INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Sindh Microfinance Bank Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of SINDH MICROFINANCE BANK LIMITED ("the Bank") as at 30 June 2026, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim cash flow statement, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of section 237(1)(b) of the Companies Act, 2017, only cumulative figures for the six-month period, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Bank. Accordingly, the figures of the condensed interim profit & loss, condensed interim statement of comprehensive income for the three-month periods ended 30 June 2026 and 30 June 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's review report is Junaid Ashraf.

RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI
DATE:
UDIN:

SINDH MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	30 June 2026 (Un-audited)	31 December 2025 (Audited)
ASSETS		-------------Rupees-------------	
Cash and balances with treasury banks	5	**71,680,913**	71,687,265
Balances with other MFBs/Banks/NBFIs	6	**1,728,910,403**	899,219,084
Lendings to financial institutions		-	-
Investments	7	**1,538,295,066**	1,070,564,204
Advances	8	**2,839,621,727**	2,511,286,849
Property and equipment	9	**32,483,314**	30,433,564
Right-of-use Assets	10	**57,579,798**	76,773,064
Intangible assets	11	**7,278,625**	3,155,531
Deferred tax assets	12	**83,918,122**	78,717,024
Other assets	13	**126,491,487**	90,221,649
Total assets		**6,486,259,455**	4,832,058,234
LIABILITIES			
Bills payable		-	-
Borrowings	14	**2,514,788,310**	1,265,980,200
Deposits and other accounts	15	**1,750,461,087**	1,553,861,283
Lease liabilities	16	**100,097,956**	115,479,088
Subordinated debt		-	-
Deferred grant		-	-
Deferred tax liabilities		-	-
Other liabilities	17	**320,507,848**	316,663,720
Total liabilities		**4,685,855,201**	3,251,984,291
NET ASSETS		**1,800,404,254**	1,580,073,943
REPRESENTED BY			
Share capital		**1,000,000,000**	1,000,000,000
Reserves		**272,240,802**	216,927,187
Surplus/(Deficit) on revaluation of assets		-	-
Unappropriated profit		**528,163,452**	363,146,756
		1,800,404,254	1,580,073,943
CONTINGENCIES AND COMMITMENTS	18		

The annexed from note 1 to 30 form an integral part of these condensed interim financial statements.

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

SINDH MICROFINANCE BANK LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR ENDED 30 JUNE 2026

		Half Year ended		Quarter Ended	
		30 June 2026	30 June 2025	30 June 2026	30 June 2025
	Note	-------------Rupees-------------			
Mark-up / Return / Interest earned	19	**950,323,102**	830,566,634	**486,580,802**	422,704,740
Mark-up / Return / Interest expensed	20	**(171,221,151)**	(227,512,887)	**(91,037,001)**	(107,681,468)
Net mark-up / interest income		**779,101,951**	603,053,747	**395,543,801**	315,023,272
NON MARK-UP / INTEREST INCOME					
Fee and commission income		-	-	-	-
Dividend income		-	-	-	-
Foreign exchange income		-	-	-	-
Income / (Loss) from derivatives		-	-	-	-
Gain / (Loss) on securities		-	-	-	-
Net gains/(loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income		-	-	-	-
Total non-markup / interest Income		-	-	-	-
		-	-	-	-
Total income		**779,101,951**	603,053,747	**395,543,801**	315,023,272
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	21	**(397,476,684)**	(311,355,089)	**(201,958,226)**	(158,182,389)
Workers welfare fund		-	-	-	-
Other charges	22	**(17,500)**	-	**(17,500)**	-
Total non-markup / interest expenses		**(397,494,184)**	(311,355,089)	**(201,975,726)**	(158,182,389)
Profit before credit loss allowance		**381,607,767**	291,698,658	**193,568,075**	156,840,883
Credit loss allowance and write offs - net	23	**(38,192,171)**	(87,753,890)	**(6,697,123)**	(44,987,581)
Other income / expense items (to be specified)		-	-	-	-
PROFIT BEFORE TAXATION		**343,415,596**	203,944,768	**186,870,952**	111,853,302
Taxation	24	**(122,565,968)**	(75,625,937)	**(68,888,963)**	(46,324,580)
PROFIT AFTER TAXATION		**220,849,628**	128,318,831	**117,981,989**	65,528,722
		-------------Rupees-------------			
Basic and diluted earnings per share	25	**2.21**	1.28	**1.18**	0.66

The annexed from note 1 to 30 form an integral part of these condensed interim financial statements.

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

SINDH MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED 30 JUNE 2026

	Half year ended		Quarter Ended	
	30 June 2026	**30 June 2025**	**30 June 2026**	**30 June 2025**
		-------------Rupees-------------		
Profit after taxation for the period	**220,849,628**	128,318,831	**117,981,989**	65,528,722
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Effect of translation of net investment in foreign branches	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments - net of tax	-	-	-	-
Others (to be specified)	-	-	-	-
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments in equity investments - net of tax	-	-	-	-
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-
Others (to be specified)	-	-	-	-
	-	-	-	-
Total comprehensive income	**220,849,628**	128,318,831	**117,981,989**	65,528,722

The annexed from note 1 to 30 form an integral part of these condensed interim financial statements.

President / Chief Executive Officer	Chairman	Chief Financial Officer	Director	Director

SINDH MICROFINANCE BANK LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2026

	Share capital	Capital reserve		Revenue reserve	Total
		Statutory reserve	Depositors' protection fund	Unappropriated/ Unremitted profit	
	--------Rupees--------				
Opening balance as at 01 January 2025 (audited)	1,000,000,000	101,361,357	31,974,322	121,308,675	1,254,644,354
Changes in equity for the half year ended 30 June 2025					
Profit for the period after taxation	-	-	-	128,318,831	128,318,831
Other comprehensive income - net of tax	-	-	-	-	-
	-	-	-	128,318,831	128,318,831
Transfer to statutory reserve	-	25,663,766	-	(25,663,766)	-
Transfer to depositors' protection fund	-	-	6,415,942	(6,415,942)	-
Return on investment	-	-	2,221,418	(2,221,418)	-
Balance as at 30 June 2025 (un-audited)	**1,000,000,000**	**127,025,123**	**40,611,682**	**215,326,380**	**1,382,963,185**
Changes in equity for the half year ended 31 December 2025					
Profit for the period after taxation	-	-	-	201,097,864	201,097,864
Other comprehensive income - net of tax	-	-	-	(5,224,440)	(5,224,440)
	-	-	-	195,873,424	195,873,424
Transfer to statutory reserve	-	40,219,573	-	(40,219,573)	-
Transfer to depositors' protection fund	-	-	10,054,893	(10,054,893)	-
Return on investment	-	-	(984,084)	2,221,418	1,237,334
Balance as at 31 December 2025 (audited)	**1,000,000,000**	**167,244,696**	**49,682,491**	**363,146,756**	**1,580,073,943**
Effect of transition to EIR method - net of tax					
Advances - Amortised cost	-	-	-	**(864,490)**	**(864,490)**
Expected Credit Loss - net	-	-	-	**345,173**	**345,173**
	-	-	-	**(519,317)**	**(519,317)**
Opening balance as at 01 January 2026 - Adjusted	**1,000,000,000**	**167,244,696**	**49,682,491**	**362,627,439**	**1,579,554,626**
Changes in equity for the half year ended 30 June 2026					
Profit for the period after taxation	-	-	-	**220,849,628**	**220,849,628**
Other comprehensive income - net of tax	-	-	-	-	-
	-	-	-	**220,849,628**	**220,849,628**
Transfer to statutory reserve	-	**44,169,926**	-	**(44,169,926)**	-
Transfer to depositors' protection fund	-	-	**11,042,481**	**(11,042,481)**	-
Return on investment	-	-	**101,208**	**(101,208)**	-
Balance as at 30 June 2026 (un-audited)	**1,000,000,000**	**211,414,622**	**60,826,180**	**528,163,452**	**1,800,404,254**

The annexed from note 1 to 30 form an integral part of these condensed interim financial statements.

President / Chief Executive Officer **Chairman** **Chief Financial Officer** **Director** **Director**

SINDH MICROFINANCE BANK LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED 30 JUNE 2026

	Note	Half year ended	
		30 June 2026	**30 June 2025**
		-------------Rupees-------------	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		**343,415,596**	203,944,768
Adjustments:			
Depreciation	21	**6,938,705**	6,534,219
Depreciation on right-of-use assets	21	**19,193,266**	19,166,729
Amortization	21	**1,262,159**	1,028,281
Interest expense on lease liability against right of use assets	20	**9,086,673**	10,369,285
Contribution on defined benefit plan	21	**4,741,033**	2,400,000
Credit loss allowance and write-offs - net	23	**38,192,171**	87,753,890
		79,414,007	127,252,404
		422,829,603	331,197,172
Increase in operating assets			
Advances		**(366,734,844)**	(216,579,877)
Others assets (excluding advance taxation)		**(36,260,938)**	(18,911,609)
		(402,995,782)	(235,491,486)
Increase in operating liabilities			
Deposits		**196,599,804**	56,417,695
Borrowings from financial institutions		**1,248,808,110**	393,250,000
Other liabilities (excluding current taxation)		**23,778,749**	69,277,816
		1,469,186,663	518,945,511
Income tax paid		**(137,312,132)**	(40,950,957)
Benefits paid		**(15,302,100)**	(3,592,097)
Net cash generated from operating activities		**1,336,406,252**	570,108,143
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in amortised cost securities		**(467,879,771)**	(247,452,335)
Investments in property and equipment	9.1	**(8,988,456)**	(1,373,059)
Investments in intangible assets		**(5,385,253)**	-
Net cash used in investing activities		**(482,253,480)**	(248,825,394)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use assets	16	**(24,467,805)**	(17,046,402)
Net cash used in financing activities		**(24,467,805)**	(17,046,402)
Impact of expected credit loss allowance on adoption of IFRS-09		-	-
Reversal of expected credit loss allowance during the period	23	-	842,050
		-	842,050
Increase in cash and cash equivalents		**829,684,967**	305,078,397
Cash and cash equivalents at beginning of the period		**970,906,349**	1,016,492,140
Cash and cash equivalents at end of the period		**1,800,591,316**	1,321,570,537

The annexed from note 1 to 30 form an integral part of these condensed interim financial statements.

President / Chief Executive Officer	Chairman	Chief Financial Officer	Director	Director

SINDH MICROFINANCE BANK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 30 JUNE 2026

1. STATUS AND NATURE OF BUSINESS

Sindh Microfinance Bank Limited (the 'Bank') was incorporated on 27 March 2015 as a public company limited by shares under the Companies Ordinance, 1984 (repealed by Companies Act, 2017). The Bank obtained the microfinance banking license from State Bank of Pakistan on 16 October 2015, to operate in Sindh Province. Subsequently, the Bank received the certificate of commencement of business from Securities & Exchange Commission of Pakistan (SECP) on 30 November 2015 and the certificate of commencement of Banking Business from State Bank of Pakistan on 15 April 2016. The Bank's registered office is situated at 39/F, 2nd Floor, Muhammad Ali Cooperative Housing Society, Karachi. The Bank's principal business is to provide microfinance services to the poor and underserved segment of the society as envisaged in the Microfinance Institutions Ordinance, 2001.

The Bank is the wholly owned subsidiary of Sindh Bank Limited (the 'Holding Bank'). The Bank operates through branches and service centers spread within the province of Sindh, the network of branches and service centers comprise of 22 (31 December 2025: 22) branches and 91 (31 December 2025: 91) service centers.

2. STATEMENT OF COMPLIANCE

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the companies Act, 2017; and

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

- Provisions of and directives issued under the Microfinance Ordinance, 2001 (The MFI Ordinance) and the Companies Act, 2017; and

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

Wherever the provisions of and directives issued under the Microfinance Institution Ordinance, 2001, the Companies Act, 2017, the Prudential Regulations of Microfinance Banks and the directives issued by the SBP and SECP differ with the requirements of IFRS, the provisions of and directives issued under the Microfinance Institution Ordinance, 2001, the Companies Act, 2017, the Prudential Regulations of Microfinance Banks and the directives issued by the SBP and SECP 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 26 August 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 S.R.O 411(I)/2008 dated 28 April 2008.

'The State Bank of Pakistan through BPRD Circular No. 04 of 2015 dated 25 February 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 12 June 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 through BPRD Circular Letter No. 03 dated 09 February 2023 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". These do not include all the information and disclosures required for annual financial statements, and therefore should be read in conjunction with the annual audited financial statements of the Bank for the year ended 31 December 2025.

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

There are certain new and amended standards, interpretations and amendments to accounting and reporting standards that are mandatory for the Bank's accounting periods beginning on or after 01 January 2026 but are considered not to be relevant or do not have any material effect on the operations and are therefore not detailed in these condensed interim financial statements except for:

2.3.1 Adoption of EIR method

Under SBP Letter No. SBP-HOK-BPRD-RPD-SMFP-865802 dated 26 February 2025, the Bank was granted an extension for implementation of the Effective Interest Rate (EIR) method under IFRS 9 up to 31 December 2025. Following the expiry of this regulatory relaxation, the Bank fully implemented the EIR method with effect from 01 January 2026.

This change has been accounted for as a change in accounting policy, applied using the modified retrospective approach, whereby comparative figures have not been restated. The cumulative impact of initial application has instead been recognized as an adjustment to equity through the statement of changes in equity as of 01 January 2026. Accordingly, the financial information presented as of 31 December 2025 does not reflect the EIR methodology and continues to be presented in accordance with the previous accounting and reporting framework. Had the EIR method been applied, unappropriated profit as of 31 December 2025 would have been lower by PKR 519,317.

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

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

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18") which has been published in April 2024 with applicability date of 01 January 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the financial statements.

- Amendments to IFRS-09 Financial Instruments which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3. BASIS OF PRESENTATION

3.1 Accounting convention

These condensed interim financial statements have been prepared under the historical cost convention except for obligations in respect of defined benefit plan and lease liabilities against right of use assets, which are carried at present value.

These condensed interim financial statements have been prepared following accrual basis of accounting except for condensed interim cash flow statement.

3.2 Functional and presentation currency

Items included in the condensed interim financial statements are measured using the currency of the primary economic environment in which the Bank operates. The condensed interim financial statements are presented in Pakistani Rupees which is the Bank's functional and presentation currency.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the audited annual financial statements of the Bank for the year ended 31 December 2025, except for the adoption of Effective Interest rate ("EIR") method under IFRS 09 as following;

4.1 Financial instruments

Financial assets

The following accounting policies apply for the subsequent measurement of financial assets:

Financial assets at amortized cost

Financial assets measured at amortised cost are subsequently measured using the effective interest rate (EIR) method less expected credit loss allowance. Interest income is recognized in profit or loss over the relevant period using the effective interest rate.

Debt investments at FVOCI

These assets are subsequently measured at fair value less expected credit loss allowance. Interest income is recognized in profit or loss using the effective interest rate method. Foreign exchange gains and losses and impairment losses are recognized in profit or loss, while other changes in fair value are recognized in other comprehensive income. On derecognition, the cumulative gain or loss previously recognized in OCI is reclassified to profit or loss.

Financial assets at FVPL

Financial assets classified at fair value through profit or loss (FVPL) are subsequently measured at fair value. Net gains and losses including any Interest income are recognized in profit and loss account. Transaction costs are recognized in profit or loss when incurred.

Financial liabilities

Financial liabilities measured at amortised cost are subsequently measured using the effective interest rate method. Interest expense is recognized in profit or loss over the relevant period using the effective interest.

4.2 Critical accounting estimates and judgements

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

5.	CASH AND BALANCES WITH TREASURY BANKS	Note	30 June 2026 (Un-audited) Rupees	31 December 2025 (Audited) Rupees
	In hand - Local currency		**1,594,062**	1,323,771
	Balances with State Bank of Pakistan in			
	-Local currency current account	5.1	**66,793,256**	60,459,029
	Balances with National Bank of Pakistan in			
	-Local currency deposit account	5.2	**3,293,595**	9,904,465
	Less: Credit loss allowance		**-**	-
	Total		**71,680,913**	71,687,265

5.1 This represents balance held with SBP to meet the requirement of maintaining a minimum balance equivalent to 3% (31 December 2025: 3%) and 12% (31 December 2025: 12%) as liquidity reserve of the Bank's time and demand deposits with a tenure of less than one year, in accordance with the regulations R-3A and R-3B of the Prudential Regulations for microfinance banks.

5.2 This represents the balance held in a savings account carrying interest at the rate of 9.50% (31 December 2025: 9.50%) per annum on outstanding balances.

6. BALANCES WITH OTHER MFBs / BANKs / NBFIs

	Note	30 June 2026	31 December 2025
In Pakistan			
- In current account		**1,024,967**	21,191,058
- In deposit account	6.1	**1,728,185,534**	878,187,645
		1,729,210,501	899,378,703
Less: Credit loss allowance		**(300,098)**	(159,619)
		1,728,910,403	899,219,084

6.1 This represents the balance held in savings accounts carrying interest at the rate ranging from 8.5% to 12.15% (31 December 2025: 8.50% to 12.50%%) per annum on outstanding balances.

7. INVESTMENTS

7.1 Investments by type:

	Note	30 June 2026 (Un-audited)				31 December 2025 (Audited)			
		Fair Value / Amortised cost	Credit Loss Allowance	Surplus / (Deficit)	Carrying Value	Fair Value / Amortised cost	Credit Loss Allowance	Surplus / (Deficit)	Carrying Value
		------- Rupees --------							
Classified as Amortised Cost									
Federal Government securities - T Bills	7.4 & 7.6	**388,610,002**	**-**	**-**	**388,610,002**	285,730,231	-	-	285,730,231
Term Deposits Receipts (TDRs)	7.7	**1,150,000,000**	**(314,936)**	**-**	**1,149,685,064**	785,000,000	(166,027)	-	784,833,973
		1,538,610,002	**(314,936)**	**-**	**1,538,295,066**	1,070,730,231	(166,027)	-	1,070,564,204

7.2 Investments given as collateral

	30 June 2026 (Un-audited)	31 December 2025 (Audited)
	--------Rupees--------	
Term Deposit Receipts (TDRs)	**1,150,000,000**	497,500,000

7.3 Investments - Particulars of credit loss allowance

7.3.1 Investments - Exposure

	30 June 2026 (Un-audited)			31 December 2025 (Audited)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	------- Rupees --------					
Gross carrying amount	**1,070,730,231**	-	-	1,133,228,768	-	-
New Investments	**1,236,879,771**	-	-	2,407,501,463	-	-
Investments derecognised or repaid	**(769,000,000)**	-	-	(2,470,000,000)	-	-
Transfer to stage 1	-	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-	-
	467,879,771	-	-	(62,498,537)	-	-
Amounts written off / charged off	-	-	-	-	-	-
Closing balance	**1,538,610,002**	-	-	1,070,730,231	-	-

7.3.2 Investments - Credit loss allowance

	30 June 2026 (Un-audited)			31 December 2025 (Audited)		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	------- Rupees --------					
Credit loss allowance Opening balance	**166,027**	-	-	190,350	-	-
New Investments	**314,936**	-	-	166,027	-	-
Investments derecognised or repaid	**(166,027)**	-	-	(190,350)	-	-
Transfer to stage 1	-	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-	-
	148,909	-	-	(24,323)	-	-
Amounts written off / charged off	-	-	-	-	-	-
Changes in risk parameters	-	-	-	-	-	-
Credit loss allowance closing balance	**314,936**	-	-	166,027	-	-

7.3.3 Particulars of credit loss allowance against debt securities

Category of classification		30 June 2026 (Un-audited)		31 December 2025 (Audited)	
		Outstanding amount	Credit loss allowance	Outstanding amount	Credit loss allowance
		------Rupees------			
Up to 29 days	Stage 1	**1,538,610,002**	**314,936**	1,070,730,231	166,027
Other assets especially mentioned	Stage 2	-	-	-	-
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		-	-	-	-
		1,538,610,002	**314,936**	1,070,730,231	166,027

7.4 This represents the market treasury bill held with SBP to meet the requirement of maintaining a minimum balance equivalent to 12% (31 December 2025: 12%) as a liquidity reserve of the Bank's time and demand deposits with a tenure of less than one year, in accordance with regulation number R-3B of the Prudential Regulations for Microfinance Banks. These T-Bills has a maturity period of one year, carrying an interest rates ranging between 9.90% to 12.35% (31 December 2025: 11.50% to 11.99%).

7.5 Expected credit loss on Government security has not been estimated due to the exemption available under IFRS 9 instructions issued by State Bank of Pakistan through Circular No. 3 of 2022 dated 05 July 2022.

7.6 The market value of T-Bills classified at amortized cost as at 30 June 2026 amounted to Rupees 387.820 million (31 December 2025: 243.074)

7.7 Term Deposit Receipts (TDR's) carry interest rates ranging from 11.70% to 14.00% (31 December 2025: 12.00% to 21.00%) with a maturity period of twelve months.

8. ADVANCES

	Performing				Non Performing		Total	
	Stage 1		Stage 2		Stage 3			
	30 June 2026	31 December 2025	30 June 2026	31 December 2025	30 June 2026	31 December 2025	30 June 2026	31 December 2025
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	--------Rupees--------							
Micro credits								
Secured	**2,717,065**	2,595,000	**-**	-	**-**	-	**2,717,065**	2,595,000
Unsecured	**3,053,778,599**	2,702,454,545	**2,840,029**	3,629,867	**9,545,654**	9,491,680	**3,066,164,282**	2,715,576,092
Staff Loans	**2,780,324**	4,499,864	**-**	-	**-**	-	**2,780,324**	4,499,864
Advances - gross	**3,059,275,988**	2,709,549,409	**2,840,029**	3,629,867	**9,545,654**	9,491,680	**3,071,661,671**	2,722,670,956
Credit loss allowance against advances								
- Stage 1	**(219,737,298)**	(198,356,782)	**-**	-	**-**	-	**(219,737,298)**	(198,356,782)
- Stage 2	**-**	-	**(2,820,989)**	(3,603,802)	**-**	-	**(2,820,989)**	(3,603,802)
- Stage 3	**-**	-	**-**	-	**(9,481,657)**	(9,423,523)	**(9,481,657)**	(9,423,523)
	(219,737,298)	(198,356,782)	**(2,820,989)**	(3,603,802)	**(9,481,657)**	(9,423,523)	**(232,039,944)**	(211,384,107)
Advances - net of credit loss allowance	**2,839,538,690**	2,511,192,627	**19,040**	26,065	**63,997**	68,157	**2,839,621,727**	2,511,286,849

8.1 Advances - Particulars of credit loss allowance

8.1.1 Advances - Exposure

	30 June 2026 (Un-audited)				31 December 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	--------Rupees--------							
Gross carrying amount	**2,709,549,409**	**3,629,867**	**9,491,680**	**2,722,670,956**	2,220,299,362	2,947,728	16,161,242	2,239,408,332
Effect of transition to EIR method	**(4,633,818)**	**56,818**	**1,791,180**	**(2,785,820)**	-	-	-	-
Gross carrying amount - adjusted	**2,704,915,591**	**3,686,685**	**11,282,860**	**2,719,885,136**	2,220,299,362	2,947,728	16,161,242	2,239,408,332
New advances	**2,622,518,900**	**-**	**-**	**2,622,518,900**	4,832,462,481	-	-	4,832,462,481
Advances derecognised or repaid	**(2,252,942,042)**	**(389,059)**	**(414,021)**	**(2,253,745,122)**	(4,299,522,795)	(2,516,355)	(14,007,629)	(4,316,046,779)
	369,576,858	**(389,059)**	**(414,021)**	**368,773,778**	532,939,686	(2,516,355)	(14,007,629)	516,415,702
Transfer to stage 1	**-**	**-**	**-**	**-**	-	-	-	-
Transfer to stage 2	**(2,840,029)**	**2,840,029**	**-**	**-**	(4,113,987)	4,113,987	-	-
Transfer to stage 3	**(8,811,201)**	**(3,170,316)**	**11,981,517**	**-**	(32,343,128)	(381,300)	32,724,428	-
	(11,651,230)	**(330,287)**	**11,981,517**	**-**	(36,457,115)	3,732,687	32,724,428	-
Amounts written off	**(3,565,231)**	**(127,310)**	**(13,304,702)**	**(16,997,243)**	(7,232,524)	(534,193)	(25,386,361)	(33,153,078)
Closing balance	**3,059,275,988**	**2,840,029**	**9,545,654**	**3,071,661,671**	2,709,549,409	3,629,867	9,491,680	2,722,670,956

8.1.2 Advances - Credit loss allowance

	Note	30 June 2026 (Un-audited) Stage 1	Stage 2	Stage 3	Total	31 December 2025 (Audited) Stage 1	Stage 2	Stage 3	Total
		--------Rupees--------							
Opening balance		**198,356,782**	**3,603,802**	**9,423,523**	**211,384,107**	123,347,172	2,917,444	15,995,212	142,259,828
Effect of transition to EIR method		**(2,392,719)**	**58,166**	**1,779,179**	**(555,374)**	-	-	-	-
Opening balance - adjusted		**195,964,063**	**3,661,968**	**11,202,702**	**210,828,733**	123,347,172	2,917,444	15,995,212	142,259,828
New advances		**216,578,637**	**-**	**-**	**216,578,637**	221,177,057	-	-	221,177,057
Advances derecognised or repaid		**(192,637,252)**	**(386,448)**	**(406,725)**	**(193,430,425)**	(145,607,288)	(2,487,111)	(13,311,619)	(161,406,018)
		23,941,385	**(386,448)**	**(406,725)**	**23,148,212**	75,569,769	(2,487,111)	(13,311,619)	59,771,039
Transfer to Stage 1		**-**	**-**	**-**	**-**	-	-	-	-
Transfer to Stage 2		**(32,472)**	**32,472**	**-**	**-**	(46,689)	46,689	-	-
Transfer to Stage 3		**(99,184)**	**(3,149,075)**	**3,248,259**	**-**	(367,054)	(378,744)	745,798	-
		(131,656)	**(3,116,603)**	**3,248,259**	**-**	(413,743)	(332,055)	745,798	-
Changes in risk parameters	8.1.4	**-**	**2,788,529**	**8,652,982**	**11,441,511**	-	4,036,136	31,378,304	35,414,440
Amounts written off/charged Off		**(36,494)**	**(126,457)**	**(13,215,561)**	**(13,378,512)**	(146,416)	(530,612)	(25,384,172)	(26,061,200)
Closing balance		**219,737,298**	**2,820,989**	**9,481,657**	**232,039,944**	198,356,782	3,603,802	9,423,523	211,384,107

8.1.3 Advances - Credit loss allowance details

Internal / Extrernal rating / stage classification	30 June 2026 (Un-audited) Stage 1	Stage 2	Stage 3	Total	31 December 2025 (Audited) Stage 1	Stage 2	Stage 3	Total
	--------Rupees--------							
Performing - Stage 1	**3,059,275,988**	**-**	**-**	**3,059,275,988**	2,709,549,409	-	-	2,709,549,409
Performing - Stage 2	**-**	**2,840,029**	**-**	**2,840,029**	-	3,629,867	-	3,629,867
Non- Performing - Stage 3								
Substandard	**-**	**-**	**-**	**-**	-	-	-	-
Doubtful	**-**	**-**	**6,921,757**	**6,921,757**	-	-	5,198,524	5,198,524
Loss	**-**	**-**	**2,623,897**	**2,623,897**	-	-	4,293,156	4,293,156
	-	**-**	**9,545,654**	**9,545,654**	-	-	9,491,680	9,491,680
Total	**3,059,275,988**	**2,840,029**	**9,545,654**	**3,071,661,671**	2,709,549,409	3,629,867	9,491,680	2,722,670,956
Corresponding credit loss allowance								
Stage 1	**219,737,298**	**-**	**-**	**219,737,298**	198,356,782	-	-	198,356,782
Stage 2	**-**	**2,820,989**	**-**	**2,820,989**	-	3,603,802	-	3,603,802
Stage 3	**-**	**-**	**9,481,657**	**9,481,657**	-	-	9,423,523	9,423,523
	219,737,298	**2,820,989**	**9,481,657**	**232,039,944**	198,356,782	3,603,802	9,423,523	211,384,107

8.1.4 Particulars of write offs / charge offs

	Note	30 June 2026 (Un-audited)	31 December 2025 (Audited)
		--------Rupees--------	
Against credit loss allowance		**12,477,084**	25,059,903
Directly charged to profit & loss account	8.1.4.1	**4,520,159**	8,093,175
		16,997,243	33,153,078

8.1.4.1 This represents write-off against unsecured micro credit advances which were not recovered due to death of loan holders.

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			30 June 2026 (Un-audited)	31 December 2025 (Audited)
9	**PROPERTY AND EQUIPMENT**	Note	----------- Rupees -----------	
	Property and equipment		**32,483,314**	30,433,564

9.1	**Additions to property and equipment**		
	The following additions have been made to property and equipment during the period:		
	Property and equipment		
	Office equipment	**8,988,456**	5,640,707
	Office improvement	-	-
	Furniture and fixture	-	-
	Vehicles	-	10,500,000
		8,988,456	16,140,707

10.	**RIGHT-OF-USE ASSETS**		
	At 01 January		
	Cost	**193,645,972**	191,001,282
	Accumulated depreciation	**(116,872,908)**	(78,486,376)
	Net carrying amount at 01 January	**76,773,064**	112,514,906
	Additions during the period / year	-	2,644,690
	Deletions during the period / year	-	-
	Depreciation charge for the period / year	**(19,193,266)**	(38,386,532)
	Closing net book value	**57,579,798**	76,773,064

11.	**INTANGIBLE ASSETS**		
	Computer software	**7,278,625**	3,155,531
	Additions to intangible assets		
	The following additions have been made to intangible assets during the period / year:		
	Developed internally	-	-
	Directly purchased	**5,385,253**	-
	Through business combinations	-	-
		5,385,253	-

12.	**DEFERRED TAX ASSETS**		
	Taxable temporary differences on		
	- Impact of transition to EIR method	**(212,115)**	-
	Deductible temporary differences on		
	- Right-of-use assets	**12,330,266**	11,224,747
	- Post retirement employee benefits	**1,402,029**	2,920,699
	- Accelerated depreciation	**1,266,522**	772,448
	- Accelerated amortization	**728,309**	721,140
	- Credit loss allowance against financial assets, off balance sheet etc.	**68,403,111**	63,077,990
		83,918,122	78,717,024

13. OTHER ASSETS	Note	30 June 2026 (Un-audited)	31 December 2025 (Audited)
		----------- Rupees -----------	
Income / Mark-up accrued		**78,932,081**	69,355,802
Advances, prepayments and deposits		**31,401,541**	15,762,097
Advance against salary		**4,706,334**	3,465,910
Deferred expense on staff loans		**577,229**	577,229
Profit receivable on savings accounts		**8,525,136**	-
Profit receivable on TDR		**8,140,820**	6,861,165
		132,283,141	96,022,203
Less: Credit loss allowance held against other assets		**(5,791,654)**	(5,800,554)
Other assets (net of credit loss allowance)		**126,491,487**	90,221,649

13.1 Credit loss allowance held against other assets

Opening balance	**5,800,554**	7,604,679
Effect of transition to EIR method	**69,216**	-
Opening balance - adjusted	**5,869,770**	7,604,679
Charged during the year	**1,741**	(1,804,125)
Reversal during the year	**(79,857)**	-
Closing balance	**5,791,654**	**5,800,554**

14. BORROWINGS

Secured			
Borrowings from State Bank of Pakistan	14.1	**884,788,309**	917,000,000
Borrowings from banks / MFBs/ financial institutions in Pakistan	14.2	**1,630,000,001**	348,980,200
Total secured		**2,514,788,310**	1,265,980,200

14.1 The Bank obtained borrowing from the State Bank of Pakistan under its line of Credit Fund Scheme. During the Period Ended 30 June 2026, the Bank obtained further borrowing of Rupees 217.78 Million from State Bank of Pakistan under its line of Credit Fund Scheme. The sanctioned fund was received by the Bank in a various tranches at a markup rate of six months KIBOR - 1%. Repayment amount during the year was Rupees 250 million.

14.2 Borrowings from banks / MFBs/ financial institutions in Pakistan

Pakistan Microfinance Investment Company (PMIC)	14.2.1	**150,000,000**	200,000,000
Sindh Bank Limited	14.2.2	**1,480,000,001**	148,980,200
		1,630,000,001	348,980,200

14.2.1 This represents a borrowing from the Pakistan Microfinance Investment Company Limited (PMIC). A total of Rupees 200 million was sanctioned and received during the financial year ended 31 December 2025, at a markup rate of six-month KIBOR plus 2.75%. Furthermore, the bank repaid 50 million during the year.

14.2.2 The Bank had obtained a running finance facility of Rupees 500 million from Sindh Bank Limited. No amount was overdrawn against this facility during the period. Mark-up on the facility is payable quarterly at the rate of six-month KIBOR plus 0.85% per annum. During the year, the Bank availed further financing of Rupees 1,830 million and made repayments aggregating to Rupees 498.98 million.

14.2.3 A lien is placed on TDRs held with U Microfinance Bank amounting to Rupees 60 million (31 December 2025: 97.5 million) as collateral against borrowing from PMIC.

14.2.4 A lien is placed on TDRs held with HBL and Abhi Microfinance Bank amounting to Rupees 1,090 million as collateral against borrowing from Sindh Bank Limited.

14.2.4 TDR's have been placed with Sindh Bank Limited as collateral against running finance facility requiring 110% margin.

15	DEPOSITS AND OTHER ACCOUNTS	Note	30 June 2026 (Un-audited)	31 December 2025 (Audited)
			-----Rupees-----	
	Customers			
	Current deposits		**14,189,516**	10,198,367
	Savings deposits	15.1	**112,135,242**	8,175,041
	Fixed / Term deposits	15.2	**1,256,303,000**	1,235,269,937
			1,382,627,758	1,253,643,345
	Financial Institutions			
	Current deposits		**-**	-
	Savings deposits	15.1	**367,833,329**	300,217,938
	Fixed / Term deposits		**-**	-
			367,833,329	300,217,938
			1,750,461,087	1,553,861,283

15.1 These are remunerative saving deposits of corporate and individual clients carrying interest rate ranging from 8.00% to 12.15% per annum (31 December 2025: 8.00% to 12.15%) on outstanding balances.

15.2 This represents term deposits having tenure ranging from 1 months to 36 months (31 December 2025: 3 months to 36 month) carrying interest rate ranging from 10.00% to 22.50% (31 December 2025: 10.00% to 22.50%) per annum on outstanding balances.

16. LEASE LIABILITIES

Opening balance	**115,479,088**	133,228,774
Additions during the period / year	**-**	2,644,690
Interest expense	**9,086,673**	20,763,408
Payment of lease liability during the period / year	**(24,467,805)**	(41,157,784)
Closing balance	**100,097,956**	115,479,088

17. OTHER LIABILITIES

Mark-up / Return / Interest payable on deposits	**66,422,415**	52,647,182
Mark-up / Return / Interest payable on borrowing	**60,262,521**	58,521,519
Accrued expenses	**16,372,604**	12,072,529
Withholding tax payable	**12,232,838**	7,921,217
EOBI payable	**657,360**	614,770
Payable to defined benefit plan	**9,669,167**	20,142,754
Payable to defined contribution plan	**1,778,424**	1,482,275
Provision for taxation - net	**152,880,895**	162,638,078
Audit fee payable	**231,624**	623,396
	320,507,848	316,663,720

18. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 30 June 2026 (31 December 2025: Nil).

	30 June 2026 (Un-audited)	30 June 2025 (Un-audited)
	--------Rupees--------	

19. MARK-UP / RETURN / INTEREST EARNED

Loans and advances	**830,396,601**	678,566,776
Investments	**57,916,008**	109,693,464
Balances with other MFBs / banks / NBFIs	**62,010,493**	42,306,394
	950,323,102	830,566,634

20. MARK-UP / RETURN / INTEREST EXPENSED

Deposits	**92,556,185**	169,535,531
Borrowings	**69,578,293**	47,608,071
Lease liabilities	**9,086,673**	10,369,285
	171,221,151	227,512,887

21. OPERATING EXPENSES

Total compensation expense	**276,666,975**	225,851,610
Contribution to defined benefit plan	**4,741,033**	2,400,000
Contribution to defined contribution plan	**4,869,306**	4,001,780
Directors' fees and allowances	**3,825,000**	977,700
Insurance	**3,206,037**	2,061,403
Utilities	**8,464,424**	6,641,096
IT equipment and software maintenance	**6,627,847**	4,604,042
Staff welfare	**6,044,435**	3,446,353
Fee and subscription	**13,327,609**	5,946,651
Bank charges	**4,641,826**	3,118,971
Legal and professional charges	**167,000**	72,000
Communication expenses	**7,408,666**	5,118,813
Repair and maintenance expenses	**9,691,964**	4,977,778
Stationery and printing	**4,679,849**	4,120,625
Training & development	**977,709**	770,271
Travelling & conveyance	**13,841,638**	9,465,518
Advertisement and publicity	**589,335**	601,715
Auditors' remuneration	**283,171**	424,384
Depreciation	**6,938,705**	6,534,219
Depreciation on right-of-use assets	**19,193,266**	19,166,729
Amortization	**1,262,159**	1,028,281
Others	**28,730**	25,150
	397,476,684	311,355,089

22. OTHER CHARGES

Penalties imposed by State Bank of Pakistan	**17,500**	-

		30 June 2026 (Un-audited)	30 June 2025 (Un-audited)
23. CREDIT LOSS ALLOWANCE & WRITE OFFS - NET		--------Rupees--------	
Credit loss allowance for diminution in value of investments		**148,909**	50,231
Credit loss allowance against loans & advances		**33,460,740**	88,492,598
Insurance claim		**-**	-
Credit loss allowance - markup accrued		**(79,857)**	(842,050)
Credit loss allowance against balances with other banks		**140,479**	53,111
Advances written off directly	8.1.4.1	**4,520,159**	-
Credit loss allowance against profit on savings accounts		**1,741**	-
		38,192,171	87,753,890
24. TAXATION			
Current tax		**127,554,949**	100,075,839
Deferred tax		**(4,988,981)**	(24,449,902)
		122,565,968	75,625,937
25. BASIC EARNINGS PER SHARE			
Profit for the period / year		**220,849,628**	128,318,831
Weighted average number of ordinary shares (Number)		**100,000,000**	100,000,000
Basic earnings per share (Rupees)		**2.21**	1.28

26. FAIR VALUE MEASUREMENTS

Assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of fair value hierarchy. This grouping is determined based on the lowest level of significant inputs used in fair value measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instrument in level 1
Currently, no financial instruments are classified in level 1.

Financial instrument in level 2
Currently, no financial instruments are classified in level 2.

Financial instrument in level 3
Currently, no financial instruments are classified in level 3.

The fair value of assets and liabilities except for staff loan and non-performing advances, their carrying values since these assets and liabilities are either short term in nature or frequently repriced in case of customer loan and deposits.

The fair value of staff loan cannot be calculated with sufficient reliability due to the absence of current and active market for such assets and reliable data regarding market rates for similar instruments. The provision for non-performing advances is calculated in accordance with the Bank's accounting policy as stated in policy note.

27. RELATED PARTY TRANSACTIONS

The MFB has related party transactions with its parent, subsidiaries, associates, joint ventures, employee benefit plans and its directors and Key Management Personnel.

The MFB makes contributions to employee retirement benefit plans and accruals related to these benefits in line with the terms of the actuarial valuations or established contribution plans. Furthermore, executive and officer remuneration is determined according to the terms specified in their respective contracts and appointments.

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

	30 June 2026 (Un-audited)				31 December 2025 (Audited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	-------Rupees-------							
Balances with other MFBs / banks / NBFIs								
In current accounts	**14,157,705**	-	-	-	21,191,058	-	-	-
In deposit accounts	**1,134,161,003**	-	-	-	313,945,520	-	-	-
	1,148,318,708	-	-	-	335,136,578	-	-	-
Investments								
Opening balance	-	-	-	**285,730,231**	-	-	-	233,228,768
Investment made during the period / year	-	-	-	**379,737,087**	-	-	-	743,721,142
Investment redeemed / disposed off during the period / year	-	-	-	**(276,857,316)**	-	-	-	(691,219,679)
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	-	**388,610,002**	-	-	-	285,730,231
Credit loss allowance for diminution in value of investments	-	-	-	-	-	-	-	-
Advances								
Opening balance	-	-	**13,895,990**	-	-	-	23,417,401	-
Addition during the period / year	-	-	-	-	-	-	-	-
Repaid during the period / year	-	-	**(11,115,666)**	-	-	-	(9,521,411)	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	**2,780,324**	-	-	-	13,895,990	-
Credit loss allowance held against advances	-	-	-	-	-	-	-	-
Other Assets								
Markup Receivable	**5,422,000**	-	-	-	4,475,000	-	-	-

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	30 June 2026 (Un-audited)				31 December 2025 (Audited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	-------Rupees-------							
Borrowings								
Opening balance	**148,980,200**	-	-	-	360,000,000	-	-	-
Borrowings during the period / year	**1,830,000,000**	-	-	-	360,000,000	-	-	-
Settled during the period / year	**(498,980,199)**	-	-	-	(571,019,800)	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	**1,480,000,001**	-	-	-	148,980,200	-	-	-
Deposits and other accounts								
Opening balance	-	-	**5,507**	-	-	-	5,507	-
Received during the period / year	-	-	-	-	-	-	-	-
Withdrawn during the period / year	-	-	-	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	**5,507**	-	-	-	5,507	-
Other Liabilities								
Markup Payable	**6,075,827**	-	-	-	4,475,447	-	-	-
Payable to staff retirement fund	-	-	**11,447,591**	-	-	-	21,625,029	-
	6,075,827	-	**11,447,591**	-	4,475,447	-	21,625,029	-

	30 June 2026 (Un-audited)				30 June 2025 (Un-audited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	-------Rupees-------							
Income								
Mark-up / return / interest earned	**9,757,000**	-	-	-	6,321,927	-	-	-
Expense								
Mark-up / return / interest Exp	**10,229,463**	-	-	-	11,670,000	-	-	-
Insurance premium	-	-	-	-	-	-	-	-
Insurance claims settled	-	-	-	-	-	-	-	-
Remuneration	-	-	-	-	-	-	-	-
Other	-	**3,825,000**	**16,679,317**	-	-	977,700	13,629,700	-

28. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	30 June 2026 (Un-audited)	31 December 2025 (Audited)
	--------Rupees--------	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	**1,800,404,254**	1,580,073,943
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	**1,648,381,327**	1,448,518,897
Eligible Additional Tier 1 (ADT 1) Capital	**-**	-
Total Eligible Tier 1 Capital	**1,648,381,327**	1,448,518,897
Eligible Tier 2 Capital	**112,420,903**	92,742,534
Total Eligible Capital (Tier 1 + Tier 2)	**1,760,802,230**	1,541,261,431
Risk Weighted Assets (RWAs):		
Credit Risk	**3,858,387,741**	2,169,488,887
Operational Risk	**269,190,130**	186,651,113
Total	**4,127,577,871**	2,356,140,000
Common Equity Tier 1 Capital Adequacy ratio	**1,648,381,327**	1,448,518,897
Tier 1 Capital Adequacy Ratio		
Total Capital Adequacy Ratio	**42.66%**	44.74%

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29. GENERAL

29.1 Amounts in these condensed interim financial statements have been rounded off to the nearest rupee except stated otherwise.

30. DATE OF AUTORIZATION

These condensed interim financial statements were authorized for issue on ______________ by the Board of Directors of the Bank.

President / Chief Executive Officer	**Chairman**	**Chief Financial Officer**	**Director**	**Director**