

SONERI BANK LIMITED
CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
AS AT DECEMBER 31, 2025

1 CAPITAL ADEQUACY

1.1 Risk Weighted Exposure

Capital Requirements		Risk Adjusted Value Assets	
2025	2024	2025	2024

Rupees in '000

Credit Risk

On-Balance Sheet:

Cash and cash equivalent	-	-	-	-
Sovereign and central banks	64,151	23,694	557,835	206,031
Public sector entities (PSEs)	100,285	173,900	872,047	1,512,173
Banks and securities firms	281,748	307,016	2,449,984	2,669,706
Corporate portfolio	14,779,128	13,111,669	128,514,153	114,014,513
Retail non mortgages	993,523	614,187	8,639,327	5,340,754
Mortgages – Residential	228,315	268,449	1,985,349	2,334,343
Past due loans	50,561	97,663	439,659	849,243
Deferred Tax Assets	-	-	-	-
Listed equity investments in banking book	69,354	72,092	603,081	626,891
Un-listed equity investments in banking book	630,322	10,540	5,481,063	91,650
Operating fixed assets	3,076,874	2,413,232	26,755,428	20,984,624
Other assets	1,541,189	461,510	13,401,647	4,013,133
	21,815,451	17,553,952	189,699,573	152,643,062

Off-Balance Sheet:

Non-market related	3,469,352	2,568,809	30,168,279	22,337,470
Market related	145,409	54,351	1,264,423	472,622
	3,614,761	2,623,161	31,432,702	22,810,092

Market Risk

Interest Rate Risk	322,450	104,906	4,030,627	1,311,328
Equity Position Risk	9,269	-	115,858	-
Foreign Exchange Risk	44,875	149,802	560,941	1,872,531

Operational Risk

	376,594	254,709	4,707,426	3,183,859
	4,748,703	3,054,810	59,358,784	38,185,126
	30,555,509	23,486,631	285,198,485	216,822,138

Capital Adequacy Ratio

Total eligible regulatory capital held	42,439,432	38,350,732
Total risk weighted assets	285,198,485	216,822,138
Capital adequacy ratio	14.88%	17.69%

1.2 Capital Structure

2025 2024

Rupees in '000

Common Equity Tier 1 capital (CET1): Instruments and reserves

Fully paid-up capital / capital deposited with the SBP	11,024,636	11,024,636
Balance in share premium account	-	-
Reserve for issue of bonus shares	-	-
Discount on issue of shares	-	-
General / Statutory Reserves	7,224,862	6,313,315
Gain / (Losses) on derivatives held as Cash Flow Hedge	-	-
Unappropriated profits	11,291,216	9,804,710
Minority Interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	-
CET 1 before Regulatory Adjustments	29,540,714	27,142,661
Total regulatory adjustments applied to CET1 (Note 41.2.1)	(855,665)	(590,456)
Common Equity Tier 1	28,685,049	26,552,205

1.3.1

CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
AS AT DECEMBER 31, 2025

	2025	2024
	----- Rupees in '000 -----	
Additional Tier 1 (AT 1) Capital		
Qualifying Additional Tier-1 capital instruments plus any related share premium	-	-
of which: Classified as equity	-	-
of which: Classified as liabilities	4,000,000	4,000,000
Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties	-	-
of which: instrument issued by subsidiaries subject to phase out	-	-
AT1 before regulatory adjustments	4,000,000	4,000,000
Total of Regulatory Adjustment applied to AT1 capital	(415,230)	(415,230)
Additional Tier 1 capital after regulatory adjustments	3,584,770	3,584,770
AT1 Capital recognized for capital adequacy	3,584,770	3,584,770
Tier 1 Capital (CET1 + admissible AT1)	32,269,819	30,136,975
Tier 2 Capital		
Qualifying Tier 2 capital instruments under Basel III plus any related share premium	-	-
Capital instruments subject to phase out arrangement issued	3,995,200	3,996,800
Tier 2 capital instruments issued to third parties by consolidated subsidiaries	-	-
of which: instruments issued by subsidiaries subject to phase out	-	-
General Provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	-	-
Revaluation Reserves (net of taxes)	-	-
of which:		
Revaluation reserves on fixed assets	2,434,907	2,533,999
Unrealized gains / losses on AFS	5,063,884	1,682,958
Foreign Exchange Translation Reserves	-	-
Undisclosed/Other Reserves (if any)	-	-
T2 before regulatory adjustments	11,493,991	8,213,757
Total regulatory adjustment applied to T2 capital	-	-
Tier 2 capital (T2) after regulatory adjustments	11,493,991	8,213,757
Tier 2 capital recognized for capital adequacy	10,169,613	8,213,757
Portion of Additional Tier 1 capital recognized in Tier 2 capital	-	-
Total Tier 2 capital admissible for capital adequacy	10,169,613	8,213,757
TOTAL CAPITAL (T1 + admissible T2)	42,439,432	38,350,732
Total Risk Weighted Assets (RWA)	285,198,485	216,822,138
Capital Ratios and buffers (in percentage of risk weighted assets)		
CET1 to total RWA	10.06%	12.25%
Tier-1 capital to total RWA	11.31%	13.90%
Total capital to total RWA	14.88%	17.69%
Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement) of which:	-	-
capital conservation buffer requirement	-	-
countercyclical buffer requirement	-	-
D-SIB or G-SIB buffer requirement	-	-
CET1 available to meet buffers (as a percentage of risk weighted assets)	4.06%	6.25%
Other information:		
National minimum capital requirements prescribed by SBP		
CET1 minimum ratio	6.00%	6.00%
Tier 1 minimum ratio	7.50%	7.50%
Total capital minimum ratio	11.50%	11.50%

**CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
AS AT DECEMBER 31, 2025**

1.3 Regulatory Adjustments and Additional Information

1.3.1 Common Equity Tier 1 capital: Regulatory adjustments

Goodwill (net of related deferred tax liability)	-	-	-	-
All other intangibles (net of any associated deferred tax liability)	855,665	-	590,456	-
Shortfall of provisions against classified assets**	-	-	-	-
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-	-
Defined-benefit pension fund net assets	-	-	-	-
Reciprocal cross holdings in CET1 capital instruments	-	-	-	-
Cash flow hedge reserve	-	-	-	-
Investment in own shares / CET1 instruments	-	-	-	-
Securitization gain on sale	-	-	-	-
Capital shortfall of regulated subsidiaries	-	-	-	-
Deficit on account of revaluation from bank's holdings of property / AFS	-	-	-	-
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	-	-
Significant investments in the common stocks of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-	-	-
Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-	-	-
Amount exceeding 15% threshold of which:	-	-	-	-
- significant investments in the common stocks of financial entities	-	-	-	-
- deferred tax assets arising from temporary differences	-	-	-	-
National specific regulatory adjustments applied to CET1 capital	-	-	-	-
Investment in TFCs of other banks exceeding the prescribed limit	-	-	-	-
Any other deduction specified by SBP	-	-	-	-
Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	-	-	-
Total regulatory adjustments applied to CET1	855,665	-	590,456	-

1.3.2 Additional Tier 1 Capital: regulatory adjustments

Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	-	-	-
Investment in own AT1 capital instruments	-	-	-	-
Reciprocal cross holdings in Additional Tier 1 capital instruments	415,230	-	415,230	-
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	-	-
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	-	-
Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Base I treatment which, during transitional period, remain subject to deduction from tier-1 capital	-	-	-	-
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	-	-
Total of Regulatory Adjustment applied to AT1 capital	415,230	-	415,230	-

1.3.3 Tier 2 Capital: regulatory adjustments

Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Base I treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	-	-	-
Reciprocal cross holdings in Tier 2 instruments	-	-	-	-
Investment in own Tier 2 capital instrument	-	-	-	-
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	-	-
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	-	-
Amount of Regulatory Adjustment applied to T2 capital	-	-	-	-

	2025		2024	
	Basel III Transit	Pre-Base I treatment*	Basel III Transit	Pre-Base I treatment*
	----- Rupees in '000 -----			
Goodwill (net of related deferred tax liability)	-	-	-	-
All other intangibles (net of any associated deferred tax liability)	855,665	-	590,456	-
Shortfall of provisions against classified assets**	-	-	-	-
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-	-
Defined-benefit pension fund net assets	-	-	-	-
Reciprocal cross holdings in CET1 capital instruments	-	-	-	-
Cash flow hedge reserve	-	-	-	-
Investment in own shares / CET1 instruments	-	-	-	-
Securitization gain on sale	-	-	-	-
Capital shortfall of regulated subsidiaries	-	-	-	-
Deficit on account of revaluation from bank's holdings of property / AFS	-	-	-	-
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	-	-
Significant investments in the common stocks of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-	-	-
Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-	-	-
Amount exceeding 15% threshold of which:	-	-	-	-
- significant investments in the common stocks of financial entities	-	-	-	-
- deferred tax assets arising from temporary differences	-	-	-	-
National specific regulatory adjustments applied to CET1 capital	-	-	-	-
Investment in TFCs of other banks exceeding the prescribed limit	-	-	-	-
Any other deduction specified by SBP	-	-	-	-
Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	-	-	-
Total regulatory adjustments applied to CET1	855,665	-	590,456	-
Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	-	-	-
Investment in own AT1 capital instruments	-	-	-	-
Reciprocal cross holdings in Additional Tier 1 capital instruments	415,230	-	415,230	-
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	-	-
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	-	-
Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Base I treatment which, during transitional period, remain subject to deduction from tier-1 capital	-	-	-	-
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-	-	-
Total of Regulatory Adjustment applied to AT1 capital	415,230	-	415,230	-
Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Base I treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	-	-	-
Reciprocal cross holdings in Tier 2 instruments	-	-	-	-
Investment in own Tier 2 capital instrument	-	-	-	-
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	-	-
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	-	-
Amount of Regulatory Adjustment applied to T2 capital	-	-	-	-

*This column highlights items that are still subject to Pre Base I treatment during the transitional period.

**State Bank of Pakistan has granted relaxation in respect of provision held against a customer as disclosed in note 9.3.5 to the financial statements, State Bank of Pakistan has allowed the Bank to avail this relaxation in calculation of capital adequacy ratio.

**CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
AS AT DECEMBER 31, 2025**

	As per published financial statements	Under regulatory scope of consolidation
	----- Rupees in '000 -----	
Investments	479,247,393	479,247,393
<i>of which: non-significant capital investments in capital of other financial institutions exceeding 10% threshold</i>	-	-
<i>of which: significant capital investments in financial sector entities exceeding regulatory threshold</i>	-	-
<i>of which: mutual Funds exceeding regulatory threshold</i>	-	-
<i>of which: reciprocal crossholding of capital instrument</i>	415,230	415,230
<i>of which: others</i>	-	-
Advances	214,324,449	214,324,449
<i>shortfall in provisions / excess of total EL amount over eligible provisions under IRB</i>	-	-
<i>general provisions reflected in Tier 2 capital</i>	-	-
Fixed assets	27,118,351	27,118,351
Intangible assets	492,742	492,742
<i>of which: goodwill</i>	-	-
<i>of which: Intangibles</i>	492,742	492,742
Deferred tax assets	-	-
<i>of which: DTAs that rely on future profitability excluding those arising from temporary differences</i>	-	-
<i>of which: DTAs arising from temporary differences exceeding regulatory threshold</i>	-	-
Other assets	37,849,653	37,849,653
<i>of which: goodwill</i>	-	-
<i>of which: defined-benefit pension fund net assets</i>	-	-
TOTAL ASSETS	852,476,620	852,476,620
LIABILITIES AND EQUITY		
Bills payable	17,082,793	17,082,793
Borrowings	61,644,422	61,644,422
Deposits and other accounts	689,106,187	689,106,187
Sub-ordinated loans	7,995,200	7,995,200
<i>of which: eligible for inclusion in AT1</i>	4,000,000	4,000,000
<i>of which: eligible for inclusion in Tier 2</i>	3,995,200	3,995,200
Liabilities against assets subject to finance lease	9,771,027	9,771,027
Deferred tax liabilities	4,862,431	4,862,431
<i>of which: DTLs related to goodwill</i>	-	-
<i>of which: DTLs related to intangible assets</i>	-	-
<i>of which: DTLs related to defined pension fund net assets</i>	-	-
<i>of which: other deferred tax liabilities</i>	4,862,431	4,862,431
Other liabilities	25,227,694	25,227,694
TOTAL LIABILITIES	815,689,754	815,689,754
Share capital	11,024,636	11,024,636
<i>of which: amount eligible for CET1</i>	11,024,636	11,024,636
<i>of which: amount eligible for AT1</i>	-	-
Reserves	7,224,862	7,224,862
<i>of which: portion eligible for inclusion in CET1 - Statutory reserve</i>	7,224,862	7,224,862
<i>of which: portion eligible for inclusion in CET1 - General reserve</i>	-	-
<i>of which: portion eligible for inclusion in Tier 2 General reserve</i>	-	-
Discount on issuance of shares	-	-
Surplus on revaluation of assets	7,568,001	7,568,001
<i>of which: Revaluation reserves on fixed assets</i>	2,434,907	2,434,907
<i>of which: Unrealized Gains/Losses on AFS</i>	5,063,884	5,063,884
Unappropriated profit	10,969,367	10,969,367
Minority intersts	-	-
<i>of which: eligible for inclusion in CET1</i>	-	-
<i>of which: eligible for inclusion in AT1</i>	-	-
<i>of which: eligible for inclusion in Tier 2</i>	-	-
TOTAL LIABILITIES & EQUITY	852,476,620	852,476,620

Component of regulatory capital reported by Bank	Source based on reference number (Note 1.4.1)
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----- Rupees in '000 -----

1.4.2 Components of capital (CET-1): Instruments and reserves

Common Equity Tier 1 capital (CET1): Instruments and reserves

Fully Paid-up Capital	11,024,636	t
Balance in share premium account	-	ab
Discount on issuance of shares	-	-
Reserve for issue of bonus shares	-	-
General / Statutory Reserves	7,224,862	v
Gain / (Losses) on derivatives held as Cash Flow Hedge	-	-
Unappropriated / unremitted profits	10,969,367	-
Minority Interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	ac
CET 1 before Regulatory Adjustments	29,218,865	-

CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
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Component of regulatory capital reported by Bank **Source based on reference number (Note 1.4.1)**

----- Rupees in '000 -----

Common Equity Tier 1 capital: Regulatory adjustments

Goodwill (net of related deferred tax liability)	-	h - p
All other intangibles (net of any associated deferred tax liability)	855,665	i
Shortfall of provisions against classified assets	-	
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	
Defined-benefit pension fund net assets	-	r
Reciprocal cross holdings in CET1 capital instruments	-	portion of (d)
Cash flow hedge reserve	-	
Investment in own shares / CET1 instruments	-	
Securitization gain on sale	-	
Capital shortfall of regulated subsidiaries	-	
Deficit on account of revaluation from bank's holdings of property / AFS	-	z
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	
Amount exceeding 15% threshold:	-	
of which: significant investments in the common stocks of financial entities	-	
of which: deferred tax assets arising from temporary differences	-	
National specific regulatory adjustments applied to CET1 capital	-	
Investment in TFCs of other banks exceeding the prescribed limit	-	
Any other deduction specified by SBP (mention details)	-	
Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	
Total regulatory adjustments applied to CET1	855,665	

Common Equity Tier 1

28,363,200

Additional Tier 1 (AT 1) Capital

Qualifying Additional Tier-1 instruments plus any related share premium	-	
of which: Classified as equity	-	
of which: Classified as liabilities*	4,000,000	portion of (n)
Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties	-	
of which: instrument issued by subsidiaries subject to phase out	-	
AT1 before regulatory adjustments	4,000,000	

Additional Tier 1 Capital: regulatory adjustments

Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	
Investment in own AT1 capital instruments	-	
Reciprocal cross holdings in Additional Tier 1 capital instruments	415,230	
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	
Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-1 capital	-	
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
Total of Regulatory Adjustment applied to AT1 capital	415,230	
Additional Tier 1 capital	3,584,770	
Additional Tier 1 capital recognised for capital adequacy	3,584,770	

Tier 1 Capital (CET1 + admissible AT1)

32,269,819

**CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
AS AT DECEMBER 31, 2025**

**Component of
regulatory capital
reported by Bank**

**Source based on
reference number
(Note 1.4.1)**

----- Rupees in '000 -----

Tier 2 Capital

Qualifying Tier 2 capital instruments under Basel III

Capital instruments subject to phase out arrangement from Tier 2

Tier 2 capital instruments issued to third party by consolidated subsidiaries

of which: instruments issued by subsidiaries subject to phase out

General Provisions or general reserves for loan losses-up to maximum

of 1.25% of Credit Risk Weighted Assets

Revaluation Reserves eligible for Tier 2 of which:

of which: portion pertaining to Fixed Asset

of which: portion pertaining to AFS securities

Foreign Exchange Translation Reserves

Undisclosed / Other Reserves (if any)

T2 before regulatory adjustments

Tier 2 Capital: regulatory adjustments

Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital

Reciprocal cross holdings in Tier 2 instruments

Investment in own Tier 2 capital instrument

Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)

Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation

Amount of Regulatory Adjustment applied to T2 capital

Tier 2 capital (T2)

Tier 2 capital recognised for capital adequacy

Tier 2 capital not recognised for capital adequacy

Excess Additional Tier 1 capital recognised in Tier 2 capital*

Total Tier 2 capital admissible for capital adequacy

TOTAL CAPITAL (T1 + admissible T2)

-	
3,995,200	o x 20%
-	
-	g
2,434,907	y
5,063,884	
-	
-	
11,493,991	
-	
-	portion of (d)
-	
-	
-	
11,493,991	
10,169,613	
-	o x 80%
-	portion of (n)
10,169,613	
42,439,432	

**CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
AS AT DECEMBER 31, 2025**

1.5 Main Features of Regulatory Capital Instruments

	Main Features	Common Shares	Instrument 1	Instrument 2
1	Issuer	Soneri Bank Ltd	Soneri Bank Ltd	Soneri Bank Ltd
2	Unique identifier (e.g. PSX Symbol or Bloomberg identifier etc.)	SNBL	SNBL - TFCs	SNBL - TFCs
3	Governing law(s) of the instrument	Laws of Islamic Republic of Pakistan	Laws of Islamic Republic of Pakistan	Laws of Islamic Republic of Pakistan
4	Regulatory treatment			
4.1	Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Tier 2
4.2	Post-transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Tier 2
4.3	Eligible at solo/ group/ group & solo	Solo	Solo	Solo
4.4	Instrument type	Ordinary Shares	Subordinated Debt	Subordinated Debt
5	Amount recognized in regulatory capital (Currency in PKR thousands, as of reporting date)	Rs 11,024,636	Rs 4,000,000	Rs 3,995,200
6	Par value of instrument	Rs.10	Rs.5,000	Rs.20,000
7	Accounting classification	Shareholders' Equity	Liability	Liability
8	Original date of issuance	Various From 1992	Dec 2018	Dec-2022
9	Perpetual or dated	Perpetual	Perpetual	Dated
9.1	Original maturity date	Not applicable	Not applicable	Dec-2032
10	Issuer call subject to prior supervisory approval	No	Yes, after 5 years from last day of public subscription	Yes, after 5 years from last day of public subscription
10.1	Optional call date, contingent call dates and redemption amount	Not applicable	Not applicable	Not applicable
10.2	Subsequent call dates, if applicable	Not applicable	Not applicable	Not applicable
11	Coupons / dividends			
11.1	Fixed or floating dividend/ coupon	Not applicable	Floating	Floating
11.2	coupon rate and any related index/ benchmark	Not applicable	Floating rate at 6 month KIBOR plus 2.00%	Floating rate at 6 month KIBOR plus 1.70%
11.3	Existence of a dividend stopper	No	Yes	Yes
11.4	Fully discretionary, partially discretionary or mandatory	Fully Discretionary	Full discretionary	Full discretionary
11.5	Existence of step up or other incentive to redeem	No	No	No
11.6	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
12	Convertible or non-convertible	Non-convertible	Convertible in case of (i) a CET 1 Trigger Event; (ii) the PONV Trigger Event; (iii) Lock-In Event or (iv) inability to exercise the non-cumulative feature	Convertible in case of PONV
12.1	If convertible, conversion trigger (s)	Not applicable	Issuance of a written direction by the SBP to the Issuer to Mandatorily Convert the TFCs on account of: (i) a CET 1 Trigger Event; (ii) the PONV Trigger Event; (iii) Lock-In Event or (iv) inability to exercise the non-cumulative feature	At the option of supervisor it can be converted into common equity upon occurrence of certain trigger events , called point of non viability (PONV). The PONV is the earlier of; 1. A decision made by SBP that a conversion or temporary/ permanent write off is necessary without which the bank would become non viable. 2. the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non viable, as determined by SBP.
12.2	If convertible, fully or partially	Not applicable	May convert fully or partially in case of (i) a CET 1 Trigger Event; (ii) the PONV Trigger Event; (iii) Lock-In Event or (iv) inability to exercise the non-cumulative feature	May convert fully or partially in case of PONV
12.3	If convertible, conversion rate	Not applicable	To be determined in the case of trigger event	To be determined in the case of trigger event
12.4	If convertible, mandatory or optional conversion	Not applicable	Convertible at the discretion of SBP in case of (i) a CET 1 Trigger Event; (ii) the PONV Trigger Event; (iii) Lock-In Event or (iv) inability to exercise the non-cumulative feature	Convertible at the discretion of SBP in case of (i) a CET 1 Trigger Event; (ii) the PONV Trigger Event; (iii) Lock-In Event or (iv) inability to exercise the non-cumulative feature
12.5	If convertible, specify instrument type convertible into	Not applicable	Common Equity Tier 1	Common Equity Tier 1
12.6	If convertible, specify issuer of instrument it converts into	Not applicable	SNBL (Ordinary shares)	SNBL (Ordinary shares)
13	Write-down feature	No	Yes	Yes
14	If write-down, write-down trigger(s)	Not applicable	Mandatory Write-off Event will occur upon issuance of a written directive of the SBP requiring the Mandatory Write-Off of the TFCs on account of: (i) a PONV Trigger Event; (ii) a CET 1 Trigger Event; (iii) upon the Issuer being unable to Mandatorily Convert the TFCs into Ordinary Shares upon occurrence of a CET 1 Trigger Event; (iv) Lockin Event; or (v) inability to exercise non-cumulative feature	At the option of supervisor it can be either written off upon occurrence of a certain trigger events, called point of non viability(PONV). The PONV is the earlier of: 1. A decision made by SBP that a conversion or temporary/ permanent write off is necessary without which the Bank would become non viable. 2. the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non viable, as determined by SBP.
15	If write-down, full or partial	Not applicable	May be written-down fully or partially;	May be written-down fully or partially;
16	If write-down, permanent or temporary	Not applicable	Not applicable	Not applicable
17	If temporary write-down, description of write-up mechanism	Not applicable	Not applicable	Not applicable
18	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not applicable	Senior to ordinary shares and junior to all other instruments	Senior to ordinary shares and junior to all other instruments
19	Non-compliant transitioned features	No	Yes	Yes
20	If yes, specify non-compliant features	Not applicable	Not applicable	Not applicable

**CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
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1.6 Credit exposures subject to Standardized Approach

Exposures	Rating Category / risk weights	2025			2024		
		Amount outstanding	Deduction CRM	Net amount	Amount outstanding	Deduction CRM	Net amount
- Cash and Cash Equivalent		15,093,927	-	15,093,927	12,338,313	-	12,338,313
- Corporate	1	34,062,118	77,220	33,984,898	31,484,499	1,258	31,483,240
	2	77,015,164	9,772,273	67,242,891	59,682,410	812,694	58,869,715
	3,4	4,671,185	0	4,671,185	16,348,247	9,958,109	6,390,139
	5,6	-	-	-	-	-	-
	Unrated	58,637,075	1,805,634	56,831,441	49,269,696	1,437,198	47,832,498
	Unrated-2	22,984,902	1,710,421	21,274,481	80,193,666	60,945,369	19,248,297
- Public Sector Entities	1	855,201	-	855,201	1,323,702	-	1,323,702
	2,3	1,353,035	-	1,353,035	1,623,870	-	1,623,870
	4, 5	-	-	-	-	-	-
	6	-	-	-	-	-	-
	Unrated	7,240,836	7,191,856	48,980	5,704,815	4,833,821	870,995
- Banks	1,2,3	35,639,410	23,587,660	12,051,750	12,441,632	-	12,441,632
	4,5,6	3,673	-	3,673	3,504	-	3,504
	Unrated	7,794	-	7,794	400,815	-	400,815
- Sovereigns etc.	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	-	-	-	-	-	-
	4,5	-	-	-	-	-	-
	6	371,890	-	371,890	137,354	-	137,354
	Unrated	-	-	-	-	-	-
- Government of Pakistan	0%	411,661,574	-	411,661,574	412,722,399	1,374	412,721,025
- SBP	0%	5,351,673	-	5,351,673	4,816,020	-	4,816,020
- Retail	75%	11,908,034	388,931	11,519,103	7,509,553	388,547	7,121,006
- Residential Mortgage	35%	4,589,649	42,120	4,547,529	5,475,728	-	5,475,728
- Low Cost Housing Finance	25%	1,574,856	-	1,574,856	1,671,353	-	1,671,353
- Past Dues Loans	50% - 150%	1,018,460	165,016	853,444	1,068,360	-	1,068,360
- Past Dues against Residential Mortgage	50% - 100%	25,874	-	25,874	18,462	-	18,462
- Significant investments, deferred tax and other	250%	-	-	-	-	-	-
- Unlisted Equity Investments	150%	3,654,042	-	3,654,042	61,100	-	61,100
- Listed Equity Investments	100%	603,081	-	603,081	626,891	-	626,891
- Fixed assets	100%	26,755,428	-	26,755,428	20,984,624	-	20,984,624
- Others	100%	13,401,647	-	13,401,647	4,013,133	-	4,013,133
Total		738,480,528	44,741,131	693,739,397	729,920,146	78,378,371	651,541,776

CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
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2 Leverage Ratio

The leverage ratio is the ratio of Tier I capital to total exposure, including off-balance sheet exposure adjusted by regulatory credit conversion factors. The Bank's current leverage ratio of 3.23% (2024: 3.45%) is above the minimum requirement of 3.00% set by the SBP.

	2025	2024
	Rupees in '000	
Eligible Tier I Capital	32,269,819	30,136,975
Total Exposure	999,792,608	873,744,116
Leverage Ratio (%)	3.23%	3.45%
Minimum Requirement(%)	3.00%	3.00%

3 LIQUIDITY STANDARDS

The Liquidity Coverage Ratio (LCR) is a quantitative requirement which aims to ensure that a Bank maintains an adequate level of unencumbered high quality liquid assets which can easily be converted into cash at little or no loss of value in private markets, to withstand an acute liquidity stress scenario over a 30-day horizon at both the entity and consolidated level.

The purpose of the net stable funding ratio ("NSFR") is to ensure that banks hold a minimum amount of stable funding based on the liquidity characteristics of their assets and off-balance sheet activities over a one year horizon. The NSFR limits overreliance on short-term wholesale funding, encourages better assessment of funding risk across all on- and off-balance sheet items and promotes funding stability. The objective is to reduce maturity mismatches between the asset and liability items on the balance sheet and thereby reduce funding and rollover risk.

3.1 Liquidity Coverage Ratio (LCR)

	2025		2024	
	Total unweighted ¹ value (average)	Total weighted ² value (average)	Total unweighted ¹ value (average)	Total weighted ² value (average)
	Rupees in '000			
1 Total high quality liquid assets (HQLA)	421,672,043		345,063,444	
CASH OUTFLOWS				
2 Retail deposits and deposits from small business customers of which:	352,234,797	31,468,302	301,576,390	25,896,610
2.1 stable deposit	75,103,551	3,755,178	85,220,571	4,261,029
2.2 Less stable deposit	277,131,246	27,713,125	216,355,819	21,635,582
3 Unsecured wholesale funding of which:	268,983,870	173,603,579	256,837,968	162,197,935
3.1 Operational deposits (all counterparties)	158,833,832	63,533,533	157,733,388	63,093,355
3.2 Non-operational deposits (all counterparties)	110,150,046	110,150,046	99,104,580	99,104,580
3.3 Unsecured debt	-	-	-	-
4 Secured wholesale funding	5,370,549	580,109	1,508,235	210,670
5 Additional requirements of which:	47,838	47,838	66,497	66,497
5.1 Outflows related to derivative exposures and other collateral requirements	-	-	-	-
5.2 Outflows related to loss of funding on debt products	-	-	-	-
5.3 Credit and liquidity facilities	5,322,712	532,271	1,441,739	144,174
6 Other contractual funding obligations	23,349,121	23,349,121	23,597,440	23,597,440
7 Other contingent funding obligations	139,130,082	6,956,504	113,958,140	5,697,907
8 TOTAL CASH OUTFLOWS	236,037,614	236,037,614	217,600,564	217,600,564
CASH INFLOWS				
9 Secured lending	-	-	-	-
10 Inflows from fully performing exposures	29,221,106	16,589,301	29,910,095	16,852,955
11 Other Cash inflows	6,953,506	6,953,506	5,694,434	5,694,434
12 TOTAL CASH INFLOWS	36,174,612	23,542,807	35,604,529	22,547,388
	Total Adjusted Value³		Total Adjusted Value³	
TOTAL HQLA	421,672,043		345,063,444	
TOTAL NET CASH FLOWS	212,494,807		195,053,175	
LIQUIDITY COVERAGE RATIO (%)	198.44%		176.91%	

¹ Unweighted values are calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows)

² Weighted values must be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows)

³ Adjusted values must be calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (i.e. cap on level 2B and level 2 assets for HQLA and cap on inflows)

**CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
AS AT DECEMBER 31, 2025**

3.2 Net Stable Funding Ratio (NSFR)

		2025				
		Unweighted Value By Residual Maturity				Weighted Value
		No Maturity	Below 6 months	6 months to below 1 year	1 year and above	
		Rupees in '000				
Available Stable Funding (ASF) Item						
1 Capital:		37,535,914	-	-	-	37,535,914
1.1 Regulatory capital		-	-	-	-	-
1.2 Other capital instruments		-	-	-	-	-
2 Retail deposits and deposit from small business customers:		-	347,416,164	13,939,482	-	329,256,688
2.1 Stable deposits		-	78,832,795	1,939,322	-	76,733,511
2.2 Less stable deposits		-	268,583,369	12,000,161	-	252,525,177
3 Wholesale funding:		-	198,709,259	12,106,131	-	105,407,695
3.1 Operational deposits		-	-	-	-	-
3.2 Other wholesale funding		-	198,709,259	12,106,131	-	105,407,695
4 Other liabilities:		-	-	1,171,529	3,531,512	4,117,277
5 NSFR derivative liabilities		-	-	-	211,508	-
6 All other liabilities and equity not included in other categories		-	-	-	-	-
7 Total ASF		238,066,629	-	-	-	476,319,573
Required Stable Funding (RSF) Item						
8 Total NSFR high-quality liquid assets (HQLA)					487,346,941	-
9 Deposits held at other financial institutions for operational purposes		-	-	-	-	-
10 Performing loans and securities:		-	190,386,574	-	95,296,332	167,990,328
10.1 Performing loans to financial institutions secured by Level 1 HQLA		-	23,640,187	-	-	2,364,019
10.2 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		-	6,163,425	-	-	924,514
10.3 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central bank and PSEs, of which:		-	137,860,074	-	95,296,332	149,931,919
10.4 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	22,722,887	-	-	14,769,877
11 Securities that are not in default and do not qualify as HQLA including exchange-traded equities.		-	-	-	1,001,491	851,268
12 Other assets:		-	-	-	-	-
12.1 Physical traded commodities, including gold		-	-	-	-	-
12.2 Assets posted as initial margin for derivative contracts		-	-	-	-	-
12.3 NSFR derivative assets		-	-	-	1,146,638	-
12.4 NSFR derivative liabilities before deduction of variation margin posted		-	-	-	271,629	271,629
12.5 All other assets not included in the above categories		51,128,223	-	27,317,056	-	65,576,429
13 Off-balance sheet items		-	281,289,934	-	-	14,064,497
14 Total RSF		-	-	-	-	248,754,151
15 NET STABLE FUNDING RATIO (%)						191.49%

**CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES
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	2024				Weighted Value
	Unweighted Value By Residual Maturity				
	No Maturity	Below 6 months	6 months to below 1 year	1 year and above	
	----- Rupees in '000 -----				
Available Stable Funding (ASF) Item	34,549,005	-	-	-	34,549,005
1 Capital:					
1.1 Regulatory capital	26,552,205	-	-	-	26,552,205
1.2 Other capital instruments	7,996,800	-	-	-	7,996,800
2 Retail deposits and deposit from small business customers:	314,099,871	11,053,096	-	-	296,286,166
2.1 Stable deposits	71,200,724	1,769,213	-	-	69,321,439
2.2 Less stable deposits	242,899,147	9,283,883	-	-	226,964,727
3 Wholesale funding:	96,490,513	1,717,021	-	-	68,457,333
3.1 Operational deposits	-	-	-	-	-
3.2 Other wholesale funding	96,490,513	1,717,021	-	-	68,457,333
4 Other liabilities:	-	7,411,948	-	-	3,705,974
5 NSFR derivative liabilities	-	-	-	66,177	-
6 All other liabilities and equity not included in other categories	230,706,297	-	-	4,764,471	4,764,471
7 Total ASF					407,762,949
Required Stable Funding (RSF) Item					
8 Total NSFR high-quality liquid assets (HQLA)	-	-	291,377,059	-	-
9 Deposits held at other financial institutions for operational purposes	-	-	15,926,793	-	7,963,397
10 Performing loans and securities:	-	299,632,739	1,562	77,642,466	177,598,124
10.1 Performing loans to financial institutions secured by Level 1 HQLA	-	92,391,706	-	16,877	4,636,463
10.2 HQLA and unsecured performing loans to financial institutions	-	1,615,980	1,562	-	243,178
10.3 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central bank and PSEs, of which:	-	179,463,676	-	77,625,589	155,713,589
10.4 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	26,161,376	-	-	17,004,895
11 Securities that are not in default and do not qualify as HQLA including exchange-traded equities.	-	-	-	1,859,694	1,580,740
12 Other assets:	-	-	-	-	-
12.1 Physical traded commodities, including gold	-	-	-	-	-
12.2 Assets posted as initial margin for derivative contracts	-	-	-	-	-
12.3 NSFR derivative assets	-	-	-	533,032	-
12.4 NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	118,642
12.5 All other assets not included in the above categories	34,075,501	-	27,253,277	-	61,328,778
13 Off-balance sheet items	-	217,659,239	-	-	10,882,962
14 Total RSF					259,472,643
15 NET STABLE FUNDING RATIO (%)					157.15%