



Escorts  
Investment  
Bank



# HALF YEARLY REPORT

CONDENSED INTERIM  
FINANCIAL INFORMATION  
FOR THE PERIOD ENDED  
**31 DECEMBER 2025**

**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

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

## CHIEF FINANCIAL OFFICER

Ms. Najma Fazal

## COMPANY SECRETARY

Zohaib Younas

## EXTERNAL AUDITORS

Ilyas Saeed & Company  
Chartered Accountants

## TAX CONSULTANTS

Ilyas Saeed & Company

## LEGAL ADVISOR

Mandviwalla & Zafar  
Advocates

## SHARE REGISTRAR

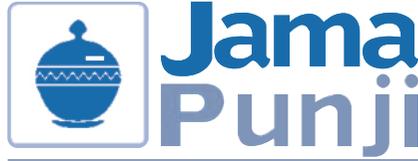
Hameed Majeed Associates (Private) Limited

## BANKERS TO THE COMPANY

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

## REGISTERED OFFICE

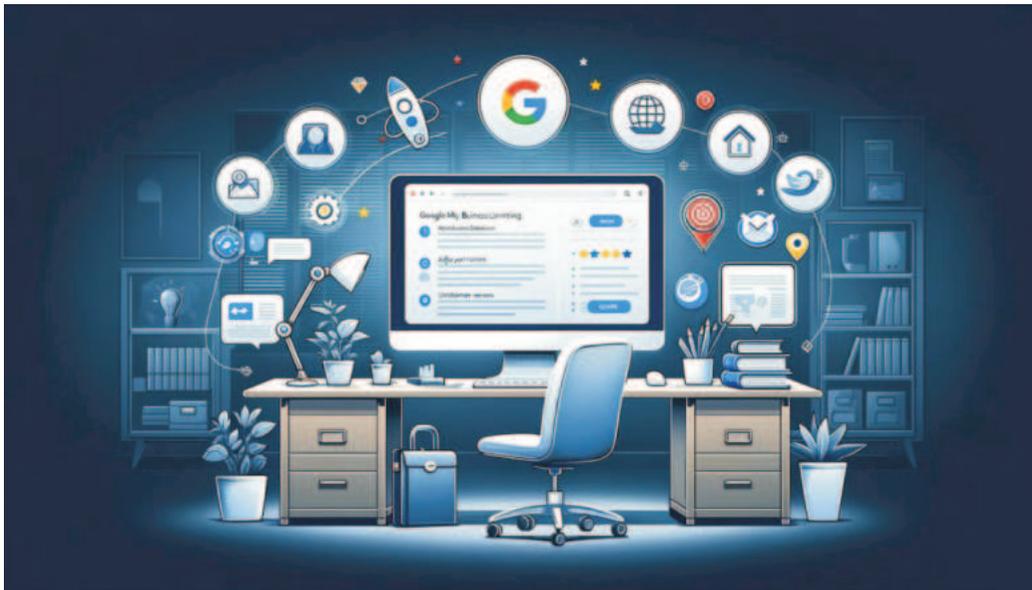
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[www.escortsbank.net](http://www.escortsbank.net)  
[info@escortsbank.net](mailto:info@escortsbank.net)  
UAN: 042 111 003 425  
Toll Free: 0800 03425



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# DIRECTORS' REPORT

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

The Directors of **Escorts Investment Bank Limited** are pleased to present the **Condensed Interim Financial Statements** of the Company for the **half year ended December 31, 2025**, along with a brief review of the Company's performance.

## Economic Review:

During the period under review, the economy of Pakistan continued to operate in a stabilization phase following significant macroeconomic imbalances in prior periods. The policy environment remained focused on restoring fiscal discipline, strengthening foreign exchange reserves, controlling inflationary pressures, and maintaining external account stability.

Inflation demonstrated a moderating trend compared to previous highs; however, it remained at relatively elevated levels for a substantial part of the period. In response, the State Bank of Pakistan maintained a cautious and tight monetary policy stance for most of the review period before initiating calibrated adjustments in line with improving macroeconomic indicators.

Economic growth remained subdued, reflecting constrained domestic demand, higher financing costs, and ongoing structural adjustments. Business confidence improved gradually toward the latter part of the period, supported by stabilization measures and improved external account indicators.

The capital markets remained sensitive to macroeconomic developments, fiscal policy measures, and external financing arrangements, resulting in measured investor participation. Despite these challenges, gradual macroeconomic stabilization provided a foundation for improved sentiment and potential recovery in financial sector activity.

## Financial Performance:

During the half year under review, the Company recorded a **net loss of Rs. 45.374 million**, as compared to a **net loss of Rs. 20.985 million** in the corresponding period last year. The loss per share for the period stood at **Rs. 0.33**, compared to **Rs. 0.17** in the same period of the previous year.

Total income for the period amounted to **Rs. 35.509 million**, showing a decline from **Rs. 60.723 million** reported in the corresponding half year of 2024. The reduction in income was mainly attributable to:

- lower profit on financing,
- reduced return on investments, and
- decline in income from fee and commission.

Administrative expenses for the period remained at **Rs. 75.546 million**, broadly in line with the corresponding period last year. Finance cost amounted to **Rs. 1.655 million**, resulting in total expenses of **Rs. 77.202 million** for the half year.

Consequently, the Company incurred an **operating loss before provisions and taxation of Rs. 41.692 million**. After accounting for other operating expenses and taxation, the **loss for the period increased to Rs. 45.374 million**.

#### Outlook:

The Directors are cognizant of the continuing challenges faced by the Company, including reduced income streams and elevated operating costs. Management remains focused on cost rationalization, optimization of available resources, and exploring avenues for improving the revenue profile of the Company, subject to the applicable regulatory framework.

#### Acknowledgement:

The Directors would like to place on record their appreciation for the continued support extended by the regulators, stakeholders, and employees of the Company.

For and on behalf of the Board,



---

**Basit Rehman Malik**  
CEO & Director



---

**Syed Tahir Nawazish**  
Chairman

# ڈائریکٹرز کی رپورٹ

## برائے نصف سال ختمہ 31 دسمبر، 2025ء

ایسکارٹس انویسٹمنٹ بینک لمیٹڈ کے ڈائریکٹرز 31 دسمبر 2025ء کو اختتام پذیر نصف سال کے لئے کمپنی کی منجملہ عبوری مالیاتی اسٹیٹمنٹس کے ہمراہ کمپنی کی کارکردگی کا مختصر جائزہ ازراہ مسرت پیش کرتے ہیں۔

### اقتصادی جائزہ

زیر جائزہ مدت کے دوران، پاکستان کی معیشت گزشتہ ادوار میں پیدا ہونے والے نمایاں معاشی عدم توازن کے بعد استحکام کے مرحلے میں رہی۔ پالیسی ماحول کا مرکز مالیاتی نظم و ضبط کی بحالی، زر مبادلہ کے ذخائر کو مضبوط بنانے، افراط زر کے دباؤ کو قابو میں رکھنے اور بیرونی کھاتوں کے استحکام کو برقرار رکھنے پر رہا۔

افراط زر میں گزشتہ بلند سطحوں کے مقابلے میں کمی کا رجحان دیکھا گیا، تاہم جائزہ مدت کے ایک بڑے حصے تک یہ نسبتاً بلند سطح پر برقرار رہا۔ اس کے پیش نظر، اسٹیٹ بینک آف پاکستان نے بیشتر مدت کے دوران محتاط اور سخت مالیاتی پالیسی اختیار کیے رکھی، اور بعد ازاں معاشی اشاریوں میں بہتری کے مطابق بتدریج اور محتاط ایڈجسٹمنٹس کا آغاز کیا۔

معاشی نمو محدود رہی، جس کی وجوہات میں گھریلو طلب میں کمی، مالیاتی لاگت میں اضافہ اور جاری ساختی اصلاحات شامل تھیں۔ تاہم مدت کے آخری حصے میں استحکامی اقدامات اور بیرونی کھاتوں کے بہتر اشاریوں کی بدولت کاروباری اعتماد میں بتدریج بہتری آئی۔

سرمایہ منڈیوں پر معاشی پیش رفت، مالیاتی پالیسی اقدامات اور بیرونی مالیاتی انتظامات کا اثر نمایاں رہا، جس کے نتیجے میں سرمایہ کاروں کی شرکت محتاط رہی۔ ان چیلنجز کے باوجود، تدریجی معاشی استحکام نے بہتر رجحان اور مالیاتی شعبے کی سرگرمیوں میں ممکنہ بحالی کی بنیاد فراہم کی۔

### مالیاتی کارکردگی

زیر جائزہ نصف سال کے دوران، کمپنی نے گزشتہ برس کی اسی مدت میں 20.985 ملین روپے خالص خسارہ کی نسبت 45.374 ملین روپے خالص خسارہ ریکارڈ کیا۔ رواں مدت کے لئے خسارہ فی حصص 0.33 روپے رہا جب کہ گزشتہ برس کی اسی مدت میں یہی خسارہ 0.17 روپے تھا۔

رواں مدت کے لئے کل آمدنی 35.509 ملین روپے رہی جو سال 2024ء کے نصف سال میں 60.723 ملین روپے سے کم ہے۔ آمدنی میں کمی کو مندرجہ ذیل عوامل سے منسوب کیا جاتا ہے:

- قرضوں پر کم منافع
- سرمایہ کاری پر کم ریٹرن اور
- فیس اور کمیشن سے آمدنی میں کمی

مذکورہ مدت کے لئے انتظامی اخراجات 75.546 ملین روپے رہے جو گذشتہ برس کی اسی مدت کے عین مطابق ہیں۔ قرضوں پر لاگت 1.655 ملین روپے ریکارڈ ہوئی جس کے نتیجے میں نصف سال کے لئے کل اخراجات 77.202 ملین روپے تک پہنچ گئے۔

نتیجتاً، کمپنی نے پروویژن اور ٹیکسیشن سے قبل 41.692 ملین روپے کا آپریٹنگ خسارہ برداشت کیا۔ دیگر آپریٹنگ اخراجات اور ٹیکسیشن کی ادائیگی کے بعد مذکورہ مدت کے لئے خسارہ 45.374 ملین روپے تک بڑھ گیا۔

#### منظر نامہ

ڈائریکٹرز کمپنی کو درپیش آمدنی کے کم وسائل اور بڑھتی ہوئی آپریٹنگ لاگت جیسے مسائل سے بخوبی آگاہ ہیں۔ انتظامیہ قیمتوں میں ردوبدل، دستیاب وسائل کو نکھارنے اور کمپنی کے آمدنی پر فائل میں بہتری کے لئے مواقع کی تلاش پر بھرپور توجہ دے رہی ہے جو مروجہ ریگولیٹری فریم ورک سے مشروط ہے۔

#### اظہار تشکر

ڈائریکٹرز ریگولیٹرز، اسٹیک ہولڈرز اور کمپنی کے ملازمین کی لگاتار حمایت اور سہارے کے لئے اپنی حوصلہ افزائی کو ریکارڈ پر رکھنا چاہتے ہیں۔

منجانب / برائے بورڈ آف ڈائریکٹرز



سید طاہر نواز ش  
چیرمین / ڈائریکٹر



باسط رحمن ملک  
چیف ایگزیکٹو / ڈائریکٹر



# Condensed Interim Financial Information (Un-audited)

For the period ended 31 December 2025

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Escorts Investment Bank Limited** as at 31 December 2025 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 then 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 approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Statements 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 material matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Adverse Conclusion

Based on our review, due to significance of the matters described in Basis for Adverse Conclusion section of our report, these condensed interim financial statements are not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Basis for Adverse Conclusion

#### a) Minimum Equity Requirement

As per the applicable laws and regulations, the Company is required to maintain Minimum Equity Requirement of Rs. 750 million for maintaining deposit taking Investment Finance Services (IFS) license. Resultantly, the Company is in non-compliance with minimum equity requirements as specifically mentioned in Regulation 4 of NBFC Regulations 2008. Resultantly, the company is unable to obtain deposit taking license from Securities and Exchange Commission of Pakistan.

#### b) Going Concern

The financial statements of the Company for the half year ended 31 December 2025 reflect loss after taxation of Rs. 45.373 million (31 December 2024: Rs. 20.985 million) and as of that date it has accumulated losses of Rs. 1,072.520 million (31 December 2024: Rs. 980.554 million). The Company has incurred recurring operating losses and has been loss-making for the past many years. Furthermore, the Company does not have any future financing support arrangement from its holding company, to support its operations. Despite these continuous losses, the Company does not have any approved business feasibility plan or financial projections to support the appropriateness of the going concern assumption which indicates significant doubt in its ability to generate positive operating cash flows.

As of the date of this report, the required directors, including independent directors, have not yet been elected to fill the existing vacancies. Consequently, the Company does not have a duly constituted Board in accordance with applicable regulatory requirements, which raises concerns regarding effective oversight and governance of its operations.

Keeping in view the above conditions/factors the company may not be able to discharge its liabilities and realize its assets in normal course of business, thus, the going concern assumption used in preparation of these condensed interim financial statements is inappropriate and adjustments may be required in these financial statements.

#### c) Deferred Tax Asset

As disclosed in Note 08 to the financial statements, the Company has recognized a deferred tax asset of Rs. 121.004 million (30 June 2025: Rs. 121.004 million) in respect of carried-forward business tax losses and unabsorbed tax depreciation. Management expects that sufficient taxable profits will be generated in the foreseeable future, including in light of a publicly expressed intention by a third party to acquire the Company. However, such intention, in itself, does not provide sufficient evidence of the availability of future taxable profits. Based on the Company's historical losses and the assessment performed by its tax consultants, we were unable to obtain sufficient appropriate audit evidence to conclude that it is probable that taxable profits will be available against which these losses can be utilized.

Accordingly, in our opinion, the deferred tax asset is overstated by Rs. 121.004 million. Had this asset not been recognized, total assets and equity would have been reduced by the same amount, and the loss for the year would have increased by Rs. 121.004 million.

### Other Matter

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarter ended 31 December 2025 and 31 December 2024 have not been reviewed, as we are required to review only the cumulative figures for the half year ended 31 December 2025.

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

**Dated: February 25, 2026**

**Lahore**

**UDIN: RR202510278hvqwZ1Yyr**

*Ilyas Saeed & Co.*  
Ilyas Saeed & Co.

Chartered Accountants

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	Note	31-Dec-25 Rupees (Un-Audited)	30-Jun-25 Rupees (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	5	118,265,388	126,725,685
Intangible assets	6	5,334,296	5,423,167
Long term investments		24,546,125	24,546,125
Long term finances	7	46,501,258	59,645,990
Long term deposits		8,416,524	8,505,674
Deferred tax asset - net	8	121,004,001	121,004,001
		<b>324,067,592</b>	<b>345,850,642</b>
<b>CURRENT ASSETS</b>			
Current portion of non-current assets		71,124,119	63,490,068
Short term investments	9	17,591,603	13,583,423
Short term finances	10	45,250,482	100,059,308
Short term advances		3,001,761	2,646,080
Prepayments		3,050,309	3,901,440
Interest receivable		15,069,596	18,698,125
Other receivables		8,655,679	7,326,839
Tax refunds due from the government		82,302,330	81,402,514
Cash and bank balances	11	45,982,786	23,839,925
		<b>292,028,665</b>	<b>314,947,722</b>
<b>TOTAL ASSETS</b>		<b>616,096,257</b>	<b>660,798,364</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital 300,000,000 (2025: 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 reserves		(1,072,520,575)	(1,027,549,311)
Revaluation surplus on property and equipment		15,688,190	16,090,452
		<b>457,210,486</b>	<b>502,584,012</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	12	22,715,501	27,222,097
		<b>22,715,501</b>	<b>27,222,097</b>
<b>CURRENT LIABILITIES</b>			
Current portion of non-current liabilities	13	10,848,488	10,365,145
Trade and other payables	14	121,341,190	117,037,073
Unclaimed dividend		2,385,654	2,385,654
Provision for taxation and tax levies		1,594,938	1,204,383
		<b>136,170,270</b>	<b>130,992,255</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>616,096,257</b>	<b>660,798,364</b>

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, 2025

	Note	Half Year Ended December 31,		Quarter Ended December 31	
		2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
<b>Income</b>					
Profit on financing		<b>28,493,753</b>	44,533,714	<b>14,928,685</b>	23,399,793
Return on investments		<b>1,576,257</b>	2,505,166	<b>770,476</b>	1,132,726
Income from fee and commission		<b>1,901,049</b>	5,371,583	<b>1,353,324</b>	2,554,388
Profit on bank deposits		<b>1,851,341</b>	6,174,466	<b>1,111,914</b>	1,867,067
Other income		<b>1,686,746</b>	2,137,925	<b>968,290</b>	995,743
		<b>35,509,146</b>	60,722,854	<b>19,132,689</b>	29,949,717
<b>Expenses</b>					
Administrative expenses	16	<b>75,546,317</b>	75,695,927	<b>35,857,334</b>	38,245,663
Finance cost		<b>1,655,191</b>	2,866,467	<b>742,805</b>	1,304,054
		<b>77,201,508</b>	78,562,394	<b>36,600,139</b>	39,549,717
Operating loss before provisions and taxation		<b>(41,692,362)</b>	(17,839,540)	<b>(17,467,450)</b>	(9,600,000)
Other operating expenses	17	<b>(3,290,609)</b>	(2,495,513)	<b>(728,688)</b>	(1,681,835)
<b>Loss before levy and taxation</b>		<b>(44,982,971)</b>	(20,335,053)	<b>(18,196,138)</b>	(11,281,835)
Levy and taxation - net		<b>(390,555)</b>	(650,190)	<b>(208,264)</b>	(336,874)
<b>Net loss for the Period</b>		<b>(45,373,526)</b>	(20,985,243)	<b>(18,404,402)</b>	(11,618,709)
<b>Loss per share - basic and diluted</b>		<b>(0.33)</b>	(0.17)	<b>(0.14)</b>	(0.09)

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, 2025

	Note	Half Year Ended December 31,	Quarter Ended December 31		
		2025	2024	2025	2024
		Rupees (Un-Audited)	Rupees (Un-Audited)	Rupees (Un-Audited)	Rupees (Un-Audited)
<b>Net loss for the Period</b>		<b>(45,373,526)</b>	<b>(20,985,243)</b>	<b>(18,404,402)</b>	<b>(11,618,709)</b>
<b>Other comprehensive loss:</b>					
<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 on remeasurement of long term investments - net of tax		-	-	-	-
Other comprehensive loss for the period - net of tax		-	-	-	-
<b>Total Comprehensive loss for the Period</b>		<b>(45,373,526)</b>	<b>(20,985,243)</b>	<b>(18,404,402)</b>	<b>(11,618,709)</b>

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, 2025



Particulars	Issued, Subscribed and Paid up Capital Rupees	Capital Reserves		Revenue Reserve Accumulated Loss Rupees	Revaluation Surplus on Property and Equipment Rupees	Total Rupees
		Statutory Reserve Rupees	(Deficit) / Gain on Revaluation of Investments Rupees			
<b>Balance as at June 30, 2024</b>	1,356,000,000	158,496,746	(453,875)	(959,992,575)	16,937,318	570,987,614
<b>Total comprehensive Income / (loss) for the period</b>						
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 tax	-	-	-	423,434	(423,434)	-
<b>Balance as at December 31, 2024 (Un-Audited)</b>	<b>1,356,000,000</b>	<b>158,496,746</b>	<b>(453,875)</b>	<b>(980,554,384)</b>	<b>16,513,884</b>	<b>550,002,371</b>
<b>Balance as at June 30, 2025</b>	<b>1,356,000,000</b>	<b>158,496,746</b>	<b>(453,875)</b>	<b>(1,027,549,311)</b>	<b>16,090,452</b>	<b>502,584,012</b>
<b>Total comprehensive Income / (loss) for the period</b>						
Net profit/( loss) for the period	-	-	-	(45,373,526)	-	(45,373,526)
Other comprehensive income/( loss) for the period	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	(45,373,526)	-	(45,373,526)
Transfer from surplus on revaluation of property and equipment on account of:						
Incremental depreciation on revalued asset for the period - net of tax	-	-	-	402,262	(402,262)	-
<b>Balance as at December 31, 2025 (Un-Audited)</b>	<b>1,356,000,000</b>	<b>158,496,746</b>	<b>(453,875)</b>	<b>(1,072,520,575)</b>	<b>15,688,190</b>	<b>457,210,486</b>

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, 2025

	<b>Half Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>Note</b>	<b>(Un-Audited)</b>	<b>(Un-Audited)</b>
<b>Cash Flow From Operating Activities</b>		
Loss before taxation and levies	<b>(44,982,971)</b>	(20,335,053)
Adjustment for non cash expenses and other items:		
- Depreciation on property and equipment	<b>5.1 4,368,644</b>	5,049,681
- Depreciation on right of use assets	<b>5.2 4,246,259</b>	4,232,875
- Amortization on intangible assets	<b>6.1 88,871</b>	133,300
- Interest on lease liabilities against right of use assets	<b>1,272,019</b>	2,099,027
- Finance cost	<b>383,172</b>	767,440
- Loss on sale of fixed assets	<b>19,294</b>	(32)
- Provision against doubtful finances	<b>3,290,609</b>	2,495,513
	<b>13,668,868</b>	14,777,804
	<b>(31,314,103)</b>	(5,557,249)
<b>Decrease / (increase) in operating assets</b>		
- Finances - net	<b>57,028,898</b>	(65,733,861)
- Loans and advances	<b>(355,681)</b>	(81,687)
- Interest receivable	<b>3,628,529</b>	(7,005,972)
- Other receivables	<b>(1,328,840)</b>	(289,743)
- Long term deposits	<b>89,150</b>	(29,400)
- Prepayments	<b>851,131</b>	(1,833,875)
<b>Increase / (decrease) in operating liabilities</b>		
- Trade and other payables	<b>4,304,117</b>	5,363,143
	<b>64,217,304</b>	(69,611,395)
<b>Net cash (used) / generated from operations</b>	<b>32,903,201</b>	(75,168,644)
Finance cost paid	<b>(383,172)</b>	(767,440)
Taxation and levies - net	<b>(899,816)</b>	(1,688,921)
<b>Net cash (used) / generated from operating activities</b>	<b>31,620,213</b>	(77,625,005)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property and equipment	<b>(173,900)</b>	(513,316)
Short term investments - net	<b>(4,008,180)</b>	(3,045,233)
<b>Net cash (Used) / generated from investing activities</b>	<b>(4,182,080)</b>	(3,558,549)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of lease liabilities	<b>12.1 (5,295,272)</b>	(5,565,900)
<b>Net cash used in financing activities</b>	<b>(5,295,272)</b>	(5,565,900)
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>22,142,861</b>	(86,749,454)
Cash and cash equivalents at the beginning of the Period	<b>23,839,925</b>	124,969,042
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>45,982,786</b>	38,219,588

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, 2025

### 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 revised long term Credit Rating of the Company at "BBB-" and short term Credit Rating of the Company at "A3" with stable outlook on September 19, 2025. The ratings denote an adequate capacity of timely payment of financial commitments.

Moreover, a Public Announcement of Intention by Mr. Kamran Malik & Mr. Sheikh Ali Baakza (the "Acquirer") to acquire up to 6.02% of the ordinary shares and control of Escorts Investment Bank Limited was reannounced by AKD Securities Limited (Manager to the Offer) as on 21 January 2026.

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, Sambrial.
Gojra	Pensra Road, Street No.3 Jinnah Park District Toba Teksing, Gojra.
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
- Provision of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Ordinance, 1984; and
- Provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC 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.

These unconsolidated condensed interim financial statements are unaudited and have been subjected to limited scope review by the external auditors as required by Section 237 of the Companies Act, 2017. The figures for the quarters ended on December 31, 2024 and 2025 presented in the condensed financial statements have not been reviewed by the external auditors.

### 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 2025. 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 2025.

### 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 2025.

	Note	31-Dec-25 Rupees (Un-Audited)	30-Jun-25 Rupees (Audited)
<b>5 Property and equipment</b>			
Operating fixed assets - tangible	5.1	92,380,635	96,678,173
Right of use assets	5.2	25,305,591	29,551,850
Advances against purchase of assets		579,162	495,662
		<b>118,265,388</b>	126,725,685
<b>5.1 Operating fixed assets - tangible</b>			
Opening net book value		96,678,173	106,025,763
Cost of addition		604,000	834,837
Less: Book value of deletion during period / year		532,894	50,201
Less: Depreciation for the period / year		4,368,644	10,132,226
Closing net book value		92,380,635	96,678,173
<b>5.2 Right-of-use assets</b>			
Opening balance		29,551,850	37,889,109
Depreciation	16	(4,246,259)	(8,479,133)
Adjustment relating to termination of lease		-	141,874
		<b>25,305,591</b>	29,551,850
Depreciation rate		10% - 15%	10% - 15%
<b>6 Intangible</b>			
Accounting software	6.1	444,408	533,279
Advance for ERP implementation		4,889,888	4,889,888
		<b>5,334,296</b>	5,423,167
<b>6.1 Accounting software</b>			
<b>Net carrying value</b>			
At 01 July		533,279	799,880
Less: Amortization charge	16	88,871	266,601
		<b>444,408</b>	533,279

	Note	31-Dec-25 Rupees (Un-Audited)	30-Jun-25 Rupees (Audited)
<b>7 Long Term Finances</b>			
Considered good	7.1	109,169,125	117,324,658
Considered doubtful		50,469,765	46,798,486
		<b>159,638,890</b>	164,123,144
Less: Allowance for expected credit losses		43,759,384	43,062,763
		<b>115,879,506</b>	121,060,381
Less: Current portion		68,958,134	61,324,083
Less: General provision for micro finance portfolio		420,114	90,308
		<b>46,501,258</b>	59,645,990
<b>7.1 Considered good</b>			
House finance - secured	7.1.1	31,856,619	34,886,354
Micro finance	7.1.2	77,312,506	82,438,304
		<b>109,169,125</b>	117,324,658

**7.1.1** This represents amount disbursed to house finance customers at return rate ranging from 18.33% to 27.7% (30 June 2025: 18.33% to 27.7%) 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 2025: 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.

Deferred tax is calculated and recognized on an annual basis; accordingly, it will be assessed and disclosed at the financial year-end in line with applicable accounting standards.

	Note	31-Dec-25 Rupees (Un-Audited)	30-Jun-25 Rupees (Audited)
<b>9 Short Term Investments</b>			
<b>Fair value through profit or loss (FVTPL)</b>			
Mutual funds - 502.7993 (2025: 502.7993) units of Rs. 20.0668 (2025: Rs. 14.7076) each		10,090	7,395
<b>Shares - others</b>	<b>9.1</b>	<b>17,581,513</b>	13,576,028
		<b>17,591,603</b>	13,583,423

**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	31-Dec-25 Rupees (Un-Audited)	30-Jun-25 Rupees (Audited)
<b>10 Short Term Finances</b>			
Considered good		20,665,427	43,001,441
Considered doubtful		41,286,916	41,524,036
Gold Finance	10.1	21,961,861	51,933,371
		<b>83,914,204</b>	136,458,848
Less: Allowance for expected credit losses		38,546,640	35,578,565
		<b>45,367,564</b>	100,880,283
Less: General provision for micro finance portfolio		117,082	820,975
		<b>45,250,482</b>	100,059,308

**10.1** This represents amount disbursed to Gold finance customers at return rate ranging from 32% to 35% (30 June 2025: 32% to 35%) per annum for tenure of 1 year.

## 11 Cash and Bank Balances

<b>Cash in hand</b>		778,340	24,059
<b>Cash with banks</b>			
Current accounts with			
- State Bank of Pakistan		95,529	95,529
- Others		2,970,928	10,087,077
		<b>3,066,457</b>	10,182,606
Saving and deposit accounts	11.1	42,137,989	13,633,260
		<b>45,982,786</b>	23,839,925

**11.1** Rate of return on saving accounts range from 9.50% to 10.50% (2025: 9.50% to 20.50%) per annum.

## 12 Lease Liabilities

Lease liabilities	12.1	31,398,004	35,421,257
Less: Current portion		8,682,503	8,199,160
		<b>22,715,501</b>	27,222,097

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

Opening balance		35,421,257	42,471,758
Interest on finance lease		1,272,019	3,596,650
Payments		(5,295,272)	(10,647,151)
Closing balance		<b>31,398,004</b>	35,421,257

## 13 Current portion of non-current liabilities

Lease Liabilities		8,682,503	8,199,160
Long Term Security Deposits		2,165,985	2,165,985
		<b>10,848,488</b>	10,365,145

## 14 Trade and Other Payables

This includes an amount of Rs. 67.423 million (30 June 2025: 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 2025.

	Note	31-Dec-25 Rupees (Un-Audited)	30-Jun-25 Rupees (Audited)
<b>15.2 Commitments</b>			
ERP implementation		4,356,111	4,356,111

	Note	Half Year Ended		Quarter ended	
		31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
		Rupees (Un-Audited)	Rupees (Un-Audited)	Rupees (Un-Audited)	Rupees (Un-Audited)
<b>16 Administrative Expenses</b>					
Salaries, allowance and other benefits	16.1	39,583,240	44,475,796	19,442,258	21,983,632
Director's meeting fee		600,000	1,000,000	600,000	1,000,000
Advertisement and business promotion		263,480	274,880	263,480	259,880
Rent, rates and taxes		2,512,332	2,666,054	1,132,891	1,389,499
Utilities		2,510,129	3,176,494	1,032,852	1,221,184
Communication charges		1,539,909	1,558,879	775,617	781,111
Travelling and vehicle maintenance		6,230,628	1,905,784	1,515,623	1,343,269
Repairs and maintenance		3,459,167	2,088,726	1,742,239	543,294
Entertainment		581,817	387,703	113,497	211,541
Fees and subscriptions		2,029,309	1,516,260	1,062,389	796,660
Legal and professional charges		5,359,377	4,582,668	2,644,364	2,558,520
Printing and stationery		542,419	910,116	352,014	582,109
Insurance		1,630,736	1,736,711	825,259	861,094
Depreciation on property and equipment	5.1	4,368,644	5,049,681	2,187,287	2,529,444
Depreciation on right of use assets	5.2	4,246,259	4,232,875	2,123,129	2,117,776
Amortization on intangible assets	6.1	88,871	133,300	44,435	66,650
		<b>75,546,317</b>	<b>75,695,927</b>	<b>35,857,334</b>	<b>38,245,663</b>

**16.1** This includes contribution to provident fund amounting to Rs. 0.312 million (2024: Rs. 0.431 million) made by the Company in the approved provident fund trust.

## 17 Other Operating Expenses

Allowance for expected credit losses		3,664,696	2,128,824	728,400	1,494,471
General Provision on micro finance portfolio		(374,087)	187,599	288	95,562
Bad debts written off - micro finance		-	179,090.00	-	91,802
		<b>3,290,609</b>	<b>2,495,513</b>	<b>728,688</b>	<b>1,681,835</b>

## 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.

#### 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 31 December 2025 (Un-Audited)**
**(Rupees)**

	Financing activities			Investing activities	Total
	House finance activities	Micro/Gold finance activities	Term & other finance activities		
Profit on financing	3,028,475	25,465,278	-	-	28,493,753
Income from fee and commission	-	1,901,049	-	-	1,901,049
Return on investments	-	-	-	3,427,598	3,427,598
Other income	-	849,575	-	837,171	1,686,746
<b>Total income of segment</b>	<b>3,028,475</b>	<b>28,215,902</b>	<b>-</b>	<b>4,264,769</b>	<b>35,509,146</b>
Finance costs	-	701,513	-	953,678	1,655,191
Other expenses	-	3,290,609	-	-	3,290,609
Depreciation expense	382,043	3,132,945	-	5,099,915	8,614,903
Administrative expenses	1,065,787	19,629,194	-	46,236,433	66,931,414
<b>Segment result</b>	<b>1,580,645</b>	<b>1,461,641</b>	<b>-</b>	<b>(48,025,257)</b>	<b>(44,982,971)</b>
Other income - unallocated					-
Other expenses - unallocated					-
Loss before taxation					(44,982,971)

**As at 31 December 2025 (Un-Audited)**
**(Rupees)**

	Financing activities			Investing activities	Total
	House finance activities	Micro/Gold finance activities	Term & other finance activities		
<b>Segment assets</b>	<b>38,554,942</b>	<b>186,045,239</b>	<b>2,165,985</b>	<b>42,667,509</b>	<b>269,433,675</b>
Cash and bank balances					45,982,786
Unallocated assets					300,679,796
					616,096,257
<b>Segment liabilities</b>	<b>1,716,834</b>	<b>27,772,687</b>	<b>2,165,985</b>	<b>-</b>	<b>31,655,506</b>
Unallocated liabilities					127,230,265
Equity					457,210,486
					616,096,257

**Half Year Ended 31 December 2024 (Un-Audited)**

	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
<b>Total income of segment</b>	<b>7,490,573</b>	<b>44,552,649</b>	<b>-</b>	<b>8,679,632</b>	<b>60,722,854</b>
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
<b>Segment result</b>	<b>4,521,510</b>	<b>14,337,332</b>	<b>-</b>	<b>(39,193,895)</b>	<b>(20,335,053)</b>
Other income - unallocated					-
Other expenses - unallocated					-
Loss before taxation					<u>(20,335,053)</u>

**As at 30 June 2025**
**(Rupees)**

	Financing activities			Investing activities	Total
	House finance activities	Micro/Gold finance activities	Term & other finance activities		
<b>Segment assets</b>	<b>42,217,798</b>	<b>252,509,165</b>	<b>2,165,985</b>	<b>38,718,555</b>	<b>335,611,503</b>
Cash and bank balances					23,839,925
Unallocated assets					301,346,936
					<u>660,798,364</u>
<b>Segment liabilities</b>	<b>1,298,232</b>	<b>31,212,302</b>	<b>1,776,108</b>	<b>389,877</b>	<b>34,676,519</b>
Unallocated liabilities					123,537,833
Equity					502,584,012
					<u>660,798,364</u>

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

Party	Relationship	Nature of Transaction	Half Year Ended	
			31-Dec-25	31-Dec-24
			Rupees (Un-Audited)	Rupees (Un-Audited)
<b>Bahria Grand Hotel and Resort</b>	Associated Company	Entertainment Expense	46,400	54,242
<b>Executives</b>	Other Related Party	Remuneration to Key Management Personnel	22,088,041	22,460,783
<b>Employees Provident Fund</b>	Other Related Party	Contribution for the period	579,541	824,526

Outstanding balance as at period / year end			31-Dec-25 Rupees (Un-Audited)	30-Jun-25 Rupees (Audited)
<b>Bahria Town (Private) Limited</b>	Holding Company	Utilities & Maintenance Payable	363,331	363,331
		Other Receivable	836,550	836,550
		Security Deposit Against Branches	7,627,674	7,627,674

## 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 2025.

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 values.

## 22 Date of Authorization for Issue

This condensed interim financial information was authorized for issue by the Board of Directors of the Company on 25 February 2026 .

## 23 General

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