Escorts Investment Bank

# QUARTERLY REPORT

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 SEPTEMBER 2026










# TABLE OF **CONTENTS**


Corporate information 02

Directors' Report 03

Directors' Report (Urdu) 05

Condensed Interim Statement of Financial Position 08

Condensed Interim Statement of Profit or Loss 09

Condensed Interim Statement of Comprehensive Income 10

Condensed Interim Statement of Changes in Equity 11

Condensed Interim Statement of Cash Flows 12

Selected Notes to the Condensed Interim Financial Statements 13

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Syed Tahir Nawazish
(Chairman)
Mr. Basit Rehman Malik
(Chief Executive Officer)
Ms. Madiha Arooj
*Mr. Muhammad Omar Farooqi

*Subject to fit and proper from SECP.

## CHIEF FINANCIAL OFFICER

Ms. Najma Fazal

## COMPANY SECRETARY

Mr. Zohaib Younas

## EXTERNAL AUDITORS

Mushtaq & Co.
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

Ground Floor, 26-Davis Road, Lahore.
Tel: (92-42) 36361393-5
www.escortsbank.net
info@escortsbank.net
UAN: 042 111 003 425
Toll Free: 0800 03425

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# ESCORTS INVESTMENT BANK LIMITED -

## DIRECTORS' REPORT TO THE SHAREHOLDERS FOR THE QUARTER ENDED SEPTEMBER 30, 2026

The Board of Directors of **Escorts Investment Bank Limited ("the Company")** is pleased to present its Directors' Report together with the **un-audited condensed interim financial statements for the first quarter ended September 30, 2026**.

### Economic Overview

Pakistan's economy showed signs of gradual recovery in early FY2027, supported by improving manufacturing and agriculture, fiscal discipline, resilient remittances and strengthening foreign exchange reserves. However, inflation rose to 11.1% in August 2026 due to higher international oil prices, while the external account remained relatively resilient with increased remittances and services exports. The State Bank maintained the policy rate at 11.5% in September 2026. Overall, the financial sector continued to operate amid improving macroeconomic stability, persistent inflationary pressures and domestic and global market uncertainties.

### Financial Performance

During the quarter under review, the Company recorded total income of Rs. 19.737 million, compared with Rs. 16.376 million during the corresponding quarter of the previous year, representing an improvement of approximately 21%. The increase was primarily supported by higher return on investments and a significant increase in other income that contains reversal in provisions, notwithstanding a decline in profit on financing and fee and commission income.

The financial highlights for the quarter are summarized below:

| Particulars | Sep. 30, 2026 | Sep. 30, 2025 |
|---|---|---|
| **Profit on Financing** | Rs. 11.804 million | Rs. 13.565 million |
| **Return on Investments & Deposits** | Rs. 1.181 million | Rs. 0.806 million |
| **Fee & Commission Income** | Rs. 0.319 million | Rs. 0.548 million |
| **Other Income** | Rs. 6.434 million | Rs. 0.718 million |
| **Total Income** | **Rs. 19.737 million** | **Rs. 16.376 million** |
| **Operating Expenses** | Rs. 29.396 million | Rs. 40.601 million |
| **Loss Before Taxation** | **Rs. 12.137 million** | **Rs. 26.787 million** |
| **Net Loss After Taxation** | **Rs. 12.422 million** | **Rs. 26.969 million** |
| **Loss Per Share** | **Rs. 0.09** | **Rs. 0.20** |

The Company's administrative expenses decreased to Rs. 29.098 million from Rs. 39.689 million, representing a reduction of approximately 26.7%, while finance costs reduced to Rs. 0.298 million from Rs. 0.912 million. Total expenses consequently declined significantly during the period under review. As a result, the loss before levies and taxation reduced to Rs. 12.137 million Vs Rs. 26.786 million in the corresponding period last year. The Company reported a net loss after taxation of Rs. 12.422 million, compared with Rs. 26.969 million during the corresponding quarter, reflecting an improvement of approximately 54% in the bottom-line result. Loss per share accordingly improved from Rs. 0.20 to Rs. 0.09 per share.

The improvement in the Company's financial performance during the quarter reflects the combined impact of higher overall income and a significant reduction in operating and finance costs. Nevertheless, the Company continues to report a loss, and sustained efforts remain necessary to further strengthen revenue generation and improve operational efficiency.

## Operational Performance

During the period under review, the Company continued to focus on prudent resource management and effective control over operating expenditures. The reduction in administrative and finance costs during the quarter reflects ongoing cost rationalization efforts. Meanwhile, profit on financing declined from Rs. 13.565 million to Rs. 11.804 million, while fee and commission income decreased from Rs. 0.548 million to Rs. 0.319 million, highlighting the need to strengthen recurring revenue streams and improve overall earnings

The Company is also placing significant emphasis on the recovery of non-performing and overdue loans, with recoveries amounting to Rs. 4.6 million achieved during the quarter. The Board and management remain committed to strengthening recovery efforts, improving operational efficiency, maintaining financial discipline and taking appropriate measures to enhance the Company's financial performance and overall operating position.

## Future Outlook

Pakistan's economic outlook for FY2027 remains cautiously positive, supported by anticipated growth in key sectors, remittances, services exports and foreign exchange reserves, although global oil prices, inflation and financial market volatility pose risks. The Company will maintain a prudent approach to cost management, liquidity and investments, focusing on recurring income, operational efficiency and viable business opportunities within the regulatory framework to strengthen its financial position and create sustainable shareholder value.

## Acknowledgement

The Board of Directors wishes to place on record its appreciation for the continued support and cooperation extended by the Securities and Exchange Commission of Pakistan, State Bank of Pakistan, Pakistan Stock Exchange Limited, other regulatory authorities, financial institutions, customers and business partners.

The Board also acknowledges the dedication and efforts of the Company's management and employees and appreciates the continued confidence and support of the shareholders.

For and on behalf of the Board

**ESCORTS INVESTMENT BANK LIMITED**



**Mr. Basit Rahman Malik**
Chief Executive Officer



**Syed Tahir Nawazish**
Chairman

Dated: 28 October, 2026
Place: Lahore

# ایسکارٹس انویسٹمنٹ بینک لمیٹڈ-ڈائریکٹرز کی رپورٹ بنام شیئر ہولڈرز

## برائے سہ ماہی مختتمہ 30 ستمبر، 2026ء

### تعارف

ایسکارٹس انویسٹمنٹ بینک لمیٹڈ (''کمپنی'') کے بورڈ آف ڈائریکٹرز کو یہ رپورٹ اور 30 ستمبر 2026 کو ختم ہونے والی پہلی سہ ماہی کے غیر آڈٹ شدہ مختصر عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی ہو رہی ہے۔

### اقتصادی جائزہ

مالی سال 2027 کے آغاز میں پاکستان کی معیشت میں بتدریج بحالی کے آثار دیکھنے میں آئے۔ اس بہتری میں مینوفیکچرنگ اور زراعت کے شعبوں کی بہتر کارکردگی، مالیاتی نظم وضبط، ترسیلاتِ زر میں استحکام اور زرمبادلہ کے ذخائر میں اضافے نے اہم کردار ادا کیا۔ تاہم، بین الاقوامی تیل کی قیمتوں میں اضافے کے باعث اگست 2026 میں مہنگائی بڑھ کر 11.1 فیصد ہوگئی۔ ترسیلاتِ زر اور خدمات کی برآمدات میں اضافے کی وجہ سے بیرونی کھاتوں کی صورتحال نسبتاً مستحکم رہی۔ اسٹیٹ بینک نے ستمبر 2026 میں پالیسی ریٹ 11.5 فیصد پر برقرار رکھا۔ مجموعی طور پر مالیاتی شعبہ بہتر ہوتی معاشی صورتحال، مسلسل مہنگائی کے دباؤ اور ملکی و عالمی منڈیوں کی غیر یقینی کیفیت کے درمیان کام کرتا رہا۔

### مالی کارکردگی

زیرِ جائزہ سہ ماہی کے دوران کمپنی کی مجموعی آمدنی 19.737 ملین روپے رہی، جبکہ گزشتہ سال کی اسی سہ ماہی میں یہ 16.376 ملین روپے تھی۔ اس طرح آمدنی میں تقریباً 21 فیصد اضافہ ہوا۔ اس اضافے کی بنیادی وجوہات سرمایہ کاری پر حاصل ہونے والے منافع میں اضافہ اور دیگر آمدنی میں نمایاں بہتری تھیں، جس میں پرووژنز کی واپسی بھی شامل ہے۔ تاہم، فنانسنگ سے حاصل ہونے والے منافع اور فیس و کمیشن کی آمدنی میں کمی واقع ہوئی۔

سہ ماہی کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:

### مالیاتی جائزہ

| تفصیلات | 30 ستمبر 2026 | 30 ستمبر 2025 |
|---|---|---|
| فنانسنگ سے منافع | 11.804 ملین روپے | 13.565 ملین روپے |
| سرمایہ کاری اور ڈپازٹس پر منافع | 1.181 ملین روپے | 0.806 ملین روپے |
| فیس اور کمیشن کی آمدنی | 0.319 ملین روپے | 0.548 ملین روپے |
| دیگر آمدنی | 6.434 ملین روپے | 0.718 ملین روپے |
| **کل آمدنی** | **19.737 ملین روپے** | **16.376 ملین روپے** |
| آپریٹنگ اخراجات | 29.396 ملین روپے | 40.601 ملین روپے |
| **ٹیکس سے پہلے نقصان** | **12.137 ملین روپے** | **26.787 ملین روپے** |
| **ٹیکس کے بعد خالص نقصان** | **12.422 ملین روپے** | **26.969 ملین روپے** |
| **فی حصص نقصان** | **0.09 روپے** | **0.20 روپے** |

کمپنی کے انتظامی اخراجات 39.689 ملین روپے سے کم ہوکر 29.098 ملین روپے رہ گئے، جو تقریباً 26.7 فیصد کمی کو ظاہر کرتے ہیں۔ اسی طرح مالیاتی اخراجات 0.912 ملین روپے سے کم ہوکر 0.298 ملین روپے رہ گئے۔ نتیجتاً زیرِ جائزہ مدت کے دوران مجموعی اخراجات میں نمایاں کمی آئی۔ اس کے باعث ٹیکس اور لیویز سے پہلے نقصان گزشتہ سال کی اسی مدت کے 26.786 ملین روپے کے مقابلے میں کم ہوکر 12.137 ملین روپے رہ گیا۔ کمپنی کو ٹیکس کے بعد 12.422 ملین روپے کا خالص نقصان ہوا، جبکہ گزشتہ سال اسی سہ ماہی میں یہ نقصان 26.969 ملین روپے تھا۔ اس طرح خالص نتیجے میں تقریباً 54 فیصد بہتری آئی۔ فی حصص نقصان بھی 0.20 روپے سے کم ہوکر 0.09 روپے رہ گیا۔

سہ ماہی کے دوران کمپنی کی مالی کارکردگی میں بہتری مجموعی آمدنی میں اضافے اور آپریٹنگ و مالیاتی اخراجات میں نمایاں کمی کا نتیجہ ہے۔ تاہم، کمپنی اب بھی نقصان میں ہے، اس لیے آمدنی میں مزید اضافے اور عملیاتی کارکردگی بہتر بنانے کے لیے مسلسل کوششیں ضروری ہیں۔

## عملیاتی کارکردگی

زیرِ جائزہ مدت میں کمپنی نے وسائل کے محتاط استعمال اور آپریٹنگ اخراجات پر مؤثر کنٹرول کو ترجیح دی۔ سہ ماہی کے دوران انتظامی اور مالیاتی اخراجات میں کمی، اخراجات کو مناسب سطح پر لانے کے لیے جاری اقدامات کا نتیجہ ہے۔ دوسری جانب، فنانسنگ سے حاصل ہونے والا منافع 13.565 ملین روپے سے کم ہوکر 11.804 ملین روپے رہ گیا، جبکہ فیس اور کمیشن کی آمدنی 0.548 ملین روپے سے کم ہوکر 0.319 ملین روپے ہوگئی۔ یہ صورتحال مستقل آمدنی کے ذرائع کو مضبوط بنانے اور مجموعی آمدنی بہتر کرنے کی ضرورت کو ظاہر کرتی ہے۔

کمپنی غیر فعال اور واجب الادا قرضوں کی وصولی پر بھی خصوصی توجہ دے رہی ہے۔ زیرِ جائزہ سہ ماہی کے دوران 4.6 ملین روپے کی وصولیاں کی گئیں۔ بورڈ اور انتظامیہ قرضوں کی وصولی کے عمل کو مزید مؤثر بنانے، عملیاتی کارکردگی بہتر کرنے، مالیاتی نظم وضبط برقرار رکھنے اور کمپنی کی مالی کارکردگی و مجموعی کاروباری صورتحال کو بہتر بنانے کے لیے مناسب اقدامات کرنے کے عزم پر قائم ہیں۔

## مستقبل کا منظرنامہ

مالی سال 2027 کے لیے پاکستان کی معاشی صورتحال کے بارے میں محتاط طور پر مثبت توقعات ہیں۔ اہم شعبوں میں متوقع ترقی، ترسیلاتِ زر، خدمات کی برآمدات اور زرمبادلہ کے ذخائر اس کی معاونت کر سکتے ہیں، تاہم عالمی سطح پر تیل کی قیمتوں، مہنگائی اور مالیاتی منڈیوں میں اتار چڑھاؤ سے خطرات برقرار ہیں۔ کمپنی اخراجات کے محتاط انتظام، نقدی کی دستیابی اور سرمایہ کاری کے معاملات میں محتاط حکمتِ عملی جاری رکھے گی۔ اس کے ساتھ مستقل آمدنی، عملیاتی کارکردگی اور قابلِ عمل کاروباری مواقع پر توجہ دی جائے گی تاکہ کمپنی کی مالی پوزیشن مضبوط ہو اور حصص یافتگان کے لیے پائیدار قدر پیدا کی جا سکے۔

## اظہارِ تشکر

بورڈ آف ڈائریکٹرز، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، پاکستان اسٹاک ایکسچینج لمیٹڈ، دیگر نگران اداروں، مالیاتی اداروں، صارفین اور کاروباری شراکت داروں کی جانب سے مسلسل تعاون اور حمایت کو قدر کی نگاہ سے دیکھتا ہے۔

بورڈ کمپنی کی انتظامیہ اور ملازمین کی لگن اور کوششوں کو بھی سراہتا ہے اور حصص یافتگان کے مسلسل اعتماد اور تعاون پر ان کا شکریہ ادا کرتا ہے۔

منجانب/ برائے بورڈ

ایسکارٹس انویسٹمنٹ بینک لمیٹڈ

**باسط رحمٰن ملک**
چیف ایگزیکٹو آفیسر

**سید طاہر نوازش**
چیئرمین

تاریخ: 28 اکتوبر، 2026ء

مقام: لاہور



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

**For the period ended 30 September 2026**

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

## AS AT 30 SEPTEMBER 2026

| | Note | 30-Sep-26 Rupees | 30-Jun-26 Rupees |
|---|---|---|---|
| **ASSETS** | | | |
| **NON-CURRENT ASSETS** | | | |
| Property and equipment | 5 | **96,035,744** | 99,141,925 |
| Intangible assets | 6 | **5,901,253** | 5,570,878 |
| Long term investments | | **25,000,000** | 25,000,000 |
| Long term finances | 7 | **67,100,419** | 59,085,867 |
| Long term deposits | | **8,496,524** | 8,406,524 |
| Deferred tax asset - net | 8 | **125,130,308** | 125,130,308 |
| | | **327,664,248** | 322,335,502 |
| **CURRENT ASSETS** | | | |
| Current portion of non-current assets | | **47,132,947** | 61,474,827 |
| Short term investments | 9 | **24,016,493** | 17,610,080 |
| Short term finances | 10 | **32,289,909** | 39,125,930 |
| Short term advances | | **3,364,724** | 3,290,186 |
| Prepayments | | **2,355,413** | 980,633 |
| Interest receivable | | **19,023,867** | 18,451,991 |
| Other receivables | | **2,807,359** | 4,611,078 |
| Tax refunds due from the government | | **88,650,327** | 88,208,803 |
| Cash and bank balances | 11 | **9,425,040** | 15,229,395 |
| | | **229,066,079** | 248,982,923 |
| **TOTAL ASSETS** | | **556,730,327** | 571,318,425 |
| **EQUITY AND LIABILITIES** | | | |
| **SHARE CAPITAL AND RESERVES** | | | |
| Authorized share capital 300,000,000 (2026: 300,000,000) ordinary shares of Rs. 10 each | | **3,000,000,000** | 3,000,000,000 |
| Issued, subscribed and paid-up share capital | | **1,356,000,000** | 1,356,000,000 |
| Capital reserves | | **158,496,746** | 158,496,746 |
| Revenue reserve | | **(1,112,763,700)** | (1,100,533,026) |
| Revaluation surplus on property and equipment | | **15,094,854** | 15,285,928 |
| | | **416,827,900** | 429,249,648 |
| **LIABILITIES** | | | |
| **NON-CURRENT LIABILITIES** | | | |
| Lease liabilities | 12 | **6,666,542** | 7,623,204 |
| | | **6,666,542** | 7,623,204 |
| **CURRENT LIABILITIES** | | | |
| Current portion of non-current liabilities | 13 | **4,638,083** | 4,567,521 |
| Trade and other payables | 14 | **124,851,022** | 126,415,897 |
| Unclaimed dividend | | **2,385,654** | 2,385,654 |
| Provision for levies and taxation | | **1,361,126** | 1,076,501 |
| | | **133,235,885** | 134,445,573 |
| **CONTINGENCIES AND COMMITMENTS** | 15 | **-** | - |
| **TOTAL EQUITY AND LIABILITIES** | | **556,730,327** | 571,318,425 |

The annexed notes from 1 to 24 form an integral part of these financial statements.

| Cheif Executive Officer | Chief Financial Officer | Chairman |
|---|---|---|

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

## FOR THE QUARTER ENDED 30 SEPTEMBER 2026 (UN-AUDITED)

| | Note | Quarter Ended 30-Sep-26 Rupees | 30-Sep-25 Rupees |
|---|---|---|---|
| **Income** | | | |
| Profit on financing | | **11,803,601** | 13,565,068 |
| Return on investments | | **1,079,281** | 805,781 |
| Income from fee and commission | | **318,647** | 547,725 |
| Profit on bank deposits | | **101,441** | 739,427 |
| Other income | 16 | **6,433,791** | 718,456 |
| | | **19,736,761** | 16,376,457 |
| **Expenses** | | | |
| Administrative expenses | 17 | **29,098,346** | 39,688,983 |
| Finance cost | | **297,576** | 912,386 |
| | | **29,395,922** | 40,601,369 |
| | | **(9,659,161)** | (24,224,912) |
| Other operating expenses | 18 | **(2,477,962)** | (2,561,921) |
| **Loss before levies and taxation** | | **(12,137,123)** | (26,786,833) |
| Levies | | **(228,951)** | (182,291) |
| **Loss before taxation** | | **(12,366,074)** | (26,969,124) |
| Taxation | | **(55,674)** | - |
| **Net loss for the Year** | | **(12,421,748)** | (26,969,124) |
| **Loss per share - basic and diluted** | | **(0.09)** | (0.20) |

The annexed notes from 1 to 24 form an integral part of these financial statements.

Cheif Executive Officer | Chief Financial Officer | Chairman

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
## FOR THE QUARTER ENDED 30 SEPTEMBER 2026 (UN-AUDITED)

| | Note | Quarter Ended 30-Sep-26 Rupees | 30-Sep-25 Rupees |
|---|---|---|---|
| **Net loss for the Year** | | **(12,421,748)** | (26,969,124) |
| **Other comprehensive loss:** | | | |
| ***Items that will not be reclassified to statement of profit or loss*** | | - | - |
| ***Items that may be reclassified subsequently to statement of profit or loss*** | | | |
| Gain / (Loss) on remeasurement of long term investments - net of tax | | - | - |
| Other comprehensive Gain / (loss) for the year - net of tax | | - | - |
| **Total Comprehensive loss for the Year** | | **(12,421,748)** | (26,969,124) |

The annexed notes from 1 to 24 form an integral part of these financial statements.

Cheif Executive Officer | Chief Financial Officer | Chairman

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

## FOR THE QUARTER ENDED 30 SEPTEMBER 2026 (UN-AUDITED)

Escorts Investment Bank

| Particulars | Issued, Subscribed and Paid up Capital | Capital Reserves | | Revenue Reserve | Revaluation Surplus on Property and Equipment | Total |
|---|---|---|---|---|---|---|
| | | Statutory Reserve | (Deficit) / Gain on Revaluation of | Accumulated Loss | | |
| | Rupees | Rupees | Rupees | Rupees | Rupees | Rupees |
| **Balance as at June 30, 2025** | **1,356,000,000** | **158,496,746** | **(453,875)** | **(1,027,549,311)** | **16,090,452** | **502,584,012** |
| **Total comprehensive Income / (loss) for the Year** | | | | | | |
| Net profit/( loss) for the period | - | - | - | (26,969,124) | - | (26,969,124) |
| Other comprehensiveincome/ (loss) for the period | - | - | - | - | - | - |
| Total comprehensive income/(loss) for the period | - | - | - | (26,969,124) | - | (26,969,124) |
| Transfer from surplus on revaluation of property and equipment on account of : | | | | | | |
| Incremental depreciation on revalued asset for the year - net of tax | - | - | - | 201,131 | (201,131) | - |
| **Balance as at September 30, 2025 (Un-Audited)** | **1,356,000,000** | **158,496,746** | **(453,875)** | (1,054,317,304) | **15,889,321** | **475,614,888** |
| **Balance as at June 30, 2026** | **1,356,000,000** | **158,496,746** | **-** | **(1,100,533,026)** | **15,285,928** | **429,249,648** |
| **Total comprehensive Income / (loss) for the year** | | | | | | |
| Net profit/( loss) for the period | - | - | - | **(12,421,748)** | - | **(12,421,748)** |
| Other comprehensiveincome/ (loss) for the period | - | - | - | - | - | - |
| Total comprehensive income/(loss) for the period | - | - | - | **(12,421,748)** | - | **(12,421,748)** |
| Transfer from surplus on revaluation of property and equipment on account of: | | | | | | |
| Incremental depreciation on revalued asset for the year - net of tax | - | - | - | **191,074** | **(191,074)** | - |
| **Balance as at September 30, 2026 (Un-Audited)** | **1,356,000,000** | **158,496,746** | - | **(1,112,763,700)** | **15,094,854** | **416,827,900** |

The annexed notes from 1 to 24 form an integral part of these financial statements.

| Cheif Executive Officer | Chief Financial Officer | Chairman |
|---|---|---|

# CONDENSED INTERIM STATEMENT OF CASH FLOWS
## FOR THE QUARTER ENDED 30 SEPTEMBER 2026 (UN-AUDITED)

| | Note | Quarter Ended 30-Sep-26 Rupees | 30-Sep-25 Rupees |
|---|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| Loss before levies and taxation | | **(12,137,123)** | (26,786,833) |
| Adjustment for non cash expenses and other items: | | | |
| - Depreciation on property and equipment | 5.1 | **1,799,030** | 2,181,357 |
| - Depreciation on right of use assets | 5.2 | **1,394,432** | 2,123,130 |
| - Amortization on intangible assets | 6.1 | **29,625** | 44,436 |
| - Interest on lease liabilities against right of use assets | | **226,202** | 660,238 |
| - Finance cost | | **71,374** | 252,148 |
| - (Gain)/Loss on sale of fixed assets | | **(1,483,429)** | 18,896 |
| - (Loss)/Gain on investment in short term investments | | **1,654,788** | - |
| - (Reversal)/Increase of Provision against doubtful finances | | **(2,924,436)** | 2,561,921 |
| | | **767,586** | 7,842,126 |
| | | **(11,369,537)** | (18,944,707) |
| ***Decrease / (increase) in operating assets*** | | | |
| - Finances - net | | **16,910,959** | 48,897,660 |
| - Loans and advances | | **(74,538)** | (175,701) |
| - Interest receivable | | **(571,876)** | 2,701,311 |
| - Other receivables | | **1,803,719** | (36,947) |
| - Long term deposits | | **(90,000)** | - |
| - Prepayments | | **(1,374,780)** | (218,544) |
| ***Increase / (decrease) in operating liabilities*** | | | |
| - Trade and other payables | | **(1,564,875)** | 5,431,837 |
| | | **15,038,609** | 56,599,616 |
| **Net cash (used) / generated from operations** | | **3,669,072** | 37,654,909 |
| Finance cost paid | | **(71,374)** | (252,148) |
| Taxation and levies - net | | **(441,524)** | (441,293) |
| **Net cash (used ) /generated from operating activities** | | **3,156,174** | 36,961,468 |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Capital expenditure on property and equipment | | **(533,852)** | (345,995) |
| Proceeds from sale of property and equipment | | **1,930,000** | - |
| Capital expenditure on intangible assets | | **(360,000)** | - |
| Short term investments - net | | **(8,884,375)** | (1,773,775) |
| **Net cash (Used) / generated from investing activities** | | **(7,848,227)** | (2,119,770) |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| Payment of lease liabilities | 12.1 | **(1,112,302)** | (2,662,679) |
| **Net cash used in financing activities** | | **(1,112,302)** | (2,662,679) |
| **Net (Decrease) / Increase in Cash and Cash Equivalents During the Period** | | **(5,804,355)** | 32,179,019 |
| Cash and cash equivalents at the beginning of the Period | | **15,229,395** | 23,839,925 |
| **Cash and Cash Equivalents at the End of the Period** | 11 | **9,425,040** | 56,018,944 |

The annexed notes from 1 to 24 form an integral part of these financial statements.



Cheif Executive Officer



Chief Financial Officer



Chairman

# SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## FOR THE QUARTER ENDED 30 SEPTEMBER 2025 (UN-AUDITED)

### 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.

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 23 January 2026. Furthermore, the acquirers have extended the timeline for making the Public Announcement of Offer by an additional 90 days.

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. |
| 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. |
| 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 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 2026. 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 2026. 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 2026.

## 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 2026.

| | Note | 30-Sep-26 Rupees (Un-Audited) | 30-Jun-26 Rupees (Audited) |
|---|---|---|---|
| **5 Property and equipment** | | | |
| Operating fixed assets - tangible | 5.1 | **84,502,434** | 86,214,184 |
| Right of use assets | 5.2 | **11,533,310** | 12,927,741 |
| | | **96,035,744** | 99,141,925 |
| **5.1 Operating fixed assets - tangible** | | | |
| Opening net book value | | **86,214,184** | 96,678,173 |
| Cost of addition | | **533,883** | 910,850 |
| Less: Book value of deletion during period / year | | **446,603** | 2,698,207 |
| Less: Depreciation for the period / year | | **1,799,030** | 8,676,632 |
| Closing net book value | | **84,502,434** | 86,214,184 |
| **5.2 Right-of-use assets** | | | |
| Opening balance | | **12,927,741** | 29,551,850 |
| Depreciation | 17 | **1,394,432** | (8,045,521) |
| Adjustment relating to termination of lease | | **-** | (8,578,588) |
| | | **14,322,173** | 12,927,741 |
| Depreciation rate | | **10% - 15%** | 10% - 20% |
| **6 Intangible Assets** | | | |
| Accounting software | 6.1 | **325,911** | 355,536 |
| Advance for ERP implementation | | **5,575,342** | 5,215,342 |
| | | **5,901,253** | 5,570,878 |
| **6.1 Accounting software** | | | |
| **Net carrying value** | | | |
| At 01 July | | **355,536** | 533,279 |
| Less: Amortization charge | 17 | **29,625** | 177,743 |
| | | **325,911** | 355,536 |

| 7 Long Term Finances | Note | 30-Sep-26 Rupees (Un-Audited) | 30-Jun-26 Rupees (Audited) |
|---|---|---|---|
| Considered good | 7.1 | **91,526,304** | 108,700,819 |
| Considered doubtful | | **64,370,125** | 55,066,614 |
| | | **155,896,429** | 163,767,433 |
| Less: Allowance for expected credit losses | | **41,214,603** | 42,734,420 |
| | | **114,681,826** | 121,033,013 |
| Less: Current portion | | **47,132,947** | 61,474,827 |
| Less: General provision for micro finance portfolio | | **448,460** | 472,319 |
| | | **67,100,419** | 59,085,867 |
| **7.1 Considered good** | | | |
| House finance - secured | 7.1.1 | **24,989,859** | 26,649,178 |
| Micro finance | 7.1.2 | **66,536,445** | 82,051,641 |
| | | **91,526,304** | 108,700,819 |

**7.1.1** This represents amount disbursed to house finance customers at return rate ranging from 17.32% to 27.24% (30 June 2026: 17.32% to 27.24%) 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 34% to 54.6% (30 June 2026: 34% 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.

## 9 Short Term Investments

| | | | |
|---|---|---|---|
| **Fair value through profit or loss (FVTPL)** | | | |
| Mutual funds - 506.2798 (2026: 506.2798) units of Rs. 22.0839 (2026: Rs. 22.839) each | | **10,994** | 11,181 |
| **Equity Investments** | | **6,406,600** | - |
| **Shares - others** | 9.1 | **17,598,899** | 17,598,899 |
| | | **24,016,493** | 17,610,080 |

**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.

| 10 Short Term Finances | Note | 30-Sep-26 Rupees (Un-Audited) | 30-Jun-26 Rupees (Audited) |
|---|---|---|---|
| Considered good | | **12,743,384** | 15,693,695 |
| Considered doubtful | | **37,741,986** | 38,668,735 |
| Gold Finance | 10.1 | **16,747,100** | 21,942,100 |
| | | **67,232,470** | 76,304,530 |
| Less: Allowance for expected credit losses | | **34,864,456** | 37,092,249 |
| | | **32,368,014** | 39,212,281 |
| Less: General provision for micro finance portfolio | | **78,105** | 86,351 |
| | | **32,289,909** | 39,125,930 |

**10.1** This represents amount disbursed to Gold finance customers at return rate ranging from 32% to 35% (30 June 2026: 32% to 35%) per anum for tenure of 1 year.

| | Note | 30-Sep-26 Rupees (Un-Audited) | 30-Jun-26 Rupees (Audited) |
|---|---|---|---|
| **11 Cash and Bank Balances** | | | |
| **Cash in hand** | | **442,272** | 11,725 |
| **Cash with banks** | | | |
| Current accounts with | | | |
| - State Bank of Pakistan | | **95,529** | 95,529 |
| - Others | | **2,115,545** | 2,204,314 |
| | | **2,211,074** | 2,299,843 |
| Saving and deposit accounts | **11.1** | **6,771,694** | 12,917,827 |
| | | **9,425,040** | 15,229,395 |

**11.1** Rate of return on saving accounts range from 9.50% to 10.50% (2026: 9.50% to 20.50%) per annum.

| | Note | 30-Sep-26 Rupees (Un-Audited) | 30-Jun-26 Rupees (Audited) |
|---|---|---|---|
| **12 Lease Liabilities** | | | |
| Lease liabilities | **12.1** | **11,304,625** | 12,190,725 |
| Less: Current portion | | **4,638,083** | 4,567,521 |
| | | **6,666,542** | 7,623,204 |

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

| | Note | 30-Sep-26 Rupees (Un-Audited) | 30-Jun-26 Rupees (Audited) |
|---|---|---|---|
| Opening balance | | **12,190,725** | 35,421,257 |
| Interest on finance lease | | **226,202** | 2,269,030 |
| Adjustment relating to termination of lease | | **-** | (15,488,085) |
| Payments | | **(1,112,302)** | (10,011,477) |
| Closing balance | | **11,304,625** | 12,190,725 |

| | Note | 30-Sep-26 Rupees (Un-Audited) | 30-Jun-26 Rupees (Audited) |
|---|---|---|---|
| **13 Current portion of non-current liabilities** | | | |
| Lease Liabilities | | **4,638,083** | 4,567,521 |
| | | **4,638,083** | 4,567,521 |

**14 Trade and Other Payables**

This includes an amount of Rs. 67.423 million (30 June 2026: 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 2026.

| | Note | 30-Sep-26 Rupees (Un-Audited) | 30-Jun-26 Rupees (Audited) |
|---|---|---|---|
| **15.2 Commitments** | | | |
| ERP implementation | | **4,356,111** | 4,356,111 |

| | | Note | Quarter Ended September 30 2026 Rupees (Un-Audited) | 2025 Rupees (Un-Audited) |
|---|---|---|---|---|
| **16** | **Other Income** | | | |
| | **Income from financial assets** | | | |
| | Late payment charges | | **14,934** | 15,507 |
| | Broken period income | | **25,279** | 19,968 |
| | Early payment / termination charges | | **67,284** | 416,144 |
| | Reversal of general provision on microfinance portfolio | | **4,602,889** | - |
| | | | **4,710,386** | 451,619 |
| | **Income from non - financial assets** | | | |
| | Rental income | | **239,976** | 247,941 |
| | Net Gain on sale of fixed assets | | **1,483,429** | 18,896 |
| | | | **1,723,405** | 266,837 |
| | | | **6,433,791** | 718,456 |
| **17** | **Administrative Expenses** | | | |
| | Salaries, allowance and other benefits | **17.1** | **19,039,473** | 20,140,982 |
| | Advertisement and business promotion | | **12,000** | - |
| | Rent, rates and taxes | | **1,352,446** | 1,379,441 |
| | Utilities | | **638,559** | 1,477,277 |
| | Communication charges | | **608,257** | 764,292 |
| | Travelling and vehicle maintenance | | **597,373** | 4,715,005 |
| | Repairs and maintenance | | **373,406** | 259,666 |
| | Security services charges | | **709,590** | 1,457,262 |
| | Entertainment | | **56,746** | 468,320 |
| | Fees and subscriptions | | **262,109** | 966,920 |
| | Legal and professional charges | | **1,561,108** | 2,715,013 |
| | Printing and stationery | | **70,484** | 190,405 |
| | Insurance | | **593,708** | 805,477 |
| | Depreciation on property and equipment | **5.1** | **1,799,030** | 2,181,357 |
| | Depreciation on right of use assets | **5.2** | **1,394,432** | 2,123,130 |
| | Amortization on intangible assets | **6.1** | **29,625** | 44,436 |
| | | | **29,098,346** | 39,688,983 |

**17.1** This includes contribution to provident fund amounting to Rs. 0.266 million (2025: Rs. 0.312 million) made by the Company in the approved provident fund trust.

| | | | Quarter Ended September 30 2026 Rupees (Un-Audited) | 2025 Rupees (Un-Audited) |
|---|---|---|---|---|
| **18** | **Other Operating Expenses** | | | |
| **18.1** | **Provisions and Expected Credit Losses** | | | |
| | Allowance for expected credit losses | | **855,279** | 2,936,296 |
| | Reversal of General Provision on micro finance portfolio | | **(32,105)** | (374,375) |
| | | | **823,174** | 2,561,921 |
| **18.2** | **Other Charges** | | | |
| | Loss on financial assets at FVTPL | | **1,654,788** | - |
| | | | **1,654,788** | - |

**19 Segmental Analysis**

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

**19.1 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'.

### 19.2 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.

**Three Months Ended 30 September 2026 (Un-Audited)** (Rupees)

| | Financing activities | | | Investing activities | Total |
|---|---|---|---|---|---|
| | House finance activities | Micro/Gold finance activities | Term & other finance activities | | |
| Profit on financing | 10,605,222 | 1,198,379 | - | - | 11,803,601 |
| Income from fee and commission | - | 318,647 | - | - | 318,647 |
| Return on investments | - | - | - | 1,180,722 | 1,180,722 |
| Other income | 25,332 | 3,829,775 | | 2,578,684 | 6,433,791 |
| **Total income of segment** | 10,630,554 | 5,346,801 | - | 3,759,406 | 19,736,761 |
| Finance Cost | - | 226,202 | - | 71,374 | 297,576 |
| Other expenses | - | 823,174 | - | 1,654,788 | 2,477,962 |
| Depreciation expense | 160,075 | 3,033,387 | - | - | 3,193,462 |
| Administrative expenses | 4,291,972 | 18,703,077 | - | 2,909,835 | 25,904,884 |
| **Segment result** | 6,178,507 | (17,439,039) | - | (876,591) | (12,137,123) |
| Other income - unallocted | | | | | - |
| Other expenses - unallocated | | | | | - |
| Loss before taxation | | | | | (12,137,123) |

**As at 30 September 2026 (Un-Audited)** (Rupees)

| | Financing activities | | | Investing activities | Total |
|---|---|---|---|---|---|
| | House finance activities | Micro/Gold finance activities | Term & other finance activities | | |
| **Segment assets** | 30,719,165 | 161,849,390 | - | 49,596,000 | 242,164,555 |
| Cash and bank balances | | | | | 9,425,040 |
| Unallocated assets | - | - | - | - | 305,140,732 |
| | - | - | - | - | 556,730,327 |
| **Segment liabilities** | 1,677,050 | 21,870,011 | - | - | 23,547,061 |
| Unallocated liabilities | - | - | - | - | 116,355,366 |
| Equity | - | - | - | - | 416,827,900 |
| | - | - | - | - | 556,730,327 |

| | Quarter Ended 30 September 2025 (Un-Audited) | | | | (Rupees) |
|---|---|---|---|---|---|
| | Financing activities | | | Investing activities | Total |
| | House finance activities | Micro/Gold finance activities | Term & other finance activities | | |
| Profit on financing | 1,512,989 | 12,052,079 | - | - | 13,565,068 |
| Income from fee and commission | - | 547,725 | - | - | 547,725 |
| Return on investments | - | - | - | 1,545,208 | 1,545,208 |
| Other income | - | 718,456 | - | - | 718,456 |
| **Total income of segment** | 1,512,989 | 13,318,260 | - | 1,545,208 | 16,376,457 |
| Finance Cost | - | 359,942 | - | 552,444 | 912,386 |
| Other expenses | - | 2,561,921 | - | - | 2,561,921 |
| Depreciation expense | 191,021 | 1,566,472 | - | 2,546,994 | 4,304,487 |
| Administrative expenses | 545,035 | 10,374,636 | - | 24,464,825 | 35,384,496 |
| **Segment result** | 776,933 | (1,544,711) | - | (26,019,055) | (26,786,833) |
| Other income - unallocted | | | | | - |
| Other expenses - unallocated | - | - | - | - | - |
| Loss before taxation | - | - | - | - | (26,786,833) |

| | As at 30 June 2026 | | | | (Rupees) |
|---|---|---|---|---|---|
| | Financing activities | | | Investing activities | Total |
| | House finance activities | Micro/Gold finance activities | Term & other finance activities | | |
| **Segment assets** | 32,459,113 | 175,523,235 | - | 43,183,552 | 251,165,900 |
| Cash and bank balances | - | - | - | - | 15,229,395 |
| Unallocated assets | - | - | - | - | 304,923,130 |
| | | | | | 571,318,425 |
| **Segment liabilities** | 1,584,276 | 20,282,615 | - | - | 21,866,891 |
| Unallocated liabilities | - | - | - | - | 120,201,886 |
| Equity | - | - | - | - | 429,249,648 |
| | - | - | - | - | 571,318,425 |

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

## 20 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 | 30-Sep-26 Rupees (Un-Audited) | 30-Sep-25 Rupees (Un-Audited) |
|---|---|---|---|---|
| **Executives** | Other Related Party | Remuneration to Key Management Personnel | 12,201,871 | 12,567,713 |
| **Employees Provident Fund** | Other Related Party | Contribution for the period | 266,246 | 312,649 |

### Outstanding balance as at period / year end

| | | | 30-Sep-26 Rupees (Un-Audited) | 30-Jun-26 Rupees (Audited) |
|---|---|---|---|---|
| **Bahria Town (Private) Limited** | 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 |

## 21 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 2026.

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 2026.

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

## 22 Fair Values of Financial Instruments

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

## 23 Date of Authorization for Issue

This condensed interim financial information was authorized for issue by the Board of Directors of the Company on 28th October 2026.

## 24 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.

Cheif Executive Officer | Chief Financial Officer | Chairman

Escorts Investment Bank

www.escortsbank.net
info@escortsbank.net

Follow Escorts Investment Bank Limited

**Registered Office:**
Ground Floor, 26-Davis Road Lahore.
Tel: (92-42) 36361393-5
www.escortsbank.net
info@escortsbank.net
UAN: 042 111 003 425
Toll Free: 0800 03425