Escorts Investment Bank

ANNUAL REPORT 2026









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FINANCIAL CALENDAR

2025 2026

1st Quarter results issued on	October 28, 2025
2nd Quarter results issued on	February 25, 2026
3rd Quarter results issued on	April 30, 2026
Recommendation of Annual Results by the BOD	October 06, 2026
31st AGM scheduled for approval of Annual Results	October 28, 2026

VISION AND MISSION STATEMENT



VISION STATEMENT

Value addition for our stakeholders through enhanced business activity and emphasis on Better Risk Identification and Management as opposed to Risk Avoidance.

MISSION STATEMENT

To build Escorts Investment Bank Limited into an elite institute comparable with, if not better than, any top quality local or foreign financial institution, in terms of a progressive corporate culture and an autonomous, committed and dedicated Executive Management with

An Eye On The Future.

WHO WE ARE

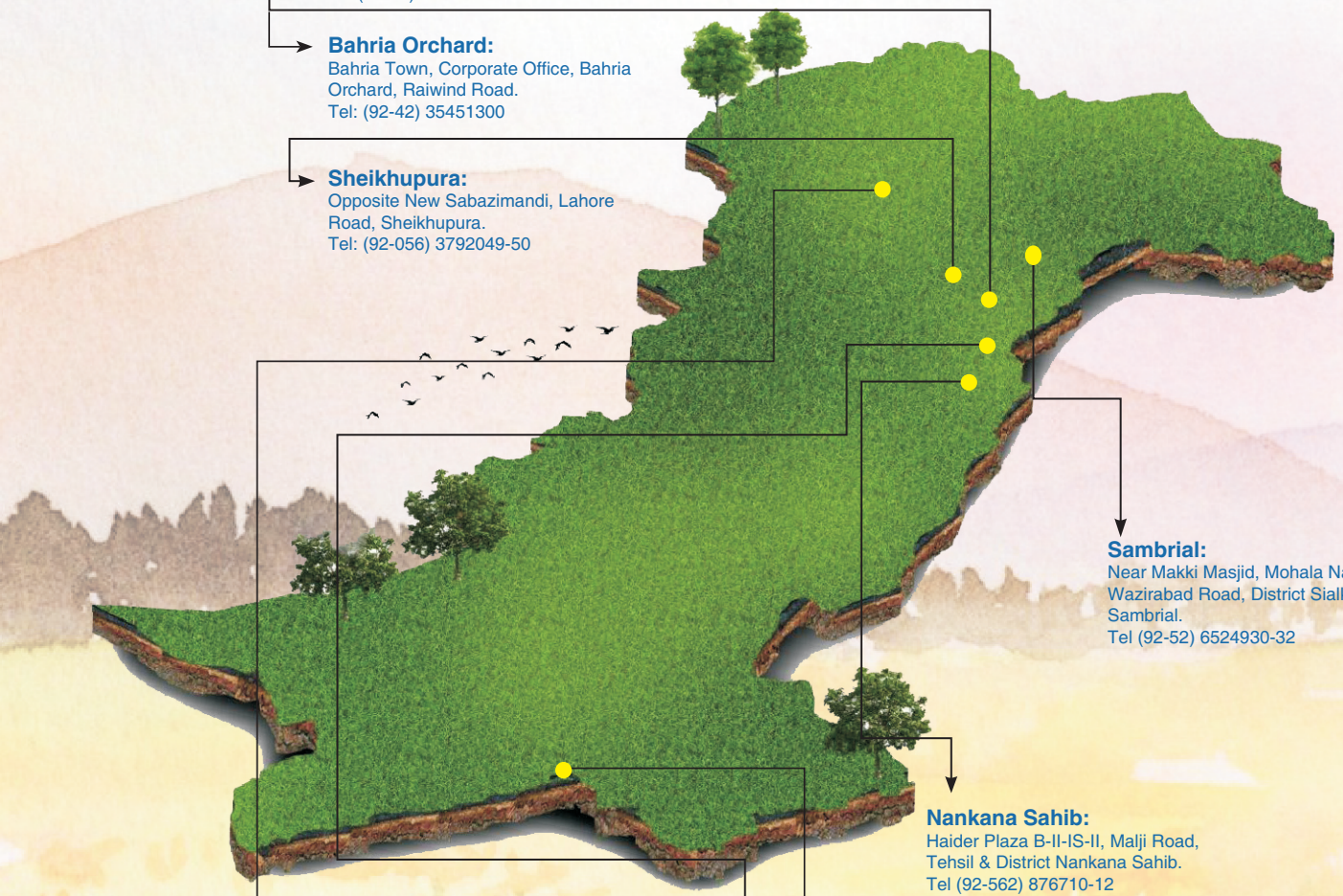


- Escorts Investment Bank Limited (EIBL) is a Non-Banking Financial Institution with IFS license. It was registered and incorporated in Pakistan on 15th May 1995.
- EIBL is regulated and supervised by Securities and Exchange Commission of Pakistan and is listed on Pakistan Stock Exchange Limited.
- EIBL focuses primarily on lending business including House Finance, Corporate Finance, Gold Finance & Micro Finance.

CORE VALUES

- Integrity
- Honesty
- Continuous Innovation
- Commitment to Customers

BRANCH NETWORK



Head Office:
Ground Floor, 26-Davis Road, Lahore-Pakistan.
Tel: (92-42) 36361393-5

Daroghawala
Shadi Pura Band Road Daroghawala Lahore.
Tel: (92-42) 37333313

Bahria Orchard:
Bahria Town, Corporate Office, Bahria Orchard, Raiwind Road.
Tel: (92-42) 35451300

Sheikhupura:
Opposite New Sabazimandi, Lahore Road, Sheikhupura.
Tel: (92-056) 3792049-50

Sambrial:
Near Makki Masjid, Mohala Naik Pura, Wazirabad Road, District Sialkot, Sambrial.
Tel (92-52) 6524930-32

Nankana Sahib:
Haider Plaza B-II-IS-II, Malji Road, Tehsil & District Nankana Sahib.
Tel (92-562) 876710-12

Bahria Town, Karachi:
Bahria Town, Head Office, Bahria Town Super Highway.
Tel: (92-21) 38651556-57

Bahira Rawalpindi:
Bahria Town, Head Office, Phase VIII, Rawalpindi.
Tel: (92-51) 5426528-30

Ellahabad:
Tufail Plaza Near PSO Pump, Chunian Road, District Kasur.
Tel (92-49) 4751251-53

CORPORATE INFORMATION

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

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
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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NOTICE FOR CALLING ANNUAL GENERAL MEETING

Notice is hereby served to all the Members of the Company that the 31st Annual General Meeting of the Members of ESCORTS INVESTMENT BANK LIMITED ("Company") will be held on Wednesday, October 28, 2026 at 11:30 AM. at Bahria Grand Hotel & Resort situated at Canal Bank Road, Executive Lodges, Sector-B, Bahria Town, Lahore, to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting held on October 28, 2025.

2. To receive, consider and adopt the Annual Audited Financial Statements for the year ended June 30, 2026 together with the Auditor's Report, Directors' Report and Chairman's Review Report thereon;

3. To appoint External Auditors for the year ending June 30, 2027 and fix their remuneration. The Board of Directors on the recommendation of Audit Committee has recommended the appointment of retiring auditors, M/s Mushtaq & Co. Chartered Accountants who being eligible have offered themselves for reappointment.

OTHER BUSINESS:

4. To transact any other business with the permission of the Chair.

BY ORDER OF THE BOARD

ZOHAIB YOUNAS
COMPANY SECRETARY

Lahore
October 07, 2026

NOTICE FOR CALLING ANNUAL GENERAL MEETING

1. To receive, consider and approve the annual audited Financial Statements of the Company for the year ended June 30, 2026 together with the Chairman's Review,

   Directors' and Auditors' Reports thereon.

   In accordance with section 223(6) of the Companies Act, 2017 ("the Act") and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the Financial Statements of the Company can be accessed through the following link / QR code:

   SCAN ME

2. The Share Transfer Books of the Company will remain closed from October 21, 2026 to October 28,2026 (both days inclusive). Transfers Physical / CDS received at the Share Registrar of the Company M/s Hameed Majeed Associates (Pvt.) Limited, HM House, 7 – Bank Square, Lahore, by close of business on Wednesday October 21, 2026 will be considered in time for the purpose of attending vote at the AGM.

3. In relevance to the compliance of SECP notification no. S.R.O.452(1)/2025, the Company affirms that no gifts will be distributed at the meeting.

4. All members are entitled to attend and vote at the Meeting. A member entitled to attend and vote may appoint another member as his / her proxy to attend and vote in his / her behalf. Proxies in order to be effective must be received by the Company at the registered office not less than forty eight (48) hours before the time of holding meeting.

   CDC Account Holders Will further have to follow the under-mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

A. For attending the meeting:

- In case of individuals, the account holder or sub account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.

- In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

NOTICE FOR CALLING ANNUAL GENERAL MEETING

B. For appointing proxies:

- In case of individuals, the account holder or sub account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the proxy form.
- Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- The proxy shall produce his/her original CNIC or original passport at the time of the Meeting.
- In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with the proxy form to the Company.

5. In compliance with section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the company has electronically transmitted the Annual Report 2026 through weblink, QR enabled code and through email to the members. The shareholders who wish to receive hard copies of the aforesaid documents may send to the Company Secretary / Share registrar, the standard request form available on the Company's website www.escortsbank.net. and the Company will provide the aforesaid documents to the shareholders on demand, free of cost, within one week of such demand.

6. In accordance with the Circular No.4 of 2021 of the SECP, the Company has also provided members the facility of attending the general meeting through video link.

   The shareholders interested to participate through video link are requested to please provide below information at Email: **info@escortsbank.net** not later than 48 hours before the time for holding the meeting.

Name of the Shareholder	Company	CNIC Number	Folio Number	Cell Number	E-mail address
	Escorts Investment Bank Limited				

NOTICE FOR CALLING ANNUAL GENERAL MEETING

Please note that video link and login credentials will be shared with only those members / designated proxies whose e-mail and other required information are received in required time as mentioned above.

a) Video-link for the meeting will be sent to members at their provided email addresses enabling them to attend the meeting on the given date and time.

b) Login facility will be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after the identification process. Shareholders will be able to login and participate in the meeting proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.

c) Shareholders may send their comments and suggestions relating to the agenda items of the AGM at least two (2) working days before the meeting, at the given email address info@escortsbank.net. Shareholders are requested to mention their full name, CNIC # and Folio/CDC Account # for this purpose.

7. In compliance with the requirements of Section 72 of the Companies Act, every existing listed company shall be required to replace his/her physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, that is, May 30, 2017. Members having physical share certificates are requested to convert their shares from physical form into book entry form as early as possible. It would facilitate the Members in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for issuance of duplicate shares and readily available for sale and purchase in open market at better rates.

8. The Company has placed the audited Financial Statements for the year ended June 30, 2026, along with the Auditor's and Directors' Reports thereon, Chairman's Review and notice of meeting on its website: www.escortsbank.net

اطلاع برائے سالانہ اجلاسِ عام

کمپنی کے تمام اراکین کو بذریعہ ہذا اطلاع دی جاتی ہے کہ ایسکارٹس انویسٹمنٹ بینک لمیٹڈ (" کمپنی") کے اراکین کا 31واں سالانہ عمومی اجلاس بروز بدھ، 28 اکتوبر 2026ء، صبح 11:30 بجے بحریہ گرینڈ ہوٹل اینڈ ریزورٹ، کینال بینک روڈ، ایگزیکٹولاجز، سیکٹر بی، بحریہ ٹاؤن، لاہور میں منعقد ہوگا، جس میں درج ذیل امور زیرِ غور لائے جائیں گے:

معمول کے کاروباری امور

1۔ 28 اکتوبر 2025ء کو منعقد ہونے والے گزشتہ سالانہ عمومی اجلاس کی کارروائی کی توثیق کرنا۔

2۔ 30 جون 2026ء کو ختم ہونے والے مالی سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشوارے، ان کے ساتھ آڈیٹرز کی رپورٹ، ڈائریکٹرز کی رپورٹ اور چیئرمین کی جائزہ رپورٹ وصول کرنا، ان پر غور کرنا اور انہیں منظور کرنا۔

3۔ 30 جون 2027ء کو ختم ہونے والے مالی سال کے لیے بیرونی حسابات کے جانچ کنندگان کی تقرری کرنا اور ان کے معاوضے کا تعین کرنا۔

آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز نے سبکدوش ہونے والے حسابات کے جانچ کنندگان، مشتاق اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، جنہیں دوبارہ تقرری کے لیے قانونی طور پر اہل ہونے کے باعث اپنی دوبارہ تقرری کی پیشکش کی ہے، کو دوبارہ مقرر کرنے کی سفارش کی ہے۔

دیگر کاروباری امور

4۔ چیئر کی اجازت سے کوئی بھی دیگر کاروباری امور انجام دینا۔

بورڈ آف ڈائریکٹرز کے حکم سے

زوہیب یونس
کمپنی سیکریٹری

لاہور

مورخہ: 07 اکتوبر 2026ء

اطلاع برائے سالانہ اجلاسِ عام

وضاحتی نکات

1۔جون 30,2026ء کوختم ہونے والے مالی سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشوارے، ان کے ساتھ چیئرمین کی جائزہ رپورٹ ڈائریکٹرز کی رپورٹ اور آڈیٹرز کی رپورٹ وصول کرنے، ان پر غور کرنے اور انہیں منظور کرنے کے لیے پیش کیا جائے گا۔

کمپنیز ایکٹ، 2017ء کی دفعہ 223(6) کے مطابق اور S.R.O.389(I)/2023 مورخہ 21 مارچ 2023ء کے تحت، کمپنی کے مالیاتی گوشوارے درج ذیل ویب لنک/کیوآرکوڈ کے ذریعے ملاحظہ کیے جاسکتے ہیں:

SCAN ME

2۔کمپنی کی حصص کی منتقلی کی کتابیں 21 اکتوبر 2026ء سے 28 اکتوبر 2026ء تک دونوں ایام سمیت بند رہیں گی۔ کمپنی کے حصص رجسٹرار حمید مجید اوسیٹس (پرائیویٹ) لمیٹڈ، ایچ ایم ہاؤس، ۷-بینک سکوائر، لاہور، کے پاس بدھ 21 اکتوبر 2026,ء کو کاروباری اوقات کے اختتام تک موصول ہونے والی طبعی یا سی ڈی ایس کے ذریعے حصص کی منتقلی کو سالانہ عمومی اجلاس میں شرکت اور ووٹ دینے کے مقصد کے لیے بروقت تصور کیا جائے گا۔

3-S.R.O.452(I)/2025/سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے نوٹیفکیشن نمبر کی تعمیل کے سلسلے میں کمپنی تصدیق کرتی ہے کہ اجلاس کے دوران کسی قسم کے تحائف تقسیم نہیں کیے جائیں گے۔

4۔تمام اراکین کو اجلاس میں شرکت کرنے اور ووٹ دینے کا حق حاصل ہے۔ اجلاس میں شرکت اور ووٹ دینے کا اہل کوئی بھی رکن اپنی طرف سے شرکت اور ووٹ دینے کے لیے کسی دوسرے رکن کو اپنا وکیلِ نمائندہ (پراکسی) مقرر کرسکتا ہے۔ پراکسی کو مؤثر بنانے کے لیے ضروری ہے کہ اجلاس کے انعقاد کے مقررہ وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر میں جمع کرادی جائے۔

سنٹرل ڈپازٹری کمپنی کے اکاؤنٹ ہولڈرز کو پاکستان سیکیورٹیز اینڈ ایکسچینج کمیشن کی جانب سے مقرر کردہ درج ذیل ہدایات پر بھی عمل کرنا ہوگا۔

الف۔اجلاس میں شرکت کے لیے:

- انفرادی افراد کی صورت میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور/ یا وہ شخص جس کی سیکیورٹیز گروپ اکاؤنٹ میں موجود ہوں اور جس کی رجسٹریشن کی تفصیلات ضوابط کے مطابق جمع کرائی گئی ہوں، اجلاس میں شرکت کے وقت اپنی شناخت کی تصدیق کے لیے اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ پیش کرے گا۔
- کسی ادارے/کمپنی کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/مختارنامہ، جس پر نامزد نمائندے کے نمونہ دستخط موجود ہوں، اجلاس کے وقت پیش کرنا ہوگا، بشرطیکہ یہ دستاویز پہلے جمع نہ کرائی گئی ہو۔

ب۔پراکسی مقرر کرنے کے لیے:

- انفرادی افراد کی صورت میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور/ یا وہ شخص جس کی سیکیورٹیز گروپ اکاؤنٹ میں موجود ہوں اور جس کی رجسٹریشن کی تفصیلات ضوابط کے مطابق جمع کرائی گئی ہوں، مذکورہ بالا تقاضوں کے مطابق پراکسی فارم جمع کرائے گا۔
- پراکسی فارم پر دو افراد کی بطور گواہ تصدیق ضروری ہوگی، اور ان گواہوں کے نام، پتے اور قومی شناختی کارڈ نمبرز پراکسی فارم پر درج کیے جائیں گے۔

اطلاع برائے سالانہ اجلاسِ عام

- حقیقی مالکان اور پراکسی کے قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول پراکسی فارم کے ساتھ جمع کرانا ضروری ہوگا۔ پراکسی کو اجلاس کے وقت اپنا اصل قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔
- کسی ادارے/کمپنی کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/مختارنامہ، جس پر نمونہ دستخط موجود ہوں، پراکسی فارم کے ساتھ کمپنی کو جمع کرانا ہوگا، بشرطیکہ یہ پہلے جمع نہ کرایا گیا ہو۔

5۔کمپنیز ایکٹ، 2017ء کی دفعہ 223 کے تقاضوں کی تعمیل میں اور S.R.O 389(I)/2023 مورخہ 21 مارچ 2023ء کے تحت، کمپنی نے سالانہ رپورٹ 2026ء ویب لنک، کیو آر کوڈ اور ای میل کے ذریعے اراکین کو برقی صورت میں فراہم کردی ہے۔ وہ حصص یافتگان جو مذکورہ دستاویزات کی کاغذی نقول حاصل کرنا چاہتے ہیں، وہ کمپنی کی ویب سائٹ www.escortsbank.net پر دستیاب مقررہ درخواست فارم کمپنی سیکریٹری/حصص رجسٹرار کو ارسال کرسکتے ہیں۔ کمپنی درخواست موصول ہونے کے ایک ہفتے کے اندر مذکورہ دستاویزات حصص یافتگان کو ان کی درخواست پر بلا معاوضہ فراہم کرے گی۔

6۔سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے سرکلر نمبر 4 برائے 2021ء کے تقاضوں کی تعمیل میں کمپنی نے اراکین کو ویڈیو لنک کے ذریعے عمومی اجلاس میں شرکت کی سہولت بھی فراہم کی ہے۔

وہ حصص یافتگان جو ویڈیو لنک کے ذریعے اجلاس میں شرکت کرنا چاہتے ہیں، وہ اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل درج ذیل معلومات ای میل info@escortsbank.net

نام شیئر ہولڈر	کمپنی	شناختی کارڈ نمبر	فولیو نمبر	موبائل نمبر	ای میل ایڈریس
	ایسکارٹس انویسٹمنٹ بینک لمیٹڈ				

ایسکارٹس انویسٹمنٹ بینک لمیٹڈ

براہِ کرم نوٹ کریں کہ ویڈیو لنک اور لاگ اِن کی تفصیلات صرف ان اراکین/ نامزد پراکسیز کو فراہم کی جائیں گی جن کی ای میل اور دیگر مطلوبہ معلومات مذکورہ بالا مقررہ وقت کے اندر موصول ہوجائیں گی۔

الف) اجلاس کا ویڈیو لنک اراکین کے فراہم کردہ ای میل پتوں پر ارسال کیا جائے گا، جس کے ذریعے وہ مقررہ تاریخ اور وقت پر اجلاس میں شرکت کرسکیں گے۔

ب) شرکاء کو شناختی عمل مکمل کرنے کے بعد اجلاس میں شامل ہونے کے لیے سہولت فراہم کرنے کی غرض سے لاگ اِن کی سہولت اجلاس کے مقررہ وقت سے 30 منٹ قبل فعال کردی جائے گی۔ حصص یافتگان مطلوبہ شناخت اور تصدیق کے تمام مراحل مکمل کرنے کے بعد اپنے آلات کے ذریعے لاگ اِن کر کے اجلاس کی کارروائی میں شرکت کرسکیں گے۔

ج) حصص یافتگان سالانہ عمومی اجلاس کے ایجنڈے میں شامل امور سے متعلق اپنے تبصرے اور تجاویز اجلاس سے کم از کم دو کاروباری دن قبل درج ذیل ای میل پتے پر ارسال کرسکتے ہیں: info@escortsbank.net

اس مقصد کے لیے حصص یافتگان سے درخواست ہے کہ وہ اپنا مکمل نام، قومی شناختی کارڈ نمبر اور فولیو نمبر/CDC اکاؤنٹ نمبر ضرور درج کریں۔

اطلاع برائے سالانہ اجلاسِ عام

7۔کمپنیز ایکٹ، 2017ء کی دفعہ 72 کے تقاضوں کی تعمیل میں، ہر موجودہ فہرست شدہ کمپنی کے لیے لازم ہے کہ وہ اپنے طبعی حصص کو کتابی اندراج (Book Entry) کی صورت میں تبدیل کرے، جیسا کہ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے مقرر کیا جائے گا۔ یہ عمل کمپنیز ایکٹ کے نفاذ، یعنی 30 مئی 2017ء سے زیادہ سے زیادہ چار سال کی مدت کے اندر مکمل کیا جانا تھا۔ جن اراکین کے پاس طبعی حصص کے سرٹیفکیٹس موجود ہیں، ان سے درخواست ہے کہ وہ اپنے حصص کو جلد از جلد طبعی شکل سے کتابی اندراج کی شکل میں تبدیل کرائیں۔ اس تبدیلی سے اراکین کو متعدد فوائد حاصل ہوں گے، جن میں حصص کی محفوظ تحویل، حصص کے ضائع ہونے سے تحفظ، ڈپلیکیٹ حصص جاری کروانے سے متعلق ضروری کارروائیوں سے بچاؤ، اور کھلی مارکیٹ میں بہتر نرخوں پر حصص کی خرید و فروخت کے لیے آسان اور فوری دستیابی شامل ہیں۔

8۔کمپنی نے 30 جون 2026ء کو ختم ہونے والے مالی سال کے آڈٹ شدہ مالیاتی گوشوارے، ان کے ساتھ آڈیٹرز اور ڈائریکٹرز کی رپورٹس، چیئرمین کی جائزہ رپورٹ اور اجلاس کا نوٹس اپنی ویب سائٹ پر فراہم کر دیے ہیں: www.escortsbank.net

CHAIRMAN'S REVIEW REPORT

Dear Shareholders,

On behalf of the Board of Directors of **Escorts Investment Bank Limited,** I am pleased to present my review of the Company's performance and overall affairs for the financial year ended June 30, 2026.

The year under review witnessed a gradual improvement in Pakistan's macroeconomic environment, with real GDP growth increasing to **3.70% in FY2026,** supported by growth across agriculture, industry and services. Fiscal indicators also showed improvement, while the external position remained relatively manageable. However, inflationary pressures, elevated financing costs, geopolitical uncertainties and volatility in international energy markets continued to present challenges for businesses.

Against this backdrop, the Company maintained a cautious and disciplined approach, focusing on prudent management of its existing portfolio, recovery of outstanding exposures, cost rationalization and efficient deployment of resources. Despite the improving economic environment, the Company's financial performance remained under pressure, primarily due to lower operating income during the year. The Board recognizes the need to strengthen sustainable revenue generation while maintaining strict financial discipline. Management will continue to focus on recoveries, operating cost optimization and identifying viable business opportunities to improve the Company's financial and operational position.

The Company remains subject to credit, liquidity, market, interest rate, operational and regulatory risks, together with broader macroeconomic uncertainties. The Board and management continue to closely monitor these risks and maintain appropriate measures for their identification, assessment and mitigation. Strong corporate governance, transparency, accountability, effective internal controls and sound risk management remain key priorities. The Board, through its Audit Committee and management, continues to review the effectiveness of the Company's control framework and address areas requiring improvement.

Looking ahead, the Company intends to maintain a prudent and disciplined operating approach while pursuing opportunities to strengthen its business platform, enhance revenue generation, improve recoveries and rationalize costs. The Board remains committed to supporting management in establishing a more sustainable operating base and creating long-term value for shareholders and other stakeholders. The Company's future performance will remain dependent on the successful execution of its business strategy, recovery performance, funding availability and cost, regulatory developments and prevailing economic conditions.

On behalf of the Board, I extend our appreciation to the **Securities and Exchange Commission of Pakistan, State Bank of Pakistan,** Pakistan Stock Exchange Limited and other regulatory authorities for their continued guidance and support. I also acknowledge the commitment and efforts of the Company's management and employees during the year. Finally, I express my sincere appreciation to our shareholders, customers, business partners and other stakeholders for their continued confidence and support.



Syed Tahir Nawazish
Chairman

چیئرمین کی جائزہ رپورٹ
برائے سال 30 جون 2026

محترم حصص یافتگان

مجلسِ انتظامیہ بورڈ آف ڈائریکٹرز کی جانب سے ایسکارٹس انوسٹمنٹ بینک لمیٹڈ کی مالی سال جو 30 جون 2026 کو اختتام پذیر ہوا، کے دوران کمپنی کی کارکردگی اور مجموعی امور کے جائزے کو پیش کرتے ہوئے مجھے خوشی محسوس ہو رہی ہے۔

زیرِ جائزہ سال کے دوران پاکستان کے مجموعی معاشی ماحول میں بتدریج بہتری دیکھنے میں آئی، جبکہ مالی سال 2026 میں حقیقی مجموعی ملکی پیداوار (Real GDP) کی شرح نمو بڑھ کر 3.70 فیصد ہوگئی، جس میں زراعت، صنعت اور خدمات کے شعبوں میں ہونے والی ترقی نے اہم کردار ادا کیا۔ مالیاتی اشاریوں میں بھی بہتری آئی، جبکہ بیرونی شعبے کی صورتحال نسبتاً قابلِ انتظام رہی۔ تاہم، افراطِ زر کے دباؤ، بلند شرحِ فنانسنگ، جغرافیائی و سیاسی غیر یقینی صورتحال اور بین الاقوامی توانائی کی منڈیوں میں اتار چڑھاؤ نے کاروباری سرگرمیوں کے لیے بدستور چیلنجز پیدا کیے۔

اس پس منظر میں، کمپنی نے محتاط اور نظم وضبط پر مبنی حکمتِ عملی اختیار کیے رکھی، جس میں موجودہ پورٹ فولیو کا محتاط انتظام، واجب الادا رقوم اور بقایا جات کی وصولی، اخراجات میں معقولیت اور دستیاب وسائل کے مؤثر استعمال پر توجہ مرکوز کی گئی۔ معاشی ماحول میں بہتری کے باوجود، کمپنی کی مالی کارکردگی دباؤ کا شکار رہی، جس کی بنیادی وجہ سال کے دوران آپریٹنگ آمدنی میں کمی تھی۔ بورڈ اس امر کو تسلیم کرتا ہے کہ مالیاتی نظم وضبط کو برقرار رکھتے ہوئے پائیدار آمدنی کے حصول کے ذرائع کو مزید مضبوط بنانے کی ضرورت ہے۔ انتظامیہ وصولیوں میں بہتری، آپریٹنگ اخراجات کو بہتر بنانے اور قابلِ عمل کاروباری مواقع کی نشاندہی پر اپنی توجہ جاری رکھے گی تاکہ کمپنی کی مالی اور عملیاتی پوزیشن میں بہتری لائی جا سکے۔

کمپنی کو کریڈٹ، لیکویڈیٹی، مارکیٹ، شرحِ سود، آپریشنل اور ریگولیٹری خطرات کے علاوہ وسیع تر معاشی غیر یقینی صورتحال کا بھی سامنا ہے۔ بورڈ اور انتظامیہ ان خطرات کی مسلسل نگرانی کر رہے ہیں اور ان کی بروقت نشاندہی، جائزہ اور تدارک کے لیے مناسب اقدامات برقرار رکھے ہوئے ہیں۔ مضبوط کارپوریٹ گورننس، شفافیت، جوابدہی، مؤثر اندرونی کنٹرولز اور مضبوط رسک مینجمنٹ بدستور ہماری اہم ترجیحات میں شامل ہیں۔ بورڈ، اپنی آڈٹ کمیٹی اور انتظامیہ کے ذریعے، کمپنی کے کنٹرول فریم ورک کی مؤثریت کا مسلسل جائزہ لے رہا ہے اور ان شعبوں میں بہتری کے لیے اقدامات کر رہا ہے جہاں اس کی ضرورت محسوس ہوتی ہے۔

مستقبل کے حوالے سے، کمپنی کاروباری پلیٹ فارم کو مزید مضبوط بنانے، آمدنی میں اضافہ کرنے، وصولیوں کو بہتر بنانے اور اخراجات کو معقول بنانے کے مواقع سے فائدہ اٹھاتے ہوئے محتاط اور نظم وضبط پر مبنی آپریٹنگ حکمتِ عملی برقرار رکھنے کا ارادہ رکھتی ہے۔ بورڈ انتظامیہ کی معاونت کے لیے پُرعزم ہے تاکہ کمپنی کے لیے زیادہ پائیدار آپریٹنگ بنیاد قائم کی جا سکے اور حصص یافتگان اور دیگر متعلقہ فریقین کے لیے طویل مدتی قدر پیدا کی جا سکے۔ کمپنی کی مستقبل کی کارکردگی کا انحصار اس کی کاروباری حکمتِ عملی پر کامیاب عملدرآمد، وصولیوں کی کارکردگی، فنڈنگ کی دستیابی اور اس کی لاگت، ریگولیٹری پیش رفت اور موجودہ معاشی حالات پر بدستور رہے گا۔

بورڈ کی جانب سے، میں سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، پاکستان اسٹاک ایکسچینج لمیٹڈ اور دیگر ریگولیٹری اتھارٹیز کی مسلسل رہنمائی اور تعاون پر ان کا شکریہ ادا کرتا ہوں۔ میں سال کے دوران کمپنی کی انتظامیہ اور ملازمین کی محنت، عزم اور کاوشوں کو بھی قدر کی نگاہ سے دیکھتا ہوں۔ آخر میں، میں اپنے حصص یافتگان، صارفین، کاروباری شراکت داروں اور دیگر متعلقہ فریقین کا کمپنی پر مسلسل اعتماد اور تعاون پر دلی شکریہ ادا کرتا ہوں۔

بورڈ آف ڈائریکٹرز کی جانب سے اور ان کے لیے



سید طاہر نوازش
چیئرمین

DIRECTORS' REPORT

The Board of Directors of **Escorts Investment Bank Limited ("the Company")** is pleased to present the Directors' Report together with the audited financial statements of the Company for the year ended **June 30, 2026.**

The improving macroeconomic environment provided a generally supportive backdrop for business activity. Greater exchange rate stability and improved domestic supply conditions helped reduce some of the cost and operational pressures experienced in the previous periods. However, inflation remained elevated, averaging 6.2% during July-April FY2026, while higher international energy prices and geopolitical developments created renewed cost pressures during the latter part of the year.

The monetary environment remained relatively tight, with the policy rate at 11.5% from April 2026. Consequently, the cost of borrowing and working capital remained an important consideration for businesses, requiring continued focus on liquidity management, financing costs and efficient deployment of capital. At the same time, the increase in private sector borrowing to approximately Rs. 873.3 billion indicated improved availability and demand for credit, supporting business and investment activity.

Fiscal consolidation and the improvement in the external account, including a current account surplus of US$255 million during July-May FY2026, contributed to greater overall macroeconomic stability. The stronger economic environment, together with continued activity in the capital markets, provided a more stable platform for businesses to plan and manage their operations.

Against this backdrop, the Company remained focused on maintaining operational efficiency, managing costs, optimizing working capital and prudently managing financial resources. While improved economic stability provided opportunities for business growth and improved demand, the Company continued to remain mindful of elevated financing costs, inflationary pressures, energy and input-cost volatility and geopolitical uncertainties. Management will continue to monitor these factors closely and align the Company's business and financial strategies accordingly .

FINANCIAL PERFORMANCE:

The summarized financial results of the Company for the year ended June 30, 2026, together with the comparative figures for FY2025, are presented below:

Description	FY 2026 Rs. Million	FY 2025 Rs. Million
Profit on financing	55.42	84.41
Return on investments	3.16	4.23
Income from fee and commission	4.03	8.58
Profit on bank deposits	2.57	7.71
Other income	12.37	3.44
Total Income	**77.56**	**108.38**
Administrative expenses	(146.50)	(159.09)
Finance cost	(2.96)	(5.2)
Operating loss before other operating expenses and taxation	**(71.91)**	**(55.91)**
Other operating expenses	(4.93)	(9.7)
Loss before taxation and levies	(76.84)	(65.61)
Levies and Taxation	3.05	(2.8)
Net loss for the Year	**(73.78)**	**(68.40)**
Loss per share - basic and diluted (Rs.)	**(0.54)**	**(0.50)**

DIRECTORS' REPORT

The Company's total income declined from approximately Rs. 108.38 million in FY2025 to Rs. 77.56 million in FY2026, representing a decrease of approximately 28%. The reduction was primarily attributable to lower profit on financing, which decreased from Rs. 84.41 million to Rs. 55.42 million, together with lower fee and commission income, return on investments and profit on bank deposits. On the expenditure side, administrative expenses declined by approximately 8%, from Rs. 159.09 million to Rs. 146.51 million, reflecting the management's continued focus on expenditure control and operational efficiency. Finance costs also decreased from Rs. 5.20 million to Rs. 2.96 million during the period. Management has undertaken stringent cost-containment measures and initiated restructuring of branch operations to further enhance operational efficiency. These measures are expected to contribute to a more effective reduction in administrative expenses by the end of the next quarter.

Consequently, the Company recorded a net loss of Rs. 73.78 million for FY2026, compared with a net loss of Rs. 68.40 million in the preceding year. Although our revenue has decreased by 28% but the increase in net loss is only 8%; due to striving efforts management is placing on cost optimization. Loss per share accordingly increased from Rs. 0.50 to Rs. 0.54 per share.

REASONS FOR LOSS AND FUTURE PROSPECTS:

As required under section 227(2)(i) of the Companies Act, 2017, the Board notes that the loss for FY2026 was principally attributable to the contraction in the Company's operating income and the continuing administrative cost base relative to the level of revenue generated. The statutory requirement specifically calls for disclosure of the reasons for loss and future prospects of profit where a loss has been incurred.

Going forward, the Company's management intends to continue focusing on recovery of non-performing exposures / strengthening revenue generating activities / deployment of available liquidity / cost optimization / revival or expansion of licensed NBFC activities.

The broader economic environment provides grounds for cautious optimism. The Government's June 2026 outlook envisages continued improvement supported by reform continuity, stronger confidence and a more enabling business environment. Nevertheless, the Company's prospects will remain dependent upon successful execution of its business strategy, availability and cost of funding, recovery performance, regulatory developments and the overall trajectory of economic and financial conditions.

DIVIDEND:

In view of the loss incurred during the year and the financial position of the Company, the Board of Directors has **not recommended any cash dividend for the year ended June 30, 2026**.

PRINCIPAL RISKS AND UNCERTAINTIES:

The Company's operations remain exposed to a number of financial and operational risks, including credit risk, liquidity risk, market and interest rate risk, operational risk, regulatory and compliance risk and broader macroeconomic uncertainty.

Although the economic environment improved during FY2026, geopolitical developments, international commodity price volatility, inflationary pressures and changes in monetary conditions continue to present risks to the domestic economy and financial markets. The Pakistan Economic Survey also identifies elevated energy prices, subdued global trade and uncertainty in international financial markets as relevant downside risks to Pakistan's outlook. The Board and management continue to monitor these risks and take appropriate measures within the Company's risk management and internal control framework.

DIRECTORS' REPORT

The Board recognizes its responsibility for establishing and maintaining an adequate and effective system of internal financial controls. The Company's system of internal controls is designed to provide reasonable assurance regarding safeguarding of assets, reliability of financial reporting, compliance with applicable laws and regulations and orderly and efficient conduct of business. The Board, through its Audit Committee and management, reviews the adequacy and effectiveness of the Company's internal control environment and takes appropriate measures to address identified weaknesses, where applicable.

CORPORATE GOVERNANCE:

The Board remains committed to maintaining high standards of corporate governance, transparency, accountability and integrity in managing the affairs of the Company. The Company has endeavored to comply with the applicable requirements of the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulations, 2019, as amended, and other applicable regulatory requirements.

The Code places responsibility on the Board for adoption and monitoring of corporate governance practices and requires the Board to maintain appropriate systems of internal control and governance of risk.

A separate Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, together with the auditors' review report thereon, forms part of the Annual Report.

BOARD OF DIRECTORS:

In accordance with section 227(2)(a) of the Companies Act, 2017, The board of directors held four (04) meetings during the year. Attendance by each Director was as follows;

Director Name	Meetings Attended
Mr. Basit Rahman Malik	4
Syed Tahir Nawazish	4
Ms. Madiha Arooj	4
Mr. Muhammad Omar Farooqi	4

Casual vacancies were occurred on Board due to the resignations of Mr. Muhammad Mubashir Hussain and Khawaja Nadeem Abbas on July 15, 2023 and Mr. Rashid Aziz on August 28, 2023 and Mr. Muhammad Rasheed Alam on August 28,2025. To fill these casual vacancies, proposed directors' applications and related documents for the fit and proper criteria have been duly filed with SECP for seeking final approval.

The Audit Committee held four (4) meetings during the year. Attendance by each member was as follows:

Director Name	Meetings Attended
Mr. Basit Rahman Malik	4
Syed Tahir Nawazish	4
Ms. Madiha Arooj	4

DIRECTORS' REMUNERATION:

The remuneration packages of the Directors and Chief Executive Officer, including the disclosures prescribed under section 227 of the Companies Act, 2017, are disclosed in Note. No. 40 to the financial statements / relevant section of the Annual Report.

DIRECTORS' REPORT

PATTERN OF SHAREHOLDING:

The pattern of shareholding of the Company as at June 30, 2026, prepared in accordance with the applicable statutory requirements, is annexed to the Annual Report.

AUDITORS AND AUDITORS' REPORT:

The statutory auditors of the Company, M/s Mushtaq & Company Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible, have offered themselves for reappointment for the year ended 30 June 2027.

ENVIRONMENT, SOCIAL RESPONSIBILITY AND SUSTAINABILITY:

As an investment bank with a strong focus on microfinance products, EIBL is dedicated to creating a meaningful and lasting impact on the communities we serve. Our approach extends beyond traditional banking through a well-rounded Corporate Social Responsibility (CSR) program aimed at improving lives and fostering inclusive growth. We actively support initiatives that promote financial literacy, economic empowerment, and community development, ensuring our operations contribute to the broader social well-being of the regions we operate in. Our commitment also includes upholding ethical business practices, encouraging diversity and inclusion within our workforce, and strengthening community engagement.

In alignment with our values, a comprehensive ESG (Environmental, Social, and Governance) framework is currently being developed. This includes the establishment of a Sustainability Committee comprising board members, with female representation to ensure inclusivity in decision-making. These initiatives are set to be implemented in the near future as part of our vision to build a more sustainable, responsible, and equitable future for all.

FUTURE OUTLOOK:

Pakistan entered FY2027 with improved macroeconomic fundamentals compared with recent years. FY2026 GDP growth of 3.7%, stronger fiscal indicators, improving private sector credit and the recovery in industrial and services activity provide a more supportive backdrop for business and financial sector activity.

Nevertheless, the outlook remains subject to domestic and external risks, particularly geopolitical developments, international energy prices, inflation, monetary conditions, exchange rate movements and the pace of implementation of structural reforms.

Against this backdrop, the Company intends to maintain a prudent approach while pursuing opportunities to strengthen its operating platform, improve revenue generation, rationalize costs and enhance recoveries from existing exposures. The Board remains focused on positioning the Company towards sustainable operations and long term value creation for its stakeholders.

ACKNOWLEDGEMENT:

The Board places on record its appreciation for the continued support and guidance extended by the Securities and Exchange Commission of Pakistan, State Bank of Pakistan, Pakistan Stock Exchange Limited and other regulatory authorities and stakeholders.

The Directors also acknowledge the continued commitment and efforts of the Company's management and employees and express their appreciation to the shareholders, customers, business partners and other stakeholders for their continued confidence and support.

For and on behalf of the Board,



Mr. Basit Rahman Malik
Chief Executive /Director



Syed Tahir Nawazish
Chairman

ڈائریکٹرز کی رپورٹ

ایسکارٹس انویسٹمنٹ بینک لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز کو یہ رپورٹ پیش کرتے ہوئے خوشی ہے کہ 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے بھی اس رپورٹ کے ساتھ پیش کیے جا رہے ہیں۔

معاشی جائزہ

بہتر ہوتے ہوئے مجموعی معاشی ماحول نے کاروباری سرگرمیوں کے لیے عمومی طور پر معاون پس منظر فراہم کیا۔ شرحِ مبادلہ میں زیادہ استحکام اور ملکی رسد کی بہتر صورتحال نے گزشتہ ادوار میں درپیش بعض لاگت اور آپریشنل دباؤ کو کم کرنے میں مدد دی۔ تاہم، مہنگائی بدستور بلند رہی اور FY2026 کے جولائی تا اپریل عرصے کے دوران اوسطاً 2.6 فیصد رہی، جبکہ بین الاقوامی توانائی کی بلند قیمتوں اور جغرافیائی سیاسی پیش رفت نے سال کے آخری حصے میں لاگت کے نئے دباؤ پیدا کیے۔

مالیاتی ماحول نسبتاً سخت رہا، جبکہ اپریل 2026 سے پالیسی ریٹ 11.5 فیصد رہا۔ نتیجتاً قرض لینے کی لاگت اور ورکنگ کیپیٹل کاروباری اداروں کے لیے اہم عوامل رہے، جس کے باعث لیکویڈیٹی مینجمنٹ، فنانسنگ لاگت اور سرمائے کے مؤثر استعمال پر مسلسل توجہ درکار رہی۔ اسی دوران نجی شعبے کے قرض لینے میں تقریباً 873.3 ارب روپے تک اضافہ کریڈٹ کی بہتر دستیابی اور طلب کی نشاندہی کرتا ہے، جس سے کاروباری اور سرمایہ کاری کی سرگرمیوں کو سہارا ملا۔

مالیاتی استحکام اور بیرونی کھاتے میں بہتری، بشمول FY2026 کے جولائی تا مئی عرصے کے دوران 255 ملین امریکی ڈالر کے کرنٹ اکاؤنٹ سرپلس، نے مجموعی معاشی استحکام میں اضافہ کیا۔ مضبوط معاشی ماحول اور کیپیٹل مارکیٹس میں مسلسل سرگرمی نے کاروباری اداروں کو اپنی سرگرمیوں کی منصوبہ بندی اور انتظام کے لیے نسبتاً زیادہ مستحکم بنیاد فراہم کی۔

اس پس منظر میں کمپنی نے آپریشنل کارکردگی برقرار رکھنے، اخراجات کے انتظام، ورکنگ کیپیٹل کو بہتر بنانے اور مالی وسائل کے محتاط انتظام پر توجہ مرکوز رکھی۔ اگرچہ معاشی استحکام میں بہتری نے کاروباری ترقی اور بہتر طلب کے مواقع فراہم کیے، تاہم کمپنی بلند فنانسنگ لاگت، مہنگائی کے دباؤ، توانائی اور ان پٹ لاگت میں اتار چڑھاؤ اور جغرافیائی سیاسی غیر یقینی صورتحال سے باخبر رہی۔ انتظامیہ ان عوامل کی کڑی نگرانی جاری رکھے گی اور اس کے مطابق کمپنی کی کاروباری اور مالی حکمت عملیوں کو ہم آہنگ کرے گی۔

مالیاتی کارکردگی

30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے خلاصہ شدہ مالیاتی نتائج، مالی سال 2025 کے تقابلی اعداد و شمار کے ساتھ، درج ذیل ہیں:

تفصیل	FY 2026 (ملین روپے)	FY 2025 (ملین روپے)
فنانسنگ پر منافع	55.42	84.41
سرمایہ کاری پر منافع	3.16	4.23
فیس اور کمیشن سے آمدنی	4.03	8.58
بینک ڈپازٹس پر منافع	2.57	7.71
دیگر آمدنی	12.37	3.44
کل آمدنی	**77.56**	**108.38**
انتظامی اخراجات	(146.50)	(159.09)
فنانس لاگت	(2.96)	(5.2)
ٹیکس اور دیگر آپریٹنگ اخراجات سے قبل آپریٹنگ نقصان	**(71.91)**	**(55.91)**
دیگر آپریٹنگ اخراجات	(4.93)	(9.7)
ٹیکس اور لیویز سے قبل نقصان	(76.84)	(65.61)
لیویز اور ٹیکس	3.05	(2.8)
سال کا خالص نقصان	**(73.79)**	**(68.40)**
فی حصص بنیادی اور کم شدہ نقصان (روپے)	**(0.54)**	**(0.50)**

کمپنی کی کل آمدنی مالیاتی سال 2025 میں 108.38 ملین روپے سے کم ہوکر مالیاتی سال 2026 میں 77.56 ملین روپے رہ گئی، جو تقریباً 28 فیصد کمی کو ظاہر کرتی ہے۔ یہ کمی بنیادی طور پر فنانسنگ پر منافع میں کمی کے باعث ہوئی، جو 84.41 ملین روپے سے کم ہوکر 55.42 ملین روپے رہا، جبکہ فیس اور کمیشن کی آمدنی، سرمایہ کاری پر منافع اور بینک ڈپازٹس پر منافع میں بھی کمی ہوئی۔ اخراجات کی جانب انتظامی اخراجات تقریباً 8 فیصد کم ہوکر 159.09 ملین روپے سے 146.51 ملین روپے رہ گئے، جو اخراجات پر کنٹرول اور آپریشنل کارکردگی بہتر بنانے کے لیے انتظامیہ کی مسلسل کوششوں کی عکاسی کرتا ہے۔ اس عرصے کے دوران فنانس لاگت بھی 5.20 ملین روپے سے کم ہوکر 2.96 ملین روپے ہوگئی۔ انتظامیہ نے اخراجات کو محدود رکھنے کے لیے سخت اقدامات کیے ہیں اور آپریشنل کارکردگی مزید بہتر بنانے کے لیے برانچ آپریشنز کی تنظیم نو شروع کی ہے۔ توقع ہے کہ ان اقدامات کے نتیجے میں اگلی سہ ماہی کے اختتام تک انتظامی اخراجات میں مزید مؤثر کمی لائی جاسکے گی۔ مالی سال 2026 میں نتیجتاً کمپنی نے 73.78 ملین روپے کا خالص نقصان ریکارڈ کیا، جبکہ گزشتہ سال خالص نقصان 68.40 ملین روپے تھا۔ اگرچہ ہماری آمدنی میں 28 فیصد کمی ہوئی، تاہم انتظامیہ کی جانب سے لاگت کو بہتر بنانے کے لیے کی جانے والی مسلسل کوششوں کے باعث خالص نقصان میں اضافہ صرف 8 فیصد رہا۔ اسی مناسبت سے فی حصص نقصان 0.50 روپے سے بڑھ کر 0.54 روپے ہوگیا۔

نقصان کی وجوہات اور مستقبل کے امکانات

کمپنیز ایکٹ، 2017 کے سیکشن 227 کے تحت مطلوبہ طور پر، بورڈ اس بات کو نوٹ کرتا ہے کہ مالیاتی سال 2026 کا نقصان بنیادی طور پر کمپنی کی آپریٹنگ آمدنی میں کمی اور پیدا ہونے والی آمدنی (ریونیو) کے تناسب سے انتظامی اخراجات کے مسلسل برقرار رہنے کی وجہ سے تھا۔ قانونی تقاضے کے تحت نقصان کی صورت میں نقصان کی وجوہات اور مستقبل میں منافع کے امکانات ظاہر کرنا ضروری ہے۔

آئندہ کمپنی کی انتظامیہ نادہندہ ایکسپوژرز کی وصولی، آمدنی پیدا کرنے والی سرگرمیوں کو مضبوط بنانے، دستیاب لیکویڈیٹی کے استعمال، لاگت کو بہتر بنانے اور لائسنس یافتہ NBFC سرگرمیوں کی بحالی یا توسیع پر توجہ مرکوز رکھے گی۔

وسیع تر معاشی ماحول محتاط امید کی بنیاد فراہم کرتا ہے۔ حکومت کے جون 2026 کے آؤٹ لک میں اصلاحات کے تسلسل، اعتماد میں اضافے اور زیادہ سازگار کاروباری ماحول کی مدد سے مزید بہتری کی توقع ظاہر کی گئی ہے۔ تاہم کمپنی کے مستقبل کے امکانات کا انحصار اس کی کاروباری حکمت عملی پر کامیاب عملدرآمد، فنڈنگ کی دستیابی اور لاگت، وصولیوں کی کارکردگی، ریگولیٹری پیش رفت اور مجموعی معاشی و مالی حالات کی سمت پر رہے گا۔

منافع/ڈیویڈنڈ

سال کے دوران ہونے والے نقصان اور کمپنی کی مالی حیثیت کے پیش نظر بورڈ آف ڈائریکٹرز نے 30 جون 2026 کو ختم ہونے والے سال کے لیے کسی نقد منافع کی سفارش نہیں کی۔

اہم خطرات اور غیر یقینی صورتحال

کمپنی کے آپریشنز متعدد مالی اور آپریشنل خطرات سے متاثر ہوسکتے ہیں، جن میں کریڈٹ رسک، لیکویڈیٹی رسک، مارکیٹ اور شرح سود کا خطرہ، آپریشنل رسک، ریگولیٹری اور تعمیلی خطرات اور وسیع تر معاشی غیر یقینی صورتحال شامل ہیں۔ اگرچہ مالیاتی سال 2026 کے دوران معاشی ماحول میں بہتری آئی، تاہم جغرافیائی سیاسی پیش رفت، بین الاقوامی اجناس کی قیمتوں میں اتار چڑھاؤ، مہنگائی کے دباؤ اور مالیاتی حالات میں تبدیلیاں ملکی معیشت اور مالیاتی منڈیوں کے لیے خطرات کا باعث بنی ہوئی ہیں۔ پاکستان اکنامک سروے بھی توانائی کی بلند قیمتوں، عالمی تجارت میں کمزوری اور بین الاقوامی مالیاتی منڈیوں میں غیر یقینی صورتحال کو پاکستان کے معاشی آؤٹ لک کے متعلق اہم منفی خطرات کے طور پر اجاگر کرتا ہے۔ بورڈ اور انتظامیہ ان خطرات کی مسلسل نگرانی کرتے ہیں اور کمپنی کے رسک مینجمنٹ اور اندرونی کنٹرول کے فریم ورک کے تحت مناسب اقدامات کرتے ہیں۔

اندرونی مالیاتی کنٹرولز

بورڈ اپنی ذمہ داری کو تسلیم کرتا ہے کہ وہ اندرونی مالیاتی کنٹرولز کا ایک مناسب اور مؤثر نظام قائم اور برقرار رکھے۔ کمپنی کا اندرونی کنٹرول نظام اثاثوں کے تحفظ، مالیاتی رپورٹنگ کی قابل اعتماد حیثیت، قابل اطلاق قوانین وضوابط کی پابندی اور کاروبار کو منظم ومؤثر انداز میں چلانے کے حوالے سے معقول یقین دہانی فراہم کرنے کے لیے ترتیب دیا گیا ہے۔ بورڈ، اپنی آڈٹ کمیٹی اور انتظامیہ کے ذریعے، اندرونی کنٹرول کے ماحول کی مناسبیت اور مؤثریت کا جائزہ لیتا ہے اور جہاں ضروری ہو، شناخت شدہ کمزوریوں کو دور کرنے کے لیے مناسب اقدامات کرتا ہے۔

کارپوریٹ گورننس

بورڈ کمپنی کے امور کے انتظام میں کارپوریٹ گورننس، شفافیت، جوابدہی اور دیانت داری کے اعلیٰ معیار برقرار رکھنے کے لیے پُرعزم ہے۔ کمپنی نے کمپنیز ایکٹ، 2017، لِسٹڈ کمپنیاں (کارپوریٹ گورننس کا ضابطہ) ضوابط 2019، بمعہ ترامیم، اور دیگر قابل اطلاق ریگولیٹری تقاضوں کی پابندی کی کوشش کی ہے۔

کوڈ بورڈ پر کارپوریٹ گورننس کے طریقہ کار اپنانے اور ان کی نگرانی کی ذمہ داری عائد کرتا ہے اور بورڈ سے اندرونی کنٹرول اور رسک گورننس کے مناسب نظام برقرار رکھنے کا تقاضا کرتا ہے۔

لِسٹڈ کمپنیاں (کارپوریٹ گورننس کا ضابطہ) ضوابط 2019 کے ساتھ تعمیل کا علیحدہ بیان، اس پر آڈیٹرز کی ریویو رپورٹ کے ہمراہ، سالانہ رپورٹ کا حصہ ہے۔

بورڈ آف ڈائریکٹرز کے مطابق بورڈ آف ڈائریکٹرز نے سال کے دوران چار (04) اجلاس منعقد کیے۔ ہر ڈائریکٹر کی حاضری درج ذیل رہی:

ڈائریکٹر کا نام	اجلاسوں میں شرکت
مسٹر باسط رحمان ملک	4
سید طاہر نوازش	4
محترمہ مدیحہ عروج	4
مسٹر محمد عمر فاروقی	4

مسٹر محمد مبشر حسین اور خواجہ ندیم عباس کے 15 جولائی 2023 کو، مسٹر راشد عزیز کے 28 اگست 2023 کو، اور مسٹر محمد رشید عالم کے 28 اگست 2025 کو استعفوں کے باعث بورڈ پر عارضی خالی نشستیں پیدا ہوئیں۔ ان خالی نشستوں کو پُر کرنے کے لیے مجوزہ ڈائریکٹرز کی درخواستیں اور فٹ اینڈ پراپر معیار سے متعلق دستاویزات SECP میں حتمی منظوری کے حصول کے لیے باقاعدہ طور پر جمع کرادی گئی ہیں۔

آڈٹ کمیٹی نے سال کے دوران چار (04) اجلاس منعقد کیے۔ ہر رکن کی حاضری درج ذیل رہی:

ڈائریکٹر کا نام	اجلاسوں میں شرکت
مسٹر باسط رحمان ملک	4
سید طاہر نوازش	4
محترمہ مدیحہ عروج	4

ڈائریکٹرز کے معاوضے

ڈائریکٹرز اور چیف ایگزیکٹو آفیسر کے معاوضے کے پیکیجز، بشمول کمپنیز ایکٹ، 2017 کی دفعہ 227 کے تحت مطلوبہ انکشافات، مالیاتی گوشواروں کے نوٹ نمبر 40 / سالانہ رپورٹ کے متعلقہ حصے میں ظاہر کیے گئے ہیں۔

حصص کی ملکیت کا نمونہ

جون 2026,30 کو کمپنی کی حصص کی ملکیت کا نمونہ، قابل اطلاق قانونی تقاضوں کے مطابق تیار کردہ، سالانہ رپورٹ کے ساتھ منسلک ہے۔

آڈیٹرز اور آڈیٹرز کی رپورٹ

کمپنی کے قانونی آڈیٹرز، مشتاق اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس، آئندہ سالانہ جنرل میٹنگ کے اختتام پر ریٹائر ہو رہے ہیں اور اہل ہونے کی وجہ سے جون 2027,30 کو ختم ہونے والے سال کے لیے دوبارہ تقرری کے لیے خود کو پیش کر چکے ہیں۔

ماحول، سماجی ذمہ داری اور پائیداری

ایک انویسٹمنٹ بینک کی حیثیت سے، جس کی خصوصی توجہ مائیکروفنانس مصنوعات پر ہے، EIBL ان کمیونٹیز میں بامعنی اور دیرپا اثر پیدا کرنے کے لیے پُرعزم ہے جن کی ہم خدمت کرتے ہیں۔ ہمارا نقطۂ نظر روایتی بینکاری سے آگے بڑھ کر ایک جامع کارپوریٹ سماجی ذمہ داری (CSR) پروگرام پر مشتمل ہے جس کا مقصد زندگیوں کو بہتر بنانا اور جامع ترقی کو فروغ دینا ہے۔ ہم مالیاتی خواندگی، معاشی خودمختاری اور کمیونٹی ڈویلپمنٹ کو فروغ دینے والے اقدامات کی فعال حمایت کرتے ہیں، تاکہ ہماری سرگرمیاں ان علاقوں کی وسیع تر سماجی بہبود میں کردار ادا کریں جہاں ہم کام کرتے ہیں۔ ہماری وابستگی میں اخلاقی کاروباری طریقہ کار کو برقرار رکھنا، اپنی افرادی قوت میں تنوع اور شمولیت کی حوصلہ افزائی کرنا اور کمیونٹی کے ساتھ روابط کو مضبوط بنانا بھی شامل ہے۔ اپنی اقدار سے ہم آہنگ، ایک جامع (ماحولیاتی، سماجی اور گورننس) فریم ورک اس وقت تیار کیا جا رہا ہے۔ اس میں بورڈ کے ارکان پر مشتمل Sustainability Committee کا قیام بھی شامل ہے، جس میں فیصلہ سازی میں شمولیت کو یقینی بنانے کے لیے خواتین کی نمائندگی بھی ہوگی۔ یہ اقدامات سب کے لیے زیادہ پائیدار، ذمہ دار اور منصفانہ مستقبل کی تعمیر کے ہمارے وژن کے تحت مستقبل قریب میں نافذ کیے جانے ہیں۔

مستقبل کا منظرنامہ

پاکستان نے FY2027 میں حالیہ برسوں کے مقابلے میں بہتر مجموعی معاشی بنیادوں کے ساتھ قدم رکھا۔ FY2026 میں 3.7 فیصد GDP نمو، مضبوط مالیاتی اشاریے، نجی شعبے کے کریڈٹ میں بہتری اور صنعتی و خدماتی سرگرمیوں میں بحالی نے کاروباری اور مالیاتی شعبے کی سرگرمیوں کے لیے زیادہ معاون پس منظر فراہم کیا ہے۔

تاہم، مستقبل کا منظرنامہ ملکی اور بیرونی خطرات سے مشروط ہے، بالخصوص جغرافیائی سیاسی پیش رفت، بین الاقوامی توانائی کی قیمتیں، مہنگائی، مالیاتی حالات، شرح مبادلہ میں تبدیلیاں اور ساختی اصلاحات پر عملدرآمد کی رفتار۔

اس پس منظر میں کمپنی محتاط طرزِ عمل برقرار رکھتے ہوئے اپنے آپریٹنگ پلیٹ فارم کو مضبوط بنانے، آمدنی میں اضافہ کرنے، اخراجات کو معقول بنانے اور موجودہ ایکسپوژرز سے وصولیوں کو بہتر بنانے کے مواقع تلاش کرنے کا ارادہ رکھتی ہے۔ بورڈ کمپنی کو پائیدار آپریشنز اور اپنے اسٹیک ہولڈرز کے لیے طویل مدتی قدر پیدا کرنے کی سمت میں لے جانے پر توجہ مرکوز کیے ہوئے ہے۔

اظہارِ تشکر

بورڈ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، پاکستان اسٹاک ایکسچینج لمیٹڈ اور دیگر ریگولیٹری حکام اور اسٹیک ہولڈرز کی جانب سے مسلسل تعاون اور رہنمائی کو قدر کی نگاہ سے دیکھتا ہے۔

ڈائریکٹرز کمپنی کی انتظامیہ اور ملازمین کی مسلسل وابستگی اور کوششوں کو بھی سراہتے ہیں اور حصص یافتگان، صارفین، کاروباری شراکت داروں اور دیگر اسٹیک ہولڈرز کے مسلسل اعتماد اور تعاون پر ان کا شکریہ ادا کرتے ہیں۔

منجانب / برائے بورڈ

جناب باسط رحمن ملک
چیف ایگزیکٹو/ ڈائریکٹر

سید طاہر نوازش
چیئرمین

GENDER DIVERSITY AND PAY GAP STATEMENT

AS ON 30 JUNE 2026

In compliance of the Circular 10 of 2024, subjected “Disclosure of Gender Pay Gap Data in Annual Report” issued by Securities and Exchange Commission of Pakistan (SECP) on April 17, 2024, we are disclosing the gender pay gap for the year under review as follows:

Mean Gender Pay Gap:	36.86%
Median Gender Pay Gap:	-19.52%

Any other data / details as deemed relevant:

For and on behalf of the Board,

Mr. Basit Rahman Malik
Chief Executive /Director

Syed Tahir Nawazish
Chairman

FINANCIAL HIGHLIGHTS

Last Six Years of Escorts Bank At a Glance

(Rupees in '000')

	2026	2025	2024	2023	2022	2021
FINANCIAL DATA						
Share Capital	1,356,000	1,356,000	1,356,000	1,356,000	1,356,000	1,356,000
Reserves	(926,750)	(853,416)	(785,012)	(761,373)	(731,511)	(536,259)
Shareholders' Equity	429,250	502,584	570,987	594,627	624,489	819,740
Deposits	-	-	-	-	-	41,250
Current Liabilities	134,445	132,899	119,770	117,509	136171	151,360
Total Liabilities	142,068	160,121	155,069	171,826	196,635	217,087
Tangible Fixed Assets	99,142	126,400	144,410	152,906	180,251	211,745
Intangible Fixed Assets	5,571	5,748	5,406	4,503	16,909	17,808
Financing - Net of Provision	159,686	223,195	192,135	168,914	187,338	270,455
Net Investment in Finance Lease	-	-	2,166	2,166	2,166	2,166
Investments & Placements	42,610	38,129	33,206	144,988	81,860	149,810
Current Assets	248,983	316,855	384,363	378,852	379,965	464,560
Total Assets	571,318	662,706	726,056	766,453	839,891	1,056,582
OPERATING RESULTS						
Total Revenue	77,557	108,377	136,493	110,651	97,167	112,325
Operating & Other Expenses	150,662	164,286	158,225	154,609	224,063	174,593
Provision against Non-Performing Loans	3,733	9,697	3,974	3,007	7,970	15,162
Profit/(loss) before Levies and Taxes	(76,838)	(65,606)	(25,706)	(46,966)	(134,866)	(77,431)
Profit/(loss) after Levies and Taxes	(73,788)	(68,404)	(23,098)	(48,629)	(196,422)	(81,482)
FINANCIAL RATIOS						
Loss per Share (Rs.)	(0.54)	(0.50)	(0.17)	(0.36)	(1.45)	(0.60)
Net Asset Value per Share (Rs.)	3.17	3.71	4.21	4.39	4.61	6.05
Market Value per Share (Rs.)	11.88	6.12	3.81	3.12	6.69	10.09
High	12.26	6.35	4.29	6.70	13.04	14.20
Low	11.52	6.02	3.51	2.90	5.99	7.55
Loss Before Tax Ratio (%)	(99.07)	(60.53)	(18.83)	(42.44)	(138.80)	(68.93)
Revenue to Expenses (Times)	0.50	0.62	0.84	0.81	0.42	0.64
Total Assets Turnover Ratio (Times)	0.14	0.16	0.19	0.14	0.12	0.11
Advances to Deposits (Times)	-	-	-	-	-	6.56
Total Liabilities to Equity (Times)	0.33	0.32	0.27	0.29	0.31	0.26
Current Ratio	1.85	2.38	3.21	3.22	2.79	3.07

STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company:	ESCORTS INVESTMENT BANK LIMITED
Year Ended:	June 30, 2026

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 in the following manner:

1. The total number of directors is 4 as follows:

a.	Male:	3
b.	Female:	1

The Company has initiated the process to fill the casual vacancy(ies) raised in accordance with the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019.The proposed appointments are presently subject to completion of the requisite corporate actions and receipt of the necessary regulatory approvals from the Securities and Exchange Commission of Pakistan (SECP).

2. The composition of Board is as follows:

i)	Independent Directors**	-
ii)	Non-executive Directors	Syed Tahir Nawazish
		Ms. Madiha Arooj
iii)	Executive Director	Mr. Basit Rahman Malik
		Mr. Muhammad Omar Farooqi
iv)	Female Director	Ms. Madiha Arooj

There were no Independent Directors on the Board during the year, as the Company is awaiting the approval of the Securities and Exchange Commission of Pakistan (SECP) for the appointment of the proposed Independent Directors to fill the casual vacancies on the Board. Upon receipt of the requisite approval from the SECP, the Board shall be reconstituted in accordance with the applicable provisions of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;

4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;

5. The Board has developed a vision and mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. During the preceding year, one director, Mr. Basit Rahman Malik, completed the Directors' Training Program. Mr. Syed Tahir Nawazish meets the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies and, hence is exempt from the Directors' training program. Other directors' have not obtained Directors' Training Program certification.

10. The Board has approved appointment of Company Secretary including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

a. Audit Committee**

Mr. Basit Rahman Malik	Chairman
Syed Tahir Nawazish	Member
Ms. Madiha Arooj	Member

The Chairman of the Audit Committee was not an Independent Director during the year because the appointments of the proposed directors, including the Independent Directors approved by the Board of Directors to fill the casual vacancies, are pending approval before the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Audit Committee shall be reconstituted in compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 immediately upon receipt of the requisite regulatory approval.

b. Human Resource and Remuneration Committee ("HRRC")**

Mr. Basit Rahman Malik	Chairman
Syed TahirNawazish	Member

The Human Resource & Remuneration Committee (HRRC) did not comprise the prescribed minimum of three (3) members during the year, and its chairman was not an Independent Director, as the appointments of the proposed directors, including the Independent Directors approved by the Board of Directors to fill the casual vacancies, are presently awaiting approval from the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the HRRC shall be reconstituted in compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 immediately upon receipt of the requisite regulatory approval from the SECP.

c. Risk Management Committee

Mr. Basit Rahman Malik	Chairman
Syed Tahir Nawazish	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance, except risk management committee;

14. The frequency of meetings of the committees was as follows:

a. Audit Committee Quarter 1: One Quarter 2: One Quarter 3: One Quarter 4: One
b. Human Resource and Remuneration Committee (Two meetings in the financial year)
c. Risk Management Committee (No meeting in the financial year)

15. The Board has outsourced the internal audit function to M/s Muniff Ziauddin & Co. who is considered suitably qualified and experienced for the purpose and is well conversant with the policies and procedures of the Company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirements and the auditors have confirmed that they have observed IFAC guidelines in this regard;

STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019

18. We confirm that all requirements of regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied except:

Mandatory Requirement	Reg. Ref.	Explanation
Minimum number of directors Listed Company shall have not less than seven directors.	154(1)(d) of the Companies Act, 2017	Three directors resigned during the year ended June 30, 2024 and one director resigned during the current year. Application for appointment of proposed directors have been submitted with SECP. The Company is awaiting approval.
Independent directors Listed company shall have at least two or one third members of the Board, whichever is higher, as independent directors.	6(1)	Two independent directors resigned during the year ended June 30, 2024. Application for the appointment of new independent directors have been submitted with SECP. The Company is awaiting approval.
Declarations by Independent Directors An independent director shall submit a declaration to the Chairman of the Board confirming compliance with the independence criteria under the Act.	6(3)	Two independent directors resigned during the year ended June 30, 2024. Application for the appointment of new independent directors have been submitted with SECP. The Company is awaiting approval.
Composition of Audit Committee The audit committee shall comprise of at least three members comprising of non-executive directors and at least one independent director	27(1)(i)	Two independent directors resigned during the year ended June 30, 2024. Hence, the audit committee will be reconstituted upon the approval of new directors by SECP.
Chairman of Audit Committee The Chairman of the Audit Committee must be an independent director.	27(1)(ii)	Two independent directors resigned during the year ended June 30, 2024. Hence, the audit committee will be reconstituted upon the approval of new directors by SECP.

STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019

19. Explanation for non-compliance with requirements, other than regulations 3,6, 7, 8, 27, 32, 33 and 36 are below:

Non-Mandatory Requirement	Reg. Ref.	Explanation
Representation of Minority Shareholders The Company has taken necessary measures to safeguard the rights and interests of minority shareholders.		During the year, no request or nomination was received from minority shareholders for representation on the Board.
Role of the Board and its members to address Sustainability Risks and Opportunities The Board is responsible for setting the company's sustainability strategies, priorities and targets to create long term corporate value. The Board may establish a dedicated sustainability committee having at least one female director.	10A	The requirements relating to Environmental, Social and Governance (ESG) are being worked out and shall be complied with in due course of time.
Directors' Training It is encouraged that by June 30, 2022 all the directors on Boards shall have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	19(1)	During the preceding year, one director, Mr. Basit Rahman Malik, completed the Directors' Training Program. Further, the Company is waiting for the SECP approval of the proposed directors so that the director's training can be arranged accordingly.

STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019

Non-Mandatory Requirement	Reg. Ref.	Explanation
Composition of Human Resource and Remuneration Committee The human resource and remuneration committee shall have at least three members comprising a majority of non-executive directors of whom at least one member shall be an independent director.	28(1)	Two independent directors resigned during the year ended June 30, 2024. There are only two members in HRRC. The HR committee will be reconstituted upon the approval of new directors by SECP.
Chairman of Human Resource and Remuneration Committee The chairman of the human resource and remuneration committee shall be an independent director.	28(2)	Two independent directors resigned during the year ended June 30, 2024. Hence, the audit committee will be reconstituted upon the approval of new directors by SECP.
Nomination Committee The Board may constitute a separate committee, designated as the nomination committee.	29 (1)	Currently, the Board has not constituted a separate Nomination Committee and the functions are being performed by the Human Resource & Remuneration Committee
Performance appraisal of internal auditor The performance appraisal of internal audit shall be done jointly by the Chairman of the audit committee and the chief executive officer.	31(2)	The performance appraisal of the outsourced internal audit firm was not done as it is a Category A Chartered Accountancy firm providing internal audit services having vast experience of clients.
Disclosure of significant policies on website The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's committees on its website and key elements of the directors' remuneration policy.	35	Although these are well circulated among the relevant employees and directors, the Board shall consider posting such policies and synopsis on its website in the near future.



Syed Tahir Nawazish
Chairman

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ESCORTS INVESTMENT BANK LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

*To the members of **Escorts Investment Bank Limited** on the Statement of Compliance with the Code of Corporate Governance*

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Escorts Investment Bank Limited (the Company) for the year ended June 30, 2026, in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, except for the below instances of non-compliance, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2026.

Following instances of non-compliance with the requirements of the Code were observed which are stated as under:

Requirement	Regulation	Compliances
Minimum number of directors	154(1)(d) of the Companies	The Company has only four directors as at year end. This is non compliance with the minimum number of directors required for a listed company, which is seven directors.
Independent Directors	6(1)	The Company have not appointed two or one-third of the members of the Board, whichever is higher, as independent directors.
Declarations by Independent Directors	6(3)	The declarations of independent directors confirming compliance with the independence criteria could not be obtained due to the resignation of the independent directors.
Composition of Audit Committee	27(1)(i)	The Audit Committee does not comprise an independent director as required under the Regulations.
Chairman of Audit Committee	27(1)(ii)	The Chairman of the Audit Committee is not an independent director as required under the Regulations.
Role of Board to address sustainability Risks and opportunities	10A	The Board has not set up a dedicated sustainability committee.
Directors' Training	19(1)	The Board has not completed directors' training program certification except one director.
Human Resource and Remuneration Committee	28(1)	The human resource and remuneration committee does not have three members and an independent director.
Chairman of human resource and remuneration committee	28(2)	The chairman of human resource and remuneration committee is not an independent director.
Nomination Committee	29(1)	The Board has not set up a nomination committee.
Performance appraisal of the internal audit	31(2)	The performance appraisal of the internal audit firm is not done by the chairman of audit committee and CEO.
Annual evaluation of performance of Board and its committees	10(3)(v)	The annual evaluation of performance of Board and its committees was not done during the year by the human resource and remuneration committee.
Disclosure of significant policies on website	35	The company have not disclosed policies on its website.

MUSHTAQ & CO.
Chartered Accountants
Lahore

Date: October 06, 2026
UDIN: CR202610724VXbhgtB7W

Head Office:
407, Commerce Centre,
Hasrat Mohani Road, Karachi.
Tel: 021-32638521-3
Email: info@mushtaqandco.com,
audit.khi@mushtaqandco.com

Lahore Office:
19-B, Block G,
Gulberg-III, Lahore.
Tel: 042-35858624-6
E-mail: audit.lhr@mushtaqandco.com


Financial Statements
For the year ended June 30, 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESCORTS INVESTMENT BANK LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Adverse Opinion

We have audited the annexed financial statements of **Escorts Investment Bank Limited** (the Company), which comprise the statement of financial position as at June 30, 2026 and the statement of profit or loss and the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters described in Basis for Adverse Opinion section of our report, the statement of financial position, the statement of profit or loss and the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017, in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2026 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

a) *Deferred Tax Asset*

As disclosed in Note 10 to the financial statements, the Company has recognized a deferred tax asset of Rs. 125.13 million (2025: Rs. 121.00 million) in respect of carried-forward business tax losses and unabsorbed tax depreciation. Management believes that sufficient taxable profits will be available in the foreseeable future to utilize these losses. However, based on the Company's historical performance and the assessment performed by its tax consultants, we did not obtain sufficient appropriate audit evidence to support the recognition of this deferred tax asset, as it is not probable that future taxable profits will be available against which these losses can be utilized. Accordingly, in our opinion, the deferred tax asset is overstated by Rs. 125.13 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. 4.13 million, representing the reversal of the deferred tax credit recognized during the year.

b) *Minimum Equity Requirement*

As per the applicable laws and regulations, the Company's equity is below the minimum requirement of Rs. 750 million prescribed under Regulation 4 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 for a deposit-taking Investment Finance Services (IFS) license. Consequently, the Company remains non-compliant with this requirement and has been unable to obtain the requisite deposit-taking license from the Securities and Exchange Commission of Pakistan, thereby restricting its ability to mobilize deposits and conduct the related financing activities.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance

Head Office:
407, Commerce Centre,
Hasrat Mohani Road, Karachi.
Tel: 021-32638521-3
Email: info@mushtaqandco.com,
audit.khi@mushtaqandco.com

Lahore Office:
19-B, Block G,
Gulberg-III, Lahore.
Tel: 042-35858624-6
E-mail: audit.lhr@mushtaqandco.com

with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which discloses that the Company incurred a loss after taxation of Rs. 73.79 million for the year ended June 30, 2026 (2025: Rs. 68.40 million) and, as at that date, had accumulated losses of Rs. 1,100.53 million (2025: Rs. 1,027.55 million) against issued, subscribed and paid-up capital of Rs. 1,356.00 million (2025: Rs. 1,356.00 million). The Company has incurred recurring operating losses over the past years.

These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis for the reasons and mitigating factors described in the aforesaid note. Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matters described in the Basis for Adverse Opinion section, we have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended June 30, 2026, but does not include the financial statements of the company and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Other information is misstated to the extent of matters raised in Basis for Adverse Opinion section.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of directors are responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit except for the matters discussed in the Basis for Adverse Opinion section, we further report that:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

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b) because of the matters described in the Basis for Adverse Opinion section above, in our opinion, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017), however, are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter Paragraph

The financial statements of the Company for the year ended June 30, 2025 were audited by another auditor, who expressed an adverse opinion on those financial statements dated September 30, 2025.

The engagement partner on the audit resulting in this independent auditor's report is **Nouman Arshad, ACA**.

MUSHTAQ & CO..
Chartered Accountants
Lahore.

Dated: October 06, 2026

UDIN: AR202610724M9XbBojFJ

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	**99,141,925**	126,400,231
Intangible assets	5	**5,570,878**	5,748,621
Long term investments	6	**25,000,000**	24,546,125
Long term finances	7	**59,085,867**	59,645,990
Net investment in finance lease	8	**-**	-
Long term deposits	9	**8,406,524**	8,505,674
Deferred tax asset - net	10	**125,130,308**	121,004,001
		322,335,502	345,850,642
CURRENT ASSETS			
Current portion of non-current assets	11	**61,474,827**	63,490,068
Short term investments	12	**17,610,080**	13,583,423
Short term finances	13	**39,125,930**	100,059,308
Short term advances	14	**3,290,186**	2,646,080
Prepayments	15	**980,633**	3,901,440
Interest receivable	16	**18,451,991**	18,698,125
Other receivables	17	**4,611,078**	2,884,664
Tax refunds due from the government	18	**88,208,803**	87,752,086
Cash and bank balances	19	**15,229,395**	23,839,925
		248,982,923	316,855,119
TOTAL ASSETS		**571,318,425**	662,705,761
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
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 share capital	20	**1,356,000,000**	1,356,000,000
Capital reserves	21	**158,496,746**	158,042,871
Revenue reserve		**(1,100,533,026)**	(1,027,549,311)
Revaluation surplus on property and equipment	22	**15,285,928**	16,090,452
		429,249,648	502,584,012
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities	23	**7,623,204**	27,222,097
		7,623,204	27,222,097
CURRENT LIABILITIES			
Current portion of non-current liabilities	24	**4,567,521**	10,365,145
Trade and other payables	25	**126,415,897**	118,944,470
Unclaimed dividend		**2,385,654**	2,385,654
Provision for levies and taxation	26	**1,076,501**	1,204,383
		134,445,573	132,899,652
CONTINGENCIES AND COMMITMENTS	27		
TOTAL EQUITY AND LIABILITIES		**571,318,425**	662,705,761

The annexed notes from 1 to 50 form an integral part of these financial statements.

Chief Executive Officer	Chief Financial Officer	Chairman

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Income			
Profit on financing	28	**55,420,733**	84,410,523
Return on investments	29	**3,162,183**	4,229,290
Income from fee and commission	30	**4,028,956**	8,580,592
Profit on bank deposits		**2,575,460**	7,714,158
Other income	31	**12,370,109**	3,449,207
		77,557,441	108,383,770
Expenses			
Administrative expenses	32	**(146,504,175)**	(159,085,434)
Finance cost	33	**(2,959,583)**	(5,200,657)
		(149,463,758)	(164,286,091)
		(71,906,317)	(55,902,321)
Other operating expenses	34	**(4,931,728)**	(9,703,281)
Loss before levies and taxation		**(76,838,045)**	(65,605,602)
Levies	35	**(796,281)**	(1,204,383)
Loss before taxation		**(77,634,326)**	(66,809,985)
Taxation	35	**3,846,087**	(1,593,617)
Net loss for the Year		**(73,788,239)**	(68,403,602)
Loss per share - basic and diluted	36	**(0.54)**	(0.50)

The annexed notes from 1 to 50 form an integral part of these financial statements.

Chief Executive Officer | Chief Financial Officer | Chairman

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Net loss for the Year		**(73,788,239)**	(68,403,602)
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		**453,875**	-
Other comprehensive Gain / (loss) for the year - net of tax		**453,875**	-
Total Comprehensive loss for the Year		**(73,334,364)**	(68,403,602)

The annexed notes from 1 to 50 form an integral part of these financial statements.

Chief Executive Officer | Chief Financial Officer | Chairman

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2026

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, 2024	1,356,000,000	158,496,746	(453,875)	(959,992,575)	16,937,318	570,987,614
Total comprehensive Income / (loss) for the Year						
Net profit/(loss) for the Year	-	-	-	(68,403,602)	-	(68,403,602)
Other comprehensive income gain / (loss) for the Year	-	-	-	-	-	-
Total comprehensive income gain / (loss) for the Year	-	-	-	(68,403,602)	-	(68,403,602)
Transfer from surplus on revaluation of property and equipment on account of :						
Incremental depreciation on revalued asset for the year - net of tax	-	-	-	846,866	(846,866)	-
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 Year	-	-	-	**(73,788,239)**	-	**(73,788,239)**
Other comprehensive income gain / (loss) for the Year	-	-	**453,875**	**-**	-	**453,875**
Total comprehensive income gain / (loss) for the Year	-	-	**453,875**	**(73,788,239)**	-	**(73,334,364)**
Transfer from surplus on revaluation of property and equipment on account of:						
Incremental depreciation on revalued asset for the year - net of tax	-	-	-	**804,524**	**(804,524)**	-
Balance as at June 30, 2026	**1,356,000,000**	**158,496,746**	-	**(1,100,533,026)**	**15,285,928**	**429,249,648**

The annexed notes from 1 to 50 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Chairman

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before levies and taxation		**(76,838,045)**	(65,605,602)
Adjustment for non cash expenses and other items:			
- Depreciation on property and equipment	4.1	**8,676,632**	10,132,226
- Depreciation on right of use assets	4.2	**8,045,521**	8,479,133
- Amortization on intangible assets	5.1	**177,743**	266,601
- Interest on lease liabilities against right of use assets		**2,269,030**	3,596,650
- Finance cost		**690,553**	1,604,007
- (Gain)/Loss on sale of fixed assets		**1,198,391**	(6,200)
- Lease liability written back		**(2,165,985)**	-
- Provision against doubtful finances	34.1	**3,733,337**	9,697,081
		22,625,222	33,769,498
		(54,212,823)	(31,836,104)
Decrease / (increase) in operating assets			
- Finances - net		**58,577,014**	(40,756,707)
- Loans and advances		**(644,106)**	(98,541)
- Interest receivable		**246,134**	(4,582,801)
- Other receivables		**(1,726,414)**	(152,928)
- Long term deposits		**99,150**	(29,400)
- Prepayments		**2,920,807**	(1,228,126)
Increase / (decrease) in operating liabilities			
- Trade and other payables		**7,471,427**	10,033,330
		66,944,012	(36,815,173)
Net cash (used) / generated from operations		**12,731,189**	(68,651,277)
Finance cost paid		**(690,553)**	(1,604,007)
Taxation and levies - net		**(1,661,100)**	(14,099,608)
Net cash (used) /generated from operating activities		**10,379,536**	(84,354,892)
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure on property and equipment		**(4,951,932)**	(920,310)
Capital expenditure on intangible assets		**-**	(283,498)
Short term investments - net		**(4,026,657)**	(4,923,266)
Net cash (Used) / generated from investing activities		**(8,978,589)**	(6,127,074)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liabilities	23.1	**(10,011,477)**	(10,647,151)
Net cash used in financing activities		**(10,011,477)**	(10,647,151)
Net (decrease) / increase in cash and cash equivalents during the year		**(8,610,530)**	(101,129,117)
Cash and cash equivalents at the beginning of the year		**23,839,925**	124,969,042
Cash and Cash Equivalents at the end of the year	19	**15,229,395**	23,839,925

The annexed notes from 1 to 50 form an integral part of these financial statements.

Chief Executive Officer | Chief Financial Officer | Chairman

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

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 (Guarantee) 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 incoropration number of the company is L-07927.

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. Further details are disclosed in note 27.1 k of these financial statements.

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

The registered office of the Company is situated at 26-Davis Road, Lahore. The branches are located as follows:

City	Branch 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, Nankana Sahib.
Sambrial	Near Makki Masjid, Mohalla Naik Pura, Wazirabad Road, District Sialkot,
Sheikhupura	Opposite New Sabazimandi, Lahore Road, Sheikhupura.
Daroghawala	Shadi Pura Band Road Daroghawala Lahore

During the year, the Company has incurred a net loss of Rs. 73.79 million (2025: 68.40 million) resulting in accumulated losses of Rs. 1100.53 million (2025: Rs. 1,027.55 million) and equity now stands at Rs. 429.25 million (2025: Rs. 502.58 million). 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 of minimum equity requirements as specifically mentioned in Regulation 4 of NBFC Regulations, 2008.

Certain important factors and determinants like Company's positive Capital Adequacy Ratio (CAR), liquidity position and leverage ratio represent its position to timely honor the commitments and liabilities without casting any uncertainty on its going concern. The management and Board further planned multiple actions that will help the Company to increase its capital base and reduce the further accumulation of losses. These include but not limited to stepping into Islamic Finance, product diversity, reducing non-earning assets, more spirited effort to recover the long outstanding balances and rationalizing the capital structure towards

2 Basis of Preparation

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017; 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); and

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.

2.2 Standards, interpretations and amendments to published approved accounting standards

2.2.1 Standards, interpretation and amendments to approved accounting standards that are not yet effective and have not been early adopted by the company:

The following standards, amendments and interpretations with respect to the approved accounting and reporting standards, as applicable in Pakistan and relevant to the Company, would be effective from the dates mentioned below against the respective standard:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

Standard or Interpretation		Effective Date (Period beginning on or after)
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2026
IAS 21	The Effects of changes in Foreign Exchange rates (Amendments)	January 1, 2027
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 9	Financial Instruments (Amendments)	January 1, 2026
IFRS 17	Insurance Contracts (Amendments)	January 1, 2027
IFRS 18	Presentation and Disclosures in Financial Statements.	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027

Other than the aforesaid amendments, the IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRIC 12	Service Concession Arrangement
IFRS 20	Regulatory Assets and Regulatory Liabilities

The Company will assess the impacts of these changes in the period of initial application once such changes become effective for the Company.

2.3 Functional and presentation currency

These financial statements are prepared and presented in Pakistan Rupee (Rs. / Rupees) which is the Company's functional and presentation currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

2.4 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

2.5 Use of estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which such revisions are made and in any future periods affected.

The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate

- Useful lives, residual values and depreciation method of property and equipment – Note 3.1 & 4
- Allowance for expected credit losses – Note 3.7, 7.3, 13.1 & 17.1.1
- Estimation of contingent liabilities - Note 3.21,27
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses) - Note 3.14, 10, 26 & 35

However, assumptions and judgments made by the management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustments to the carrying amounts of assets and liabilities in the next year.

3 Material Accounting Policy Information

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except for the changes as indicated below in note 4.

3.1 Property and equipment

Property and equipment other than office premises are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Office premises are measured at the revalued amount less accumulated depreciation and impairment loss. Capital work in progress is stated at cost less impairment loss, if any.

Depreciation is charged so as to write off the cost or revalued amount of assets (other than capital work in progress) over their estimated useful lives, using the reducing balance method at rates specified in note 4 to the financial statements. Depreciation on addition to property and equipment is charged from the month when asset is available for use and not charged for the the month of its de-recognition.

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized as other income in the statement of profit or loss. In case of the derecognition of a revalued property, the attributable revaluation surplus remaining in the surplus on revaluation is transferred directly to the unappropriated profit.

Useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis. Further, the key assumptions used to determine the fair value of property and equipment are provided in Note 45.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Fully depreciated assets are being kept at a token value of Rupee 1 each.

3.2 Right of use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, at rates specified in note 4.2 to the financial statements.
If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment.

3.3 Intangible assets

-Computer Software

Intangible assets represent computer software and are stated at cost less accumulated amortization and any identified impairment loss. Costs associated with routine maintenance of intangible assets are recognized as an expense when incurred. However, costs that are directly attributable to identifiable intangible assets and which enhance or extend the performance of intangible assets beyond the original specification and useful life are recognized as capital improvement and added to the original cost of the software.

Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the reducing balance method at the rates specified in note 5.1 to the financial statements. Amortization on addition is charged from the month when asset is available for use up to the month of its de-recognition.

The company assesses at each reporting date whether there is any indication that intangible assets may be impaired. If such indication exists, the carrying amount of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment is recognized in income. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Where an impairment loss is recognized, the amortization charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

3.4 Revaluation surplus

Any revaluation increase arising on the revaluation of office premises is recognized in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of office premises is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property and equipment relating to a previous revaluation of that asset. The surplus on revaluation to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit / accumulated loss.

3.5 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss.

Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of impairment loss for a cash generating unit is allocated to the assets of the unit, except for goodwill (if any), pro rata with the carrying amounts of those assets. The increase in the carrying amounts is treated as reversal of impairment losses for individual assets and recognized in profit or loss unless the asset is measured at revalued amount. Any reversal of impairment loss of a revalued asset is treated as a revaluation increase.

NOTES TO THE FINANCIAL STATEMENTS
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3.6 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand and cash with banks in current and deposit accounts.

3.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at:
- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- amortized cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:
- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at FVOCI (debt instruments)

The Company measures debt instruments at FVOCI if the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

This category includes derivative instruments, listed equity investments which the Company had not irrevocably elected to classify at FVOCI and investments in mutual funds. Dividends on listed equity investments are also recognized as other income in the statement of profit or loss when the right of payment has been established. Net gains and losses, including any interest / markup or dividend income, are recognized in profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

IFRS 9 replaces the incurred loss model with expected credit loss with distinct approach. The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at amortized cost (other than trade receivables and contract assets) and FVOCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company's debt instruments at FVOCI are graded in light of guidelines by the Good Credit Rating Agency. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the Good Credit Rating Agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Company considers a financial asset in default when contractual payments are 210 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

In accordance with the Accounting Guidance "Application of IFRS 9 by Non-Banking Finance Companies", issued by Institute of Chartered Accountants of Pakistan. The Companies are required to apply NBFCs regulations' requirements on portfolios of specific credit facility in conjuction with requirements of IFRS 9. Therefore, the company recognised allowance as higher of provision calculated under NBFCs regulations & IFRS 9.

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, and financial liabilities at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. The Company has not designated any financial liability as at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
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Financial liabilities at amortized cost

This is the category most relevant to the Company. After initial recognition, these are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

c) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Dividend income

Dividend income is recognized in profit or loss as other income when the Company's right to receive payment have been established; is probable that the economic benefits associated with the dividend will flow to the Company; and the amount of the dividend can be measured reliably.

3.8 Lease liabilities

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.
At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

a) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

3.9 Provisions

Provisions are recorded when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

3.10 Staff retirement benefits

a) Employees compensated absences

The liability in respect of compensated absences of employees is accounted for in the period in which the absences accrue. As the component of liability involved is not material, the Company did not carry out actuarial valuation for

b) Provident fund

The Company operates approved contributory provident fund for all permanent employees. Equal monthly contribution is made both by employees and the Company to the fund at 10% of basic salary. The Company's contributions are recognized as employee benefit expense when they are due. The fund is administrated by the Trustees.

NOTES TO THE FINANCIAL STATEMENTS
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3.11 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 12 months of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

3.12 Revenue recognition

a) Return on finances provided, placements and government securities are recognized on time proportionate basis.
b) Brokerage commission and other advisory fee are recognized when such services are provided.
c) Capital gains or losses arising on sale of investments are taken to income in the period in which they arise.
d) Reversal of provision is recognized as per requirement of NBFC regulation.
e) Dividend income is recognized when the right to receive payment is established.
f) Income on bank deposits are recognized on accrual basis.
g) Rental income on properties are recognized on accrual basis.
h) Processing income is recognized when the right to receive payment is established.

3.13 Return on deposits and borrowings

Return on Certificates of Deposits (CODs) and borrowings are recognized on a time proportionate basis taking into account the relevant issue date and final maturity date.

3.14 Taxation

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.

a) Current taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The tax charge also includes adjustments, where necessary, relating to prior years which arise from assessments finalized during the year.

b) Deferred tax

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilize those temporary differences, unused tax losses and credits.

In this regard, the effects on deferred taxation of the portion of income subject to final tax regime is also considered in accordance with the requirement of Technical Release – 27 of Institute of Chartered Accountants of Pakistan.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

c) Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/IAS 37.

d) Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits will be available so that part or all of that recognized deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

NOTES TO THE FINANCIAL STATEMENTS
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e) Off-setting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.15 Operating segment

The Company has structured its key business areas in two segments in a manner that each segment becomes a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Business segments

The Company's activities are broadly categorized into financing activities and investment activities.

The management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

Financing activities

Financing activities include providing long-term and short-term financing facilities to corporate and individual customers including lease financing.

Investment activities

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

3.16 Related party

Transactions with related parties are based on the transfer pricing policy that all transactions between the Company and the related party of the Company are at arm's length prices using the comparable uncontrolled price method except in circumstances where it is in the interest of the Company not to do so.

3.17 Dividend distributions and appropriations

Dividend distribution and appropriations other than statutory appropriations are recognized as a liability in the period in which the dividends are approved by the the Board of Directors.

3.18 Borrowings cost

Borrowing costs are recognized as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which such costs are capitalized as part of the cost of that asset.

3.19 Foreign currency transactions and translations

Transactions in foreign currencies are accounted for in Pak rupees at the rates of exchange prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated at rates of exchange prevailing at the reporting date. Gains or losses on are charged to income.

3.20 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit and loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit and loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

3.21 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4 Property and equipment

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Operating fixed assets - tangible	4.1	**86,214,184**	96,678,173
Right of use assets	4.2	**12,927,741**	29,551,850
Advances against purchase of assets	4.3	**-**	170,208
		99,141,925	126,400,231

4.1 The following is a statement of operating fixed assets (tangible):

Description	Office premises	Freehold improvements	Leasehold improvements	Office furniture and	Computer equipment	Office equipment	Owned vehicles	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
NET CARRYING VALUE BASIS								
Year Ended June 30, 2026								
Opening net book value	65,017,330	3,009,147	9,697,825	6,190,663	3,457,908	7,438,768	1,866,532	96,678,173
Additions	-	225,000	-	-	672,200	13,650	-	910,850
Derecognitions:								
Cost	-	175,000	6,693,943	621,621	764,021	528,787	822,450	9,605,822
Accumulated depreciation	-	(97,347)	(5,199,504)	(304,357)	(469,245)	(260,500)	(576,662)	(6,907,615)
	-	(77,653)	(1,494,439)	(317,264)	(294,776)	(268,287)	(245,788)	(2,698,207)
Depreciation charge for the year	(3,250,866)	(610,855)	(1,873,208)	(613,059)	(1,250,291)	(738,203)	(340,150)	(8,676,632)
Closing net book value	61,766,464	2,545,639	6,330,178	5,260,340	2,585,041	6,445,928	1,280,594	86,214,184
Gross Carrying Value Basis								
Year Ended June 30, 2026								
Cost / revalued amount	148,470,120	12,655,227	36,443,591	12,257,828	15,969,837	13,471,186	5,222,221	244,490,010
Accumulated depreciation	(86,703,656)	(10,109,588)	(30,113,413)	(6,997,488)	(13,384,796)	(7,025,258)	(3,941,627)	(158,275,826)
Net book value	61,766,464	2,545,639	6,330,178	5,260,340	2,585,041	6,445,928	1,280,594	86,214,184
NET CARRYING VALUE BASIS								
Year Ended June 30, 2025								
Opening net book value	68,439,295	3,761,433	12,122,284	6,878,432	4,405,233	8,085,922	2,333,164	106,025,763
Additions	-	-	-	-	640,586	194,251	-	834,837
Derecognitions:								
Cost	-	-	-	-	305,744	40,683	-	346,427
Accumulated depreciation					(278,999)	(17,227)		(296,226)
	-	-	-	-	(26,745)	(23,456)	-	(50,201)
Depreciation charge for the year	(3,421,965)	(752,286)	(2,424,459)	(687,769)	(1,561,166)	(817,949)	(466,632)	(10,132,226)
Revaluation surplus for the year	-	-	-	-	-	-	-	-
Closing net book value	65,017,330	3,009,147	9,697,825	6,190,663	3,457,908	7,438,768	1,866,532	96,678,173
Gross Carrying Value Basis								
Year Ended June 30, 2025								
Cost / revalued amount	148,470,120	12,605,227	43,137,534	12,879,449	16,061,658	13,986,323	6,044,671	253,184,982
Accumulated depreciation	(83,452,790)	(9,596,080)	(33,439,709)	(6,688,786)	(12,603,750)	(6,547,555)	(4,178,139)	(156,506,809)
Net book value	65,017,330	3,009,147	9,697,825	6,190,663	3,457,908	7,438,768	1,866,532	96,678,173
Annual rates (%) of depreciation	5.00	20.00	20.00	10.00	33.33	10.00	20.00	

4.1.1 Disposal of property and equipment

The following operating fixed assets, having a net book value not exceeding Rs. 500,000, were disposed of during the year:

Particulars	Cost	Depreciation	Value	Sale Proceed	Gain / (Loss)	Disposal	Particulars of purchaser
Aggregate of items of operating fixed assets with individual book values not exceeding Rs. 500,000	**9,605,822**	**(6,907,615)**	**2,698,207**	**1,499,816**	**(1,198,391)**	Negotiations	-
Rupees 2026	**9,605,822**	**(6,907,615)**	**2,698,207**	**1,499,816**	**(1,198,391)**		
Rupees 2025	346,426	(296,226)	50,200	44,000	(6,200)		

4.1.2 Depreciation charge for the year has been allocated to administrative expenses (Note 32).

4.1.3 Particulars of the Company's immovable property (i.e. office premises) are as follows:

Location	Total area (square feet)
Davis Road, Lahore	3,315
Vogue Tower, Lahore	606

4.1.4 Had there been no revaluation, the carrying values of the office premises would have been as follows;

	Cost	Accumulated Depreciation	Net Book Value
	Rupees		
Office Premises 2026	**89,692,600**	**62,258,378**	**27,434,222**
Office Premises 2025	89,692,600	60,814,472	28,878,128

4.1.5 Based on the valuation carried out as at May 19, 2025, the forced sale value of the office premises was assessed at Rs. 65.5 million.

4.1.6 The fair value measurements of the Company's office premises were performed by M/s Minhas Associates for Davis Road building and Vogue Tower premises as at May 19, 2025 who are independent valuers not related to the Company. Previously, valuation was carried out during the year 2021. There is no material difference between current valuation and carrying amount of revalued assets.

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4.2 Right-of-use assets	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Opening balance		**29,551,850**	37,889,109
Additions		**-**	-
Depreciation	32	**(8,045,521)**	(8,479,133)
Adjustment relating to termination of lease	23.1	**(8,578,588)**	-
Adjustment relating to remeasurement of lease liability		**-**	141,874
		12,927,741	29,551,850
Depreciation rate		**10% - 20%**	10% - 20%

4.2.1 Right-of-use assets comprise office space taken for office operations and vehicles. There are no variable lease payments in the lease contracts. There were no leases with residual value guarantees or leases not yet commenced to which the Company is committed. Leases have lease terms between 5 to 10 years.

4.2.2 The Company also has certain leases with lease terms of 12 months or less. The Company applies the 'short-term lease' or 'lease of low-value assets' recognition exemptions for these leases.

5 Intangible Assets	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Accounting software	5.1	**355,536**	533,279
Advance for ERP implementation		**5,215,342**	5,215,342
		5,570,878	5,748,621

5.1 Accounting software			
Net carrying value			
Opening balance		**533,279**	799,880
Less: Amortization charge for the year	32	**177,743**	266,601
		355,536	533,279
Gross carrying value			
Cost		**10,735,744**	10,735,744
Less: Accumulated Amortization		**10,380,208**	10,202,465
		355,536	533,279
Amortization rate per annum		**33.33%**	33.33%

5.2 Amortization charge for the year has been allocated to administrative expenses (Note 32).

6 Long Term Investments	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Fair value through other comprehensive income (FVTOCI) - Quoted			
Term finance certificates:			
Cost	6.1	**25,000,000**	25,000,000
(Loss) / gain on revaluation of investments	21	**-**	(453,875)
		25,000,000	24,546,125

6.1 This represents investment in Additional Tier - 1 TFCs of United Bank Limited bearing mark-up @ 3-months KIBOR (ask side) + 1.55% p.a. Fair values of these TFCs are determined by reference to published price quotations in an active market (fair value level 1).

7 Long Term Finances	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Considered good	7.1	**108,700,819**	117,324,658
Considered doubtful	7.2	**55,066,614**	46,798,486
		163,767,433	164,123,144
Less: Allowance for expected credit losses	7.3 & 37	**42,734,420**	43,062,763
		121,033,013	121,060,381
Less: Current portion	11	**61,474,827**	61,324,083
Less: General provision for micro finance portfolio	7.4 & 37	**472,319**	90,308
		59,085,867	59,645,990

7.1 Considered good	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
House finance - secured	7.1.1	**26,649,178**	34,886,354
Micro finance	7.1.2	**82,051,641**	82,438,304
		108,700,819	117,324,658

NOTES TO THE FINANCIAL STATEMENTS
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7.1.1 This represents amount disbursed to house finance customers at return rate ranging from 17.32% to 27.24% (2025: 18.33% to 27.7%) per annum for tenure of 2 to 20 years. These finances are secured to the extent disclosed in note 42.1 (a).

7.1.2 This represents amount disbursed to micro finance customers at return rate ranging from 34% to 54.6% (2025: 48.2% to 54.6%) per annum for tenure of 1 to 2 years. These finances are secured to the extent disclosed in note 42.1 (a).

7.2 Considered doubtful	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
House finance - secured		**-**	-
Micro finance		**29,478,540**	21,210,412
Others - secured	7.2.1	**25,588,074**	25,588,074
		55,066,614	46,798,486

7.2.1 These finance facilities are secured by ranking charge on assets and pledge of stocks. The expected rate of return ranges from 14% to 17% (2025: 14% to 17%) per annum.

7.3 Allowance for expected credit losses	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Opening balance		**43,062,763**	41,530,925
Charge for the year		**-**	1,531,838
Reversal for the year		**(328,343)**	-
		42,734,420	43,062,763

7.4 Particulars of general provision for micro finance

Opening balance		**90,308**	137,660
(Reversal) / charge for the year		**382,011**	(47,352)
Closing balance	7.4.1	**472,319**	90,308

7.4.1 This represents provision accounted for in accordance with Regulation 25A *'Creation of General Provision against micro finance portfolio'* of Non-Banking Finance Companies and Notified Entities Regulations, 2008 at 0.5% of outstanding micro finance portfolio.

8 Net Investment in Lease Finance

Lease rental receivables	8.1	**578,415**	578,415
Add: Residual value		**2,165,985**	2,165,985
		2,744,400	2,744,400
Less: Unearned finance income		**49,628**	49,628
		2,694,772	2,694,772
Less: Allowance for expected credit losses	8.2	**528,787**	528,787
Less: Amount written off during the year		**2,694,772**	-
		-	2,165,985
Less: Current portion	11	**-**	2,165,985
		-	-

8.1 Leases made by the Company were for a period of three to five years. Security deposits obtained at the time of disbursement of lease facility ranged from 11% to 16% (2025: 11% to 16%). The rate of return ranged from 15% to 17% per annum (2025: 15% to 17% per annum) and penalty is charged in case of delayed payment.

8.2 As per Non-Banking Finance Companies and Notified Entities Regulations, 2008, the aggregate net exposure in finance leases against which provision is required amounted to Rs. 0.529 million (2025: Rs. 0.529 million) at the end of current year.

9 Long Term Deposits	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Considered good			
Related party	9.1	**7,627,674**	7,627,674
Others		**778,850**	878,000
		8,406,524	8,505,674
Considered doubtful			
Others		**330,350**	330,350
Less: Allowance for expected credit losses	9.2	**330,350**	330,350
		-	-
		8,406,524	8,505,674

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9.1 This represents security deposit against leasehold branches located in Bahria Town all over Pakistan being leased by the holding company i.e. Bahria Town (Private) Limited.

9.2 Allowance for expected credit losses	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Opening balance		**330,350**	330,350
Charge for the year		**-**	-
Closing balance		**330,350**	330,350

10 Deferred Tax Asset - Net

Deferred taxation comprises the following:

Deferred tax liability on taxable temporary differences		
Property and equipment	**(8,378,032)**	(9,081,387)
Revaluation surplus on property and equipment	**(6,243,548)**	(6,572,156)
Short term investment (unrealized gain on remeasurement)	**-**	(3,939,193)
Right of use assets	**(3,749,045)**	(8,570,037)
	(18,370,625)	(28,162,773)
Deferred tax asset on deductible temporary differences		
Intangible assets	**(103,105)**	(154,651)
Long term finances (Provision for murabaha financing and others)	**5,109,413**	5,067,660
Long term investments	**-**	131,624
Net investment in lease finance (Provision for doubtful lease)	**-**	153,348
Short term finances (Provision for doubtful finances)	**6,598,001**	6,372,074
Lease liabilities	**3,535,310**	10,272,165
Minimum tax	**2,000,664**	2,245,887
Unabsorbed depreciation	**71,566,750**	69,987,986
Unabsorbed business losses	**95,643,046**	85,038,151
	184,350,079	179,114,244
	165,979,454	150,951,471
Deferred tax asset not recognized during the year	**(40,849,146)**	(29,947,470)
	125,130,308	121,004,001

10.1 The Company has an aggregate amount of deferred tax assets of Rs. 125.13 million (2025: Rs.121.004 million), which represents management's best estimate of the probable benefits expected to be realized in future years in the form of reduced tax liability as the Company would be able to set off the profits earned in those years against taxable temporary differences relating to prior years. The management believes that it is probable that the Company will be able to achieve the profits and consequently, the deferred tax asset will be fully realized in future. Deferred tax asset is not recognized during the year related to business losses for the tax year 2024, 2025 & 2026; and minimum tax related to tax years 2025 & 2026.

	Accounting year to which the minimum tax carried forward relates	Amount of minimum tax carried forward	Accounting year to which minimum tax carried forward
		Rupees	
Minimum tax carried	2025	**1,204,383**	2027
Minimum tax carried	2026	**796,281**	2028
		2,000,664	

	Accounting year to which the unabsorbed business loss relates	Amount of unabsorbed business losses available	Accounting year to which unabsorbed business loss will expire
		Rupees	
Unabsorbed Business	2021	**40,949,925**	2027
Unabsorbed Business	2022	**116,885,606**	2028
Unabsorbed Business	2023	**38,007,791**	2029
Unabsorbed Business	2024	**10,882,298**	2030
Unabsorbed Business	2025	**46,632,614**	2031
Unabsorbed Business	2026	**76,445,374**	2032
		329,803,608	

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		Note	30-Jun-26 Rupees	30-Jun-25 Rupees
10.2	**Movement in deferred tax asset - net**			
	Opening balance		**121,004,001**	122,597,618
	Recognized in statement of profit or loss	35	**4,126,307**	(1,593,617)
	Recognized in other comprehensive income arising on revaluation surplus		**-**	-
			125,130,308	121,004,001
11	**Current Portion of Non-Current Assets**			
	Long term finances	7	**61,474,827**	61,324,083
	Net investment in lease finance	8	**-**	2,165,985
			61,474,827	63,490,068
12	**Short Term Investments**			
	Fair value through profit or loss (FVTPL)			
	Mutual funds - 506.2798 (2025: 502.7993) units of Rs. 22.0839 (2025: Rs. 14.7076) each		**11,181**	7,395
	Shares - others	12.1	**17,598,899**	13,576,028
			17,610,080	13,583,423

12.1 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	30-Jun-26 Rupees	30-Jun-25 Rupees
13	**Short Term Finances**			
	Other than related parties:			
	Micro Finance - Considered good		**15,693,695**	43,001,441
	Micro Finance - Considered doubtful		**38,668,735**	41,524,036
	Gold Finance		**21,942,100**	51,933,371
			76,304,530	136,458,848
	Less: Allowance for expected credit losses	13.1 & 37	**37,092,249**	35,578,565
			39,212,281	100,880,283
	Less: General provision for micro finance portfolio	13.2 & 37	**86,351**	820,975
			39,125,930	100,059,308
13.1	**Allowance for expected credit losses**			
	Opening balance		**35,578,565**	28,260,408
	Charge for the year		**1,513,684**	7,318,157
	Closing balance		**37,092,249**	35,578,565
13.2	**Particulars of general provision for micro finance portfolio**			
	Opening balance		**820,975**	435,630
	(Reversal) / charge for the year		**(734,624)**	385,345
	Closing balance	13.2.1	**86,351**	820,975

13.2.1 This represents provision accounted for in accordance with Regulation 25A *'Creation of General Provision against micro finance portfolio'* of Non Banking Finance Companies and Notified Entities Regulations, 2008 at 0.5% of outstanding micro finance portfolio.

13.3 These finances are secured to the extent disclosed in note 42.1 (a).

		Note	30-Jun-26 Rupees	30-Jun-25 Rupees
14	**Short Term Advances**			
	Advances against salaries / expenses - considered good	14.1	**1,011,853**	732,747
	Advances to consultants - considered good		**2,278,333**	1,913,333
			3,290,186	2,646,080
14.1	**Movement in short term advances**			
	Opening balance		**732,747**	714,206
	Additions during the year		**279,106**	18,541
	Closing balance		**1,011,853**	732,747
15	**Prepayments**			
	Prepayments		**980,633**	3,901,440

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

		Note	30-Jun-26 Rupees	30-Jun-25 Rupees
16	**Interest Receivable**			
	Interest from financing		**17,878,519**	18,109,118
	Interest from long term investments		**573,472**	589,007
			18,451,991	18,698,125
17	**Other Receivables**			
	Insurance claim receivable		**1,624,930**	642,240
	Receivable from clients	17.1	**1,819,989**	1,070,847
	Others	17.2	**1,166,159**	1,171,577
			4,611,078	2,884,664
17.1	**Receivable from clients**			
	Considered good		**1,819,989**	1,070,847
	Considered doubtful		**28,078,437**	28,078,437
	Less: Allowance for expected credit losses	17.1.1	**28,078,437**	28,078,437
			-	-
			1,819,989	1,070,847
17.1.1	**Allowance for expected credit losses**			
	Opening balance		**28,078,437**	28,078,437
	Adjusted during the period		**-**	-
	Closing balance		**28,078,437**	28,078,437
17.2	**Others**			
	Considered good	17.2.1	**1,166,159**	1,171,577
	Considered doubtful		**5,742,979**	5,742,979
	Less: Allowance for expected credit losses	17.2.2	**5,742,979**	5,742,979
			-	-
			1,166,159	1,171,577

17.2.1 This balance includes an amount of Rs. 0.837 million (2025: Rs. 0.837 million) receivable from Bahria Town (Private) Limited.

17.2.2	**Allowance for expected credit losses**			
	Opening balance		**5,742,979**	5,742,979
	Charge for the year		**-**	-
	Closing balance		**5,742,979**	5,742,979
18	**Tax Refunds due from the Government**			
	Advance income tax	18.1	**81,817,088**	81,402,514
	Sales tax refundable		**6,391,715**	6,349,572
			88,208,803	87,752,086
18.1	**Advance income tax**			
	Opening balance		**81,402,514**	68,344,410
	Payments made during the year		**1,618,957**	14,099,608
	Adjustment against provision for taxation	26	**(1,204,383)**	(1,041,504)
			81,817,088	81,402,514
19	**Cash and Bank Balances**			
	Cash in hand		**11,725**	24,059
	Cash with banks			
	Current accounts with			
	- State Bank of Pakistan		**95,529**	95,529
	- Others		**2,204,314**	10,087,077
			2,299,843	10,182,606
	Saving and deposit accounts	19.1	**12,917,827**	13,633,260
			15,229,395	23,839,925

19.1 Rate of return on saving accounts range from 9.5% to 10.5% (2025: 10.5% to 19.5%) per annum.

19.2 The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows at the end of the financial year.

		Note	30-Jun-26 Rupees	30-Jun-25 Rupees
20	**Issued, Subscribed and Paid-Up Share Capital**			
	Authorized Capital			
	Ordinary Shares of Rs. 10 each 300,000,000 (2025: 300,000,000)		**3,000,000,000**	3,000,000,000

NOTES TO THE FINANCIAL STATEMENTS
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Issued, Subscribed and Paid-Up Share Capital	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Ordinary shares of Rs. 10 each fully paid in cash 133,500,000 Shares, (2025:133,500,000 Shares)		**1,335,000,000**	1,335,000,000
Ordinary shares of Rs. 10 each allotted as bonus shares 2,100,000 Shares, (2025:2,100,000 Shares)		**21,000,000**	21,000,000
		1,356,000,000	1,356,000,000

20.1 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company

21 Capital Reserves

Statutory reserve	21.1	**158,496,746**	158,496,746
Gain on revaluation of investments	6	**-**	(453,875)
		158,496,746	158,042,871

21.1 This represents special reserve created in compliance with Regulation 16 of NBFC 2008 for Non-Banking Finance Companies issued by the Securities and Exchange Commission of Pakistan (SECP).

22 Revaluation Surplus on Property and Equipment

Opening balance	**22,662,607**	23,855,376
Less: Incremental depreciation for the year	**(1,133,130)**	(1,192,769)
	21,529,477	22,662,607
Opening deferred tax liability	**6,572,157**	6,918,060
Less: Related deferred tax on incremental depreciation	**(328,608)**	(345,903)
	6,243,549	6,572,157
	15,285,928	16,090,452

22.1 The revaluation surplus represents net cumulative increase in the carrying amount as a result of revaluation of property and equipment carried at revalued amount.

22.2 The surplus on revaluation of property and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

23 Lease Liabilities

Lease liabilities	23.1	**12,190,725**	35,421,257
Less: Current portion	24	**4,567,521**	8,199,160
		7,623,204	27,222,097

23.1 Set out below are the carrying amounts of lease liabilities and the movements during the year:

Opening balance		**35,421,257**	42,471,758
Additions		**-**	-
Interest on finance lease	33	**2,269,030**	3,596,650
Adjustment relating to termination of lease		**(15,488,085)**	-
Payments		**(10,011,477)**	(10,647,151)
Closing balance		**12,190,725**	35,421,257

	2026		
	Lease payments	Finance cost	Present value of lease
	Rupees	Rupees	Rupees
Not later than one year	**5,595,411**	**1,027,890**	**4,567,521**
Later than one year and not later than five years	**8,194,576**	**571,372**	**7,623,204**
Later than five years and above	**-**	**-**	**-**
	13,789,987	**1,599,262**	**12,190,725**

	2025		
	Lease payments	Finance cost	Present value of lease
	Rupees	Rupees	Rupees
Not later than one year	10,710,957	2,511,797	8,199,160
Later than one year and not later than five years	30,089,176	2,867,079	27,222,097
Later than five years and above	-	-	-
	40,800,133	5,378,876	35,421,257

23.1.1 These represent lease liabilities against the rental agreement of Company branches and vehicles from financial institution. As a result, the Company, as a lessee, has recognized right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligation to make lease payments.
The branch lease liabilities carry an implicit rate of return of 5.69% per annum (2025: 5.69% per annum), while the vehicle finance facility bears mark up at three-month KIBOR plus 1.50% per annum (2025: three-month KIBOR plus 1.50% per annum).

23.2 Summary of amounts relating to leases charged in different line items of the financial statements is as follows:

	Included in	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Carrying amount of ROU assets	Property and equipment	4.2	**12,927,741**	29,551,850
Expense relating to short-term leases	Administrative expenses	32	**4,549,104**	4,593,980
Depreciation charge	Administrative expenses	32	**8,045,521**	8,479,133
Interest expense	Finance cost	33	**2,269,030**	3,596,650

24 Current Portion of Non-Current Liabilities

Lease liabilities	23	**4,567,521**	8,199,160
Long term security deposits	24.1	**-**	2,165,985
		4,567,521	10,365,145

24.1 These represent interest free security deposits received on lease contracts and are adjustable at the expiry of the lease contracts. These security deposits have been utilized for business purposes.

25 Trade and Other Payables

Certificate of depositors - deceased, untraceable and others	25.1	**67,423,403**	67,423,403
Accrued expenses and other payables	25.2	**58,992,494**	51,521,067
		126,415,897	118,944,470

25.1 These certificates of deposit remained unpaid due to non-submission of succession certificates (by legal heirs of depositors), lien created by Bahria Town (Private) Limited and other legal issues.

25.2 This balance includes an amount of Rs. 0.363 million (2025: Rs. 0.363 million) payable to Bahria Town (Private) Limited.

26 Provision for Levies and Taxation

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Opening balance		**1,204,383**	1,041,504
Add: Current tax levies charge for the year	35	**1,076,501**	1,204,383
Less: Adjusted with advance tax	18	**(1,204,383)**	(1,041,504)
		1,076,501	1,204,383

27 Contingencies and Commitments

27.1 Contingencies

a) The assessing officer in compliance to direction given by CIR(A) vide order dated 21 November 2022 issued online notice on 20 December 2024 u/s 161 read with 124 of the Ordinance for tax year 2015.
The re-assessment proceeding so initiated was culminated by way of creating tax demand of Rupees 12.17 million through online order dated 30 January 2025.
Being aggrieved, the EIBL filed appeal before CIR(A) who vide order dated 23 June 2025 curtailed the tax demand to Rupees 0.263 million. However, the department coercively recovered an amount of Rupees 11 million through the attachment of bank account of EIBL on 22 June 2025.
Being aggrieved by the coercive measure of the department, the EIBL filed complaint before honorable Federal Tax Ombudsman who vide order dated 8 December 2025 rejected the stance of EIBL with regard to commission of maladministration by the department.
Being aggrieved, the EIBL has filed representation before the honorable President of Islamic Republic of Pakistan [President] on 2 January 2026 against the order of Federal Tax Ombudsman. The honorable President, on the basis of appeal effect order dated 29 June 2026 issued in consequence of CIR(A) order dated 23 June 2025, declared the matter in favour of EIBL in the open court during the hearing held on 2 July 2026. However, the detailed order in this regard is being awaited.

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b) The return filed by EIBL for tax year 2019 was found erroneous and prejudicial to the interest of revenue in terms of section 122(5A) of the Income Tax Ordinance, 2001. As a result, assessment order dated 16 June 2025 u/s 122(5A) of the Ordinance was issued by Creating tax demand of Rupees 42.75 million on the premise that interest income earned by the departrnent is taxable u/s 39 i.e Income from Other sources and hence, not eligible for expenses claimed in the return. The department while creating disputed tax demand also ignore the impact Of carried fonvard business losses and unabsorbed deprecation of Rupees 562 million pertaining to previous tax years. Being aggrieved, EIBL approached Commissioner Inland Revenue (Appeals) who vide his order dated IO September 2025 remanded back the matter to the assessing offcer. Being aggrieved, the EIBL filed appeal before ATIR and the same is pending for adjudication there.

c) The return filed by EIBL for tax year 2020 was found erroneous and prejudicial to the interest of revenue in terms or section 122(5A) Of the Income Tax Ordinance, 2001. As a result, assessment order dated 30 April 2026 u/s 122(5A) of the Ordinance was issued by creating tax demand of Rupees 59.51 million on the premise that interest income earned is taxable uls 39 i.e. Income from other sources and hence, is not eligible for any kind of expenses claimed in the return. The department while creating disputed tax demand also ignore the impact of carried forward business losses and unabsorbed deprecation of Rupees 562 million pertaining to previous tax years. Being aggrieved, EIBL filed appeal before Commissioner Inland Revenue (Appeals) on 7 April 2026 and the same is pending for adjudication.

d) The return filed by EIBL for tax year 2021 was found erroneous and prejudicial to the interest of revenue in terms of section 122(5A) Of the Income Tax ordinance, 2001. As a result, assessment Order dated 7 April 2026 u/s 122(5A) Of the Ordinance was issued by creating tax demand Of Rupees 58.62 million on the premise that interest income earned is taxable u's 39 i.e. Income from Other sources and hence, not eligible for any kind of expenses claimed in the return. The department while creating disputed tax demand also ignore the impact of carried forward business losses and unabsorbed deprecation Of Rupees 562 million pertaining to previous tax years. Being aggrieved, EIBL filed appeal before Commissioner Inland Revenue (Appeals) on 7 April 2026 and the same is pending for adjudication.

e) Sindh Revenue board has initiated the proceedings by issuing notice u/s 52(1) of the Sindh Sales tax on Services Act, 2011 for the scrutiny of Sindh sales tax returns and records for tax years 2012, 2013 and 2014 on January 22, 2018 and February 12, 2018, which was duly complied by the Company on February 7, 2018 and March 9, 2018 and subsequently no further notice was received nor any order was passed in this regard. The Company expects favorable outcome in this regard, therefore, no provision has been made in these financial statements.

f) Notices dated 22 June 2022 were issued under section 170(4) of the Income Tax Ordinance, 2001 in respect of Tax Years 2020 and 2021 to verify the authenticity of refund claims amounting to Rs. 10.13 million and Rs. 3.16 million, respectively. The Company has complied with the said notices; however, no further proceedings have been initiated in this regard. Accordingly, no provision has been made in these financial statements.

g) Notice dated 25 March 2025 was issued under section 182(1) of the Income Tax Ordinance, 2001 by the Deputy Commissioner Inland Revenue (LTU) in respect of Tax Year 2024. The said proceedings were culminated by way of an order dated 15 April 2025 under section 182(1) of the Ordinance, whereby a tax demand of Rupees 0.53 million was created. The Company, being aggrieved by the said order, filed an appeal before the Commissioner Inland Revenue (Appeals) on 22 June 2026. However, no further proceedings have been initiated in this regard.

h) Notices dated 04 March 2026 were issued under section 182(2) of the Income Tax Ordinance, 2001 by the Deputy Commissioner Inland Revenue in respect of Tax Years 2020, 2021, 2022, 2023, 2024 and 2025, whereas a show cause notice dated 11 March 2026 was issued in respect of Tax Year 2022. The said proceedings were culminated by way of assessment orders dated 10 June 2026 under section 182(2) of the Ordinance, whereby an aggregate tax demand of Rupees 18.40 million was created. The Company, being aggrieved by the said orders, filed appeals before the Commissioner Inland Revenue (Appeals) on 22 June 2026; however, no further proceedings have been initiated in this regard.

i) Escorts Investment Bank Limited ("the Bank") has filed an appeal before the Lahore High Court challenging the order dated 31 December 2019, along with the underlying letter dated 6 February 2019, issued by the Securities and Exchange Commission of Pakistan ("SECP") in relation to the withdrawal of certain regulatory relaxations previously granted to the Bank. The relaxations had permitted the Bank to raise deposits from all classes of persons in connection with the takeover of the then-defunct EIBL by Bahria Town (Private) Limited ("BTPL"), subject to review based on the Bank's financial performance for the year ended 30 June 2019. In reliance on the arrangement, BTPL invested Rs. 1.20 billion and repaid Rs. 531 million in overdue deposits, and the Bank complied with the stipulated conditions ahead of schedule. SECP subsequently withdrew the relaxations approximately ten months prior to the agreed review date. The matter had previously been subject to litigation under W.P. No. 16434/2019 and ICA No. 51634/2019, pursuant to which a fresh hearing was conducted by SECP and a substantially similar order was subsequently issued. The last date of hearing was 2 June 2026 before the Lahore High Court.

j) Banking Suit No. 77 of 1999, titled Escorts Investment Bank Limited vs. Faran Maize Industries (Pvt.) Limited & Others, was decreed in favour of the Bank for recovery of Rs. 15.412 million, together with mark-up, liquidated damages and costs. As the defendants have failed to satisfy the decree, execution proceedings are pending before the Banking Court, Lahore for recovery of the decretal amount through sale/auction of the defendants' properties and assets. The hearing scheduled for 7 September 2026 did not take place, and no further date of hearing has been fixed as of the date of this report, and the latest substantive order passed in the matter has directed the sale of the mortgaged property.

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k) A writ petition has been filed by Kamran Malik and Sheikh Ali Baakza against the Additional Director (Listed Companies Department), SECP, SECP itself, the Bank and Bahria Town, challenging SECP's direction dated 5 March 2026 requiring withdrawal of the Petitioners' Public Announcement of Intention ("PAI") to acquire 87.96% of the Bank's shares from Bahria Town together with a further 6.02% through a public offer. The Petitioners contend that SECP's direction falls outside the prescribed grounds for withdrawal and is therefore ultra vires and void ab initio. The matter also refers to NAB's freezing order dated 6 May 2025 in respect of Bahria Town's shares, an MOU dated 25 September 2025 and an SPA dated 13 January 2026 between the relevant parties, with completion being conditional upon lifting of the NAB freeze and obtaining the requisite regulatory approvals. The hearing scheduled for 3 September 2026 did not take place, and no further date of hearing has been fixed as of the date of this report.

l) UHF Consulting, an IT consulting company and the second-largest shareholder in the Bank, has filed a writ petition challenging the regulatory direction dated 5 March 2026 issued by SECP requiring Kamran Malik and Sheikh Ali Baakza to withdraw their Public Announcement of Intention ("PAI"). The Petitioner contends that the acquisition proposed in W.P. No. 16041/2026 is in the interest of the Bank's public shareholders and that the impugned direction has deprived the Petitioner, as a shareholder, of the value it expected to derive from the proposed acquisition. The petition is proceeding jointly with Writ Petition No. 16041/2026. The hearing scheduled for 3 September 2026 did not take place, and no further date of hearing has been fixed as of the date of this report.

m) The arbitration proceedings arise from Bahria Town's acquisition of a majority shareholding in the Bank through the purchase of shares from Respondents No. 1–7 pursuant to a Share Purchase Agreement. Under the agreement, the respondents provided various warranties, including warranties relating to the existence of a tax refund allegedly due to the Bank and the maintenance of the relevant documentary records. Bahria Town subsequently discovered that no application for the claimed tax refund had been filed, no supporting records existed and the limitation period for claiming the refund had expired. Alleging breach of the warranties under the Share Purchase Agreement, Bahria Town has sought a direction for Respondents No. 1–7 to pay Rs. 86.896 million, together with applicable interest, to the Bank (Respondent No. 8). The arbitration proceedings are ongoing before Justice Yawar Ali, acting as the sole arbitrator, and the next date of hearing is scheduled for 22 October 2026.

27.2 Commitments	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
ERP implementation		**4,356,111**	4,356,111

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
28 Profit on Financing			
Long term		**35,668,027**	34,062,010
Short term		**19,752,706**	50,348,513
		55,420,733	84,410,523

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
29 Return on Investments			
Fair value through profit or loss			
- Mutual funds		**3,786**	2,226
Fair value through other comprehensive income			
- Term finance certificates		**3,158,397**	4,227,064
		3,162,183	4,229,290

30 Income from Fee and Commission

Documentation charges

Micro finance	**4,028,956**	8,580,592
	4,028,956	8,580,592

This represents processing income received from micro finance customers.

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		Note	30-Jun-26 Rupees	30-Jun-25 Rupees
31	**Other Income**			
	Income from financial assets			
	Late payment charges		**89,228**	231,509
	Broken period income		**138,658**	1,227,307
	Early payment / termination charges		**1,124,272**	1,906,887
	Miscellaneous income		**-**	83,504
	Reversal of general provision on microfinance portfolio	13.2	**734,624**	-
			2,086,782	3,449,207
	Income from non - financial assets			
	Rental income		**1,207,845**	-
	Derecognition of Lease Liability		**6,909,497**	-
	Liability written back		**2,165,985**	
			10,283,327	-
			12,370,109	3,449,207
32	**Administrative Expenses**			
	Salaries, allowance and other benefits	32.1	**80,122,199**	93,191,151
	Directors' meeting fee and others		**1,200,000**	1,950,000
	Staff travelling and welfare		**2,976,887**	1,474,990
	Advertisement and business promotion		**383,480**	662,779
	Rent, rates and taxes		**4,761,402**	5,156,726
	Utilities		**4,058,530**	4,974,019
	Communication charges		**2,953,209**	3,063,116
	Travelling, conveyance and vehicle maintenance		**6,326,397**	5,203,198
	Repairs and maintenance		**1,697,556**	2,031,255
	Security services charges		**5,095,094**	2,178,770
	Entertainment		**716,391**	755,110
	Fees and subscriptions		**4,080,266**	3,495,291
	Legal and professional charges		**9,585,201**	9,185,253
	Auditors' remuneration	32.2	**1,884,480**	1,925,538
	Printing and stationery		**819,458**	1,275,818
	Insurance	32.3	**2,896,652**	3,657,460
	Miscellaneous expenses		**47,077**	27,000
	Depreciation on property and equipment	4.1.2	**8,676,632**	10,132,226
	Depreciation on right of use assets	4.2	**8,045,521**	8,479,133
	Amortization on intangible assets	5.1	**177,743**	266,601
			146,504,175	159,085,434

32.1 This includes contribution to provident fund amounting to Rs. 1.141 million (2025: Rs. 1.602 million) made by the Company in the approved provident fund trust.

32.2 Auditors' remuneration

Statutory audit fee	**1,400,000**	1,400,000
Half year review	**426,730**	342,400
Certification fee	**57,750**	57,750
Out of pocket expenses	**-**	125,388
	1,884,480	1,925,538

32.3 This includes insurance expense amounting to Rs. 0.113 million (2025: Rs. 0.123 million) for covering any losses that may be incurred as a result of employee's fraud or gross negligence in accordance with rule - 9 "Insurance Coverage" of NBFC (Establishment and Regulation) Rules, 2003.

33 Finance Cost			
Interest on lease liability against right-of-use assets	23.1	**2,269,030**	3,596,650
Bank and other charges		**690,553**	1,604,007
		2,959,583	5,200,657
34 Other Operating Expenses			
34.1 Provisions and Expected Credit Losses			
General provision on microfinance portfolio	7.4	**382,011**	337,993
Allowance for expected credit losses	7.3 & 13.1	**1,185,341**	8,849,995
Balance written off		**2,165,985**	509,093
		3,733,337	9,697,081
34.2 Other Charges			
Loss on sale of fixed assets		**1,198,391**	6,200
		1,198,391	6,200

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35 Taxation and levies	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Levies			
- Current	26	**796,281**	1,204,383
		796,281	1,204,383
Taxation			
- Current tax		**280,220**	-
- Deferred tax	10.2	**(4,126,307)**	1,593,617
		(3,846,087)	1,593,617
		(3,049,806)	2,798,000

Income tax return has been filed to the income tax authorities up to and including tax year 2025 under the provisions of the Income Tax Ordinance, 2001.

Provision for taxation and tax levies has been made in accordance with section 113 of the Income Tax Ordinance, 2001 ("the Ordinance"). Since the tax liability is not based on accounting profit, there is no meaningful relationship between the tax expense and accounting profit before tax. Accordingly, a numerical reconciliation between tax expense and accounting profit has not been presented.

36 Loss per Share - Basic and Diluted		30-Jun-26	30-Jun-25
Loss for the year	Rupees	**(73,788,239)**	(68,403,602)
Weighted average number of ordinary shares	Number	**135,600,000**	135,600,000
Loss per share - basic and diluted	Rupees	**(0.54)**	(0.50)

Diluted loss per share has not been presented separately as the Company did not have any convertible instruments in issue at June 30, 2026 and June 30, 2025 which would have had any effect on the loss per share, had the option to convert been exercised.

37 Provision against finances	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Long term finances			
- Expected credit loss	7	**42,734,420**	43,062,763
- General provision for micro finance portfolio	7	**472,319**	90,308
Short term finances			
- Expected credit loss	13	**37,092,249**	35,578,565
- General provision for micro finance portfolio	13	**86,351**	820,975
		80,385,339	79,552,611

37.1 Finances – Particulars of Provision Against Finances

	June-30-2026				
	Expected Credit Loss				
	Stage 1	Stage 2	Stage 3	General	Total
	Rupees				
Balance at the beginning of the year	**-**	**-**	**78,641,328**	**911,283**	**79,552,611**
Charge on new disbursement	**48,873**	**31,087**	**-**	**-**	**79,960**
Additional charge	**-**	**-**	**1,105,381**	**-**	**1,105,381**
Derecognized or repaid / reversal	**-**	**-**	**-**	**(352,613)**	**(352,613)**
	48,873	**31,087**	**1,105,381**	**(352,613)**	**832,728**
Write-off	**-**	**-**	**-**	**-**	**-**
Balance at the end of the year	**48,873**	**31,087**	**79,746,709**	**558,670**	**80,385,339**

	June-30-2025				
	Expected Credit Loss				
	Stage 1	Stage 2	Stage 3	General	Total
	Rupees				
Balance at the beginning of the year	-	-	69,791,333	573,290	70,364,623
Charge on new disbursement					
Additional charge	-	-	8,849,995	337,993	9,187,988
Derecognized or repaid / reversal	-	-	-	-	-
	-	-	8,849,995	337,993	9,187,988
Write-off	-	-	-	-	-
Balance at the end of the year	-	-	78,641,328	911,283	79,552,611

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

38 Segmental Analysis

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

38.1 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'.

38.2 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.

	For the year ended June 30, 2026				
	Financing activities			Investing activities	Total
	House finance activities	Micro finance activities	Term & other finance activities		
	Rupees	Rupees	Rupees	Rupees	Rupees
Profit on financing	5,980,259	49,440,474	-	-	55,420,733
Income from fee and commission	-	4,028,956	-	-	4,028,956
Return on investments	-	-	-	5,737,643	5,737,643
Other income	59,192	11,103,072		1,207,845	12,370,109
Total income of segment	6,039,451	64,572,502	-	6,945,488	77,557,441
Less:					
Finance costs	-	2,269,030	-	690,553	2,959,583
Other expenses	-	1,567,352	-	3,364,376	4,931,728
Depreciation expense	2,675,544	14,046,609	-	-	16,722,153
Administrative expenses	19,739,595	95,392,010		14,650,417	129,782,022
Segment result	(16,375,688)	(48,702,499)	-	(11,759,858)	(76,838,045)
Other income - unallocted					-
Other expenses - unallocated					-
Loss before taxation					(76,838,045)
Capital expenditure	154,845	756,006	-	-	910,851
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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	For the year ended June 30, 2025				
	Financing activities			Investing activities	Total
	House finance activities	Micro finance activities	Term & other finance activities		
	Rupees	Rupees	Rupees	Rupees	Rupees
Profit on financing	10,842,882	73,567,641	-	-	84,410,523
Income from fee and commission	-	8,580,592	-	-	8,580,592
Return on investments	-	-	-	11,943,448	11,943,448
Other income	1,204,938	2,231,869		-	3,436,807
Total income of segment	12,047,820	84,380,102	-	11,943,448	108,371,370
Less:					
Finance costs	-	3,596,650	-	1,604,007	5,200,657
Other expenses	-	9,194,188	-	509,093	9,703,281
Depreciation expense	915,975	2,729,436	-	8,471,059	12,116,470
Administrative expenses	4,229,378	44,952,999		97,786,587	146,968,964
Segment result	6,902,467	23,919,229	-	(96,427,298)	(65,605,602)
Other income - unallocated					-
Other expenses - unallocated					-
Loss before taxation					(65,605,602)
Capital expenditure	133,574	692,915	8,348	-	834,837
Segment assets	42,217,798	252,509,165	2,165,985	38,718,555	335,611,503
Cash and bank balances					23,839,925
Unallocated assets					303,254,333
					662,705,761
Segment liabilities	1,298,232	31,212,302	1,776,108	389,877	34,676,519
Unallocated liabilities					125,445,230
Equity					502,584,012
					662,705,761

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

39 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 year

Related party	Relationship	Nature of transaction	30-Jun-26 Rupees	30-Jun-25 Rupees
Bahria Grand Hotel and Resort	Associated Company	Entertainment expense	40,000	74,251
Employees Provident Fund	Other related party	Contribution for the year	1,141,257	1,601,604

Outstanding balance as at the year end

Bahria Town (Private) Limited	Holding Company	Trade and other payables	**363,331**	363,331
		Other receivable	**836,550**	836,550
		Security deposit against branches	**7,627,674**	7,627,674
Employees Provident Fund	Other Related Party	Payable	**182,954**	-

Basis of relationship with the company

Following are the related parties with whom the company had entered into transactions or have arrangement / agreement in place.

Company name	Basis of association	Aggregate percentage (%) of shareholding in the Company
Bahria Town (Private) Limited	Holding company	87.96%
Escorts Capital Limited	Common control	N/A
Bahria Grand Hotel and Resort	Common control	N/A
The Safari Club	Common control	N/A

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

40 Remuneration of Chief Executive Officer, Directors and Executives

	2026				
	Chief Executive Officer	Executive Director	Non - Executive Directors	Executives	Total
	..... Rupees				
Managerial remuneration	17,774,485	612,820	-	1,737,960	20,125,265
House rent allowance	17,769,775	608,850	-	1,728,540	20,107,165
Medical allowance	3,948,839	135,300	-	384,120	4,468,259
Meeting fee	-	-	1,200,000	-	1,200,000
Fuel allowance	530,145	410,550	-	684,195	1,624,890
Inflation allowance	825,000	-	-	135,000	960,000
Utilities	-	-	-	-	-
Travelling & Hotling	7,186,816	-	-	-	7,186,816
Retirement benefits	-	59,994	-	188,001	247,995
	48,035,060	1,827,514	1,200,000	4,857,816	55,920,390
Number of persons	1	1	2	2	6

	2025				
	Chief Executive Officer	Executive Director	Non - Executive Directors	Executives	Total
Managerial remuneration	16,502,434	1,624,622	-	2,483,835	20,610,891
House rent allowance	16,498,044	1,620,232	-	2,475,055	20,593,331
Medical allowance	3,666,232	360,054	-	550,015	4,576,301
Meeting fee	-	-	1,950,000	-	1,950,000
Fuel allowance	267,904	707,252	-	861,198	1,836,354
Inflation allowance	600,000	239,088	-	22,549	861,637
Utilities	-	48,000	-	15,000	63,000
Travelling & Hotling	4,277,226	-	-	-	4,277,226
Retirement benefits	-	154,662	-	244,445	399,107
	41,811,840	4,753,910	1,950,000	6,652,097	55,167,847
Number of persons	1	1	2	2	6

40.1 No remuneration other than meeting fee was paid to any non-executive director. Further, CEO and certain executives of the Company are provided with Company maintained cars.

40.2 An executive is defined as an employee, other than chief executive officer and directors, whose basic salary in a year exceeds Rs. 1.2 million.

41 Maturities of Assets and Liabilities

Description	Up to one month	Within one year	year and up to five year	Above five years	Non fixed maturities	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
As at June 30, 2026						
ASSETS						
Property and equipment	-	-	25,669,193	73,472,732	-	99,141,925
Intangible assets	-	-	5,570,878	-	-	5,570,878
Deferred tax asset - net	-	-	125,130,308	-	-	125,130,308
Net investment in finance lease	-	-	-	-	-	-
Investments	-	17,610,080	25,000,000	-	-	42,610,080
Finances	93,735,349	6,865,408	36,682,170	22,403,697	-	159,686,624
Advances	1,011,853	2,278,333	-	-	-	3,290,186
Deposits and prepayments	-	980,633	8,406,524	-	-	9,387,157
Interest accrued	18,451,991	-	-	-	-	18,451,991
Other receivables	-	4,611,078	-	-	-	4,611,078
Tax refunds due from the government	-	88,208,803	-	-	-	88,208,803
Cash and bank balances	15,229,395					15,229,395
	128,428,588	120,554,335	226,459,073	95,876,429	-	571,318,425
LIABILITIES						
Lease liabilities	481,299	4,086,222	7,623,204	-	-	12,190,725
Long term security deposits	-	-	-	-	-	-
Trade and other payables	-	126,415,897	-	-	-	126,415,897
Unclaimed dividend	-	2,385,654	-	-	-	2,385,654
Provision for taxation and tax levies	-	1,076,501	-	-	-	1,076,501
	481,299	133,964,274	7,623,204	-	-	142,068,777
Net assets	127,947,289	(13,409,939)	218,835,869	95,876,429	-	429,249,648
Represented by:						
Share capital and reserves						413,963,720
Surplus on revaluation of property and equipment						15,285,928
						429,249,648

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Description	Up to one month	Within one year	More than one year and up to five year	Above five years	Non fixed maturities	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
As at June 30, 2025						
ASSETS						
Property and equipment	-	-	18,527,074	108,198,611	-	126,725,685
Intangible assets	-	-	5,423,167	-	-	5,423,167
Deferred tax asset - net	-	-	121,004,001	-	-	121,004,001
Net investment in lease finances	-	2,165,985	-	-	-	2,165,985
Investments	-	13,583,423	24,546,125	-	-	38,129,548
Finances	16,533,688	144,849,703	32,055,685	27,590,305	-	221,029,381
Advances	732,747	1,913,333	-	-	-	2,646,080
Deposits and Prepayments	-	3,901,440	8,505,674	-	-	12,407,114
Interest accrued	-	18,698,125	-	-	-	18,698,125
Other receivables	-	2,884,664	-	-	-	2,884,664
Tax refunds due from the government	-	87,752,086	-	-	-	87,752,086
Cash and bank balances	23,839,925	-	-	-	-	23,839,925
	41,106,360	275,748,759	210,061,726	135,788,916	-	662,705,761
LIABILITIES						
Lease liabilities	887,939	7,311,219	27,222,099	-	-	35,421,257
Long term security deposits	-	2,165,985	-	-	-	2,165,985
Trade and other payables	-	118,944,470	-	-	-	118,944,470
Unclaimed dividend	-	2,385,654	-	-	-	2,385,654
Provision for taxation and tax levies	-	1,204,383	-	-	-	1,204,383
	887,939	132,011,711	27,222,099	-	-	160,121,749
Net assets	40,218,421	143,737,048	182,839,627	135,788,916	-	502,584,012

Represented by:	
Share capital and reserves	486,493,560
Surplus on revaluation of property and equipment	16,090,452
	502,584,012

Financial Risk Management

42.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the Company's finance department under policies approved by the senior management.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The management attempts to control credit risk through monitoring credit exposures, limiting transactions with specific counterparties, and continuous assessing of the credit worthiness of counterparties.

The management monitors and limits bank's exposure to credit risk through monitoring of client's credit exposure, reviews and conservative estimates of allowance for expected credit losses on doubtful receivables, if any, and through the prudent use of collateral policy.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Long term investments	6	**25,000,000**	24,546,125
Long term finances	7	**120,560,694**	120,970,073
Short Term Investments	12	**17,610,080**	13,583,423
Short Term Finances	13	**39,125,930**	100,059,308
Interest Receivable	16	**18,451,991**	18,698,125
Other Receivables	17	**4,611,078**	2,884,664
Bank balances	19	**15,229,395**	23,815,866
		240,589,168	304,557,584

Credit quality of financial assets

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to historical information about counterparty default rates. All counterparties, with the exception of customers, have external credit ratings determined by various credit rating agencies. Credit quality of customers is assessed by reference to historical defaults rates and present ages.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

Long term and short term finances

The Company's receivables comprise receivables from corporate and individual customers. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer such as repayment behavior, credit loss history and available securities etc. The management also considers other relevant factors that may influence the credit risk of its customer base, including the default risk associated with the customer. The Company manages its credit risk inter alia by setting out credit limit in relation to individual customers, by obtaining securities against certain borrowers in shape of hypothecation of their assets and/or by providing impairment allowance against receivable balances.

The management reviewed the risk management policies and is of view that the Company with its diversified segmentation is not exposed to concentration of credit risks.

Segment information Class of business	Financing activities	
	30-June-26	30-June-25
	Percentage	
Chemical and pharmaceuticals	**0.03**	0.02
Agribusiness	**1.18**	0.14
Health care	**2.05**	1.92
Trading	**3.60**	7.76
Apparel and clothing	**10.71**	13.73
Manufacturing	**1.10**	1.32
Services	**10.78**	14.30
Electronics and electrical appliances	**0.26**	0.23
Production and transmission of energy	**0.02**	0.02
Food	**0.27**	0.38
Individuals	**37.96**	21.93
Dairy product	**27.65**	26.79
Information technology	**0.01**	0.01
Financial institutions	**0.04**	0.03
Others	**4.34**	11.42
	100.00	100.00

Geographical segment

The Company has established an allowance for expected credit losses that represent its estimate of expected losses in respect of financing and lease rental receivables. Aging of the financing and lease rental receivables of the Company outstanding as at year end is as follows:

	30-June-26 Rupees	30-June-25 Rupees
Not past due	**146,336,614**	217,793,857
Past due 0 - 90 days	**12,434,943**	5,198,014
Past due 91- 180 days	**1,120,891**	2,380,821
180 days to 1 year	**1,426,072**	5,392,325
More than 1 year	**78,753,443**	72,511,747
	240,071,963	303,276,764
Less: Allowance for expected credit losses	**(80,385,339)**	(80,081,398)
	159,686,624	223,195,366

The management believes that the unimpaired balances that are past dues are still collectable in full, based on historical payment behaviour. Further, certain receivables are secured by hypothecation / mortgage of assets which can be called upon if the counter party is in default under the terms of the agreement.

Collaterals held against term financing

Description	2026				
	Gross exposure	Collaterals			Net exposure
		Mortgage	Hypothecation	Liquid collaterals	
	Rupees	Rupees	Rupees	Rupees	Rupees
Long term finances (Note 7)	**163,767,433**	**397,082,057**	**-**	**-**	**(233,314,624)**
Short term finances (Note 13)	**76,304,530**	**-**	**15,429,000**	**27,323,407**	**33,552,123**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

Description	2025				
	Gross exposure	Collaterals			Net exposure
		Mortgage	Hypothecation	Liquid collaterals	
	Rupees	Rupees	Rupees	Rupees	Rupees
Long term finances (Note-7)	164,123,144	331,335,050	-	-	(167,211,906)
Short term finances (Note 13)	136,458,848	-	15,429,000	62,489,064	58,540,784

42.1.1 It includes the properties valuing Rs. 397.082 million (2025: Rs. 331.335 million) that are on mortgage through transfer of property in name of 'Escorts Investment Bank Limited'.

42.1.2 The credit quality of balances with the banks can be assessed with reference to external credit ratings of the

	Rating			30-June-26	30-June-25
	Short term	Long term	Agency	Rupees	
Banks					
United Bank Limited	A1+	AAA	VIS	**2,412,816**	2,815,257
Bank Alfalah Limited	A1+	AAA	PACRA	**9,704,888**	17,999,260
Sindh Bank Limited	A1+	AA	VIS	**2,585,660**	2,449,919
MCB Bank Limited	A1+	AAA	PACRA	**84,384**	84,384
Bank Al-Habib Limited	A1+	AAA	PACRA	**19**	19
State Bank of Pakistan*				**95,529**	95,529
National Bank of Pakistan	A1+	AAA	PACRA	**334,374**	371,498
				15,217,670	23,815,866

* Credit rating is not available.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of a company's performance to developments affecting a particular industry.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The management believes the liquidity risk to be low on account of positive liquidity ratios.

The table below analysis the Company's financial liabilities into relevant maturity groupings based on the remaining period as at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equates to their carrying balances as the impact of discounting is not significant.

	Carrying amount	Contractual cash flows	Less than one year	Between one and five years	Over five years
June 30, 2026	**Rupees**	Rupees	Rupees	Rupees	Rupees
Trade and other payables	**126,415,897**	**126,415,897**	**126,415,897**	**-**	**-**
Lease liabilities	**12,190,725**	**13,789,987**	**5,595,411**	**8,194,576**	**-**
	138,606,622	**140,205,884**	**132,011,308**	**8,194,576**	**-**

	Carrying amount	Contractual cash flows	Less than one year	Between one and five years	Over five years
	Rupees	Rupees	Rupees	Rupees	Rupees
June 30, 2025					
Trade and other payables	118,944,470	118,944,470	118,944,470	-	-
Lease liabilities	35,421,257	40,800,133	10,710,957	30,089,176	-
	154,365,727	159,744,603	129,655,427	30,089,176	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up / profit rates effective as at the reporting date. The rates of mark up have been disclosed in respective notes to the financial statements.

(c) Market risk

The Company's activities expose it to a variety of market risks (in addition to liquidity and credit risks). Market risk with respect to the Company's activities include interest rate risk, currency risk and other price risk.

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest will affect the value of financial instruments. The Company is exposed to interest rate risk as a result of mismatches or gaps in the amounts of financial assets and liabilities that mature or reprise in a given period.

The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

	Note	30-June-26 Rupees	30-June-25 Rupees
Financial assets			
Fixed rate instruments:			
Micro finance & Gold finance	7.1 & 7.2 & 13	**187,834,711**	240,107,564
Bank balances	19	**12,917,827**	13,633,260
		200,752,538	253,740,824
Financial liabilities			
Fixed rate instruments:			
Lease liabilities	23	**12,190,725**	35,421,257
Financial assets			
Variable rate instruments:			
House finance	7.1 & 7.2	**26,649,178**	34,886,354
Long term investments	6	**25,000,000**	25,000,000
		51,649,178	59,886,354

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 10 percent in interest rates at the reporting date would have (decreased) / increased profit by amounts shown below. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

	30-June-26 Rupees	30-June-25 Rupees
Variable rate instruments		
Increase of 10%	**5,164,918**	5,988,635
Decrease of 10%	**(5,164,918)**	(5,988,635)

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and the outstanding liabilities of the Company at the year end.

(ii) Equity price risk

Equity price risk represents the risk that the fair value of equity investments will fluctuate because of changes in levels of indices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The company is currently not exposed to equity price risk.

(iii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is not exposed to currency risk arising from currency exposure as it is not involved in foreign currency transactions.

(iv) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. Currently, the Company is not exposed to any price risk as it does not hold any significant investments exposed to price risk.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

42.2 Financial instruments by categories

Financial assets as at June 30, 2026

	Note	At fair value through profit or loss	At amortized cost	At fair value through other comprehensive income	Total
		Rupees	Rupees	Rupees	Rupees
Long term investments	6	-	-	25,000,000	25,000,000
Long term finances	7	-	120,560,694	-	120,560,694
Long term deposit	9	-	8,406,524	-	8,406,524
Short term investments	12	17,610,080	-	-	-
Short term finances	13	-	39,125,930	-	-
Short term advances	14	-	1,011,853	-	-
Interest receivable	16	-	18,451,991	-	-
Other receivables	17	-	4,611,078	-	-
Bank balances	19	-	15,229,395	-	15,229,395
		17,610,080	207,397,465	25,000,000	169,196,613

Financial assets as at June 30, 2025

	Note	At fair value through profit or loss	At amortized cost	At fair value through other comprehensive income	Total
		Rupees	Rupees	Rupees	Rupees
Long term investments	6	-	-	24,546,125	24,546,125
Long term finances	7	-	120,970,073	-	120,970,073
Long term deposit	9	-	8,505,674	-	8,505,674
Short term investments	12	13,583,423	-	-	13,583,423
Short term finances	13	-	100,059,308	-	100,059,308
Short term advances	14	-	732,747		732,747
Interest receivable	16	-	18,698,125	-	18,698,125
Other receivables	17	-	2,884,664	-	2,884,664
Bank balances	19	-	23,839,925	-	23,839,925
		13,583,423	275,690,516	24,546,125	313,820,064

Financial liabilities at amortized cost

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Lease liabilities	23	12,190,725	35,421,257
Trade and other payables	25	126,415,897	118,944,470
		138,606,622	154,365,727

43 Capital Risk Management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stake holders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares.

In line with the norms, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total Equity. Net debt is calculated as total borrowings (including current and non current and excluding sponsors' loans) less cash and cash equivalents. Total Equity is calculated as equity as shown in the statement of financial position. As at the reporting date, the gearing ratio of the Company was worked out as under:

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
Debt		79,614,128	105,010,645
Cash and bank balances		(15,229,395)	(23,839,925)
Net debt		64,384,733	81,170,720
Total equity		413,963,720	486,493,560
Total capital employed		478,348,453	567,664,280
Gearing ratio (%)		15.55%	16.68%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

44 Provident Fund

	Note	30-Jun-26 Rupees	30-Jun-25 Rupees
The following information is based on the latest (un-audited) financial statements of the Trust:			
Size of the fund - total assets		**8,441,147**	9,902,072
Amount deposited in saving account	44.1	**8,224,380**	9,616,615
Percentage of deposits made		**97%**	97%
Fair value of deposits		**8,224,380**	9,616,615

44.1 The break-up of fair value of deposits is:

	2026		2025	
	Rs.	Percentage	Rs.	Percentage
Deposits in saving account	**8,224,380**	**100%**	9,616,615	100%
	8,224,380	**100%**	9,616,615	100%

Amount contributed in Provident Fund by the company and its employees have been deposited in a separate PLS account opened in a Scheduled Bank in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose. Rate of return ranges from 9.50% to 10.50% (2025: 10.50% to 19.5%) per annum during the year.

45 Fair Value Measurements

Fair value is the price that would be received so sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is going concern and there is no intention or requirements to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

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

45.1 Recognized Fair Value Measurements - Financial Assets

(i) Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table:

As at June 30, 2026	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees	Total Rupees
Financial Assets				
Long term investments	**25,000,000**	**-**	**-**	**25,000,000**
Short term investments	**17,610,080**	**-**	**-**	**17,610,080**
Total financial assets	**42,610,080**	**-**	**-**	**42,610,080**

As at June 30, 2025	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees	Total Rupees
Financial Assets				
Long term investments	24,546,125	-	-	24,546,125
Short term investments	13,583,423			13,583,423
Total financial assets	38,129,548	-	-	38,129,548

The fair values of the quoted instruments are based on price quotations at the reporting date. The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different from their carrying amounts.

There were no transfers amongst the levels during the year.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

45.2 Recognized Fair Value Measurements - Non-Financial Assets

Fair value hierarchy

Judgments and estimates are made for non-financial assets that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

As at June 30, 2026	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees	Total Rupees
Property and equipment:				
Office premises	-	**61,766,464**	-	**61,766,464**

As at June 30, 2025	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees	Total Rupees
Property and equipment:				
Office premises	-	65,017,330	-	65,017,330

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

Valuation techniques used to determine level 2 fair values

The Company obtains independent valuations for the items of property and equipment carried at revalued amounts every five years. The management updates the assessment of the fair value of each item of property and equipment carried at revalued amount, taking into account the most recent independent valuations. The management determines the value of items of property and equipment carried at revalued amounts within a range of reasonable fair value estimates. The best evidence of fair value of freehold office premises is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same freehold office premises. The significant inputs included the existing use of building on an open market basis, comparisons between recent transactions in the real estate marketplace, current value of similar premises, size, location and frontage of the premises. A slight increase in the depreciation factor would result in a significant decrease in the fair values of buildings and leasehold improvements, and a slight increase in the estimated construction costs would result in a significant increase in the fair value of the buildings and vice versa. There has been no change to the valuation technique during the year.

Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's items of property and equipment carried at revalued amounts at the end of every five years.

Changes in fair values are analyzed by the chief financial officer and the valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

46 Subsequent Events

There were no significant adjustable events subsequent to the reporting date except for those disclosed in these financial statements, which may require an adjustment to the financial statements or additional disclosure and have not already been disclosed in these financial statements.

47 Number of Employees	30-Jun-26 Number	30-Jun-25 Number
Number of employees as at	**33**	52
Average number of employees during the year	**39**	56

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

48 Date of Authorization for Issue

These financial statements were approved and authorized for issue on October 06, 2026 by the Board of Directors of the Company.

49 Corresponding Figures

Corresponding figures have been rearranged or reclassified, wherever considered necessary, to reflect more appropriate presentation and to facilitate comparison with the current year's financial statements. Such reclassifications do not have any impact on the reported results of the current or prior periods. Following major reclassifications has been made during the year:

Description	Reclassified from	Reclassified to	Note	Amount
Sales Tax- Net	Other Receivables	Tax Refunds due from the Government	17	6,349,572
Advances against purchase of assets	Property and equipment	Intangible assets	4	325,454
Receivable from Bahria Town (Private) Limited	Trade and other payables	Other Receivables	25	836,550
Receivable from Clients	Trade and other payables	Other Receivables	25	1,070,847
Loss on sale of fixed Assets	Other income	Other Operating Expenses	31	6,200

50 General

Figures have been rounded off to the nearest rupee.

Chief Executive Officer | Chief Financial Officer | Chairman

PATTERN OF SHAREHOLDING

AS ON 30 JUNE 2026

Number of ShareHolders	Shareholdings		Total Number of Shares Held	Percentage
	From	To		
248	1	100	5,253	0.0039
154	101	500	54,765	0.0404
120	501	1,000	108,601	0.0801
244	1,001	5,000	657,026	0.4845
90	5,001	10,000	707,069	0.5214
39	10,001	15,000	488,142	0.3600
22	15,001	20,000	398,656	0.2940
12	20,001	25,000	285,229	0.2103
10	25,001	30,000	281,237	0.2074
11	30,001	35,000	360,875	0.2661
7	35,001	40,000	259,308	0.1912
4	40,001	45,000	167,532	0.1235
11	45,001	50,000	525,207	0.3873
6	50,001	55,000	316,295	0.2333
1	55,001	60,000	58,702	0.0433
3	60,001	65,000	189,046	0.1394
3	65,001	70,000	204,994	0.1512
3	70,001	75,000	213,582	0.1575
4	75,001	80,000	305,789	0.2255
1	85,001	90,000	89,033	0.0657
2	95,001	100,000	198,500	0.1464
2	100,001	105,000	205,179	0.1513
2	105,001	110,000	217,619	0.1605
2	110,001	115,000	226,003	0.1667
1	115,001	120,000	119,000	0.0878
1	135,001	140,000	137,500	0.1014
1	140,001	145,000	141,554	0.1044
1	150,001	155,000	150,034	0.1106
1	160,001	165,000	164,894	0.1216
1	225,001	230,000	226,000	0.1667
2	235,001	240,000	475,951	0.3510
1	245,001	250,000	249,836	0.1842
1	280,001	285,000	284,464	0.2098
1	340,001	345,000	342,900	0.2529
1	375,001	380,000	379,841	0.2801
1	425,001	430,000	426,610	0.3146
1	450,001	455,000	454,197	0.3350
1	575,001	580,000	578,000	0.4263
1	660,001	665,000	663,500	0.4893
1	1,000,001	1,005,000	1,003,000	0.7397
1	3,995,001	4,000,000	4,000,000	2.9499
1	119,275,001	119,280,000	119,279,077	87.9639
1,020			135,600,000	100.0000

CATEGORIES OF SHAREHOLDING

AS ON 30 JUNE 2026

SR. #	CATEGORIES OF SHAREHOLDERS		Shares Held	Percentage
Associates Companies, Undertakings and Related Parties				
1	BAHRIA TOWN (PRIVATE) LIMITED.		119,279,077	87.9639
		Running Total:	119,279,077	87.9639
Banks, Development Financial Institutions and Non Banking Financial Instituations				
1	ESCORTS INVESTMENT BANK LIMITED		1,000	0.0007
		Running Total:	1,000	0.0007
General Public (Local)				
		Running Total:	10,034,107	7.3998
Joint Stock Companies				
1	UHF CONSULTING (PRIVATE) LIMITED		103,000	0.0760
2	NH SECURITIES (PVT) LIMITED.		5,000	0.0037
3	UHF CONSULTING (PRIVATE) LIMITED		4,000,000	2.9499
4	MANAGEMENT AND EDUCATIONAL SERVICES (PRIVATE) LIMITED		578,000	0.4263
5	RAO SYSTEMS (PVT.) LTD.		48,915	0.0361
6	DARSON SECURITIES (PRIVATE) LIMITED		5,000	0.0037
7	SALIM SOZER SECURITIES (PRIVATE) LIMITED		119,000	0.0878
8	GROWTH SECURITIES (PRIVATE) LIMITED - MF		78,000	0.0575
9	MRA SECURITIES LIMITED - MF		342,900	0.2529
10	TRUST SECURITIES & BROKERAGE LIMITED - MF		1,003,000	0.7397
11	SHAFFI SECURITIES (PVT) LIMITED		3,000	0.0022
		Running Total:	6,285,815	4.6356
Others				
1	Crescent Standard Business Management (Pvt) Limited		1	0.0000
		Running Total:	1	0.0000
	Grand Total:		135,600,000	100.0000

Shareholders holding 5% or more voting rights:

	BAHRIA TOWN (PRIVATE) LIMITED.	119,279,077	87.9639

CATEGORIES OF **SHAREHOLDING**

AS ON 30 JUNE 2026

	Categories	No. of Shareholders	Shares Held	Percentage
1	Associates Companies, Undertakings and Related Parties	1	119279077	87.9639
2	Banks, Development Financial Institutions and Non Banking Financial Instituations	1	1000	0.0007
3	General Public (Local)	1006	10034107	7.3998
4	Joint Stock Companies	11	6285815	4.6356
5	Others	1	1	0
	TOTAL	1020	135600000	100.0000

STANDARD REQUEST FORM FOR HARD COPIES OF ANNUAL AUDITED ACCOUNTS

1. Name of Member: _____

2. CNIC/Passport Number: _____

3. Participant ID/ Folio No/Sub NC: _____

4. Registered Address: _____

_____

I/We hereby request you to provide me/us a hard copy of the Annual Report of ESCORTS INVESTMENT BANK LIMITED for the year ended June 30, 2026, at my above-mentioned registered address instead of CD/DVD/USB. I undertake to intimate any change in the above information through revised Standard Request Form.

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary,

ESCORTS INVESTMENT BANK LIMITED
Ground Floor, 26 – Davis Road, Lahore
Email: info@escortsbank.net

Chief Executive,

M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED
H.M. House, 7-Bank Square,
The Mall, Lahore.

In case a member prefers to receive hard copies for all the future annual audited accounts, then such preference shall be communicated to the company in writing.

FORM FOR VIDEO CONFERENCE FACILITY

The Company Secretary / Share Registrar,

I/we, _____ , of _____, being the registered shareholder(s) of the company under Folio No(s). _____ I CDC Participant ID No. and _____ Sub Account No CDC Investor Account ID No., and holder of _____ Ordinary Shares, hereby request for video conference facility at _____ for the Annual General Meeting of the Company to be held on 28th October 2026.

Date: _____ Member's Signature

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary,

ESCORTS INVESTMENT BANK LIMITED
Ground Floor, 26 – Davis Road, Lahore
Email: info@escortsbank.net

Chief Executive,

M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED
H.M. House, 7-Bank Square,
The Mall, Lahore


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FORM OF PROXY FOR

(31st Annual General Meeting)

I/We _____

of _____

being a member of Escorts Investment Bank Limited hereby appoint.

_____

of _____

or falling him/her _____

of _____

member(s) of the Company, as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on October 28, 2026 (Wednesday) at 11:30 AM. at Bahria Grand Hotel & Resort situated at Canal Bank Road, Executive Lodges, Sector-B, Bahria Town, Lahore

as witness may hand this _____ day of _____ 2026.

Signed by the said member _____

in presence of _____

Please affix revenue stamp Rs. 50/-

Signature (s) of Member (s)

Signature of witness _____ Signature of witness _____

Name _____ Name _____

_____ _____

CNIC# _____ CNIC# _____

Please quote:

Folio#	Shared held	CDCA/C No.

Important: This instrument appointing a proxy, duly completed, must be received at the Registered Office of the Company at Ground Floor, 26 – Davis Road, Lahore not later than 48 hours before the time of holding the general meeting.

First Fold

Second Fold

Affix Revenue Stamp

The Company Secretary,

ESCORTS INVESTMENT BANK LIMITED
Ground Floor, 26-Davis Road Lahore.

Third Fold and Tuck In

تشکیل نیابت داری (پراکسی فارم)

اکتیسواں سالانہ اجلاس عام

میں/ہم _____ ساکن _____ بحیثیت

اسکورٹس انوسٹمنٹ بینک لمیٹڈ رکن (ممبر) اور حامل ہیں _____ عام حصص کے مطابق درج شدہ فولیو نمبر _____ اور یا سی ڈی سی کے شراکتی آئی ڈی نمبر

_____ اور ڈیلی کھاتہ نمبر _____ محترم/محترمہ _____ ساکن _____ یا بصورت

دیگر محترم/محترمہ _____ ساکن _____ کو اپنی جگہ اکتوبر 28، 2026 بروز بدھ دن 11:30

بجے صبح: بحریہ گرینڈ ہوٹل اینڈ ریزوٹ، ایگزیگٹیو لاجز سیکٹر-B بحریہ ٹاؤن لاہور میں منعقد ہو رہا ہے یا اس کے کسی بلتوی شدہ اجلاس میں رائے و ہندگی کیلئے اپنا نمائندہ مقرر کرتا/ کرتی ہوں۔

مورخہ _____ دن _____ 2026

گواہ

1) دستخط _____

نام _____

پتہ _____

شناختی کارڈ نمبر _____

2) دستخط _____

نام _____

پتہ _____

شناختی کارڈ نمبر _____

ریونیو ٹکٹ چسپاں کریں
50 روپے

(دستخط کمپنی میں پہلے سے موجودی
نمونہ کے مطابق ہونے چاہیے)

ہدایات

نیابت داروں پر کسی موثر بنانے کے لیے اجلاس کے مقرر کردہ وقت کم از کم 48 گھنٹے کمپنی کے رجسٹرڈ پتہ (گراؤنڈ فلور 26، ڈیوس روڈ، لاہور) میں جمع کروان ضروری ہے۔

Second Fold

Affix Revenue Stamp

The Company Secretary,

ESCORTS INVESTMENT BANK LIMITED
Ground Floor, 26-Davis Road Lahore.

First Fold

Third Fold and Tuck In

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