





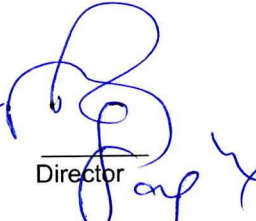
HOUSE BUILDING FINANCE COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025

		(Unaudited)	(Audited)
		March 31, 2025	December 31, 2024
		Rupees in '000	
ASSETS			
Cash and balances with treasury banks	6	33,004	28,596
Balances with other banks	7	226,155	95,527
Lendings to financial institutions	8	-	-
Investments	9	49,643,174	53,389,545
Advances	10	12,464,117	12,650,944
Property and equipment	11	268,062	279,415
Right-of-use assets	12	466,776	486,093
Intangible assets	13	47,442	50,247
Deferred tax assets		-	-
Other assets	14	7,308,315	6,639,554
Total Assets		70,457,045	73,619,921
LIABILITIES			
Bills payable		-	-
Borrowings	15	37,031,196	40,853,667
Deposits and other accounts		-	-
Lease liabilities	16	541,971	553,661
Subordinated debt		-	-
Deferred tax liabilities	17	247,317	209,711
Other liabilities	18	1,960,461	1,821,838
Total Liabilities		39,780,945	43,438,877
NET ASSETS		30,676,100	30,181,044
REPRESENTED BY			
Share capital		19,365,000	19,365,000
Reserves		3,375,732	3,268,421
(Deficit) on revaluation of assets		(3,467)	38,035
Unappropriated profit		7,938,835	7,509,588
		30,676,100	30,181,044

CONTINGENCIES AND COMMITMENTS

19





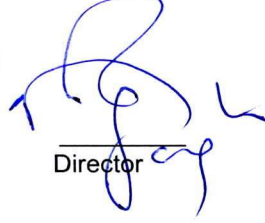
The annexed notes 1 to 34 form an integral part of these financial statements.

 _____ President/Chief Executive	 _____ Chief Financial Officer	 _____ Director	 _____ Director	 _____ Director
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HOUSE BUILDING FINANCE COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2025

	Note	Quarter Ended	
		March 31,	March 31,
		2025	2024
		Rupees in '000	
Mark-up / Return / Interest earned	20	2,322,137	2,448,090
Mark-up / Return / Interest expensed	21	(1,132,300)	(1,140,743)
Net mark-up / interest income		1,189,837	1,307,347
NON MARK-UP / INTEREST INCOME			
Fee and commission income		-	-
Dividend income		1,502	-
Foreign exchange income / (loss)		-	-
Income / (Loss) from derivatives		-	-
Gain / (Loss) on securities	22	3,123	-
Other income/ (loss)	23	27,096	27,073
Total non-markup / interest income / (loss)		31,721	27,073
Total income / (loss)		1,221,558	1,334,420
NON MARK-UP/INTEREST EXPENSES			
Operating expenses	24	(373,904)	(348,568)
Workers welfare fund		(18,979)	(22,906)
Other charges		-	-
Total non-markup / interest expenses		(392,883)	(371,474)
Profit / (Loss) before credit loss allowance		828,675	962,946
Credit loss allowance and write offs - net	25	99,709	152,505
Relief package & reprocessing adjustment		1,619	6,929
PROFIT/(LOSS) BEFORE TAXATION		930,003	1,122,380
Taxation	26	(393,445)	(488,427)
PROFIT/(LOSS) AFTER TAXATION		536,558	633,953
Rupees			
Basic earnings / (loss) per share	27	0.28	0.33
Diluted earnings / (loss) per share	28	0.28	0.33





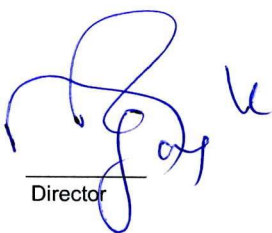
The annexed notes 1 to 34 form an integral part of these financial statements.

 _____ President/Chief Executive	 _____ Chief Financial Officer	 _____ Director	 _____ Director	 _____ Director
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HOUSE BUILDING FINANCE COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2025

	<u>Quarter Ended</u>	
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	<u>------(Rupees in '000)-----</u>	
Profit/ (Loss) after taxation for the period	536,558	633,953
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	(41,502)	(8,149)
Items that will not be reclassified to profit and loss account in subsequent periods:		
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	-	1,288
Total comprehensive income	<u><u>495,056</u></u>	<u><u>627,092</u></u>

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

 _____ President/Chief Executive	 _____ Chief Financial Officer	 _____ Director	 _____ Director	 _____ Director
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HOUSE BUILDING FINANCE COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2025

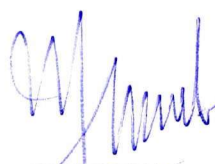
	Share capital	Statutory reserve	Surplus/ (Deficit) on revaluation of	Unappropriated profit	Total
	Rupees in '000				
Opening Balance as at January 1, 2024	19,365,000	2,817,774	(116,546)	4,573,655	26,639,883
Effect of adoption of IFRS 9 - Expected Credit Loss (net of tax)	-	-	-	(8,976)	(8,976)
Profit after taxation for three months ended March 31, 2024	-	-	-	633,953	633,953
Other comprehensive income - net of tax	-	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	(8,149)	-	(8,149)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	1,288	-	1,288
Total other comprehensive income - net of tax for three months	-	-	(6,861)	-	(6,861)
Transfer to statutory reserve	-	126,791	-	(126,791)	-
Balance as at March 31, 2024	19,365,000	2,944,565	(123,407)	5,071,841	27,257,999
Profit after taxation for nine months ended December 31, 2024	-	-	-	1,619,280	1,619,280
Other comprehensive income - net of tax	-	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	181,880	-	181,880
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	(20,438)	-	(20,438)
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	1,142,323	1,142,323
Total other comprehensive income - net of tax for nine months	-	-	161,442	1,142,323	1,303,765
Transfer to statutory reserve	-	323,856	-	(323,856)	-
Balance as at December 31, 2024 (Audited)	19,365,000	3,268,421	38,035	7,509,588	30,181,044
Profit / (loss) after taxation for the current period	-	-	-	536,558	536,558
Other comprehensive income - net of tax	-	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	(41,502)	-	(41,502)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	(41,502)	-	(41,502)
Transfer to statutory reserve	-	107,312	-	(107,312)	-
Closing Balance as at March 31, 2024	19,365,000	3,375,732	(3,467)	7,938,835	30,676,100

Statutory reserve represents reserve created under BPD circular No. 15 of 2004 which requires the Company to credit to its reserve an amount not less than 20% of its after tax profit till such time the reserve equals the amount of paid-up capital. Thereafter, a sum not less than 5% of its after tax profit shall be credited to the said reserve.

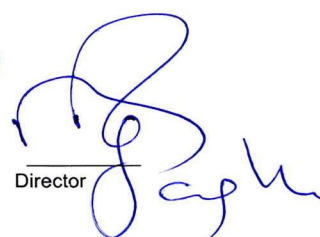
The annexed notes 1 to 34 form an integral part of these financial statements.


President/Chief Executive


Chief Financial Officer


Director


Director


Director

HOUSE BUILDING FINANCE COMPANY LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2025

Note **March 31, 2025** March 31, 2024
Rupees in '000

CASH FLOW FROM OPERATING ACTIVITIES

Profit before taxation	930,003	1,122,380
Less: Dividend income	(1,502)	-
	<u>928,501</u>	<u>1,122,380</u>
Adjustments:		
Net mark-up / interest income	(1,189,837)	(1,307,347)
Depreciation	12,623	13,768
Depreciation on right-of-use assets	19,317	16,049
Amortization	2,805	1,081
Credit loss allowance and write offs	(99,709)	(152,505)
Loss/ (Gain) on sale/disposal of property and equipment	(1)	(167)
Reprocessing & closing adjustments	(1,619)	(6,929)
Finance charge on leased assets	13,631	10,994
Provision for WWF	18,979	22,906
	<u>(1,223,811)</u>	<u>(1,402,150)</u>
	<u>(295,310)</u>	<u>(279,770)</u>
(Increase)/ Decrease in operating assets		
Lendings to financial institutions	-	-
Advances	288,157	519,210
Others assets (excluding advance taxation)	(188,232)	(102,152)
	<u>99,925</u>	<u>417,058</u>
Increase/ (Decrease) in operating liabilities		
Borrowings from financial institutions	(3,822,471)	(5,436,727)
Other liabilities (excluding current taxation)	118,630	10,018
	<u>(3,703,841)</u>	<u>(5,426,709)</u>
Mark-up / Interest received	1,594,594	2,837,628
Mark-up / Interest paid	(1,098,676)	(1,203,182)
Income tax paid	(161,005)	(282,813)
Net cash flow from / (used in) operating activities	<u>(3,564,313)</u>	<u>(3,937,788)</u>

CASH FLOW FROM INVESTING ACTIVITIES

Net Investments in securities classified as FVOCI	3,725,939	3,979,144
Investments in property and equipment	(1,270)	(3,247)
Disposal of property and equipment	1	167
Net cash flow from / (used in) investing activities	<u>3,724,670</u>	<u>3,976,064</u>

CASH FLOW FROM FINANCING ACTIVITIES

Payments of lease obligations against right-of-use assets	(25,321)	(13,489)
Net cash flow from / (used in) financing activities	<u>(25,321)</u>	<u>(13,489)</u>
Increase/(Decrease) in cash and cash equivalents	<u>135,036</u>	<u>24,787</u>
Cash and cash equivalents at beginning of the year	124,123	102,767
Cash and cash equivalents at end of the year	<u>259,159</u>	<u>127,554</u>

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


President/Chief Executive


Chief Financial Officer


Director


Director


Director

HOUSE BUILDING FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2025

1. STATUS AND NATURE OF BUSINESS

House Building Finance Company Limited (the Company) is an unlisted public limited company incorporated in Pakistan on 13 June 2006 under the Companies Ordinance, 1984 (now the Companies Act 2017). The registered office of the Company is situated at Finance and Trade Centre Building, Sharah-e-Faisal, Karachi, in the province of Sindh. Pursuant to SRO.II/2007 dated 25 July 2007 issued by Finance Division - Government of Pakistan (GoP) effective from 1 January 2007, the Company took over all assets, running business, contracts, liabilities and proceedings of the House Building Finance Corporation established in 1952 under the House Building Finance Corporation Act, 1952 (XVIII of 1952) by the GoP from closing of the business on 31 December 2006. As a result in 2010, the name was also changed from House Building Finance Corporation Limited to House Building Finance Company Limited.

The Company is designated as a financial institution by the Federal Government and is providing financing facilities for the purchase & construction of houses/apartments including balance transfer facility (BTF) through a network of 51 branches and 3 regional offices throughout Pakistan including Azad Jammu & Kashmir and Gilgit Baltistan. According to credit rating report dated 04 June 2024 of VIS Credit Rating Company Limited, the long term and short term ratings of the Company are "AAA" and "A-1+" respectively.

Presently, the Company is on active privatisation list in the current privatisation program of the GoP. Invitation for expression of interest was published by the Privatisation Commission, Ministry of Privatisation on 26 December 2021. It is expected that transaction will be concluded by June 2025.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the provisions of and directives issued under the Banking Companies Ordinance (BCO), 1962, the Companies Act, 2017 and directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP). Whenever the requirements of the BCO, 1962, Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IFRS or IFAS, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

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

2.3 The condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the year ended December 31, 2024.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant 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 Company for the year ended December 31, 2024.

3.1 Amendments to approved accounting standards that are effective in the current period

There are certain amendments to existing accounting and reporting standards that have become applicable to the company for accounting periods beginning on or after January 01, 2025. These are either considered to not be relevant or do not have any significant impact and accordingly, have not been detailed in these condensed interim financial statements.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

The basis for accounting estimates adopted in the preparation of this condensed interim financial information is the same as that applied in the preparation of the financial statements for the year ended December 31, 2024.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the institution are consistent with those disclosed in the financial statements for the year ended December 31, 2024.

6 CASH AND BALANCES WITH TREASURY BANKS

	March 31, 2025	Audited December 31, 2024
	Rupees in '000	
With State Bank of Pakistan in Local currency current account	32,983	28,565
With National Bank of Pakistan in Local currency current accounts	21	31
Cash and balances with treasury banks - net of credit loss allowance	33,004	28,596

7 BALANCES WITH OTHER BANKS

In Pakistan In deposit accounts	226,677	96,049
Less: Credit loss allowance held against balances with other banks	(522)	(522)
Balances with other banks - net of credit loss allowance	226,155	95,527

		Audited	
		March 31, 2025	December 31, 2024
		Rupees in '000	
8	LENDINGS TO FINANCIAL INSTITUTIONS		
	Letters of placement		
	- Trust Investment Bank Limited (TIBL)	5,909	5,909
	- First Dawood Investment Bank Limited (FDIBL)	49,774	49,774
		55,683	55,683
	Less: Credit loss allowance held against lending to financial institutions	(55,683)	(55,683)
	Lendings to financial institutions - net of credit loss allowance	-	-

8.1 Lending to FIs- Particulars of credit loss allowance		March 31, 2025		December 31, 2024	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
		Rupees in '000			
Domestic					
Non-performing - loss	Stage 3	55,683	55,683	55,683	55,683

9 INVESTMENTS		March 31, 2025				December 31, 2024			
9.1 Investments by type:		Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
		Rupees in '000							
Debt Instruments									
At amortised cost									
Non-Government debt securities		26,240	(26,240)	-	-	26,240	(26,240)	-	-
At FVOCI									
Federal Government securities		49,538,396	-	41,493	49,579,889	53,264,335	-	61,925	53,326,260
		49,564,636	(26,240)	41,493	49,579,889	53,290,575	(26,240)	61,925	53,326,260
Equity Instruments									
At FVOCI									
Shares		63,785	(500)	-	63,285	63,785	(500)	-	63,285
Total Investments		49,628,421	(26,740)	41,493	49,643,174	53,354,360	(26,740)	61,925	53,389,545

9.1.1 Investments given as collateral		March 31, 2025	December 31, 2024
		Rupees in '000	
Market Treasury Bills		5,000,000	6,700,000
Pakistan Investment Bonds		33,322,000	33,682,000
		38,322,000	40,382,000

9.2 Particulars of credit loss allowance against debt securities		March 31, 2025		December 31, 2024	
		Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
		Rupees in '000			
Domestic					
Non-performing - loss	Stage 3	26,240	26,240	26,240	26,240

10 ADVANCES		Performing		Non Performing		Total	
		March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
		Rupees in '000					
Customer advances							
Rental Sharing Scheme		-	-	1,059,573	1,059,705	1,059,573	1,059,705
Ghar Aasan Scheme		166,391	147,347	536,677	578,379	703,068	725,726
Ghar Aasan Flexi Scheme		3,463,977	3,448,091	793,745	784,108	4,257,722	4,232,199
Ghar Pakistan Scheme		1,634,003	1,715,228	41,447	42,883	1,675,450	1,758,111
Ghar Pakistan Plus Scheme		995,326	1,050,094	9,869	9,920	1,005,195	1,060,014
Mera Pakistan Mera Ghar		5,406,690	5,557,550	-	-	5,406,690	5,557,550
Other Schemes		96,784	95,176	140,492	146,239	237,276	241,415
		11,763,171	12,013,486	2,577,803	2,621,234	14,340,974	14,634,720
Employee advances		839,316	832,108	5,569	5,569	844,885	837,677
Advances - gross		12,602,487	12,845,594	2,583,372	2,626,803	15,185,859	15,472,397
Credit loss allowance against advances							
-Stage 1		34,639	35,416	-	-	34,639	35,416
-Stage 2		103,731	181,127	-	-	103,731	181,127
-Stage 3		-	-	2,583,372	2,604,910	2,583,372	2,604,910
		138,370	216,543	2,583,372	2,604,910	2,721,742	2,821,453
Advances - net of credit loss allowance		12,464,117	12,629,051	-	21,893	12,464,117	12,650,944

		March 31, 2025	Audited December 31, 2024
		Rupees in '000	
10.1	Advances to Women In local currency	56,035	116,349
		56,035	116,349

	March 31, 2025				Audited December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000				Rupees in '000			
Opening balance	12,246,000	599,594	2,626,803	15,472,397	14,007,585	411,413	2,678,257	17,097,255
New Advances	266,594	-	-	266,594	726,488	-	-	726,488
Advances derecognised or repaid	(434,404)	(56,527)	(62,200)	(553,132)	(2,114,419)	(81,228)	(155,699)	(2,351,346)
Transfer to stage 1	109,444	(109,444)	-	-	117,977	(104,726)	(13,251)	-
Transfer to stage 2	(13,244)	34,946	(21,702)	-	(440,572)	475,111	(34,539)	-
Transfer to stage 3	(138)	(40,333)	40,471	-	(51,059)	(100,976)	152,035	-
	(71,748)	(171,358)	(43,431)	(286,538)	(1,761,585)	188,181	(51,454)	(1,624,858)
Closing balance	12,174,252	428,236	2,583,372	15,185,859	12,246,000	599,594	2,626,803	15,472,397

	March 31, 2025				Audited December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000				Rupees in '000			
Opening balance	35,416	181,127	2,604,910	2,821,453	30,748	123,692	2,678,399	2,832,839
Additional charge	1,345	-	-	1,345	9,777	101,033	-	110,810
Reversal	(27,094)	(39,420)	(34,541)	(101,056)	(43,174)	(9,359)	(69,663)	(122,196)
Transfer to stage 1	25,765	(25,765)	-	-	47,346	(34,095)	(13,251)	-
Transfer to stage 2	(792)	14,511	(13,719)	-	(7,512)	42,052	(34,540)	-
Transfer to stage 3	-	(26,722)	26,722	-	(1,769)	(42,196)	43,965	-
	(777)	(77,396)	(21,538)	(99,711)	4,668	57,435	(73,489)	(11,386)
Closing balance	34,639	103,731	2,583,372	2,721,742	35,416	181,127	2,604,910	2,821,453

		March 31, 2025		Audited December 31, 2024	
		Non performing loans	Credit loss allowance	Non performing loans	Credit loss allowance
		Rupees in '000			
Performing	Stage 1	12,174,252	34,639	12,245,999	35,416
Under performing	Stage 2	428,236	103,731	599,595	181,127
Non-performing					
OAEM	Stage 3	49,797	49,797	65,729	43,836
Substandard	Stage 3	78,296	78,296	76,353	76,353
Doubtful	Stage 3	150,234	150,234	142,657	142,657
Loss	Stage 3	2,305,045	2,305,045	2,342,064	2,342,064
		2,583,372	2,583,372	2,626,803	2,604,910
Total		15,185,860	2,721,742	15,472,397	2,821,453

	March 31, 2025				Audited December 31, 2023			
	Stage 3	Stage 2	Stage 1	Total	Stage 3	Stage 2	Stage 1	Total
	Rupees in '000				Rupees in '000			
Opening balance	2,604,910	181,127	35,416	2,821,453	2,678,399	123,692	30,748	2,832,839
Charge for the period / year	26,722	14,511	27,110	68,343	43,965	143,085	57,123	244,173
Reversals	(48,260)	(91,907)	(27,887)	(168,054)	(117,454)	(85,650)	(52,455)	(255,559)
	(21,538)	(77,396)	(777)	(99,711)	(73,489)	57,435	4,668	(11,386)
Amounts written off								
Closing balance	2,583,372	103,731	34,639	2,721,742	2,604,910	181,127	35,416	2,821,453

	March 31, 2025	December 31, 2024
	Rupees in '000	
11	PROPERTY AND EQUIPMENT	
Capital work-in-progress	-	-
Property and equipment	268,062	279,415
	268,062	279,415

12 RIGHT-OF-USE ASSETS

Recognized value of right-of-use assets
Accumulated Depreciation
Net Carrying amount

March 31, 2025		December 31, 2024	
Rupees in '000			
Buildings	Total	Buildings	Total
704,423	704,423	704,423	704,423
(237,647)	(237,647)	(218,330)	(218,330)
466,776	466,776	486,093	486,093
<hr/>			
486,093	486,093	285,380	285,380
-	-	266,439	266,439
		-	-
(19,317)	(19,317)	(65,726)	(65,726)
466,776	466,776	486,093	486,093

13 INTENGIBLE ASSETS

Computer software

March 31, 2025	December 31, 2024
Rupees in '000	
47,442	50,247
47,442	50,247

14 OTHER ASSETS

Income / Mark-up accrued in local currency
- Advances
- Investments

March 31, 2025	December 31, 2024
Rupees in '000	

528,281	564,339
1,881,429	1,117,828
2,409,710	1,682,167

Receivable from Pension Fund
Advances, deposits, advance rent and other prepayments
Advance taxation
Advance for purchase of land - housing projects

4,673,298	4,555,796
100,188	98,589
125,119	303,002
53,815	53,815

Less: Credit loss allowance held against other assets
Other Assets (Net of credit loss allowance)

7,362,130	6,693,369
(53,815)	(53,815)
7,308,315	6,639,554

15 BORROWINGS

Secured
Pakistan Mortgage Refinance Company Limited
Repurchase agreement borrowings
Refinance from State Bank of Pakistan

March 31, 2025	December 31, 2024
Rupees in '000	

1,602,365	1,631,635
35,348,404	39,137,442
80,427	84,590

37,031,196	40,853,667
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16 LEASE LIABILITIES

Outstanding amount at the start of the year
Additions during the year
Lease payments including interest
Interest expense
Payments
Outstanding amount at the end of the year

March 31, 2025	December 31, 2024
Rupees in '000	

553,661	320,422
-	-
-	266,439
13,631	67,097
(25,321)	(100,297)
541,971	553,661

16.1 Liabilities Outstanding

Not later than one year
Later than one year and upto five years
Over five years
Total at the year end

36,003	32,111
314,325	310,495
191,643	211,055
541,971	553,661

17 DEFERRED TAX LIABILITY / (ASSET)

Deductible temporary differences on
- Credit loss allowance against advances
- Credit loss allowance against lending to financial institutions
- Credit loss allowance against investments
- Credit loss allowance against other assets

March 31, 2025	December 31, 2024
Rupees in '000	

(789,305)	(818,221)
(16,148)	(16,148)
(7,755)	(7,755)
(15,606)	(15,606)
(828,814)	(857,730)

Taxable temporary differences on
- Post retirement employee benefits
- Deficit on revaluation of investments
- Accelerated tax depreciation

1,054,937	1,023,792
12,033	28,984
9,161	14,665
1,076,131	1,067,441
247,317	209,711

18 OTHER LIABILITIES		March 31, 2025	December 31, 2024
		Rupees in '000	
Mark-up/ Return/ Interest payable in local currency		160,492	140,499
Accrued expenses		247,351	192,598
Advance payments from customers		190,693	202,464
Payable to defined benefit plan		1,035,582	1,025,478
Insurance premium payable		76,058	75,154
Workers welfare fund		168,031	149,052
Others		82,254	36,593
		<u>1,960,461</u>	<u>1,821,838</u>
19 CONTINGENCIES AND COMMITMENTS			
-Commitments	19.1	492,397	475,352
-Other contingent liabilities	19.2	58,993	58,993
		<u>551,390</u>	<u>534,345</u>
19.1 Commitments:			
Loans sanctioned but not disbursed		113,801	96,756
Commitments for acquisition of:			
- Property and equipment		149,725	149,725
- Intangible assets		25,796	25,796
Equity investment in Pakistan Mortgage Refinance Company Limited		193,325	193,325
Other commitments		9,750	9,750
		<u>492,397</u>	<u>475,352</u>
19.1.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the company without the risk of incurring significant expense.			
19.2 Other contingent liabilities		19.2.1	58,993
19.2.1 These represent claims not acknowledged as debt from SMS Courier (Pvt) Limited amounting to PKR 39.9 million, Liaquat National Hospital amounting to PKR 8.1 million and National Testing Services (NTS) amounting to PKR 11.0 million. Legal advisor of the institution is of the opinion that no economic outflow is expected in these respect.			58,993

	March 31, 2025	March 31, 2024
20 MARK-UP / RETURN / INTEREST EARNED	Rupees in '000	
Loans and advances	671,248	831,770
Investments	1,638,117	1,606,356
Lending to financial institutions	11,400	5,817
Balances with banks	1,372	4,147
	<u>2,322,137</u>	<u>2,448,090</u>
21 MARK-UP / RETURN / INTEREST EXPENSED		
Borrowings	42,275	45,631
Repurchase agreements	1,076,277	1,084,118
Clean / call	117	-
Finance lease charge	13,631	10,994
	<u>1,132,300</u>	<u>1,140,743</u>
22 GAIN / (LOSS) ON SECURITIES		
Realised	3,123	-
	<u>3,123</u>	<u>-</u>
23 OTHER INCOME		
Rent on property	15,015	13,696
Gain on sale of property and equipment - net	1	167
Inspection and application fee	878	666
Storage documentation	1,758	1,613
Early termination charges and penalty income on conventional schemes	9,444	9,633
Miscellaneous Income	-	1,298
	<u>27,096</u>	<u>27,073</u>
24 OPERATING EXPENSES		
Total compensation expense	234,617	231,510
Property expense		
Rent & taxes	647	45
Insurance	734	936
Utilities cost	6,751	7,023
Security (including guards)	3,610	2,194
Repair & maintenance (including janitorial charges)	35,335	13,464
Depreciation	3,762	3,823
Depreciation on right-of-use assets	19,317	16,049
	<u>70,156</u>	<u>43,534</u>
Information technology expenses		
Hardware maintenance	9,159	9,770
Depreciation	2,849	3,631
Amortization	2,805	1,081
Network charges	152	578
	<u>14,965</u>	<u>15,060</u>
Other operating expenses		
Directors' fees and allowances	3,696	1,000
Legal & professional charges	1,247	4,621
Consultancy charges	1,908	4,178
Outsourced services costs	15,150	16,101
Travelling & conveyance	4,119	2,760
Depreciation	6,012	6,314
Training & development	417	-
Postage & courier charges	896	1,679
Communication	1,029	1,241
Stationery & printing	1,278	1,306
Marketing, advertisement & publicity	1,665	4,101
Commission against recovery	-	1,209
Auditors remuneration	1,233	975
Banking service charges	1,442	2,251
Entertainment	554	863
Vehicle expense	7,497	5,913
Subscription	2,023	1,837
Others	4,000	2,115
	<u>54,166</u>	<u>58,464</u>
	<u>373,904</u>	<u>348,568</u>

		March 31, 2025	March 31, 2024
25 CREDIT LOSS ALLOWANCE & WRITE OFFS - NET		Rupees in '000	
Credit loss allowance / (Reversal) against loans & advances	10.3.1	(99,709)	(152,505)
		<u>(99,709)</u>	<u>(152,505)</u>
26 TAXATION			
Current		338,888	408,106
Deferred		54,557	80,321
		<u>393,445</u>	<u>488,427</u>
27 BASIC EARNINGS/ (LOSS) PER SHARE		March 31, 2025 March 31, 2024	
		Rupees	
Profit for the period		536,558	633,953
Weighted average number of ordinary shares		1,936,500,000	1,936,500,000
Basic earnings per share		<u>0.28</u>	<u>0.33</u>
28 DILUTED EARNINGS/ (LOSS) PER SHARE		Rupees	
Profit for the period		536,558	633,953
Weighted average number of ordinary shares (adjusted for the effects of all dilutive potential ordinary shares)		1,936,500,000	1,936,500,000
Diluted earnings per share		<u>0.28</u>	<u>0.33</u>

29 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified under held to collect model, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortized cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of the break-up value of these investments as per their latest

29.1 Fair value of financial assets

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

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

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:

	March 31, 2025			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	49,579,889	-	49,579,889
Shares	-	-	-	-
Financial assets - disclosed but not measured at fair value				
Shares	-	-	63,285	63,285

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal Government securities	-	53,326,260	-	53,326,260
Shares		-	-	-
Financial assets - disclosed but not measured at fair value				
Shares	-	-	63,285	63,285

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

Item	Valuation approach and input used
Federal Government securities	The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP) i.e. PKRV rates.

30 RELATED PARTY TRANSACTIONS

Related parties comprise of associates, directors and key management personnel of the Company. There were no transactions with the key management personnel other than those under the terms of their employment. Key management personnel includes Chief Executive Officer, Group Head Internal Auditor, Group Head Treasury, Chief Financial Officer, Company Secretary, Group Head Compliance, Group Head Risk Management, Group Head Human Resource, Group Head Recovery and Chief Information Officer. Details of transactions with the related parties other than those which have been disclosed elsewhere in these financial statements, are as follows:

	March 31, 2025	December 31, 2024
	Rupees in '000	
Advances		
Opening balance	42,468	54,406
Addition including markup during the period / year	307	4,517
Repaid during the period / year	(12,593)	(17,738)
Transfer in / (out) - net	-	1,283
Closing balance	30,182	42,468
Income		
Mark-up / return / interest earned	307	2,533

March 31, 2025 December 31, 2024
Rupees in '000

31 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)	19,365,000	19,365,000
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital	28,026,526	27,586,236
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	28,026,526	27,586,236
Eligible Tier 2 Capital	98,077	138,780
Total Eligible Capital (Tier 1 + Tier 2)	28,124,603	27,725,016

Risk Weighted Assets (RWAs):

Credit risk	7,846,180	7,390,858
Market risk	764,774	1,519,074
Operational risk	15,306,953	15,306,953
Total	23,917,907	24,216,885

Common Equity Tier 1 Capital Adequacy Ratio

117.18%	113.91%
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Tier 1 Capital Adequacy Ratio

117.18%	113.91%
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Total Capital Adequacy Ratio

117.59%	114.49%
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Leverage Ratio (LR):

Eligible Tier-1 Capital	28,026,526	27,586,236
Total Exposure	66,228,702	74,083,048
Leverage Ratio	42.32%	37.24%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	14,264,489	14,217,000
Total Net Cash Outflow	1,463	1,252
Liquidity Coverage Ratio	975016%	1135543%

Net Stable Funding Ratio (NSFR):

Total available stable funding	48,987,000	50,032,000
Total required stable funding	16,425,000	16,574,000
Net Stable Funding Ratio	298%	302%

32 RECLASSIFICATION OF COMPARATIVE FIGURES & RESTATEMENT

Comparative figures have been reclassified and re-arranged where necessary for the purpose of better presentation.

33 DATE OF AUTHORISATION FOR ISSUE

These financial statements were approved and authorized for issue on APRIL 29, 2025 by the Board of Directors of the institution.

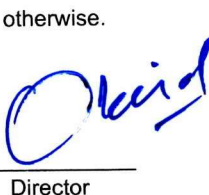
34 GENERAL

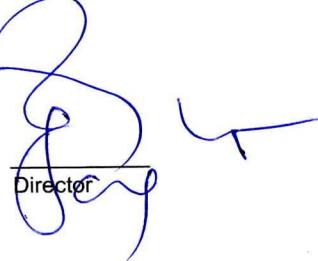
Figures have been rounded-off to the nearest thousand rupees except stated otherwise.


President/Chief Executive


Chief Financial Officer


Director


Director


Director