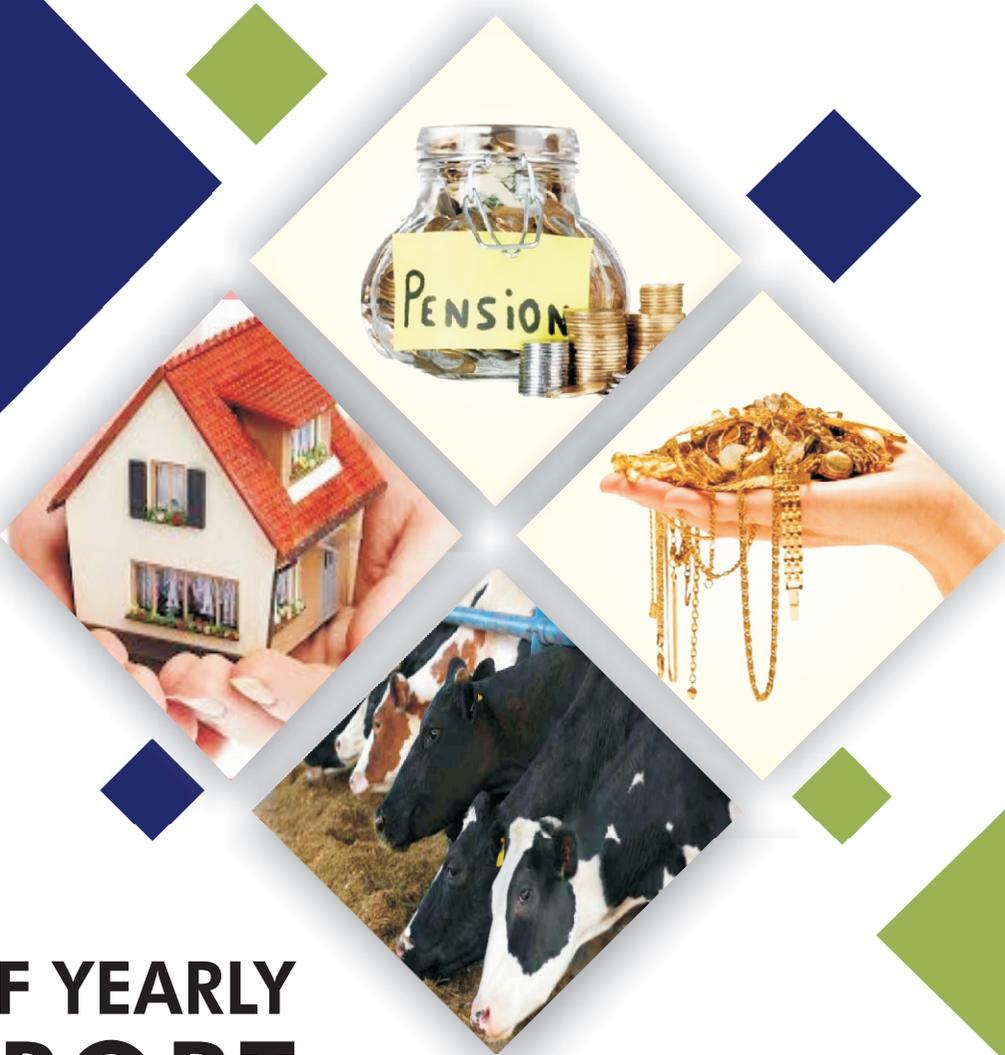




**Escorts
Investment
Bank**



HALF YEARLY REPORT

CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE PERIOD ENDED
31 DECEMBER 2024

Escorts Investment Bank Limited



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Syed Tahir Nawazish
(Chairman)
Mr. Basit Rahman Malik
(Chief Executive Officer)
Ms. Madiha Arooj
Mr. Muhammad Rasheed Alam

Applications for the fit and proper criteria of three proposed directors have been submitted to the SECP.

CHIEF FINANCIAL OFFICER

Ms. Najma Fazal

COMPANY SECRETARY

Jehanzaib

EXTERNAL AUDITORS

Ilyas Saeed & Company
(Chartered Accountants)

TAX CONSULTANTS

Ilyas Saeed & Company
(Chartered Accountants)

LEGAL ADVISOR

Mandviwalla & Zafar
Advocates

SHARE REGISTRAR

Hameed Majeed Associates (Private) Limited

BANKERS TO THE COMPANY

Bank Alfalah Limited
MCB Bank Limited
Sindh Bank Limited
United Bank Limited
National Bank of Pakistan Limited

REGISTERED OFFICE

Ground Floor, 26-Davis Road, Lahore.
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info@escortsbank.net
UAN: 042 111 003 425
Toll Free: 0800 03425



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DIRECTORS' REPORT

The Board of Directors of Escorts Investment Bank Limited (“**Company**”) is pleased to present the Directors' report together with the condensed interim financial statements (un-audited) of the Company for the period ended on 31 December 2024 and Auditors Review report thereon.

ECONOMY REVIEW

The global economy in 2024 demonstrated mixed trends, characterized by a combination of recovery and challenges. Advanced economies experienced moderate growth, while emerging markets exhibited resilience amid headwinds.

Inflation, while moderated compared to 2023, remained a critical concern, particularly in developing nations where food and energy prices continued to strain household budgets. On the other hand, the adoption of green technologies and investments in renewable energy gained momentum, paving the way for a more sustainable economic future.

The domestic economy performed well as is indicated by the KSE 100 Index, it has delivered an impressive gain in local currency terms, the highest percentage return since 2002 and positioned as the second best-performing stock market globally. The robust economic performance was driven by improving macroeconomic conditions under the International Monetary Fund (IMF) program. These measures have helped in curtailing inflation.

The Monetary Policy Committee (MPC) has significantly reduced the policy rate from 22% to 13% from December 2023 to December 2024. The policy rate is expected to go further down.

BUSINESS AND OPERATION REVIEW

During the period under review, the Company has increased its Secured and Unsecured lending both. As at 31st December 2024, House Finance, Microfinance and Gold Finance portfolios stood at PKR 47.30 M, PKR184.08 M and PKR 54.49 M respectively showing an increase of 6.5%, 24.19% & 730% respectively. The Company posted loss before tax of PKR 20.34 M vs PKR 5.26 M for the corresponding period last year owing to a dip in revenues. Revenues during the period have dropped as the policy rate has fallen significantly, though income from our core business has increased from PKR 34.01 M to PKR 44.53 M which shows an increase of 30.96% however, fee and commission income has increased by 23.28%. Although, from the core business activities we have generated more revenues but for the period under review the return on investments has been significantly reduced. The other income part of which was one off last year due to relocation of branches decreased by PKR 13.12 M which has an overall impact on decreased revenues. However, as previously mentioned in our reports with the injection of equity and increased financing we will not only be able to cover the shortfall but will start making profits in the times to come with increased lending in the diverse array of product suite which we have now.

The financial results are as under:

Description	Half Year Ended	
	31 Dec 2024	31 Dec 2023
Revenue	60,722,815	75,742,239
Loss before provision & taxation	(17,839,540)	(2,672,947)
Provision – net	(2,495,513)	(2,589,774)
Taxation and tax levies - net	(650,190)	4,335,146
Loss after taxation	(20,985,243)	(927,575)
Earning per share	(0.15)	(0.01)

RENEWAL OF IFS LICENSE

The Company's IFS license is in renewal process and it has been applied for renewal with the SECP.

ACKNOWLEDGEMENT

The Directors wish to thank The Securities and Exchange Commission of Pakistan for their valued support, assistance and guidance. The Board would like to take this opportunity to express their admiration to the employees and management of the Company for their commitment, hard work and cooperation throughout the period. The Company recognizes and records its gratitude for all their efforts.

For and on behalf of the Board,



Basit Rehman Malik
CEO & Director



Syed Tahir Nawazish
Chairman

ڈائریکٹرز کی رپورٹ

ایسکورٹس انویسٹمنٹ بینک لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز، ڈائریکٹرز کی رپورٹ اور کمپنی کے 31 دسمبر 2024 کو اختتام پذیر ہونے والی مدت کے غیر آڈٹ شدہ مالی گوشوارے بمعہ آڈیٹرز کی جائزہ رپورٹ پیش کرنے میں مسرت کا اظہار کرتے ہیں۔

اقتصادی جائزہ

2024 میں عالمی معیشت نے طے جلے رجحانات کا مظاہرہ کیا، جس کی خصوصیت بحالی اور چیلنجز کا مجموعہ ہے۔ ترقی یافتہ معیشتوں نے اعتدال پسند ترقی کا تجربہ کیا، جب کہ ابھرتی ہوئی منڈیوں نے تیز رفتاری کے درمیان لچک کا مظاہرہ کیا۔

افراط زر، جبکہ 2023 کے مقابلے میں معتدل ہے، ایک اہم تشویش بنی ہوئی ہے، خاص طور پر ترقی پذیر ممالک میں جہاں خوراک اور توانائی کی قیمتوں نے گھریلو بجٹ کو دبا کر جاری رکھا ہوا ہے۔ دوسری طرف، سبز ٹیکنالوجی کو اپنانے اور قابل تجدید توانائی میں سرمایہ کاری نے زور پکڑا، جس سے زیادہ پائیدار اقتصادی مستقبل کی راہ ہموار ہوئی۔

ملکی معیشت نے اچھی کارکردگی کا مظاہرہ کیا جیسا کہ 100KSE انڈیکس سے ظاہر ہوتا ہے، اس نے مقامی کرنسی کے لحاظ سے ایک متاثر کن فائدہ پہنچایا ہے، جو 2002 کے بعد سب سے زیادہ فیصد واپسی ہے اور عالمی سطح پر دوسری بہترین کارکردگی کرنے والی اسٹاک مارکیٹ کے طور پر پوزیشن حاصل کی۔ مضبوط اقتصادی کارکردگی بین الاقوامی مالیاتی فنڈ (IMF) پروگرام کے تحت میکرو اکنامک حالات بہتر ہوئے۔ ان اقدامات سے مہنگائی کو کم کرنے میں مدد ملی ہے۔

مانیٹری پالیسی کمیٹی (MPC) نے دسمبر 2023 سے دسمبر 2024 تک پالیسی کی شرح کو 22% سے کم کر کے 13% کر دیا ہے۔ پالیسی کی شرح مزید نیچے جانے کی توقع ہے۔

کاروبار اور آپریشن کا جائزہ

زیر جائزہ مدت کے دوران، کمپنی نے اپنے محفوظ اور غیر محفوظ دونوں قرضوں میں اضافہ کیا ہے۔ 31 دسمبر 2024 تک، ہاؤس فنانس، مائیکروفنانس اور گولڈ فنانس پورٹ فولیوز بالترتیب 47.30PKR ملین، 184.08PKR ملین اور 54.49PKR ملین تھے جو بالترتیب 6.5%، 24.19% اور 730% کا اضافہ دکھاتے ہیں۔ آمدنی میں کمی کی وجہ سے کمپنی کا زیر جائزہ مدت کے دوران بعد از ٹیکس خسارہ 20.34PKR ملین روپے رہا جو کہ گزشتہ سال اسی مدت کے لیے 5.26PKR ملین تھا۔ اس مدت کے دوران محصولات میں کمی آئی ہے کیونکہ پالیسی کی شرح میں نمایاں کمی ہوئی ہے، حالانکہ ہمارے بنیادی کاروبار سے آمدنی 34.01PKR ملین سے 44.53PKR ملین ہو گئی ہے جو کہ 30.96% کا اضافہ ظاہر کرتی ہے تاہم، فیس اور کمیشن کی آمدنی میں 23.28% اضافہ ہوا ہے۔ اگرچہ، بنیادی کاروباری سرگرمیوں سے ہم نے زیادہ آمدنی حاصل کی ہے لیکن زیر جائزہ مدت کے دوران دیگر آمدنی میں نمایاں طور پر کمی ہوئی ہے۔ کمپنی کی دیگر آمدنی گزشتہ سال برانچوں کی منتقلی کی وجہ سے ہوئی جس میں 13.12PKR ملین کی کمی واقع ہوئی جس کا مجموعی طور پر آمدنی پر اثر پڑا۔ تاہم، جیسا کہ پہلے ہماری رپورٹس میں ایکویٹی انجکشن اور فنانسنگ میں اضافے کا ذکر کیا گیا ہے کہ ہم نہ صرف اس کمی کو پورا کر سکیں گے بلکہ آنے والے وقتوں میں پروڈکٹ سوٹ کی متنوع صفوں میں بڑھتے ہوئے قرضے کے ساتھ منافع کمانا شروع کر دیں گے۔

مالیاتی نتائج درج ذیل ہیں:

نصف سال ختم		تفصیل
31 دسمبر 2023	31 دسمبر 2024	
75,742,239	60,722,815	آمدن
(2,672,947)	(17,839,540)	پروویژن اور ٹیکس سے پہلے نقصان
(2,589,774)	(2,495,513)	پروویژن - خالص
4,335,146	(650,190)	ٹیکسیشن اور ٹیکس لیویز - نیٹ
(927,575)	(20,985,243)	خسارہ بعد ٹیکس
(0.01)	(0.15)	فی شیئر آمدن

IFSA لائسنس کی تجدید

کمپنی کا IFSA لائسنس تجدید کے عمل میں ہے اور اسے SECP کے پاس تجدید کے لیے درخواست دی گئی ہے۔

اعتراف

ڈائریکٹرز سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کا ان کی گرانقدر حمایت، مدد اور رہنمائی کے لیے شکریہ ادا کرنا چاہتے ہیں۔ بورڈ اس موقع کو کمپنی کے ملازمین اور انتظامیہ کے لیے ان کے عزم، محنت اور تعاون کے لیے ان کی تعریف کا اظہار کرنا چاہتا ہے۔ کمپنی ان کی تمام کوششوں کو تسلیم کرتی ہے اور اس کا شکریہ ادا کرتی ہے۔

منجانب / برائے بورڈ



سید طاہر نواز
چیرمین / ڈائریکٹر



باسط رحمن ملک
چیف ایگزیکٹو / ڈائریکٹر



**Condensed Interim
Financial Information
(Un-audited)**

For the period ended 31 December 2024

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Escorts Investment Bank Limited** as at December 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year ended (here-in-after referred to as the “interim financial statements”). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statement based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2024 and December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2024.

Scope of Review

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

Conclusion

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

The engagement partner on the review resulting in this independent auditor’s review report is Bushra Sana.

Dated: February 24, 2025

Lahore

UDIN: RR202410278L3VrOcyTE

Ilyas Saeed & Co.

Ilyas Saeed & Co.

Chartered Accountants

A member of

mgeworldwide

Other Offices: Islamabad – Karachi – Gujranwala

A member firm of MGI, an international network of independent accounting, audit, tax and consulting firms

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

	Note	(Un-Audited) 31-Dec-24 Rupees	(Audited) 30-Jun-24 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	135,641,326	144,410,534
Intangible assets	6	5,272,970	5,406,270
Long term investments		24,546,125	24,546,125
Long term finances	7	59,852,558	36,256,539
Long term deposits		8,505,674	8,476,274
Deferred tax asset - net	8	122,597,618	122,597,618
		356,416,271	341,693,360
CURRENT ASSETS			
Current portion of non-current assets		53,051,996	39,012,851
Short term investments	9	11,705,390	8,660,157
Short term finances	10	142,469,534	116,866,350
Short term advances		2,629,226	2,547,539
Prepayments		4,507,189	2,673,314
Interest receivable		21,121,296	14,115,324
Other receivables		7,463,654	7,173,911
Tax refunds due from the government		70,033,331	68,344,410
Cash and bank balances	11	38,219,588	124,969,042
		351,201,204	384,362,898
TOTAL ASSETS		707,617,475	726,056,258
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
300,000,000 (2024: 300,000,000) ordinary shares of Rs. 10 each		3,000,000,000	3,000,000,000
Issued, subscribed and paid up capital		1,356,000,000	1,356,000,000
Capital reserves		158,042,871	158,042,871
Revenue reserve		(980,554,384)	(959,992,575)
Revaluation surplus on property and equipment		16,513,884	16,937,318
		550,002,371	570,987,614
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities	12	31,398,007	35,298,792
		31,398,007	35,298,792
CURRENT LIABILITIES			
Current portion of non-current liabilities	13	9,772,863	9,338,951
Trade and other payables	14	112,366,886	107,003,743
Unclaimed dividend		2,385,654	2,385,654
Provision for taxation and tax levies		1,691,694	1,041,504
		126,217,097	119,769,852
CONTINGENCIES AND COMMITMENTS	15	-	-
TOTAL EQUITY AND LIABILITIES		707,617,475	726,056,258

The annexed notes from 1 to 23 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Chairman

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024

	Note	Half Year Ended December 31		Quarter Ended December 31	
		2024	2023	2024	2023
		Rupees	Rupees	Rupees	Rupees
Income					
Profit on financing		44,533,714	34,006,250	23,399,793	17,963,623
Return on investments		2,505,166	14,713,745	1,132,726	6,410,909
Income from fee and commission		5,371,583	4,357,111	2,554,388	2,586,248
Profit on bank deposits		6,174,466	7,405,498	1,867,067	4,147,444
Other income		2,137,925	15,259,635	995,743	7,312,599
		60,722,854	75,742,239	29,949,717	38,420,823
Expenses					
Administrative expenses	16	75,695,927	74,947,397	38,245,663	37,292,673
Finance cost		2,866,467	3,467,789	1,304,054	1,947,423
		78,562,394	78,415,186	39,549,717	39,240,096
Operating profit/(loss) before provisions and taxation		(17,839,540)	(2,672,947)	(9,600,000)	(819,273)
Other operating expenses	17	(2,495,513)	(2,589,774)	(1,681,835)	(591,932)
Profit / (Loss) before taxation and tax levies		(20,335,053)	(5,262,721)	(11,281,835)	(1,411,205)
Taxation and tax levies - net		(650,190)	4,335,146	(336,874)	1,288,651
Net profit/(loss) for the period		(20,985,243)	(927,575)	(11,618,709)	(122,554)
Earnings/(loss) per share - basic and diluted		(0.15)	(0.01)	(0.09)	(0.01)

The annexed notes from 1 to 23 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024

	Note	Half Year Ended December 31,		Quarter Ended December 31	
		2024	2023	2024	2023
		Rupees	Rupees	Rupees	Rupees
Net profit/(loss) for the period		(20,985,243)	(927,575)	(11,618,709)	(122,554)
Other comprehensive income / (loss):					
<i>Items that will not be reclassified to statement of profit or loss</i>		-	-	-	-
<i>Items that may be reclassified subsequently to statement of profit or loss</i>					
(Loss) / profit on remeasurement of long term investments - net of tax		-	(694,525)	-	(694,525)
Other comprehensive income for the period - net of tax		-	(694,525)	-	(694,525)
Total Comprehensive income / (loss) for the period		(20,985,243)	(1,622,100)	(11,618,709)	(817,079)

The annexed notes from 1 to 23 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024



Particulars	Issued, Subscribed and Paid up Capital Rupees	Capital Reserves		Revenue Reserve Rupees	Revaluation Surplus on Property and Equipment Rupees	Total Rupees
		Statutory Reserve Rupees	(Deficit) / Gain on Revaluation of Investments Rupees			
Balance as at June 30, 2023 (Audited)	1,356,000,000	158,496,746	87,500	(937,786,103)	17,828,754	594,626,897
Total comprehensive Income / (loss) for the period						
Net Income / (loss) for the period	-	-	(694,525)	(927,575)	-	(1,622,100)
Other comprehensive Income / (loss) for the period	-	-	-	-	-	-
Total comprehensive Income / (loss) for the period	-	-	(694,525)	(927,575)	-	(1,622,100)
Transfer from surplus on revaluation of property and equipment on account of:						
Incremental depreciation on revalued asset for the period - net of	-	-	-	445,718	(445,718)	-
Balance as at December 31, 2023 (Un-Audited)	1,356,000,000	158,496,746	(607,025)	(938,267,960)	17,383,036	593,004,797
Balance as at June 30, 2024 (Audited)	1,356,000,000	158,496,746	(453,875)	(959,992,575)	16,937,318	570,987,614
Total comprehensive Income / (loss) for the period						
Net profit / (loss) for the period	-	-	-	(20,985,243)	-	(20,985,243)
Other comprehensive income/ (loss) for the period	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	(20,985,243)	-	(20,985,243)
Transfer from surplus on revaluation of property and equipment on account of:						
Incremental depreciation on revalued asset for the period - net of	-	-	-	423,434	(423,434)	-
Balance as at December 31, 2024 (Un-Audited)	1,356,000,000	158,496,746	(453,875)	(980,554,384)	16,513,884	550,002,371

The annexed notes from 1 to 23 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Chairman

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024

	Note	Half Year Ended December 31	
		2024 Rupees (Un-Audited)	2023 Rupees (Un-Audited)
Cash Flow From Operating Activities			
Loss before taxation and levies		(20,335,053)	(5,262,721)
Adjustment for non cash expenses and other items:			
- Depreciation on property and equipment	5.1	5,049,681	5,496,266
- Depreciation on right of use assets	5.2	4,232,875	4,402,171
- Amortization on intangible assets	6.1	133,300	199,938
- Lease adjustments		-	6,427,796
- Interest on lease liabilities against right of use assets		2,099,027	2,623,681
- Finance cost		767,440	844,108
- (Loss) on sale of fixed assets		(32)	-
- Gain on short term investments		-	(694,525)
- Provision against doubtful finances		2,495,513	2,589,774
		14,777,804	21,889,209
		(5,557,249)	16,626,488
Decrease / (increase) in operating assets			
- Finances - net		(65,733,861)	28,649,962
- Investments		-	694,525
- Loans and advances		(81,687)	2,289,259
- Interest receivable		(7,005,972)	141,685
- Other receivables		(289,743)	(480,820)
- Long term deposits		(29,400)	(54,000)
- Prepayments		(1,833,875)	(356,691)
Increase / (decrease) in operating liabilities			
- Trade and other payables		5,363,143	(6,603,050)
		(69,611,395)	24,280,870
Net cash (used) / generated from operations			
		(75,168,644)	40,907,358
Finance cost paid		(767,440)	(844,108)
Taxation and levies - net		(1,688,921)	(5,242,083)
Net cash (used) / generated from operating activities			
		(77,625,005)	34,821,167
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure on property and equipment		(513,316)	(3,665,092)
Capital expenditure on intangible assets		-	(5,705,698)
Short term investments - net		(3,045,233)	(10,035,092)
Net cash (Used) / generated from investing activities			
		(3,558,549)	(19,405,882)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liabilities	12.1	(5,565,900)	(19,208,633)
Net cash (used) in financing activities			
		(5,565,900)	(19,208,633)
Net (Decrease) / Increase in Cash and Cash Equivalents During the Period			
		(86,749,454)	(3,793,348)
Cash and cash equivalents at the beginning of the period		124,969,042	46,944,371
Cash and Cash Equivalents at the End of the Period			
		38,219,588	43,151,023

The annexed notes from 1 to 23 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer



Chairman

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1 Legal Status and its Nature of Business

Escorts Investment Bank Limited (“the Company”) is a public limited company incorporated in Pakistan under the provisions of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) on May 15, 1995. The Company started its commercial operations on October 16, 1996 and is listed on the Pakistan Stock Exchange Limited. The Company is licensed to carry out investment finance services, as a Non-Banking Finance Company under Section 282-C of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The registered office of the company is situated at 26-Davis Road, Lahore.

The Company's IFS (Investment Finance Services) License is in process of Renewal with SECP.

The Pakistan Credit Rating Agency (PACRA) has maintained long term Credit Rating of the Company at "BBB+" and maintained short term Credit Ratings of the Company at "A2" respectively with negative outlook on September 17, 2024. The ratings denote an adequate capacity of timely payment of financial commitments.

The Company is a subsidiary of Bahria Town (Private) Limited (the parent company).

Regional office

Address

Lahore	Bahria Town, Corporate Office, Bahria Orchard, Raiwind Road.
Karachi	Bahria Town, Head Office, Bahria Town Super Highway.
Rawalpindi	Bahria Town, Head Office, Phase VIII, Rawalpindi.
Ellahabad	Tufail Plaza Near Pso Pump, Chunian Road, District Kasur.
Hafizabad	Gujranwala Road, Opposite Admore Petrol Pump, Tehsil & District Hafizabad.
Nankana	Haider Plaza B-II-IS-II, Malji Road, Tehsil & District Nankana Sahib.
Sambrial	Near Makki Masjid, Mohala Naik Pura, Wazirabad Road, District Sialkot,
Gojra	Pensra Road, Street No.3 Jinnah Park District Toba Teksing, Gojra.
Sialkot	Haji pora Road, Opposite Bank Alfalah, Sialkot
Sheikhupura	Opposite New Sabazimandi, Lahore Road, Sheikhupura.
Daroghawala	Shadi Pura Band Road Daroghawala Lahore.

2 Basis of Preparation

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting standards Board (IASB) as notified under the Companies Act, 2017;
- Provision of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, and the NBFC Regulations have been followed.

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 30 June 2024. This condensed interim financial information is being presented and submitted to the shareholders as required by Listing Regulations of Pakistan Stock Exchange and under Section 237 of the Companies Act, 2017.

3 Material Accounting Policies

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2024. This interim financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2024.

4 Critical Accounting Estimates and Judgements

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

	Note	(Un-Audited) 31-Dec-24 Rupees	(Audited) 30-Jun-24 Rupees
5 Property and equipment			
Operating fixed assets - tangible	5.1	101,347,555	106,025,763
Right of use assets	5.2	33,798,109	37,889,109
Advances against purchase of assets		495,662	495,662
		135,641,326	144,410,534
5.1 Operating fixed assets - tangible			
Opening net book value		106,025,763	113,402,759
Cost of addition		391,505	4,563,134
Less: Book value of deletion during period / year		20,032	780,051
Less: Depreciation for the period / year		5,049,681	11,160,079
Closing net book value		101,347,555	106,025,763
5.2 Right-of-use assets			
Opening balance		37,889,109	39,077,457
Additions		-	22,270,836
Depreciation	15	(4,232,875)	(8,632,369)
Adjustment relating to termination of lease		141,875	(14,826,815)
		33,798,109	37,889,109
Depreciation rate		10% - 15%	10% - 15%
6 Intangible Assets			
Accounting software	6.1	666,582	799,882
Advance for ERP implementation		4,606,388	4,606,388
		5,272,970	5,406,270
6.1 Accounting software			
Net carrying value			
At 01 July		799,882	1,199,761
Less: Amortization charge	15	133,300	399,879
		666,582	799,882

	Note	(Un-Audited) 31-Dec-24 Rupees	(Audited) 30-Jun-24 Rupees
7 Long Term Finances			
Considered good	7.1	109,436,007	71,802,582
Considered doubtful	7.2	43,245,928	42,969,408
		152,681,935	114,771,990
Less: Allowance for expected credit losses		41,624,605	41,530,925
		111,057,330	73,241,065
Less: Current portion		50,886,011	36,846,866
Less: General provision for micro finance portfolio		318,761	137,660
		59,852,558	36,256,539
7.1 Considered good			
House finance - secured	7.1.1	47,300,876	45,709,122
Micro finance	7.1.2	62,135,131	26,093,460
		109,436,007	71,802,582

7.1.1 This represents amount disbursed to house finance customers at return rate ranging from 18.33% to 28.38% (30 June 2024: 22.13% to 31.27%) per annum for tenure of 2 to 20 years.

7.1.2 This represents amount disbursed to micro finance customers at return rate ranging from 48.2% to 54.6% (30 June 2024: 48.2% to 54.6%) per annum for tenure of 1 to 3 years.

8 Deferred tax asset - net

Net deferred tax asset has been recognised for all temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management of the Company is certain that the Company would have taxable profits in foreseeable future.

	Note	(Un-Audited) 31-Dec-24 Rupees	(Audited) 30-Jun-24 Rupees
9 Short Term Investments			
Fair value through profit or loss (FVTPL)			
Mutual funds - 494.7811 (2024: 494.7811) units of Rs. 16.0130 (2024: Rs. 10.4466) each		7,923	5,169
Shares - others	9.1	11,697,467	8,654,988
		11,705,390	8,660,157

9.1 This represents investments in various listed companies' shares. Due to the changes in NBFC Regulations in 2008, the Company had to conclude its brokerage business under the Investment Finance Services License. The Company started the process of intimating its brokerage clients to close their accounts with the Company in compliance with these regulations. Most of the account holders have closed their accounts accordingly. Certain accounts could not be transferred/closed because of non receipt of response from the holders despite repeated reminders. The management has decided to record these in statement of financial position as an asset and a corresponding liability of the same amount. These shares are kept at fair value and the fair value gain or loss is parked in corresponding liabilities.

	Note	(Un-Audited) 31-Dec-24 Rupees	(Audited) 30-Jun-24 Rupees
10 Short Term Finances			
Considered good		84,279,304	85,672,839
Considered doubtful		34,441,910	29,713,549
Gold Finance	10.1	54,486,000	30,176,000
		173,207,214	145,562,388
Less: Allowance for expected credit losses		30,295,552	28,260,408
		142,911,662	117,301,980
Less: General provision for micro finance portfolio		442,128	435,630
		142,469,534	116,866,350

10.1 This represents amount disbursed to Gold finance customers at return rate ranging from 32% to 35% (30 June 2024: 32% to 34%) per annum for tenure of 1 year.

11 Cash and Bank Balances

Cash in hand		306,858	1,538,409
Cash with banks			
Current accounts with			
- State Bank of Pakistan		96,383	96,383
- Others		77,018	476,283
		173,401	572,666
Saving and deposit accounts	11.1	37,739,329	122,857,967
		38,219,588	124,969,042

11.1 Rate of return on saving accounts range from 13.50% to 19.50% (2024: 19.50% to 20.50%) per annum.

12 Lease Liabilities

Lease liabilities		39,004,885	42,471,758
Less: Current portion		7,606,878	7,172,966
		31,398,007	35,298,792

12.1 Set out below are the carrying amounts of lease liabilities and the movements during the period.

Opening balance		42,471,758	55,968,745
Additions		-	14,828,100
Interest on finance lease		2,099,027	4,798,986
Adjustment relating to termination of lease		-	(21,254,611)
Payments		(5,565,900)	(11,869,462)
Closing balance		39,004,885	42,471,758

13 Current portion of non-current liabilities

Lease Liabilities		7,606,878	7,172,966
Long Term Security Deposits		2,165,985	2,165,985
		9,772,863	9,338,951

14 Trade and Other Payables

This includes an amount of Rs. 67.423 million (30 June 2024: Rs. 67.423 million) payable to depositors. This remained unpaid due to non-submission of succession certificates (by legal heirs of depositors), lien created by Bahria Town and other legal issues.

15 Contingencies and Commitments

15.1 Contingencies

There is no significant change in the status of contingencies as reported in the annual audited financial statements of the Company for the year ended 30 June 2024.

	Note	(Un-Audited) 31-Dec-24 Rupees	(Audited) 30-Jun-24 Rupees
15.2 Commitments			
ERP implementation		3,739,611	3,739,611

	Note	Half Year Ended December 31		Quarter Ended December 31	
		2024 Rupees	2023 Rupees	2024 Rupees	2023 Rupees
16 Administrative Expenses					
Salaries, allowance and other benefits	16.1	44,475,796	47,190,407	21,983,632	23,330,402
Director's meeting fee		1,000,000	400,000	1,000,000	400,000
Advertisement and business promotion		274,880	127,906	259,880	100,000
Rent, rates and taxes		2,666,054	927,720	1,389,499	459,000
Utilities		3,176,494	2,993,133	1,221,184	1,242,032
Communication charges		1,558,879	1,755,029	781,111	1,084,878
Travelling and vehicle maintenance		1,905,784	876,471	1,343,269	450,187
Repairs and maintenance		2,088,726	3,038,422	543,294	1,538,414
Entertainment		387,703	351,664	211,541	133,285
Fees and subscriptions		1,516,260	1,397,058	796,660	782,746
Legal and professional charges		4,582,668	3,761,972	2,558,520	1,776,210
Printing and stationery		910,116	598,095	582,109	337,688
Insurance		1,736,711	1,431,145	861,094	405,635
Depreciation on property and equipment	5.1	5,049,681	5,496,266	2,529,444	2,742,857
Depreciation on right of use assets	5.2	4,232,875	4,402,171	2,117,776	2,409,371
Amortization on intangible assets	6.1	133,300	199,938	66,650	99,968
		75,695,927	74,947,397	38,245,663	37,292,673

16.1 This includes contribution to provident fund amounting to Rs. 0.824 million (2023: Rs. 0.885 million) made by the Company in the approved provident fund trust.

17 Other Operating Expenses

Allowance for expected credit losses		2,128,824	2,557,819	1,494,471	577,809
General Provision on micro finance portfolio		187,599	31,955	95,562	14,123
Bad debts written off - micro finance		179,090	-	91,802	-
		2,495,513	2,589,774	1,681,835	591,932

18 Segmental Analysis

The Company's activities are broadly categorized into two primary business segments namely financing activities and investment activities within Pakistan:

18.1 Financing activities

House finance activities

House finance activities include providing long-term financing facilities to individuals (both salaried and self-employed) of house finance customers.

Micro finance activities

Micro finance activities include providing long-term and short-term financing facilities to poor individuals (both salaried and self-employed) and micro - enterprise customers.

Term and other finance activities

Term finance activities include providing long-term financing facilities to corporate entities and individuals. Other operations that do not fall into the above referred activities are reported under 'Term and other finance activities'.

18.2 Investment activities

Investing activities include money market activities, investment in government securities, advisory services, capital market activities and the management of the Company's liquidity.

Half Year Ended December 31, 2024 (Un-Audited)
(Rupees)

	Financing activities			Investing activities	Total
	House finance activities	Micro/Gold finance activities	Term & other finance activities		
Profit on financing	6,694,090	37,839,624	-	-	44,533,714
Income from fee and commission	-	5,371,583	-	-	5,371,583
Return on investments	-	-	-	8,679,632	8,679,632
Other income	796,483	1,341,442	-	-	2,137,925
Total income of segment	7,490,573	44,552,649	-	8,679,632	60,722,854
Finance costs	-	1,264,554	-	1,601,913	2,866,467
Other expenses	-	2,495,513	-	-	2,495,513
Depreciation expense	167,357	1,074,152	-	3,765,790	5,007,299
Administrative expenses	2,801,706	25,381,098	-	42,505,824	70,688,628
Segment result	4,521,510	14,337,332	-	(39,193,895)	(20,335,053)
Other income - unallocated					-
Other expenses - unallocated					-
Loss before taxation					(20,335,053)

As at December 31, 2024 (Un-Audited)
(Rupees)

	Financing activities			Investing activities	Total
	House finance activities	Micro/Gold finance activities	Term & other finance activities		
Segment assets	55,500,310	279,205,891	2,165,985	37,046,419	373,918,605
Cash and bank balances					38,219,588
Unallocated assets					295,479,282
					707,617,475
Segment liabilities	1,726,910	32,404,116	2,165,985	-	36,297,011
Unallocated liabilities					121,318,093
Equity					550,002,371
					707,617,475

Half Year Ended December 31, 2023 (Un-Audited)

(Rupees)

	Financing activities			Investing activities	Total
	House finance activities	Micro/Gold finance activities	Term & other finance activities		
Profit on financing	6,949,781	27,056,469	-	-	34,006,250
Income from fee and commission	82,242	4,274,869	-	-	4,357,111
Return on investments	-	-	-	22,119,243	22,119,243
Other income	2,660,449	470,774	-	-	3,131,223
Total income of segment	9,692,472	31,802,112	-	22,119,243	63,613,827
Finance costs	-	2,623,681	-	844,108	3,467,789
Other expenses	-	2,589,774	-	-	2,589,774
Depreciation expense	404,392	4,081,266	-	5,412,779	9,898,437
Administrative expenses	1,386,945	23,178,148	-	40,483,867	65,048,960
Segment result	7,901,135	(670,757)	-	(24,621,511)	(17,391,133)
Other income - unallocated					12,128,412
Other expenses - unallocated					-
Loss before taxation					(5,262,721)

As at June 30, 2024

(Rupees)

	Financing activities			Investing activities	Total
	House finance activities	Micro/Gold finance activities	Term & other finance activities		
Segment assets	57,084,836	199,256,486	2,165,985	34,209,104	292,716,411
Cash and bank balances					124,969,042
Unallocated assets					308,370,805
					726,056,258
Segment liabilities	14,904,428	33,466,705	1,212,952	953,033	50,537,118
Unallocated liabilities					104,531,526
Equity					570,987,614
					726,056,258

All non-current assets of the Company are located in Pakistan.

19 Transactions with Related Parties

The related parties and associated undertakings comprise, associated companies / undertakings, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel under the term of employment are as follows:

Transactions during the period

			Half Year Ended December 31	
			2024	2023
			Rupees (Un-Audited)	Rupees (Un-Audited)
Party	Relationship	Nature of Transaction		
Bahria Town (Private) Limited	Holding Company	Utilities and maintenance expense	-	497,146
Bahria Grand Hotel and Resort	Associated Company	Entertainment Expense	54,242	-
Executives	Other Related Party	Remuneration to Key Management Personnel	22,460,783	23,130,626
Employees Provident Fund	Other Related Party	Contribution for the period	824,526	885,440
			31-Dec-24	30-Jun-24
			Rupees	Rupees
			(Un-Audited)	(Audited)

Outstanding balance as at period / year end

Bahria Town (Private) Limited	Holding Company	Utilities & Maintenance Payable	363,331	363,331
		Other Receivable	836,550	836,550
		Security Deposit Against	7,627,674	7,627,674
Bahria Grand Hotel and Resort	Associated Company	Entertainment Expense Payable	-	11,600
Employees Provident Fund	Other Related Party	Contribution for the period / year	278,590	299,454

20 Financial Risk Management

The Company's activities expose itself to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk and interest rate risk).

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended 30 June 2024.

The Company's financial risk management objective and policies are consistent with those disclosed in the annual financial statements of the Company and for the year ended 30 June 2024.

The carrying values of all financial assets and liabilities reflected in the condensed interim financial information approximate their face value.

21 Fair Values of Financial Instruments

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair value.

22 Date of Authorization for Issue

This condensed interim financial information was authorized for issue by the Board of Directors of the Company on February 24, 2025.

23 General

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

The corresponding figures have been rearranged, wherever considered necessary for the purpose of comparison and better presentation the effect of which is not material.

Figures have been rounded off to the nearest rupees.



Chief Executive Officer



Chief Financial Officer



Chairman



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