MASHREQ BANK PAKISTAN LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS

AS AT MARCH 31, 2026

Directors' Review

To the shareholders,

On behalf of the Board of Directors, we are pleased to present the Financial Statements of Mashreq Bank Pakistan Limited ("MBPL" or "the Bank") for the period ended March 31, 2026.

Company's Profile and Performance

Mashreq Bank Pakistan Limited (MBPL) commenced commercial operations in September 2025, with the launch of its digital retail banking platform NEO in November 2025. Accordingly, the quarter ended March 31, 2026 represents the first complete quarter of operations following the commercial launch, during which the Bank operated at full scale across all core functions.

During the quarter under review, the Bank focused on stabilising operations, strengthening its balance sheet and building its customer franchise within the approved regulatory and governance framework applicable to newly established banks.

Deposits recorded a notable increase compared to the position at year end to close at PKR 4.32 billion, representing the accumulation of customer balances following the launch of NEO. Growth was primarily observed in savings deposits, consistent with strategy and the gradual build-up of the Bank's funding base. The Bank remained fully compliant with all applicable capital, liquidity, and regulatory requirements during the period under review.

Key financial metrics for the quarter include net profit / interest earned of PKR 278 million, and non-funded income of PKR 14 million. MBPL incurred a loss for the quarter is PKR 2.41 billion, which is primarily attributable to operating expenses incurred during the establishment and scale-up phase of operations. These include costs related to technology infrastructure, personnel and operational readiness required to support full-scale commercial banking activities.

The accumulated losses are PKR 13.98 billion reflect start-up and expansion costs incurred since commencement of operations, the Bank's net assets remained positive, supported by Group's funds.

The Bank operates under two segments (a) Mashreq NEO and (b) Mashreq NEOBIZ. Mashreq NEO caters to individual customers, providing digital accounts, highyield savings, current accounts and NRP accounts. Mashreq NEOBIZ is Pakistan's first fully digital banking solution for entrepreneurs and business owners, delivering secure, seamless financial services through a single integrated platform.

Continued scaling of NEO's digital acquisition engine, with sustained growth in New to Bank (NTB) account openings through app-based onboarding, strategic focus shifted toward funded account quality and deposit value as primary performance metrics. Activation of the Customer Lifecycle Management Platform, replacing manual SMS-only outreach and laying the foundation for lifecycle-driven retention campaigns. Advanced product development on NRP/RDA proposition, including competitive benchmarking across SBP-authorized providers and alignment with March 2026 SBP regulatory updates, positioning NEO as a credible digital player in the overseas Pakistani remittance segment. Bank plans to launch a digital referral program in mid-2026 and will continue to invest in data-led acquisition optimization, including deployment of propensity models to improve funded conversion rates and reduce cost per funded account.

Mashreq NEOBIZ pilot was successfully launched in Nov 2025 with the primary objective of validating core product features, customer journeys, and operational readiness ahead of the commercial launch planned for Jun 2026. Since pilot launch, NEOBIZ has onboarded over 200 customers, with PKR 53 million in Deposits as of Mar 31, 2026. The pilot is demonstrating strong early traction, reflected in encouraging growth across transaction volumes and activity levels, reinforcing confidence in both the product proposition and customer adoption trends. Overall, pilot performance to date indicates that NEOBIZ is progressing well against its validation objectives and is on track to support a scaled commercial rollout.

Macroeconomic Overview and Future Outlook

Pakistan's macroeconomic outlook became uncertain following the outbreak of the war in the Middle East. The conflict has led to a sharp increase in global fuel prices as well as freight and insurance costs, while also affecting cross-border trade and travel. Although the SBP Monetary Policy Committee decided to keep the policy rate unchanged at 10.5% in March, it observed that the intensity and duration of the conflict will be both important determinants of the impact on the domestic economy.

Pakistan's headline inflation was at 7.3% in March 2026, bringing the 9MFY26 inflation at 5.67% against 5.25% recorded in the same period last year. Pakistan's inflation is expected to accelerate sharply to between 11-11.5% in April 2026, marking the highest monthly inflation in around 21 months. The spike comes amid disrupted global energy markets which has pushed crude oil prices above $100 per barrel, feeding into domestic inflation.

The economy recorded a current account surplus of $1.07 billion in March 2026, bringing the 9MFY26 current account surplus to $8.0 million, compared with surplus of $1.67 bn in the same period last year. The current account surplus was driven by workers' remittances which were recorded at $3.8 billion in March 2026. Cumulative remittance in 9MFY26 increased by 8.2% to $30.3 billion, compared to $28.0 billion received during the same period last year. Pakistan's Forex reserves were at $ 21.7 billion at end-March 2026, improving from $15.0 billion at end-March 2025. Forex reserves have increased due to the improved current account balance and the central bank's ongoing dollar purchases in the interbank market.

The IMF and Pakistani authorities reached a staff-level agreement on the third review for the 37-month extended arrangement under the Extended Fund Facility (EFF) and the Second Review for 28-month arrangement under the Resilience and Sustainability Facility (RSF). Upon approval, Pakistan will have access to about $1.0 billion under the EFF and about $0.2 billion under the RSF. Supported by the EFF, ongoing policies have continued to strengthen the economy and rebuild market confidence. The authorities remain committed to pursing sound and prudent macroeconomic policies to preserve the recent gains in macrofinancial stabilization, while deepening structural reforms to accelerate growth and strengthening social protection to mitigate the impact of volatile energy prices.

Board of Directors

During the current period, the following individuals served as directors of MBPL and attended Board meetings held during the year:

Name of Director	Position
Fernando Isidro Morillo Lopez	Chairman / Non-Executive Director
Salman Hadi	Non-Executive Director
Iqbal Hassan Khanyari	Non-Executive Director
Mohamad Salah Abdel Hamid Abdel Razek	Non-Executive Director
Muhammad Hamayun Sajjad	Chief Executive Officer
Rania Nerhal Hussein Hamdy	Non-Executive Director
Shazad Dada	Independent Director
Rashid Ali Khan	Independent Director
Syed Naseer ul Hasan	Independent Director

<table>
<tr><th>Board Committee</th><th>Name of Director</th></tr>
<tr><td rowspan="5">Digital, IT, and Information Security Committee</td><td>Mohamed Salah Abdel Hamid Razek</td></tr>
<tr><td>Fernando Isidro Morillo Loz</td></tr>
<tr><td>Muhammad Hamayun Sajjad</td></tr>
<tr><td>Shazad Dada</td></tr>
<tr><td>Syed Naseer ul Hasan</td></tr>
<tr><td rowspan="5">Risk Management & Credit Committee</td><td>Salman Hadi</td></tr>
<tr><td>Shazad Dada</td></tr>
<tr><td>Rania Nerhal Hussein Hamdy</td></tr>
<tr><td>Muhammad Hamayun Sajjad</td></tr>
<tr><td>Iqbal Hassan Kanyari</td></tr>
<tr><td rowspan="5">Audit Committee</td><td>Syed Naseer ul Hasan</td></tr>
<tr><td>Iqbal Hassan Kanyari</td></tr>
<tr><td>Rashid Ali Khan</td></tr>
<tr><td>Mohamed Salah Abdel Hamid Razek</td></tr>
<tr><td>Salman Hadi</td></tr>
<tr><td rowspan="5">Human Resource & Remuneration Committee</td><td>Syed Naseer ul Hasan</td></tr>
<tr><td>Fernando Isidro Morillo Lopez</td></tr>
<tr><td>Shazad Dada</td></tr>
<tr><td>Rania Nerhal Hussein Hamdy</td></tr>
<tr><td>Rashid Ali Khan</td></tr>
</table>

Appreciation and Acknowledgement

On behalf of the Board of Directors, we would like to place on record our appreciation to the regulators and the Government of Pakistan, particularly the State Bank of Pakistan, the Ministry of Finance and the Securities and Exchange Commission of Pakistan for their continuous support and guidance. Further, we acknowledge the efforts and commitment of our people being the greatest strength of the Bank.

For and behalf of

Muhammad Hamayun Sajjad	**Fernando Morillo**
Chief Executive Officer	Chairman

April 28, 2026

MASHREQ BANK PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

	Note	**31 March 2026 (Un-audited)**	31 December 2025 (Audited)
		--------(Rupees in '000)--------	
ASSETS			
Cash and balances with treasury banks	6	**474,980**	97,263
Balances with other banks	7	**116,154**	85,576
Lendings to financial institutions	8	**4,849,987**	1,179,998
Investments	9	**11,467,359**	11,366,912
Advances		**-**	-
Property and equipment	10	**256,316**	263,599
Right-of-use assets	11	**333,392**	356,353
Intangible assets	12	**424,960**	439,875
Deferred tax assets	13	**-**	-
Other assets	14	**134,925**	189,198
Total Assets		**18,058,073**	13,978,774
LIABILITIES			
Bills payable		**-**	-
Borrowings	15	**1,954,073**	1,960,862
Deposits and other accounts	16	**4,322,058**	1,319,331
Lease liabilities	17	**376,386**	386,077
Sub-ordinated debts		**-**	-
Deferred tax liabilities		**-**	-
Other liabilities	18	**7,490,791**	6,479,574
Total Liabilities		**14,143,308**	10,145,844
NET ASSETS		**3,914,765**	3,832,930
REPRESENTED BY			
Share capital		**17,903,339**	12,418,806
Advance against issue of shares		**-**	2,975,167
Reserves		**-**	-
Surplus / (deficit) on revaluation of assets - net of tax	19	**(10,623)**	9,878
Accumulated losses		**(13,977,951)**	(11,570,921)
		3,914,765	3,832,930
CONTINGENCIES AND COMMITMENTS	20		

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Atif Saeed Dar	**Muhammad Hamayun Sajjad**	**Fernando Morillo**	**Naseer ul Hasan**	**Salman Hadi**
Chief Financial Officer	Chief Executive Officer	Chairman	Director	Director

MASHREQ BANK PAKISTAN LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2026

	Note	**January - March 2026**	January - March 2025
		-------- (Rupees in '000) --------	
Mark-up / return / interest earned	21	**339,554**	161,030
Mark-up / return / interest expensed		**(61,741)**	(7,049)
Net mark-up / interest income		**277,813**	153,981
Non mark-up / interest income			
Fee and commission income	23	**4,906**	49
Dividend income		**-**	-
Foreign exchange income		**7,177**	(11,302)
Income / (loss) from derivatives		**-**	-
Gain / (loss) on securities - net		**2,078**	-
Net gains/(loss) on derecognition of financial assets measured at amortised cost		**-**	-
Other income		**-**	-
Total non mark-up / interest income		**14,161**	(11,253)
Total Income		**291,974**	142,728
Non mark-up / interest expenses			
Operating expenses	24	**2,679,809**	843,090
Workers' welfare fund		**-**	-
Other charges	25	**-**	-
Total non-mark-up / interest expenses		**(2,679,809)**	(843,090)
Loss before credit loss allowance		**(2,387,835)**	(700,362)
Credit loss allowance and write offs - net	25	**(18)**	99
Extra ordinary / unusual items		**-**	-
Loss before taxation		**(2,387,853)**	(700,263)
Taxation	26	**(19,177)**	**(2,594)**
Loss after taxation		**(2,407,030)**	(702,857)
		------------ (Rupees) ------------	
Basic and diluted earnings per share	27	**(1.52)**	(1.12)

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Atif Saeed Dar	**Muhammad Hamayun Sajjad**	**Fernando Morillo**	**Naseer ul Hasan**	**Salman Hadi**
Chief Financial Officer	Chief Executive Officer	Chairman	Director	Director

MASHREQ BANK PAKISTAN LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2026

	January - March 2026	January - March 2025
	-------- (Rupees in '000) --------	
Profit after taxation for the period	**(2,407,030)**	(702,857)
Other comprehensive income		
Items that may be reclassified to profit and loss in subsequent periods:		
Movement in surplus on revaluation of debt securities classified at FVOCI - net of tax	**(20,501)**	(10,094)
	(20,501)	(10,094)
Total comprehensive income	**(2,427,531)**	(712,951)

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Atif Saeed Dar	**Muhammad Hamayun Sajjad**	**Fernando Morillo**	**Naseer ul Hasan**	**Salman Hadi**
Chief Financial Officer	Chief Executive Officer	Chairman	Director	Director

MASHREQ BANK PAKISTAN LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2026

	Share capital	Advance against issue of shares	Surplus / (deficit) on revaluation Investments	Accumulated losses	Total
	(Rupees in '000)				
Balance as at 1 January 2025	5,454,417	-	17,975	(3,772,640)	1,699,752
Loss after taxation for the period	-	-	-	(702,857)	(702,857)
Other comprehensive income - net of tax	-	-	(10,094)	-	(10,094)
Total comprehensive income	-	-	(10,094)	(702,857)	(712,951)
Transfer to statutory reserve	-	-	-	-	-
Transactions with owners, recorded directly in equity					
Issuance of ordinary shares	986,698	-	-	-	986,698
Balance as at 31 March 2025	**6,441,115**	**-**	**7,881**	**(4,475,497)**	**1,973,499**
Profit after taxation for the period	-	-	-	(7,099,711)	(7,099,711)
Other comprehensive income - net of tax					
Movement in surplus on revaluation of investments - net of tax	-	-	1,997	-	1,997
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	4,287	4,287
Total comprehensive income	-	-	1,997	(7,095,424)	(7,093,427)
Transfer to statutory reserve	-	-	-	-	-
Transactions with owners, recorded directly in equity					
- Issuance of ordinary shares	5,977,691	-	-	-	5,977,691
Advance against issue of shares	-	2,975,167	-	-	2,975,167
Balance as at 31 December 2025	**12,418,806**	**2,975,167**	**9,878**	**(11,570,921)**	**3,832,930**
Loss after taxation for the period	**-**	**-**	**-**	**(2,407,030)**	**(2,407,030)**
Other comprehensive income - net of tax	**-**	**-**	**(20,501)**	**-**	**(20,501)**
Total comprehensive income	**-**	**-**	**(20,501)**	**(2,407,030)**	**(2,427,531)**
Transactions with owners, recorded directly in equity					
Transfer of Advance against issue of shares to equity	**2,975,167**	**(2,975,167)**	**-**	**-**	**-**
Issuance of ordinary shares	**2,509,366**	**-**	**-**	**-**	**2,509,366**
Balance as at 31 March 2026	**17,903,339**	**-**	**(10,623)**	**(13,977,951)**	**3,914,765**

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Atif Saeed Dar	**Muhammad Hamayun Sajjad**	**Fernando Morillo**	**Naseer ul Hasan**	**Salman Hadi**
Chief Financial Officer	Chief Executive Officer	Chairman	Director	Director

MASHREQ BANK PAKISTAN LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2026

	Note	**January - March 2026**	January - March 2025
CASH FLOWS FROM OPERATING ACTIVITIES		---------- (Rupees in '000) ---------	
Loss before taxation for the period		**(2,387,853)**	(700,263)
Adjustments			
Net mark-up / return / interest income		**(277,813)**	(153,981)
Depreciation on property and equipment		**19,390**	15,977
Depreciation on right-of-use assets		**22,961**	19,496
Amortization		**17,606**	5,523
Amortisation of prepaid staff cost		**-**	282
Finance cost against right-of-use assets		**12,684**	7,049
Loss / (gain) on revaluation of FCY borrowings		**(6,789)**	11,302
Credit loss allowance and write offs		**18**	(99)
Provision against defined contribution plan		**12,819**	13,608
Provision against defined benefit plan		**14,666**	14,290
		(184,458)	(66,553)
		(2,572,311)	(766,816)
(Increase) / decrease in operating assets			
Lendings to financial institutions		**(3,670,000)**	(599,999)
Advances		**-**	14
Other assets (excluding taxation)		**61,748**	(34,185)
		(3,608,252)	(634,170)
Increase / (decrease) in operating liabilities			
Borrowings from financial institutions		**-**	-
Deposits and other accounts		**3,002,727**	115,593
Other liabilities		**996,249**	(62,762)
		3,998,976	52,831
		(2,181,587)	(1,348,155)
Mark-up / return / interest received		**329,066**	160,748
Mark-up / return / interest paid		**(44,784)**	(7,049)
Payments of final settlements to employees		**(29,474)**	-
Income tax paid		**(1,326)**	(855)
Net cash flow generated from operating activities		**(1,928,105)**	(1,195,311)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI		**(99,254)**	(633,107)
Net investments in amortised cost securities		**(36,539)**	(44,161)
Investments in fixed assets		**(12,299)**	(17,664)
Investments in intangible assets		**(2,691)**	(11,963)
Proceeds from sale of fixed assets		**192**	-
Net cash flow generated from investing activities		**(150,591)**	(706,895)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of ordinary shares		**2,509,366**	986,698
Payments of lease obligations against right-of-use assets		**(22,375)**	(32,624)
Net cash generated from in financing activities		**2,486,991**	954,074
(Decrease) / increase in cash and cash equivalents		**408,295**	(948,132)
Cash and cash equivalents at the beginning of the period		**182,839**	1,140,192
Cash and cash equivalents at the end of the period		**591,134**	192,060

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Atif Saeed Dar	**Muhammad Hamayun Sajjad**	**Fernando Morillo**	**Naseer ul Hasan**	**Salman Hadi**
Chief Financial Officer	Chief Executive Officer	Chairman	Director	Director

1. STATUS AND NATURE OF BUSINESS

1.1 Mashreq Bank Pakistan Limited (the Bank) was incorporated in Pakistan on July 5, 2023 as an unlisted public limited company under the Companies Act, 2017. The principal line of business of the Bank is to carry on the business of banking as a Digital Bank and undertake financial transactions as permitted under the applicable laws of Pakistan including, but not limited to the Banking Companies Ordinance, 1962, the Companies Act 2017, Licensing and Regulatory Framework for Digital Banks issued by the State Bank of Pakistan (SBP), all other applicable laws, rules and regulations, directions and circulars of the SBP as in force from time to time.

On September 15, 2025, the SBP, in exercise of its powers under Section 27 of the Banking Companies Ordinance, 1962 and the Licensing and Regulatory Framework for Digital Banks, granted the Bank a banking license to operate as a Digital Retail Bank (DRB). In accordance with the terms and conditions of the license, the Bank commenced its commercial operations on September 16, 2025.

1.2 The Bank is operating through the head office and its three other offices in Karachi, Islamabad, and Lahore. The registered office of the Bank is situated at 22-C, Ittehad Lane - 8, Ittehad Commercial, Phase VI, DHA, Karachi, Pakistan.

1.3 The Bank is a wholly-owned subsidiary of Mashreq Bank P.S.C. (the Parent Company) incorporated in the United Arab Emirates. Its registered head office is situated at P.O. Box 1250, Dubai, United Arab Emirates.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ 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 has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks through its notification SRO 411(I)/2008 dated April 28, 2008. The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standard-3 for Profit and Loss Sharing on Deposits (IFAS-3) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements.

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

2.3 Amendments to existing 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. These are not likely to have a material effect on the Bank's financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in preparation of these condensed interim financial statements are consistent with those as applied in the preparation of annual financial statements of the Bank for the year ended December 31, 2025.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

5. Financial Risk Management

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

		Note	31 March 2026 (Un-audited)	31 December 2025 (Audited)
			-------- (Rupees in '000) --------	
6.	**CASH AND BALANCES WITH TREASURY BANKS**			
	With State Bank of Pakistan in			
	Local currency current accounts		**474,980**	97,263
	Less: Credit loss allowance held against cash and balances with treasury bank		**-**	-
	Cash and balances with treasury banks - net of credit loss allowance		**474,980**	97,263
7.	**BALANCES WITH OTHER BANKS**			
	In Pakistan			
	In current accounts		**1,914**	1,914
	In deposit accounts		**112,528**	83,662
			114,442	85,576
	Outside Pakistan			
	In current accounts		**1,712**	-
	Less: Credit loss allowance held against balances with other banks		**-**	-
	Balances with other banks - net of credit loss allowance		**116,154**	85,576
8.	**LENDINGS TO FINANCIAL INSTITUTIONS**			
	Call money lendings	8.3	**1,050,000**	280,000
	Musharaka placements		**3,800,000**	900,000
			4,850,000	1,180,000
	Less: Credit loss allowance held against lending to financial institutions		**(13)**	(2)
	Lendings to financial institutions - net of credit loss allowance		**4,849,987**	1,179,998
8.1	**Particulars of lendings**			
	In local currency - unsecured		**4,850,000**	1,180,000
8.2	**Category of Classification - Domestic**			
	Performing Stage 1		**4,850,000**	1,180,000

8.3 These local currency lendings carry mark-up rate ranging from 10.00 % to 10.60% per annum and are due to mature latest by 10 April 2026.

9. INVESTMENTS

9.1 Investments by types

	31 March 2026 (Un-audited)				31 December 2025 (Audited)			
	Cost / amortised cost	**Credit loss allowance**	**Surplus / (deficit)**	**Carrying value**	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
	----------	----------	----------	---------- (Rupees in '000)	----------	----------	----------	----------
FVOCI								
Federal government securities	**10,040,581**	**-**	**(18,315)**	**10,022,266**	9,941,327	-	17,031	9,958,358
Shares	**-**	**-**	**-**	**-**	-	-	-	-
Non-government debt securities	**-**	**-**	**-**	**-**	-	-	-	-
Mutual funds	**-**	**-**	**-**	**-**	-	-	-	-
Non-government debt securities	**-**	**-**	**-**	**-**	-	-	-	-
	10,040,581	**-**	**(18,315)**	**10,022,266**	9,941,327	-	17,031	9,958,358
Amortised Cost								
Federal government securities	**1,445,093**	**-**	**-**	**1,445,093**	1,408,554	-	-	1,408,554
Non-government debt securities	**-**	**-**	**-**	**-**	-	-	-	-
	1,445,093	**-**	**-**	**1,445,093**	1,408,554	-	-	1,408,554
Total Investments	**11,485,674**	**-**	**(18,315)**	**11,467,359**	11,349,881	-	17,031	11,366,912

9.2 The market value of federal government securities classified as amortised cost is Rs. 1,442.253 million (31 December 2025: 1,412.609 million).

		31 March 2026 (Un-audited)	31 December 2025 (Audited)
		--------- (Rupees in '000) ---------	
10.	**Property and equipment**		
	Capital work-in-progress	**805**	-
	Property and equipment	**255,511**	263,599
		256,316	263,599

		31 March 2026	31 March 2025
		(Un-audited)	
		--------- (Rupees in '000) ---------	
10.1	**Additions to property and equipment**		
	The following additions have been made to fixed assets during the period:		
	Capital work-in-progress	**805**	-
	Property and equipment		
	Electrical, office and computer equipment	**11,494**	17,664
		12,299	17,664
10.2	**Disposal of property and equipment**		
	The net book value of property and equipment disposed off during the period is as follows:		
	Property and equipment		
	Electrical, office and computer equipment	**192**	-

		31 March 2026 (Un-audited)	31 December 2025 (Audited)
11.	**RIGHT-OF-USE ASSETS**	--------- (Rupees in '000) ---------	
	At January 1		
	Cost	**433,218**	-
	Accumulated Depreciation	**(76,865)**	-
	Impact of adoption of IFRS 16 (including prepaid rent)	**-**	254,777
	Net Carrying amount at January 1	**356,353**	254,777
	Additions during the year	**-**	175,934
	Modification during the year	**-**	2,507
	Depreciation Charge for the period / year	**(22,961)**	(76,865)
	Net Carrying amount	**333,392**	356,353

	31 March 2026 (Un-audited)	31 December 2025 (Audited)
	--------- (Rupees in '000) ---------	

12. INTANGIBLE ASSETS

Computer Software	**418,043**	435,649
Advance to suppliers	**6,917**	4,226
	424,960	439,875

12.1 Additions to intangible assets

	31 March 2026	31 March 2025
	(Un-audited)	
	--------- (Rupees in '000) ---------	
Directly purchased - Computer Software	**-**	11,963
Advance to suppliers	**2,691**	-
	2,691	11,963

13. DEFERRED TAX ASSETS

	31 March 2026 (Un-audited)	31 December 2025 (Audited)
	--------- (Rupees in '000) ---------	
Deductible temporary differences on		
- Business losses	**(28,231)**	(20,425)
-Deficit on revaluation OF FVOCI investments	**(7,692)**	-
	(35,923)	(20,425)
Taxable temporary differences on		
- Accelerated tax depreciation	**32,818**	10,167
- Surplus on revaluation of FVOCI investments	**-**	7,153
- Remeasurement gain on defined benefit obligations	**3,105**	3,105
	35,923	20,425
Net deferred tax assets	**-**	**-**

As at March 31, 2026, the Bank has an aggregate deferred tax asset amounting to Rs. 5,825.301 million (December 31, 2025: Rs. 4,803.807 million) in respect of unused business losses and Rs. 16.438 million (December 31, 2025: Rs. 12.106 million) in respect of minimum tax credits. The Bank has opted for recognising deferred tax asset on deductible temporary differences only to the extent of taxable temporary differences.

During the period, provision for tax is based on minimum tax under section 113 of the Income Tax Ordinance.

14. OTHER ASSETS

Income / mark-up / profit accrued in local currency - net of provision	**10,931**	443
Advances, deposits and other prepayments	**115,332**	156,714
Advance taxation (payments less provision)	**6,625**	9,631
Branch adjustment account	**35**	-
Alternate Delivery Channels (ADC) settlement account	**-**	20,937
Others	**2,019**	1,483
	134,942	189,208
Credit loss allowance / provision against other assets	**(17)**	(10)
Other assets (net of credit loss allowance)	**134,925**	189,198

	31 March 2026 (Un-audited)	31 December 2025 (Audited)
	------- (Rupees in '000) -------	

15. BORROWINGS

Unsecured		
Borrowing from Mashreq Bank P.S.C	**1,954,073**	1,960,862

15.1 The Bank has borrowed an aggregate amount of USD 7 million (December 31, 2025: USD 7 million) from the Parent Company to meet its working capital requirements. This borrowing does not carry any interest and is repayable on demand.

16. DEPOSITS AND OTHER ACCOUNTS

	31 March 2026 (Un-audited)			31 December 2025 (Audited)		
	In local currency	**In foreign currencies**	**Total**	In local currency	In foreign currencies	Total
	------------------- (Rupees in '000) -------------------					
Customers						
Current deposits	**657,033**	**-**	**657,033**	205,337	-	205,337
Savings deposits	**3,665,025**	**-**	**3,665,025**	1,113,994	-	1,113,994
	4,322,058	**-**	**4,322,058**	1,319,331	-	1,319,331

16.1 Savings deposits include remunerative current deposits of Rs. 398.6 million (December 31, 2025: Rs. 84.5 million).

17. LEASE LIABILITIES

	31 March 2026 (Un-audited)	31 December 2025 (Audited)
	------- (Rupees in '000) -------	
Opening balance	**386,077**	-
Impact of adoption of IFRS 16	**-**	249,565
Addition during the period / year	**-**	170,537
Reassessment	**-**	2,507
Lease payments including interest	**(22,375)**	(81,177)
Interest expense	**12,684**	44,645
Closing balance	**376,386**	386,077

17.1 Liabilities Outstanding

Not later than one year	**71,457**	62,241
Later than one year and upto five years	**304,929**	323,836
Total	**376,386**	386,077

18. OTHER LIABILITIES

Mark-up / return / interest payable in local currency	**21,304**	4,347
Accrued expenses	**1,940,912**	1,924,530
Payable to defined benefit plan	**107,703**	103,098
Payable to defined contribution plan	**25,257**	37,257
Payable to the Parent Company	**5,303,171**	4,352,288
Sundry creditors	**7,440**	7,070
Withholding tax / duties	**25,799**	17,324
Alternate Delivery Channels (ADC) settlement account	**45,086**	-
Others	**14,119**	33,660
	7,490,791	6,479,574

		Note	31 March 2026 (Un-audited)	31 December 2025 (Audited)
			-------- (Rupees in '000) --------	
19.	**SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - NET OF TAX**			
	Surplus / (deficit) on revaluation of			
	- Securities measured at FVOCI-Debt	9.1	**(18,315)**	17,031
			(18,315)	17,031
	Less: Deferred tax on surplus / (deficit) on revaluation of			
	- Securities measured at FVOCI-Debt		**(7,692)**	7,153
			7,692	(7,153)
			(10,623)	9,878

20. CONTINGENCIES AND COMMITMENTS

20.1 There were no contingencies as at March 31, 2026 and December 31, 2025.

		31 March 2026	31 December 2025
20.2	Commitments in respect of capital expenditure amounting to:	**5,489**	8,202

20.3 The Bank has an agreement with a commercial bank under which its employees are eligible to obtain house loans at the rate of KIBOR plus 2% per annum. As per the terms of the agreement, the markup at the rate of 4% per annum on these loans is borne by the employee while remaining portion is guaranteed and borne by the Bank.

20.4 The Bank has an agreement with a leasing company under which its employees are eligible to obtain motor vehicle diminishing musharakah facility at the rate of KIBOR plus 4% or 5% per annum. As per the terms of the agreement, the markup at the rate of 5% per annum on these loans is borne by the employee while remaining portion is guaranteed and borne by the Bank.

		31 March 2026	31 March 2025
		(Un-audited)	
		-------(Rupees in '000)-------	
21.	**MARK-UP / RETURN / INTEREST EARNED**		
	Loans and advances	**-**	282
	Investments	**286,257**	127,271
	Lending with financial institutions	**51,935**	16,522
	Balances with banks	**1,362**	16,955
		339,554	161,030
22.	**MARK-UP / RETURN / INTEREST EXPENSED**		
	Deposits	**49,057**	-
	Finance cost against right-of-use assets	**12,684**	7,049
		61,741	7,049
23.	**FEE & COMMISSION INCOME**		
	Retail banking customer fees	**1,030**	49
	Card related fees	**3,876**	-
		4,906	49
24.	**OPERATING EXPENSES**		
	Total compensation expense	**735,775**	651,774
	Property expense		
	Rent & taxes	**13,099**	4,544
	Utilities cost	**4,660**	-
	Security	**1,407**	-
	Repair & maintenance	**5,042**	132
	Depreciation on owned fixed assets	**382**	-
	Depreciation on right-of-use assets	**22,961**	19,496
		47,551	24,172
	Information technology expenses		
	Software maintenance	**660,090**	49,050
	Hardware maintenance	**1,032**	1,047
	Depreciation	**14,830**	12,326
	Amortisation	**17,606**	5,523
	Network charges	**24,450**	5,977
		718,008	73,923
	Other operating expenses		
	Directors' fees and allowances	**8,000**	3,000
	Fees and allowances to Shariah Board	**8,225**	4,780
	Legal & professional charges	**23,795**	2,878
	Outsourced services costs	**4,388**	6,295
	Travelling & conveyance	**33,041**	16,429
	Depreciation	**4,178**	3,651
	Training & development	**300**	1,785
	Postage & courier charges	**8,083**	-
	Communication	**51,105**	1,763
	Subscription	**30,023**	2,579
	Repair & maintenance	**240**	-
	Stationery & printing	**71,700**	3,436
	Marketing, advertisement & publicity	**445,685**	32,553
	Management fee	**407,542**	-
	Insurance	**11,972**	4,107
	Auditor's Remuneration	**5,500**	5,515
	Product feature cost	**55,173**	-
	Others	**9,525**	4,450
		1,178,475	93,221
		2,679,809	843,090

	Note	31 March 2026 (Un-audited)	31 March 2025
		-------- (Rupees in '000) -------	
25. CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET			
Credit loss allowance against cash and balances with banks		**-**	(100)
Credit loss allowance against lending to financial institutions		**11**	1
Credit loss allowance against other assets		**7**	-
		18	(99)
26. TAXATION			
Current		**4,332**	2,594
Deferred		**14,845**	-
		19,177	2,594
27. BASIC AND DILUTED EARNINGS PER SHARE			
Loss after taxation		**(2,407,030)**	(702,857)
		-------(Number in '000)-------	
Weighted average number of ordinary shares		**1,581,220**	627,666
		------------(Rupees)------------	
Basic and diluted earnings per share		**(1.52)**	(1.12)

28. FAIR VALUE MEASUREMENTS

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

The fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since they are either short-term in nature.

Fair value of financial assets

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

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

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

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

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

On balance sheet financial instruments	**31 March 2026 (Un-audited)**			
	Fair value			
	Level 1	**Level 2**	**Level 3**	**Total**
	------------------- (Rupees in '000) -------------------			
Financial assets measured at fair value				
- FVTPL & FVOCI				
Federal government securities	**-**	**10,022,266**	**-**	**10,022,266**
Financial assets - disclosed but not measured at fair value				
- Investments				
- Amortised Cost				
Federal government securities	**-**	**1,442,253**	**-**	**1,442,253**
	-	**11,464,519**	**-**	**11,464,519**

On balance sheet financial instruments	31 December 2025 (Audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
	-------------------- (Rupees in '000) --------------------			
Financial assets measured at fair value				
- Investments				
- FVTPL & FVOCI				
Federal government securities	1,033,264	8,925,094	-	9,958,358
Financial assets - disclosed but not measured at fair value				
- Investments				
- Amortised Cost				
Federal government securities	-	1,412,609	-	1,412,609
	1,033,264	10,337,703	-	11,370,967

Valuation techniques used in determination of fair valuation of financial instruments within level 2.

Federal government debt securities	The fair value of government securities are valued using PKRV rates.

29. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

	31 March 2026 (Un-audited)				
	Retail Banking	Treasury	Head Office	Elimination	Total
	(Rupees in '000)				
Profit and loss account for the quarter ended 31 March 2026					
Net mark-up / return / interest / profit	(48,967)	339,047	(12,267)	-	277,813
Inter segment revenue - net	51,020	(343,629)	292,609	-	-
Non mark-up / return / interest income	4,906	2,078	7,177	-	14,161
Total Income	6,959	(2,503)	287,519	-	291,974
Segment direct expenses	(1,215,422)	(6,368)	(1,458,019)	-	(2,679,809)
Inter segment expense allocation	(1,458,019)	-	1,458,019	-	-
Total expenses	(2,673,441)	(6,368)	-	-	(2,679,809)
Credit loss allowance	-	(11)	(7)	-	(18)
Profit before tax	(2,666,482)	(8,882)	287,512	-	(2,387,853)
Statement of financial position					
Cash and bank balances	-	591,134	-	-	591,134
Investments - net	-	11,467,359	-	-	11,467,359
Net inter segment lending	1,677,000	-	15,250,915	(16,927,915)	-
Lendings to financial institutions	-	4,849,987	-	-	4,849,987
Advances - performing	-	-	-	-	-
Credit loss allowance against advances	-	-	-	-	-
Others	-	-	1,149,593	-	1,149,593
Total assets	1,677,000	16,908,480	16,400,508	(16,927,915)	18,058,073
Borrowings	-	-	1,954,073	-	1,954,073
Deposits and other accounts	4,322,058	-	-	-	4,322,058
Net inter segment borrowing	-	16,927,915	-	(16,927,915)	-
Others	21,303	-	7,845,874	-	7,867,177
Total liabilities	4,343,361	16,927,915	9,799,947	(16,927,915)	14,143,308
Equity	(2,666,361)	(19,435)	6,600,561	-	3,914,765
Total equity and liabilities	1,677,000	16,908,480	16,400,508	(16,927,915)	18,058,073
Contingencies and commitments	-	-	5,489	-	5,489

	Retail Banking	Treasury	Head Office	Elimination	Total
	31 March 2025 (Un-audited)				
	(Rupees in '000)				
Profit and loss account for the quarter ended 31 March 2025					
Net mark-up / return / interest /profit	-	143,792	10,189	-	153,981
Inter segment revenue - net	110	(136,303)	136,193	-	-
Non mark-up / return / interest income	49	-	(11,302)	-	(11,253)
Total Income	159	7,489	135,080	-	142,728
Segment direct expenses	(58,882)	(5,694)	(778,514)	-	(843,090)
Inter segment expense allocation	-	-	-	-	-
Total expenses	(58,882)	(5,694)	(778,514)	-	(843,090)
Credit loss allowance	100	(1)	-	-	99
Profit before tax	(58,623)	1,794	(643,434)	-	(700,263)
	31 December 2025 (Audited)				
Statement of financial position					
Cash and bank balances	-	182,839	-	-	182,839
Investments - net	-	11,366,912	-	-	11,366,912
Net inter segment lending	-	-	19,870,990	(19,870,990)	-
Lendings to financial institutions	-	1,179,998	-	-	1,179,998
Advances - performing	-	-	-	-	-
Credit loss allowance against advances	-	-	-	-	-
Others	-	-	1,249,025	-	1,249,025
Total assets	-	12,729,749	21,120,015	(19,870,990)	13,978,774
Borrowings	-	-	1,960,862	-	1,960,862
Subordinated debt	-	-	-	-	-
Deposits and other accounts	1,319,331	-	-	-	1,319,331
Net inter segment borrowing	7,138,366	12,732,624	-	(19,870,990)	-
Others	3,484	-	6,862,167	-	6,865,651
Total liabilities	8,461,181	12,732,624	8,823,029	(19,870,990)	10,145,844
Equity	(8,461,181)	(2,875)	12,296,986	-	3,832,930
Total equity and liabilities	-	12,729,749	21,120,015	(19,870,990)	13,978,774
Contingencies and commitments	-	-	8,202	-	8,202

30. TRANSACTIONS WITH RELATED PARTIES

The Bank has related party relationships with its holding company, associates, key management personnel and directors.

The Banks 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. Salaries and allowances of the key management personnel are in accordance with the terms of their employment. Other transactions are at agreed terms.

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

	31 March 2026 (Un-audited)					
	Holding company	**Associates**	**Key management personnel**	**Directors**	**Retirement Benefit Plans**	**Total**
	(Rupees in '000)					
Borrowings						
Opening balance	**1,960,862**	**-**	**-**	**-**	**-**	**1,960,862**
Borrowings during the period	**-**	**-**	**-**	**-**	**-**	**-**
Loss on revaluation	**(6,789)**	**-**	**-**	**-**	**-**	**(6,789)**
Repaid during the period	**-**	**-**	**-**	**-**	**-**	**-**
Closing balance	**1,954,073**	**-**	**-**	**-**	**-**	**1,954,073**
Deposits and other accounts						
Opening balance	**-**	**-**	**134,089**	**-**	**-**	**134,089**
Received during the period	**-**	**-**	**368,695**	**-**	**-**	**368,695**
Withdrawn during the period	**-**	**-**	**(285,799)**	**-**	**-**	**(285,799)**
Transfer in / (out) - net	**-**	**-**	**(1,528)**	**-**	**-**	**(1,528)**
Closing balance	**-**	**-**	**215,457**	**-**	**-**	**215,457**
Other Liabilities						
Profit Payable	**-**	**-**	**1,313**	**-**	**-**	**1,313**
Accrued expenses and other liabilities	**5,303,171**	**-**	**-**	**-**	**132,960**	**5,436,131**
	5,303,171	**-**	**1,313**	**-**	**132,960**	**5,437,444**

	31 December 2025 (Audited)					
	Holding company	Associates	Key management personnel	Directors	Retirement Benefit Plans	Total
	(Rupees in '000)					
Borrowings						
Opening balance	1,949,850	-	-	-	-	1,949,850
Borrowings during the year	-	-	-	-	-	-
Loss on revaluation	11,012	-	-	-	-	11,012
Repaid during the period	-	-	-	-	-	-
Closing balance	1,960,862	-	-	-	-	1,960,862
Deposits and other accounts						
Opening balance	-	-	-	-	-	-
Received during the year	-	-	738,589	-	-	738,589
Withdrawn during the year	-	-	(600,101)	-	-	(600,101)
Transfer in / (out) - net	-	-	(4,399)	-	-	(4,399)
Closing balance	-	-	134,089	-	-	134,089
Other Liabilities						
Profit payable	-	-	693	-	-	693
Accrued expenses and other liabilities	4,352,288	-	-	-	140,355	4,492,643
	4,352,288	-	693	-	140,355	4,493,336

Transactions during the period	**For the period ended 31 March 2026 (Un-audited)**					
	Holding company	**Associates**	**Key management personnel**	**Directors**	**Retirement Benefit Plans**	**Total**
	(Rupees in '000)					
Expense						
Mark-up / return / interest expensed	**-**	**-**	**4,075**	**-**	**-**	**4,075**
Salaries and allowances	**-**	**-**	**315,543**	**-**	**-**	**315,543**
Directors' fees and allowances	**-**	**-**	**-**	**8,000**	**-**	**8,000**
Charge to defined benefit plan	**-**	**-**	**-**	**-**	**14,666**	**14,666**
Contribution to defined contribution plan	**-**	**-**	**-**	**-**	**12,819**	**12,819**
Information technology and other administrative expenses	**950,883**	**12,604**	**-**	**-**	**-**	**963,487**

Transactions during the period	For the period ended 31 March 2025 (Un-audited)					
	Holding Company	Associates	Key management Personnel	Directors	Retirement Benefit Plans	Total
	(Rupees in '000)					
Expenses						
Mark-up / return / interest expensed	-	-	-	-	-	-
Salaries and allowances	-	-	210,825	-	-	210,825
Directors' fees and allowances	-	-	-	3,000	-	3,000
Charge to defined benefit plan	-	-	-	-	14,290	-
Contribution to defined contribution plan	-	-	-	-	13,608	-
Information technology and other administrative expenses	-	19,040	-	-	-	19,040

31. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	31 March 2026 (Un-audited)	31 December 2025 (Audited)
	--------- (Rupees in '000) ---------	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	**3,925,388**	3,823,052
Capital Adequacy Ratio (CAR):		
Eligible common equity tier 1 (CET 1) Capital	**3,489,805**	3,383,177
Eligible additional tier 1 (ADT 1) Capital	**-**	-
Total eligible tier 1 capital	**3,489,805**	3,383,177
Eligible tier 2 capital	**-**	9,878
Total eligible capital (tier 1 + tier 2)	**3,489,805**	3,393,055
Risk Weighted Assets (RWAs):		
Credit risk	**1,748,944**	1,068,416
Market risk	**2,225,774**	2,497,137
Operational risk	**584,476**	584,476
Total	**4,559,194**	4,150,029
CET 1 capital adequacy ratio	**76.54%**	81.52%
Tier 1 capital adequacy ratio	**76.54%**	81.52%
Total capital adequacy ratio	**76.54%**	81.76%
Minimum capital requirements prescribed by SBP		
CET 1 capital adequacy ratio	**9.50%**	9.50%
Tier 1 capital adequacy ratio	**12.50%**	12.50%
Total capital adequacy ratio	**15.00%**	15.00%

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

Leverage Ratio (LR):		
Eligible tier-1 capital	**3,489,805**	3,383,177
Total exposures	**15,430,933**	11,693,138
Leverage ratio	**22.62%**	28.93%
Liquidity Coverage Ratio (LCR):		
Total high quality liquid assets	**10,272,504**	4,794,382
Total net cash outflow	**4,708,768**	1,736,063
Liquidity coverage ratio	**218%**	276%
Net Stable Funding Ratio (NSFR):		
Total available stable funding	**7,804,618**	5,020,328
Total required stable funding	**2,446,396**	2,049,475
Net stable funding ratio	**319%**	245%

32. ISLAMIC BANKING BUSINESS

The Bank has commenced Islamic Banking window operations on September 16, 2025.

STATEMENT OF FINANCIAL POSITION

	Note	31 March 2026 (Un-audited)	31 December 2025 (Audited)
		------- (Rupees in '000) -------	
ASSETS			
Cash and balances with treasury banks		**188,704**	42,781
Balances with other banks		**142**	594
Due from financial Institutions	32.1	**3,799,988**	899,999
Investments	32.2	**1,649,223**	1,033,264
Islamic financing and related assets - net		**-**	-
Property and equipment		**-**	-
Right-of-use assets		**-**	-
Intangible assets		**-**	-
Due from head office		**-**	-
Other assets		**14,147**	1,939
Total assets		**5,652,204**	1,978,577
LIABILITIES			
Bills payable		**-**	-
Due to financial institutions		**-**	-
Deposits and other accounts	32.3	**3,572,588**	1,005,261
Due to head office		**-**	-
Lease liabilities		**-**	-
Subordinated debt		**-**	-
Other liabilities		**1,277,600**	401,540
Total liabilities		**4,850,188**	1,406,801
NET ASSETS		**802,016**	571,776
REPRESENTED BY			
Islamic Banking Fund		**2,000,000**	1,000,000
Surplus on revaluation of assets		**(9,004)**	4,315
Accumulated losses		**(1,188,980)**	(432,539)
		802,016	571,776
CONTINGENCIES AND COMMITMENTS	32.5	-	-

PROFIT AND LOSS ACCOUNT	Note	**January - March 2026 (Un-audited)**	January - March 2025
		------- (Rupees in '000) -------	
Profit / return earned	32.6	**81,158**	-
Profit / return expensed	32.7	**(41,181)**	-
Net profit / return		**39,977**	-
Other income			
Fee and commission income		**690**	-
Total income		**40,667**	-
Other expenses			
Operating expenses		**796,074**	-
Workers' welfare fund		**-**	-
Other charges		**-**	-
Total other expenses		**(796,074)**	-
Loss before credit loss allowance		**(755,407)**	-
Credit loss allowance and reversals - net		**(11)**	-
Loss before taxation		**(755,418)**	-
Taxation		**(1,023)**	-
Loss after taxation		**(756,441)**	-

32.1 DUE FROM FINANCIAL INSTITUTIONS

	31 March 2026 (Un-audited)			31 December 2025 (Audited)		
	In Local currency	**In Foreign currency**	**Total**	In Local currency	In Foreign currency	Total
	-----------------------------	-----------------------------	(Rupees in '000)	-----------------------------	-----------------------------	
Musharaka placements	**3,800,000**	**-**	**3,800,000**	900,000	-	900,000
Less: credit loss allowance						
Stage 1	**(12)**	**-**	**(12)**	(1)	-	(1)
	3,799,988	**-**	**3,799,988**	899,999	-	899,999

32.2 INVESTMENTS BY SEGMENTS

	31 March 2026 (Un-audited)				31 December 2025 (Audited)			
	Cost / amortised cost	**Credit loss allowance**	**Surplus / (deficit)**	**Carrying value**	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
	-----------------------------	-----------------------------	-----------------------------	-----------------------------	(Rupees in '000)	-----------------------------	-----------------------------	-----------------------------
Fair value through other comprehensive income								
Federal government securities	**1,658,227**	**-**	**(9,004)**	**1,649,223**	1,028,949	-	4,315	1,033,264
Total Investments	**1,658,227**	**-**	**(9,004)**	**1,649,223**	1,028,949	-	4,315	1,033,264

32.3 DEPOSITS AND OTHER ACCOUNTS

	31 March 2026 (Un-audited)			31 December 2025 (Audited)		
	In Local currency	**In Foreign currency**	**Total**	In Local currency	In Foreign currency	Total
	-----------------------------	-----------------------------	(Rupees in '000)	-----------------------------	-----------------------------	
Customers						
Current deposits	**481,411**	**-**	**481,411**	121,888	-	121,888
Savings deposits	**3,091,177**	**-**	**3,091,177**	883,373	-	883,373
	3,572,588	**-**	**3,572,588**	1,005,261	-	1,005,261

32.3.1 Savings deposits include remunerative current deposits of Rs. 398.6 million (December 31, 2025: Rs. 84.5 million).

32.4 ISLAMIC BANKING BUSINESS UNAPPROPRIATED PROFIT

	31 March 2026 (Un-audited)	31 December 2025 (Audited)
	------ (Rupees in '000)	------
Opening balance	**(432,539)**	-
Impact of adopting IFRS 9	**-**	-
Balance at January 01 on adopting IFRS 9	**(432,539)**	-
Add: Islamic Banking profit before taxation for the period/year	**(756,441)**	(432,539)
Closing balance	**(1,188,980)**	(432,539)

32.5 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at March 31, 2026.

		31 March 2026	31 March 2025
		(Un-audited)	
32.6	**PROFIT / RETURN EARNED**	------ (Rupees in '000) -----	
	On:		
	Investments	**35,360**	-
	Due from financial institutions	**45,798**	-
		81,158	-
32.7	**PROFIT / RETURN EXPENSED**		
	On:		
	Deposits and other accounts	**(41,181)**	-

33. GENERAL

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

33.2 Comparative information has been reclassified, rearranged, or incorporated where necessary in these condensed interim financial statements to facilitate comparison and to align with the format prescribed by the State Bank of Pakistan (SBP) under BPRD Circular Letter No. 2 dated February 9, 2023.

34. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 28 April 2026 by the Board of Directors of the Bank.

Atif Saeed Dar	**Muhammad Hamayun Sajjad**	**Fernando Morillo**	**Naseer ul Hasan**	**Salman Hadi**
Chief Financial Officer	Chief Executive Officer	Chairman	Director	Director