

HOUSE BUILDING FINANCE COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2026

		(Unaudited)	(Audited)
	Note	March 31, 2026	December 31, 2025
		Rupees in '000	
ASSETS			
Cash and balances with treasury banks	6	40,398	67,076
Balances with other banks	7	116,271	360,178
Lendings to financial institutions	8	180,089	-
Investments	9	19,834,114	19,975,997
Advances	10	12,068,496	12,002,158
Property and equipment	11	251,989	244,848
Right-of-use assets	12	361,849	378,514
Intangible assets	13	38,205	41,208
Deferred tax assets		-	-
Other assets	14	7,904,687	7,266,535
Total Assets		40,796,098	40,336,514
LIABILITIES			
Bills payable		-	-
Borrowings	15	5,088,860	4,828,306
Deposits and other accounts		-	-
Lease liabilities	16	472,658	482,096
Subordinated debt		-	-
Deferred tax liabilities	17	826,588	830,893
Other liabilities	18	1,784,765	1,767,487
Total Liabilities		8,172,871	7,908,782
NET ASSETS		32,623,227	32,427,732
REPRESENTED BY			
Share capital		19,365,000	19,365,000
Reserves		3,708,868	3,627,523
(Deficit) on revaluation of assets		16,660	227,888
Unappropriated profit		9,532,699	9,207,321
		32,623,227	32,427,732

CONTINGENCIES AND COMMITMENTS

19

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



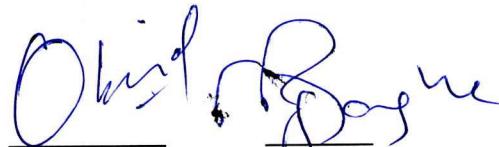
President/Chief Executive



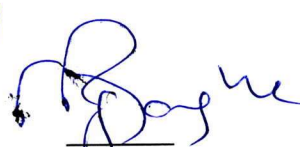
Chief Financial Officer



Director



Director








Director

HOUSE BUILDING FINANCE COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2025

	Note	Quarter Ended	
		March 31, 2026	March 31, 2025
		Rupees in '000	
Mark-up / Return / Interest earned	20	1,076,815	2,322,137
Mark-up / Return / Interest expensed	21	(139,423)	(1,132,300)
Net mark-up / interest income		937,392	1,189,837
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	28,718	27,096
Total non-markup / interest income / (loss)		28,718	31,721
Total income / (loss)		966,110	1,221,558
NON MARK-UP/INTEREST EXPENSES			
Operating expenses	24	(394,814)	(373,904)
Workers welfare fund		(12,209)	(18,979)
Other charges		-	-
Total non-markup / interest expenses		(407,023)	(392,883)
Profit / (Loss) before credit loss allowance		559,087	828,675
Credit loss allowance and write offs - net	25	35,822	99,709
Relief package & reprocessing adjustment		3,354	1,619
PROFIT/(LOSS) BEFORE TAXATION		598,263	930,003
Taxation	26	(191,540)	(393,445)
PROFIT/(LOSS) AFTER TAXATION		406,723	536,558
		Rupees	Rupees
Basic earnings / (loss) per share	27	0.21	0.28
Diluted earnings / (loss) per share	28	0.21	0.28



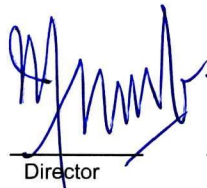
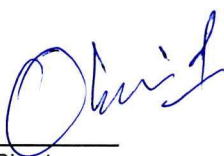
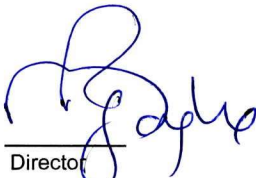
The annexed notes 1 to 34 form an integral part of these financial statements.

				
_____ President/Chief Executive	_____ Chief Financial Officer	_____ Director	_____ Director	_____ Director

HOUSE BUILDING FINANCE COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2025

	<u>Quarter Ended</u>	
	March 31, 2026	March 31, 2025
	------(Rupees in '000)-----	
Profit/ (Loss) after taxation for the period	406,723	536,558
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	(211,228)	(41,502)
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	-	-
Total comprehensive income	<u><u>195,495</u></u>	<u><u>495,056</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

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, 2025	19,365,000	3,268,420	38,035	7,509,588	30,181,043
Profit after taxation for three months ended March 31, 2025	-	-	-	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 for three months	-	-	(41,502)	-	(41,502)
Transfer to statutory reserve	-	107,312	-	(107,312)	-
Balance as at March 31, 2025	19,365,000	3,375,732	(3,467)	7,938,834	30,676,099
Profit after taxation for nine months ended December 31, 2025	-	-	-	1,258,958	1,258,958
Other comprehensive income - net of tax					
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	231,355	-	231,355
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	261,320	261,320
Total other comprehensive income - net of tax for nine months	-	-	231,355	261,320	492,675
Transfer to statutory reserve	-	251,792	-	(251,792)	-
Balance as at December 31, 2025 (Audited)	19,365,000	3,627,523	227,888	9,207,321	32,427,732
Profit / (loss) after taxation for the current period	-	-	-	406,723	406,723
Other comprehensive income - net of tax					
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	(211,228)	-	(211,228)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-
Total other comprehensive income - net of tax	-	-	(211,228)	-	(211,228)
Transfer to statutory reserve	-	81,345	-	(81,345)	-
Closing Balance as at March 31, 2026	19,365,000	3,708,868	16,660	9,532,699	32,623,227

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, 2026

Note **March 31, 2026** **March 31, 2025**
Rupees in '000

CASH FLOW FROM OPERATING ACTIVITIES

Profit before taxation	598,263	930,003
Less: Dividend income	-	(1,502)
	<u>598,263</u>	<u>928,501</u>
Adjustments:		
Net mark-up / interest income	(937,392)	(1,189,837)
Depreciation	12,117	12,623
Depreciation on right-of-use assets	16,664	19,317
Amortization	3,003	2,805
Credit loss allowance and write offs	(35,822)	(99,709)
Loss/ (Gain) on sale/disposal of property and equipment	(18)	(1)
Reprocessing & closing adjustments	(3,354)	(1,619)
Finance charge on leased assets	18,168	13,631
Provision for WWF	12,209	18,979
	<u>(914,425)</u>	<u>(1,223,811)</u>
	(316,162)	(295,310)
(Increase)/ Decrease in operating assets		
Lendings to financial institutions	(180,089)	-
Advances	(36,953)	288,157
Others assets (excluding advance taxation)	(204,010)	(188,232)
	(421,052)	99,925
Increase/ (Decrease) in operating liabilities		
Borrowings from financial institutions	260,554	(3,822,471)
Other liabilities (excluding current taxation)	18,261	118,630
	278,815	(3,703,841)
Mark-up / Interest received	423,974	1,594,594
Mark-up / Interest paid	(122,238)	(1,098,676)
Income tax paid	(31,409)	(161,005)
Net cash flow from / (used in) operating activities	<u>(188,072)</u>	<u>(3,564,313)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net Investments in securities classified as FVOCI	(35,667)	3,725,939
Investments in property and equipment	(19,258)	(1,270)
Disposal of property and equipment	18	1
Net cash flow from / (used in) investing activities	<u>(54,907)</u>	<u>3,724,670</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payments of lease obligations against right-of-use assets	(27,606)	(25,321)
Net cash flow from / (used in) financing activities	<u>(27,606)</u>	<u>(25,321)</u>
Increase/(Decrease) in cash and cash equivalents	(270,585)	135,036
Cash and cash equivalents at beginning of the year	427,254	124,123
Cash and cash equivalents at end of the year	<u>156,669</u>	<u>259,159</u>

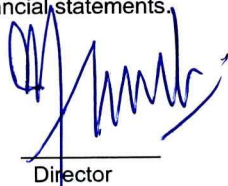
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 President/Chief Executive




 Chief Financial Officer



 Director



 Director



 Director

HOUSE BUILDING FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2026

1. STATUS AND NATURE OF BUSINESS

House Building Finance Company Limited (the Company) is an unlisted public limited company incorporated in Pakistan on June, 13 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.I/2007 dated July 25, 2007 issued by Finance Division - Government of Pakistan (GoP) effective from January 1, 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 December 31, 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 27 June 2025 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 the active privatisation list in the current privatisation program of the GoP. Subsequent to the year end, the Cabinet Committee on Privatisation (CCoP) has endorsed the Privatisation Commission's decision to proceed with the second cycle of privatisation of the House Building Finance Company (HBFC), after receiving the single bid from Pakistan Mortgage Refinancing Company, which was significantly below the referenced price.

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, State-Owned Enterprises (Governance and Operations) Act, 2023 (the SOE Act) and the State-Owned Enterprises Ownership and Management Policy, 2023 (the SOE Policy) and the directives issued thereunder and directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP). In case requirements of the SOE Act or the SOE Policy or the directives issued thereunder differ from the Companies Act, 2017, the provisions of the SOE Act or the SOE Policy or the directives issued thereunder shall prevail. Further, where the requirements of the SOE Act and the SOE Policy or the directives issued there under differ from the IFRS Accounting Standards, the provisions of the SOE Act or the SOE Policy or the directives issued thereunder shall prevail to the extent of such difference

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, 2025.

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, 2025.

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, 2026. 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, 2025.

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, 2025.

6 CASH AND BALANCES WITH TREASURY BANKS

	March 31, 2026	Audited December 31, 2025
	Rupees in '000	
With State Bank of Pakistan in Local currency current account	40,388	67,066
With National Bank of Pakistan in Local currency current accounts	10	10
Cash and balances with treasury banks - net of credit loss allowance	<u>40,398</u>	<u>67,076</u>

7 BALANCES WITH OTHER BANKS

In Pakistan In deposit accounts	116,342	360,249
Less: Credit loss allowance held against balances with other banks	(71)	(71)
Balances with other banks - net of credit loss allowance	<u>116,271</u>	<u>360,178</u>

		March 31, 2026	Audited December 31, 2025
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
		235,772	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	180,089	-

		March 31, 2026		December 31, 2025	
		Lending	Credit loss allowance held	Lending	Credit loss allowance held
Rupees in '000					
8.1	Lending to Fis- Particulars of credit loss allowance				
	Domestic				
	Non-performing - loss	Stage 3	55,683	55,683	55,683

		March 31, 2026				December 31, 2025			
		Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
Rupees in '000									
9	INVESTMENTS								
9.1	Investments by type:								
	Debt instruments								
	At amortised cost								
	Non-Government debt securities	26,240	(26,240)	-	-	26,240	(26,240)	-	-
	At FVOCI								
	Federal Government securities	19,575,220	-	132,370	19,707,590	19,539,553	-	309,920	19,849,473
		19,601,460	(26,240)	132,370	19,707,590	19,565,793	(26,240)	309,920	19,849,473
	Equity instruments								
	At FVOCI								
	Shares	63,785	(500)	63,239	126,524	63,785	(500)	63,239	126,524
	Total Investments	19,665,245	(26,740)	195,609	19,834,114	19,629,578	(26,740)	373,159	19,975,997

		March 31, 2026	December 31, 2025
Rupees in '000			
9.1.1	Investments given as collateral		
	Market Treasury Bills	-	-
	Pakistan Investment Bonds	20,022,000	20,022,000
		20,022,000	20,022,000

		March 31, 2026		December 31, 2025	
		Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
Rupees in '000					
9.2	Particulars of credit loss allowance against debt securities				
	Domestic				
	Non-performing - loss	Stage 3	26,240	26,240	26,240

		Performing		Non Performing		Total	
		March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025	March 31, 2026	December 31, 2025
Rupees in '000							
10	ADVANCES						
	Customer advances						
	Rental Sharing Schemes	-	-	1,022,561	1,028,689	1,022,561	1,028,689
	Ghar Aasan Scheme	98,128	121,428	496,828	493,875	594,956	615,303
	Ghar Aasan Flexi Scheme	4,131,260	4,074,380	659,641	690,619	4,790,901	4,764,999
	Ghar Pakistan Scheme	1,358,997	1,433,673	46,704	38,830	1,405,701	1,472,503
	Ghar Pakistan Plus Scheme	801,334	867,890	36,177	9,303	837,511	877,193
	Mera Pakistan Mera Ghar	4,746,368	4,926,500	55,355	11,534	4,801,723	4,938,034
	Mera Ghar Mera Aashiyana	300,737	31,711	-	-	300,737	31,711
	Other schemes	72,303	80,799	117,375	118,855	189,678	199,654
		11,509,127	11,536,381	2,434,641	2,391,705	13,943,768	13,928,086
	Employee advances	600,616	575,991	5,569	5,569	606,185	581,560
	Advances - gross	12,109,743	12,112,372	2,440,210	2,397,274	14,549,953	14,509,646
	Credit loss allowance against advances						
	-Stage 1	30,049	59,160	-	-	30,049	59,160
	-Stage 2	11,198	51,054	-	-	11,198	51,054
	-Stage 3	-	-	2,440,210	2,397,274	2,440,210	2,397,274
		41,247	110,214	2,440,210	2,397,274	2,481,457	2,507,488
	Advances - net of credit loss allowance	12,068,496	12,002,158	-	-	12,068,496	12,002,158

	March 31, 2026	Audited December 31, 2025
10.1 Advances to Women		
In local currency		Rupees in '000
	2,650	2,655
	<u>2,650</u>	<u>2,655</u>

	March 31, 2026				Audited December 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000							
Opening balance	11,796,074	316,298	2,397,274	14,509,646	11,963,340	599,594	2,626,803	15,189,737
New Advances	495,902	-	-	495,902	1,471,671	-	-	1,471,671
Advances derecognised or repaid	(399,437)	(6,497)	(42,281)	(448,215)	(1,810,731)	(103,043)	(214,074)	(2,127,848)
Transfer to other asset - deferred employee benefit	(7,380)	-	-	(7,380)	(23,915)	-	-	(23,915)
Transfer to stage 1	156,267	(124,485)	(31,781)	-	342,997	(248,405)	(94,592)	-
Transfer to stage 2	(121)	1,081	(960)	-	(124,162)	142,211	(18,049)	-
Transfer to stage 3	(34,673)	(83,285)	117,958	-	(23,126)	(74,060)	97,186	-
	210,557	(213,187)	42,936	40,307	(167,266)	(283,296)	(229,529)	(680,091)
Closing balance	12,006,631	103,111	2,440,210	14,549,953	11,796,074	316,298	2,397,274	14,509,646

	March 31, 2026				Audited December 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000							
Opening balance	59,160	51,054	2,397,274	2,507,488	35,416	181,127	2,604,910	2,821,453
Additional charge	128	-	97,850	97,979	24,160	-	-	24,160
Reversal	(73,859)	(9,718)	(40,434)	(124,011)	(135,593)	(50,529)	(152,003)	(338,125)
Transfer to stage 1	46,024	(14,243)	(31,781)	-	138,357	(65,658)	(72,699)	-
Transfer to stage 2	(18)	978	(960)	-	(2,569)	20,617	(18,049)	-
Transfer to stage 3	(1,387)	(16,873)	18,260	-	(611)	(34,504)	35,115	-
	(29,111)	(39,856)	42,936	(26,031)	23,744	(130,073)	(207,636)	(313,965)
Closing balance	30,049	11,198	2,440,210	2,481,458	59,160	51,054	2,397,274	2,507,488

		Audited			
		March 31, 2026		December 31, 2025	
		Non performing loans	Credit loss allowance	Non performing loans	Credit loss allowance
		Rupees in '000			
Performing	Stage 1	12,006,631	30,049	11,796,074	59,160
Under performing	Stage 2	103,111	11,198	316,298	51,054
Non-performing					
OAEM	Stage 3	132,752	132,752	27,123	27,123
Substandard	Stage 3	35,072	35,072	40,658	40,658
Doubtful	Stage 3	83,099	83,099	150,961	150,961
Loss	Stage 3	2,189,288	2,189,288	2,178,533	2,178,533
		2,440,210	2,440,210	2,397,274	2,397,274
Total		14,549,953	2,481,458	14,509,646	2,507,488

	March 31, 2026				Audited December 31, 2025			
	Stage 3	Stage 2	Stage 1	Total	Stage 3	Stage 2	Stage 1	Total
	Rupees in '000							
Opening balance	2,397,274	51,054	59,160	2,507,488	2,604,910	181,127	35,416	2,821,453
Charge for the period / year	116,111	978	46,153	163,241	35,115	20,617	162,517	218,249
Reversals	(73,175)	(40,834)	(75,265)	(189,273)	(242,751)	(150,690)	(138,773)	(532,214)
	42,936	(39,856)	(29,111)	(26,031)	(207,636)	(130,073)	23,743	(313,965)
Amounts written off	-	-	-	-	-	-	-	-
Closing balance	2,440,210	11,198	30,049	2,481,458	2,397,274	51,054	59,160	2,507,488

	March 31, 2026	December 31, 2025
	Rupees in '000	
11 PROPERTY AND EQUIPMENT		
Capital work-in-progress	-	-
Property and equipment	251,989	244,848
	<u>251,989</u>	<u>244,848</u>

	March 31, 2026		December 31, 2025	
	Rupees in '000			
	Buidlings	Total	Buidlings	Total
12 RIGHT-OF-USE ASSETS				
Recognized value of right-of-use assets	552,893	552,893	704,423	704,423
Accumulated Depreciation	(191,044)	(191,044)	(325,909)	(325,909)
Net Carrying amount	<u>361,849</u>	<u>361,849</u>	<u>378,514</u>	<u>378,514</u>
Opening balance	378,514	378,514	486,093	486,093
Additions during the year	-	-	17,530	17,530
Deletions during the year	-	-	(56,195)	(56,195)
Depreciation Charge for the year	(16,665)	(16,665)	(68,914)	(68,914)
Net Carrying amount	<u>361,849</u>	<u>361,849</u>	<u>378,514</u>	<u>378,514</u>
			March 31, 2026	December 31, 2025
			Rupees in '000	
13 INTANGIBLE ASSETS				
Computer software			38,205	41,208
			<u>38,205</u>	<u>41,208</u>
			March 31, 2026	December 31, 2025
			Rupees in '000	
14 OTHER ASSETS				
Income / mark-up accrued in local currency				
Advances			804,427	684,104
Investments			802,024	269,561
Lending to financial institutions			55	-
Retirement and other service benefits			1,606,506	953,665
Deferred employee compensation			5,550,091	5,416,233
Advances, deposits and prepayments			313,957	306,575
Advance taxation			121,940	113,433
Advance for purchase of land - housing projects			312,193	476,629
			53,815	53,815
			<u>7,958,502</u>	<u>7,320,350</u>
Credit loss allowance held against other assets			(53,815)	(53,815)
			<u>7,904,687</u>	<u>7,266,535</u>
			March 31, 2026	December 31, 2025
			Rupees in '000	
15 BORROWINGS				
Secured				
Pakistan Mortgage Refinance Company Limited			1,473,172	1,507,857
Repurchase agreement borrowings			3,548,860	3,251,464
Refinance from State Bank of Pakistan			66,808	68,985
			<u>5,088,860</u>	<u>4,828,306</u>
			March 31, 2026	December 31, 2025
			Rupees in '000	
16 LEASE LIABILITIES				
Opening balance			482,096	553,661
Additions during the year			-	17,530
Remeasurement during the year			-	(63,302)
Interest expense			18,168	79,952
Payments			(27,606)	(105,745)
Closing balance			<u>472,658</u>	<u>482,096</u>
16.1 Liabilities Outstanding				
Not later than one year			45,616	41,141
Later than one year and upto five years			314,390	326,715
Over five years			112,652	114,240
			<u>472,658</u>	<u>482,096</u>
			March 31, 2026	December 31, 2025
			Rupees in '000	
17 DEFERRED TAX LIABILITY / (ASSET)				
Taxable temporary differences on:				
Accelerated tax depreciation and amortisation			(7,839)	(7,805)
Provision against retirement benefits			1,779,040	1,724,220
Suplus on revaluation of investments			76,288	145,532
			<u>1,847,489</u>	<u>1,861,947</u>
Deductible temporary differences on:				
Credit loss allowances on:				
investments			(10,429)	(10,429)
lending to financial institutions			(21,716)	(21,716)
advances			(967,768)	(977,921)
other assets			(20,987)	(20,988)
			<u>(1,020,901)</u>	<u>(1,031,054)</u>
			<u>826,588</u>	<u>830,893</u>

18 OTHER LIABILITIES	March 31,	December 31,
	2026	2025
	Rupees in '000	
Accrued mark up on borrowings	6,817	7,800
Retirement and other service benefits	988,449	995,155
Accrued expenses	225,677	278,053
Advance payments from customers	205,376	193,680
Insurance premium payable	83,209	81,076
Workers' Welfare Fund	187,395	175,186
Others	87,842	36,537
	<u>1,784,765</u>	<u>1,767,487</u>

19 CONTINGENCIES AND COMMITMENTS

-Commitments	19.1	643,549	582,855
-Other contingent liabilities	19.2	58,993	58,993
		<u>702,542</u>	<u>641,848</u>

19.1 Commitments:	March 31,	December 31,
	2026	2025
	Rupees in '000	

Loans sanctioned but not disbursed	264,953	204,259
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>643,549</u>	<u>582,855</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	<u>58,993</u>	<u>58,993</u>
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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.

	March 31, 2026	March 31, 2025
	Rupees in '000	
20 MARK-UP / RETURN / INTEREST EARNED		
Loans and advances	506,085	671,248
Investments	568,130	1,638,117
Lending to financial institutions	984	11,400
Balances with banks	1,616	1,372
	<u>1,076,815</u>	<u>2,322,137</u>
21 MARK-UP / RETURN / INTEREST EXPENSED		
Borrowings	38,923	42,275
Repurchase agreements	82,302	1,076,277
Clean / call	30	117
Finance lease charge	18,168	13,631
	<u>139,423</u>	<u>1,132,300</u>
22 GAIN / (LOSS) ON SECURITIES		
Realised	-	3,123
	<u>-</u>	<u>3,123</u>
23 OTHER INCOME		
Rent on property	16,572	15,015
Gain on sale of property and equipment - net	18	1
Inspection and application fee	585	878
Storage documentation	1,536	1,758
Early termination charges and penalty income on conventional schemes	8,909	9,444
Miscellaneous Income	1,098	-
	<u>28,718</u>	<u>27,096</u>
24 OPERATING EXPENSES		
Total compensation expense	234,782	234,617
Property expense		
Rent & taxes	788	647
Insurance	649	734
Utilities cost	6,634	6,751
Security (including guards)	2,711	3,610
Repair & maintenance (including janitorial charges)	17,742	35,335
Depreciation	3,762	3,762
Depreciation on right-of-use assets	16,664	19,317
	<u>48,950</u>	<u>70,156</u>
Information technology expenses		
Hardware maintenance	13,593	9,159
Depreciation	2,284	2,849
Amortization	3,003	2,805
Network charges	7,670	152
	<u>26,550</u>	<u>14,965</u>
Other operating expenses		
Directors' fees and allowances	3,740	3,696
Legal & professional charges	10,677	1,247
Consultancy charges	18,376	1,908
Outsourced services costs	20,077	15,150
Travelling & conveyance	4,724	4,119
Depreciation	6,071	6,012
Training & development	718	417
Postage & courier charges	865	896
Communication	1,569	1,029
Stationery & printing	1,672	1,278
Marketing, advertisement & publicity	1,135	1,665
Commission against recovery	2,154	-
Auditors remuneration	1,400	1,233
Banking service charges	1,675	1,442
Entertainment	654	554
Vehicle expense	6,108	7,497
Subscription	16	2,023
Others	2,901	4,000
	<u>84,532</u>	<u>54,166</u>
	<u>394,814</u>	<u>373,904</u>

		March 31, 2026	March 31, 2025
		Rupees in '000	
25 CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance / (Reversal) against loans & advances	10.3.1	(35,822)	(99,709)
		<u>(35,822)</u>	<u>(99,709)</u>
26 TAXATION			
Current		174,958	338,888
Prior		20,887	-
Deferred		(4,305)	54,557
		<u>191,540</u>	<u>393,445</u>
27 BASIC EARNINGS/ (LOSS) PER SHARE		March 31, 2026	March 31, 2025
		Rupees	
Profit for the period		<u>406,723</u>	<u>536,558</u>
Weighted average number of ordinary shares		<u>1,936,500,000</u>	<u>1,936,500,000</u>
Basic earnings per share		<u>0.21</u>	<u>0.28</u>
28 DILUTED EARNINGS/ (LOSS) PER SHARE		Rupees	
Profit for the period		<u>406,723</u>	<u>536,558</u>
Weighted average number of ordinary shares (adjusted for the effects of all dilutive potential ordinary shares)		<u>1,936,500,000</u>	<u>1,936,500,000</u>
Diluted earnings per share		<u>0.21</u>	<u>0.28</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, 2026			Total
	Level 1	Level 2	Level 3	
	Rupees in '000			
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	19,707,590	-	19,707,590
Shares	-	-	-	-
Financial assets - disclosed but not measured at fair value				
Shares	-	-	126,524	126,524

	December 31, 2025			Total
	Level 1	Level 2	Level 3	
On balance sheet financial instruments				
			Rupees in '000	
Financial assets - measured at fair value				
Investments				
Federal Government securities	-	19,849,473	-	19,849,473
Shares		-	-	-
Financial assets - disclosed but not measured at fair value				
Shares	-	-	126,524	126,524

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, 2026	December 31, 2025
	Rupees in '000	
Advances		
Opening balance	30,559	42,468
Addition including markup during the period / year	307	8,555
Repaid during the period / year	(1,118)	(20,464)
Transfer in / (out) - net	-	-
Closing balance	29,748	30,559
Income		
Mark-up / return / interest earned	307	307

March 31, December
2026 31, 2025
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	29,785,760	27,737,558
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	29,785,760	27,737,558
Eligible Tier 2 Capital	110,857	232,977
Total Eligible Capital (Tier 1 + Tier 2)	29,896,617	27,970,535

Risk Weighted Assets (RWAs):

Credit risk	8,055,560	7,517,191
Market risk	245,836	992,474
Operational risk	17,806,521	17,806,521
Total	26,107,917	26,316,186

Common Equity Tier 1 Capital Adequacy Ratio	114.09%	105.40%
Tier 1 Capital Adequacy Ratio	114.09%	105.40%
Total Capital Adequacy Ratio	114.51%	106.29%

Leverage Ratio (LR):

Eligible Tier-1 Capital	29,785,760	27,737,558
Total Exposure	35,851,351	35,461,928
Leverage Ratio	83.08%	78.22%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	16,199,108	16,676,034
Total Net Cash Outflow	3,312	2,590
Liquidity Coverage Ratio	489104%	643862%

Net Stable Funding Ratio (NSFR):

Total available stable funding	34,929,000	32,656,000
Total required stable funding	15,146,000	14,942,000
Net Stable Funding Ratio	231%	219%

32 RECLASSIFICATION OF COMPARATIVE FIGURES & RESTATEMENT





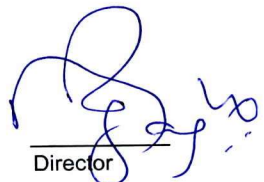
Comparative figures have been reclassified and re-arranged where necessary for the purpose of better presentation.

33 DATE OF AUTHORISATION FOR ISSUE

These financial statements were approved and authorized for issue on APRIL 24, 2026 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
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