–</u>	<u>17,687,317</u>

	31 December 2025 (Audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Non-financial assets measured at fair value				
– Property and equipment	–	9,864,231	–	9,864,231
– Non-banking assets acquired in satisfaction of claim	–	6,476,307	–	6,476,307
	–	16,340,538	–	16,340,538

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

Federal Government debt securities	The fair value of Government securities is valued using PKRV, PKFRV, PKISRV and PSX rates.
Debt securities other than Federal Government securities	The fair value is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP) / Reuters website and PSX.
Unquoted equity securities	The fair value is determined using the replacement price determined by the investee company at which the shares can be surrendered.
Forward contracts	The fair values are derived using forward exchange rates applicable to their respective remaining maturities.
Mutual funds	The fair values of the units of mutual funds are valued using PSX rates at the close of each business day.

Valuation techniques used in determination of fair value of non-financial assets within level 2

Property and equipment and non-banking assets acquired in satisfaction of claim	<p>Property and equipment and non-banking assets are valued by professionally qualified valuers. The valuation is based on their assessment of the market value of the assets. In determining the valuation for land and buildings the valuer refers to numerous independent market inquiries from local estate agents / realtors in the vicinity to establish the present market value. The fair valuations of land and building are considered to represent a level 2 valuation based on significant non-observable inputs being the location and condition of the assets.</p> <p>The fair value is subject to change owing to changes in the input. However, management does not expect there to be a material sensitivity to the fair value arising from the non-observable inputs.</p>
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36. SEGMENT INFORMATION

36.1 Segment details with respect to business activities

	30 September 2026 (Un-Audited)				
	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Profit and loss account					
Net mark-up / return / profit	46,910,056	(16,148,933)	1,823,443	12,070,343	44,654,909
Inter segment revenue - net	(36,093,630)	26,642,048	9,451,582	-	-
Non mark-up / return / interest income	4,362,870	2,744,302	9,413,868	1,480,706	18,001,746
Total Income	15,179,296	13,237,417	20,688,893	13,551,049	62,656,655
Segment direct expenses	(4,085,581)	(6,685,242)	(5,299,362)	(9,755,043)	(25,825,228)
Inter segment expense allocation	-	(3,474,810)	(4,805,307)	-	(8,280,117)
Total expenses	(4,085,581)	(10,160,052)	(10,104,669)	(9,755,043)	(34,105,345)
Credit loss allowance	112	(43,439)	386,287	(266,918)	76,042
Profit before tax	11,093,827	3,033,926	10,970,511	3,529,088	28,627,352
Statement of financial position					
Cash and bank balances	17,673,083	25,170,920	46,498,698	22,751,668	112,094,369
Investments	713,008,399	-	-	179,237,916	892,246,315
Net inter segment lending	-	363,823,944	197,523,155	-	561,347,099
Lendings to financial institutions	-	-	-	-	-
Advances - performing	-	9,235,294	370,560,967	167,283,455	547,079,716
Advances - non-performing	-	594,141	23,247,195	2,465,918	26,307,254
Credit loss allowance against advances	-	(740,932)	(26,012,507)	(3,759,357)	(30,512,796)
Others	26,974,286	7,771,018	101,638,146	20,476,066	156,859,516
Total Assets	757,655,768	405,854,385	713,455,654	388,455,666	2,265,421,473
Borrowings	129,839,904	-	27,276,680	25,564,789	182,681,373
Deposits and other accounts	-	363,617,155	560,530,179	318,880,448	1,243,027,782
Net inter segment borrowing	561,347,099	-	-	-	561,347,099
Others	7,173,866	10,509,427	108,423,497	27,168,438	153,275,228
Total liabilities	698,360,869	374,126,582	696,230,356	371,613,675	2,140,331,482
Equity	59,294,899	31,727,803	17,225,298	16,841,991	125,089,991
Total equity and liabilities	757,655,768	405,854,385	713,455,654	388,455,666	2,265,421,473
Contingencies and commitments	714,021,120	-	410,091,186	69,570,428	1,193,682,734

	30 September 2025 (Un-Audited)				
	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Profit and loss account					
Net mark-up / return / profit	45,183,580	(12,880,494)	6,286,426	12,359,432	50,948,944
Inter segment revenue - net	(29,368,399)	21,834,635	7,533,764	–	–
Non mark-up / return / interest income	9,331,185	989,994	6,352,340	1,195,852	17,869,371
Total Income	<u>25,146,366</u>	<u>9,944,135</u>	<u>20,172,530</u>	<u>13,555,284</u>	<u>68,818,315</u>
Segment direct expenses	(354,422)	–	–	–	(354,422)
Inter segment expense allocation	–	(7,212,855)	(15,005,838)	(7,711,123)	(29,929,816)
Total expenses	<u>(354,422)</u>	<u>(7,212,855)</u>	<u>(15,005,838)</u>	<u>(7,711,123)</u>	<u>(30,284,238)</u>
Credit loss allowance	1,699	(112,656)	(2,885,044)	1,797,645	(1,198,356)
Profit before tax	<u>24,793,643</u>	<u>2,618,624</u>	<u>2,281,648</u>	<u>7,641,806</u>	<u>37,335,721</u>
	31 December 2025 (Audited)				
	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Statement of financial position					
Cash and bank balances	18,538,338	19,021,823	44,163,518	20,569,936	102,293,615
Investments	712,758,517	–	–	151,893,195	864,651,712
Net inter segment lending	–	361,185,084	120,582,648	–	481,767,732
Lendings to financial institutions	12,801,016	–	–	33,149,874	45,950,890
Advances - performing	–	11,594,844	361,485,028	146,232,761	519,312,633
Advances - non-performing	–	623,207	23,927,077	2,028,444	26,578,728
Credit loss allowance against advances	–	(606,497)	(27,009,854)	(3,492,243)	(31,108,594)
Others	16,388,307	7,254,819	87,085,370	20,470,151	131,198,647
Total assets	<u>760,486,178</u>	<u>399,073,280</u>	<u>610,233,787</u>	<u>370,852,118</u>	<u>2,140,645,363</u>
Borrowings	198,878,005	–	48,959,011	24,246,716	272,083,732
Deposits and other accounts	–	352,604,651	461,607,325	305,413,189	1,119,625,165
Net inter segment borrowing	481,767,732	–	–	–	481,767,732
Others	17,759,695	9,305,727	87,260,512	25,033,316	139,359,250
Total liabilities	<u>698,405,432</u>	<u>361,910,378</u>	<u>597,826,848</u>	<u>354,693,221</u>	<u>2,012,835,879</u>
Equity	<u>62,080,746</u>	<u>37,162,902</u>	<u>12,406,939</u>	<u>16,158,897</u>	<u>127,809,484</u>
Total equity and liabilities	<u>760,486,178</u>	<u>399,073,280</u>	<u>610,233,787</u>	<u>370,852,118</u>	<u>2,140,645,363</u>
Contingencies and commitments	<u>633,665,579</u>	<u>–</u>	<u>338,611,533</u>	<u>39,449,150</u>	<u>1,011,726,262</u>

37. RELATED PARTY TRANSACTIONS

The Bank has related party relationships with its holding company, subsidiaries, associates, companies with common directorship, key management personnel, directors and employees' retirement benefit plans.

The Bank enters into transactions with related parties in the ordinary course of business and on substantially the same terms as those applicable to comparable transactions with persons of similar standing. Contributions in respect of staff retirement benefits are made in accordance with the actuarial valuation and terms of the contribution plan. Salaries and allowances of the key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

Details of transactions with related parties during the period are as follows:

	30 September 2026 (Un-Audited)					
	Holding company	Directors	Key management personnel	Subsidiary companies	Associates	Retirement benefit plans
	Rupees in '000					
Balances with other banks						
In current accounts	67,277	-	-	-	196,627	-
Investments						
Opening balance	-	-	-	6,296,779	-	-
Investment made during the period	-	-	-	7,400,068	-	-
Investment redeemed / disposed off during the period	-	-	-	(10,000,000)	-	-
Closing balance	-	-	-	3,696,847	-	-
Advances						
Opening balance	-	-	321,011	-	9,513,516	-
Addition during the period	-	-	77,723	-	52,691,956	-
Repaid during the period	-	-	(42,978)	-	(53,458,213)	-
Closing balance	-	-	355,756	-	8,747,259	-
Other Assets						
Mark-up / return / interest receivable	-	-	-	31,518	55,903	-
Prepayments / advance deposits / other receivables	936	-	-	853	25,330	-
	936	-	-	32,371	81,233	-
Deposits and other accounts						
Opening balance	201,788	1,154,837	363,831	1,875,192	9,652,150	1,292,737
Received during the period	8,111,312	4,818,258	1,287,678	306,773,808	2,982,555,510	3,409,594
Withdrawn during the period	(8,055,618)	(4,135,847)	(1,262,306)	(306,852,837)	(2,973,541,111)	(3,264,402)
Closing balance	257,482	1,837,248	389,203	1,796,163	18,666,549	1,437,929
Other Liabilities						
Mark-up / return / interest payable	-	21,757	5,512	14,639	749,165	140,475
Management fee payable for technical and consultancy services*	447,515	-	-	-	-	-
Other payables	-	1,215	-	-	630	561,381
	447,515	22,972	5,512	14,639	749,795	701,856
Contingencies and commitments						
Transaction-related contingent liabilities	-	-	-	-	8,316,729	-
Trade-related contingent liabilities	-	-	-	-	20,654,516	-
	-	-	-	-	28,971,245	-

* Management fee is as per the agreement with the holding company.

	31 December 2025 (Audited)					
	Holding company	Directors	Key management personnel	Subsidiary companies	Associates	Retirement benefit plans
	Rupees in '000					
Balances with other banks						
In current accounts	65,299	-	-	-	112,618	-
Investments						
Opening balance	-	-	-	4,830,000	-	-
Investment made during the year	-	-	-	13,599,927	-	-
Investment redeemed / disposed off during the year	-	-	-	(12,133,148)	-	-
Closing balance	-	-	-	6,296,779	-	-
Advances						
Opening balance	-	-	331,041	56,689	6,504,983	-
Addition during the year	-	-	47,302	7,464,526	86,787,944	-
Repaid during the year	-	-	(57,332)	(7,521,215)	(83,779,411)	-
Closing balance	-	-	321,011	-	9,513,516	-
Other Assets						
Mark-up / return / interest receivable	-	-	-	66,420	41,867	-
Prepayments / advance deposits / other receivables	936	-	-	-	13,354	-
	936	-	-	66,420	55,221	-
Deposits and other accounts						
Opening balance	231,356	967,344	224,702	2,304,739	5,567,651	2,168,691
Received during the year	10,777,547	3,691,691	1,605,130	386,377,712	3,434,844,892	5,870,299
Withdrawn during the year	(10,807,115)	(3,504,198)	(1,466,001)	(386,807,259)	(3,430,760,393)	(6,746,253)
Closing balance	201,788	1,154,837	363,831	1,875,192	9,652,150	1,292,737
Other Liabilities						
Mark-up / return / interest payable	-	15,333	6,868	10,418	69,287	56,662
Other payables	-	955	-	-	802	150,719
	-	16,288	6,868	10,418	70,089	207,381
Contingencies and commitments						
Transaction-related contingent liabilities	-	-	-	-	17,838,094	-
Trade-related contingent liabilities	-	-	-	-	6,410,580	-
	-	-	-	-	24,248,674	-

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	For the period ended 30 September 2026 (Un-Audited)					
	Holding company	Directors	Key management personnel	Subsidiary Company	Associates	Retirement benefit plans
	Rupees in '000					
Transactions during the period						
Income						
Mark-up / return / interest earned	-	-	11,231	235,936	134,978	-
Fee and commission income	1	183	-	1,328	453,745	8
Dividend income	-	-	-	11,047	-	-
Rent income	4,211	-	-	9,627	7,755	-
Expense						
Mark-up / return / interest expensed	-	64,070	15,778	125,659	1,060,233	194,455
Commission / Brokerage / Bank charges	495	-	-	1,578	7,045	-
Salaries and allowances	-	-	750,688	-	-	-
Directors' fees and allowances	-	24,001	-	-	-	-
Charge to defined benefit plan	-	-	-	-	-	306,709
Contribution to defined contribution plan	-	-	-	-	-	371,360
Insurance premium expenses	-	-	-	-	32,413	-
Management fee expense for technical and consultancy services *	1,682,324	-	-	-	-	-

* Management fee is as per the agreement with the holding company.

	For the period ended 30 September 2025 (Un-Audited)						
	Holding company	Directors	Key management personnel	Subsidiaries companies	Associates	Retirement benefit plans	Total
	Rupees in '000						
Transactions during the period							
Income							
Mark-up / return / interest earned	-	-	13,001	274,763	104,998	-	392,762
Fee and commission income	-	73	-	1,004	537,953	16	539,046
Dividend income	-	-	-	13,541	-	-	13,541
Gain on sale of securities	-	-	-	5,576	-	-	5,576
Rent income	4,211	-	-	20,352	7,755	-	32,318
Expenses							
Mark-up / return / interest expensed	-	46,213	15,969	85,782	369,994	421,456	939,414
Commission / Brokerage / Bank charges	716	-	-	2,321	2,313	-	5,350
Salaries and allowances	-	-	597,899	-	-	-	597,899
Directors' fees and allowances	-	20,554	-	-	-	-	20,554
Charge to defined benefit plan	-	-	-	-	-	268,339	268,339
Contribution to defined contribution plan	-	-	-	-	-	322,232	322,232
Insurance premium expense	-	-	-	-	36,647	-	36,647
Management fee expense for technical and consultancy services *	1,541,388	-	-	-	-	-	1,541,388

* Management fee is as per the agreement with the holding company.

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	10,478,315	10,478,315
Capital Adequacy Ratio (CAR):		
Eligible common equity tier 1 (CET 1) Capital	114,048,143	110,471,729
Eligible additional tier 1 (ADT 1) Capital	–	–
Total eligible tier 1 capital	114,048,143	110,471,729
Eligible tier 2 capital	11,634,451	18,704,542
Total eligible capital (tier 1 + tier 2)	125,682,594	129,176,271
Risk Weighted Assets (RWAs):		
Credit risk	609,747,917	557,389,893
Market risk	28,613,979	36,987,205
Operational risk	165,565,281	165,565,281
Total	803,927,177	759,942,379
CET 1 capital adequacy ratio	14.19%	14.54%
Tier 1 capital adequacy ratio	14.19%	14.54%
Total capital adequacy ratio	15.63%	17.00%
Minimum capital requirements prescribed by SBP		
CET 1 capital adequacy ratio	6.00%	6.00%
Tier 1 capital adequacy ratio	7.50%	7.50%
Total capital adequacy ratio	11.50%	11.50%

The Bank uses the simple approach, the maturity method and the basic indicator approach for credit risk, market risk and operational risk exposures respectively, in the capital adequacy calculation.

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
Leverage Ratio (LR):		
Eligible tier-1 capital	114,048,143	110,471,729
Total exposures	2,208,363,361	2,086,326,023
Leverage ratio	5.16%	5.30%
Liquidity Coverage Ratio (LCR):		
Total high quality liquid assets	739,392,133	608,412,975
Total net cash outflow	451,251,201	372,377,011
Liquidity coverage ratio	164%	163%
Net Stable Funding Ratio (NSFR):		
Total available stable funding	1,105,645,227	1,041,062,944
Total required stable funding	573,614,200	544,608,155
Net stable funding ratio	193%	191%

39. ISLAMIC BANKING BUSINESS

The bank operates 254 (31 December 2025: 243) Islamic banking branches and 311 (31 December 2025: 311) Islamic banking windows at the end of the period.

	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	
ASSETS			
Cash and balances with treasury banks		22,692,866	20,514,058
Balances with other banks		58,802	55,878
Due from financial institutions	39.1	–	33,149,874
Investments	39.2	179,237,916	151,893,193
Islamic financing and related assets - net	39.3	165,990,016	144,768,962
Property and equipment		889,671	859,544
Right-of-use assets		3,934,593	3,797,340
Intangible assets		–	–
Due from Head Office		–	6,274,499
Other assets		15,651,802	9,538,768
Total Assets		388,455,666	370,852,116
LIABILITIES			
Bills payable		5,882,510	7,862,011
Due to financial institutions		25,564,789	24,246,716
Deposits and other accounts	39.4	318,880,448	305,413,189
Due to Head Office		6,251,658	–
Lease liabilities		4,946,363	4,666,814
Subordinated debt		–	–
Deferred tax liabilities		153,209	989,235
Other liabilities		9,934,698	11,515,254
		371,613,675	354,693,219
NET ASSETS		16,841,991	16,158,897
REPRESENTED BY			
Islamic Banking Fund		15,006,928	11,007,003
Reserves		–	–
Surplus on revaluation of assets		141,423	913,140
Unappropriated profit	39.5	1,693,640	4,238,754
		16,841,991	16,158,897
CONTINGENCIES AND COMMITMENTS	39.6		

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The profit and loss account of the Bank's Islamic banking branches for the nine months ended 30 September 2026 is as follows:

	Note	(Un-Audited)	
		30 September 2026	30 September 2025
		Rupees in '000	
PROFIT AND LOSS ACCOUNT			
Profit / return earned	39.7	27,938,535	24,592,519
Profit / return expensed	39.8	(15,868,192)	(11,982,507)
Net Profit / return		12,070,343	12,610,012
Other income			
Fee and Commission Income		1,090,907	990,393
Dividend Income		-	-
Foreign Exchange Income		372,642	139,674
Income / (loss) from derivatives		-	-
(Loss) / gain on securities - net		(124)	18,439
Other Income		17,281	47,346
Total other income		1,480,706	1,195,852
Total Income		13,551,049	13,805,864
Other expenses			
Operating expenses		9,683,841	7,801,364
Workers' welfare fund		70,582	156,249
Other charges		620	4,090
Total other expenses		9,755,043	7,961,703
Profit before credit loss allowance		3,796,006	5,844,161
Credit loss allowance and write offs - net		(266,918)	1,797,645
PROFIT BEFORE TAXATION		3,529,088	7,641,806
Taxation		(1,835,448)	(4,052,325)
PROFIT AFTER TAXATION		1,693,640	3,589,481

39.1 Due from Financial Institutions

	30 September 2026 (Un-Audited)			31 December 2025 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	Rupees in '000					
Unsecured						
- Musharaka placements	-	-	-	33,150,000	-	33,150,000
Less: Credit loss allowance						
Stage 1	-	-	-	(126)	-	(126)
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
	-	-	-	(126)	-	(126)
Due from financial institutions - net of credit loss allowances	-	-	-	33,149,874	-	33,149,874

39.2 Investments by segments

30 September 2026 (Un-Audited)				
	Cost / amortised cost	Credit loss allowance held	Surplus / (deficit)	Carrying value
	Rupees in '000			
Debt Instruments				
Measured at amortised cost				
Federal Government securities				
– Bai Muajjal	47,941,244	–	–	47,941,244
– Ijarah Sukuk	2,993,290	–	–	2,993,290
	50,934,534	–	–	50,934,534
Certificate of investment	1,200,000	(5)	–	1,199,995
	52,134,534	(5)	–	52,134,529
Measured at FVOCI				
Federal Government securities				
– Ijarah Sukuk	125,143,067	–	294,632	125,437,699
Non Government debt securities	340,000	(340,000)	–	–
	125,483,067	(340,000)	294,632	125,437,699
Instruments mandatorily classified / measured at FVTPL	1,669,984	–	(4,296)	1,665,688
Total investments	<u>179,287,585</u>	<u>(340,005)</u>	<u>290,336</u>	<u>179,237,916</u>
31 December 2025 (Audited)				
	Cost / amortised cost	Credit loss allowance held	Surplus / (deficit)	Carrying value
	Rupees in '000			
Debt Instruments				
Measured at amortised cost				
Federal Government securities				
– Bai Muajjal	51,937,179	–	–	51,937,179
– Ijarah Sukuk	2,984,563	–	–	2,984,563
	54,921,742	–	–	54,921,742
Certificate of investment	4,500,000	(75)	–	4,499,925
	59,421,742	(75)	–	59,421,667
Measured at FVOCI				
Federal Government securities				
– Ijarah Sukuk	89,374,624	–	1,902,375	91,276,999
Non Government debt securities	340,000	(340,000)	–	–
	89,714,624	(340,000)	1,902,375	91,276,999
Instruments mandatory classified / measured at FVTPL	1,198,698	–	(4,171)	1,194,527
Total investments	<u>150,335,064</u>	<u>(340,075)</u>	<u>1,898,204</u>	<u>151,893,193</u>

39.2.1 Particulars of credit loss allowance

30 September 2026 (Un-Audited)			
Stage 1	Stage 2	Stage 3	Total
Rupees in '000			
Certificate of investment	5	–	5
Non Government debt securities	–	340,000	340,000
	<u>5</u>	<u>340,000</u>	<u>340,005</u>
31 December 2025 (Audited)			
Stage 1	Stage 2	Stage 3	Total
Rupees in '000			
Certificate of investment	75	–	75
Non Government debt securities	–	340,000	340,000
	<u>75</u>	<u>340,000</u>	<u>340,075</u>

39.3 Islamic financing and related assets - net

30 September 2026 (Un-Audited)			
Financing	Advances	Inventory	Total
Rupees in '000			
Ijarah	11,321,136	119,345	11,440,481
Ijarah - islamic long term financing facility	–	–	–
Murabaha	4,373,557	2,426,467	6,800,024
Working capital musharaka	46,229,577	–	46,229,577
Diminishing musharaka	29,187,969	3,186,005	32,373,974
Istisna	2,029,739	4,524,312	9,309,725
Al-bai	2,965,701	–	7,933,499
Bai Muajjal	8,884,597	–	8,884,597
Diminishing musharaka:			
Islamic long term financing facility	3,313,670	3,017,961	6,331,631
Islamic refinance scheme for payment of wages and salaries	–	–	–
Islamic financing facility for storage of agricultural produce	218,737	–	218,737
Islamic temporary economic refinance facility	6,543,030	–	6,543,030
Islamic financing facility for renewable energy	309,541	–	309,541
Islamic export refinance:			
Working capital musharaka	26,135,557	–	26,135,557
Istisna	260,227	5,110,015	5,800,049
Al-bai	427,033	–	1,438,951
Gross islamic financing and related assets	142,200,071	18,384,105	9,165,197
Less: Credit loss allowance against islamic financing and related assets			
– Stage 1	(206,982)	(51,387)	(3,066)
– Stage 2	(739,543)	(128,098)	(173,903)
– Stage 3	(2,456,378)	–	–
	<u>(3,402,903)</u>	<u>(179,485)</u>	<u>(176,969)</u>
Islamic financing and related assets - net of credit loss allowance held	<u>138,797,168</u>	<u>18,204,620</u>	<u>8,988,228</u>
			<u>165,990,016</u>

31 December 2025 (Audited)				
	Financing	Advances	Inventory	Total
	Rupees in '000			
Ijarah	1,108,225	7,553,007	–	8,661,232
Ijarah – islamic long term financing facility	4,885	–	–	4,885
Murabaha	1,999,743	12,393,946	–	14,393,689
Working capital musharaka	33,803,189	–	–	33,803,189
Diminishing musharaka	23,005,880	9,158,861	–	32,164,741
Istisna	2,053,496	5,052,247	3,837,993	10,943,736
Al-bai	4,810,457	–	3,653,715	8,464,172
Diminishing musharaka:				
Islamic long term financing facility	2,420,220	1,227,100	–	3,647,320
Islamic financing facility for storage of agricultural produce	276,710	–	–	276,710
Islamic temporary economic refinance facility	7,577,657	–	–	7,577,657
Islamic financing facility for renewable energy	376,236	–	–	376,236
Islamic export refinance:				
Working capital musharaka	20,916,761	–	–	20,916,761
Istisna	980,928	3,507,686	1,169,132	5,657,746
Al-bai	90,604	–	1,282,527	1,373,131
Gross islamic financing and related assets	99,424,991	38,892,847	9,943,367	148,261,205
Less: Credit loss allowance against Islamic financing and related assets				
– Stage 1	(52,825)	(7,703)	(3,359)	(63,887)
– Stage 2	(931,571)	(145,337)	(332,667)	(1,409,575)
– Stage 3	(1,740,518)	(278,263)	–	(2,018,781)
	(2,724,914)	(431,303)	(336,026)	(3,492,243)
Islamic financing and related assets – net of credit loss allowance held	96,700,077	38,461,544	9,607,341	144,768,962

39.4 Deposits

	30 September 2026 (Un-Audited)			31 December 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	Rupees in '000					
Customers						
Current deposits	106,386,811	15,422,298	121,809,109	98,513,134	15,779,080	114,292,214
Savings deposits	109,219,330	1,442,663	110,661,993	96,079,646	934,265	97,013,911
Term deposits	47,913,315	5,253,984	53,167,299	25,444,133	6,105,300	31,549,433
Others	3,904,333	–	3,904,333	3,402,462	–	3,402,462
	267,423,789	22,118,945	289,542,734	223,439,375	22,818,645	246,258,020
Financial Institutions						
Current deposits	812,762	–	812,762	463,673	–	463,673
Savings deposits	28,524,952	–	28,524,952	58,528,651	–	58,528,651
Term deposits	–	–	–	162,845	–	162,845
Others	–	–	–	–	–	–
	29,337,714	–	29,337,714	59,155,169	–	59,155,169
	<u>296,761,503</u>	<u>22,118,945</u>	<u>318,880,448</u>	<u>282,594,544</u>	<u>22,818,645</u>	<u>305,413,189</u>
				30 September 2026	31 December 2025	
				(Un-Audited)	(Audited)	
				Rupees in '000		

39.5 Unappropriated profit

Opening balance	4,238,754	2,874,296
Add: Islamic banking profit for the period / year	3,529,088	9,023,575
Less: Taxation	(1,835,448)	(4,784,821)
Less: Transferred to head office	(4,238,754)	(2,874,296)
Closing balance	<u>1,693,640</u>	<u>4,238,754</u>

39.6 Contingencies and commitments

Guarantees	17,987,433	18,572,365
Commitments	51,582,995	20,876,785
	<u>69,570,428</u>	<u>39,449,150</u>

	30 September 2026	30 September 2025
	(Un-Audited)	
	Rupees in '000	
39.7 Profit / return earned on:		
Financing	11,774,448	10,675,019
Investments	15,229,377	13,421,912
Placements	934,710	495,588
	<u>27,938,535</u>	<u>24,592,519</u>
39.8 Profit / return expensed on:		
Deposits and other accounts	14,293,675	9,178,114
Due to financial institutions	1,127,342	2,422,458
Lease liabilities against right-of-use assets	447,175	381,935
	<u>15,868,192</u>	<u>11,982,507</u>

40. GENERAL

40.1 The figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

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

41. NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION / DATE OF AUTHORISATION FOR ISSUE

41.1 The Board of Directors at its meeting held on 22 October 2026, approved an interim cash dividend of Rs. 2.50 per share (30 September 2025: interim cash dividend of Rs. 2.50 per share).

41.2 These unconsolidated condensed interim financial statements were authorised for issue on 22 October 2026 by the Board of Directors of the Bank.

FUZAIL ABBAS	KHURRAM SHAHZAD KHAN	MOHSIN A. NATHANI	RASHID AHMED JAFER	MOHAMEDALI R. HABIB
Chief Financial Officer	Chief Executive Officer	Director	Director	Chairman



[Subsidiary of Habib Bank AG Zurich]

HABIB METROPOLITAN BANK LTD.

[Subsidiary of Habib Bank AG Zurich]

Consolidated Accounts for the nine months
ended 30 September 2026
(Un-Audited)

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2026

	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
ASSETS			
Cash and balances with treasury banks	7	95,228,015	89,075,960
Balances with other banks	8	18,124,668	13,571,386
Lendings to financial institutions	9	—	45,950,890
Investments	10	889,628,221	859,675,397
Advances	11	584,700,832	551,696,111
Property and equipment	12	18,313,138	17,644,748
Right-of-use assets	13	9,689,603	9,016,711
Intangible assets	14	715,216	692,789
Deferred tax assets	15	1,311,741	—
Other assets	16	127,574,705	104,358,100
Total Assets		1,745,286,139	1,691,682,092
LIABILITIES			
Bills payable	17	26,413,132	29,736,142
Borrowings	18	216,200,944	298,634,511
Deposits and other accounts	19	1,241,794,767	1,118,287,222
Lease liabilities	20	12,297,741	11,313,588
Subordinated debt		—	—
Deferred tax liabilities	15	—	4,677,042
Other liabilities	21	116,755,169	94,959,176
Total Liabilities		1,613,461,753	1,557,607,681
NET ASSETS		131,824,386	134,074,411
REPRESENTED BY			
Share capital		10,478,315	10,478,315
Reserves		41,443,281	39,583,458
Surplus on revaluation of assets - net of tax	22	9,844,263	16,541,636
Unappropriated profit		64,463,936	62,271,555
		126,229,795	128,874,964
Non-controlling interest		5,594,591	5,199,447
		131,824,386	134,074,411
CONTINGENCIES AND COMMITMENTS	23		

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

FUZAIL ABBAS Chief Financial Officer **KHURRAM SHAHZAD KHAN** Chief Executive Officer **MOHSIN A. NATHANI** Director **RASHID AHMED JAFER** Director **MOHAMEDALI R. HABIB** Chairman

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

FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2026

	Note	Quarter ended		Nine months ended	
		30 September 2026	30 September 2025	30 September 2026	30 September 2025
		Rupees in '000			
Mark-up / return / interest earned	25	41,025,523	39,931,953	123,807,484	123,796,102
Mark-up / return / interest expensed	26	(25,668,575)	(23,560,933)	(77,675,645)	(71,395,332)
Net mark-up / interest income		15,356,948	16,371,020	46,131,839	52,400,770
NON MARK-UP / INTEREST INCOME					
Fee and commission income	27	2,837,977	2,800,384	8,444,906	8,427,860
Dividend income		247,266	181,627	881,947	629,046
Foreign exchange income		2,237,450	1,934,371	7,116,341	6,124,128
Income / (loss) from derivatives		-	-	-	-
Gain on securities - net	28	628,992	1,363,326	1,659,965	2,750,093
Net gain / (loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	29	1,385	37,563	77,670	117,950
Total non mark-up / interest income		5,953,070	6,317,271	18,180,829	18,049,077
Total Income		21,310,018	22,688,291	64,312,668	70,449,847
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	30	11,646,562	9,931,180	34,202,873	29,825,223
Workers' welfare fund		199,497	254,682	609,259	784,671
Other charges	31	990	4,321	1,992	292,218
Total non-mark-up / interest expenses		(11,847,049)	(10,190,183)	(34,814,124)	(30,902,112)
Profit before credit loss allowance		9,462,969	12,498,108	29,498,544	39,547,735
Credit loss allowance and write offs - net	32	281,002	(53,068)	240,871	(1,173,348)
PROFIT BEFORE TAXATION		9,743,971	12,445,040	29,739,415	38,374,387
Taxation	33	(5,135,672)	(6,690,374)	(15,431,752)	(20,612,176)
PROFIT AFTER TAXATION		4,608,299	5,754,666	14,307,663	17,762,211
PROFIT ATTRIBUTABLE TO:					
Equity shareholders of the holding company		4,439,047	5,592,581	13,691,242	17,229,359
Non-controlling interest		169,252	162,085	616,421	532,852
		4,608,299	5,754,666	14,307,663	17,762,211
		Rupees			
Basic and diluted earnings per share	34	4.24	5.34	13.07	16.44

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

FUZAIL ABBAS Chief Financial Officer **KHURRAM SHAHZAD KHAN** Chief Executive Officer **MOHSIN A. NATHANI** Director **RASHID AHMED JAFER** Director **MOHAMEDALI R. HABIB** Chairman

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

FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2026

	Quarter ended		Nine months ended	
	30 September 2026	30 September 2025	30 September 2026	30 September 2025
	Rupees in '000			
Profit after taxation	4,608,299	5,754,666	14,307,663	17,762,211
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Effect of translation of net investment in an offshore branch	(927)	(2,469)	(1,631)	3
Movement in deficit on revaluation of debt securities measured at FVOCI - net of tax	(1,368,584)	(1,412,134)	(5,459,252)	(1,158,623)
	(1,369,511)	(1,414,603)	(5,460,883)	(1,158,620)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit obligations - net of tax	83,974	65,258	(61,953)	(81,784)
Movement in (deficit) / surplus on revaluation of equity securities measured at FVOCI - net of tax	(629,744)	1,562,589	(810,820)	1,872,821
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	25,924
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	477,760
	(545,770)	1,627,847	(872,773)	2,294,721
Total comprehensive income	2,693,018	5,967,910	7,974,007	18,898,312
Equity shareholders of the holding company	2,512,619	5,796,028	7,365,728	18,362,974
Non-controlling interest	180,399	171,882	608,279	535,338
	2,693,018	5,967,910	7,974,007	18,898,312

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

FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
Chief Executive Officer

MOHSIN A. NATHANI
Director

RASHID AHMED JAFER
Director

MOHAMEDALI R. HABIB
Chairman

**CONSOLIDATED CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2026

	Reserves						Surplus / (deficit) on revaluation		Un- appropriated profit	Sub total	Non- controlling interest	Total
	Share capital	Exchange translation reserve	Share premium	Statutory reserve	Merger reserve	Special reserve	Revenue reserve	Investments				
Rupees in '000												
Balance as at 31 December 2024 (Audited)	10,478,315	11,360	2,550,985	32,423,813	31,002	340,361	1,500,000	7,498,341	6,872,955	54,342,480	116,049,612	4,843,038 120,892,650
Impact of adoption of IFRS 9 as at 1 January 2025 - net of tax	-	-	-	-	-	-	-	31,462	-	-	31,462	- 31,462
Balance as at 1 January 2025 (Audited)	10,478,315	11,360	2,550,985	32,423,813	31,002	340,361	1,500,000	7,529,803	6,872,955	54,342,480	116,081,074	4,843,038 120,924,112
Profit after taxation for the period	-	-	-	-	-	-	-	-	-	17,229,359	17,229,359	532,852 17,762,211
Other comprehensive income												
Effect of translation of net investment in an offshore branch	-	3	-	-	-	-	-	-	-	-	3	- 3
Movement in deficit on revaluation of debt securities measured at FVOCI-net of tax	-	-	-	-	-	-	-	(1,158,623)	-	-	(1,158,623)	- (1,158,623)
Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-	-	-	-	(79,281)	(79,281)	(2,503) (81,784)
Movement in surplus on revaluation of equity securities measured at FVOCI - net of tax	-	-	-	-	-	-	-	1,867,832	-	-	1,867,832	4,989 1,872,821
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	-	25,924	-	25,924	- 25,924
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	-	477,760	-	477,760	- 477,760
Total comprehensive income	-	3	-	-	-	-	-	709,209	503,684	(79,281)	1,133,615	2,486 1,136,101
Gain on sale of equity investments FVOCI - net of tax	-	-	-	-	-	-	-	(482,981)	-	482,981	-	- -
Transfer to statutory reserve	-	-	-	2,214,805	-	-	-	-	-	(2,214,805)	-	- -
Transfer from surplus on revaluation of assets to unappropriated profit -net of tax	-	-	-	-	-	-	-	-	(114,329)	114,329	-	- -
Transactions with owners, recorded directly in equity												
Final cash dividend (Rs. 4.50 per share) for the year ended 31 December 2024	-	-	-	-	-	-	-	-	-	(4,715,242)	(4,715,242)	- (4,715,242)
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 31 March 2025	-	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	- (2,619,579)
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 30 June 2025	-	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	- (2,619,579)
Profit distribution by First Habib Modaraba (Rs. 2.25 per certificate) for the period ended 30 June 2025	-	-	-	-	-	-	-	-	-	-	-	(210,891) (210,891)
Disposal of shares	-	-	-	-	(31,002)	-	-	-	-	(29,830)	(60,832)	60,832 -
Balance as at 30 September 2025 (Un-Audited)	10,478,315	11,363	2,550,985	34,638,618	-	340,361	1,500,000	7,756,031	7,262,310	59,890,833	124,428,816	5,228,317 129,657,133

	Reserves							Surplus / (deficit) on revaluation		Un-appropriated profit	Sub total	Non-controlling interest	Total
	Share capital	Exchange translation reserve	Share premium	Statutory reserve	Merger reserve	Special reserve	Revenue reserve	Investments	Property, equipment & Non-banking assets				
	Rupees in '000												
Profit after taxation for the period	-	-	-	-	-	-	-	-	-	5,434,056	5,434,056	(37,233)	5,396,823
Other comprehensive income													
Effect of translation of net investment in an offshore branch	-	(1,532)	-	-	-	-	-	-	-	-	(1,532)	-	(1,532)
Movement in surplus on revaluation of debt securities measured at FVOCI-net of tax	-	-	-	-	-	-	-	1,145,339	-	-	1,145,339	-	1,145,339
Remeasurement gain on defined benefit obligations-net of tax	-	-	-	-	-	-	-	-	-	45,545	45,545	(3,950)	41,595
Movement in surplus on revaluation of equity securities measured at FVOCI-net of tax	-	-	-	-	-	-	-	442,319	-	-	442,319	12,313	454,632
Movement in surplus on revaluation of property and equipment -net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of non-banking assets-net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	(1,532)	-	-	-	-	-	1,587,658	-	45,545	1,631,671	8,363	1,640,034
Gain on sale of equity investments FVOCI-net of tax	-	-	-	-	-	-	-	(25,836)	-	25,836	-	-	-
Transfer to statutory reserve	-	-	-	543,663	-	-	-	-	-	(543,663)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit -net of tax	-	-	-	-	-	-	-	-	(38,527)	38,527	-	-	-
Transactions with owners, recorded directly in equity													
Interim cash dividend (Rs. 250 per share) for the quarter ended 30 September 2025	-	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)
Balance as at 31 December 2025 (Audited)	10,478,315	9,831	2,550,985	35,182,281	-	340,361	1,500,000	9,317,853	7,223,783	62,271,555	128,874,964	5,199,447	134,074,411

HABIBMETRO

	Reserves						Surplus / (deficit) on revaluation		Un-appropriated profit	Sub total	Non-controlling interest	Total	
	Share capital	Exchange translation reserve	Share premium	Statutory reserve	Merger reserve	Special reserve	Revenue reserve	Investments					Property, equipment & Non-banking assets
	Rupees in '000												
Impact of adoption of IFRS 9 - net of tax (note 3.1)	-	-	-	-	-	-	-	-	-	(56,497)	(56,497)	-	(56,497)
Balance as at 1 January 2026 (Un-Audited)	10,478,315	9,831	2,550,985	35,182,281	-	340,361	1,500,000	9,317,853	7,223,783	62,215,058	128,818,467	5,199,447	134,017,914
Profit after taxation for the period	-	-	-	-	-	-	-	-	-	13,691,242	13,691,242	616,421	14,307,663
Other comprehensive income													
Effect of translation of net investment in an offshore branch	-	(1,631)	-	-	-	-	-	-	-	-	(1,631)	-	(1,631)
Movement in deficit on revaluation of debt securities measured at FVOCI- net of tax	-	-	-	-	-	-	-	(5,459,252)	-	-	(5,459,252)	-	(5,459,252)
Remeasurement loss on defined benefit obligations- net of tax	-	-	-	-	-	-	-	-	-	(57,870)	(57,870)	(4,083)	(61,953)
Movement in deficit on revaluation of equity securities measured at FVOCI- net of tax	-	-	-	-	-	-	-	(806,761)	-	-	(806,761)	(4,059)	(810,820)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	(1,631)	-	-	-	-	-	(6,266,013)	-	(57,870)	(6,325,514)	(8,142)	(6,333,656)
Gain on sale of equity investments FVOCI - net of tax	-	-	-	-	-	-	-	(317,031)	-	317,031	-	-	-
Transfer to statutory reserve	-	-	-	1,861,454	-	-	-	-	-	(1,861,454)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	-	-	-	(114,329)	114,329	-	-	-
Transactions with owners, recorded directly in equity													
Final cash dividend (Rs. 4.50 per share) for the year ended 31 December 2025	-	-	-	-	-	-	-	-	-	(4,715,242)	(4,715,242)	-	(4,715,242)
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 31 March 2026	-	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)
Interim cash dividend (Rs. 2.50 per share) for the quarter ended 30 June 2026	-	-	-	-	-	-	-	-	-	(2,619,579)	(2,619,579)	-	(2,619,579)
Profit distribution by First Habib Modaraba (Rs. 2.25 per certificate) for the period ended 30 June 2026	-	-	-	-	-	-	-	-	-	-	-	(213,135)	(213,135)
Balance as at 30 September 2026 (Un-Audited)	10,478,315	8,200	2,550,985	37,043,735	-	340,361	1,500,000	2,734,809	7,109,454	64,463,936	126,229,795	5,594,591	131,824,386

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

FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
Chief Executive Officer

MOHSIN A. NATHANI
Director

RASHID AHMED JAFER
Director

MOHAMEDALI R. HABIB
Chairman

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2026

	Note	30 September 2026	30 September 2025
		Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		29,739,415	38,374,387
Less: Dividend income		(881,947)	(629,046)
		28,857,468	37,745,341
Adjustments			
Net mark-up / interest income (excluding mark-up on lease liabilities against right-of-use assets)		(47,235,138)	(53,369,193)
Depreciation on property and equipment	30	2,344,372	2,120,599
Depreciation on right-of-use assets	30	1,392,737	1,204,853
Depreciation on non-banking assets	30	2,988	1,710
Amortisation	30	265,610	219,970
Mark-up on lease liabilities against right-of-use assets	26	1,103,299	968,423
Credit loss allowance (excluding recoveries of written-off / charged off bad debts)	32	(240,871)	1,385,190
Gain on sale of property and equipment - net	29	(31,357)	(36,728)
Gain on termination of right-of-use assets	29	(34,127)	-
Gain on sale of ijarah assets	29	(10,914)	(44,081)
Unrealized loss / (gain) on FVTPL securities	28	107,098	(857,107)
Unrealized loss on forward purchase of federal Government securities transactions		132,304	-
Provision against workers' welfare fund		609,259	784,671
Provision against compensated absences		224,195	187,684
Provision against defined benefit plan		307,125	275,924
		(41,063,420)	(47,158,085)
		(12,205,952)	(9,412,744)
(Increase) / decrease in operating assets			
Lendings to financial institutions		45,951,231	(39,736,173)
Securities classified as FVTPL		5,833,309	(700,837)
Advances		(32,412,330)	(8,502,667)
Other assets (excluding dividend, non-banking assets and advance taxation)		(5,928,989)	(1,889,517)
		13,443,221	(50,829,194)
Increase / (decrease) in operating liabilities			
Bills payable		(3,323,010)	(2,856,980)
Borrowings from financial institutions		(84,090,060)	24,386,473
Deposits and other accounts		123,507,545	112,138,028
Other liabilities (excluding unclaimed dividend)		6,691,529	19,194,419
		42,786,004	152,861,940
		44,023,273	92,620,002
Payment against compensated absences		(79,970)	(71,284)
Contribution to the defined benefit plan		(60,000)	(215,000)
Mark-up / Interest received		116,748,043	118,822,642
Mark-up / Interest paid		(71,874,961)	(76,274,034)
Income tax paid		(16,365,949)	(27,840,445)
		72,390,436	107,041,881
Net cash flow from operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investment in securities classified as amortised cost		18,235,092	8,280,347
Net Investment in securities classified as FVOCI		(67,223,563)	(81,125,948)
Dividend received		881,947	629,046
Investment in property and equipment		(3,025,072)	(2,430,255)
Investment in intangible assets		(288,037)	(165,119)
Proceeds from sale of property and equipment		43,666	53,564
Proceeds from sale of ijarah assets		77,101	172,784
Effect of translation of net investment in an offshore branch		(1,631)	3
		(51,300,497)	(74,585,578)
Net cash flow used in investing activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(10,021,814)	(9,790,398)
Payment of lease liabilities against right-of-use assets		(2,150,313)	(1,904,862)
		(12,172,127)	(11,695,260)
Net cash used in financing activities			
Increase in cash and cash equivalents		8,917,812	20,761,043
Cash and cash equivalents at the beginning of the period		94,336,543	86,852,153
Cash and cash equivalents at the end of the period		103,254,355	107,613,196

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

FUZAIL ABBAS **KHURRAM SHAHZAD KHAN** **MOHSIN A. NATHANI** **RASHID AHMED JAFER** **MOHAMEDALI R. HABIB**
Chief Financial Officer Chief Executive Officer Director Director Chairman

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

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2026

1. STATUS AND NATURE OF BUSINESS

The Group comprises Habib Metropolitan Bank Limited (the holding company), Habib Metropolitan Financial Services Limited, Habib Metropolitan Modaraba Management Company (Private) Limited and HABIBMETRO Exchange Services Limited (wholly owned subsidiary companies) and First Habib Modaraba (managed by Habib Metropolitan Modaraba Management Company (Private) Limited).

1.1 Holding Company

Habib Metropolitan Bank Limited (the Bank) was incorporated in Pakistan on 3 August 1992, as a public limited company, under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is engaged in commercial banking and related services. Its shares are listed on the Pakistan Stock Exchange. The Bank operates 575 (31 December 2025: 562) branches, including 254 (31 December 2025: 243) Islamic banking branches, an offshore branch (Karachi Export Processing Zone branch) (31 December 2025: 1) and 1 sub branch (31 December 2025:1) in Pakistan. The Bank is a subsidiary of Habib Bank AG Zurich - Switzerland (the ultimate parent company with 51% shares in the Bank) which is incorporated in Switzerland.

1.2 Subsidiary Companies

1.2.1 Habib Metropolitan Financial Services Limited - 100% holding

Habib Metropolitan Financial Services Limited was incorporated in Pakistan on 28 September 2007 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the subsidiary company is located at 1st Floor, GPC 2, Block 5, Kehkashan Clifton, Karachi. The subsidiary company is a corporate member of the Pakistan Stock Exchange Limited and is engaged in equity brokerage services.

1.2.2 Habib Metropolitan Modaraba Management Company (Private) Limited - 100% holding

Habib Metropolitan Modaraba Management Company (Private) Limited (Modaraba management company) was incorporated in Pakistan on 01 June 2015 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. The registered office of the subsidiary company is located at 6th Floor, HBZ Plaza, I.I. Chundrigar Road, Karachi. The Company is the Modaraba Management Company of First Habib Modaraba.

1.2.3 HABIBMETRO Exchange Services Limited - 100% holding

HABIBMETRO Exchange Services Limited, a wholly owned subsidiary of Habib Metropolitan Bank Limited, is incorporated in Pakistan with the objective of dealing in foreign exchange and facilitating remittances. The Company has its registered office at Ground Floor Al Manzoor Building, I.I. Chundrigar Road, Karachi.

1.2.4 First Habib Modaraba - 14.43% holding

First Habib Modaraba (FHM) is a perpetual, multi-purpose modaraba having its registered office at 6th Floor, HBZ Plaza, I.I. Chundrigar Road, Karachi. It is listed on the Pakistan Stock Exchange and is engaged in the business of leasing (Ijarah), Musharaka, Murabaha financing and other related business.

2. BASIS OF PRESENTATION

2.1 These consolidated condensed interim financial statements represent financial statements of the Group. The unconsolidated financial statements of the Bank and its subsidiary companies are being separately issued.

2.2 Statement of Compliance

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 for interim financial reporting consist of:

- International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the IFRS 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 (ICAP), as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP) from time to time.

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

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standard for Profit and Loss Sharing on Deposits (IFAS-3) issued by the ICAP and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

The SBP has adopted the requirements of IFRS 9 along with the application instructions through BPRD Circular No. 07 of 2023 dated April 13, 2023, while deferring certain requirements. For its Islamic Banking Window operations, Islamic banking institutions are allowed to follow Islamic Financial Accounting Standards (IFAS) 1 & 2 where applicable and continue existing accounting practices for other Islamic products until further instructions. However, if these relaxations had not been granted by the SBP, the unappropriated profit of the Group as at 30 September 2026 would have been higher by Rs 489,440 thousand (net of tax).

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

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

There are certain new and amended standards, interpretations and amendments that are mandatory for the Group'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 Group's operations and are therefore not detailed in these consolidated condensed interim financial statements except for the following:

– IFRS 9 – Certain Requirements of IFRS 9 were deferred by the SBP as explained in Note 3.1

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

There are certain new and amended standards, issued by the IFRS International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 1, 2027 but are considered not to be relevant or do not have any material effect on the Group's operations.

The following standards, amendments and interpretations with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective standards, amendments or interpretations:

Standards, interpretations of and amendments:	Effective date (annual periods beginning on or after)
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Presentation and Disclosure in Financial Statements - IFRS 18	1 January 2027
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The above amendments are not expected to have any material impact on the consolidated condensed interim financial statements of the Group.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of consolidated annual financial statements of the Group for the year ended December 31, 2025 except for the requirements of IFRS 9 relating to Effective Interest Rate (EIR) Method as explained in note 3.1.

3.1 Change in accounting policy

IFRS 9 'Financial Instruments' - mark-up / return earned and mark-up / return expensed

The Group adopted IFRS 9 – Financial Instruments effective January 1, 2024, except for certain relaxations and extensions granted by the SBP from time to time. The effects of these relaxations and extensions were incorporated in the Group's audited financial statements for the years ended December 31, 2024 and 2025, using the modified retrospective approach, as permitted under IFRS 9.

Further, vide SBP instruction BPRD/RPD/822456/25 dated January 22, 2025, the Group was allowed an extension for the application of recognition of mark-up / interest income and expense using Effective Interest Rate (EIR) method up to December 31, 2025. Accordingly, the Group has adopted the EIR method with effect from January 1, 2026 and has recognized the cumulative impact of this transition in equity at the beginning of the current accounting period, applying the modified retrospective approach for transition permitted under IFRS 9. The resulting change to the material accounting policy is as follows:

Mark-up / return earned and mark-up / return expensed are recognised in the consolidated profit and loss account under the Effective Interest Rate (EIR). The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

The calculation of the EIR includes all transaction costs, fees, and points paid or received between parties to the contract that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability.

When calculating the EIR for financial instruments other than purchased or originated credit-impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. For purchased or originated credit-impaired financial assets, a credit-adjusted EIR is calculated using estimated future cash flows including ECL.

For financial assets that were credit-impaired on initial recognition, mark-up income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of mark-up income does not revert to a gross basis, even if the credit risk of the asset is improved.

The impact of application as at January 1, 2026 is shown below:

Financial Assets / Liabilities	Balances as of 31 December 2025	Impact due to remeasurements	Taxation	Impact - net of tax	Balances as of 1 January 2026
Rupees in '000					
Assets					
Advances	551,696,111	(117,998)	–	(117,998)	551,578,113
Lendings to Financial Institutions	45,950,890	185	–	185	45,951,075
Liabilities					
Borrowings	298,634,511	(111)	–	(111)	298,634,400
Deferred tax liabilities	4,677,042	(61,205)	–	(61,205)	4,615,837
Equity					
Unappropriated profit	62,271,555	(117,702)	61,205	(56,497)	62,215,058

4. BASIS OF MEASUREMENT

These consolidated condensed interim financial statements have been prepared under the historical cost convention except for certain property and equipment and non-banking assets acquired in satisfaction of claims which are stated at revalued amounts; certain investments and derivative contracts which have been marked to market and are carried at fair value, obligation in respect of staff retirement benefits and lease liability which have been carried at present value and right-of-use assets which are initially measured at an amount equal to the corresponding lease liabilities (adjusted for any lease payment and costs) and depreciated over the respective lease term.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

6. FINANCIAL RISK MANAGEMENT

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

HABIBMETRO

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
7. CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	15,275,016	13,170,491
Foreign currencies	1,814,946	1,569,548
	<u>17,089,962</u>	<u>14,740,039</u>
With State Bank of Pakistan in		
Local currency current accounts	45,506,367	45,337,177
Foreign currencies current accounts	3,708,703	3,192,545
Foreign currencies deposit accounts		
- cash reserve accounts	9,266,587	8,015,602
- special cash reserve	17,463,836	14,633,400
	<u>75,945,493</u>	<u>71,178,724</u>
With National Bank of Pakistan in		
Local currency current accounts	2,157,278	3,218,028
Local currency deposit accounts	37,687	67,225
	<u>2,194,965</u>	<u>3,285,253</u>
National Prize Bonds	2,135	7,410
Less: Credit loss allowance held against cash and balances with treasury banks - stage 1	(4,540)	(135,466)
Cash and balances with treasury banks - net of credit loss allowance	<u>95,228,015</u>	<u>89,075,960</u>
8. BALANCES WITH OTHER BANKS		
In Pakistan		
In current accounts	117,004	69,485
In deposit accounts	240,315	4,326
	<u>357,319</u>	<u>73,811</u>
Outside Pakistan		
In current accounts	17,767,521	13,497,853
Less: Credit loss allowance held against balances with other banks - stage 1	(172)	(278)
Balances with other banks - net of credit loss allowance	<u>18,124,668</u>	<u>13,571,386</u>
9. LENDINGS TO FINANCIAL INSTITUTIONS		
Call / clean money lendings	-	2,801,231
Repurchase agreement lendings (reverse repo)	-	10,000,000
Musharaka placements	-	33,150,000
Less: Credit loss allowance held against lendings to financial institutions - stage 1	-	(341)
Lendings to financial institutions - net of credit loss allowance	<u>-</u>	<u>45,950,890</u>
9.1 Particulars of lendings - gross		
In local currency - secured	-	43,150,000
In foreign currency - unsecured	-	2,801,231
	<u>-</u>	<u>45,951,231</u>

9.2 Lendings to FIs - Particulars of credit loss allowance

Domestic

Performing	Stage 1
Under-performing	Stage 2
Non-performing	Stage 3
Substandard	
Doubtful	
Loss	

Total Domestic

Overseas

Performing	Stage 1
Under-performing	Stage 2
Non-performing	Stage 3
Substandard	
Doubtful	
Loss	

Total Overseas

Total

30 September 2026 (Un-Audited)		31 December 2025 (Audited)	
Lendings	Credit loss allowance held	Lendings	Credit loss allowance held
Rupees in '000			
-	-	43,150,000	127
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	43,150,000	127
-	-	2,801,231	214
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	2,801,231	214
-	-	45,951,231	341

10. INVESTMENTS

10.1 Investments by type

	30 September 2026 (Un-Audited)				31 December 2025 (Audited)			
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
Rupees in '000								
FVTPL								
Federal Government securities	26,447,310	-	6,326	26,453,636	32,219,761	-	105,026	32,324,787
Non-Government debt securities	1,997,125	-	2,257	1,999,382	1,997,423	-	(5,346)	1,992,077
Real estate investment trust units	1,709,926	-	1,941,373	3,651,299	1,770,486	-	1,984,463	3,754,949
	30,154,361	-	1,949,956	32,104,317	35,987,670	-	2,084,143	38,071,813
FVOCI								
Federal Government securities	732,008,493	-	350,825	732,359,318	663,529,789	-	11,846,864	675,376,653
Non-Government debt securities	1,994,446	(414,595)	-	1,579,851	3,494,447	(414,700)	-	3,079,747
Shares	8,119,164	-	5,379,086	13,498,250	6,851,251	-	7,555,324	14,406,575
Mutual funds	229,628	-	(52,690)	176,938	592,199	-	3,771	595,970
	742,351,731	(414,595)	5,677,221	747,614,357	674,467,686	(414,700)	19,405,959	693,458,945
Amortised Cost								
Federal Government securities	109,909,547	-	-	109,909,547	128,144,639	-	-	128,144,639
Total investments	882,415,639	(414,595)	7,627,177	889,628,221	838,599,995	(414,700)	21,490,102	859,675,397

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

10.1.1 Investments given as collateral against repo borrowings

The market value of investments given as collateral against borrowings is as follows:

Federal Government securities

Market treasury bills	-	2,912,934
Pakistan investment bonds	<u>94,466,291</u>	<u>181,798,076</u>
	<u>94,466,291</u>	<u>184,711,010</u>

10.2 Credit loss allowance for diminution in value of investments

Opening balance	414,700	426,154
Charge / (reversal)		
Charge for the period / year	-	-
Reversal for the period / year	(105)	(11,454)
Reversal on disposal	-	-
Net reversal for the period / year	(105)	(11,454)
Amounts written off	-	-
Closing balance	<u>414,595</u>	<u>414,700</u>

30 September 2026 (Un-Audited)		31 December 2025 (Audited)	
Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
Rupees in '000			

10.3 Particulars of credit loss allowance against debt securities

Category of classification

Performing	Stage 1	1,580,000	149	3,080,000	253
Under-performing	Stage 2	-	-	-	-
Non-performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		<u>414,446</u>	<u>414,446</u>	<u>414,447</u>	<u>414,447</u>
		<u>414,446</u>	<u>414,446</u>	<u>414,447</u>	<u>414,447</u>
Total		<u>1,994,446</u>	<u>414,595</u>	<u>3,494,447</u>	<u>414,700</u>

10.4 The market value of federal Government securities classified at amortised cost is Rs. 111,334,733 thousand (31 December 2025: 131,607,541 thousand).

11. ADVANCES

	Performing / Under-Performing		Non-Performing		Total	
	30 September 2026 (Un-Audited)	31 December 2025 (Audited)	30 September 2026 (Un-Audited)	31 December 2025 (Audited)	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000					
Loans, cash credits, running finances, etc.	329,281,301	315,897,047	18,190,361	19,020,911	347,471,662	334,917,958
Islamic financing and related assets	209,134,367	183,018,601	3,429,031	3,294,627	212,563,398	186,313,228
Bills discounted and purchased	50,500,366	57,182,825	5,650,975	5,529,373	56,151,341	62,712,198
Advances - gross	588,916,034	556,098,473	27,270,367	27,844,911	616,186,401	583,943,384
Credit loss allowance against advances						
-Stage 1	(592,526)	(246,757)	-	-	(592,526)	(246,757)
-Stage 2	(3,887,870)	(4,572,812)	-	-	(3,887,870)	(4,572,812)
-Stage 3	-	-	(27,005,173)	(27,427,704)	(27,005,173)	(27,427,704)
	(4,480,396)	(4,819,569)	(27,005,173)	(27,427,704)	(31,485,569)	(32,247,273)
Advances - net of credit loss allowance	584,435,638	551,278,904	265,194	417,207	584,700,832	551,696,111

11.1 Particulars of advances – gross

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
In local currency	500,250,415	487,403,266
In foreign currencies	115,935,986	96,540,118
	616,186,401	583,943,384

11.2 Advances include Rs. 27,270,367 thousand (31 December 2025: Rs. 27,844,911 thousand) which have been placed under non-performing / Stage 3 status as detailed below:

	30 September 2026 (Un-Audited)		31 December 2025 (Audited)	
	Non-performing loans	Credit loss allowance held	Non-performing loans	Credit loss allowance held
	Rupees in '000			
Category of classification in Stage 3				
Domestic				
Other asset especially mentioned (OAEI)	30,257	13,142	302,729	150,945
Substandard	97,337	53,476	103,417	49,634
Doubtful	279,433	184,040	119,741	63,824
Loss	26,863,340	26,754,515	27,319,024	27,163,301
	27,270,367	27,005,173	27,844,911	27,427,704

11.3 Particulars of credit loss allowance against advances

	30 September 2026 (Un-Audited)				31 December 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000							
Opening balance	246,757	4,572,812	27,427,704	32,247,273	1,450,792	4,615,450	24,408,347	30,474,589
Charge for the period / year	445,452	1,211,790	1,187,877	2,845,119	119,777	2,943,412	5,260,164	8,323,353
Reversals for the period / year	(99,683)	(1,896,732)	(1,610,408)	(3,606,823)	(1,323,812)	(2,986,050)	(2,240,807)	(6,550,669)
Net charge / (reversal) for the period / year	345,769	(684,942)	(422,531)	(761,704)	(1,204,035)	(42,638)	3,019,357	1,772,684
Amounts written off	-	-	-	-	-	-	-	-
Closing balance	592,526	3,887,870	27,005,173	31,485,569	246,757	4,572,812	27,427,704	32,247,273

11.4 Consideration of forced sales value (FSV) for the purposes of provisioning against non-performing loans

During the period, the Group decided not to avail the benefit of Forced Sales Value (FSV) against non-performing loans, as available under BSD Circular No. I of 21 October 2011 issued by the SBP.

11.5 Advances - Particulars of credit loss allowance

	30 September 2026 (Un-Audited)			31 December 2025 (Audited)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	Rupees in '000					
11.5.1 Opening balance	246,757	4,572,812	27,427,704	1,450,792	4,615,450	24,408,347
New advances	382,553	1,188,220	685,397	118,116	2,700,624	1,097,187
Advances derecognised or repaid	(55,999)	(1,674,042)	(1,586,571)	(583,822)	(2,583,342)	(2,240,807)
Transfer to stage 1	62,899	(43,224)	(19,675)	1,661	(1,661)	-
Transfer to stage 2	(19,408)	23,570	(4,162)	(63,755)	63,755	-
Transfer to stage 3	(662)	(90,068)	90,730	(591,081)	(401,047)	992,128
	369,383	(595,544)	(834,281)	(1,118,881)	(221,671)	(151,492)
Amounts written off / charged off	-	-	-	-	-	-
Changes in risk parameters	(23,614)	(89,398)	411,750	(85,154)	179,033	3,170,849
Closing balance	592,526	3,887,870	27,005,173	246,757	4,572,812	27,427,704

		30 September 2026 (Un-Audited)		31 December 2025 (Audited)	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
		Rupees in '000			
11.5.2 Advances - Category of classification					
Domestic					
Performing	Stage 1	490,111,944	592,526	441,222,571	246,757
Under-performing	Stage 2	98,804,090	3,887,870	114,875,902	4,572,812
Non-Performing	Stage 3				
OAEM		30,257	13,142	302,729	150,945
Substandard		97,337	53,476	103,417	49,634
Doubtful		279,433	184,040	119,741	63,824
Loss		26,863,340	26,754,515	27,319,024	27,163,301
		27,270,367	27,005,173	27,844,911	27,427,704
Total		616,186,401	31,485,569	583,943,384	32,247,273
		Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)	
		Rupees in '000			
12. PROPERTY AND EQUIPMENT					
Capital work-in-progress	12.1	901,953		917,133	
Property and equipment		17,411,185		16,727,615	
		18,313,138		17,644,748	
12.1 Capital work-in-progress					
Civil works	12.1.1	855,555		448,002	
Advance to suppliers		46,398		469,131	
		901,953		917,133	
12.1.1 This represents advance against purchase and renovation being carried out at various locations.					
		30 September 2026 (Un-Audited)	30 September 2025 (Un-Audited)	Rupees in '000	
12.2 Additions to property and equipment					
The following additions have been made to property and equipment during the period:					
Capital work-in-progress (transfer to property and equipment) / additions - net		(15,180)	265,668		
Property and equipment					
Freehold land		269,925	—		
Leasehold land		621,249	—		
Buildings on freehold land		36,975	—		
Buildings on leasehold land		18,751	180,000		
Furniture and fixtures		83,667	155,926		
Electrical, office and computer equipment		1,688,326	1,419,858		
Vehicles		26,717	5,045		
Lease hold improvements		294,975	403,499		
		3,040,585	2,164,328		
Total		3,025,405	2,429,996		
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 fixture		159	392		
Electrical, office and computer equipment		705	1,639		
Vehicles		11,445	14,805		
Total		12,309	16,836		

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	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
13. RIGHT-OF-USE ASSETS		
Cost	16,415,525	15,058,181
Accumulated depreciation	(7,398,814)	(6,403,736)
Net carrying amount as at the start of the period / year	9,016,711	8,654,445
Additions during the period / year	2,181,875	2,029,416
Modification during the period / year	-	12,200
Termination / maturities during the period / year - Cost	(599,169)	(684,272)
Termination / maturities during the period / year - Accumulated Depreciation	482,923	649,502
Depreciation charge for the period / year	(1,392,737)	(1,644,580)
Closing carrying amount as at the end of the period / year	9,689,603	9,016,711
14. INTANGIBLE ASSETS		
Capital work-in-progress - computer software	298,181	141,554
Computer Software	375,435	509,635
Management rights	41,600	41,600
	715,216	692,789
	30 September 2026 (Un-Audited)	30 September 2025
	Rupees in '000	
14.1 Additions to intangible assets		
Capital work-in-progress additions - net	156,627	61,708
Computer Software	131,410	103,411
	288,037	165,119
	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
15. DEFERRED TAX ASSETS / (LIABILITIES)		
Deductible temporary differences on		
- Credit loss allowance for diminution in value of investments	215,592	215,683
- Credit loss allowance against advances	2,366,797	4,369,667
- Credit loss allowance against off-balance sheet obligations	740,824	227,026
- Credit loss allowance - Others	235,432	465,816
- Right-of-use assets and related lease liabilities	651,977	667,839
- Deferred mark-up income	53,625	-
- Accelerated tax depreciation	794,539	565,026
- Deferred liability on defined benefit plan	147,639	41,731
- Surplus on revaluation of investments	(2,911,371)	(10,035,935)
- Others	75,303	(11,423)
	2,370,357	(3,494,570)
Taxable temporary differences on		
- Surplus on revaluation of property and equipment	(1,058,616)	(1,182,472)
	1,311,741	(4,677,042)

	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
16. OTHER ASSETS			
Income / mark-up / profit accrued in local currency		35,690,781	28,698,774
Income / mark-up / profit accrued in foreign currencies		334,174	266,740
Advances, deposits, advance rent and other prepayments		1,405,116	984,014
Advance taxation		8,100,542	6,165,447
Non-banking assets acquired in satisfaction of claim		3,900,448	3,903,436
Mark-to-market gain on forward foreign exchange contracts		6,010,693	3,025,313
Mark-to-market gain on forward purchase of federal Government securities transactions		–	122,190
Acceptances		50,369,160	42,280,823
Receivable against rebate and remittances		2,569,745	4,386,735
Receivable from the SBP against encashment of Government securities		90,419	10,317
Stationery and stamps on hand		442,487	393,740
Receivable from ILink		8,452,496	4,846,526
Prepaid employment benefit		7,494,291	6,525,898
Others		719,916	1,089,474
		<u>125,580,268</u>	<u>102,699,427</u>
Credit loss allowance / provision held against other assets	16.1	<u>(578,434)</u>	<u>(914,198)</u>
Other Assets (Net of credit loss allowance / provision)		<u>125,001,834</u>	<u>101,785,229</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	16.2	<u>2,572,871</u>	<u>2,572,871</u>
Other assets - Total		<u><u>127,574,705</u></u>	<u><u>104,358,100</u></u>
16.1 Credit loss allowance / provision held against other assets			
Receivable against fraud and forgery		564,050	563,043
Acceptances		14,384	351,155
		<u>578,434</u>	<u>914,198</u>
16.1.1 Movement in credit loss allowance / provision held against other assets			
Opening balance		914,198	416,280
Charge for the period / year		–	333,659
Reversal for the period / year		(335,764)	–
Net (reversal) / charge for the period / year		<u>(335,764)</u>	<u>333,659</u>
Transfer in		–	164,259
Closing balance		<u>578,434</u>	<u>914,198</u>
16.1.2 Particulars of credit loss allowance / provision held against other assets			
Stage 1		7,479	1,014
Stage 2		6,905	6,170
Stage 3 / others		<u>564,050</u>	<u>907,014</u>
		<u>578,434</u>	<u>914,198</u>

16.2 Non-banking assets acquired in satisfaction of claims have been revalued as at June 30, 2026 by M/s Akbani & Javed Associates. The valuation was performed by the independent professional valuer on the basis of assessment of present market values. The revaluation has resulted in no incremental surplus over the existing revaluation surplus carried in the books. The total surplus arising on revaluation of Non-banking assets acquired in satisfaction of claims as at September 30, 2026 amounted to Rs. 2,572,871 thousand.

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
17. BILLS PAYABLE		
In Pakistan	26,304,420	29,634,183
Outside Pakistan	108,712	101,959
	<u>26,413,132</u>	<u>29,736,142</u>
18. BORROWINGS		
Secured		
Borrowings from the SBP under		
- Export refinance scheme	27,549,002	42,610,243
- Long term financing facility - renewable energy scheme	1,418,351	1,702,102
- Long term financing facility	9,333,520	11,814,747
- Temporary economic refinance facility	13,955,758	16,290,260
- Long term financing facility - for storage of agricultural produce scheme	397,774	516,269
- Refinance facility for modernization of SME	150,908	219,118
- Refinance facility for combating COVID-19	-	2,590
- Refinance and credit guarantee scheme for women entrepreneurs	36,156	50,398
	<u>52,841,469</u>	<u>73,205,727</u>
Repurchase agreement borrowings (Repo) - secured	94,136,468	182,762,717
Due against bills rediscounting - secured	431,244	2,066,279
Total secured	<u>147,409,181</u>	<u>258,034,723</u>
Unsecured		
Certificates of investment	29,327,913	18,705,639
Call borrowing	-	5,602,462
Musharaka borrowing	29,360,810	7,845,140
Overdrawn nostro accounts	10,103,040	8,446,547
Total unsecured	<u>68,791,763</u>	<u>40,599,788</u>
Total borrowings	<u>216,200,944</u>	<u>298,634,511</u>

19. DEPOSITS AND OTHER ACCOUNTS

	30 September 2026 (Un-Audited)			31 December 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	Rupees in '000					
Customers						
Current deposits	363,180,177	71,919,093	435,099,270	341,881,250	68,736,399	410,617,649
Savings deposits	358,443,631	14,774,375	373,218,006	364,698,241	14,914,346	379,612,587
Term deposits	236,459,412	95,042,964	331,502,376	98,777,194	92,354,106	191,131,300
Others	26,205,795	13,226	26,219,021	31,094,342	7,461	31,101,803
	<u>984,289,015</u>	<u>181,749,658</u>	<u>1,166,038,673</u>	<u>836,451,027</u>	<u>176,012,312</u>	<u>1,012,463,339</u>
Financial institutions						
Current deposits	3,905,966	1,621,701	5,527,667	2,284,174	173,906	2,458,080
Savings deposits	69,922,975	-	69,922,975	103,077,540	-	103,077,540
Term deposits	283,096	22,356	305,452	265,666	22,597	288,263
Others	-	-	-	-	-	-
	<u>74,112,037</u>	<u>1,644,057</u>	<u>75,756,094</u>	<u>105,627,380</u>	<u>196,503</u>	<u>105,823,883</u>
	<u>1,058,401,052</u>	<u>183,393,715</u>	<u>1,241,794,767</u>	<u>942,078,407</u>	<u>176,208,815</u>	<u>1,118,287,222</u>

		30 September 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	
20. LEASE LIABILITIES			
Opening balance		11,313,588	10,519,685
Additions during the period / year		2,180,826	2,029,464
Modification during the year		-	12,200
Deletions during the period / year		(149,658)	(42,144)
Lease payments including interest		(2,150,313)	(2,532,575)
Interest expense		1,103,298	1,326,958
Closing balance		12,297,741	11,313,588
20.1. Liabilities Outstanding			
Not later than one year		1,443,867	1,272,107
Later than one year and up to five years		6,549,294	5,948,511
Over five years		4,304,580	4,092,970
Total as at the period / year end		12,297,741	11,313,588
Aggregate 12.31% (31 December 2025: 12.35%) is used as discounting factor for the calculation of lease liabilities.			
	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	
21. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		17,971,557	12,995,280
Mark-up / return / interest payable in foreign currencies		1,204,086	1,482,978
Unearned commission and income on bills discounted		1,289,099	1,071,473
Accrued expenses		5,009,775	3,406,074
Acceptances		50,369,160	42,280,823
Clearing and settlement account		16,433,637	14,832,413
Unclaimed dividend		393,919	234,459
Dividend payable		-	13,739
Branch adjustment account		11,718	9,330
Mark-to-market loss on forward foreign exchange contracts		7,117,149	4,428,601
Mark-to-market loss on forward purchase of federal Government securities transactions		10,114	-
Provision for compensated absences		557,703	413,478
Deferred liability on defined benefit plan		566,665	162,375
Credit loss allowance against off-balance sheet obligations	21.1	1,424,662	436,587
Workers' welfare fund	21.2	6,574,622	5,975,853
Charity fund		732	126
Excise duty payable		3,258	2,676
Locker deposits		1,255,135	1,205,428
Advance against diminishing musharaka		-	152,755
Advance rental for ijarah		20,235	20,354
Security deposits against leases / ijarah		72,313	75,860
Sundry creditors		4,971,384	4,187,524
Payable to TLink		-	-
Withholding tax / duties		1,121,742	1,199,912
Deferred grant income		68,933	99,269
Others		307,571	271,809
		116,755,169	94,959,176
21.1 Credit loss allowance against off-balance sheet obligations			
Opening balance		436,587	353,883
Charge for the period / year		988,075	82,704
Reversal for the period / year		-	-
Net charge for the period / year		988,075	82,704
Closing balance		1,424,662	436,587

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		30 September 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	
21.1.1 Particulars of credit loss allowance against off-balance sheet obligations			
Stage 1		56,593	17,307
Stage 2		132,249	88,713
Stage 3		1,235,820	330,567
		<u>1,424,662</u>	<u>436,587</u>
21.2 Under the Workers' Welfare Ordinance, 1971, the Bank is liable to pay workers' welfare fund (WWF) @ 2% of accounting profit before tax or taxable income, whichever is higher. The Bank has made full provision for WWF based on profit for the respective years.			
The Supreme Court of Pakistan vide its order dated 10 November 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of 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 following the filing of these review petitions the judgement may not currently be treated as conclusive. Accordingly, the Bank maintains its provision in respect of WWF.			
	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	
22. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX			
Surplus on revaluation of			
- Securities measured at FVOCI - Debt	10.1	350,825	11,846,864
- Securities measured at FVOCI - Equity	10.1	5,326,396	7,559,095
- Property and Equipment		5,595,199	5,833,385
- Non-banking assets acquired in satisfaction of claims		2,572,871	2,572,871
		<u>13,845,291</u>	<u>27,812,215</u>
Less: Deferred tax on surplus on revaluation of			
- Securities measured at FVOCI - Debt		123,547	6,160,335
- Securities measured at FVOCI - Equity		2,770,752	3,875,600
- Property and Equipment		1,058,616	1,182,472
- Non-banking assets acquired in satisfaction of claims		-	-
		<u>(3,952,915)</u>	<u>(11,218,407)</u>
		<u>9,892,376</u>	<u>16,593,808</u>
Less: Surplus pertaining to non-controlling interest		(48,113)	(52,172)
Surplus pertaining to equity holder's share		<u>9,844,263</u>	<u>16,541,636</u>
23. CONTINGENCIES AND COMMITMENTS			
Guarantees	23.1	132,486,404	166,456,804
Commitments	23.2	1,060,397,992	844,219,120
Other contingent liabilities	23.3	2,670,338	2,880,338
		<u>1,195,554,734</u>	<u>1,013,556,262</u>
23.1 Guarantees			
Financial guarantees		29,722,861	35,104,991
Performance guarantees		42,645,416	45,403,766
Other guarantees		60,118,127	85,948,047
		<u>132,486,404</u>	<u>166,456,804</u>

	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
23.2 Commitments			
Documentary credits and short-term trade-related transactions:			
- Letters of credit		343,201,490	208,094,052
Commitments in respect of:			
- Forward foreign exchange contracts	23.2.1	713,580,334	607,256,815
- Forward Government securities transactions	23.2.2	440,786	26,408,764
- Forward lendings	23.2.3	1,872,000	1,904,976
Commitments for:			
- Acquisition of property and equipment		1,303,382	554,513
		<u>1,060,397,992</u>	<u>844,219,120</u>
23.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		384,801,827	332,412,173
Sale		328,778,507	274,844,642
		<u>713,580,334</u>	<u>607,256,815</u>
23.2.2 Commitments in respect of forward Government securities transactions			
Purchase		440,786	26,408,764
Sale		-	-
		<u>440,786</u>	<u>26,408,764</u>
23.2.3 Commitments in respect of forward lendings			
The Group has made commitments to extend credit in the normal course of its business, but none of these commitments is irrevocable or attract any penalty if the facility is unilaterally withdrawn, except for:			
	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
Rupees in '000			
Commitments in respect of syndicate financing		-	74,976
Commitments in respect of other financing transactions		1,872,000	1,830,000
		<u>1,872,000</u>	<u>1,904,976</u>
23.3 Other contingent liabilities			
Claims against the bank not acknowledged as debt	23.3.1	2,670,338	2,880,338
23.3.1 These mainly represent counter claims by borrowers for damages. Based on legal advice and internal assessments, management is confident that the matters will be decided in the Group's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these consolidated condensed interim financial statements.			

24. DERIVATIVE FINANCIAL INSTRUMENTS

The Bank deals in derivative financial instruments, namely forward foreign exchange contracts and foreign currency swaps with the principal view of hedging the risks arising from its trade business.

As per the Bank's policy, these contracts are reported at their fair value at the statement of financial position date. The gains and losses from revaluation of these contracts are included under "Foreign exchange income". Mark-to-market gains and losses on these contracts are recorded in the statement of financial position under "other assets / other liabilities".

These products are offered to the holding company's customers to protect them against unfavorable movements in foreign currencies. The holding company hedges such exposures in the inter-bank foreign exchange market.

These positions are reviewed on a regular basis by the holding company's Asset and Liability Committee (ALCO).

24.1 Product Analysis

Counter Parties	Forward foreign exchange contracts			
	30 September 2026 (Un-Audited)		31 December 2025 (Audited)	
	Notional Principal	Mark-to-market Gain / (Loss)	Notional Principal	Mark-to-market Gain / (Loss)
	Rupees in '000			
Banks				
Hedging	537,156,015	1,538,793	448,643,639	412,051
Other Entities				
Hedging	176,424,319	(2,645,249)	158,613,176	(1,815,339)
Total				
Hedging	713,580,334	(1,106,456)	607,256,815	(1,403,288)
	Note	30 September 2026	30 September 2025	
		(Un-Audited)		
		Rupees in '000		
25. MARK-UP / RETURN / INTEREST EARNED				
Loans and advances		42,041,940	43,438,603	
Investments	25.1	78,968,491	77,578,872	
Lendings with financial institutions		2,455,839	2,446,228	
Balances with banks		341,214	332,399	
		123,807,484	123,796,102	
25.1 Interest income (calculated using effective interest rate method) recognised on:				
Financial assets measured at amortised cost;		10,872,550	8,186,743	
Financial assets measured at FVTPL		3,890,392	4,896,939	
Financial assets measured at FVOCI		64,205,549	64,495,190	
		78,968,491	77,578,872	
26. MARK-UP / RETURN / INTEREST EXPENSED				
Deposits		53,358,050	40,180,909	
Borrowings		18,399,007	27,118,427	
Cost of foreign currency swaps against foreign currency deposits / borrowings		4,815,289	3,127,573	
Lease liabilities against right-of-use assets		1,103,299	968,423	
		77,675,645	71,395,332	

	Note	30 September 2026	30 September 2025
		(Un-Audited)	
		Rupees in '000	
27. FEE & COMMISSION INCOME			
Branch banking customer fees		1,136,241	1,128,600
Credit related fees		99,133	36,305
Card related fees		946,874	1,009,882
Commission on trade		4,850,105	4,715,503
Commission on guarantees		934,640	1,022,290
Commission on remittances including home remittances		5,081	40,831
Commission on bancassurance		112,379	132,442
Commission on cash management		179,363	154,961
Investment banking fee		53,480	63,346
Others		127,610	123,700
		<u>8,444,906</u>	<u>8,427,860</u>
28. GAIN ON SECURITIES - NET			
Realised	28.1	1,899,367	1,932,648
Unrealised - Measured at FVTPL		(107,098)	857,107
Unrealised - forward purchase of federal Government securities transactions		(132,304)	(39,662)
		<u>1,659,965</u>	<u>2,750,093</u>
28.1 Realised gain on:			
Federal Government securities - net		1,894,736	1,829,097
Mutual funds		-	103,551
Real estate investment trust - net		4,631	-
		<u>1,899,367</u>	<u>1,932,648</u>
28.2 Net gain on financial assets / liabilities measured at FVTPL:			
Designated upon initial recognition		-	-
Mandatorily measured at FVTPL		143,442	1,266,167
		143,442	1,266,167
Net gain on financial assets measured at FVOCI - Debt		1,516,523	1,483,926
		<u>1,659,965</u>	<u>2,750,093</u>
29. OTHER INCOME			
Rent on properties		1,272	37,083
Gain on termination of right-of-use assets		34,127	-
Gain on sale of fixed assets - net		31,357	36,728
Gain on sale of ijarah assets - net		10,914	44,081
Staff notice period and other recoveries		-	58
		<u>77,670</u>	<u>117,950</u>

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	30 September 2026	30 September 2025
	(Un-Audited)	
	Rupees in '000	
30. OPERATING EXPENSES		
Total compensation expense	13,284,330	12,566,337
Property expense		
Rent & taxes	182,159	119,664
Insurance	9,249	14,994
Utilities cost	1,377,266	1,157,636
Security	1,067,094	1,026,557
Repair & maintenance	797,672	861,640
Depreciation on property and equipment	817,897	835,239
Depreciation on right-of-use assets	1,392,737	1,204,853
Depreciation on non-banking assets	2,988	1,710
	5,647,062	5,222,293
Information technology expenses		
Software maintenance	994,492	986,808
Hardware maintenance	470,816	405,441
Depreciation	710,280	523,061
Amortisation	265,610	219,970
Network charges	518,998	345,949
	2,960,196	2,481,229
Other operating expenses		
Directors' fees and allowances	24,001	20,554
Fees and allowances to Shariah Board	26,409	26,949
Legal & professional charges	311,108	202,742
Outsourced services costs	346,422	326,061
Travelling & conveyance	1,337,502	992,529
NIFT clearing charges	113,729	120,700
Depreciation	816,195	762,299
Training & development	59,180	52,632
Postage & courier charges	143,547	147,070
Communication	550,405	683,631
Subscription	860,974	696,434
Entertainment	178,676	205,099
Repair & maintenance	342,027	243,712
Brokerage & commission	276,089	193,871
Stationery & printing	326,240	358,086
Marketing, advertisement & publicity	2,494,868	424,335
Management fee	1,725,251	1,569,522
Insurance	1,289,632	1,204,199
Donations	367,870	394,949
Auditors' Remuneration	42,283	43,799
Security	431,787	373,935
Others	247,090	512,256
	12,311,285	9,555,364
	34,202,873	29,825,223

		30 September 2026 (Un-Audited) Rupees in '000	30 September 2025
31. OTHER CHARGES			
Penalties imposed by the SBP		<u>1,992</u>	<u>292,218</u>
32. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance against cash and balances with banks		(131,032)	98,579
Credit loss allowance against lendings to financial institutions		(341)	380
Credit loss allowance for diminution in value of investments	10.2	(105)	(1,687)
Credit loss allowance against advances	11.3	(761,704)	503,187
Credit loss allowance against other assets		(335,764)	6,318
Credit loss allowance against off-balance sheet obligations		988,075	778,413
Recovery of written off / charged off bad debts		-	(211,842)
		<u>(240,871)</u>	<u>1,173,348</u>
33. TAXATION			
Current			
- For the period		14,095,976	19,511,715
- Prior year		-	579,141
		<u>14,095,976</u>	<u>20,090,856</u>
Deferred			
- For the period		1,335,776	1,278,937
- Prior year		-	(757,617)
		<u>1,335,776</u>	<u>521,320</u>
		<u>15,431,752</u>	<u>20,612,176</u>
34. BASIC AND DILUTED EARNINGS PER SHARE			
Profit attributable to equity shareholders of the holding company		<u>13,691,242</u>	<u>17,229,359</u>
		Number in '000	
Weighted average number of ordinary shares		<u>1,047,831</u>	<u>1,047,831</u>
		Rupees	
Basic and diluted earnings per share		<u>13.07</u>	<u>16.44</u>
35. FAIR VALUE MEASUREMENTS			
The fair value of quoted securities other than investment in subsidiaries and 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 measured using replacement price determined by the investee company on which shares can be surrendered.			
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.			

The fair values of the remaining financial assets and liabilities is not significantly different from their carrying values since they are either short-term in nature or, in the case of customer advances, deposits and certain long-term borrowings are frequently repriced.

35.1 Fair value of financial assets

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using inputs for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs).

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

On balance sheet financial instruments

30 September 2026 (Un-Audited)				
Fair value				
Level 1	Level 2	Level 3	Total	
Rupees in '000				
Financial assets measured at fair value				
Investments				
– Federal Government securities	–	758,812,954	–	758,812,954
– Non Government debt securities	–	3,579,233	–	3,579,233
– Shares				
– Listed companies	13,374,732	–	–	13,374,732
– Unlisted companies	–	–	123,518	123,518
– Mutual funds	176,938	–	–	176,938
– Real estate investment trust	3,651,299	–	–	3,651,299
Financial assets - disclosed but not measured at fair value				
Investments				
– Federal Government securities	–	111,334,733	–	111,334,733
	17,202,969	873,726,920	123,518	891,053,407

Off-balance sheet financial instruments measured at fair value

Forward purchase of foreign exchange contracts	–	377,742,674	–	377,742,674
Forward sale of foreign exchange contracts	–	334,731,204	–	334,731,204
Forward purchase of federal Government securities transactions	–	430,672	–	430,672

On balance sheet financial instruments

		31 December 2025 (Audited)			
		Fair value			
		Level 1	Level 2	Level 3	Total
		Rupees in '000			
Financial assets measured at fair value					
Investments					
– Federal Government securities	46,580,000	661,121,441	–		707,701,441
– Non Government debt securities	–	5,071,823	–		5,071,823
– Shares					
– Listed companies	14,311,105	–	–		14,311,105
– Unlisted companies	–	–	95,470		95,470
– Mutual funds	595,970	–	–		595,970
– Real estate investment trust	3,754,949	–	–		3,754,949

Financial assets - disclosed but not measured at fair value

Investments				
– Federal Government securities	–	131,607,541	–	131,607,541
	65,242,024	797,800,805	95,470	863,138,299

Off-balance sheet financial instruments measured at fair value

Forward purchase of foreign exchange contracts	–	328,217,866	–	328,217,866
Forward sale of foreign exchange contracts	–	277,635,661	–	277,635,661
Forward purchase of federal Government securities transactions	–	26,530,954	–	26,530,954

35.2 Fair value of non-financial assets

	30 September 2026 (Un-Audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Non-financial assets measured at fair value				
– Property and equipment	–	11,213,998	–	11,213,998
– Non-banking assets acquired in satisfaction of claim	–	6,473,319	–	6,473,319
	–	17,687,317	–	17,687,317

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Fair value			
Level 1	Level 2	Level 3	Total
Rupees in '000			

Non-financial assets measured at fair value

- Property and equipment	-	9,864,231	-	9,864,231
- Non-banking assets acquired in satisfaction of claim	-	6,476,307	-	6,476,307
	-	16,340,538	-	16,340,538

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

Federal Government debt securities	The fair value of Government securities is valued using PKRV, PKFRV, PKISRV and PSX rates.
Debt securities other than Federal Government securities	The fair value is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP) / Reuters website and PSX.
Unquoted equity securities	The fair value is determined using the replacement price determined by the company at which the shares can be surrendered.
Forward contracts	The fair values are derived using forward exchange rates applicable to their respective remaining maturities.
Mutual funds	The fair value is determined based on the net asset values published at the close of each business day.

Valuation techniques used in determination of fair value of non-financial assets within level 2

Property and equipment and non-banking assets acquired in satisfaction of claim	<p>Property and equipment and non-banking assets are valued by professionally qualified valuers. The valuation is based on their assessment of the market value of the assets. In determining the valuation for land and buildings the valuer refers to numerous independent market inquiries from local estate agents / realtors in the vicinity to establish the present market value. The fair valuations of land and building are considered to represent a level 2 valuation based on significant non-observable inputs being the location and condition of the assets.</p> <p>The fair value is subject to change owing to changes in the input. However, management does not expect there to be a material sensitivity to the fair value arising from the non-observable inputs.</p>
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36. SEGMENT INFORMATION

36.1 Segment details with respect to business activities

	30 September 2026 (Un-Audited)				
	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Profit and Loss					
Net mark-up / return / profit	46,969,807	(16,148,933)	3,240,622	12,070,343	46,131,839
Inter segment revenue - net	(36,093,630)	26,642,048	9,451,582	-	-
Non mark-up / return / interest income	4,505,310	2,744,302	9,450,511	1,480,706	18,180,829
Total Income	<u>15,381,487</u>	<u>13,237,417</u>	<u>22,142,715</u>	<u>13,551,049</u>	<u>64,312,668</u>
Segment direct expenses	(4,401,025)	(6,685,242)	(5,299,362)	(9,755,043)	(26,140,672)
Inter segment expense allocation	-	(3,474,810)	(5,198,642)	-	(8,673,452)
Total expenses	<u>(4,401,025)</u>	<u>(10,160,052)</u>	<u>(10,498,004)</u>	<u>(9,755,043)</u>	<u>(34,814,124)</u>
Credit loss allowance	(896)	(43,439)	552,124	(266,918)	240,871
Profit before tax	<u>10,979,566</u>	<u>3,033,926</u>	<u>12,196,835</u>	<u>3,529,088</u>	<u>29,739,415</u>
Balance Sheet					
Cash and bank balances	18,552,124	25,170,920	46,877,971	22,751,668	113,352,683
Investments - net	710,390,305	-	-	179,237,916	889,628,221
Net inter segment lending	-	363,823,944	197,523,155	-	561,347,099
Lendings to financial institutions	-	-	-	-	-
Advances - performing	-	9,235,294	412,397,285	167,283,455	588,916,034
Advances - non-performing	-	594,141	24,210,308	2,465,918	27,270,367
Credit loss allowance against advances	-	(740,932)	(26,985,280)	(3,759,357)	(31,485,569)
Others	27,082,932	7,771,018	102,274,387	20,476,066	157,604,403
Total assets	<u>756,025,361</u>	<u>405,854,385</u>	<u>756,297,826</u>	<u>388,455,666</u>	<u>2,306,633,238</u>
Borrowings	129,839,904	-	60,796,251	25,564,789	216,200,944
Deposits and other accounts	-	363,617,155	559,297,164	318,880,448	1,241,794,767
Net inter segment borrowing	561,347,099	-	-	-	561,347,099
Others	7,381,718	10,509,427	110,406,459	27,168,438	155,466,042
Total liabilities	<u>698,568,721</u>	<u>374,126,582</u>	<u>730,499,874</u>	<u>371,613,675</u>	<u>2,174,808,852</u>
Equity	<u>57,456,640</u>	<u>31,727,803</u>	<u>25,797,952</u>	<u>16,841,991</u>	<u>131,824,386</u>
Total equity and liabilities	<u>756,025,361</u>	<u>405,854,385</u>	<u>756,297,826</u>	<u>388,455,666</u>	<u>2,306,633,238</u>
Contingencies and commitments	<u>713,580,334</u>	<u>-</u>	<u>412,403,972</u>	<u>69,570,428</u>	<u>1,195,554,734</u>

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	30 September 2025 (Un-Audited)				
	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Profit and Loss					
Net mark-up / return / profit	45,245,851	(12,880,494)	7,675,981	12,359,432	52,400,770
Inter segment revenue - net	(29,368,399)	21,834,635	7,533,764	–	–
Non mark-up / return / interest income	9,470,128	989,994	6,393,103	1,195,852	18,049,077
Total Income	25,347,580	9,944,135	21,602,848	13,555,284	70,449,847
Segment direct expenses	(627,586)	–	–	–	(627,586)
Inter segment expense allocation	–	(7,212,855)	(15,350,548)	(7,711,123)	(30,274,526)
Total expenses	(627,586)	(7,212,855)	(15,350,548)	(7,711,123)	(30,902,112)
Credit loss allowance	(803)	(112,656)	(2,857,534)	1,797,645	(1,173,348)
Profit before tax	24,719,191	2,618,624	3,394,766	7,641,806	38,374,387
	31 December 2025 (Audited)				
	Trade & Sales	Retail Banking	Commercial Banking	Islamic Banking	Total
	Rupees in '000				
Balance Sheet					
Cash and bank balances	18,872,975	19,021,823	44,182,612	20,569,936	102,647,346
Investments - net	707,782,204	–	–	151,893,193	859,675,397
Net inter segment lending	–	361,185,084	120,582,648	–	481,767,732
Lendings to financial institutions	12,801,016	–	–	33,149,874	45,950,890
Advances - performing	–	11,594,844	398,270,868	146,232,761	556,098,473
Advances - non-performing	–	623,207	25,193,260	2,028,444	27,844,911
Credit loss allowance against advances	–	(606,497)	(28,148,533)	(3,492,243)	(32,247,273)
Others	17,051,797	7,254,819	86,935,581	20,470,151	131,712,348
Total assets	756,507,992	399,073,280	647,016,436	370,852,116	2,173,449,824
Borrowings	198,878,005	–	75,509,790	24,246,716	298,634,511
Deposits and other accounts	–	352,604,651	460,269,382	305,413,189	1,118,287,222
Net inter segment borrowing	481,767,732	–	–	–	481,767,732
Others	18,279,119	9,305,727	88,067,788	25,033,314	140,685,948
Total liabilities	698,924,856	361,910,378	623,846,960	354,693,219	2,039,375,413
Equity	57,583,136	37,162,902	23,169,476	16,158,897	134,074,411
Total equity and liabilities	756,507,992	399,073,280	647,016,436	370,852,116	2,173,449,824
Contingencies and commitments	633,665,579	–	340,441,533	39,449,150	1,013,556,262

37. RELATED PARTY TRANSACTIONS

The Group has related party relationships with its ultimate parent company, associates, companies with common directorship, key management personnel, directors and employees' retirement benefit plans.

The Group enters into transactions with related parties in the ordinary course of business and on substantially the same terms as those applicable to comparable transactions with persons of similar standing. Contributions in respect of charge for employees' retirement benefits are made in accordance with the actuarial valuation and terms of the contribution plan. Salaries and allowances of the key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

Details of transactions with related parties during the period are as follows:

	30 September 2026 (Un-Audited)				
	Ultimate parent company	Directors	Key management personnel	Associates	Retirement benefit plans
	Rupees in '000				
Balances with other banks					
In current accounts	67,277	-	-	196,627	-
Advances					
Opening balance	-	-	321,011	9,513,516	-
Addition during the period	-	-	77,723	52,691,956	-
Repaid during the period	-	-	(42,978)	(53,458,213)	-
Closing balance	-	-	355,756	8,747,259	-
Other Assets					
Mark-up / return / interest receivable	-	-	-	55,903	-
Prepayments / advance deposits / other receivables	936	-	-	25,330	-
	936	-	-	81,233	-
Deposits and other accounts					
Opening balance	201,788	1,154,837	363,831	9,440,245	1,504,642
Received during the period	8,111,312	4,818,258	1,287,678	2,982,465,580	3,499,524
Withdrawn during the period	(8,055,618)	(4,135,847)	(1,262,306)	(2,973,487,578)	(3,317,935)
Closing balance	257,482	1,837,248	389,203	18,418,247	1,686,231
Other Liabilities					
Mark-up / return / interest payable	-	21,757	5,512	747,353	142,287
Management fee payable for technical and consultancy services *	447,515	-	-	-	-
Other payables	-	1,215	-	630	566,665
	447,515	22,972	5,512	747,983	708,952
Contingencies and commitments					
Transaction-related contingent liabilities	-	-	-	8,316,729	-
Trade-related contingent liabilities	-	-	-	20,654,516	-
	-	-	-	28,971,245	-

* Management fee is as per the agreement with the ultimate parent company .

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	Ultimate parent company	Directors	Key management personnel	Associates	Retirement benefit plans	Total
	Rupees in '000					
Balances with other banks						
In current accounts	65,299	–	–	112,618	–	177,917
Advances						
Opening balance	–	–	331,041	6,504,983	–	6,836,024
Addition during the year	–	–	47,302	86,787,944	–	86,835,246
Repaid during the year	–	–	(57,332)	(83,779,411)	–	(83,836,743)
Closing balance	–	–	321,011	9,513,516	–	9,834,527
Other Assets						
Mark-up / return / interest receivable	–	–	–	41,867	–	41,867
Prepayments / advance deposits / other receivables	936	–	–	13,354	–	14,290
	936	–	–	55,221	–	56,157
Deposits and other accounts						
Opening balance	231,356	967,344	224,702	5,396,118	2,340,225	9,159,745
Received during the year	10,777,547	3,691,691	1,605,130	3,434,650,149	6,065,042	3,456,789,559
Withdrawn during the year	(10,807,115)	(3,504,198)	(1,466,001)	(3,430,606,021)	(6,900,625)	(3,453,283,960)
Closing balance	201,788	1,154,837	363,831	9,440,246	1,504,642	12,665,344
Other Liabilities						
Mark-up / return / interest payable	–	15,333	6,868	67,445	58,504	148,150
Other payables	–	955	–	802	162,375	164,132
	–	16,288	6,868	68,247	220,879	312,282
Contingencies and commitments						
Transaction-related contingent liabilities	–	–	–	17,838,094	–	17,838,094
Trade-related contingent liabilities	–	–	–	6,410,580	–	6,410,580
	–	–	–	24,248,674.00	–	24,248,674

	For the period ended 30 September 2026 (Un-Audited)				
	Ultimate parent company	Directors	Key management personnel	Associates	Retirement benefit plans
	Rupees in '000				
Transactions during the period					
Income					
Mark-up / return / interest earned	-	-	11,231	134,978	-
Fee and commission income	1	183	-	453,745	8
Rent income	4,211	-	-	7,755	-
Expense					
Mark-up / return / interest expensed	-	64,070	15,778	1,042,965	211,723
Commission / brokerage / bank charges paid	495	-	-	7,045	-
Salaries and allowances	-	-	806,174	-	-
Directors' fees and allowances	-	24,001	-	-	-
Charge to defined benefit plan	-	-	-	-	315,882
Contribution to defined contribution plan	-	-	-	-	383,262
Insurance premium expenses	-	-	-	32,413	-
Management fee expense for technical and consultancy services*	1,682,324	-	-	-	-

* Management fee is as per the agreement with the ultimate parent company.

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	For the period ended 30 September 2025 (Un-Audited)					
	Ultimate parent company	Directors	Key management personnel	Associates	Retirement benefit plans	Total
	Rupees in '000					
Transactions during the period						
Income						
Mark-up / return / interest earned	–	–	13,001	104,998	–	117,999
Fee and commission income	–	73	–	537,953	16	538,042
Rent income	4,211	–	–	7,755	–	11,966
Expenses						
Mark-up / return / interest expensed	–	46,213	15,969	353,024	438,426	853,632
Commission / brokerage / bank charges paid	716	–	–	2,313	–	3,029
Salaries and allowances	–	–	630,455	–	–	630,455
Directors' fees and allowances	–	20,554	–	–	–	20,554
Charge to defined benefit plan	–	–	–	–	275,924	275,924
Contribution to defined contribution plan	–	–	–	–	329,008	329,008
Insurance premium expenses	–	–	–	36,647	–	36,647
Management fee expense for technical and consultancy services *	1,541,388	–	–	–	–	1,541,388

* Management fee is as per the agreement with the ultimate parent company.

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	10,478,315	10,478,315
Capital Adequacy Ratio (CAR):		
Eligible common equity tier 1 (CET 1) Capital	115,470,017	111,758,017
Eligible additional tier 1 (ADT 1) Capital	71,497	60,446
Total eligible tier 1 capital	115,541,514	111,818,463
Eligible tier 2 capital	11,919,063	18,941,247
Total eligible capital (tier 1 + tier 2)	127,460,577	130,759,710
Risk Weighted Assets (RWAs):		
Credit risk	637,974,542	581,882,084
Market risk	28,613,979	37,920,028
Operational risk	169,363,827	169,363,827
Total	835,952,348	789,165,939
CET 1 capital adequacy ratio	13.81%	14.16%
Tier 1 capital adequacy ratio	13.82%	14.17%
Total capital adequacy ratio	15.25%	16.57%
Minimum capital requirements prescribed by SBP		
CET 1 capital adequacy ratio	6.00%	6.00%
Tier 1 capital adequacy ratio	7.50%	7.50%
Total capital adequacy ratio	11.50%	11.50%

The Group uses the simple approach, the maturity method and the basic indicator approach for credit risk, market risk and operational risk exposures respectively, in the capital adequacy calculation.

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
Leverage Ratio (LR):		
Eligible tier-1 capital	115,541,514	111,818,463
Total exposures	2,253,778,150	2,126,298,395
Leverage ratio	5.13%	5.26%

39. ISLAMIC BANKING BUSINESS

The bank operates 254 (31 December 2025: 243) Islamic banking branches and 311 (31 December 2025: 311) Islamic banking windows at the end of the period.

	Note	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
		Rupees in '000	
ASSETS			
Cash and balances with treasury banks		22,692,866	20,514,058
Balances with other banks		58,802	55,878
Due from financial institutions	39.1	–	33,149,874
Investments	39.2	179,237,916	151,893,193
Islamic financing and related assets - net	39.3	165,990,016	144,768,962
Property and equipment		889,671	859,544
Right-of-use assets		3,934,593	3,797,340
Intangible assets		–	–
Due from Head Office		–	6,274,499
Other assets		15,651,802	9,538,768
Total Assets		388,455,666	370,852,116
LIABILITIES			
Bills payable		5,882,510	7,862,011
Due to financial institutions		25,564,789	24,246,716
Deposits and other accounts	39.4	318,880,448	305,413,189
Due to Head Office		6,251,658	–
Lease liabilities		4,946,363	4,666,814
Subordinated debt		–	–
Deferred tax liabilities		153,209	989,235
Other liabilities		9,934,698	11,515,254
		371,613,675	354,693,219
NET ASSETS		16,841,991	16,158,897
REPRESENTED BY			
Islamic Banking Fund		15,006,928	11,007,003
Reserves		–	–
Surplus on revaluation of assets		141,423	913,140
Unappropriated profit	39.5	1,693,640	4,238,754
		16,841,991	16,158,897
CONTINGENCIES AND COMMITMENTS			
	39.6		

The profit and loss account of the Bank's Islamic banking branches for the nine months ended 30 September 2026 is as follows:

	Note	(Un-Audited)	
		30 September 2026	30 September 2025
		Rupees in '000	
PROFIT AND LOSS ACCOUNT			
Profit / return earned	39.7	27,938,535	24,592,519
Profit / return expensed	39.8	(15,868,192)	(11,982,507)
Net Profit / return		12,070,343	12,610,012
Other income			
Fee and Commission Income		1,090,907	990,393
Dividend Income		-	-
Foreign Exchange Income		372,642	139,674
Income / (loss) from derivatives		-	-
(Loss) / gain on securities - net		(124)	18,439
Other Income		17,281	47,346
Total other income		1,480,706	1,195,852
Total Income		13,551,049	13,805,864
Other expenses			
Operating expenses		9,683,841	7,801,364
Workers' welfare fund		70,582	156,249
Other charges		620	4,090
Total other expenses		9,755,043	7,961,703
Profit before credit loss allowance		3,796,006	5,844,161
Credit loss allowance and write offs - net		(266,918)	1,797,645
PROFIT BEFORE TAXATION		3,529,088	7,641,806
Taxation		(1,835,448)	(4,052,325)
PROFIT AFTER TAXATION		1,693,640	3,589,481

39.1 Due from Financial Institutions

	30 September 2026 (Un-Audited)			31 December 2025 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	Rupees in '000					
Unsecured						
- Musharaka placements	-	-	-	33,150,000	-	33,150,000
Less: Credit loss allowance						
Stage 1		-	-	(126)	-	(126)
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
	-	-	-	(126)	-	(126)
Due from financial institutions - net of credit loss allowances	-	-	-	33,149,874	-	33,149,874

39.2 Investments by segments

	30 September 2026 (Un-Audited)			
	Cost / amortised cost	Credit loss allowance held	Surplus / (deficit)	Carrying value
	Rupees in '000			
Debt Instruments				
Measured at amortised cost				
Federal Government securities				
- Bai Muajjal	47,941,244	-	-	47,941,244
- Ijarah Sukuk	2,993,290	-	-	2,993,290
	50,934,534	-	-	50,934,534
Certificate of investment	1,200,000	(5)	-	1,199,995
	52,134,534	(5)	-	52,134,529
Measured at FVOCI				
Federal Government securities				
- Ijarah Sukuk	125,143,067	-	294,632	125,437,699
Non Government debt securities	340,000	(340,000)	-	-
	125,483,067	(340,000)	294,632	125,437,699
Instruments mandatory classified / measured at FVTPL				
	1,669,984	-	(4,296)	1,665,688
Total investments	179,287,585	(340,005)	290,336	179,237,916

31 December 2025 (Audited)			
Cost / amortised cost	Credit loss allowance held	Surplus / (deficit)	Carrying value
Rupees in '000			
Debt Instruments			
Measured at amortised cost			
Federal Government securities			
– Bai Muajjal	51,937,179	–	51,937,179
– Ijarah Sukuk	2,984,563	–	2,984,563
	54,921,742	–	54,921,742
Certificate of investment	4,500,000	(75)	4,499,925
	59,421,742	(75)	59,421,667
Measured at FVOCI			
Federal Government securities			
– Ijarah Sukuk	89,374,624	–	91,276,999
Non Government debt securities	340,000	(340,000)	–
	89,714,624	(340,000)	91,276,999
Instruments mandatory classified / measured at FVTPL			
	1,198,698	–	1,194,527
Total investments	150,335,064	(340,075)	151,893,193

39.2.1 Particulars of credit loss allowance

30 September 2026 (Un-Audited)			
Stage 1	Stage 2	Stage 3	Total
Rupees in '000			
Certificate of investment	5	–	5
Non Government debt securities	–	340,000	340,000
	5	340,000	340,005
31 December 2025 (Audited)			
Stage 1	Stage 2	Stage 3	Total
Rupees in '000			
Certificate of investment	75	–	75
Non Government debt securities	–	340,000	340,000
	75	340,000	340,075

39.3 Islamic financing and related assets - net

30 September 2026 (Un-Audited)

	Financing	Advances	Inventory	Total
	Rupees in '000			
Ijarah	11,321,136	119,345	-	11,440,481
Ijarah - islamic long term financing facility	-	-	-	-
Murabaha	4,373,557	2,426,467	-	6,800,024
Working capital musharaka	46,229,577	-	-	46,229,577
Diminishing musharaka	29,187,969	3,186,005	-	32,373,974
Istisna	2,029,739	4,524,312	2,755,674	9,309,725
Al-bai	2,965,701	-	4,967,798	7,933,499
Bai Muajjal	8,884,597	-	-	8,884,597
Diminishing musharaka:				
Islamic long term financing facility	3,313,670	3,017,961	-	6,331,631
Islamic refinance scheme for payment of wages and salaries	-	-	-	-
Islamic financing facility for storage of agricultural produce	218,737	-	-	218,737
Islamic temporary economic refinance facility	6,543,030	-	-	6,543,030
Islamic financing facility for renewable energy	309,541	-	-	309,541
Islamic export refinance:				
Working capital musharaka	26,135,557	-	-	26,135,557
Istisna	260,227	5,110,015	429,807	5,800,049
Al-bai	427,033	-	1,011,918	1,438,951
Gross islamic financing and related assets	142,200,071	18,384,105	9,165,197	169,749,373
Less: Credit loss allowance held against islamic financing and related assets				
- Stage 1	(206,982)	(51,387)	(3,066)	(261,435)
- Stage 2	(739,543)	(128,098)	(173,903)	(1,041,544)
- Stage 3	(2,456,378)	-	-	(2,456,378)
	(3,402,903)	(179,485)	(176,969)	(3,759,357)
Islamic financing and related assets - net of credit loss allowance held	138,797,168	18,204,620	8,988,228	165,990,016

31 December 2025 (Audited)				
	Financing	Advances	Inventory	Total
	Rupees in '000			
Ijarah	1,108,225	7,553,007	–	8,661,232
Ijarah – islamic long term financing facility	4,885	–	–	4,885
Murabaha	1,999,743	12,393,946	–	14,393,689
Working capital musharaka	33,803,189	–	–	33,803,189
Diminishing musharaka	23,005,880	9,158,861	–	32,164,741
Istisna	2,053,496	5,052,247	3,837,993	10,943,736
Al-bai	4,810,457	–	3,653,715	8,464,172
Diminishing musharaka:				
Islamic long term financing facility	2,420,220	1,227,100	–	3,647,320
Islamic financing facility for storage of agricultural produce	276,710	–	–	276,710
Islamic temporary economic refinance facility	7,577,657	–	–	7,577,657
Islamic financing facility for renewable energy	376,236	–	–	376,236
Islamic export refinance:				
Working capital musharaka	20,916,761	–	–	20,916,761
Istisna	980,928	3,507,686	1,169,132	5,657,746
Al-bai	90,604	–	1,282,527	1,373,131
Gross islamic financing and related assets	99,424,991	38,892,847	9,943,367	148,261,205
Less: Credit loss allowance against Islamic financing and related assets				
– Stage 1	(52,825)	(7,703)	(3,359)	(63,887)
– Stage 2	(931,571)	(145,337)	(332,667)	(1,409,575)
– Stage 3	(1,740,518)	(278,263)	–	(2,018,781)
	(2,724,914)	(431,303)	(336,026)	(3,492,243)
Islamic financing and related assets – net of credit loss allowance held	96,700,077	38,461,544	9,607,341	144,768,962

39.4 Deposits

	30 September 2026 (Un-Audited)			31 December 2025 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	Rupees in '000					
Customers						
Current deposits	106,386,811	15,422,298	121,809,109	98,513,134	15,779,080	114,292,214
Savings deposits	109,219,330	1,442,663	110,661,993	96,079,646	934,265	97,013,911
Term deposits	47,913,315	5,253,984	53,167,299	25,444,133	6,105,300	31,549,433
Others	3,904,333	–	3,904,333	3,402,462	–	3,402,462
	267,423,789	22,118,945	289,542,734	223,439,375	22,818,645	246,258,020
Financial Institutions						
Current deposits	812,762	–	812,762	463,673	–	463,673
Savings deposits	28,524,952	–	28,524,952	58,528,651	–	58,528,651
Term deposits	–	–	–	162,845	–	162,845
Others	–	–	–	–	–	–
	29,337,714	–	29,337,714	59,155,169	–	59,155,169
	296,761,503	22,118,945	318,880,448	282,594,544	22,818,645	305,413,189

39.5 Unappropriated profit

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
	Rupees in '000	
Opening balance	4,238,754	2,874,296
Add: Islamic banking profit for the period / year	3,529,088	9,023,575
Less: Taxation	(1,835,448)	(4,784,821)
Less: Transferred to head office	(4,238,754)	(2,874,296)
Closing balance	1,693,640	4,238,754

39.6 Contingencies and commitments

	30 September 2026 (Un-Audited)	31 December 2025 (Audited)
Guarantees	17,987,433	18,572,365
Commitments	51,582,995	20,876,785
	69,570,428	39,449,150

	30 September 2026 (Un-Audited)	30 September 2025
	Rupees in '000	
39.7 Profit / return earned on:		
Financing	11,774,448	10,675,019
Investments	15,229,377	13,421,912
Placements	934,710	495,588
	<u>27,938,535</u>	<u>24,592,519</u>
39.8 Profit / return expensed on:		
Deposits and other accounts	14,293,675	9,178,114
Due to financial institutions	1,127,342	2,422,458
Lease liabilities against right-of-use assets	447,175	381,935
	<u>15,868,192</u>	<u>11,982,507</u>

40. GENERAL

40.1 The figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

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

41. NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION / DATE OF AUTHORISATION FOR ISSUE

41.1 The Board of Directors at its meeting held on 22 October 2026, approved an interim cash dividend of Rs. 2.50 per share (30 September 2025: interim cash dividend of Rs. 2.50 per share).

41.2 These consolidated condensed interim financial statements were authorised for issue on 22 October 2026 by the Board of Directors of the Bank.

FUZAIL ABBAS
Chief Financial Officer

KHURRAM SHAHZAD KHAN
Chief Executive Officer

MOHSIN A. NATHANI
Director

RASHID AHMED JAFER
Director

MOHAMEDALI R. HABIB
Chairman

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