

سیناروں سے آگے جہاں اور بھی ہیں

BEYOND LIMITS,
INTO THE FUTURE

NINE MONTHS REPORT (UN-AUDITED)
SEPTEMBER 30, 2026

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COMPANY INFORMATION

BOARD OF DIRECTORS

Lord Zameer M. Choudrey, CBE, SI Pk
Chairman/Non-Executive Director

Mr. Rizwan Pervez
Non-Executive Director

Mr. Daniel M. Howlett
Independent Director

Sir Mohammed Anwar Pervez, OBE, H Pk
Chairman Emeritus/Non-Executive Director

Mr. Muhammad Irfan A. Sheikh
Non-Executive Director

Mr. Ariful Islam
Independent Director

The Honourable Haider Zameer Choudrey
Non-Executive Director

Ms. Shazia Syed
Independent Director

Mr. Muhammad Jawaid Iqbal
President & CEO

COMMITTEES OF THE BOARD

BOARD AUDIT COMMITTEE (BAC):

Ms. Shazia Syed	Chairperson
The Honourable Haider Zameer Choudrey	Member
Mr. Rizwan Pervez	Member
Mr. Muhammad Irfan A. Sheikh	Member
Mr. Ariful Islam	Member
Mr. Shoukat Ali	Secretary

BOARD INTERNATIONAL COMMITTEE (BIC):

Mr. Daniel M. Howlett	Chairman
Lord Zameer M. Choudrey, CBE, SI Pk	Member
The Honourable Haider Zameer Choudrey	Member
Mr. Ariful Islam	Member
Mr. Muhammad Jawaid Iqbal	Member
Mr. Munawar Raza Shah	Secretary

BOARD HUMAN RESOURCE & COMPENSATION COMMITTEE (HRCC):

Ms. Shazia Syed	Chairperson
Sir Mohammed Anwar Pervez, OBE, H Pk	Member
Lord Zameer M. Choudrey, CBE, SI Pk	Member
The Honourable Haider Zameer Choudrey	Member
Ms. Hafsa Abbasy	Secretary

Chief Financial Officer
Syed Manzoor Hussain Zaidi

Company Secretary
Mr. Shoukat Ali

Registered Office:
13th Floor, UBL Building, Jinnah Avenue, Blue Area, Islamabad.

BOARD RISK & COMPLIANCE COMMITTEE (BRCC):

Mr. Daniel M. Howlett	Chairman
The Honourable Haider Zameer Choudrey	Member
Mr. Rizwan Pervez	Member
Mr. Muhammad Irfan A. Sheikh	Member
Ms. Shazia Syed	Member
Mr. Muhammad Jawaid Iqbal	Member
Mr. Farrukh Karim Khan	Secretary

UBL Head Office
I.I. Chundrigar Road, Karachi - 74000, Pakistan.

Share Registrar
THK Associates (Pvt.) Limited
Plot No. 32-C, Jami Commercial Street - 2
D.H.A. Phase VII,
Karachi - 75500.
Phone No.: 021-35310187
UAN: 021-111-000-322
Fax No.: 021-35310190
Email: sfc@thk.com.pk

BOARD IT COMMITTEE (BITC):

Mr. Ariful Islam	Chairman
The Honourable Haider Zameer Choudrey	Member
Lord Zameer M. Choudrey, CBE, SI Pk	Member
Mr. Daniel M. Howlett	Member
Mr. Muhammad Irfan A. Sheikh	Member
Mr. Muhammad Jawaid Iqbal	Member
Mr. Sohail Aziz	Secretary

Auditors
M/s. EY Ford Rhodes
Chartered Accountants

Legal Advisors
M/s. Mehmood Abdul Ghani & Co.
Advocates

BOARD NOMINATION COMMITTEE (BNC):

Sir Mohammed Anwar Pervez, OBE, H Pk	Chairman
Lord Zameer M. Choudrey, CBE, SI Pk	Member
The Honourable Haider Zameer Choudrey	Member
Mr. Shoukat Ali	Secretary

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DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, we are pleased to present the financial statements of United Bank Limited (UBL) for the nine months ended September 30, 2026.

Performance Overview

On a standalone basis, UBL recorded Profit Before Tax (PBT) of Rs. 240.5 billion for the nine months ended September 30, 2026, with a strong growth of 8% year on year. Profit After Tax (PAT) stood at Rs. 115.2 billion for 9M'26 as compared to Rs. 98.5 billion for 9M'25 with Earnings per share (EPS) of Rs. 46.0 compared to Rs. 39.55 for the corresponding period last year. On a consolidated basis, UBL reported PAT of Rs. 116.6 billion (9M'25: Rs. 100.1 billion) with consolidated EPS of Rs. 46.54 (9M'25: Rs. 40.19).

The Board of Directors declared an interim cash dividend of Rs. 8.0 per share in their meeting held in Dubai on October 16, 2026 along with the results for the nine months ended September 30, 2026.

The Bank's gross revenues were Rs. 376.9 billion in 9M'26, a year-on-year growth of 21% with net mark-up income growing steadily to Rs. 282.9 billion. The Bank earned non-markup income of Rs. 94.0 billion in 9M'26 underpinned by broad based growth in all revenue lines. Fees and commission income came in at Rs. 22.8 billion in 9M'26 led by card related fees, supported by solid trade income, corporate service and investment banking fees, and UBL's continued leadership position in the domestic home remittances space. Significant capital gains of Rs. 47.9 billion were recorded with the bank capitalizing on market opportunities supported by strong foreign exchange income on the back of growing trade flows.

The Bank's operating expenses recorded a 53% increase over 9M'25 and stood at Rs. 136.1 billion in 9M'26. This was driven by staff costs increasing by 49% year-on-year to Rs. 52.6 billion, property related expenses rising 51% year on year to Rs. 17.6 billion and IT expenses increasing 28% year-on-year to Rs. 10.1 billion. Net provision reversal of Rs. 4.5 billion for 9M'26 against a net provision reversal of Rs. 4.7 billion in 9M'25 reflecting continued recovery momentum.

Capital Ratios - Consolidated

The bank seeks to maintain an efficient capital base that provides a foundation for future growth as well as maintaining adequate buffers over regulatory requirements. The consolidated CAR stood at 18.71% as of Sep'26 (Dec'25: 20.97%), with a buffer of 4.71% over the minimum regulatory requirement of 14.0%. The Common Equity Tier 1 (CET-1) ratio stood at 15.61% as of Sep'26 (Dec'25: 15.92%). The Total Tier 1 Capital ratio was 15.95% as of Sep'26 (Dec'25: 16.31%).

Credit Rating

VIS Credit Rating Company Limited (VIS) re-affirmed the entity rating of UBL at "AAA / A-1+" (Triple A / A-One Plus) on June 30, 2026. Moreover, UBL's Additional Tier-1 (ADT-1) TFC has also been re-affirmed at 'AA+' (Double A plus). Outlook on the assigned ratings is 'Stable'.

Future Outlook

Despite the prolonged Middle East conflict, macroeconomic indicators have remained largely within expected ranges supported by solid remittance flows, contained current account deficit and strong reserves position. UBL has continued to demonstrate strong momentum and operational resilience during this period by leveraging the strength of our franchise and extensive distribution network to deliver sustainable growth and long-term shareholder value. The Bank's expanding conventional and Islamic branch network has enhanced our accessibility, customer outreach and resulted in a strong increase in our deposit market share and revenues. Key priorities remain growing the deposit base both domestically and overseas, increasing focus on trade flows and fee income and enhancing customer service capabilities across all banking channels. We remain committed to excellence across all operating segments, delivering superior service levels to our customers with consistently strong returns to our shareholders.

Acknowledgements

On behalf of the Board of Directors, we would like to express our appreciation to UBL's customers and shareholders for their continued trust in the UBL brand and to the UBL staff for their commitment and dedication. We would also like to extend our gratitude to the Government of Pakistan, the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory bodies for their continuous guidance and support.



Muhammad Jawaid Iqbal
President & CEO



Daniel Michael Howlett
Director

Dubai,
October 16, 2026



UNITED BANK LIMITED

**UNCONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2026
(Un-audited)**

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks	6	718,958,206	547,646,979
Balances with other banks	7	80,556,147	57,179,677
Lendings to financial institutions	8	27,798,345	31,574,547
Investments	9	9,534,683,747	9,951,054,650
Advances	10	1,721,694,040	1,369,366,395
Property and equipment	11	209,584,952	120,546,171
Right-of-use assets	12	66,532,769	36,198,112
Intangible assets	13	54,978,953	58,353,831
Deferred tax assets	14	-	-
Other assets	15	500,429,523	448,273,083
		12,915,216,682	12,620,193,445
LIABILITIES			
Bills payable	17	97,961,245	58,631,844
Borrowings	18	5,433,903,453	6,530,014,720
Deposits and other accounts	19	6,501,449,409	5,168,424,418
Lease liabilities	20	70,569,169	38,873,814
Subordinated debt	21	10,000,000	10,000,000
Deferred tax liabilities	14	66,326,282	135,943,237
Other liabilities	22	213,982,492	179,573,846
		12,394,192,050	12,121,461,879
NET ASSETS		<u>521,024,632</u>	<u>498,731,566</u>
REPRESENTED BY:			
Share capital	23	12,521,239	12,521,239
Reserves		147,528,250	138,517,698
Surplus on revaluation of assets - net	24	138,304,436	173,025,714
Unappropriated profit		222,670,707	174,666,915
		<u>521,024,632</u>	<u>498,731,566</u>
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The annexed notes 1 to 45 form an integral part of these unconsolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
 Chief Financial Officer


Muhammad Jawaid Iqbal
 President &
 Chief Executive Officer


Shazia Syed
 Director


Daniel Michael Howlett
 Director


Lord Zameer M. Choudrey, CBE, SI Pk
 Chairman

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		July - September 2026	July - September 2025	January - September 2026	January - September 2025
Note		(Rupees in '000)			
Mark-up / return / interest earned	27	355,220,481	297,224,588	1,020,235,042	861,218,417
Mark-up / return / interest expensed	28	261,918,935	205,250,937	737,237,164	593,822,518
Net mark-up / interest income		93,301,546	91,973,651	282,997,878	267,395,899
Non mark-up / interest income					
Fee and commission income	29	7,720,018	6,754,687	22,807,268	21,259,706
Dividend income		69,610	298,810	627,084	1,732,330
Foreign exchange income		8,582,603	4,836,577	20,809,290	12,280,199
Gain / (loss) from derivatives		744,994	(1,313)	742,618	(1,255,891)
Gain / (loss) on securities - net	30	5,526,853	902,623	47,919,003	9,049,933
Capital gain on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	31	256,450	252,267	1,057,162	740,231
Total non mark-up / interest income		22,900,528	13,043,651	93,962,425	43,806,508
Total income		116,202,074	105,017,302	376,960,303	311,202,407
Non mark-up / interest expenses					
Operating expenses	32	51,981,267	30,372,033	136,054,839	88,858,478
Workers' Welfare Fund		1,350,727	1,450,463	4,827,787	4,365,567
Other charges	33	21,356	43,321	36,528	45,815
Total non mark-up / interest expenses		53,353,350	31,865,817	140,919,154	93,269,860
Profit before credit loss allowance		62,848,724	73,151,485	236,041,149	217,932,547
Credit loss allowance and write-offs - net	34	(252,830)	(822,101)	(4,460,481)	(4,711,348)
Profit before taxation		63,101,554	73,973,586	240,501,630	222,643,895
Taxation	35	32,882,736	39,270,818	125,312,906	124,150,535
Profit after taxation		30,218,818	34,702,768	115,188,724	98,493,360
		(Rupees)			
Earnings per share - basic and diluted	36	12.07	13.86	46.00	39.55

The annexed notes 1 to 45 form an integral part of these unconsolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director


Lord Zameer M. Choudrey, CBE, SI Pk
Chairman

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	July - September 2026	July - September 2025	January - September 2026	January - September 2025
	----- (Rupees in '000) -----			
Profit after taxation for the period	30,218,818	34,702,768	115,188,724	98,493,360
Other comprehensive income				
<i>Items that may be reclassified to profit and loss account in subsequent periods</i>				
Effect of translation of net investment in foreign branches	(608,918)	(1,125,686)	(1,794,075)	1,059,096
Movement in cash flow hedge reserve - net of tax	(1,453,454)	-	(714,245)	-
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	(8,309,353)	2,315,505	(56,780,629)	61,132,466
	(10,371,725)	1,189,819	(59,288,949)	62,191,562
<i>Items that will not be reclassified to profit and loss account in subsequent periods</i>				
Movement in surplus on revaluation of equity investments through FVOCI - net of tax	(100,150)	2,038,318	980,537	2,566,757
Movement in surplus on revaluation of property and equipment - net of tax	1,509,532	-	25,198,709	-
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-
	1,409,382	2,038,318	26,179,246	2,566,757
Total comprehensive income for the period	<u>21,256,475</u>	<u>37,930,905</u>	<u>82,079,021</u>	<u>163,251,679</u>

The annexed notes 1 to 45 form an integral part of these unconsolidated condensed interim financial statements.

				
Syed Manzoor Hussain Zaidi Chief Financial Officer	Muhammad Jawaid Iqbal President & Chief Executive Officer	Shazia Syed Director	Daniel Michael Howlett Director	Lord Zameer M. Choudrey, CBE, SI Pk Chairman

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

	Share capital	Share Premium	Capital reserve exchange translation	Cash Flow Hedge Reserve	Statutory reserve	Surplus / (Deficit) on revaluation			Unappropriated profit	Total
						Investments	Property and Equipment	Non-banking assets		
Note	(Rupees in '000)									
Balance as at January 01, 2025 - as restated	12,241,797	-	59,803,954	-	54,930,877	40,190,955	38,453,449	1,146	111,955,818	317,577,996
Total comprehensive income for the nine months ended September 30, 2025										
Profit after taxation for the nine months ended September 30, 2025	-	-	-	-	-	-	-	-	98,493,360	98,493,360
Other comprehensive income - net of tax	-	-	1,059,096	-	-	63,699,223	-	-	-	64,758,319
Total comprehensive income for the nine months ended September 30, 2025	-	-	1,059,096	-	-	63,699,223	-	-	98,493,360	163,251,679
Transfer of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	(52,082)	-	52,082	-
Transfer of net gain on disposal of FVOCI equity investments from surplus to unappropriated profit - net of tax	-	-	-	-	-	(2,627,840)	-	-	2,627,840	-
Share issued under amalgamation	279,442	10,473,761	-	-	-	-	-	-	-	10,753,203
Transfer to statutory reserve	-	-	-	-	9,849,336	-	-	-	(9,849,336)	-
Transactions with owners, recorded directly in equity										
Final cash dividend - December 31, 2024 declared subsequent to the year end at Rs. 11.0 per share	-	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)
Interim cash dividend - March 31, 2025 declared at Rs. 11.0 per share	-	-	-	-	-	-	-	-	(13,773,363)	(13,773,363)
Interim cash dividend - June 30, 2025 declared at Rs. 8.0 per share	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)
	-	-	-	-	-	-	-	-	(47,273,322)	(47,273,322)
Balance as at September 30, 2025 (Un-audited)	12,521,239	10,473,761	60,863,050	-	64,780,213	101,262,338	38,401,367	1,146	156,006,442	444,309,556
Total comprehensive income for the three months ended December 31, 2025										
Profit after taxation for the three months ended December 31, 2025	-	-	-	-	-	-	-	-	29,515,487	29,515,487
Other comprehensive income - net of tax	-	-	(550,875)	-	-	33,391,979	-	-	12,099,401	44,940,505
Total comprehensive income for the three months ended December 31, 2025	-	-	(550,875)	-	-	33,391,979	-	-	41,614,888	74,455,992
Transfer of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	(19,632)	-	19,632	-
Transfer of net gain on disposal of FVOCI equity investments from surplus to unappropriated profit - net of tax	-	-	-	-	-	(11,484)	-	-	11,484	-
Transfer to statutory reserve	-	-	-	-	2,951,549	-	-	-	(2,951,549)	-
Transactions with owners, recorded directly in equity										
Interim cash dividend - September 30, 2025 declared at Rs. 8.0 per share	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)
Balance as at December 31, 2025 (Audited)	12,521,239	10,473,761	60,312,175	-	67,731,762	134,642,833	38,381,735	1,146	174,666,915	498,731,566
Effect of Transition to EIR Method - net of tax	-	-	-	-	-	-	-	-	315,991	315,991
Balance as at January 01, 2026 - as restated	12,521,239	10,473,761	60,312,175	-	67,731,762	134,642,833	38,381,735	1,146	174,982,906	499,047,557
Total comprehensive income for the nine months ended September 30, 2026										
Profit after taxation for the nine months ended September 30, 2026	-	-	-	-	-	-	-	-	115,188,724	115,188,724
Other comprehensive income - net of tax	-	-	(1,794,075)	(714,245)	-	(55,800,092)	25,198,709	-	-	(33,109,703)
Total comprehensive income for the nine months ended September 30, 2026	-	-	(1,794,075)	(714,245)	-	(55,800,092)	25,198,709	-	115,188,724	82,079,021
Transfer of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	(55,132)	-	55,132	-
Transfer of net gain on disposal of FVOCI equity investments from surplus to unappropriated profit - net of tax	-	-	-	-	-	(4,064,763)	-	-	4,064,763	-
Transfer to statutory reserve	-	-	-	-	11,518,872	-	-	-	(11,518,872)	-
Transactions with owners, recorded directly in equity										
Final cash dividend - December 31, 2025 declared subsequent to the year end at Rs. 8.0 per share	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)
Interim cash dividend - March 31, 2026 declared at Rs. 8.0 per share	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)
Interim cash dividend - June 30, 2026 declared at Rs. 8.0 per share	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)
	-	-	-	-	-	-	-	-	(60,101,946)	(60,101,946)
Balance as at September 30, 2026(Un-audited)	12,521,239	10,473,761	58,518,100	(714,245)	79,250,634	74,777,978	63,525,312	1,146	222,670,707	521,024,632

The annexed notes 1 to 45 form an integral part of these unconsolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director


Lord Zameer M. Choudrey, CBE, SI Kk
Chairman

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	January - September 2026	January - September 2025
	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	240,501,630	222,643,895
Less: Dividend income	627,084	1,732,330
	<u>239,874,546</u>	<u>220,911,565</u>
Adjustments:		
Depreciation on property and equipment	10,853,664	6,528,435
Depreciation on right-of-use assets	5,293,273	3,014,991
Depreciation on non-banking assets acquired in satisfaction of claims	16,160	29,853
Amortisation	5,425,821	833,959
Workers' Welfare Fund - charge	4,827,787	4,365,567
Provision for retirement benefits	1,752,041	1,364,137
Provision for compensated absences	92,435	109,575
Credit loss allowance / (reversal) against loans and advances	(4,439,703)	(4,534,504)
Credit loss allowance / (reversal) against off-balance sheet obligations - net	768,596	198,026
Credit loss allowance / (reversal) for diminution in value of investments	(744,361)	65,525
Credit loss allowance / (Reversal) against cash and balances with treasury banks	45,364	(122,115)
Impairment on fixed assets	160,218	-
Interest expense on lease liabilities against right-of-use assets	5,165,568	2,452,502
Gain / (loss) on sale of Ijarah assets - net	(5,623)	234
Gain on sale of property and equipment - net	(67,917)	(88,897)
Bad debts written off directly	102,383	58,036
Unrealised loss on revaluation of investments classified as FVPL	212,922	(42,667)
Credit loss allowance / (Reversal) against other assets - net	128,349	45,220
Other credit loss allowance / write-offs	68,939	183,670
	<u>29,655,916</u>	<u>14,461,547</u>
	<u>269,530,462</u>	<u>235,373,112</u>
(Increase) / decrease in operating assets		
Lendings to financial institutions	3,776,202	(120,863,254)
Securities classified as FVPL	(55,281,906)	(208,564,550)
Advances	(348,375,967)	345,360,053
Other assets (excluding advance taxation)	(31,703,806)	(218,783,195)
	<u>(431,585,477)</u>	<u>(202,850,946)</u>
Increase / (decrease) in operating liabilities		
Bills payable	39,329,401	(11,566,664)
Borrowings	(1,096,111,267)	868,740,628
Deposits and other accounts	1,333,024,991	2,128,578,212
Other liabilities	31,040,498	18,429,781
	<u>307,283,623</u>	<u>3,004,181,957</u>
	<u>145,228,608</u>	<u>3,036,704,123</u>
(Payments) / Receipts on account of staff retirement benefits	(4,260,415)	628,616
Income taxes paid	(149,567,634)	(83,447,204)
Net cash flow (used in) / generated from operating activities	<u>(8,599,441)</u>	<u>2,953,885,535</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities classified as FVOCI	1,029,072,659	(2,377,825,293)
Net investments in amortised cost securities	(665,780,297)	(213,820,407)
Net investments in subsidiaries	(8,000,000)	-
Net investments in associates	(7,785,083)	9,910
Cash acquired through business combination	-	15,198,229
Dividend income received	643,393	1,715,365
Investment in property and equipments and intangible assets	(74,625,453)	(94,585,879)
Sale proceeds from disposal of property and equipments	501,183	279,777
Sale proceeds from disposal of Ijarah assets	16,217	10,360
Effect of translation of net investment in foreign branches	(1,794,075)	1,059,096
Net cash flow generated from / (used in) investing activities	<u>272,248,544</u>	<u>(2,667,958,842)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities against right-of-use assets	(8,992,519)	(4,870,019)
Payment of subordinated debt	-	(1,998,400)
Dividend paid	(59,968,887)	(47,023,178)
Net cash flow used in financing activities	<u>(68,961,406)</u>	<u>(53,891,597)</u>
	<u>194,687,697</u>	<u>232,035,096</u>
Increase / (decrease) in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	608,273,234	367,534,705
Effect of exchange rate changes on cash and cash equivalents	(3,446,578)	2,179,452
	<u>604,826,656</u>	<u>369,714,157</u>
Cash and cash equivalents at the end of the period	<u><u>799,514,353</u></u>	<u><u>601,749,253</u></u>

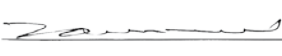
The annexed notes 1 to 45 form an integral part of these unconsolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director


Lord Zameer M. Choudrey, CBE, SI Pk
Chairman

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

1. STATUS AND NATURE OF BUSINESS

United Bank Limited (the Bank) is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's registered office and principal office are situated at UBL Building, Jinnah Avenue, Blue Area, Islamabad and at UBL Head Office, I. I. Chundrigar Road, Karachi respectively. The Bank operates 2,184 (December 31, 2025: 2,009) branches inside Pakistan including 824 (December 31, 2025: 752) Islamic Banking branches and 2 (December 31, 2025: 2) branches in Export Processing Zones. The Bank also operates 9 (December 31, 2025: 8) branches outside Pakistan. The Bank is a subsidiary of Bestway International Holdings Limited (BIHL) and BIHL is a wholly owned subsidiary of Bestway Group Limited (BGL), both of which have been incorporated in the Guernsey.

The Bank's ordinary shares are listed on Pakistan Stock Exchange (PSX). Its Global Depository Receipts (GDRs) are on the list of the UK Listing Authority and the London Stock Exchange Professional Securities Market. These GDRs are also eligible for trading on the International Order Book System of the London Stock Exchange. Further, the GDRs constitute an offering in the United States only to qualified institutional buyers in reliance on Rule 144A under the US Securities Act of 1933 and an offering outside the United States in reliance on Regulation S.

2. BASIS OF PRESENTATION

These unconsolidated condensed interim financial statements have been prepared in conformity with the format of interim financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular No. 2 dated February 09, 2023.

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

Key financial figures of the Islamic Banking branches are disclosed in note 41 to these unconsolidated condensed interim financial statements.

2.1 STATEMENT OF COMPLIANCE

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

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

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

The SBP vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

In accordance with IFRS 9 application instructions issued by SBP, the Banks are allowed to continue the existing accounting practice with respect to revenue recognition of Islamic financial instrument until further instructions. Accordingly, the Bank has continued to apply previous accounting practices in such areas for the purposes of preparation of these unconsolidated financial statements.

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

The disclosures made in these unconsolidated condensed interim financial statements have been limited 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 information and disclosures required in preparation of audited annual financial statements, and should be read in conjunction with the audited unconsolidated financial statements of the Bank for the year ended December 31, 2025.

These unconsolidated condensed interim financial statements represent the separate condensed interim financial statements of the Bank. The consolidated condensed interim financial statements of the Bank and its subsidiary companies are presented separately.

2.2 Standards, interpretations and amendments to accounting standards that have become effective in the current year

There are certain amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2026. These are neither considered relevant nor have any significant impact and accordingly have not been detailed in these unconsolidated condensed interim financial statements.

2.3 Standards, interpretations and amendments to accounting standards that are not yet effective

There are various amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective.

Standard, Interpretation or Amendment	Effective date (annual periods beginning on or after)
Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21	January 01, 2027
IFRS 18 - Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	January 01, 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalised.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. IFRS 18 introduces new requirements for presentation of various items within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management defined performance measures in the notes and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. Narrow-scope amendments have been made to IAS 7, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. Earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Bank is currently working to identify all impacts the amendments will have on the unconsolidated financial statements of future period and notes thereto.

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard

IASB Effective date (annual periods beginning on or after)

IFRS 1 - First time adoption of International Financial Reporting Standards

January 01, 2004

The above standards and amendments are not expected to have any significant impact on Bank's unconsolidated condensed interim financial statements for future periods.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the unconsolidated financial statements of the Bank for the year ended December 31, 2025, except as disclosed in Notes 3.1 and 3.2.

3.1 Financial Instruments – Effective Interest Rate Method

In accordance with SBP directions, the Bank has adopted the Effective Interest Rate (EIR) method for the recognition of interest income and expense on financial instruments measured at amortised cost and at fair value through other comprehensive income (FVOCI) under IFRS 9 from 1 January 2026, which resulted in net credit adjustment of Rs. 315.991 million (net of tax) in the unappropriated profit at the beginning of the current period without restating the comparative figures.

3.2 Cash flow hedge

As a part of its risk management, the Bank has identified a cashflow risk associated with interest rate payments and adopted corresponding hedging strategies using interest rate swaps. When a hedging relationship meets the specified hedge accounting criteria set out in IFRS 9, the Bank applies one of three types of hedge accounting: cash flow hedges.

At inception, the Bank formally documents how the hedging relationship meets the hedge accounting criteria. It also records the economic relationship between the hedged item and the hedging instrument, including the nature of the risk, the risk management objective and strategy for undertaking the hedge and the method that will be used to assess the effectiveness of the hedging relationship at inception and on an ongoing basis. In order to qualify for hedge accounting, a hedging relationship must be expected to be highly effective on a prospective basis.

A hedge is considered to be highly effective if:

- a) there is economic relationship between hedge item and hedge instrument;
- b) the effect of credit risk does not dominate the value changes that result from the economic relationship;
- c) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

However, that designation shall not reflect an imbalance between the weightings of the hedged item and the hedging instrument that would create hedge ineffectiveness (irrespective of whether recognised or not) that could result in an accounting outcome that would be inconsistent with the purpose of hedge accounting.

The Bank uses the hypothetical derivative method. The hypothetical derivative method involves establishing a notional derivative that would be the ideal hedging instrument for the hedged exposure (normally an interest rate swap with no unusual terms and a zero fair value at inception of the hedge relationship). The fair value of the hypothetical derivative is then used as a proxy for the net present value of the hedged future cash flows against which changes in value of the actual hedging instrument are compared to assess effectiveness and measure ineffectiveness.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity and the gain and losses related to effective portion is recognised in OCI. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Ineffectiveness recognised in the reporting period is presented within 'Income / (Loss) from derivatives'.

In cashflow hedge, the causes of hedging ineffectiveness arise from the difference in the timing of cash flows of hedge items and hedge instruments, different interest rate curves for discount rate, effect of credit risk of counter parties and fair value of hedge instrument at inception. In addition, for cashflow hedges, sources of hedge ineffectiveness occur from the basis risk, where differences in the repricing basis between the hedging instrument and hedged cash flows exist.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative amount in cash flow hedge that were reported in equity are immediately reclassified to statement of profit and loss account.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the unconsolidated financial statements of the Bank for the year ended December 31, 2025, except for:

a) The Bank's accounting of cashflow hedge includes an element of judgement and estimation uncertainty in particular with respect to interest rate curves and expected cashflows.

b) The Bank's EIR method, as explained in Note 3.1 above, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the life of financial instruments and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle (including prepayments, penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life cycle of the instruments, as well expected changes to the Bank's base rate.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2025, except for designation of certain floating rate advances as hedged items in cashflow hedges of interest rate risks on these advances through interest rate swaps.

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
6. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		112,065,527	69,558,056
Foreign currencies		73,321,259	27,177,215
		185,386,786	96,735,271
With State Bank of Pakistan in			
Local currency current accounts		204,655,916	154,773,588
Foreign currency current accounts		7,801,798	8,224,165
Foreign currency deposit accounts		11,481,309	12,157,685
		223,939,023	175,155,438
With other central banks in			
Foreign currency current accounts		217,190,763	175,790,193
Foreign currency deposit accounts		17,989,655	34,048,154
		235,180,418	209,838,347
With National Bank of Pakistan in			
Local currency current accounts		74,251,084	65,643,246
Foreign currency deposit accounts		-	-
		74,251,084	65,643,246
National prize bonds		299,630	328,048
		719,056,941	547,700,350
Less: Credit loss allowance held against cash and balances with treasury banks	6.1	(98,735)	(53,371)
Cash and balances with treasury banks - net of credit loss allowance		718,958,206	547,646,979
6.1	Cash and balances with treasury banks are all classified as Stage 1.		
7. BALANCES WITH OTHER BANKS			
In Pakistan			
In deposit accounts		7	7
Outside Pakistan			
In current accounts		68,682,882	54,393,530
In deposit accounts		11,894,252	2,801,135
		80,577,134	57,194,665
		80,577,141	57,194,672
Less: Credit loss allowance held against balances with other banks	7.1	(20,994)	(14,995)
Balances with other banks - net of credit loss allowance		80,556,147	57,179,677
7.1	Balances with other banks are all classified as Stage 1.		

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
8. LENDINGS TO FINANCIAL INSTITUTIONS	Note	----- (Rupees in '000) -----	
Call lending		14,917,621	-
Repurchase agreement lendings (Reverse Repo)		12,880,724	17,000,000
Bai Muajjal receivable with Scheduled bank / financial institution		-	14,574,547
		<u>27,798,345</u>	<u>31,574,547</u>
Less: Credit loss allowance held against lending to financial institutions	8.1	-	-
Lending to financial institutions - net of credit loss allowance		<u>27,798,345</u>	<u>31,574,547</u>

8.1 Lendings to financial institutions are all classified as stage 1.

	September 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
9.1 Investments by type	----- (Rupees in '000) -----							
FVPL								
Federal Government Securities	106,549,004	-	43,721	106,592,725	64,677,109	-	250,256	64,927,365
Shares and units	14,447,823	-	(256,643)	14,191,180	-	-	-	-
Non-Government debt securities	1,864,840	-	-	1,864,840	1,864,880	-	-	1,864,880
	<u>122,861,667</u>	<u>-</u>	<u>(212,922)</u>	<u>122,648,745</u>	<u>66,541,989</u>	<u>-</u>	<u>250,256</u>	<u>66,792,245</u>
FVOCI								
Federal Government securities	7,362,316,113	(657,567)	154,630,328	7,516,288,874	8,503,717,699	(1,407,799)	269,560,695	8,771,870,595
Shares and units	8,153,098	-	5,464,047	13,617,145	12,426,559	-	11,920,430	24,346,989
Non-Government debt securities	9,475,859	(250,500)	109,551	9,334,910	5,786,339	(216,281)	107,432	5,677,490
Foreign securities	508,100,454	(33,574)	(4,416,472)	503,650,408	395,186,313	(43,909)	(353,358)	394,789,046
	<u>7,888,045,524</u>	<u>(941,641)</u>	<u>155,787,454</u>	<u>8,042,891,337</u>	<u>8,917,116,910</u>	<u>(1,667,989)</u>	<u>281,235,199</u>	<u>9,196,684,120</u>
Amortized cost								
Federal Government securities	1,324,532,470	(488,385)	-	1,324,044,085	651,708,282	(138,688)	-	651,569,594
Non-Government debt securities	12,361,202	(449,388)	-	11,911,814	13,598,680	(833,639)	-	12,765,041
Foreign securities	15,067,602	(14,829)	-	15,052,773	20,908,768	(15,028)	-	20,893,740
	<u>1,351,961,274</u>	<u>(952,602)</u>	<u>-</u>	<u>1,351,008,672</u>	<u>686,215,730</u>	<u>(987,355)</u>	<u>-</u>	<u>685,228,375</u>
Associates	9,092,478	(1,057,485)	-	8,034,993	1,307,395	(1,057,485)	-	249,910
Subsidiaries	10,100,000	-	-	10,100,000	2,100,000	-	-	2,100,000
Total Investments	<u>9,382,060,943</u>	<u>(2,951,728)</u>	<u>155,574,532</u>	<u>9,534,683,747</u>	<u>9,673,282,024</u>	<u>(3,712,829)</u>	<u>281,485,455</u>	<u>9,951,054,650</u>

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
9.1.1 Investments given as collateral	Note	----- (Rupees in '000) -----	
Federal Government securities			
Market Treasury Bills		-	2,746,493
Pakistan Investment Bonds		5,281,136,657	6,422,520,807
Foreign securities		25,381,580	11,342,262
		<u>5,306,518,237</u>	<u>6,436,609,562</u>

9.1.1.1 The market value of securities given as collateral is Rs. 5,479,879 million (December 31, 2025: Rs. 6,629,601 million).

9.2 Credit loss allowance for diminution in value of investments			
Opening balance		3,712,829	4,071,592
Exchange adjustments		(16,740)	7,643
Charge / (reversals)			
Charge for the period / year		795,164	660,392
Reversals for the period / year		(1,534,103)	(1,026,798)
Reversal on disposals for the period / year		(5,422)	-
	34	<u>(744,361)</u>	<u>(366,406)</u>
Amounts written off		-	-
Closing balance		<u>2,951,728</u>	<u>3,712,829</u>

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

9.2.1 Particulars of credit loss allowance against debt securities

		September 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
		(Rupees in '000)			
Category of classification					
Domestic					
Performing	Stage 1	8,686,716,940	62	9,135,503,335	91
Under performing	Stage 2	-	-	-	-
Non-performing					
Substandard		-	-	-	-
Doubtful	Stage 3	-	-	-	-
Loss		588,175	588,175	593,594	593,594
Overseas					
Performing	Stage 1	652,962,429	1,306,006	521,231,980	2,061,659
Under performing	Stage 2	-	-	119,161	-
Non-performing					
Substandard		-	-	-	-
Doubtful	Stage 3	-	-	-	-
Loss		-	-	-	-
Total		9,340,267,544	1,894,243	9,657,448,070	2,655,344

9.3 Summary of financial position and performance of associates and subsidiaries

September 30, 2026 (Un-audited)							
	Country of Incorporation	Holding	Assets	Liabilities	Revenue	Profit / (Loss) after tax	Total comprehensive income / (loss) for the period
Note		%	(Rupees in '000)				
Associates							
	Pakistan	7.57%	9,707,115	37,169	39,097	(210,402)	(210,402)
	Pakistan	9.88%	35,283,153	201,499	(992,839)	(2,053,358)	(2,053,358)
	Pakistan	9.51%	31,598,784	206,709	(682,789)	(1,596,031)	(1,596,031)
	Pakistan	30.00%	12,859,495	9,928,905	1,784,452	215,024	117,262
	Pakistan	27.82%	138,761,370	151,642,311	26,014,855	3,296,072	3,311,411
Subsidiaries							
9.3.1	Pakistan	100.00%	8,000,000	-	-	-	-
	Pakistan	98.87%	8,720,384	958,919	3,708,034	1,520,006	1,520,006
	Pakistan	100.00%	2,695,604	455,137	908,610	116,447	116,447
September 30, 2025 (Un-audited)							
	Country of Incorporation	Holding	Assets	Liabilities	Revenue	Profit after tax	Total comprehensive income for the period
		%	(Rupees in '000)				
Associates							
	Pakistan	30.00%	14,245,877	11,382,261	1,715,135	236,890	230,575
	Pakistan	27.82%	115,647,517	132,748,717	21,127,761	1,248,474	1,258,923
Subsidiaries							
	Pakistan	98.87%	6,749,369	851,990	3,574,578	1,473,666	1,473,666
	Pakistan	100.00%	2,466,265	413,474	739,265	87,808	86,484

9.3.1 This represents the Bank's subscription towards the paid-up capital of UBL Agriculture and Rural Development (Private) Limited, a wholly owned subsidiary. The subsidiary was incorporated on August 20, 2026. The subsidiary's principal activity is to establish, develop, operate and manage a data-driven and digitally enabled platform for the development, modernization, transformation and sustainable growth of Pakistan's agriculture and rural economy.

9.4 The market value of securities classified as amortised cost as at September 30, 2026 amounted to Rs. 1,308,822,547 million (December 31, 2025: Rs. 696,455,990 million).

10. ADVANCES

	Performing		Non-performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	September 30,	December 31,	September 30,	December 31,	September 30,	December 31,
	2026	2025	2026	2025	2026	2025
(Rupees in '000)						
Loans, cash credits, running finances, etc.	993,102,053	723,214,738	98,254,453	107,924,425	1,091,356,506	831,139,163
Islamic financing and related assets	654,574,259	567,667,664	911,883	1,014,103	655,486,142	568,681,767
Bills discounted and purchased	84,320,877	89,595,187	2,469,123	3,014,094	86,790,000	92,609,281
Advances - gross	1,731,997,189	1,380,477,589	101,635,459	111,952,622	1,833,632,648	1,492,430,211
Credit loss allowance against advances						
-Stage 1	(10,046,228)	(8,249,766)	-	-	(10,046,228)	(8,249,766)
-Stage 2	(6,332,692)	(8,259,382)	-	-	(6,332,692)	(8,259,382)
-Stage 3	-	-	(95,559,688)	(106,554,668)	(95,559,688)	(106,554,668)
	(16,378,920)	(16,509,148)	(95,559,688)	(106,554,668)	(111,938,608)	(123,063,816)
Advances - net of credit loss allowance	1,715,618,269	1,363,968,441	6,075,771	5,397,954	1,721,694,040	1,369,366,395

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

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
10.1 Particulars of advances - gross		
In local currency	1,097,662,882	975,862,785
In foreign currencies	735,969,766	516,567,426
	<u>1,833,632,648</u>	<u>1,492,430,211</u>

10.2 Advances include Rs.101,635.459 million (December 31, 2025: Rs. 111,952.622 million) which have been placed under non-performing status as detailed below:

Category of Classification in Stage 3	(Un-audited) September 30, 2026		(Audited) December 31, 2025	
	Non-Performing Loans	Credit loss allowance	Non-Performing Loans	Credit loss allowance
	----- (Rupees in '000) -----			
Domestic				
Other Assets Especially Mentioned	-	-	106,608	35,805
Substandard	3,896,955	1,995,038	2,196,709	1,343,327
Doubtful	492,099	267,623	3,439,765	3,205,029
Loss	70,168,791	69,191,690	70,214,413	69,237,312
	74,557,845	71,454,351	75,957,495	73,821,473
Overseas				
Other Assets Especially Mentioned	-	-	-	-
Substandard	15,405	12,235	28,751	12,369
Doubtful	13,897	-	17,331	-
Loss	27,048,312	24,093,102	35,949,045	32,720,826
	27,077,614	24,105,337	35,995,127	32,733,195
Total	<u>101,635,459</u>	<u>95,559,688</u>	<u>111,952,622</u>	<u>106,554,668</u>

10.3 Particulars of credit loss allowance against advances

Note	September 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----							
Opening balance	8,249,766	8,259,382	106,554,668	123,063,816	6,009,588	7,736,178	107,899,651	121,645,417
Acquisitions through business combination	-	-	-	-	1,047,088	1,426,155	52,398,027	54,871,270
Exchange adjustments	(19,663)	(28,261)	(309,509)	(357,433)	8,095	19,706	516,551	544,352
Charge / (reversals)								
Charge for the period / year	6,439,398	3,893,507	4,763,139	15,096,044	4,480,622	3,398,622	824,930	8,704,174
Reversals for the period / year	(5,063,968)	(5,115,610)	(9,356,169)	(19,535,747)	(4,888,357)	(2,564,227)	(5,453,262)	(12,905,846)
	1,375,430	(1,222,103)	(4,593,030)	(4,439,703)	(407,735)	834,395	(4,628,332)	(4,201,672)
Amounts charged off								
- agriculture financing	10.5	-	(22,050)	(22,050)	-	-	(71,556)	(71,556)
Amounts written off	-	-	(5,501,855)	(5,501,855)	-	-	(49,289,636)	(49,289,636)
Amounts charge off	-	-	(804,167)	(804,167)	-	-	(434,359)	(434,359)
Transfers (out) / in - net	440,695	(676,326)	235,631	-	1,592,730	(1,757,052)	164,322	-
Closing balance	<u>10,046,228</u>	<u>6,332,692</u>	<u>95,559,688</u>	<u>111,938,608</u>	<u>8,249,766</u>	<u>8,259,382</u>	<u>106,554,668</u>	<u>123,063,816</u>

10.4 Advances - Particulars of credit loss allowance

Note	September 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----							
Opening balance	8,249,766	8,259,382	106,554,668	123,063,816	6,009,588	7,736,178	107,899,651	121,645,417
Acquisitions through business combination	-	-	-	-	1,047,088	1,426,155	52,398,027	54,871,270
Exchange adjustments	(19,663)	(28,261)	(309,509)	(357,433)	8,095	19,706	516,551	544,352
New Advances	6,439,398	1,873,130	1,715,865	10,028,393	4,480,622	2,527,067	824,930	7,832,619
Advances derecognized or repaid	(3,942,533)	(5,115,610)	(9,356,169)	(18,414,312)	(2,788,827)	(2,564,227)	(6,469,372)	(11,822,426)
Transfer to stage 1	819,935	(735,579)	(84,356)	-	1,743,795	(1,622,765)	(121,030)	-
Transfer to stage 2	(245,803)	268,854	(23,051)	-	(63,007)	105,393	(42,386)	-
Transfer to stage 3	(133,437)	(209,601)	343,038	-	(88,058)	(239,680)	327,738	-
	2,937,560	(3,918,806)	(7,404,673)	(8,385,919)	3,284,525	(1,794,212)	(5,480,120)	(3,989,807)
Amounts charged off - agriculture financing	10.5	-	(22,050)	(22,050)	-	-	(71,556)	(71,556)
Amounts written off	-	-	(5,501,855)	(5,501,855)	-	-	(49,289,636)	(49,289,636)
Amounts charge off	-	-	(804,167)	(804,167)	-	-	(434,359)	(434,359)
Changes in risk parameters	(1,121,435)	2,020,377	3,047,274	3,946,216	(2,099,530)	871,555	1,016,110	(211,865)
Closing balance	<u>10,046,228</u>	<u>6,332,692</u>	<u>95,559,688</u>	<u>111,938,608</u>	<u>8,249,766</u>	<u>8,259,382</u>	<u>106,554,668</u>	<u>123,063,816</u>

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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

10.4.1 Advances - Category of classification

		September 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
(Rupees in '000)					
Domestic					
Performing	Stage 1	1,003,560,367	8,241,468	874,932,793	6,431,400
Under performing	Stage 2	67,525,012	5,149,774	59,828,610	4,254,408
Non-performing	Stage 3				
Substandard		3,896,955	1,995,038	2,303,317	1,379,132
Doubtful		492,099	267,623	3,439,765	3,205,029
Loss		70,168,791	69,191,690	70,214,413	69,237,312
		74,557,845	71,454,351	75,957,495	73,821,473
Sub Total		1,145,643,224	84,845,593	1,010,718,898	84,507,281
Overseas					
Performing	Stage 1	653,114,351	1,804,760	394,414,440	1,818,366
Under performing	Stage 2	7,797,459	1,182,918	51,301,746	4,004,974
Non-performing	Stage 3				
Substandard		15,405	12,235	28,751	12,369
Doubtful		13,897	-	17,331	-
Loss		27,048,312	24,093,102	35,949,045	32,720,826
		27,077,614	24,105,337	35,995,127	32,733,195
Sub Total		687,989,424	27,093,015	481,711,313	38,556,535
Total		1,833,632,648	111,938,608	1,492,430,211	123,063,816

10.4.2 The Bank has also availed FSV benefit of certain mortgaged properties held as collateral against non-performing advances of overseas branches in accordance with the applicable regulations in the respective countries where the branches operate. Had the benefit not been taken by the Bank, the credit loss allowance against non-performing advances would have been higher by Rs. 294.78 million (December 31, 2025: Rs. 511.27 million) for the overseas branches.

The FSV benefit availed is not available for the distribution of cash or stock dividend to shareholders.

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

		(Un-audited)	(Audited)
		September 30, 2026	December 31, 2025
11. PROPERTY AND EQUIPMENT		(Rupees in '000)	
	Note		
Capital work-in-progress	11.1	37,363,505	9,493,801
Property and equipment		172,221,447	111,052,370
		209,584,952	120,546,171
11.1 Capital work-in-progress			
Civil works		32,781,363	6,908,365
Equipment		3,796,893	1,681,923
Advances to suppliers		785,249	903,513
		37,363,505	9,493,801
11.2 Additions to Property and equipment - net		(Un-audited)	(Audited)
		January - September 2026	January - September 2025
		(Rupees in '000)	
The following additions have been made to property and equipment during the period:			
Capital work-in-progress - net additions		27,869,704	9,766,845
Property and equipment			
Freehold land		4,038,259	2,679,519
Leasehold land		2,056,869	-
Building on freehold land		10,446,808	748,040
Building on leasehold land		1,324,626	1,250,665
Leasehold improvements		10,891,006	4,168,333
Furniture and fixtures		2,504,594	1,593,816
Electrical, office and computer equipment		12,957,342	8,717,047
Vehicles		1,724,015	1,104,840
		45,943,519	20,262,260
Total		73,813,223	30,029,105

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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

(Un-audited)

January - September 2026 January - September 2025

----- (Rupees in '000) -----

11.3 Disposal of Property and equipment

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

Leasehold Improvement	310,817	107,348
Furniture and fixtures	4,273	6,437
Electrical, office and computer equipment	67,254	43,560
Vehicles	50,922	33,535
Total	433,266	190,880

11.4 Revaluation of properties

The land and building of the Bank has been revalued by independent professional valuers as at June 30, 2026. The revaluation was carried out by M/s. Engineering Pakistan, M/s. M. J. Surveyors, M/s. Oriental Engineering Services, M/s. Perfect Consultants and M/s. TriStar International Consultants, on the basis of professional assessment of present market values which resulted in an increase in surplus by Rs. 27,100.641 million. The total surplus against revaluation of Property and equipment as at September 30, 2026, amounts to Rs. 66,623.318 million.

12. RIGHT-OF-USE ASSETS

	September 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Buildings	Others	Total	Buildings	Others	Total
	----- (Rupees in '000) -----					
At January 01,						
Cost	44,845,825	144,282	44,990,107	15,824,195	140,673	15,964,868
Accumulated Depreciation	(8,761,489)	(30,506)	(8,791,995)	(5,990,259)	(78,525)	(6,068,784)
Net Carrying amount at January 01,	36,084,336	113,776	36,198,112	9,833,936	62,148	9,896,084
Acquisitions through business combination	-	-	-	2,143,671	-	2,143,671
Additions during the period / year	38,757,407	216,354	38,973,761	30,091,329	96,583	30,187,912
Deletions during the period / year	(3,341,015)	(3,684)	(3,344,699)	(1,644,486)	-	(1,644,486)
Depreciation charge for the period / year	(5,242,436)	(50,837)	(5,293,273)	(4,341,172)	(44,955)	(4,386,127)
Exchange rate adjustments	(1,132)	-	(1,132)	1,058	-	1,058
Net Carrying Amount	66,257,160	275,609	66,532,769	36,084,336	113,776	36,198,112

13. INTANGIBLE ASSETS

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
Capital work-in-progress - Computer software	1,349,449	900,980
Intangible assets - Computer software	2,751,692	2,186,775
Intangible assets - Goodwill	1,500,819	1,500,819
Intangible assets - Business combination benefits	49,376,993	53,765,257
	54,978,953	58,353,831

(Un-audited)
January - September 2026 January - September 2025
----- (Rupees in '000) -----

13.1 Additions to intangible assets - net

The following additions have been made to intangible assets during the period:

Capital work-in-progress - net	448,469	715,025
Directly purchased - Intangible assets	1,591,692	280,236
	2,040,161	995,261

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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
14. DEFERRED TAX (LIABILITIES) / ASSETS			
Deductible temporary differences on			
Credit loss allowance against advances and off balance sheet obligations		22,780,799	28,546,925
Workers' Welfare Fund		12,107,251	9,596,802
Cash flow hedges		773,765	-
Lease liabilities and related right of use assets		2,265,006	1,236,053
		37,926,821	39,379,780
Taxable temporary differences on			
Surplus on revaluation of property and equipment / non-banking assets		(3,043,960)	(1,142,183)
Surplus on revaluation of investments		(81,009,476)	(148,764,719)
Post retirement employee benefits		(18,485,824)	(18,485,824)
Accelerated tax depreciation		(2,312,098)	(6,942,814)
Others		598,255	12,523
		(104,253,103)	(175,323,017)
		(66,326,282)	(135,943,237)
15. OTHER ASSETS			
Income / mark-up accrued in local currency		268,561,408	281,498,612
Income / mark-up accrued in foreign currencies	15.1	10,512,192	6,088,868
Advance taxation - net of provision for taxation	15.2	26,836,310	12,637,536
Receivable from staff retirement fund		41,783,035	39,221,613
Branch adjustment account		263,256	-
Receivable from other banks against telegraphic transfers and demand drafts		179,232	126,192
Unrealised gain on forward foreign exchange contracts		4,837,359	1,845,323
Rebate / incentive receivable - net		14,005,506	23,968,033
Unrealised gain on derivative financial instruments	26	3,013,290	93,247
Suspense accounts		227,749	452,131
Stationery and stamps on hand		758,640	521,352
Non-banking assets acquired in satisfaction of claims		336,353	352,513
Advances, deposits, advance rent and other prepayments		34,770,131	24,455,058
Dividend receivable		10,448	26,757
Commission receivable - Bancassurance & Branchless Banking		658,663	614,634
Receivable against fraud & forgery and looted notes		624,628	501,980
Acceptances	22	90,406,758	52,658,946
Others		4,922,689	5,382,664
		502,707,647	450,445,459
Credit loss allowance held against other assets	15.3	(2,280,511)	(2,174,763)
Other assets - net of credit loss allowance		500,427,136	448,270,696
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	24	2,387	2,387
		500,429,523	448,273,083
15.1	Unrealised mark-up held in suspense amounting to Rs. 24,840.985 million (December 31, 2025: Rs. 23,625.546 million) against non-performing overseas advances has been netted off.		

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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

15.2 The Income Tax returns of the Bank have been filed up to the tax year 2025 (accounting year ended December 31, 2024) and are deemed assessed under section 120 of the Income Tax Ordinance, 2001 (Ordinance).

The income tax authorities have issued amended assessment orders up to tax year 2025. The amendments primarily pertain to provision against advances, diminution in value of investments and other assets, allocation of expenses against reduced rate income, bad debts written off directly and initial allowance. These matters are currently at various stages of appeal before the appellate authorities. The management of the Bank is confident that the appeals will be decided in favor of the Bank.

The tax returns for Azad Kashmir (AK) and Gilgit Baltistan (GB) branches have been filed up to the tax year 2025 under the provision of the ordinance and in compliance with the terms of the agreement between banks and the Azad Kashmir Council in May 2005. The returns filed are considered as deemed assessment orders under the law.

The tax returns for UAE and Qatar branches have been filed up to the year ended December 31, 2025 and for Yemen branches up to the year ended December 31, 2019 under the provisions of the laws prevailing in the respective countries and are deemed as assessed unless opened for reassessment.

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
15.3 Credit loss allowance held against other assets		
Advances, deposits, advance rent and other prepayments	1,655,883	1,672,783
Receivable against fraud & forgery and looted notes	624,628	501,980
	<u>2,280,511</u>	<u>2,174,763</u>
15.3.1. Movement in credit loss allowance held against other assets		
Opening balance	2,174,763	1,558,408
Exchange adjustments	(17,787)	1,556
Acquisitions through business combination	-	529,827
Charge / (reversals)		
Charge for the period / year	146,364	135,462
Reversals for the period / year	(18,015)	(49,490)
	128,349	85,972
Transfers out - net	-	-
Amounts written off	(4,814)	(1,000)
Closing balance	<u>2,280,511</u>	<u>2,174,763</u>
16 CONTINGENT ASSETS		

There were no contingent assets as at September 30, 2026 & December 31, 2025.

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
17. BILLS PAYABLE		
In Pakistan	93,587,224	39,927,711
Outside Pakistan	4,374,021	18,704,133
	<u>97,961,245</u>	<u>58,631,844</u>
18. BORROWINGS		
Secured		
Borrowings from the State Bank of Pakistan under:		
Export refinance scheme	13,844,257	19,390,877
Refinance facility for modernization of SME	1,009,512	1,321,161
Long term financing facility	5,228,388	7,265,940
Renewable energy scheme	952,954	1,125,564
Temporary economic refinance facility	11,073,763	12,818,459
Refinance facility for combating COVID-19	2,644	30,797
Repurchase agreement borrowings	5,105,095,313	6,326,782,743
Financing facility for storage of agriculture products	23,452	40,329
Refinance for women entrepreneurs	16,018	28,688
	<u>5,137,246,301</u>	<u>6,368,804,558</u>
Repurchase agreement borrowings	164,575,698	76,097,576
	<u>164,575,698</u>	<u>76,097,576</u>
Unsecured		
Call borrowings	130,731,522	83,249,214
Overdrawn nostro accounts	1,349,932	1,863,372
	<u>132,081,454</u>	<u>85,112,586</u>
	<u>5,433,903,453</u>	<u>6,530,014,720</u>

19. DEPOSITS AND OTHER ACCOUNTS

	September 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	----- (Rupees in '000) -----					
Customers						
Current deposits	2,252,425,597	1,377,284,749	3,629,710,346	1,595,112,858	981,580,507	2,576,693,365
Savings deposits	1,174,412,526	66,418,764	1,240,831,290	1,215,125,737	70,817,651	1,285,943,388
Term deposits	617,427,667	212,019,061	829,446,728	458,853,253	155,159,290	614,012,543
Others	168,633,291	12,878,323	181,511,614	73,777,259	13,822,006	87,599,265
	<u>4,212,899,081</u>	<u>1,668,600,897</u>	<u>5,881,499,978</u>	<u>3,342,869,107</u>	<u>1,221,379,454</u>	<u>4,564,248,561</u>
Financial Institutions						
Current deposits	58,840,300	14,819,276	73,659,576	37,220,269	8,044,676	45,264,945
Saving deposits	496,086,816	41,744	496,128,560	446,951,807	160,550	447,112,357
Term deposits	39,562,438	10,598,857	50,161,295	103,908,600	7,889,955	111,798,555
	<u>594,489,554</u>	<u>25,459,877</u>	<u>619,949,431</u>	<u>588,080,676</u>	<u>16,095,181</u>	<u>604,175,857</u>
	<u>4,807,388,635</u>	<u>1,694,060,774</u>	<u>6,501,449,409</u>	<u>3,930,949,783</u>	<u>1,237,474,635</u>	<u>5,168,424,418</u>

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

20. LEASE LIABILITIES

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
Opening balance		38,873,814	12,008,797
Acquisitions through business combination		-	2,143,671
Addition during the period / year		38,973,761	30,148,485
Lease payments including interest during the period / year		(8,992,519)	(7,297,972)
Interest expense during the period / year		5,165,568	3,607,665
Termination / modification during the period / year		(3,450,359)	(1,737,464)
Exchange adjustments		(1,096)	632
Closing balance		<u>70,569,169</u>	<u>38,873,814</u>

20.1 Liabilities Outstanding

Not later than one year	350,712	687,650
Later than one year and upto five years	9,147,220	6,952,479
Over five years	61,071,237	31,233,685
Total	<u>70,569,169</u>	<u>38,873,814</u>

21. SUBORDINATED DEBT

Listed Term Finance Certificates - Additional Tier I	21.1	10,000,000	10,000,000
		<u>10,000,000</u>	<u>10,000,000</u>

- 21.1 The Bank has issued fully paid up, rated, listed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) under Section 66 of the Companies Act, 2017 which qualify as Additional Tier I Capital as outlined by State Bank of Pakistan (SBP) under BPRD Circular No. 6 dated August 15, 2013.

Salient features of the Additional Tier 1 issue are as follows:

Issue Size	Rs. 10,000 million
Issue Date	January 29, 2019
Tenor	Perpetual (i.e. no fixed or final redemption date)
Rating	"AA+" (Double A Plus) by VIS Credit Rating Company Limited.
Security	Unsecured
Mark-up rate	The TFCs shall carry mark-up at the rate of 3 Month KIBOR + 1.55%.
Mark-up payment frequency	Mark-up shall be payable quarterly in arrears, on a non-cumulative basis.
Call option	The Bank may, at its sole discretion, call the TFCs, at any time after five years from the Issue Date subject to the prior approval of the SBP.
Lock-in clause	Mark-up on the TFCs shall only be paid from the current year's earnings and if the Bank is fully compliant with SBP's Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR) and Liquidity Ratio (LR) requirements.
Loss absorbency clause	The TFCs shall, at the discretion of the SBP, be either permanently converted into ordinary shares or permanently written off (partially or in full) pursuant to the loss absorbency clause as stipulated in the "Instructions for Basel III Implementation in Pakistan" issued vide BPRD Circular No. 6 dated August 15, 2013.

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
22. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		57,152,904	46,049,441
Mark-up / return / interest payable in foreign currencies		1,898,929	1,727,168
Accrued expenses		8,657,976	13,793,390
Branch adjustment account		-	129,844
Deferred income		3,782,879	3,479,802
Unearned commission and income on bills discounted		2,644,294	2,124,842
Credit loss allowance against off-balance sheet obligations	22.1	4,705,749	3,955,230
Unrealised loss on forward foreign exchange contracts		3,908,676	1,223,848
Unrealised loss on derivative financial instruments	26	4,419,131	145,581
Liability against trading of securities		-	17,117,164
Deferred liabilities	22.2	4,838,867	4,693,384
Workers' Welfare Fund payable		23,283,176	18,455,388
Dividends payable		586,271	515,541
Unclaimed dividends		534,826	472,497
Acceptances	15	90,406,758	52,658,946
Charity fund balance		24,840	7,957
Levies and taxes payable		2,362,624	6,238,009
Others		4,774,592	6,785,814
		<u>213,982,492</u>	<u>179,573,846</u>
22.1 Credit loss allowance against off-balance sheet obligations			
Opening balance		3,955,230	3,385,916
Acquisitions through business combination		-	382,155
Exchange adjustments		(18,077)	10,196
Charge / (reversal)			
Charge for the period / year		2,361,545	1,381,702
Reversals for the period / year		(1,592,949)	(1,204,739)
		768,596	176,963
Transfers out - net		-	-
Closing balance		<u>4,705,749</u>	<u>3,955,230</u>
22.2 Deferred liabilities			
Provision for post-retirement medical benefits		2,995,039	2,823,836
Provision for compensated absences		508,197	535,652
End of service benefits			
-Overseas branches		1,012,195	887,672
-Outsourced services		323,436	446,224
		<u>4,838,867</u>	<u>4,693,384</u>
23. SHARE CAPITAL			
23.1 Authorised Capital			
	(Un-audited) September 30, 2026 (Number of shares)	(Audited) December 31, 2025 (Number of shares)	
	<u>4,000,000,000</u>	<u>4,000,000,000</u>	Ordinary shares of Rs. 5 each
			<u>20,000,000</u> <u>20,000,000</u>
23.2 Issued, subscribed and paid-up capital			
	(Un-audited) September 30, 2026 (Number of shares)	(Audited) December 31, 2025 (Number of shares)	
			Fully paid-up ordinary shares of Rs. 5 each
	1,036,000,000	1,036,000,000	Issued for cash
	1,412,359,374	1,412,359,374	Issued as bonus shares
	55,888,376	55,888,376	Issued as share exchange for amalgamation
	<u>2,504,247,750</u>	<u>2,504,247,750</u>	<u>12,521,239</u> <u>12,521,239</u>

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

24. SURPLUS ON REVALUATION OF ASSETS - NET

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
Note	----- (Rupees in '000) -----	
Surplus arising on revaluation of:		
- Securities measured at FVOCI - Debt	150,323,407	269,314,769
- Securities measured at FVOCI - Equity	5,464,047	11,920,430
- Property and Equipment	66,568,031	39,522,677
- Non-banking assets acquired in satisfaction of claims	2,387	2,387
	222,357,872	320,760,263
Deferred tax on surplus on revaluation of:		
- Securities measured at FVOCI - Debt	78,168,172	140,378,905
- Securities measured at FVOCI - Equity	2,841,304	6,213,461
- Property and Equipment	3,042,719	1,140,942
- Non-banking assets acquired in satisfaction of claims	1,241	1,241
	84,053,436	147,734,549
	<u>138,304,436</u>	<u>173,025,714</u>

25. CONTINGENCIES AND COMMITMENTS

Guarantees	25.1	534,182,941	475,329,535
Commitments	25.2	3,539,869,032	1,751,944,021
Other contingent liabilities	25.3	27,490,292	27,522,680
		<u>4,101,542,265</u>	<u>2,254,796,236</u>

25.1 Guarantees:

Financial guarantees	243,528,790	231,428,710
Performance guarantees	270,922,898	227,204,106
Other guarantees	19,731,253	16,696,719
	<u>534,182,941</u>	<u>475,329,535</u>

25.2 Commitments:

Documentary credits and short-term trade-related transactions		
- letters of credit	551,693,156	460,745,442

Commitments in respect of:

- forward foreign exchange contracts	25.2.1	1,647,493,177	1,113,461,380
- forward government securities transactions	25.2.2	1,151,429,000	36,537,900
- forward lending	25.2.3	66,848,041	118,205,164
- Interest rate swaps	25.2.4	95,000,000	-
- operating leases	25.2.5	272,064	230,903
		2,961,042,282	1,268,435,347

Commitments for acquisition of:

- property and equipment	23,556,294	19,357,008
- intangible assets	3,577,300	3,406,224
	27,133,594	22,763,232
	<u>3,539,869,032</u>	<u>1,751,944,021</u>

25.2.1 Commitments in respect of forward foreign exchange contracts

Purchase	858,620,643	605,289,894
Sale	788,872,534	508,171,486
	<u>1,647,493,177</u>	<u>1,113,461,380</u>

25.2.2 Commitments in respect of forward Government securities transactions

Purchase	1,151,429,000	23,037,900
Sale	-	13,500,000
	<u>1,151,429,000</u>	<u>36,537,900</u>

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
25.2.3 Commitments in respect of forward lending			
Undrawn formal standby facilities, credit lines and other commitments to lend	25.2.3.1	66,848,041	118,205,164

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

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
25.2.4 Commitments in respect of Interest rate swaps			
Purchase		-	-
Sale		95,000,000	-
		<u>95,000,000</u>	<u>-</u>
25.2.5 Commitments in respect of operating leases			
Not later than one year		272,064	230,903
Later than one year and not later than five years		-	-
Later than five years		-	-
		<u>272,064</u>	<u>230,903</u>

25.3 Other contingent liabilities

25.3.1 Claims against the Bank not acknowledged as debts	25.3.2	<u>27,490,292</u>	<u>27,522,680</u>
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These mainly represent counter claims filed by the borrowers for restricting the Bank from disposal of assets (such as mortgaged / pledged assets kept as security). Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favor and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these unconsolidated condensed interim financial statements.

25.3.2 This includes, penalties amounting to Rs. 4.089 billion which were levied during 2016, by the FE Adjudication Court of the State Bank of Pakistan relating to alleged contraventions of the requirements of foreign exchange regulations with respect to issuance and certification of E-Forms by the Bank to certain customers (exporters) who failed to submit the export documents there against. Consequently, foreign exchange on account of export proceeds have not been repatriated. The Bank maintains that it fully discharged its liability, in accordance with the law and filed a Constitutional Petition in 2018 in the High Court of Sindh challenging the levy of the penalty. The High Court granted a stay on action being taken against the Bank, which stay order was in the field till February 2025, when the High Court of Sindh dismissed the Petition filed by the Bank and other Banks as well. The Bank has decided to challenge the said decision of the High Court before the Supreme Court of Pakistan by filing an Appeal, through the appropriate legal counsel. The management, based on the advice from legal counsel, is confident that the view of the Bank will prevail and the Bank will not be exposed to any loss on this account.

25.3.3 For contingencies relating to taxation, refer note 15.2.

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

26. Derivative Instruments

Product analysis

September 30, 2026 (Un-audited)							
Interest rate swap		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
Notional principal	Mark to market loss	Notional principal	Mark to market gain	Notional principal	Mark to market loss	Notional principal	Mark to market gain / (loss)
(Rupees in '000)							
Hedging	-	-	-	-	-	-	-
Market making	95,000,000	(1,488,010)	1,151,429,000	82,169	-	1,246,429,000	(1,405,841)
	95,000,000	(1,488,010)	1,151,429,000	82,169	-	1,246,429,000	(1,405,841)

December 31, 2025 (Audited)							
Interest rate swap		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
Notional principal	Mark to market gain	Notional principal	Mark to market gain	Notional principal	Mark to market loss	Notional principal	Mark to market gain / (loss)
(Rupees in '000)							
Hedging	-	-	-	-	-	-	-
Market making	-	23,037,900	93,247	13,500,000	(145,581)	36,537,900	(52,334)
	-	23,037,900	93,247	13,500,000	(145,581)	36,537,900	(52,334)

27. MARK-UP / RETURN / INTEREST EARNED

On:

	(Un-audited) January - September 2026	January - September 2025
Loans and advances	111,615,689	88,272,759
Investments	901,114,971	762,039,678
Lendings to financial institutions	1,052,270	3,085,136
Balances with banks	6,452,112	7,820,844
	<u>1,020,235,042</u>	<u>861,218,417</u>

28. MARK-UP / RETURN / INTEREST EXPENSED

On:

Deposits	189,334,746	121,529,865
Borrowings	537,854,894	467,078,971
Subordinated debt	958,134	1,018,280
Cost of foreign currency swaps against foreign currency deposits / borrowings	3,923,822	1,742,900
Lease liabilities against right-of-use assets	5,165,568	2,452,502
	<u>737,237,164</u>	<u>593,822,518</u>

29. FEE AND COMMISSION INCOME

Branch banking customer fee	1,773,530	1,581,806
Consumer finance related fee	2,914,481	1,145,977
Card related fee (debit and credit cards)	5,590,359	5,742,734
Investment banking fee	540,229	943,685
Financial Institution rebate / commission	1,418,518	873,745
Corporate service charges / facility fee	2,631,783	1,761,004
Commission on trade	2,926,321	2,670,842
Commission on guarantees	1,132,484	1,372,147
Commission on cash management	857,715	814,978
Commission / Incentive on remittances including home remittances - net	1,697,001	2,996,261
Commission on bancassurance	524,555	776,966
Rent on lockers	296,964	249,438
Others	503,328	330,123
	<u>22,807,268</u>	<u>21,259,706</u>

30. GAIN / (LOSS) ON SECURITIES - NET

Realised	48,131,925	9,007,266
Unrealised - Measured at FVPL	(212,922)	42,667
	<u>47,919,003</u>	<u>9,049,933</u>

30.1 Realised gain / (loss) on:

Federal Government securities	47,911,901	8,978,322
Shares	157,086	7,109
Foreign securities	35,701	21,386
Other securities	27,237	449
	<u>48,131,925</u>	<u>9,007,266</u>

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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

(Un-audited)
January - January -
September 2026 September 2025
----- (Rupees in '000) -----

31. OTHER INCOME

Charges recovered	520,398	468,455
Rent on properties	116,123	100,361
Gain on sale of Property and equipment - net	67,917	88,897
Gain / (loss) on sale of Ijarah assets - net	5,623	(234)
Loss on trading liabilities - net	347,101	82,752
	<u>1,057,162</u>	<u>740,231</u>

32. OPERATING EXPENSES

Total compensation expense	52,559,080	35,319,295
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Property expense

Rent and taxes	1,936,649	1,810,675
Insurance	223,729	145,586
Utilities cost	4,481,135	2,887,818
Security (including guards)	2,293,772	1,702,119
Repair and maintenance (including janitorial charges)	472,434	572,506
Depreciation on property and equipment	2,836,308	1,477,713
Depreciation on right-of-use assets	5,293,273	3,014,991
Depreciation on non-banking assets acquired in satisfaction of claims	16,160	29,853
Others	56,689	39,176
	<u>17,610,149</u>	<u>11,680,437</u>

Information technology expenses

Software maintenance	3,456,296	2,900,242
Hardware maintenance	955,644	594,673
Depreciation	2,926,907	1,981,985
Amortisation	1,037,557	833,959
Network charges	1,125,134	914,625
Consultancy charges	639,139	674,566
	<u>10,140,677</u>	<u>7,900,050</u>

Other operating expenses

Legal and professional charges	725,019	537,651
Outsourced service costs	3,151,742	2,139,841
Commission paid to branchless banking agents	148,562	154,353
Commission paid to sales force	1,100,829	843,589
Travelling and conveyance	344,483	288,413
Clearing charges	532,559	416,019
Depreciation	5,090,449	3,068,737
Amortisation	4,388,264	-
Training and development	139,797	109,988
Postage and courier charges	539,812	344,919
Communication	287,625	220,019
Stationery and printing	2,532,471	1,896,793
Marketing, advertisement and publicity	11,927,271	6,701,080
Donations	477,194	142,090
Auditors' remuneration	173,841	145,263
Insurance	80,814	282,467
Deposit protection premium expense	2,844,056	1,964,874
Cash transportation and sorting charges	1,932,422	1,272,404
Entertainment	810,523	522,661
Office running expenses	861,350	369,766
Vehicle expenses	2,379,349	1,177,028
Banking service charges	11,260,872	7,571,493
Repairs and maintenance	2,490,559	1,892,271
Subscription	158,176	118,078
Miscellaneous expenses	1,366,894	1,778,899
	<u>55,744,933</u>	<u>33,958,696</u>
	<u>136,054,839</u>	<u>88,858,478</u>

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited)	
		January - September 2026	January - September 2025
33. OTHER CHARGES		----- (Rupees in '000) -----	
Penalties imposed by the SBP		35,710	45,778
Penalties imposed by other regulatory bodies of overseas branches		818	37
		<u>36,528</u>	<u>45,815</u>
34. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance / (Reversal) for diminution in value of investments		(744,361)	65,525
Credit loss allowance / (Reversal) against loans and advances		(4,439,703)	(4,534,504)
Bad debts written off directly		102,383	58,036
Credit loss allowance / (Reversal) against other assets - net		128,349	45,220
Credit loss allowance / (Reversal) against off-balance sheet obligations - net		768,596	198,026
Recoveries against written off / charged off bad debts		(550,266)	(605,206)
Credit loss allowance / (Reversal) against cash and balances with treasury banks		45,364	(122,115)
Impairment on fixed assets		160,218	-
Other credit loss allowance / write-offs		68,939	183,670
		<u>(4,460,481)</u>	<u>(4,711,348)</u>
35. TAXATION			
Current		127,784,777	91,039,221
Prior years		-	6,747,701
Deferred		(2,471,871)	26,363,613
		<u>125,312,906</u>	<u>124,150,535</u>
36. EARNINGS PER SHARE			
Profit after taxation for the period		<u>115,188,724</u>	<u>98,493,360</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares		<u>2,504,247,750</u>	<u>2,490,122,117</u>
		----- (Rupees) -----	
Earnings per share - basic and diluted		<u>46.00</u>	<u>39.55</u>

36.1. There were no convertible dilutive potential ordinary shares outstanding as at September 30, 2026 and September 30, 2025.

37. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

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

Item	Valuation approach and input used
Federal Government securities	The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP) / Bloomberg.
Non-Government debt securities	The fair value of non-government debt securities is determined using the prices / rates from MUFAP.
Unquoted equity securities	The fair value of unlisted equity investments is determined using cash flow projections of the investee company. If cashflow projections of investees are unavailable, the Bank uses the break-up value as an estimate of fair value.
Foreign debt securities	The fair value of foreign corporate and foreign government securities is determined using the rates from Bloomberg.
Mutual Fund units	The fair values of investments in mutual fund units are determined based on their net asset values as published at the close of each business day.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Derivatives	The fair valuation techniques include forward pricing and swap models using present value calculations.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these unconsolidated condensed interim financial statements.

The following table summaries the quantitative information about the significant unobservable inputs used in level 3 fair value measurement of Unlisted equities.

Description	Valuation technique	Significant unobservable inputs	Rate	Sensitivity of the input to fair value
-------------	---------------------	---------------------------------	------	--

Non-listed equity investments financial sector

Ordinary shares unlisted (income approach)	DCF Method	WACC, CAGR	17% -20.63%, 4%- 16%	Increase/decrease in WACC by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 214.28 million as at September 30, 2026.
Ordinary shares unlisted (market approach)	Price to Book Value	Market multiple/ transaction price	Not applicable	Not applicable

37.2 Fair value of financial assets

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

		September 30, 2026 (Un-audited)			
		Fair value			
Carrying value	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----					
On balance sheet financial instruments					
Financial assets measured at fair value					
Investments					
- Federal Government securities	7,622,881,599	-	7,622,881,599	-	7,622,881,599
- Shares and units	27,808,325	21,659,102	-	6,149,223	27,808,325
- Foreign securities	503,650,408	-	503,650,408	-	503,650,408
- Non-Government debt securities	11,199,750	-	11,199,750	-	11,199,750
	8,165,540,082	21,659,102	8,137,731,757	6,149,223	8,165,540,082
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government Securities	1,324,044,085	-	1,282,434,790	-	1,282,434,790
- Foreign securities	15,052,171	-	14,530,611	-	14,530,611
- Non-Government debt securities	11,911,814	-	11,857,146	-	11,857,146
	1,351,008,070	-	1,308,822,547	-	1,308,822,547
	9,516,548,152	21,659,102	9,446,554,304	6,149,223	9,474,362,629

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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

Off-balance sheet financial instruments measured at fair value

Foreign exchange contracts - purchased and sold
Interest rate swaps - purchased and sold
Forward Government Securities - purchased and sold

September 30, 2026 (Un-audited)				
Carrying value	Fair value			Total
	Level 1	Level 2	Level 3	
----- (Rupees in '000) -----				
1,647,493,177	-	928,683	-	928,683
95,000,000	(1,488,010)	-	-	(1,488,010)
1,151,429,000	-	82,169	-	82,169

On balance sheet financial instruments Financial assets measured at fair value

Investments
- Federal Government securities
- Shares and units
- Foreign securities
- Non-Government debt securities

December 31, 2025 (Audited)				
Carrying value	Fair value			
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
8,836,797,960	-	8,836,797,960	-	8,836,797,960
24,346,989	20,009,441	-	4,337,548	24,346,989
394,789,046	-	394,789,046	-	394,789,046
7,542,370	-	7,542,370	-	7,542,370
9,263,476,365	20,009,441	9,239,129,376	4,337,548	9,263,476,365
651,569,594	-	662,796,595	-	662,796,595
20,893,132	-	20,600,418	-	20,600,418
12,765,041	-	13,058,977	-	13,058,977
685,227,767	-	696,455,990	-	696,455,990
9,948,704,132	20,009,441	9,935,585,366	4,337,548	9,959,932,355

Financial assets - disclosed but not measured at fair value

Investments
- Federal Government Securities
- Foreign securities
- Non-Government debt securities

Off-balance sheet financial instruments - measured at fair value

Foreign exchange contracts - purchased and sold
Interest rate swaps - purchased and sold
Forward Government Securities - purchased and sold

1,113,461,380	-	621,475	-	621,475
-	-	-	-	-
36,537,900	-	(52,334)	-	(52,334)

37.3 Fair Value of non-financial assets

Property and equipment
Non-banking assets acquired in satisfaction of claims

September 30, 2026 (Un-audited)				
Carrying value	Fair value			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
116,136,216	-	-	116,136,216	116,136,216
338,740	-	-	338,740	338,740
116,474,956	-	-	116,474,956	116,474,956

Property and equipment
Non-banking assets acquired in satisfaction of claims

December 31, 2025 (Audited)				
Carrying value	Fair value			
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
71,604,510	-	-	71,604,510	71,604,510
354,900	-	-	354,900	354,900
71,959,410	-	-	71,959,410	71,959,410

37.4 Certain categories of property and equipment (land and buildings) and non-banking assets acquired in satisfactions of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers based on their assessment of the market values.

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

38. SEGMENT INFORMATION

38.1 Segment details with respect to business activities

For the nine months ended September 30, 2026 (Un-audited)							
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	(15,968,898)	279,630,223	(99,671,717)	80,112,323	37,738,102	1,157,845	282,997,878
Inter segment (expense) / revenue - net	27,103,129	(216,306,958)	209,946,173	-	-	(20,742,344)	-
Non mark-up / return / interest income	10,889,140	58,905,484	13,471,214	1,478,094	8,467,493	751,000	93,962,425
Total Income	22,023,371	122,228,749	123,745,670	81,590,417	46,205,595	(18,833,499)	376,960,303
Segment direct expenses	2,388,349	3,621,647	80,178,185	28,239,868	11,583,113	14,907,992	140,919,154
Inter segment expense allocation	5,766,391	3,633,941	421,548	-	-	(9,821,880)	-
Total expenses	8,154,740	7,255,588	80,599,733	28,239,868	11,583,113	5,086,112	140,919,154
Credit loss allowance - net	3,883,387	(141,986)	(1,587,968)	(3,691,574)	5,643,081	355,541	4,460,481
Profit / (loss) before taxation	17,752,018	114,831,175	41,557,969	49,658,975	40,265,563	(23,564,070)	240,501,630
For the nine months ended September 30, 2025 (Un-audited)							
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	18,593,270	275,517,880	(76,135,374)	22,210,100	25,659,351	1,550,672	267,395,899
Inter segment (expense) / revenue - net	(8,315,936)	(138,293,368)	149,026,826	-	-	(2,417,522)	-
Non mark-up / return / interest income	8,796,555	16,734,829	12,196,973	1,125,991	4,158,206	793,954	43,806,508
Total Income	19,073,889	153,959,341	85,088,425	23,336,091	29,817,557	(72,896)	311,202,407
Segment direct expenses	3,989,834	3,209,225	58,749,321	14,944,703	6,780,340	5,596,437	93,269,860
Inter segment expense allocation	2,241,316	2,464,315	4,462,836	-	438,778	(9,607,245)	-
Total expenses	6,231,150	5,673,540	63,212,157	14,944,703	7,219,118	(4,010,808)	93,269,860
Credit loss allowance - net	2,241,491	132,488	(761,047)	(1,386,077)	2,400,124	2,084,369	4,711,348
Profit / (loss) before taxation	15,084,230	148,418,289	21,115,221	7,005,311	24,998,563	6,022,281	222,643,895
As at September 30, 2026 (Un-audited)							
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
(Rupees in '000)							
Balance Sheet							
Cash & Bank balances	50,820	187,974,880	95,092,071	138,999,851	377,396,731	-	799,514,353
Investments	8,508,250	7,787,218,496	-	1,072,422,601	648,478,317	18,056,083	9,534,683,747
Net inter segment lending	311,696,186	-	2,728,163,803	-	26,664,769	-	3,066,524,758
Lendings to financial institutions	-	27,798,345	-	-	-	-	27,798,345
Advances - performing	218,293,141	6,056,384	186,433,482	646,389,924	657,924,135	521,203	1,715,618,269
Advances - non-performing net	1,775,504	-	1,214,419	113,578	2,972,270	-	6,075,771
Others	3,688,632	83,568,476	300,952,430	109,940,504	53,384,438	279,991,717	831,526,197
Total Assets	544,012,533	8,092,616,581	3,311,856,205	1,967,866,458	1,766,820,660	298,569,003	15,981,741,440

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	As at September 30, 2026 (Un-audited)						
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
	(Rupees in '000)						
Borrowings	17,578,891	5,257,910,291	4,788,454	133,207,514	20,418,303	-	5,433,903,453
Subordinated debt	-	-	-	-	-	10,000,000	10,000,000
Deposits and other accounts	501,449,307	-	3,074,097,676	1,380,709,248	1,544,485,130	708,048	6,501,449,409
Net inter segment borrowing	-	2,618,104,440	-	246,232,807	-	202,187,511	3,066,524,758
Others	10,158,051	72,918,161	221,217,084	81,935,141	37,613,282	24,997,469	448,839,188
Total Liabilities	529,186,249	7,948,932,892	3,300,103,214	1,842,084,710	1,602,516,715	237,893,028	15,460,716,808
Equity	14,826,284	143,683,689	11,752,991	125,781,748	164,303,945	60,675,975	521,024,632
Total Equity & liabilities	544,012,533	8,092,616,581	3,311,856,205	1,967,866,458	1,766,820,660	298,569,003	15,981,741,440
Contingencies and Commitments	690,291,927	1,909,527,206	229,303,379	165,774,186	1,103,099,629	3,545,938	4,101,542,265

	As at December 31, 2025 (Audited)						
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
	(Rupees in '000)						
Balance Sheet							
Cash & Bank balances	73,537	157,538,266	67,645,918	96,532,778	283,036,157	-	604,826,656
Investments	9,174,174	8,915,527,870	-	495,954,343	522,528,452	7,869,811	9,951,054,650
Net inter segment lending	313,262,186	-	2,175,337,853	-	14,226,985	-	2,502,827,024
Lendings to financial institutions	-	17,000,000	-	14,574,547	-	-	31,574,547
Advances - performing	236,353,075	8,555,039	115,981,454	562,986,863	440,075,704	16,306	1,363,968,441
Advances - non-performing net	1,881,585	-	187,845	66,592	3,261,932	-	5,397,954
Others	1,826,306	92,487,272	305,116,044	57,282,314	6,513,826	200,145,435	663,371,197
Total Assets	562,570,863	9,191,108,447	2,664,269,114	1,227,397,437	1,269,643,056	208,031,552	15,123,020,469
Borrowings	21,396,778	6,463,604,043	5,288,844	15,336,073	24,388,982	-	6,530,014,720
Subordinated debt	-	-	-	-	-	10,000,000	10,000,000
Deposits and other accounts	548,603,889	-	2,568,659,084	962,340,876	1,088,820,569	-	5,168,424,418
Net inter segment borrowing	-	2,292,801,720	-	134,692,381	-	75,332,923	2,502,827,024
Others	12,504,162	149,382,080	104,114,204	37,123,268	18,850,311	91,048,716	413,022,741
Total Liabilities	582,504,829	8,905,787,843	2,678,062,132	1,149,492,598	1,132,059,862	176,381,639	14,624,288,903
Equity	(19,933,966)	285,320,604	(13,793,018)	77,904,839	137,583,194	31,649,913	498,731,566
Total Equity & liabilities	562,570,863	9,191,108,447	2,664,269,114	1,227,397,437	1,269,643,056	208,031,552	15,123,020,469
Contingencies and Commitments	769,991,948	415,512,685	188,006,587	41,126,453	831,161,418	8,997,145	2,254,796,236

39. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, directors, key management personnel, subsidiaries, associates and other related parties including employee benefit schemes of the Bank.

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

Details of transactions and balances with related parties, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	As at September 30, 2026 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Statement of financial position	(Rupees in '000)					
Balances with other banks						
In current accounts	-	-	-	-	-	-
In deposit accounts	-	-	-	-	-	-
	-	-	-	-	-	-
Lendings to financial institutions						
Opening balance	-	-	-	-	-	-
Addition during the period	-	-	-	-	-	4,988,914
Repaid during the period	-	-	-	-	-	(2,060,000)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	2,928,914
Investments						
Opening balance	-	-	-	2,100,000	1,667,396	3,571,805
Investment made during the period	-	-	-	8,000,000	14,000,000	-
Investment disposed off / redeemed during the period	-	-	-	-	(6,214,917)	(75,387)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	10,100,000	9,452,479	3,496,418
Credit loss allowance for diminution in value of investments	-	-	-	-	1,417,485	-
Advances						
Opening balance	-	526	497,607	-	-	146,836,003
Addition during the period	-	5,294	474,647	-	107,411	17,840,109
Repaid during the period	-	(5,178)	(260,028)	-	(12,474)	(26,124,614)
Transfers in / (out) - net	-	(17)	33,090	-	-	(69)
Closing balance	-	625	745,316	-	94,937	138,551,429
Credit loss allowance held against advances	-	13	17,095	-	-	471
Property and equipment / CWIP	-	-	-	-	-	-
Other Assets						
Income / mark-up accrued	-	-	908	-	90	4,252,158
Receivable from staff retirement fund	-	-	-	-	-	41,783,035
Prepaid insurance	-	-	-	-	606,968	-
Acceptances	-	-	-	-	-	254,252
Other receivable	-	-	-	18,043	-	35,442
Credit loss allowance against other assets	-	-	-	-	-	-
Borrowings						
Opening balance	-	-	-	-	-	5,944,841
Borrowings during the period	-	-	-	-	2,145,000	135,145,072
Settled during the period	-	-	-	-	(2,145,000)	(131,589,913)
Closing balance	-	-	-	-	-	9,500,000
Overdrawn nostros	-	-	-	-	-	105,365
Deposits and other accounts						
Opening balance	22,910	7,730,318	42,530	334,519	1,325,496	142,607,142
Received during the period	17,099,972	36,709,278	2,877,892	209,959,608	178,539,398	3,682,813,611
Withdrawn during the period	(17,095,905)	(36,533,657)	(2,727,105)	(201,668,336)	(177,584,272)	(3,602,010,210)
Transfers in / (out) - net	-	(3,147)	(11,211)	-	759,624	(782,412)
Closing balance	26,977	7,902,792	182,106	8,625,791	3,040,246	222,628,131

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	As at September 30, 2026 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Subordinated debt	-	-	-	-	-	-
Other Liabilities						
Interest / mark-up payable on deposits and borrowings	291	46,554	349	3,854	5,742	79,964
Unearned income	-	-	-	-	-	35,636
Acceptances	-	-	-	-	-	254,252
Unrealised loss on forward foreign exchange contracts	-	-	-	924	-	-
Other payable	-	-	-	-	7,595	46,015
Credit loss allowance against off-balance sheet obligations	-	-	-	-	-	300
Contingencies and Commitments						
Letters of credit	-	-	-	-	-	117,198
Forward foreign exchange contracts purchase	-	-	-	199,522	-	-
Others						
Securities held as custodian	5,965,435	1,360,000	58,900	-	2,678,700	36,436,335
	As at December 31, 2025 (Audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Statement of financial position						
Balances with other banks						
In current accounts	-	-	-	-	-	-
In deposit accounts	-	-	-	-	-	-
Lendings to financial institutions						
Opening balance	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	5,016,240
Repaid during the year	-	-	-	-	-	(5,016,240)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Investments						
Opening balance	-	-	-	2,100,000	1,657,486	3,635,440
Investment made during the year	-	-	-	-	9,910	-
Investment disposed / written off during the year	-	-	-	-	-	(63,635)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	2,100,000	1,667,396	3,571,805
Credit loss allowance for diminution in value of investments	-	-	-	-	1,417,485	-
Advances						
Opening balance	-	537	596,283	-	-	231,097,420
Addition during the year	-	9,805	379,813	-	-	177,640,570
Repaid during the year	-	(9,816)	(289,673)	-	-	(261,900,702)
Transfers in / (out) - net	-	-	(188,816)	-	-	(1,285)
Closing balance	-	526	497,607	-	-	146,836,003
Credit loss allowance held against advances	-	11	6,948	-	-	26
Property and equipment / CWIP	-	-	-	-	-	10,298

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	As at December 31, 2025 (Audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Other Assets						
Interest mark-up accrued	-	-	-	-	-	4,573,212
Receivable from staff retirement fund	-	-	-	-	-	39,221,613
Prepaid insurance	-	-	-	-	211,601	-
Acceptances	-	-	-	-	-	-
Other receivable	-	-	-	17,717	-	25,065
Credit loss allowance written off	-	-	-	-	-	-
Borrowings						
Opening balance	-	-	-	-	-	94,460,700
Borrowings during the year	-	-	-	-	3,896,632	541,102,568
Settled during the year	-	-	-	-	(3,896,632)	(629,618,427)
Closing balance	-	-	-	-	-	5,944,841
Overdrawn nostros	-	-	-	-	-	105,130
Deposits and other accounts						
Opening balance	3,205	7,263,037	152,126	335,500	596,425	40,635,616
Received during the year	28,285,690	50,068,956	2,336,597	226,339,885	104,872,912	3,798,106,048
Withdrawn during the year	(28,265,985)	(49,601,675)	(2,382,635)	(226,340,866)	(104,242,502)	(3,695,912,103)
Transfer in / (out) - net	-	-	(63,558)	-	98,661	(222,419)
Closing balance	22,910	7,730,318	42,530	334,519	1,325,496	142,607,142
Subordinated loans	-	-	-	-	-	50,000
Other Liabilities						
Interest / mark-up payable on deposits and borrowings	-	68,683	-	-	-	307,329
Unearned income	-	-	-	434	-	45,192
Acceptances	-	-	-	-	-	-
Unrealised loss on forward foreign exchange contracts	-	-	-	717	-	-
Other payable	-	8,690	-	-	9,708	33,215
Credit loss allowance against off-balance sheet obligations	-	-	-	-	-	-
Contingencies and Commitments						
Letters of credit	-	-	-	-	-	-
Forward foreign exchange contracts purchase	-	-	-	218,496	-	-
Others						
Securities held as custodian	5,584,520	1,427,490	12,800	-	2,690,500	18,509,990
For the nine months ended September 30, 2026 (Un-audited)						
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Profit and loss account						
Income						
Mark-up / return / interest earned	-	-	11,765	-	-	17,661
Commission / charges recovered	-	214	1,850	1,801	20,652	18,814
Dividend income	-	-	-	-	-	410,902
Other income	-	-	-	2,715	-	84,883
Gain / (loss) on sale of property and equipment	-	-	(2,006)	-	3,436	-
Switch revenue	-	-	-	-	-	465,405
Management fee	-	-	-	33,977	-	-

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

For the nine months ended September 30, 2026 (Un-audited)

	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
(Rupees in '000)						
Expense						
Mark-up / return / interest paid	1,140	221,146	4,193	33,081	167,635	10,491,235
Remuneration paid	-	-	1,899,060	-	-	-
Directors' fees and allowances	-	114,710	-	-	-	-
Charge for defined contribution plans	-	-	35,174	-	-	922,603
Charge for defined benefit plans	-	-	10,658	-	-	763,873
Other expenses	-	-	15,315	199	-	238,997
Clearing charges	-	-	-	-	-	325,595
Membership, subscription, sponsorship and maintenance charges	-	-	3,963	-	-	104,137
Other Information						
Dividend paid	30,322,987	1,201,249	27,627	-	229,826	12,944,983
Purchase of Government securities	-	328,069	-	-	494,892	1,187,796,472
Sale of Government securities	17,068,946	1,057,510	136,057	-	2,923,720	1,263,730,871
Insurance premium paid	-	-	-	-	1,453,649	-
Insurance claims settled	-	-	-	-	1,223,935	-

For the nine months ended September 30, 2025 (Un-audited)

	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
(Rupees in '000)						
Profit and loss account						
Income						
Mark-up / return / interest earned	-	-	13,238	-	-	12,743
Commission / charges recovered	-	211	2,656	1,412	15,751	13,049
Dividend income	-	-	-	-	80,815	519,507
Other income	-	-	-	3,171	-	68,771
Gain / (loss) on sale of property and equipment	-	-	(5,405)	-	2,785	-
Switch revenue	-	-	-	-	-	507,471
Management fee	-	-	-	62,158	-	-
Expense						
Mark-up / return / interest paid	57,612	227,087	4,999	13,532	30,789	2,678,643
Remuneration paid	-	-	1,411,714	-	-	-
Directors' fees and allowances	-	77,981	-	-	-	-
Charge for defined contribution plans	-	-	27,409	-	-	649,379
Charge for defined benefit plans	-	-	8,440	-	-	714,759
Other expenses	-	-	5,793	-	-	292,571
Clearing charges	-	-	-	-	-	251,955
Membership, subscription, sponsorship and maintenance charges	-	-	2,733	-	-	14,551
Other Information						
Dividend paid	24,005,698	1,120,076	18,574	-	-	9,342,971
Purchase of Government securities	-	57,218	13,742	-	1,949,099	2,988,627,499
Sale of Government securities	6,126,813	1,088,137	-	-	2,120,296	2,959,365,862
Insurance premium paid	-	-	-	-	927,367	-
Insurance claims settled	-	-	-	-	242,788	-

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

40. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)

(Un-audited)
September 30,
2026

(Audited)
December 31,
2025

----- (Rupees in '000) -----

Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital

Eligible Additional Tier 1 (ADT 1) Capital

Total Eligible Tier 1 Capital

Eligible Tier 2 Capital

Total Eligible Capital (Tier 1 + Tier 2)

12,521,239	12,521,239
446,975,555	393,765,766
9,934,770	9,934,770
456,910,325	403,700,536
80,473,781	116,875,980
537,384,106	520,576,516

Risk Weighted Assets (RWAs):

Credit Risk

Market Risk

Operational Risk

Total

2,085,235,133	1,651,146,520
320,119,325	325,516,675
501,882,859	501,882,859
2,907,237,317	2,478,546,054

Common Equity Tier 1 Capital Adequacy Ratio

Tier 1 Capital Adequacy Ratio

Total Capital Adequacy Ratio

15.37%	15.89%
15.72%	16.29%
18.48%	21.00%

The SBP through its BSD Circular No. 07 dated April 15, 2009 has prescribed the minimum paid-up capital (net of accumulated losses) for Banks to be raised to Rs.10,000 million by the year ending December 31, 2015. The paid-up capital of the Bank for the period ended September 30, 2026 stood at Rs.12,521.239 million (December 31, 2025: Rs.Rs.12,521.239 million) and is in compliance with SBP requirements. Banks are also required to maintain a minimum Capital Adequacy Ratio (CAR) of 10.0% plus capital conservation buffer of 1.5% of the risk weighted exposures of the Bank.

In order to dampen the effects of COVID-19, the State Bank of Pakistan under BPRD Circular Letter No. 12 of 2020 has given a regulatory relief and reduced the Capital Conservation Buffer (CCB) as prescribed vide BPRD Circular No. 6 of August 15, 2013, for the time being, from its existing level of 2.5% to 1.5%, till further instructions.

Further, under Basel III instructions, Banks are also required to maintain a Common Equity Tier 1 (CET 1) ratio and Tier 1 ratio of 6.0% and 7.5%, respectively, as at September 30, 2026. The Bank is fully compliant with prescribed ratios as the Bank's CAR is 18.48% whereas CET 1 and Tier 1 ratios stood at 15.37% and 15.72% respectively.

Furthermore, under the SBP's Framework for Domestic Systemically Important Banks (D-SIBs) introduced vide BPRD Circular No. 04 of 2018 dated April 13, 2018, UBL has been designated as a D-SIB under letter BSD-1/Bank/UBL/1206707/2026 dated August 18, 2026. In line with this framework, the Bank is required to meet the Higher Loss Absorbency (HLA) capital charge of 2.5%, in the form of Additional CET 1 capital, on a standalone as well as consolidated level. The prescribed HLA under D-SIB shall remain effective till the next D-SIB designation announcement is made by State Bank of Pakistan.

Leverage Ratio (LR):

Eligible Tier-1 Capital

Total Exposures

Leverage Ratio

(Un-audited)
September 30,
2026

(Audited)
December 31,
2025

----- (Rupees in '000) -----

456,910,325	403,700,536
14,535,186,908	13,251,327,927
3.14%	3.05%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets

Total Net Cash Outflow

Liquidity Coverage Ratio

3,404,385,355	2,737,102,361
1,907,736,848	1,250,537,173
178.45%	218.87%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding

Total Required Stable Funding

Net Stable Funding Ratio

5,046,336,674	3,141,118,282
3,965,476,796	2,299,775,237
127.26%	136.58%

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

41. ISLAMIC BANKING BUSINESS

The Bank operates 824 (December 31, 2025: 752) Islamic Banking branches and 736 (December 31, 2025: 596) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks		136,241,075	94,809,700
Balances with other banks		2,758,776	1,723,078
Due from financial institutions	41.1	-	14,574,547
Investments	41.2	1,072,422,601	495,954,343
Islamic financing and related assets - net	41.3	646,503,502	563,053,455
Property and equipment		21,151,911	15,652,921
Right-of-use assets		26,813,556	16,698,882
Intangible assets		-	-
Due from Head Office		-	-
Other assets		61,975,037	24,930,511
		1,967,866,458	1,227,397,437
LIABILITIES			
Bills payable		31,537,278	8,244,351
Due to financial institutions		133,207,514	15,336,073
Deposits and other accounts	41.4	1,380,709,248	962,340,876
Due to Head Office		246,232,807	129,063,998
Lease liabilities		29,030,759	17,964,460
Other liabilities		21,367,104	10,914,457
		1,842,084,710	1,143,864,215
NET ASSETS		<u>125,781,748</u>	<u>83,533,222</u>
REPRESENTED BY			
Islamic Banking Fund		2,181,000	2,181,000
Reserves		-	-
(Deficit) / surplus on revaluation of assets		(5,515,943)	1,894,506
Unappropriated profit	41.5	129,116,691	79,457,716
		<u>125,781,748</u>	<u>83,533,222</u>
CONTINGENCIES AND COMMITMENTS	41.6		

PROFIT AND LOSS ACCOUNT

		(Un-audited) January - September 2026	January - September 2025
		----- (Rupees in '000) -----	
Profit / return earned	41.7	119,593,875	34,021,049
Profit / return expensed	41.8	39,481,552	11,810,949
Net profit / return		80,112,323	22,210,100
Other income			
Fee and commission income		1,922,684	1,056,052
Foreign exchange loss		(556,089)	(95,156)
Gain / (loss) on securities - net		(33,571)	52,925
Other income		145,070	112,170
Total other income		1,478,094	1,125,991
Total Income		<u>81,590,417</u>	<u>23,336,091</u>
Other expenses			
Other operating expenses		28,239,868	14,944,703
Profit before credit loss allowance		<u>53,350,549</u>	<u>8,391,388</u>
Credit loss allowance and write offs - net		3,691,574	1,386,077
Profit before taxation		<u>49,658,975</u>	<u>7,005,311</u>
Taxation		25,822,668	3,712,815
Profit after taxation		<u>23,836,307</u>	<u>3,292,496</u>

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

41.1 Due from Financial Institutions

	As at September 30, 2026 (Un-audited)			As at December 31, 2025 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	(Rupees in '000)					
Musharakah lending	-	-	-	14,574,547	-	14,574,547
Less: Credit Loss Allowance						
Stage 1	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
	-	-	-	14,574,547	-	14,574,547

41.2 Investments by segments

	Note	As at September 30, 2026 (Un-audited)			
		Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
		(Rupees in '000)			
Debt Instruments					
Measured at amortised cost					
Federal Government Securities					
- Ijarah Sukuks		400,280,132	-	-	400,280,132
- Bai Muajjal with Govt. of Pakistan		94,355,605	-	-	94,355,605
Non Government debt securities	41.2.1	2,351,012	(18)	-	2,350,994
		496,986,749	(18)	-	496,986,731
Measured at FVOCI					
Federal Government securities					
- Ijarah Sukuks		579,360,223	-	(5,515,943)	573,844,280
- Islamic Naya Pakistan Certificate		1,291,590	-	-	1,291,590
Non Government debt securities		-	-	-	-
		580,651,813	-	(5,515,943)	575,135,870
Measured at FVPL					
Federal Government securities					
- Ijarah Sukuks		-	-	-	-
		-	-	-	-
Instruments mandatorily classified / measured at FVPL					
Non Government debt securities		300,000	-	-	300,000
Total investments		1,077,938,562	(18)	(5,515,943)	1,072,422,601
		As at December 31, 2025 (Audited)			
		Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
		(Rupees in '000)			
Debt Instruments					
Measured at amortised cost					
Federal Government Securities					
- Ijarah Sukuks		167,404,649	-	-	167,404,649
- Bai Muajjal with Govt. of Pakistan		113,953,748	-	-	113,953,748
Non Government debt securities	41.2.1	2,887,289	(23)	-	2,887,266
		284,245,686	(23)	-	284,245,663
Measured at FVOCI					
Federal Government securities					
- Ijarah Sukuks		197,598,274	-	1,894,507	199,492,781
- Islamic Naya Pakistan Certificate		875,697	-	-	875,697
Non Government debt securities		-	-	-	-
		198,473,971	-	1,894,507	200,368,478
Measured at FVPL					
Federal Government securities					
- Ijarah Sukuks		11,024,524	-	15,678	11,040,202
		11,024,524	-	15,678	11,040,202
Instruments mandatorily classified / measured at FVPL					
Non Government debt securities		300,000	-	-	300,000
		494,044,181	(23)	1,910,185	495,954,343

Particulars of credit loss allowance

	As at September 30, 2026 (Un-audited)				As at December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)							
Federal Government securities	-	-	-	-	-	-	-	-
Non Government debt securities	(18)	-	-	(18)	(23)	-	-	(23)
	(18)	-	-	(18)	(23)	-	-	(23)

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
41.2.1 Bai Muajjal with Government of Pakistan		
Bai Muajjal Investment	109,351,720	138,740,520
Less: Deferred Income	(14,996,115)	(24,786,772)
Bai Muajjal Investment-net	<u>94,355,605</u>	<u>113,953,748</u>
41.3 Islamic financing and related assets - net		
Ijarah	2,483,180	27,693,491
Murabaha	6,475,160	2,618,962
Musharakah	273,799,762	267,632,811
Diminishing Musharakah	231,397,115	157,034,805
Mera Pakistan Mera Ghar (MPMG)	4,054,914	4,467,165
Istisna	4,259,546	946,253
Bai Muajjal financing	30,910,262	34,967,935
Tijarah	7,779,364	8,125,000
Diminishing Musharakah - Under SBP's Islamic Temporary Economic Refinance Facility	2,888,396	14,269,777
Ameen Musharakah Running Finance Under SBP's - Islamic Export Refinance scheme	5,425,000	364,360
Islamic Export Refinance scheme - Istisna	-	3,302,445
Advances against Islamic assets		
Advances against Ijarah	597,496	403,145
Advances for Diminishing Musharakah	11,333,331	2,404,664
Advances against Musharika	30,183,426	25,901,730
Advances for Murabaha	5,939,989	974,836
Advances against MGMA	8,846,211	29,850
Advances against Mera Pakistan Mera Ghar	1,525	1,532
Advances for Istisna	5,167,368	6,688,863
Advances against Istisna - Under SBP' Islamic Export Refinance scheme	-	126,000
Inventory related to Islamic financing		
Istisna	6,680,814	997,934
Tijarah	3,227,195	859,125
Other financing	45,585	10,794
Profit and other receivables against financings	13,990,503	8,860,290
Gross Islamic financing and related assets	655,486,142	568,681,767
Less: Credit Loss Allowance against Islamic financings		
- Stage 1	(5,381,472)	(3,191,567)
- Stage 2	(2,802,863)	(1,529,914)
- Stage 3	(798,305)	(906,831)
	<u>(8,982,640)</u>	<u>(5,628,312)</u>
Islamic financing and related assets - net of credit loss allowance	<u>646,503,502</u>	<u>563,053,455</u>
41.4 Deposits and other accounts		
Customers		
Current deposits	871,864,317	577,503,792
Saving deposits	200,991,686	172,056,288
Term deposits	101,436,965	13,520,512
	<u>1,174,292,968</u>	<u>763,080,592</u>
Financial Institutions		
Current deposits	1,464,448	1,280,155
Saving deposits	201,651,832	169,526,129
Term deposits	3,300,000	28,454,000
	<u>206,416,280</u>	<u>199,260,284</u>
	<u>1,380,709,248</u>	<u>962,340,876</u>

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
41.5 Islamic Banking Business Unappropriated Profit		
Opening Balance	79,457,716	62,049,181
Profit for the period / year	49,658,975	17,408,535
	129,116,691	79,457,716
Taxation	(25,822,668)	(9,226,524)
Closing Balance	103,294,023	70,231,192
41.6 Contingencies and commitments		
- Guarantees	37,923,344	8,883,150
- Commitments	127,850,842	32,243,303
	165,774,186	41,126,453
	(Un-audited)	
	January -	January -
	September 2026	September 2025
	(Rupees in '000)	(Rupees in '000)
41.7 Profit / Return earned		
On:		
Financing	50,021,577	20,371,165
Investments	66,944,563	13,042,545
Placements	99,169	409,229
Rental Income from Ijarah	2,528,566	198,110
	119,593,875	34,021,049
41.8 Profit / Return expensed		
On:		
Deposits and other accounts	31,865,883	10,429,620
Due to Financial Institutions	5,359,717	248,951
Others	2,255,952	1,132,378
	39,481,552	11,810,949
41.9 Disclosures for profit and loss distribution and pool management		

The Bank operates general and special pools for deposits and inter-bank funds accepted / acquired under Mudarabah, Wakalah and Musharakah modes.

Under the General deposits pools, the Bank accepts funds on Mudarabah basis from depositors (Rab-ul-Maal) where the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financing, investments and placements. When utilising investing funds, the Bank prioritizes the funds received from depositors over the funds generated from own sources after meeting the regulatory requirement relating to such deposits.

Specific pools are operated for funds acquired / accepted from the Corporate Customers, other banks and State Bank of Pakistan for liquidity management and Islamic Export Refinance to the Bank's customers respectively under the Musharakah/ Mudarabah / Wakalah modes.

General Pool(s)

For General Pools, the Bank allocates PKR financing to Corporate, SME and Consumer Finance customers in diversified sectors and avenues of the economy / business and Investments in Sovereign Guarantee Sukuk, Corporate Sukuk, Bai Muajjal with Government of Pakistan, are also done through General Pools. All remunerative deposits are tagged to these general pools and the funds generated from the depositors are invested on priority basis.

IERS Pool(s)

The IERS pool assets comprise of Sovereign Guarantee Sukuk, and financing to Corporate Customers and exporters as allowed under the applicable laws and regulations, and as such are exposed to lower credit risk. The Musharakah with SBP under IERS is tagged to the IERS pool.

Treasury Pool(s)

The Treasury pool assets generally comprise of Sovereign Guarantee Sukuk and financing under diminishing musharakah, Ijarah facility and the related liability of the Treasury pool comprise of Musharakah / Wakalah/ Mudarabah from financial institutions. These pools are created to meet the liquidity requirements of the Holding company.

Special Pool(s)

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

Equity Pool(s)

All other assets including fixed assets, advance against financing, bai-salam financing and subsidized financing to Bank's employees are tagged to equity pool. To safeguard the interest of customers, all high risk investments are done through equity pool. The Holding company as Mudarib in the general pools is responsible for financing costs / assets such as land, building, furniture, fixtures, computers and IT system from its own sources / equity.

During the period, the Bank has given General Hiba to the depositors in General and specific pool, keeping in view the prescribed guidelines of Pool Management provided by the SBP. However, Hiba are given at the sole discretion of the Bank without any contractual commitment with the depositors.

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

The Mudarib's share on Deposits for the period ended September 30, 2026 is Rs. 20,251.55 million (50.07% of distributable profit of Mudarabah Pool) of this, an amount of Rs. 11,844.26 million (58.49% of Mudarib share) was distributed back to depositors as Hiba. The rate of profit earned on average earning assets was 11.25% per annum and the rate of profit paid on average deposits was 9.02% per annum.

The risk characteristics of pools

The risk characteristic of each pool mainly depends on the assets and liability profile of the pool. As per the Bank 's policy, relatively low risk / secured financing transactions and assets are allocated to the pool. The Bank maintains General Pools, Special Pools, FI Pools, IERS pool and Equity pool. All pools are exposed to general credit risk, asset ownership risk and Profit rate risk of underlying assets involved.

The Parameters used for allocation of profit, expenses and provisions to the Pool

- The profit of each deposit pool is calculated on all the remunerative assets booked by utilising the funds from the pool.
- Profit of pool is calculated after deduction of expenses directly incurred in earning the income of such pool, the directly related costs comprise of depreciation on ijarah assets, takaful premium, Amortisation of Premium on investment etc.
- No expense of general or administrative nature is charged to the pools.
- No credit loss allowance against any non-performing asset of the pool is passed on to the pool except on the actual loss / write-off of such non-performing asset.
- The profit of the pool is shared between equity and Rab-ul-Maal of the pool on the basis of Musharakah at gross level (before charging of mudarib fee) as per the investment ratio of the equity.
- The profit of the pool is shared among the members of the pool on pre-defined mechanism based on the weightages announced before the profit calculation period after charging of mudarib fee.

The Bank managed following pools during the period.

For the nine months ended September 30, 2026 (Un-audited)

	No of Pools	Nature of Pool	Profit rate and weightages announce-ment period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba
				%	%	Rupees in '000	%	%	Rupees in '000
Special Pools	18	Mudarbaha	Monthly	11.64%	50.12%	12,382,922	10.45%	80.05%	9,911,993
IERS Pools	18	Musharkah	Monthly	6.30%	50.60%	485,805	2.50%	0.00%	-
General Pools	9	Mudarbaha	Monthly	11.16%	50.00%	7,859,960	7.10%	33.21%	1,930,350
General FCY Pools		Mudarbaha	Monthly	6.97%	50.00%	21,258	0.75%	24.97%	5,309
Treasury Pools	261	Mudaraba/Musharkah	-	11.01%	7.36%	222,040	10.12%	0.00%	-
OMO Pools	11	Mudarabah	-	11.31%	4.36%	132,257	10.53%	3.64%	4,815

For the nine months ended September 30, 2025 (Un-audited)

	No of Pools	Nature of Pool	Profit rate and weightages announce-ment period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba
				%	%	Rupees in '000	%	%	Rupees in '000
Special Pools	57	Mudarbaha	Monthly	11.14%	33.86%	1,373,092	8.81%	40.17%	551,536
IERS Pools	11	Musharkah	Monthly	8.66%	41.64%	122,488	5.34%	0.00%	-
General Pools	9	Mudarbaha	Monthly	12.96%	50.00%	6,724,486	7.73%	17.78%	1,195,479
FCY Pools	10	Mudarbaha	Monthly	7.09%	81.00%	52,046	12.00%	22.94%	11,942
Treasury Pools	0	Musharkah	Monthly	0.00%	0.00%	-	0.00%	0.00%	-

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
-----Rupees in '000-----		
41.10 Deployment of Mudarabah based deposits by class of business		
Chemical and pharmaceuticals	8,259,759	6,621,850
Agriculture	146,789,211	152,188,676
Textile	91,391,128	99,378,265
Sugar	51,611,342	45,512,373
Automobile	5,168,749	3,288,671
Financial	1,059,482	15,255,202
Individuals	63,862,374	30,232,299
Production and transmission of energy	120,979,301	130,712,330
Government of Pakistan Securities	1,069,771,607	492,764,491
Others	169,015,790	103,256,500
	<u>1,727,908,743</u>	<u>1,079,210,657</u>

42. YEMEN OPERATIONS

Despite risky situation and continued operational losses the Bank has been striving to honor liabilities for past nine years. However, on account of several factors, including but not limited to fragile political and economic situation in Yemen, bankruptcy of CBY Sana'a, existence of two Central Banks (i.e. CBY Sana'a and CBY Aden), has resulted in illiquid market, which does not appears to be reversed in near future.

It is no longer possible for the Bank to continue its operations in Yemen due to reasons not attributable to the Bank and caused by circumstances entirely beyond the Bank's control. Therefore, Bank has completely exited from Yemen. The Bank is cognizant of the associated risks arising out of its exit from Yemen.

43. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on October 16, 2026 has declared an interim cash dividend in respect of quarter ended September 30, 2026 of Rs. 8.0 per share (September 30, 2025: Rs. 8.0 per share). This is in addition to Rs. 16.0 already paid during the period bringing the total dividend for the nine months to Rs. 24 per share (September 30, 2025: Rs. 27.0). These unconsolidated condensed interim financial statements for the nine months ended September 30, 2026 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

44. GENERAL

44.1 Comparative information has been reclassified, rearranged or additionally incorporated in these unconsolidated condensed interim financial statements for the purposes of better presentation.

44.2 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

45. DATE OF AUTHORISATION

These unconsolidated condensed interim financial statements were authorised for issue on October 16, 2026, by the Board of Directors of the Bank.


Syed Manzoor Hussain Zaidi
Chief Financial Officer


Muhammad Jawaid Iqbal
President &
Chief Executive Officer


Shazia Syed
Director


Daniel Michael Howlett
Director


Lord Zameer M. Choudrey, CBE, SI Pk
Chairman



UNITED BANK LIMITED

**CONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2026
(Un-audited)**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2026

	Note	(Un-audited) September 30, 2026	(Audited) December 31, 2025
		----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks	6	720,058,742	548,709,327
Balances with other banks	7	80,782,151	57,279,049
Lendings to financial institutions	8	27,798,345	31,574,547
Investments	9	9,531,991,637	9,956,066,916
Advances	10	1,721,694,040	1,369,366,395
Property and equipment	11	210,001,301	120,927,227
Right-of-use assets	12	67,046,876	36,813,438
Intangible assets	13	55,318,046	58,690,656
Deferred tax assets	14	-	-
Other assets	15	501,220,208	449,087,109
		12,915,911,346	12,628,514,664
LIABILITIES			
Bills payable	17	97,961,245	58,631,844
Borrowings	18	5,433,903,453	6,530,014,720
Deposits and other accounts	19	6,492,823,615	5,168,089,899
Lease liabilities	20	71,162,718	39,520,412
Subordinated debt	21	10,000,000	10,000,000
Deferred tax liabilities	14	66,178,459	136,299,736
Other liabilities	22	214,942,193	180,666,240
		12,386,971,683	12,123,222,851
NET ASSETS		<u>528,939,663</u>	<u>505,291,813</u>
REPRESENTED BY:			
Share capital	23	12,521,239	12,521,239
Reserves		147,528,250	138,517,698
Surplus on revaluation of assets - net	24	138,268,096	173,003,893
Unappropriated profit		<u>230,534,451</u>	<u>181,178,532</u>
Total equity attributable to the equity holders of the Bank		528,852,036	505,221,362
Non-controlling interest		<u>87,627</u>	<u>70,451</u>
		<u>528,939,663</u>	<u>505,291,813</u>
CONTINGENCIES AND COMMITMENTS			
	25		

The annexed notes 1 to 45 form an integral part of these consolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
 Chief Financial Officer


Muhammad Jawaid Iqbal
 President &
 Chief Executive Officer


Shazia Syed
 Director


Daniel Michael Howlett
 Director


Lord Zameer M. Choudrey, CBE, SI Pk
 Chairman

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		July - September 2026	July - September 2025	January - September 2026	January - September 2025
	Note	(Rupees in '000)			
Mark-up / return / interest earned	27	355,225,641	297,235,579	1,020,253,501	861,251,119
Mark-up / return / interest expensed	28	261,915,861	205,251,701	737,230,985	593,838,387
Net mark-up / interest income		93,309,780	91,983,878	283,022,516	267,412,732
Non mark-up / interest income					
Fee and commission income	29	8,940,349	7,793,913	26,245,952	24,282,106
Dividend income		69,610	287,126	627,084	1,651,515
Foreign exchange income		8,802,193	5,027,596	21,610,915	12,875,535
Gain / (loss) from derivatives		744,994	(1,313)	742,618	(1,255,891)
Gain / (loss) on securities - net	30	5,533,791	902,623	47,886,559	9,049,933
Capital gain on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income	31	246,988	238,025	1,025,509	693,482
Total non mark-up / interest income		24,337,925	14,247,970	98,138,637	47,296,680
Total income		117,647,705	106,231,848	381,161,153	314,709,412
Non mark-up / interest expenses					
Operating expenses	32	52,766,438	31,034,398	138,283,357	90,688,043
Workers' Welfare Fund		1,365,654	1,468,158	4,870,952	4,411,327
Other charges	33	21,356	45,124	36,553	47,618
Total non mark-up / interest expenses		54,153,448	32,547,680	143,190,862	95,146,988
Share of (loss) / profit of associates		(22,746)	161,065	(172,686)	766,500
Profit before credit loss allowance		63,471,511	73,845,233	237,797,605	220,328,924
Credit loss allowance and write-offs - net	34	(252,830)	(822,101)	(4,460,481)	(4,711,348)
Profit before taxation		63,724,341	74,667,334	242,258,086	225,040,272
Taxation	35	33,073,821	39,304,932	125,700,059	124,945,657
Profit after taxation		30,650,520	35,362,402	116,558,027	100,094,615
Attributable to:					
Equity holders of the Bank		30,643,523	35,355,263	116,540,851	100,077,963
Non-controlling interest		6,997	7,139	17,176	16,652
		30,650,520	35,362,402	116,558,027	100,094,615
(Rupees)					
Earnings per share - basic and diluted	36	12.24	14.12	46.54	40.19

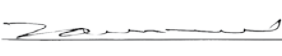
The annexed notes 1 to 45 form an integral part of these consolidated condensed interim financial statements.


Syed Manzoor Hussain Zaidi
 Chief Financial Officer


Muhammad Jawaid Iqbal
 President &
 Chief Executive Officer


Shazia Syed
 Director


Daniel Michael Howlett
 Director


Lord Zameer M. Choudrey, CBE, SI Pk
 Chairman

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	July - September 2026	July - September 2025	January - September 2026	January - September 2025
	(Rupees in '000)			
Profit after taxation for the period attributable to:				
Equity holders of the Bank	30,643,523	35,355,263	116,540,851	100,077,963
Non-controlling interest	6,997	7,139	17,176	16,652
	<u>30,650,520</u>	<u>35,362,402</u>	<u>116,558,027</u>	<u>100,094,615</u>
Other comprehensive income				
<i>Items that may be reclassified to profit and loss account in subsequent periods</i>				
Effect of translation of net investment in foreign branches				
Equity holders of the Bank	(608,918)	(1,125,686)	(1,794,075)	1,059,096
Non-controlling interest	-	-	-	-
	<u>(608,918)</u>	<u>(1,125,686)</u>	<u>(1,794,075)</u>	<u>1,059,096</u>
Movement in cash flow hedge reserve - net of tax				
Equity holders of the Bank	(1,453,454)	-	(714,245)	-
Non-controlling interest	-	-	-	-
	<u>(1,453,454)</u>	<u>-</u>	<u>(714,245)</u>	<u>-</u>
Movement in surplus on revaluation of debt investments through FVOCI - net of tax				
Equity holders of the Bank	(8,331,303)	2,342,406	(56,795,148)	61,133,409
Non-controlling interest	-	-	-	-
	<u>(8,331,303)</u>	<u>2,342,406</u>	<u>(56,795,148)</u>	<u>61,133,409</u>
	<u>(10,393,675)</u>	<u>1,216,720</u>	<u>(59,303,468)</u>	<u>62,192,505</u>
<i>Items that will not be reclassified to profit and loss account in subsequent periods</i>				
Movement in surplus on revaluation of equity investments through FVOCI - net of tax				
Equity holders of the Bank	(100,150)	2,009,006	980,537	2,537,445
Non-controlling interest	-	-	-	-
	<u>(100,150)</u>	<u>2,009,006</u>	<u>980,537</u>	<u>2,537,445</u>
Movement in surplus on revaluation of property and equipment - net of tax				
Equity holders of the Bank	1,509,532	-	25,198,709	-
Non-controlling interest	-	-	-	-
	<u>1,509,532</u>	<u>-</u>	<u>25,198,709</u>	<u>-</u>
	<u>1,409,382</u>	<u>2,009,006</u>	<u>26,179,246</u>	<u>2,537,445</u>
Total comprehensive income for the period	<u>21,666,227</u>	<u>38,588,128</u>	<u>83,433,805</u>	<u>164,824,565</u>
Attributable to:				
Equity holders of the Bank	21,659,230	38,580,989	83,416,629	164,807,913
Non-controlling interest	6,997	7,139	17,176	16,652
	<u>21,666,227</u>	<u>38,588,128</u>	<u>83,433,805</u>	<u>164,824,565</u>

The annexed notes 1 to 45 form an integral part of these consolidated condensed interim financial statements.


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Shazia Syed
Director


Daniel Michael Howlett
Director


Lord Zameer M. Choudrey, CBE, SI PK
Chairman

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

Note	Share capital	Share Premium	Statutory reserve	Capital reserve - Exchange translation	Cash Flow Hedge Reserve	Surplus / (Deficit) on revaluation			Unappropriated profit	Sub total	Non-controlling Interest	Total
						Investments	Property and Equipment	Non-banking assets				
Balance as at January 01, 2025 - as restated	12,241,797	-	54,930,877	59,803,954	-	40,210,574	38,453,449	1,146	116,472,051	322,113,848	49,910	322,163,758
Total comprehensive income for the nine months ended September 30, 2025												
Profit after taxation for the nine months ended September 30, 2025	-	-	-	-	-	-	-	-	100,077,963	100,077,963	16,652	100,094,615
Other comprehensive income - net of tax	-	-	-	1,059,096	-	63,670,854	-	-	-	64,729,950	-	64,729,950
Total comprehensive income for the nine months ended September 30, 2025	-	-	-	1,059,096	-	63,670,854	-	-	100,077,963	164,807,913	16,652	164,824,565
Transfer of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	(52,082)	-	52,082	-	-	-
Transfer of net gain on disposal of FVOCI equity investments from surplus to unappropriated profit - net of tax	-	-	-	-	-	(2,627,840)	-	-	2,627,840	-	-	-
Transfer to statutory reserve	-	-	9,849,336	-	-	-	-	-	(9,849,336)	-	-	-
Shares issued under amalgamation	279,442	10,473,761	-	-	-	-	-	-	-	10,753,203	-	10,753,203
Transactions with owners for the nine months ended September 30, 2025, recorded directly in equity												
Final cash dividend - December 31, 2024 declared subsequent to the year end at Rs. 11.0 per share	-	-	-	-	-	-	-	-	(13,465,977)	(13,465,977)	-	(13,465,977)
Interim cash dividend - March 31, 2025 declared at Rs. 11.0 per share	-	-	-	-	-	-	-	-	(13,773,363)	(13,773,363)	-	(13,773,363)
Interim cash dividend - June 30, 2025 declared at Rs. 8.0 per share	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)	-	(20,033,982)
	-	-	-	-	-	-	-	-	(47,273,322)	(47,273,322)	-	(47,273,322)
Balance as at September 30, 2025 (Un-audited)	12,521,239	10,473,761	64,780,213	60,863,050	-	101,253,588	38,401,367	1,146	162,107,278	450,401,642	66,562	450,468,204
Total comprehensive income for three months ended December 31, 2025												
Profit after taxation for the three months ended December 31, 2025	-	-	-	-	-	-	-	-	29,921,920	29,921,920	3,839	29,925,759
Other comprehensive income - net of tax	-	-	-	(550,875)	-	33,378,908	-	-	12,103,749	44,931,782	50	44,931,832
Total comprehensive income for the three months ended December 31, 2025	-	-	-	(550,875)	-	33,378,908	-	-	42,025,669	74,853,702	3,889	74,857,591
Transfer of incremental depreciation from surplus on revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	(19,632)	-	19,632	-	-	-
Transfer of net gain on disposal of FVOCI equity investments from surplus to unappropriated profit - net of tax	-	-	-	-	-	(11,484)	-	-	11,484	-	-	-
Transfer to statutory reserve	-	-	2,951,549	-	-	-	-	-	(2,951,549)	-	-	-
Transactions with owners for the three months ended December 31, 2025, recorded directly in equity												
Interim cash dividend - September 30, 2025 declared at Rs. 8.0 per share	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)	-	(20,033,982)
	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)	-	(20,033,982)
Balance as at December 31, 2025 (Audited)	12,521,239	10,473,761	67,731,762	60,312,175	-	134,621,012	38,381,735	1,146	181,178,532	505,221,362	70,451	505,291,813
Effect of Transition to EIR Method - net of tax	3.1	-	-	-	-	-	-	-	315,991	315,991	-	315,991
Balance as at January 01, 2026 - as restated	12,521,239	10,473,761	67,731,762	60,312,175	-	134,621,012	38,381,735	1,146	181,494,523	505,537,353	70,451	505,607,804
Total comprehensive income for the nine months ended September 30, 2026												
Profit after taxation for the nine months ended September 30, 2026	-	-	-	-	-	-	-	-	116,540,851	116,540,851	17,176	116,558,027
Other comprehensive income - net of tax	-	-	-	(1,794,075)	(714,245)	(55,814,611)	25,198,709	-	-	(33,124,222)	-	(33,124,222)
Total comprehensive income for the nine months ended September 30, 2026	-	-	-	(1,794,075)	(714,245)	(55,814,611)	25,198,709	-	116,540,851	83,416,629	17,176	83,433,805
Transfer of incremental depreciation from revaluation of property and equipment to unappropriated profit - net of tax	-	-	-	-	-	-	(55,132)	-	55,132	-	-	-
Transfer of net gain on disposal of FVOCI equity investments from surplus to unappropriated profit - net of tax	-	-	-	-	-	(4,064,763)	-	-	4,064,763	-	-	-
Transfer to statutory reserve	-	-	11,518,872	-	-	-	-	-	(11,518,872)	-	-	-
Transactions with owners, recorded directly in equity												
Final cash dividend - December 31, 2025 declared subsequent to the year end at Rs. 8.0 per share	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)	-	(20,033,982)
Interim cash dividend - March 31, 2026 declared at Rs. 8.0 per share	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)	-	(20,033,982)
Interim cash dividend - June 30, 2026 declared at Rs. 8.0 per share	-	-	-	-	-	-	-	-	(20,033,982)	(20,033,982)	-	(20,033,982)
	-	-	-	-	-	-	-	-	(60,101,946)	(60,101,946)	-	(60,101,946)
Balance as at September 30, 2026 (Un-audited)	12,521,239	10,473,761	79,250,634	58,518,100	(714,245)	74,741,638	63,625,312	1,146	230,534,451	528,852,036	87,627	528,939,663

The annexed notes 1 to 45 form an integral part of these consolidated condensed interim financial statements.

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Daniel Michael Howlett
 Director


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 Chairman

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	January - September 2026	January - September 2025
----- (Rupees in '000) -----		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	242,258,086	225,040,272
Less: Dividend income	627,084	1,651,515
Less: Share of (loss) / profit of associates	(172,686)	766,500
	<u>241,803,688</u>	<u>222,622,257</u>
Adjustments:		
Depreciation on property and equipment	11,042,365	6,704,928
Depreciation on right-of-use assets	5,343,303	3,074,120
Depreciation on non-banking assets acquired in satisfaction of claims	16,160	29,853
Amortisation	5,440,428	844,119
Workers' Welfare Fund - charge	4,870,952	4,411,327
Provision for retirement benefits	1,771,243	1,378,476
Provision for compensated absences	132,667	109,575
Credit loss allowance against loans and advances - net	(4,439,703)	(4,534,504)
Credit loss allowance against off - balance sheet obligations - net	768,596	198,026
Credit loss allowance for diminution in value of investments - net	(744,361)	65,525
Credit loss allowance / (Reversal) against cash and balances with treasury banks	45,364	(122,115)
Impairment on fixed assets	160,218	-
Interest expense on lease liabilities against right-of-use assets	5,190,914	2,481,903
Loss on sale of Ijarah assets - net	(5,623)	234
Gain on sale of property and equipments - net	(69,554)	(89,048)
Bad debts written-off directly	102,383	58,036
Unrealised gain on revaluation of investments classified as FVPL	212,922	(42,667)
Credit loss allowance against other assets	128,349	45,220
Other credit loss allowance / write-offs	68,939	183,670
	<u>30,035,562</u>	<u>14,796,678</u>
	<u>271,839,250</u>	<u>237,418,935</u>
(Increase) / decrease in operating assets		
Landings to financial institutions	3,776,202	(120,863,254)
Securities classified as FVPL	(56,069,422)	(208,564,550)
Advances	(341,166,216)	345,360,053
Other assets (excluding advance taxation)	(35,782,317)	(215,464,935)
	<u>(429,241,753)</u>	<u>(199,532,686)</u>
Increase / (decrease) in operating liabilities		
Bills payable	39,329,401	(11,566,664)
Borrowings	(1,096,111,267)	868,740,628
Deposits and other accounts	1,324,733,716	2,128,454,253
Other liabilities	28,476,123	18,115,688
	<u>296,427,973</u>	<u>3,003,743,905</u>
	<u>139,025,470</u>	<u>3,041,630,154</u>
	(4,314,996)	628,529
	<u>(149,922,445)</u>	<u>(83,919,249)</u>
(Payments) / receipts on account of staff retirement benefits	(15,211,971)	2,958,339,434
Income taxes paid		
Net cash flow (used in) / generated from operating activities		
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities classified as FVOCI	1,029,075,559	(2,380,475,512)
Net investments in amortized cost securities	(665,780,297)	(213,820,407)
Net investments in associates	(7,909,597)	(1,752,858)
Cash acquired through business combination	-	15,198,229
Dividend income received	643,393	1,668,480
Investment in property and equipments and intangible assets	(75,578,488)	(94,637,486)
Sale proceeds from disposal of property and equipments	509,139	283,496
Sale proceeds from disposal of Ijarah assets	16,217	27,645
Effect of translation of net investment in foreign branches	(1,794,075)	1,059,096
Net cash flow generated from / (used in) investing activities	<u>279,181,851</u>	<u>(2,672,449,317)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liabilities against right-of-use assets	(9,148,476)	(4,992,057)
Payment of subordinated debt	-	(1,998,400)
Dividend paid	(59,968,887)	(47,023,178)
Net cash flow used in financing activities	<u>(69,117,363)</u>	<u>(54,013,635)</u>
Increase in cash and cash equivalents	<u>194,852,517</u>	<u>231,876,482</u>
Cash and cash equivalents at the beginning of the period	609,447,716	368,625,170
Effect of exchange rate changes on cash and cash equivalents	(3,459,340)	2,179,452
	<u>605,988,376</u>	<u>370,804,622</u>
Cash and cash equivalents at the end of the period	<u>800,840,893</u>	<u>602,681,104</u>

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Shazia Syed
 Director


Daniel Michael Howlett
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 Chairman

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

1. STATUS AND NATURE OF BUSINESS

The "Group" consists of:

Holding company

- United Bank Limited (the Bank)

Subsidiary companies

- UBL Fund Managers Limited, Pakistan - 98.87% shareholding (2025: 98.87% shareholding)

- UBL Financial Services (Private) Limited (Formerly Al Ameen Financial Services (Private) Limited) - effective shareholding 98.87% (2025: 98.87% effective shareholding)

- UBL Currency Exchange (Private) Limited - shareholding 100% (2025: 100% shareholding)

- UBL Agriculture and Rural Development (Private) Limited - shareholding 100%.

The Group is engaged in commercial banking, asset management, investment advisory and exchange business. United Bank Limited (the Bank) is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's registered office and principal office are situated at UBL Building, Jinnah Avenue, Blue Area, Islamabad and at UBL Head Office, I. I. Chundrigar Road, Karachi respectively. The Bank operates 2,184 (December 31, 2025: 2,009) branches inside Pakistan including 824 (December 31, 2025: 752) Islamic Banking branches and 2 (December 31, 2025: 2) branches in Export Processing Zones. The Bank also operates 9 (December 31, 2025: 8) branches outside Pakistan. The Bank is a subsidiary of Bestway International Holdings Limited (BIHL) and BIHL is a wholly owned subsidiary of Bestway Group Limited (BGL), both of which have been incorporated in the Guernsey.

The Bank's ordinary shares are listed on Pakistan Stock Exchange (PSX). Its Global Depository Receipts (GDRs) are on the list of the UK Listing Authority and the London Stock Exchange Professional Securities Market. These GDRs are also eligible for trading on the International Order Book System of the London Stock Exchange. Further, the GDRs constitute an offering in the United States only to qualified institutional buyers in reliance on Rule 144A under the US Securities Act of 1933 and an offering outside the United States in reliance on Regulation S.

Non-controlling interest represents 1.13% shares held by past and present employees of UBL FM in the net asset value of UBL FM.

UBL Agriculture and Rural Development (Private) Limited is incorporated in Pakistan on August 20, 2026 with its registered office at 2nd Floor, UBL Head Office, I.I. Chundrigar Road, Karachi. The objective of the company is to establish, develop, operate and manage a data-driven and digitally enabled platform for the development, modernization, transformation and sustainable growth of Pakistan's agriculture and rural economy. The company has not commence its operations.

2 BASIS OF PRESENTATION

These consolidated condensed interim financial statements have been prepared in conformity with the format of interim financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular No. 2 dated February 09, 2023.

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

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

2.1 STATEMENT OF COMPLIANCE

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

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

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

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

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

The SBP vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

In accordance with IFRS 9 application instructions issued by SBP, the Banks are allowed to continue the existing accounting practice with respect to revenue recognition of Islamic financial instrument until further instructions. Accordingly, the Bank has continued to apply previous accounting practices in such areas for the purposes of preparation of these consolidated financial statements.

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

The disclosures made in these consolidated condensed interim financial statements have been limited 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 information and disclosures required in preparation of audited annual financial statements, and should be read in conjunction with the audited consolidated financial statements of the Bank for the year ended December 31, 2025.

2.2 Standards, interpretations and amendments to accounting and reporting standards that are effective in the current year

There are certain amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2026. These are neither considered relevant nor have any significant impact and accordingly have not been detailed in these consolidated condensed interim financial statements.

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

There are various amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective.

Standard, Interpretation or Amendment	Effective date (annual periods beginning on or after)
Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21	January 01, 2027
IFRS 18 - Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	January 01, 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalized.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. IFRS 18 introduces new requirements for presentation of various items within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management defined performance measures in the notes and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. Narrow-scope amendments have been made to IAS 7, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. Earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Bank is currently working to identify all impacts the amendments will have on the consolidated financial statements of future period and notes thereto.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard

IASB Effective date (annual periods beginning on or after)

IFRS 1 - First time adoption of International Financial Reporting Standards

January 01, 2004

The above standards and amendments are not expected to have any significant impact on Bank's consolidated condensed interim financial statements for future periods.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these consolidated condensed interim financial statements, are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2025, except as disclosed in Notes 3.1 and 3.2.

3.1 Financial Instruments – Effective Interest Rate Method

In accordance with SBP directions, the Bank has adopted the Effective Interest Rate (EIR) method for the recognition of interest income and expense on financial instruments measured at amortised cost and at fair value through other comprehensive income (FVOCI) under IFRS 9 from January 01, 2026, which resulted in net credit adjustment of Rs. 315.991 million (net of tax) in the unappropriated profit at the beginning of the current period without restating the comparative figures.

3.2 Cash flow hedge

As a part of its risk management, the Bank has identified a cashflow risk associated with interest rate payments and adopted corresponding hedging strategies using interest rate swaps. When a hedging relationship meets the specified hedge accounting criteria set out in IFRS 9, the Bank applies one of three types of hedge accounting: cash flow hedges.

At inception, the Bank formally documents how the hedging relationship meets the hedge accounting criteria. It also records the economic relationship between the hedged item and the hedging instrument, including the nature of the risk, the risk management objective and strategy for undertaking the hedge and the method that will be used to assess the effectiveness of the hedging relationship at inception and on an ongoing basis. In order to qualify for hedge accounting, a hedging relationship must be expected to be highly effective on a prospective basis.

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A hedge is considered to be highly effective if:

- a) there is economic relationship between hedge item and hedge instrument;
- b) the effect of credit risk does not dominate the value changes that result from the economic relationship;
- c) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

However, that designation shall not reflect an imbalance between the weightings of the hedged item and the hedging instrument that would create hedge ineffectiveness (irrespective of whether recognised or not) that could result in an accounting outcome that would be inconsistent with the purpose of hedge accounting.

The Bank uses the hypothetical derivative method. The hypothetical derivative method involves establishing a notional derivative that would be the ideal hedging instrument for the hedged exposure (normally an interest rate swap with no unusual terms and a zero fair value at inception of the hedge relationship). The fair value of the hypothetical derivative is then used as a proxy for the net present value of the hedged future cash flows against which changes in value of the actual hedging instrument are compared to assess effectiveness and measure ineffectiveness.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity and the gain and losses related to effective portion is recognised in OCI. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Ineffectiveness recognised in the reporting period is presented within 'Income / (Loss) from derivatives'.

In cashflow hedge, the causes of hedging ineffectiveness arise from the difference in the timing of cash flows of hedge items and hedge instruments, different interest rate curves for discount rate, effect of credit risk of counter parties and fair value of hedge instrument at inception. In addition, for cashflow hedges, sources of hedge ineffectiveness occur from the basis risk, where differences in the repricing basis between the hedging instrument and hedged cash flows exist.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative amount in cash flow hedge that were reported in equity are immediately reclassified to statement of profit and loss account.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements of the Bank for the year ended December 31, 2025, except for:

- a) The Bank's accounting of cashflow hedge includes an element of judgement and estimation uncertainty in particular with respect to interest rate curves and expected cashflows.

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

- b) The Bank's EIR method, as explained in Note 3.1 above, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the life of financial instruments and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle (including prepayments, penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life cycle of the instruments, as well expected changes to the Bank's base rate.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2025, except for designation of certain floating rate advances as hedged items in cashflow hedges of interest rate risks on these advances through interest rate swaps.

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
6. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		112,360,856	69,911,293
Foreign currencies		74,124,204	27,886,326
		186,485,060	97,797,619
With State Bank of Pakistan in			
Local currency current accounts		204,658,178	154,773,588
Foreign currency current accounts		7,801,798	8,224,165
Foreign currency deposit account		11,481,309	12,157,685
		223,941,285	175,155,438
With other central banks in			
Foreign currency current accounts		217,190,763	175,790,193
Foreign currency deposit accounts		17,989,655	34,048,154
		235,180,418	209,838,347
With National Bank of Pakistan in			
Local currency current accounts		74,251,084	65,643,246
National Prize Bonds		299,630	328,048
		720,157,477	548,762,698
Less: Credit loss allowance held against cash and balances with treasury banks	6.1	(98,735)	(53,371)
Cash and balances with treasury banks - net of credit loss allowance		720,058,742	548,709,327
6.1. Cash and balances with treasury banks are all classified as Stage 1.			

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
7. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		211,423	81,992
In deposit accounts		14,588	17,387
		226,011	99,379
Outside Pakistan			
In current accounts		68,682,882	54,393,530
In deposit accounts		11,894,252	2,801,135
		80,577,134	57,194,665
		80,803,145	57,294,044
Less: Credit loss allowance held against balances with other banks	7.1	(20,994)	(14,995)
Balances with Other Banks - net of credit loss allowance		<u>80,782,151</u>	<u>57,279,049</u>
7.1 Balances with other banks are classified as stage 1.			
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Call lending		14,917,621	-
Repurchase agreement lendings (reverse repo)		12,880,724	17,000,000
Bai Muajjal receivable with Scheduled bank / financial institution		-	14,574,547
		27,798,345	31,574,547
Less: Credit loss allowance held against lending to financial institutions	8.1	-	-
Lending to financial institutions - net of credit loss allowance		<u>27,798,345</u>	<u>31,574,547</u>
8.1 Lendings to financial institutions are all classified as stage 1.			

	September 30, 2026 (Un-audited)				December 31, 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) -----							
9. INVESTMENTS								
9.1 Investments by type								
FVPL								
Federal Government Securities	106,549,004	-	43,721	106,592,725	64,677,109	-	250,256	64,927,365
Shares and units	14,447,823	-	(256,643)	14,191,180	-	-	-	24,347,254
Non-Government debt securities	1,864,840	-	-	1,864,840	1,864,880	-	-	1,864,880
	122,861,667	-	(212,922)	122,648,745	66,541,989	-	250,256	66,792,245
FVOCI								
Federal Government securities	7,362,637,549	(657,567)	154,630,328	7,516,610,310	8,504,042,035	(1,407,799)	269,559,371	8,772,193,607
Shares and units	8,153,363	-	5,464,047	13,617,410	12,426,824	-	11,920,430	24,347,254
Non-Government debt securities	9,475,859	(250,500)	109,551	9,334,910	5,786,339	(216,281)	107,432	5,677,490
Foreign securities	508,100,454	(33,574)	(4,416,472)	503,650,408	395,186,313	(43,909)	(353,358)	394,789,046
	7,888,367,225	(941,641)	155,787,454	8,043,213,038	8,917,441,511	(1,667,989)	281,233,875	9,197,007,397
Amortised cost								
Federal Government securities	1,324,532,470	(488,385)	-	1,324,044,085	651,708,282	(138,688)	-	651,569,594
Non-Government debt securities	12,361,202	(449,388)	-	11,911,814	13,598,680	(833,639)	-	12,765,041
Foreign securities	15,067,602	(14,829)	-	15,052,773	20,908,768	(15,028)	-	20,893,740
	1,351,961,274	(952,602)	-	1,351,008,672	686,215,730	(987,355)	-	685,228,375
Associates	16,178,667	(1,057,485)	-	15,121,182	8,096,384	(1,057,485)	-	7,038,899
Total Investments	<u>9,379,368,833</u>	<u>(2,951,728)</u>	<u>155,574,532</u>	<u>9,531,991,637</u>	<u>9,678,295,614</u>	<u>(3,712,829)</u>	<u>281,484,131</u>	<u>9,956,066,916</u>

9.2 Summary of financial position and performance of associates

	September 30, 2026 (Un-audited)					
	Country of incorporation	Percentage Holding	Assets	Liabilities	Revenue	Total comprehensive income
	----- (Rupees in '000) -----					
Al-Ameen Shariah Stock Fund	Pakistan	9.96%	31,598,784	206,709	(682,789)	(1,596,031)
UBL Stock Advantage Fund	Pakistan	11.34%	35,283,153	201,499	(992,639)	(2,053,358)
Al-Ameen Islamic Energy Fund	Pakistan	2.24%	4,686,472	26,999	126,977	(19,948)
UBL Financial Sector Fund	Pakistan	11.84%	9,707,115	37,169	39,097	(210,402)
UBL Pakistan Enterprise Exchange Traded Fund	Pakistan	7.03%	796,635	4,783	75,904	42,500
UBL Cash Fund	Pakistan	0.49%	75,168,897	306,697	3,160,181	3,073,705
UBL Liquidity Plus Fund	Pakistan	12.34%	30,081,237	91,704	697,932	617,363
UBL Government Securities Fund	Pakistan	16.72%	3,517,715	60,060	481,662	394,843
UBL Liquidity Fund	Pakistan	3.44%	31,816,063	22,970	3,529,387	3,356,886
UBLKPK - Money Market Sub Fund	Pakistan	39.00%	113,940	1,119	8,674	8,029
UBLKPK - Debt Sub Fund	Pakistan	100.00%	674	10	49	49
UBLKPK - Equity Sub Fund	Pakistan	100.00%	674	10	49	49
UBLKPK - Equity Index Sub Fund	Pakistan	100.00%	674	10	49	49
AIKPK - Money Market Sub Fund	Pakistan	17.03%	244,626	903	14,360	14,066
AIKPK - Debt Sub Fund	Pakistan	100.00%	528	10	(114)	(114)
AIKPK - Equity Sub Fund	Pakistan	100.00%	528	10	(114)	(114)
AIKPK - Equity Index Sub Fund	Pakistan	100.00%	528	10	(114)	(114)
UBL Punjab Pension Fund - Money Market Sub Fund	Pakistan	100.00%	816	276	174	39
UBL Punjab Pension Fund - Debt Sub Fund	Pakistan	100.00%	552	10	42	41
UBL Punjab Pension Fund - Equity Sub Fund	Pakistan	100.00%	535	10	24	24
UBL Punjab Pension Fund - Equity Index Sub Fund	Pakistan	100.00%	535	10	24	24
Al-Ameen Islamic Punjab Pension Fund - Money Market Sub Fund	Pakistan	100.00%	818	293	177	25
Al-Ameen Islamic Punjab Pension Fund - Debt Sub Fund	Pakistan	100.00%	524	10	13	13
Al-Ameen Islamic Punjab Pension Fund - Equity Sub Fund	Pakistan	100.00%	524	10	13	13
Al-Ameen Islamic Punjab Pension Fund - Equity Index Sub Fund	Pakistan	100.00%	524	10	13	13
UBL Insurers Limited	Pakistan	30.00%	12,859,495	9,928,905	1,784,452	215,024
Khushhali Microfinance Bank Limited	Pakistan	27.82%	138,761,370	151,642,311	26,014,855	3,296,072

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

September 30, 2025 (Un-audited)							
	Country of incorporation	Percentage Holding	Assets	Liabilities	Revenue	Profit / (loss)	Total comprehensive income
(Rupees in '000)							
UBL Stock Advantage Fund	Pakistan	1.14%	30,445,945	929,931	6,867,832	6,610,981	6,610,981
Al-Ameen Islamic Energy Fund	Pakistan	2.29%	6,665,697	364,149	1,114,982	1,065,704	1,065,704
UBL Pakistan Enterprise Exchange Traded Fund	Pakistan	39.34%	191,610	3,465	8,249	7,713	7,713
UBL Liquidity Plus Fund	Pakistan	0.02%	20,251,860	156,080	630,601	560,454	560,454
UBL Government Securities Fund	Pakistan	26.51%	15,039,932	84,078	417,147	368,496	368,496
UBLKPK - Money Market Sub Fund	Pakistan	57.57%	73,719	4,814	2,269	2,093	2,093
UBKPK - Debt Sub-Fund	Pakistan	100.00%	600	11	11	9	9
UBKPK - Equity Sub-Fund	Pakistan	100.00%	600	11	11	9	9
UBKPK-Equity Index Sub Fund	Pakistan	100.00%	600	11	11	9	9
AIKPK - Money Market Sub Fund	Pakistan	36.85%	104,140	2,244	2,210	2,030	2,030
AIKPK - Debt Sub-Fund	Pakistan	100.00%	580	7	22	19	19
AIKPK - Equity Sub-Fund	Pakistan	100.00%	581	8	22	19	19
AIKPK-Equity Index Sub Fund	Pakistan	100.00%	580	7	22	19	19
UBL Financial Sector Fund	Pakistan	8.01%	4,373,589	187,185	1,135,146	1,096,392	1,096,392
UBL Money Market Fund	Pakistan	0.89%	71,979,143	15,036,341	1,799,871	1,600,397	1,600,397
Al-Ameen Islamic Cash Plan-I	Pakistan	1.82%	15,683,481	38,852	437,737	399,712	399,712
UBL Insurers Limited	Pakistan	30.00%	14,245,877	11,382,261	1,715,135	236,890	230,575
Khushhali Microfinance Bank Limited	Pakistan	27.82%	115,647,517	132,748,717	21,127,761	1,248,474	1,258,923
						(Un-audited) September 30, 2026	(Audited) December 31, 2025
						----- (Rupees in '000) -----	
9.3	Investments given as collateral				Note		
Federal Government securities							
Market Treasury Bills						-	2,746,493
Pakistan Investment Bonds						5,281,136,657	6,422,520,807
Foreign securities							
Foreign bonds - sovereign						25,381,580	11,342,262
Units of Associates							
Units of UBL Liquidity Fund						1,079,465	-
Units of UBL Government Securities fund						526,782	-
						<u>5,308,124,484</u>	<u>6,436,609,562</u>
9.3.1	The market value of securities given as collateral is Rs. 5,481,485 million (December 31, 2025: Rs. 6,629,601 million).						
9.4	Credit loss allowance for diminution in value of investments						
Opening balance						3,712,829	4,071,592
Exchange adjustments						(16,740)	7,643
Charge / (reversals)							
Charge for the period / year						795,164	660,392
Reversals for the period / year						(1,534,103)	(1,026,798)
Reversals on disposal for the period / year						(5,422)	-
						34	(744,361)
Closing balance						<u>2,951,728</u>	<u>3,712,829</u>
				September 30, 2026 (Un-audited)	December 31, 2025 (Audited)		
				Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
(Rupees in '000)							
9.5	Particulars of credit loss allowance against debt securities						
Domestic							
Performing			Stage 1	8,687,038,376	62	9,135,827,671	91
Under performing			Stage 2	-	-	-	-
Non-performing			Stage 3	-	-	-	-
Substandard				-	-	-	-
Doubtful				-	-	-	-
Loss				588,175	588,175	593,594	593,594
				8,687,626,551	588,237	9,136,421,265	593,685
Overseas							
Performing			Stage 1	652,962,429	1,306,006	521,231,980	2,061,659
Under performing			Stage 2	-	-	119,161	-
Non-performing			Stage 3	-	-	-	-
Substandard				-	-	-	-
Doubtful				-	-	-	-
Loss				-	-	-	-
Total				652,962,429	1,306,006	521,351,141	2,061,659
				9,340,588,980	1,894,243	9,657,772,406	2,655,344
9.6	The market value of securities classified as amortised cost as at September 30, 2026 amounted to Rs. 1,308,822.547 million (2025: Rs. 696,455.990 million):						
10.	ADVANCES						
				Performing		Non-performing	
				(Un-audited)	(Audited)	(Un-audited)	(Audited)
				September 30, 2026	December 31, 2025	September 30, 2026	December 31, 2025
(Rupees in '000)							
Loans, cash credits, running finances, etc.				993,102,053	723,214,738	98,254,453	107,924,425
Islamic financing and related assets				654,574,259	567,667,664	911,883	1,014,103
Bills discounted and purchased				84,320,877	89,595,187	2,469,123	3,014,094
Advances - gross				1,731,997,189	1,380,477,589	101,635,459	111,952,622
Credit loss allowance against advances							
-Stage 1				(10,046,228)	(8,249,766)	-	-
-Stage 2				(6,332,692)	(8,259,382)	-	-
-Stage 3				-	-	(95,559,688)	(106,554,668)
				(16,378,920)	(16,509,148)	(95,559,688)	(106,554,668)
Advances - net of credit loss allowance				1,715,618,269	1,363,968,441	6,075,771	5,397,954

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
10.1 Particulars of advances - gross		
In local currency	1,097,662,882	975,862,785
In foreign currencies	735,969,766	516,567,426
	<u>1,833,632,648</u>	<u>1,492,430,211</u>

10.2 Advances include Rs. 101,635.459 million (2025: Rs. 111,952.622 million) which have been placed under non-performing status as detailed below:

Category of Classification (Stage 3)	September 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
	Non-Performing Loans	Credit loss allowance	Non-Performing Loans	Credit loss allowance
	----- (Rupees in '000) -----			
Domestic				
Other Assets Especially Mentioned (OAE)	-	-	106,608	35,805
Substandard	3,896,955	1,995,038	2,196,709	1,343,327
Doubtful	492,099	267,623	3,439,765	3,205,029
Loss	70,168,791	69,191,690	70,214,413	69,237,312
	<u>74,557,845</u>	<u>71,454,351</u>	<u>75,957,495</u>	<u>73,821,473</u>
Overseas				
Other Assets Especially Mentioned (OAE)	-	-	-	-
Substandard	15,405	12,235	28,751	12,369
Doubtful	13,897	-	17,331	-
Loss	27,048,312	24,093,102	35,949,045	32,720,826
	<u>27,077,614</u>	<u>24,105,337</u>	<u>35,995,127</u>	<u>32,733,195</u>
Total	<u>101,635,459</u>	<u>95,559,688</u>	<u>111,952,622</u>	<u>106,554,668</u>

10.3 Particulars of credit loss allowance against advances

Note	September 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----							
Opening balance	8,249,766	8,259,382	106,554,668	123,063,816	6,009,588	7,736,178	107,899,651	121,645,417
Acquisitions through business combination	-	-	-	-	1,047,088	1,426,155	52,398,027	54,871,270
Exchange adjustments	(19,663)	(28,261)	(309,509)	(357,433)	8,095	19,706	516,551	544,352
Charge for the period / year	6,439,398	3,893,507	4,763,139	15,096,044	4,480,622	3,398,622	824,930	8,704,174
Reversals for the period / year	(5,063,968)	(5,115,610)	(9,356,169)	(19,535,747)	(4,888,357)	(2,564,227)	(5,453,262)	(12,905,846)
	<u>1,375,430</u>	<u>(1,222,103)</u>	<u>(4,593,030)</u>	<u>(4,439,703)</u>	<u>(407,735)</u>	<u>834,395</u>	<u>(4,628,332)</u>	<u>(4,201,672)</u>
Amounts charged off agriculture financing	-	-	(22,050)	(22,050)	-	-	(71,556)	(71,556)
Amounts written off	-	-	(5,501,855)	(5,501,855)	-	-	(49,289,636)	(49,289,636)
Amounts charge off	-	-	(804,167)	(804,167)	-	-	(434,359)	(434,359)
Transfers (out) / in - net	440,695	(676,326)	235,631	-	1,592,730	(1,757,052)	164,322	-
Closing balance	<u>10,046,228</u>	<u>6,332,692</u>	<u>95,559,688</u>	<u>111,938,608</u>	<u>8,249,766</u>	<u>8,259,382</u>	<u>106,554,668</u>	<u>123,063,816</u>

10.4 Advances - Particulars of credit loss allowance

	September 30, 2026 (Un-audited)				December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----							
Opening balance	8,249,766	8,259,382	106,554,668	123,063,816	6,009,588	7,736,178	107,899,651	121,645,417
Acquisitions through business combinations	-	-	-	-	1,047,088	1,426,155	52,398,027	54,871,270
Exchange adjustments	(19,663)	(28,261)	(309,509)	(357,433)	8,095	19,706	516,551	544,352
New Advances	6,439,398	1,873,130	1,715,865	10,028,393	4,480,622	2,527,067	824,930	7,832,619
Advances derecognised or repaid	(3,942,533)	(5,115,610)	(9,356,169)	(18,414,312)	(2,788,827)	(2,564,227)	(6,469,372)	(11,822,426)
Transfer to stage 1	819,935	(735,579)	(84,356)	-	1,743,795	(1,622,765)	(121,030)	-
Transfer to stage 2	(245,803)	268,854	(23,051)	-	(63,007)	105,393	(42,386)	-
Transfer to stage 3	(133,437)	(209,601)	343,038	-	(88,058)	(239,680)	327,738	-
	<u>2,937,560</u>	<u>(3,918,806)</u>	<u>(7,404,673)</u>	<u>(8,385,919)</u>	<u>3,284,525</u>	<u>(1,794,212)</u>	<u>(5,480,120)</u>	<u>(3,989,807)</u>
Amounts charged off - agriculture financing	-	-	(22,050)	(22,050)	-	-	(71,556)	(71,556)
Amounts written off	-	-	(5,501,855)	(5,501,855)	-	-	(49,289,636)	(49,289,636)
Changes in risk parameters	(1,121,435)	2,020,377	3,047,274	3,946,216	(2,099,530)	871,555	1,016,110	(211,865)
Amounts charged off	-	-	(804,167)	(804,167)	-	-	(434,359)	(434,359)
Closing balance	<u>10,046,228</u>	<u>6,332,692</u>	<u>95,559,688</u>	<u>111,938,608</u>	<u>8,249,766</u>	<u>8,259,382</u>	<u>106,554,668</u>	<u>123,063,816</u>

10.4.1 Advances - Category of classification

		September 30, 2026 (Un-audited)		December 31, 2025 (Audited)	
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
		----- (Rupees in '000) -----			
Domestic					
Performing	Stage 1	1,003,560,367	8,241,468	874,932,793	6,431,400
Under performing	Stage 2	67,525,012	5,149,774	59,828,610	4,254,408
Non-performing	Stage 3				
		3,896,955	1,995,038	2,303,317	1,379,132
		492,099	267,623	3,439,765	3,205,029
		70,168,791	69,191,690	70,214,413	69,237,312
		<u>74,557,845</u>	<u>71,454,351</u>	<u>75,957,495</u>	<u>73,821,473</u>
Sub total		<u>1,145,643,224</u>	<u>84,845,593</u>	<u>1,010,718,898</u>	<u>84,507,281</u>
Overseas					
Performing	Stage 1	653,114,351	1,804,760	394,414,440	1,818,366
Under performing	Stage 2	7,797,459	1,182,918	51,301,746	4,004,974
Non-performing	Stage 3				
		15,405	12,235	28,751	12,369
		13,897	-	17,331	-
		27,048,312	24,093,102	35,949,045	32,720,826
		27,077,614	24,105,337	35,995,127	32,733,195
		687,989,424	27,093,015	481,711,313	38,556,535
Sub total		<u>1,833,632,648</u>	<u>111,938,608</u>	<u>1,492,430,211</u>	<u>123,063,816</u>
Total					

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

10.4.2 The Bank has also availed FSV benefit of certain mortgaged properties held as collateral against non-performing advances of overseas branches in accordance with the applicable regulations in the respective countries where the branches operate. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs 294.78 million (December 31, 2025: Rs. 511.27 million) for the overseas branches.

The FSV benefit availed is not available for the distribution of cash or stock dividend to shareholders.

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

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
11. PROPERTY AND EQUIPMENT			
Capital work-in-progress	11.1	37,380,251	9,548,492
Property and equipment		172,621,050	111,378,735
		<u>210,001,301</u>	<u>120,927,227</u>

11.1 Capital work-in-progress			
Civil works		32,798,109	6,963,056
Equipment		3,796,893	1,681,923
Advances to suppliers		785,249	903,513
		<u>37,380,251</u>	<u>9,548,492</u>

		(Un-audited) January - September 2026	January - September 2025
		----- (Rupees in '000) -----	
11.2 Additions to Property and equipment			

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

Capital work-in-progress - net	27,831,759	9,766,845
--------------------------------	------------	-----------

Property and equipment

Freehold land	4,038,259	2,679,519
Leasehold land	2,056,869	-
Building on freehold land	10,446,808	748,040
Building on leasehold land	1,324,626	1,250,665
Leasehold improvements	10,893,665	4,168,333
Furniture and fixtures	2,602,164	1,593,816
Electrical, office and computer equipment	13,029,333	8,717,047
Vehicles	1,728,534	1,104,840
	<u>46,120,258</u>	<u>20,262,260</u>
	<u>73,952,017</u>	<u>30,029,105</u>

Total

11.3 Disposal of Property and equipment

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

Leasehold Improvement	310,823	107,348
Furniture and fixtures	4,280	6,437
Electrical, office and computer equipment	68,025	43,560
Vehicles	56,457	33,535
Total	<u>439,585</u>	<u>190,880</u>

11.4 Revaluation of properties

The land and buildings of the Bank has been revalued by independent professional valuers as at June 30, 2026. The revaluation was carried out by M/s. Engineering Pakistan, M/s. M. J. Surveyors, M/s. Oriental Eng. Services, M/s. Perfect Consultants, and M/s. TriStar International Consultants on the basis of professional assessment of present market values which resulted in an increase in surplus by Rs. 27,100.641 million. The total surplus against revaluation of Property and equipment as at June 30, 2026, amounts to Rs. 66,623.318 million.

12 RIGHT-OF-USE ASSETS

	September 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
	Buildings	Others	Total	Buildings	Others	Total
	----- (Rupees in '000) -----					
At January 01,						
Cost	45,847,805	144,282	45,992,087	16,466,478	140,673	16,607,151
Accumulated Depreciation	(9,148,143)	(30,506)	(9,178,649)	(6,297,505)	(78,525)	(6,376,030)
Net Carrying amount at January 01,	36,699,662	113,776	36,813,438	10,168,973	62,148	10,231,121
Acquisitions through business combination	-	-	-	2,143,671	-	2,143,671
Additions during the period / year	38,832,391	216,354	39,048,745	30,475,742	96,583	30,572,325
Deletions during the period / year	(3,467,188)	(3,684)	(3,470,872)	(1,669,201)	-	(1,669,201)
Depreciation charge for the period / year	(5,292,466)	(50,837)	(5,343,303)	(4,420,581)	(44,955)	(4,465,536)
Exchange rate adjustments	(1,132)	-	(1,132)	1,058	-	1,058
Net Carrying amount	<u>66,771,267</u>	<u>275,609</u>	<u>67,046,876</u>	<u>36,699,662</u>	<u>113,776</u>	<u>36,813,438</u>

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)**
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
13. INTANGIBLE ASSETS			
Capital work-in-progress - Computer software		1,349,449	903,864
Intangible assets - Computer software		2,839,259	2,269,190
Intangible assets - Goodwill		1,752,345	1,752,345
Intangible assets - business combination benefits		49,376,993	53,765,257
		<u>55,318,046</u>	<u>58,690,656</u>
		(Un-audited)	
		January -	January -
		September 2026	September 2025
		----- (Rupees in '000) -----	
13.1 Additions to intangible assets			
The following additions have been made to intangible assets during the period			
Capital work-in-progress - net		448,469	351,982
Directly purchased - Intangible assets		1,603,613	228,136
		<u>2,052,082</u>	<u>580,118</u>
		(Un-audited)	(Audited)
		September 30, 2026	December 31, 2025
		----- (Rupees in '000) -----	
14. DEFERRED TAX ASSETS / (LIABILITIES)			
Deductible temporary differences on			
Credit loss allowance against advances and off balance sheet obligations		22,780,799	28,546,925
Workers Welfare Fund		12,194,482	9,615,890
Lease liabilities and related right of use assets		2,285,498	1,241,493
Cash flow hedges		773,765	-
Tax losses carried forward		37,151	16,923
		<u>38,071,695</u>	<u>39,421,231</u>
Taxable temporary differences on			
Surplus on revaluation of property and equipment / non-banking assets		(3,043,960)	(1,142,183)
Surplus on revaluation on investments		(81,008,624)	(148,764,719)
Share of loss / (profit) from associates		(14,192)	(314,079)
Post retirement employee benefits		(18,506,020)	(18,506,486)
Accelerated tax depreciation		(2,310,782)	(6,946,647)
Others		633,424	(46,853)
		<u>(104,250,154)</u>	<u>(175,720,967)</u>
		<u>(66,178,459)</u>	<u>(136,299,736)</u>
15. OTHER ASSETS			
Income / mark-up accrued in local currency		268,571,964	281,504,950
Income / mark-up accrued in foreign currencies	15.1	10,512,192	6,088,868
Advance taxation - net of provision for taxation	15.2	26,771,285	12,745,688
Receivable from staff retirement fund		41,815,618	39,259,049
Branch adjustment account		263,256	-
Receivable from other banks against telegraphic transfers and demand drafts		179,232	126,192
Unrealised gain on forward foreign exchange contracts		4,837,359	1,845,323
Rebate / incentive receivable - net		14,005,506	23,968,033
Unrealised gain on derivative financial instruments	26	3,013,290	93,247
Suspense accounts		227,749	452,131
Stationery and stamps on hand		758,640	521,352
Non-banking assets acquired in satisfaction of claims		336,353	352,513
Advances, deposits, advance rent and other prepayments		35,601,670	25,133,850
Dividend Receivable		10,448	26,757
Commission receivable - Bancassurance & Branchless Banking		658,663	614,634
Receivable against fraud & forgery and looted notes		624,628	501,980
Acceptances	22	90,406,758	52,658,946
Others		4,903,721	5,365,972
		<u>503,498,332</u>	<u>451,259,485</u>
Less: Credit loss allowance against other assets	15.3	(2,280,511)	(2,174,763)
Other assets - net of credit loss allowance		501,217,821	449,084,722
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	24	2,387	2,387
		<u>501,220,208</u>	<u>449,087,109</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

15.1 Unrealised mark-up held in suspense amounting to Rs. 24,840.985 million (December 31, 2025: Rs. 23,625.546 million) against non-performing overseas advances has been netted off.

15.2 The Income Tax returns of the Bank have been filed up to the tax year 2025 (accounting year ended December 31, 2024) and are deemed assessed under section 120 of the Income Tax Ordinance, 2001 (Ordinance).

The income tax authorities have issued amended assessment orders up to tax year 2025. The amendments primarily pertain to provision against advances, diminution in value of investments and other assets, allocation of expenses against reduced rate income, bad debts written off directly and initial allowance. These matters are currently at various stages of appeal before the appellate authorities. The management of the Bank is confident that the appeals will be decided in favor of the Bank.

The tax returns for Azad Kashmir (AK) and Gilgit Baltistan (GB) branches have been filed up to the tax year 2025 under the provision of the ordinance and in compliance with the terms of the agreement between banks and the Azad Kashmir Council in May 2005. The returns filed are considered as deemed assessment orders under the law.

The tax returns for UAE and Qatar branches have been filed up to the year ended December 31, 2025 and for Yemen branches up to the year ended December 31, 2019 under the provisions of the laws prevailing in the respective countries and are deemed as assessed unless opened for reassessment.

The tax returns of UBL Fund Managers and UBL Currency Exchange have been filed up to the accounting year ended December 31, 2025, under the provisions of the prevailing tax laws and are deemed as assessed unless opened for reassessment by the tax authorities.

There are no material tax contingencies in any of the subsidiaries.

15.3 Expected credit loss allowance held against other assets

Advances, deposits, advance rent and other prepayments
Receivable against fraud & forgery and looted notes

(Un-audited) September 30, 2026	(Audited) December 31, 2025
----- (Rupees in '000) -----	
1,655,883	1,672,783
624,628	501,980
<u>2,280,511</u>	<u>2,174,763</u>

15.3.1 Movement in expected credit loss allowance held against other assets

Opening balance
Exchange adjustments
Acquisitions through business combinations

2,174,763	1,558,408
(17,787)	1,556
-	529,827

Charge / (reversals)

Charge for the period / year
Reversals for the period / year

146,364	135,462
(18,015)	(49,490)
128,349	85,972

Transfers out - net
Amounts written off
Closing balance

-	-
(4,814)	(1,000)
<u>2,280,511</u>	<u>2,174,763</u>

16. CONTINGENT ASSETS

There were no contingent assets as at September 30, 2026 and December 31, 2025.

17. BILLS PAYABLE

In Pakistan
Outside Pakistan

93,587,224	39,927,711
4,374,021	18,704,133
<u>97,961,245</u>	<u>58,631,844</u>

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

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

Borrowings from the State Bank of Pakistan under:

Export refinance scheme	13,844,257	19,390,877
Refinance facility for modernization of SME	1,009,512	1,321,161
Long term financing facility	5,228,388	7,265,940
Renewable energy scheme	952,954	1,125,564
Temporary economic refinance facility	11,073,763	12,818,459
Refinance facility for combating COVID-19	2,644	30,797
Refinance for women entrepreneurs	16,018	28,688
Financing facility for storage of agriculture products	23,452	40,329
Repurchase agreement borrowings	5,105,095,313	6,326,782,743
	5,137,246,301	6,368,804,558

Repurchase agreement borrowings from other banks

Call borrowings

Overdrawn nostro accounts

130,731,522	83,249,214
1,349,932	1,863,372
132,081,454	85,112,586
5,433,903,453	6,530,014,720

September 30, 2026 (Un-audited)			December 31, 2025 (Audited)		
In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
===== (Rupees in '000) =====					

Current deposits
Savings deposits
Term deposits
Others

2,252,425,597	1,377,284,749	3,629,710,346	1,595,112,858	981,580,507	2,576,693,365
1,174,412,526	66,418,764	1,240,831,290	1,215,125,737	70,817,651	1,285,943,388
617,427,667	212,019,061	829,446,728	458,853,253	155,159,290	614,012,543
168,633,291	12,878,323	181,511,614	73,777,259	13,822,006	87,599,265
4,212,899,081	1,668,600,897	5,881,499,978	3,342,869,107	1,221,379,454	4,564,248,561

- Current deposits
- Saving deposits
- Term deposits

50,497,695	14,819,276	65,316,971	37,183,998	7,761,532	44,945,530
495,803,627	41,744	495,845,371	446,936,703	160,550	447,097,253
39,562,438	10,598,857	50,161,295	103,908,600	7,889,955	111,798,555
585,863,760	25,459,877	611,323,637	588,029,301	15,812,037	603,841,338
4,798,762,841	1,694,060,774	6,492,823,615	3,930,898,408	1,237,191,491	5,168,089,899

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

Opening balance

Acquisitions through business combinations

Addition during the period / year

Lease payments including interest during the period / year

Interest expense during the period / year

Termination / modification during the period / year

Exchange adjustments

Closing balance

39,520,412	12,381,018
-	2,143,671
39,051,323	30,538,047
(9,148,476)	(7,452,847)
5,190,914	3,680,910
(3,450,359)	(1,771,019)
(1,096)	632
<u>71,162,718</u>	<u>39,520,412</u>

Not later than one year

Not later than one year

Later than one year and upto five years

Over five years

Total

350,712	758,559
9,677,298	7,108,677
61,134,708	31,653,176
<u>71,162,718</u>	<u>39,520,412</u>

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026**

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
21. SUBORDINATED DEBT			
Listed Term Finance Certificates - Additional Tier I	21.1	10,000,000	10,000,000

- 21.1** The Bank has issued fully paid up, rated, listed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) under Section 66 of the Companies Act, 2017 which qualify as Additional Tier I Capital as outlined by State Bank of Pakistan (SBP) under BPRD Circular No. 6 dated August 15, 2013.

Salient features of the Additional Tier 1 issue are as follows:

Issue Size	Rs. 10,000 million
Issue Date	January 29, 2019
Tenor	Perpetual (i.e. no fixed or final redemption date)
Rating	"AA+" (Double A Plus) by VIS Credit Rating Company Limited
Security	Unsecured
Mark-up rate	The TFCs shall carry mark-up at the rate of 3 Month KIBOR + 1.55%.
Mark-up payment frequency	Mark-up shall be payable quarterly in arrears, on a non-cumulative basis
Call option	The Bank may, at its sole discretion, call the TFCs, at any time after five years from the Issue Date subject to the prior approval of the SBP.
Lock-in clause	Mark-up on the TFCs shall only be paid from the current year's earnings and if the Bank is fully compliant with SBP's Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR) and Liquidity Ratio (LR) requirements.
Loss absorbency clause	The TFCs shall, at the discretion of the SBP, be either permanently converted into ordinary shares or permanently written off (partially or in full) pursuant to the loss absorbency clause as stipulated in the "Instructions for Basel III Implementation in Pakistan" issued vide BPRD Circular No. 6 dated August 15, 2013.

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	
22. OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		57,149,050	46,049,441
Mark-up / return / interest payable in foreign currencies		1,898,929	1,727,168
Accrued expenses		9,120,560	14,505,153
Branch adjustment account		-	129,844
Deferred income		3,782,879	3,479,802
Unearned commission and income on bills discounted		2,644,294	2,124,842
Credit loss allowance against off-balance sheet obligations	22.1	4,705,749	3,955,230
Unrealised loss on forward foreign exchange contracts		3,908,676	1,223,848
Unrealised loss on derivative financial instruments	26	4,419,131	145,581
Liability against trading of securities		-	17,117,164
Deferred liabilities	22.2	4,838,867	4,693,384
Workers' Welfare Fund payable		23,518,936	18,647,983
Dividend payable		586,271	515,541
Unclaimed dividend		534,826	472,497
Acceptances	15	90,406,758	52,658,946
Charity fund balance		24,840	7,957
Levies and taxes payable		2,455,525	6,305,870
Others		4,946,902	6,905,989
		<u>214,942,193</u>	<u>180,666,240</u>

22.1 Credit loss allowance against off-balance sheet obligations

Opening balance	3,955,230	3,385,916
Acquisitions through business combinations	-	382,155
Exchange adjustments	(18,077)	10,195
Charge / (reversal)		
Charge for the period / year	2,361,545	1,381,703
Reversals for the period / year	(1,592,949)	(1,204,739)
	768,596	176,964
Transfers out - net	-	-
Closing balance	<u>4,705,749</u>	<u>3,955,230</u>

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

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

22.2 Deferred liabilities

Provision for post-retirement medical benefits	2,995,039	2,823,836
Provision for compensated absences	508,197	535,652
End of service benefits		
-Overseas branches	1,012,195	887,672
-Outsourced services	323,436	446,224
	<u>4,838,867</u>	<u>4,693,384</u>

23 SHARE CAPITAL

23.1 Authorised Capital

(Un-audited) September 30, 2026	(Audited) December 31, 2025		(Un-audited) September 30, 2026	(Audited) December 31, 2025
(Number of shares)			----- (Rupees in '000) -----	
4,000,000,000	4,000,000,000	Ordinary shares of Rs. 5 each	20,000,000	20,000,000

23.2 Issued, subscribed and paid-up capital

(Un-audited) September 30, 2026	(Audited) December 31, 2025			
(Number of shares)				
		Fully paid-up ordinary shares of Rs. 5 each		
1,036,000,000	1,036,000,000	Issued for cash	5,180,000	5,180,000
1,412,359,374	1,412,359,374	Issued as bonus shares	7,061,797	7,061,797
55,888,376	55,888,376	Issued as share exchange for amalgamation	279,442	279,442
<u>2,504,247,750</u>	<u>2,504,247,750</u>		<u>12,521,239</u>	<u>12,521,239</u>

24. SURPLUS ON REVALUATION OF ASSETS

Attributable to equity holders

Surplus / (deficit) arising on revaluation of:

- Securities measured at FVOCI - Debt	150,323,407	269,313,445
- Securities measured at FVOCI - Equity	5,464,047	11,920,430
- Property and Equipment	66,568,031	39,522,677
- Non-banking assets acquired in satisfaction of claims	2,387	2,387
- Assets of associates	(36,340)	(20,497)
	<u>222,321,532</u>	<u>320,738,442</u>

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

- Securities measured at FVOCI - Debt	78,168,172	140,378,905
- Securities measured at FVOCI - Equity	2,841,304	6,213,461
- Property and Equipment	3,042,719	1,140,942
- Non-banking assets acquired in satisfaction of claims	1,241	1,241
	<u>84,053,436</u>	<u>147,734,549</u>
	<u>138,268,096</u>	<u>173,003,893</u>

25. CONTINGENCIES AND COMMITMENTS

Guarantees	25.1	534,182,941	475,331,969
Commitments	25.2	3,539,669,510	1,751,725,525
Other contingent liabilities	25.3	27,490,292	27,522,680
		<u>4,101,342,743</u>	<u>2,254,580,174</u>

25.1 Guarantees:

Financial guarantees	243,528,790	231,431,144
Performance guarantees	270,922,898	227,204,106
Other guarantees	19,731,253	16,696,719
	<u>534,182,941</u>	<u>475,331,969</u>

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)**
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
25.2 Commitments:			
Documentary credits and short-term trade-related transactions			
- letters of credit		551,693,156	460,745,442
Commitments in respect of:			
- forward foreign exchange contracts	25.2.1	1,647,293,655	1,113,242,884
- forward government securities transactions	25.2.2	1,151,429,000	36,537,900
- forward lending	25.2.3	66,848,041	118,205,164
- Interest rate swaps	25.2.4	95,000,000	-
- operating leases	25.2.5	272,064	230,903
		2,960,842,760	1,268,216,851
Commitments for acquisition of:			
- Property and Equipment		23,556,294	19,357,008
- intangible assets		3,577,300	3,406,224
		27,133,594	22,763,232
		<u>3,539,669,510</u>	<u>1,751,725,525</u>
		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
25.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		858,421,121	605,071,398
Sale		788,872,534	508,171,486
		<u>1,647,293,655</u>	<u>1,113,242,884</u>
25.2.2 Commitments in respect of forward Government securities transactions			
Purchase		1,151,429,000	23,037,900
Sale		-	13,500,000
		<u>1,151,429,000</u>	<u>36,537,900</u>
25.2.3 Commitments in respect of forward lending			
Undrawn formal standby facilities, credit lines and other commitments to lend	25.2.3.1	66,848,041	118,205,164
25.2.3.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.			
		(Un-audited) September 30, 2026	(Audited) December 31, 2025
	Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
25.2.4 Commitments in respect of Interest rate swaps			
Purchase		-	-
Sale		95,000,000	-
		<u>95,000,000</u>	<u>-</u>
25.2.5 Commitments in respect of operating leases			
Not later than one year		272,064	230,903
Later than one year and not later than five years		-	-
Later than five years		-	-
		<u>272,064</u>	<u>230,903</u>
25.3 Other contingent liabilities			
25.3.1 Claims against the Bank not acknowledged as debts	25.3.2	27,490,292	27,522,680
These mainly represent counter claims filed by the borrowers for restricting the Bank from disposal of assets (such as mortgaged / pledged assets kept as security). Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these consolidated condensed interim financial statements.			
25.3.2 This includes, penalties amounting to Rs. 4.089 billion which were levied during 2016, by the FE Adjudication Court of the State Bank of Pakistan relating to alleged contraventions of the requirements of foreign exchange regulations with respect to issuance and certification of E-Forms by the Bank to certain customers (exporters) who failed to submit the export documents there against. Consequently, foreign exchange on account of export proceeds have not been repatriated. The Bank maintains that it fully discharged its liability, in accordance with the law and filed a Constitutional Petition in 2018 in the High Court of Sindh challenging the levy of the penalty. The High Court granted a stay on action being taken against the Bank, which stay order was in the field till February 2025, when the High Court of Sindh dismissed the Petition filed by the Bank and other Banks as well. The Bank has decided to challenge the said decision of the High Court before the Supreme Court of Pakistan by filing an Appeal, through the appropriate legal counsel. The management, based on the advice from legal counsel, is confident that the view of the Bank will prevail and the Bank will not be exposed to any loss on this account.			
25.3.3 For contingencies relating to taxation, refer note 15.2.			

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(UN-AUDITED)**
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

26. Derivative Instruments

Product analysis

September 30, 2026 (Un-audited)							
Interest rate swap		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
Notional principal	Mark to Market Loss	Notional principal	Mark to Market Gain	Notional principal	Mark to Market Loss	Notional principal	Mark to Market gain / (loss)
(Rupees in '000)							
Hedging	-	-	-	-	-	-	-
Market making	95,000,000	(1,488,010)	1,151,429,000	82,169	-	1,246,429,000	(1,405,841)
	95,000,000	(1,488,010)	1,151,429,000	82,169	-	1,246,429,000	(1,405,841)

December 31, 2025 (Audited)							
Interest rate swap		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
Notional principal	Mark to Market Gain	Notional principal	Mark to Market Gain	Notional principal	Mark to Market Loss	Notional principal	Mark to Market gain / (loss)
(Rupees in '000)							
Hedging	-	-	-	-	-	-	-
Market making	-	-	23,037,900	93,247	13,500,000	(145,581)	(52,334)
	-	-	23,037,900	93,247	13,500,000	(145,581)	(52,334)

		(Un-audited)	
		January - September 2026	January - September 2025
		----- (Rupees in '000) -----	
27. MARK-UP / RETURN / INTEREST EARNED			

On:		
Loans and advances	111,615,689	88,272,759
Investments	901,145,847	762,071,823
Lendings to financial institutions	1,052,270	3,085,136
Balances with banks	6,439,695	7,821,401
	<u>1,020,253,501</u>	<u>861,251,119</u>

28. MARK-UP / RETURN / INTEREST EXPENSED

On:		
Deposits	189,301,665	121,516,333
Borrowings	537,856,450	467,078,971
Subordinated debt	958,134	1,018,280
Cost of foreign currency swaps against foreign currency deposits / borrowings	3,923,822	1,742,900
Lease liability against right-of-use assets	5,190,914	2,481,903
	<u>737,230,985</u>	<u>593,838,387</u>

29. FEE AND COMMISSION INCOME

Branch banking customer fee	1,771,729	1,580,394
Consumer finance related fee	2,914,481	1,145,977
Card related fees (debit and credit cards)	5,590,359	5,742,734
Investment banking fees	540,229	943,685
Financial Institution rebate / commission	1,418,518	873,745
Corporate service charges / facility fee	2,631,783	1,761,004
Commission on trade	2,926,321	2,670,842
Commission on guarantees	1,132,484	1,372,147
Commission on cash management	857,715	814,978
Commission on remittances including home remittances - net	1,697,001	2,996,261
Commission on bancassurance	524,555	776,966
Rent on lockers	296,964	249,438
Management fee	3,188,970	2,794,226
Others	754,843	559,709
	<u>26,245,952</u>	<u>24,282,106</u>

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited)	
		January - September 2026	January - September 2025
Note	----- (Rupees in '000) -----		
30. GAIN / (LOSS) ON SECURITIES - NET			
Realised	30.1	48,099,481	9,007,266
Unrealised - Measured at FVPL		(212,922)	42,667
		<u>47,886,559</u>	<u>9,049,933</u>
30.1 Realised gain / (loss) on:			
Federal Government securities		47,932,540	8,978,322
Shares		157,086	7,109
Foreign securities		35,701	21,386
Other securities		(25,846)	449
		<u>48,099,481</u>	<u>9,007,266</u>
31. OTHER INCOME			
Charges recovered		489,823	424,726
Rent on properties		113,408	97,190
Gain on sale of property and equipment - net		69,554	89,048
Gain / (loss) on sale of Ijarah assets - net		5,623	(234)
Gain on trading liabilities - net		347,101	82,752
		<u>1,025,509</u>	<u>693,482</u>
32. OPERATING EXPENSES			
Total compensation expense		53,603,300	36,186,428
Property expense			
Rent and taxes		1,999,698	1,884,664
Insurance		223,729	145,586
Utilities cost		4,553,034	2,946,885
Security (including guards)		2,340,055	1,740,963
Repair and maintenance (including janitorial charges)		474,216	573,591
Depreciation on owned property and equipment		2,836,308	1,477,713
Depreciation on right-of-use assets		5,343,303	3,074,120
Depreciation on non-banking assets acquired in satisfaction of claims		16,160	29,853
Others		56,689	39,176
		17,843,192	11,912,551
Information technology expenses			
Software maintenance		3,525,889	2,951,443
Hardware maintenance		955,644	594,673
Depreciation		2,958,019	2,009,797
Amortisation		1,052,164	844,119
Network charges		1,142,985	929,569
Consultancy Charges		639,139	674,566
		10,273,840	8,004,167
Other operating expenses			
Legal and professional charges		735,266	551,120
Outsourced service costs		3,175,973	2,139,841
Commission paid to branchless banking agents		148,562	453,228
Commission paid to sales force		1,355,176	843,589
Travelling and conveyance		371,352	319,769
Clearing charges		532,559	416,019
Depreciation		5,248,038	3,217,418
Amortization		4,388,264	-
Training and development		139,797	117,243
Postage and courier charges		539,812	344,919
Communication		313,823	238,073
Stationery and printing		2,544,851	1,906,345
Marketing, advertisement and publicity		11,965,573	6,735,705
Donations		477,204	142,166
Auditors' remuneration		177,289	148,355
Insurance		110,914	305,428
Deposit protection premium expense		2,844,056	1,964,874
Cash transportation and sorting charges		1,932,422	1,272,404
Entertainment		824,955	534,029
Office running expenses		861,350	369,766
Vehicle expenses		2,379,349	1,177,028
Banking service charges		11,299,182	7,581,393
Repairs and maintenance		2,608,277	1,981,486
Subscription		158,176	118,078
Miscellaneous expenses		1,430,805	1,706,621
		<u>56,563,025</u>	<u>34,584,897</u>
		<u>138,283,357</u>	<u>90,688,043</u>

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(UN-AUDITED)**
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

		(Un-audited)	
		January - September 2026	January - September 2025
		(Rupees in '000) -----	
33. OTHER CHARGES	Note		
Penalties imposed by the SBP		35,710	45,778
Penalties imposed by other regulatory bodies including overseas branches		843	1,840
		<u>36,553</u>	<u>47,618</u>
34. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance / (Reversal) for diminution in value of investments	9.4	(744,361)	65,525
Credit loss allowance / (Reversal) against loans and advances	10.3	(4,439,703)	(4,534,504)
Bad debts written off directly		102,383	58,036
Credit loss allowance / (Reversal) against other assets - net	15.3.1	128,349	45,220
Credit loss allowance / (Reversal) against off-balance sheet obligations - net	22.1	768,596	198,026
Recovery of written-off / charged off bad debts		(550,266)	(605,206)
Credit loss allowance / (Reversal) against cash and balances with treasury banks		45,364	(122,115)
Impairment on fixed assets		160,218	-
Other credit loss allowance / write-offs		68,939	183,670
		<u>(4,460,481)</u>	<u>(4,711,348)</u>
35. TAXATION			
Current		128,628,039	91,938,255
Prior years		(1,541)	6,720,692
Deferred		<u>(2,926,439)</u>	<u>26,286,710</u>
		<u>125,700,059</u>	<u>124,945,657</u>
36. EARNINGS PER SHARE			
Profit after tax attributable to equity shareholders of the Bank		<u>116,540,851</u>	<u>100,077,963</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares		<u>2,504,247,750</u>	<u>2,490,122,117</u>
		----- (Rupees) -----	
Earnings per share - basic and diluted		<u>46.54</u>	<u>40.19</u>

36.1. There were no convertible dilutive potential ordinary shares outstanding as at September 30, 2026 and September 30, 2025.

37. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of quoted securities other than those classified under held to collect, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortized cost. The fair value of unquoted equity securities, other than investments in associates, is carried at fair value. The valuation is carried out using appropriate methodologies.

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

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

Item	Valuation approach and input used
Federal Government securities	The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP) / Bloomberg.
Non-Government debt securities	The fair value of non-government debt securities is determined using the prices / rates from MUFAP.
Unquoted equity securities	The fair value of unlisted equity investments is determined using cash flow projections of the investee company. If cashflow projections of investees are unavailable, the Bank uses the break-up value as an estimate of fair value.
Foreign debt securities	The fair value of foreign corporate and foreign government securities is determined using the rates from Bloomberg.
Mutual Fund units	The fair values of investments in mutual fund units are determined based on their net asset values as published at the close of each business day.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Derivatives	The fair valuation techniques include forward pricing and swap models using present value calculations.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these consolidated condensed interim financial statements.

The following table summaries the quantitative information about the significant unobservable inputs used in level 3 fair value measurement of Unlisted equities.

Description	Valuation technique	Significant unobservable inputs	Rate	Sensitivity of the input to fair value
-------------	---------------------	---------------------------------	------	--

Non-listed equity investments financial sector

Ordinary shares unlisted (income approach)	DCF Method	WACC, CAGR	17% -20.63%, 4%- 16%	Increase/decrease in WACC by 1% with all other variables held constant, would (decrease) / increase the fair value by Rs. 214.28 million as at September 30, 2026.
Ordinary shares unlisted (market approach)	Price to Book Value	Market multiple/ transaction	Not applicable	Not applicable

37.2 Fair value of financial assets

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

September 30, 2026 (Un-audited)					
Carrying value	Fair value				Total
	Level 1	Level 2	Level 3		
(Rupees in '000)					
On balance sheet financial instruments					
Financial assets measured at fair value					
Investments					
- Federal Government securities	7,623,203,035	-	7,623,203,035	-	7,623,203,035
- Shares and units	27,808,590	21,659,102	-	6,149,488	27,808,590
- Foreign securities	503,650,408	-	503,650,408	-	503,650,408
- Non-Government debt securities	11,199,750	-	11,199,750	-	11,199,750
	8,165,861,783	21,659,102	8,138,053,193	6,149,488	8,165,861,783
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government Securities	1,324,044,085	-	1,282,434,790	-	1,282,434,790
- Foreign Bonds	15,052,171	-	14,530,611	-	14,530,611
- Non-Government debt securities	11,911,814	-	11,857,146	-	11,857,146
	1,351,008,070	-	1,308,822,547	-	1,308,822,547
	9,516,869,853	21,659,102	9,446,875,740	6,149,488	9,474,684,330
Off-balance sheet financial instruments measured at fair value					
Foreign exchange contracts - purchased and sold	1,647,293,655	-	928,683	-	928,683
Interest rate swap - purchased and sold	95,000,000	(1,488,010)	-	-	(1,488,010)
Forward Government Securities - purchased and sold	1,151,429,000	-	82,169	-	82,169

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

December 31, 2025 (Audited)				
Carrying value	Fair value			
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				

On balance sheet financial instruments

Financial assets measured at fair value

Investments

- Federal Government securities	8,837,120,972	-	8,837,120,972	-	8,837,120,972
- Shares and units	24,347,254	20,009,441	-	4,337,813	24,347,254
- Foreign Bonds	394,789,046	-	394,789,046	-	394,789,046
- Non-Government debt securities	7,542,370	-	7,542,370	-	7,542,370
	9,263,799,642	20,009,441	9,239,452,388	4,337,813	9,263,799,642

Financial assets - disclosed but not measured at fair value

Investments

- Federal Government Securities	651,569,594	-	662,796,595	-	662,796,595
- Foreign Bonds	20,893,132	-	20,600,418	-	20,600,418
- Non-Government debt securities	12,765,041	-	13,058,977	-	13,058,977
	685,227,767	-	696,455,990	-	696,455,990
	9,949,027,409	20,009,441	9,935,908,378	4,337,813	9,960,255,632

Off-balance sheet financial instruments - measured at fair value

Foreign exchange contracts - purchased and sold	1,113,242,884	-	621,475	-	621,475
Interest rate swap - purchased and sold	-	-	-	-	-
Forward Government Securities - purchased and sold	36,537,900	-	(52,334)	-	(52,334)

37.3 Fair Value of non-financial assets

September 30, 2026 (Un-audited)				
Carrying value	Fair value			
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				

Property and Equipment	116,136,216	-	-	116,136,216	116,136,216
Non-banking assets acquired in satisfaction of claims	338,740	-	-	338,740	338,740
	116,474,956	-	-	116,474,956	116,474,956

December 31, 2025 (Audited)				
Carrying value	Fair value			
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				

Property and Equipment	71,604,510	-	-	71,604,510	71,604,510
Non-banking assets acquired in satisfaction of claims	354,900	-	-	354,900	354,900
	71,959,410	-	-	71,959,410	71,959,410

37.4 Certain categories of fixed assets (land and buildings) and non-banking assets acquired in satisfactions of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers based on their assessment of the market values.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

38. SEGMENT INFORMATION

38.1 Segment details with respect to business activities

For the nine months ended September 30, 2026 (Un-audited)							
Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	(15,968,898)	279,630,223	(99,671,717)	80,112,323	37,738,102	(8,443)	283,022,516
Inter segment (expense) / revenue - net	27,103,129	(216,306,958)	209,946,173	-	-	(20,742,344)	-
Non mark-up / return / interest income	10,889,140	58,355,696	13,435,237	1,478,094	4,592,006	748,285	97,965,951
Total Income	22,023,371	121,678,961	123,709,693	81,590,417	4,583,563	(18,803,133)	380,988,467
Segment direct expenses	2,388,349	3,621,647	80,178,185	28,239,868	2,271,907	14,907,793	143,190,862
Inter segment expense allocation	5,766,391	3,633,941	421,548	-	-	(9,821,880)	-
Total expenses	8,154,740	7,255,588	80,599,733	28,239,868	2,271,907	5,085,913	143,190,862
Credit loss allowance - net	3,883,387	(141,986)	(1,587,968)	(3,691,574)	5,643,081	355,541	4,460,481
Profit / (loss) before taxation	17,752,018	114,281,387	41,521,992	49,658,975	2,311,656	(23,533,505)	242,258,086

For the nine months ended September 30, 2025 (Un-audited)							
Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	18,593,270	275,517,880	(76,135,374)	22,210,100	25,659,351	3,301	267,412,732
Inter segment (expense) / revenue - net	(8,315,936)	(138,293,368)	149,026,826	-	-	(2,417,522)	-
Non mark-up / return / interest income	8,796,555	16,723,512	12,133,403	1,125,991	3,637,728	1,487,785	48,063,180
Total Income	19,073,889	153,948,024	85,024,855	23,336,091	3,641,029	634,467	315,475,912
Segment direct expenses	3,989,834	3,209,225	58,749,321	14,944,703	1,877,128	5,596,437	95,146,988
Inter segment expense allocation	2,241,316	2,464,315	4,462,836	-	438,778	(9,607,245)	-
Total expenses	6,231,150	5,673,540	63,212,157	14,944,703	1,877,128	(4,010,808)	95,146,988
Credit loss allowance - net	2,241,491	132,488	(761,047)	(1,386,077)	2,400,124	2,084,369	4,711,348
Profit / (loss) before taxation	15,084,230	148,406,972	21,051,651	7,005,311	24,998,563	6,729,644	225,040,272

As at September 30, 2026 (Un-audited)							
Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
(Rupees in '000)							
Balance Sheet							
Cash & Bank balances	50,820	187,974,880	95,092,071	138,999,851	1,326,540	-	800,840,893
Investments	8,508,250	7,786,606,700	-	1,072,422,601	648,478,317	8,595,171	9,531,991,637
Net inter segment lending	311,696,186	-	2,728,163,803	-	26,664,769	-	3,066,524,758
Lendings to financial institutions	-	27,798,345	-	-	-	-	27,798,345
Advances - performing net of credit loss allowance	218,293,141	6,056,384	186,433,482	646,389,924	657,924,135	521,203	1,715,618,269
Advances - non-performing net of credit loss allowance	1,775,504	-	1,214,419	113,578	2,972,270	-	6,075,771
Others	3,688,632	83,568,476	300,952,430	109,940,504	53,384,438	279,973,673	833,586,431
Total Assets	544,012,533	8,092,004,785	3,311,856,205	1,967,866,458	1,766,820,660	10,785,416	15,982,436,104
Borrowings	17,578,891	5,257,910,291	4,788,454	133,207,514	20,418,303	-	5,433,903,453
Subordinated debt	-	-	-	-	-	10,000,000	10,000,000
Deposits and other accounts	501,449,307	-	3,065,471,882	1,380,709,248	1,544,485,130	708,048	6,492,823,615
Net inter segment borrowing	-	2,618,104,440	-	246,232,807	-	202,187,511	3,066,524,758
Others	10,158,051	72,918,161	221,217,084	81,935,141	37,613,282	25,006,883	450,244,615
Total Liabilities	529,186,249	7,948,932,892	3,291,477,420	1,842,084,710	1,602,516,715	1,396,013	15,453,496,441
Equity	14,826,284	143,071,893	20,378,785	125,781,748	164,303,945	9,389,403	528,938,663
Total Equity & Liabilities	544,012,533	8,092,004,785	3,311,856,205	1,967,866,458	1,766,820,660	10,785,416	15,982,436,104
Contingencies and Commitments	690,291,927	1,909,327,684	229,303,379	165,774,186	1,103,099,629	3,545,938	4,101,342,743

As at December 31, 2025 (Audited)							
Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
(Rupees in '000)							
Balance Sheet							
Cash & Bank balances	73,537	157,538,266	67,645,918	96,532,778	1,161,720	-	605,988,376
Investments	9,174,174	8,915,527,870	-	495,954,343	522,528,452	6,495,409	9,956,066,916
Net inter segment lending	313,262,186	-	2,175,337,853	-	14,226,985	-	2,502,827,024
Lendings to financial institutions	-	17,000,000	-	14,574,547	-	-	31,574,547
Advances - performing net of credit loss allowance	236,353,075	8,555,039	115,981,454	562,986,863	440,075,704	16,306	1,363,968,441
Advances - non-performing net of credit loss allowance	1,881,585	-	187,845	66,592	3,261,932	-	5,397,954
Others	1,826,306	92,487,272	305,116,044	57,282,314	6,513,826	2,166,101	665,518,430
Total Assets	562,570,863	9,191,108,447	2,664,269,114	1,227,397,437	1,269,643,056	9,823,230	15,131,341,688
Borrowings	21,396,778	6,463,604,043	5,288,844	15,336,073	24,388,982	-	6,530,014,720
Subordinated debt	-	-	-	-	-	10,000,000	10,000,000
Deposits and other accounts	548,603,889	-	2,568,324,565	962,340,876	1,088,820,569	-	5,168,089,899
Net inter segment borrowing	-	2,292,801,720	-	134,692,381	-	75,332,923	2,502,827,024
Others	12,504,162	149,382,080	104,114,204	37,123,268	18,850,311	91,368,335	415,118,232
Total Liabilities	582,504,829	8,905,787,843	2,677,727,613	1,149,492,598	1,132,059,862	1,775,872	14,626,049,875
Equity	(19,933,966)	285,320,604	(13,458,499)	77,904,839	137,583,194	8,047,358	505,291,813
Total Equity & Liabilities	562,570,863	9,191,108,447	2,664,269,114	1,227,397,437	1,269,643,056	9,823,230	15,131,341,688
Contingencies and Commitments	786,566,340	415,296,623	171,432,195	41,126,453	831,161,418	8,997,145	2,254,580,174

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39. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, directors, key management personnel, subsidiaries, associates and other related parties including employee benefit schemes of the Bank.

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

Details of transactions and balances with related parties, other than those which have been disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

	As at September 30, 2026 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Statement of financial position					
Lendings to financial institutions					
Opening balance	-	-	-	-	-
Addition during the period	-	-	-	-	4,988,914
Repaid during the period	-	-	-	-	(2,060,000)
Transfers in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	2,928,914
Investments					
Opening balance	-	-	-	8,456,384	3,571,805
Investment made during the period	-	-	-	44,549,846	-
Investment disposed during the period	-	-	-	(35,904,092)	(75,387)
Transfers in / (out) - net	-	-	-	-	-
Equity accounting adjustments	-	-	-	(563,471)	-
Closing balance	-	-	-	16,538,667	3,496,418
Credit loss allowance for diminution in value of investments	-	-	-	-	-
Advances					
Opening balance	-	526	497,607	-	146,836,003
Addition during the period	-	5,294	474,647	107,411	17,840,109
Repaid during the period	-	(5,178)	(260,028)	(12,474)	(26,124,614)
Transfers in / (out) - net	-	(17)	33,090	-	(69)
Closing balance	-	625	745,316	94,937	138,551,429
Credit loss allowance held against advances	-	13	17,095	-	471
Property and equipment / Capital work in progress	-	-	-	-	-
Other Assets					
Income / mark-up accrued	-	-	908	90	4,252,158
Receivable from staff retirement fund	-	-	-	-	41,815,618
Prepaid insurance	-	-	-	606,968	-
Remuneration and other receivable from management of funds	-	-	-	464,009	-
Sales load receivable	-	-	-	1,547	-
Acceptances	-	-	-	-	254,252
Other receivable	-	-	-	76,177	35,442
Credit loss allowance against other assets	-	-	-	-	-
Borrowings					
Opening balance	-	-	-	-	5,944,841
Borrowings during the period	-	-	-	2,145,000	135,145,072
Settled during the period	-	-	-	(2,145,000)	(131,589,913)
Closing balance	-	-	-	-	9,500,000
Overdrawn nostros	-	-	-	-	105,365

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
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	As at September 30, 2026 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Deposits and other accounts					
Opening balance	22,910	7,730,318	42,530	1,325,496	142,607,142
Received during the period	17,099,972	36,709,278	2,877,892	178,539,398	3,682,813,611
Withdrawn during the period	(17,095,905)	(36,533,657)	(2,727,105)	(177,584,272)	(3,602,010,210)
Transfers in / (out) - net	-	(3,147)	(11,211)	759,624	(782,412)
Closing balance	26,977	7,902,792	182,106	3,040,246	222,628,131
Subordinated debt	-	-	-	-	-
Other Liabilities					
Interest / mark-up payable on deposits and borrowings	291	46,554	349	5,742	79,964
Dividend payable	-	-	-	-	-
Unearned income	-	-	-	-	35,636
Acceptances	-	-	-	-	254,252
Unrealised loss on forward foreign exchange contracts	-	-	-	-	-
Credit loss allowance against off-balance sheet obligations	-	-	-	-	300
Other payable	-	-	-	7,595	46,015
Contingencies and Commitments					
Letter of credits	-	-	-	-	117,198
Forward Govt. Securities Sale	-	-	-	-	-
Forward foreign exchange contracts purchase	-	-	-	-	-
Others					
Securities held as custodian	5,965,435	1,360,000	58,900	2,678,700	36,436,335
	As at December 31, 2025 (Audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Statement of financial position					
Lendings to financial institutions					
Opening balance	-	-	-	-	-
Addition during the year	-	-	-	-	5,016,240
Repaid during the year	-	-	-	-	(5,016,240)
Transfers in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	-
Investments					
Opening balance	-	-	-	6,306,355	3,635,440
Investment made during the year	-	-	-	13,598,846	-
Investment disposed off / redeemed during the period	-	-	-	(11,987,977)	(63,635)
Transfers in / (out) - net	-	-	-	-	-
Equity method adjustments	-	-	-	539,160	-
Closing balance	-	-	-	8,456,384	3,571,805
Credit loss allowance for diminution in value of investments	-	-	-	1,417,485	-
Property and equipment / CWIP	-	-	-	-	10,298
Advances					
Opening balance	-	537	596,283	-	231,097,420
Addition during the year	-	9,805	379,813	-	177,640,570
Repaid during the year	-	(9,816)	(289,673)	-	(261,900,702)
Transfers in / (out) - net	-	-	(188,816)	-	(1,285)
Closing balance	-	526	497,607	-	146,836,003
Credit loss allowance held against advances	-	11	6,948	-	26

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
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	As at December 31, 2025 (Audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Other Assets					
Interest / mark-up accrued	-	-	-	-	4,573,212
Receivable from staff retirement funds	-	-	-	-	39,259,049
Prepaid insurance	-	-	-	211,601	-
Unrealised gain on forward foreign exchange contracts	-	-	-	-	25,065
Remuneration and other receivable from management of funds	-	-	-	386,966	-
Sales load receivable	-	-	-	36,363	-
Other receivable	-	-	-	52,533	-
Dividend receivable	-	-	-	-	-
Provision written off	-	-	-	-	-
Borrowings					
Opening balance	-	-	-	-	94,460,700
Borrowings during the year	-	-	-	3,896,632	541,102,568
Settled during the year	-	-	-	(3,896,632)	(629,618,427)
Closing balance	-	-	-	-	5,944,841
Overdrawn nostros	-	-	-	-	105,130
Deposits and other accounts					
Opening balance	3,205	7,263,037	152,126	596,425	40,635,616
Received during the year	28,285,690	50,068,956	2,336,597	104,872,912	3,798,106,048
Withdrawn during the year	(28,265,985)	(49,601,675)	(2,382,635)	(104,242,502)	(3,695,912,103)
Transfer in	-	-	(63,558)	98,661	(222,419)
Closing balance	22,910	7,730,318	42,530	1,325,496	142,607,142
Subordinated loans	-	-	-	-	50,000
Other Liabilities					
Interest / mark-up payable on deposits and borrowings	-	68,683	-	-	307,329
Dividend payable	-	-	-	-	-
Payable to staff retirement fund	-	-	-	-	-
Unrealised loss on forward foreign exchange contracts	-	-	-	-	-
Unearned income	-	-	-	-	45,192
Other payable	-	8,690	-	9,708	33,215
Contingencies and Commitments					
Letter of guarantee	-	-	-	-	-
Forward Government securities - sale	-	-	-	-	-
Others					
Securities held as custodian	5,584,520	1,427,490	12,800	2,690,500	18,509,990

	For the nine months ended September 30, 2026 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Profit and loss account					
Income					
Mark-up / return / interest earned	-	-	11,765	-	17,661
Commission / charges recovered	-	214	1,850	20,652	18,814
Dividend income	-	-	-	59,310	410,902
Net gain on sale of securities	-	-	-	317,792	-
Other income	-	-	-	-	84,883
Gain / (Loss) on sale of property and equipment	-	-	(2,006)	3,436	-
Remuneration from management of funds	-	-	-	3,144,164	-
Sales load	-	-	-	100,492	-
Brokerage services	-	-	-	-	-
Reimbursement of expenses by funds	-	-	-	483	-
Reversal of provision	-	-	-	-	-
Switch revenue	-	-	-	-	465,405

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

For the nine months ended September 30, 2026 (Un-audited)					
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Expense					
Mark-up / return / interest paid	1,140	221,146	4,193	167,635	10,491,235
Remuneration paid	-	-	1,899,060	-	-
Post employment benefits	-	-	-	-	-
Directors' fees and allowances	-	114,710	-	-	-
Charge for defined contribution plans	-	-	35,174	-	922,603
Charge for defined benefit plans	-	-	10,658	-	763,873
Provision	-	-	-	-	-
Other expenses	-	-	15,315	-	238,997
Clearing charges	-	-	-	-	325,595
Donations	-	-	-	-	-
Seminar and Membership fees	-	-	-	-	-
Membership, subscription, sponsorship and maintenance charges	-	-	3,963	-	104,137
Other Information					
Dividend paid	30,322,987	1,201,249	27,627	229,826	12,944,983
Purchase of Government securities	-	328,069	-	494,892	1,187,796,472
Sale of Government securities	17,068,946	1,057,510	136,057	2,923,720	1,263,730,871
Insurance premium paid	-	-	-	1,453,649	-
Insurance claims settled	-	-	-	1,223,935	-

For the nine months ended September 30, 2025 (Un-audited)					
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Profit and loss account					
Income					
Mark-up / return / interest earned	-	-	13,238	-	12,743
Commission / charges recovered	-	211	2,656	15,751	13,049
Dividend income	-	-	-	80,815	519,507
Net gain on sale of securities	-	-	-	-	-
Other income	-	-	-	-	68,771
Gain / (Loss) on sale of property and equipment	-	-	(5,405)	2,785	-
Remuneration from management of fund	-	-	-	2,756,719	-
Sales load	-	-	-	84,547	-
Reimbursement of expenses by funds	-	-	-	18,662	-
Reversal of provision	-	-	-	-	-
Switch revenue	-	-	-	-	507,471
Expense					
Mark-up / return / interest paid	57,612	227,087	4,999	30,789	2,678,643
Remuneration paid	-	-	1,411,714	-	-
Post employment benefits	-	-	-	-	-
Directors' fees and allowances	-	77,981	-	-	-
Net Charge for defined contribution plans	-	-	27,409	-	649,379
Net Charge for defined benefit plans	-	-	8,440	-	714,759
Provision - net	-	-	-	-	-
Other expenses	-	-	5,793	-	292,571
Clearing charges	-	-	-	-	251,955
Membership, subscription, sponsorship and maintenance charges	-	-	2,733	-	14,551
Other Information					
Dividend paid	24,005,698	1,120,076	18,574	-	9,342,971
Purchase of Government securities	-	57,218	13,742	1,949,099	2,988,627,499
Sale of Government securities	6,126,813	1,088,137	-	2,120,296	2,959,365,862
Insurance premium paid	-	-	-	927,367	-
Insurance claims settled	-	-	-	242,788	-

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

40. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	12,521,239	12,521,239
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	454,705,908	399,387,141
Eligible Additional Tier 1 (ADT 1) Capital	9,933,612	9,914,846
Total Eligible Tier 1 Capital	464,639,520	409,301,987
Eligible Tier 2 Capital	80,480,388	116,881,959
Total Eligible Capital (Tier 1 + Tier 2)	545,119,908	526,183,946
Risk Weighted Assets (RWAs):		
Credit Risk	2,067,876,255	1,659,787,451
Market Risk	337,347,567	341,289,010
Operational Risk	508,068,741	508,068,741
Total	2,913,292,563	2,509,145,202
Common Equity Tier 1 Capital Adequacy Ratio	15.61%	15.92%
Tier 1 Capital Adequacy Ratio	15.95%	16.31%
Total Capital Adequacy Ratio	18.71%	20.97%

The SBP through its BSD Circular No. 07 dated April 15, 2009 has prescribed the minimum paid-up capital (net of accumulated losses) for Banks to be raised to Rs.10,000 million by the year ending December 31, 2015. The paid-up capital of the Bank for the period ended September 30, 2026 stood at Rs.12,521.239 million (2025: Rs.12,521.239 million) and is in compliance with SBP requirements. Banks are also required to maintain a minimum Capital Adequacy Ratio (CAR) of 10.0% plus capital conservation buffer of 1.5% of the risk weighted exposures of the Bank.

In order to dampen the effects of COVID-19, the State Bank of Pakistan under BPRD Circular Letter No. 12 of 2020 has given a regulatory relief and reduced the Capital Conservation Buffer (CCB) as prescribed vide BPRD Circular No. 6 of August 15, 2013, for the time being, from its existing level of 2.5% to 1.5%, till further instructions.

Further, under Basel III instructions, Banks are also required to maintain a Common Equity Tier 1 (CET 1) ratio and Tier 1 ratio of 6.0% and 7.5%, respectively, as at September 30, 2026. The Bank is fully compliant with prescribed ratios as the Bank's CAR is 18.71% whereas CET 1 and Tier 1 ratios stood at 15.61% and 15.95% respectively.

Furthermore, under the SBP's Framework for Domestic Systemically Important Banks (D-SIBs) introduced vide BPRD Circular No. 04 of 2018 dated April 13, 2018, UBL has been designated as a D-SIB under letter BSD-1/Bank/UBL/1206707/2026 dated August 18, 2026. In line with this framework, the Bank is required to meet the Higher Loss Absorbency (HLA) capital charge of 2.5%, in the form of Additional CET 1 capital, on a standalone as well as consolidated level. The prescribed HLA under D-SIB shall remain effective till the next D-SIB designation announcement is made by State Bank of Pakistan.

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
Leverage Ratio (LR):		
Eligible Tier-1 Capital	464,639,520	409,301,987
Total Exposures	14,545,615,187	13,259,312,320
Leverage Ratio	3.19%	3.09%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	3,404,385,355	2,737,102,361
Total Net Cash Outflow	1,907,736,848	1,250,537,173
Liquidity Coverage Ratio	178.45%	218.87%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	5,046,336,674	3,141,118,282
Total Required Stable Funding	3,965,476,796	2,299,775,237
Net Stable Funding Ratio	127.26%	136.58%

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

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

41. ISLAMIC BANKING BUSINESS

The Bank operates 824 (December 31, 2025: 752) Islamic Banking branches and 736 (December 31, 2025: 596) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION

ASSETS

	Note	(Un-audited) September 30, 2026	(Audited) December 31, 2025
		----- (Rupees in '000) -----	
Cash and balances with treasury banks		136,241,075	94,809,700
Balances with other banks		2,758,776	1,723,078
Due from financial institutions	41.1	-	14,574,547
Investments	41.2	1,072,422,601	495,954,343
Islamic financing and related assets - net	41.3	646,503,502	563,053,455
Property and equipment		21,151,911	15,652,921
Right-of-use assets		26,813,556	16,698,882
Intangible assets		-	-
Due from Head Office		-	-
Other assets		61,975,037	24,930,511
		1,967,866,458	1,227,397,437

LIABILITIES

Bills payable		31,537,278	8,244,351
Due to financial institutions		133,207,514	15,336,073
Deposits and other accounts	41.4	1,380,709,248	962,340,876
Due to Head Office		246,232,807	129,063,998
Lease liabilities		29,030,759	17,964,460
Other liabilities		21,367,104	10,914,457
		1,842,084,710	1,143,864,215
		125,781,748	83,533,222

NET ASSETS

REPRESENTED BY

Islamic Banking Fund		2,181,000	2,181,000
Reserves		-	-
(Deficit) / surplus on revaluation of assets		(5,515,943)	1,894,506
Unappropriated profit	41.5	129,116,691	79,457,716
		125,781,748	83,533,222

CONTINGENCIES AND COMMITMENTS

PROFIT AND LOSS ACCOUNT

		(Un-audited) January - September 2026	January - September 2025
		----- (Rupees in '000) -----	
Profit / return earned	41.7	119,593,875	34,021,049
Profit / return expensed	41.8	39,481,552	11,810,949
Net profit / return		80,112,323	22,210,100

Other income

Fee and commission income		1,922,684	1,056,052
Foreign exchange loss		(556,089)	(95,156)
(Loss) / gain on securities - net		(33,571)	52,925
Other income		145,070	112,170
Total other income		1,478,094	1,125,991
Total Income		81,590,417	23,336,091

Other expenses

Other operating expenses		28,239,868	14,944,703
Profit before credit loss allowance		53,350,549	8,391,388
Credit loss allowance and write offs - net		3,691,574	1,386,077
Profit before taxation		49,658,975	7,005,311
Taxation		25,822,668	3,712,815
Profit after taxation		23,836,307	3,292,496

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026**

41.1 Due from Financial Institutions

	As at September 30, 2026 (Un-audited)			As at December 31, 2025 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	(Rupees in '000)					
Musharakah lending	-	-	-	14,574,547	-	14,574,547
Less: Credit Loss Allowance						
Stage 1	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
	-	-	-	14,574,547	-	14,574,547

41.2 Investments by segments

	Note	As at September 30, 2026 (Un-audited)			
		Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
		(Rupees in '000)			
Debt Instruments					
Measured at amortised cost					
Federal Government Securities					
- Ijarah Sukuks		400,280,132	-	-	400,280,132
- Bai Muajjal with Govt. of Pakistan	41.2.1	94,355,605	-	-	94,355,605
Non Government debt securities		2,351,012	(18)	-	2,350,994
		496,986,749	(18)	-	496,986,731
Measured at FVOCI					
Federal Government securities					
- Ijarah Sukuks		579,360,223	-	(5,515,943)	573,844,280
- Islamic Naya Pakistan Certificate		1,291,590	-	-	1,291,590
Non Government debt securities		-	-	-	-
		580,651,813	-	(5,515,943)	575,135,870
Measured at FVPL					
Federal Government securities					
- Ijarah Sukuks		-	-	-	-
		-	-	-	-
Instruments mandatorily classified / measured at FVPL					
Non Government debt securities		300,000	-	-	300,000
Total investments		1,077,938,562	(18)	(5,515,943)	1,072,422,601
		As at December 31, 2025 (Audited)			
		Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
		(Rupees in '000)			
Debt Instruments					
Measured at amortised cost					
Federal Government Securities					
- Ijarah Sukuks		167,404,649	-	-	167,404,649
- Bai Muajjal with Govt. of Pakistan	41.2.1	113,953,748	-	-	113,953,748
Non Government debt securities		2,887,289	(23)	-	2,887,266
		284,245,686	(23)	-	284,245,663
Measured at FVOCI					
Federal Government securities					
- Ijarah Sukuks		197,598,274	-	1,894,507	199,492,781
- Islamic Naya Pakistan Certificate		875,697	-	-	875,697
Non Government debt securities		-	-	-	-
		198,473,971	-	1,894,507	200,368,478
Measured at FVPL					
Federal Government securities					
- Ijarah Sukuks		11,024,524	-	15,678	11,040,202
		11,024,524	-	15,678	11,040,202
Instruments mandatorily classified / measured at FVPL					
Non Government debt securities		300,000	-	-	300,000
		494,044,181	(23)	1,910,185	495,954,343

Particulars of credit loss allowance

	As at September 30, 2026 (Un-audited)				As at December 31, 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)							
Federal Government securities	-	-	-	-	-	-	-	-
Non Government debt securities	(18)	-	-	(18)	(23)	-	-	(23)
	(18)	-	-	(18)	(23)	-	-	(23)

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)**
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
41.2.1 Bai Muajjal with Government of Pakistan		
Bai Muajjal Investment	109,351,720	138,740,520
Less: Deferred Income	(14,996,115)	(24,786,772)
Bai Muajjal Investment-net	<u>94,355,605</u>	<u>113,953,748</u>
41.3 Islamic financing and related assets - net		
Ijarah	2,483,180	27,693,491
Murabaha	6,475,160	2,618,962
Musharakah	273,799,762	267,632,811
Diminishing Musharakah	231,397,115	157,034,805
Mera Pakistan Mera Ghar (MPMG)	4,054,914	4,467,165
Istisna	4,259,546	946,253
Bai Muajjal financing	30,910,262	34,967,935
Tijarah	7,779,364	8,125,000
Diminishing Musharakah - Under SBP's Islamic Temporary Economic Refinance Facility	2,888,396	14,269,777
Ameen Musharakah Running Finance Under SBP's - Islamic Export Refinance scheme	5,425,000	364,360
Islamic Export Refinance scheme - Istisna	-	3,302,445
Advances against Islamic assets		
Advances against Ijarah	597,496	403,145
Advances for Diminishing Musharakah	11,333,331	2,404,664
Advances against Musharika	30,183,426	25,901,730
Advances for Murabaha	5,939,989	974,836
Advances against MGMA	8,846,211	29,850
Advances against Mera Pakistan Mera Ghar	1,525	1,532
Advances for Istisna	5,167,368	6,688,863
Advances against Istisna - Under SBP' Islamic Export Refinance scheme	-	126,000
Inventory related to Islamic financing		
Istisna	6,680,814	997,934
Tijarah	3,227,195	859,125
Other financing	45,585	10,794
Profit and other receivables against financings	13,990,503	8,860,290
Gross Islamic financing and related assets	655,486,142	568,681,767
Less: Credit Loss Allowance against Islamic financings		
- Stage 1	(5,381,472)	(3,191,567)
- Stage 2	(2,802,863)	(1,529,914)
- Stage 3	(798,305)	(906,831)
	(8,982,640)	(5,628,312)
Islamic financing and related assets - net of credit loss allowance	<u>646,503,502</u>	<u>563,053,455</u>
41.4 Deposits and other accounts		
Customers		
Current deposits	871,864,317	577,503,792
Saving deposits	200,991,686	172,056,288
Term deposits	101,436,965	13,520,512
	1,174,292,968	763,080,592
Financial Institutions		
Current deposits	1,464,448	1,280,155
Saving deposits	201,651,832	169,526,129
Term deposits	3,300,000	28,454,000
	206,416,280	199,260,284
	<u>1,380,709,248</u>	<u>962,340,876</u>

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026**

	(Un-audited) September 30, 2026	(Audited) December 31, 2025
	----- (Rupees in '000) -----	
41.5 Islamic Banking Business Unappropriated Profit		
Opening Balance	79,457,716	62,049,181
Profit for the period / year	49,658,975	17,408,535
	129,116,691	79,457,716
Taxation	(25,822,668)	(9,226,524)
Closing Balance	103,294,023	70,231,192
41.6 Contingencies and commitments		
- Guarantees	37,923,344	8,883,150
- Commitments	127,850,842	32,243,303
	165,774,186	41,126,453
	(Un-audited)	
	January -	January -
	September 2026	September 2025
	----- (Rupees in '000) -----	
41.7 Profit / Return earned		
On:		
Financing	50,021,577	20,371,165
Investments	66,944,563	13,042,545
Placements	99,169	409,229
Rental Income from Ijarah	2,528,566	198,110
	119,593,875	34,021,049
41.8 Profit / Return expensed		
On:		
Deposits and other accounts	31,865,883	10,429,620
Due to Financial Institutions	5,359,717	248,951
Others	2,255,952	1,132,378
	39,481,552	11,810,949
41.9 Disclosures for profit and loss distribution and pool management		

The Bank operates general and special pools for deposits and inter-bank funds accepted / acquired under Mudarabah, Wakalah and Musharakah modes.

Under the General deposits pools, the Bank accepts funds on Mudarabah basis from depositors (Rab-ul-Maal) where the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financing, investments and placements. When utilising investing funds, the Bank prioritizes the funds received from depositors over the funds generated from own sources after meeting the regulatory requirement relating to such deposits.

Specific pools are operated for funds acquired / accepted from the Corporate Customers, other banks and State Bank of Pakistan for liquidity management and Islamic Export Refinance to the Bank's customers respectively under the Musharakah/ Mudarabah / Wakalah modes.

General Pool(s)

For General Pools , the Bank allocates PKR financing to Corporate, SME and Consumer Finance customers in diversified sectors and avenues of the economy / business and Investments in Sovereign Guarantee Sukuk, Corporate Sukuk, Bai Muajjal with Government of Pakistan, are also done through General Pools. All remunerative deposits are tagged to these general pools and their funds generated from the depositors are invested on priority basis.

IERS Pool(s)

The IERS pool assets comprise of Sovereign Guarantee Sukuk, and financing to Corporate Customers and exporters as allowed under the applicable laws and regulations, and as such are exposed to lower credit risk. The Musharakah with SBP under IERS is tagged to the IERS pool.

Treasury Pool(s)

The Treasury pool assets generally comprise of Sovereign Guarantee Sukuk and financing under diminishing musharakah, Ijarah facility and the related liability of the Treasury pool comprise of Musharakah / Wakalah/ Mudarabah from financial institutions. These pools are created to meet the liquidity requirements of the Holding company.

Special Pool(s)

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

Equity Pool(s)

All other assets including fixed assets, advance against financing, bai-salam financing and subsidized financing to Bank's employees are tagged to equity pool. To safeguard the interest of customers, all high risk investments are done through equity pool. The Holding company as Mudarib in the general pools is responsible for financing costs / assets such as land, building, furniture, fixtures, computers and IT system from its own sources / equity.

During the year, the Bank has given General Hiba to the depositors in General and specific pool, keeping in view the prescribed guidelines of Pool Management provided by the SBP. However, Hiba are given at the sole discretion of the Bank without any contractual commitment with the depositors.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

The Mudarib's share on Deposits for the period ended September 30, 2026 is Rs. 20,251.55 million (50.07% of distributable profit of Mudarabah Pool) of this, an amount of Rs. 11,844.26 million (58.49% of Mudarib share) was distributed back to depositors as Hiba. The rate of profit earned on average earning assets was 11.25% per annum and the rate of profit paid on average deposits was 9.02% per annum.

The risk characteristics of pools

The risk characteristic of each pool mainly depends on the assets and liability profile of the pool. As per the Bank 's policy, relatively low risk / secured financing transactions and assets are allocated to the pool. The Bank maintains General Pools, Special Pools, FI Pools, IERS pool and Equity pool. All pools are exposed to general credit risk, asset ownership risk and Profit rate risk of underlying assets involved.

The Parameters used for allocation of profit, expenses and provisions to the Pool

- The profit of each deposit pool is calculated on all the remunerative assets booked by utilising the funds from the pool.
- Profit of pool is calculated after deduction of expenses directly incurred in earning the income of such pool, the directly related costs comprise of depreciation on ijarah assets, takaful premium, Amortisation of Premium on investment etc.
- No expense of general or administrative nature is charged to the pools.
- No credit loss allowance against any non-performing asset of the pool is passed on to the pool except on the actual loss / write-off of such non-performing asset.
- The profit of the pool is shared between equity and Rab-ul-Maal of the pool on the basis of Musharakah at gross level (before charging of mudarib fee) as per the investment ratio of the equity.
- The profit of the pool is shared among the members of the pool on pre-defined mechanism based on the weightages announced before the profit calculation period after charging of mudarib fee.

The Bank managed following pools during the period.

For the nine months ended September 30, 2026 (Un-audited)

	No of Pools	Nature of Pool	Profit rate and weightages announcement period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba
				%	%	Rupees in '000	%	%	Rupees in '000
Special Pools	18	Mudarbaha	Monthly	11.64%	50.12%	12,382,922	10.45%	80.05%	9,911,993
IERS Pools	18	Musharkah	Monthly	6.30%	50.60%	485,805	2.50%	0.00%	-
General Pools	9	Mudarbaha	Monthly	11.16%	50.00%	7,859,960	7.10%	33.21%	1,930,350
General FCY Pools		Mudarbaha	Monthly	6.97%	50.00%	21,258	0.75%	24.97%	5,309
Treasury Pools	261	Mudaraba/Musharkah	-	11.01%	7.36%	222,040	10.12%	0.00%	-
OMO Pools	11	Mudarabah	-	11.31%	4.36%	132,257	10.53%	3.64%	4,815

For the nine months ended September 30, 2025 (Un-audited)

	No of Pools	Nature of Pool	Profit rate and weightages announcement period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba
				%	%	Rupees in '000	%	%	Rupees in '000
Special Pools	57	Mudarbaha	Monthly	11.14%	33.86%	1,373,092	8.81%	40.17%	551,536
IERS Pools	11	Musharkah	Monthly	8.66%	41.64%	122,488	5.34%	0.00%	-
General Pools	9	Mudarbaha	Monthly	12.96%	50.00%	6,724,486	7.73%	17.78%	1,195,479
FCY Pools	10	Mudarbaha	Monthly	7.09%	81.00%	52,046	12.00%	22.94%	11,942

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

41.10 Deployment of Mudarabah based deposits by class of business

Chemical and pharmaceuticals	8,259,759	6,621,850
Agriculture	146,789,211	152,188,676
Textile	91,391,128	99,378,265
Sugar	51,611,342	45,512,373
Automobile	5,168,749	3,288,671
Financial	1,059,482	15,255,202
Individuals	63,862,374	30,232,299
Production and transmission of energy	120,979,301	130,712,330
Government of Pakistan Securities	1,069,771,607	492,764,491
Others	169,015,790	103,256,500
	<u>1,727,908,743</u>	<u>1,079,210,657</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

42. YEMEN OPERATIONS

Despite risky situation and continued operational losses the Bank has been striving to honor liabilities for past nine years. However, on account of several factors, including but not limited to fragile political and economic situation in Yemen, bankruptcy of CBY Sana'a, existence of two Central Banks (i.e. CBY Sana'a and CBY Aden), has resulted in illiquid market, which does not appears to be reversed in near future.

It is no longer possible for the Bank to continue its operations in Yemen due to reasons not attributable to the Bank and caused by circumstances entirely beyond the Bank's control. Therefore, Bank has completely exited from Yemen. The Bank is cognizant of the associated risks arising out of its exit from Yemen.

43. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on October 16, 2026 has declared an interim cash dividend in respect of quarter ended September 30, 2026 of Rs. 8.0 per share (September 30, 2025: Rs. 8.0 per share). This is in addition to Rs. 16.0 already paid during the period bringing the total dividend for the nine months to Rs.24.0 per share (September 30, 2025: Rs. 27.0). These consolidated condensed interim financial statements for the nine months ended September 30, 2026 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

44. GENERAL

44.1 Comparative information has been reclassified, rearranged or additionally incorporated in these consolidated condensed interim financial statements for the purposes of better presentation.

44.2 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

45. DATE OF AUTHORISATION

These consolidated condensed interim financial statements were authorised for issue on October 16, 2026, by the Board of Directors of the Bank.



Syed Manzoor Hussain Zaidi
Chief Financial Officer



Muhammad Jawaid Iqbal
President &
Chief Executive Officer



Shazia Syed
Director



Daniel Michael Howlett
Director



Lord Zameer M. Choudrey, CBE, SI Pk
Chairman

یونائیٹڈ بینک لمیٹڈ

ارکان کوڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2026 کو ختم ہونے والے نو ماہ کے لیے یونائیٹڈ بینک لمیٹڈ (یو بی ایل) کے مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

کارکردگی کا جائزہ

غیر مجتمع بنیادوں پر، 30 ستمبر 2026 کو ختم ہونے والے نو ماہ کے لیے 240.5 ارب روپے کا قبل از ٹیکس منافع (PBT) ریکارڈ کیا گیا جو 8% سال بہ سال کی مستحکم نمو کی نمائندگی کرتا ہے۔ 9M'26 میں منافع بعد از ٹیکس (PAT) 115.2 ارب روپے رہا جو کہ 9M'25 کے مقابلے میں 98.5 ارب روپے تھا جبکہ آمدنی فی حصص (EPS) 46.0 رہی جو گذشتہ سال کی اسی مدت میں 39.55 تھی۔ یو بی ایل نے 116.6 ارب روپے (9M'25 : 100.1 ارب روپے) کے ساتھ 46.54 کی آمدنی فی حصص (EPS) (9M'25 : 40.19 روپے) میں مجتمع بنیاد پر منافع بعد از ٹیکس کا اندراج کیا۔

یو بی ایل کے ڈائریکٹرز نے 16 اکتوبر 2026 کو دعویٰ میں منعقد ہونے والے اپنے اجلاس میں 30 ستمبر 2026 کو ختم ہونے والے نو ماہ کے نتائج کے ساتھ 8.0 روپے فی حصص کے عبوری نقد منافع کا اعلان کیا۔

بینک کی مجموعی آمدنی 9M'26 میں 376.9 ارب روپے رہی جو کہ سال بہ سال 21% اضافے کے ساتھ نیٹ مارک اپ آمدنی 282.9 ارب روپے کے مستحکم اضافے سے بڑھ رہی ہے۔ بینک نے 9M'26 کے دوران تمام آمدنی کے شعبوں میں وسیع بنیادوں پر نمو کے باعث 94.0 ارب روپے کی غیر مارک اپ آمدنی حاصل کی۔ 9M'26 کے دوران فیس اور کمیشن سے حاصل ہونے والی آمدنی 22.8 ارب روپے رہی، جس میں بنیادی کردار کا ڈس سے متعلق فیسوں کا تھا۔ اس کے علاوہ، تجارت سے حاصل ہونے والی مستحکم آمدنی، کارپوریٹ خدمات اور انویسٹمنٹ بینکنگ کی فیسوں، نیز ملکی سطح پر ہوم ریہیمنسز کے شعبے میں یو بی ایل کی مسلسل قائدانہ حیثیت نے بھی اس آمدنی میں اہم کردار ادا کیا۔ بینک نے مارکیٹ کے مواقع سے بھرپور فائدہ اٹھاتے ہوئے 47.9 ارب روپے کے نمایاں کیپیٹل گینز حاصل کیے، جبکہ بڑھتے ہوئے تجارتی بہاؤ کے نتیجے میں مضبوط فارن ایکسچینج آمدنی نے بھی اس کارکردگی کو تقویت دی۔

بینک کے آپریٹنگ اخراجات میں 9M'25 کے مقابلے میں 53% کا اضافہ ریکارڈ کیا گیا ہے جو بڑھ کر 9M'26 میں 136.1 ارب روپے تک پہنچ گیا۔ ایسا عملے کی لاگت میں سال بہ سال 49% اضافے کے ساتھ 52.6 ارب روپے، پراپرٹی سے متعلق سال بہ سال 51% اضافے کے ساتھ 17.6 ارب روپے اور آئی ٹی اخراجات میں 28% اضافے کے ساتھ 10.1 ارب روپے تک پہنچ جانے کے باعث ہوا۔ یو بی ایل نے 9M'25 کے 4.7 ارب روپے کے نیٹ پرویشن چارجز کے مقابلے میں 9M'26 میں 4.5 ارب روپے کا نیٹ پرویشن رپورسل ریکارڈ کیا، جو کہ بنیادی طور پر ملکی اور بین الاقوامی پورٹ فولیو میں وصولیوں کے نتیجے میں ممکن ہوا ہے۔

سرمائے کا تناسب۔ مجتمع

بینک ایک موثر سرمایہ کی بنیاد کو برقرار رکھنے کی کوشش کرتا ہے جو مستقبل میں ترقی کے ساتھ ساتھ ریگولیٹری تقاضوں سے زائد مناسب بفرز کی بنیاد کو بھی یقینی بنائے رکھے۔ مجتمع CAR ستمبر 2026 میں 18.71% (دسمبر 2025 : 20.97%) رہا، جس میں کم سے کم 14.0% کے ریگولیٹری تقاضے پر 4.71% کا بھیغیغ ظاہر ہوتا ہے۔ کامن ایکویٹی ٹیئر 1 (CET-1) کا تناسب ستمبر 2026 میں 15.61% (دسمبر 2025 : 15.92%) رہا۔ ستمبر 2026 کو ٹوٹل ٹیئر کیپیٹل کا تناسب 15.95% (دسمبر 2025 : 16.31%) ریکارڈ کیا گیا۔

ویز کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) نے 30 جون 2026 کو یونائیٹڈ بینک لمیٹڈ (UBL) کی ”AAA / A-1+“ (ٹرپل اے / اے وان پلس) بینٹیل ریٹنگز کی دوبارہ توثیق کی ہے۔ علاوہ ازیں، یو بی ایل کی ایڈیشنل میٹر 1-TFC (ADT-1) کی بھی بطور AA+ (ڈبل اے پلس) دوبارہ توثیق کی جا چکی ہے۔ تفویض کردہ ریٹنگز پر توقعات مستحکم ہیں۔

مستقبل کی توقعات

مشرق وسطیٰ میں طویل عرصے سے جاری تنازعے کے باوجود، مضبوط ترسیلات زر، کرنٹ اکاؤنٹ کے محدود خسارے اور زرمبادلہ کے ذخائر کی مستحکم صورت حال کی بدولت میکرو اکنامک اشاریے بڑی حد تک متوقع حدود میں رہے ہیں۔ یو بی ایل نے اس عرصے میں اپنے مضبوط کاروباری ڈھانچے اور وسیع تر سیلیٹیٹ ورک سے استفادہ کرتے ہوئے مسلسل مستحکم پیش رفت اور عملی استقامت کا مظاہرہ کیا، تاکہ پائیدار ترقی اور شیئر ہولڈر کے لیے طویل مدتی قدر پیدا کی جاسکے۔ بینک کی کنونینشل اور اسلامک برانچز کے پھیلنے سے نیٹ ورک نے بینک تک رسائی اور کسٹمرز تک پہنچ کو بہتر بنایا ہے، جس کے نتیجے میں ڈپازٹس کی مارکیٹ میں ہمارے حصے اور آمدنی میں نمایاں اضافہ ہوا ہے۔ ملکی اور بیرون ملک ڈپازٹس میں اضافہ، تجارتی کاروبار اور فیس کی آمدنی پر زیادہ توجہ، اور بینکاری کے تمام ذرائع پر کسٹمرز کو سروسز فراہم کرنے کی صلاحیت میں بہتری ہماری اہم ترجیحات رہیں گی۔ ہم اپنے تمام عملیاتی شعبوں میں بہترین کارکردگی، کسٹمرز کو اعلیٰ معیار کی سروسز اور شیئر ہولڈرز کو مسلسل مضبوط منافع فراہم کرنے کے لیے پُر عزم ہیں۔

اعمالیہ تفکر

بورڈ آف ڈائریکٹرز کی جانب سے ہم یو بی ایل کے صارفین اور شیئر ہولڈرز کا شکریہ ادا کرنا چاہیں گے جنہوں نے ہمیشہ یو بی ایل برانڈ پر مسلسل اعتماد اور یو بی ایل اسٹاف کے ساتھ اپنے عہد اور خلوص کو نبھایا ہے۔ ہم مسلسل رہنمائی اور معاونت پر حکومت پاکستان، اسٹیٹ بینک پاکستان، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر ریگولیٹری اداروں کا بھی تہہ دل سے شکریہ ادا کرنا چاہتے ہیں۔

Amel Amel

ڈینیل مائیکل ہاؤلیٹ

ڈائریکٹر

محمد جاوید اقبال

صدر اور سی ای او

دعویٰ،

16 اکتوبر 2026



where **you** come **first**

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