

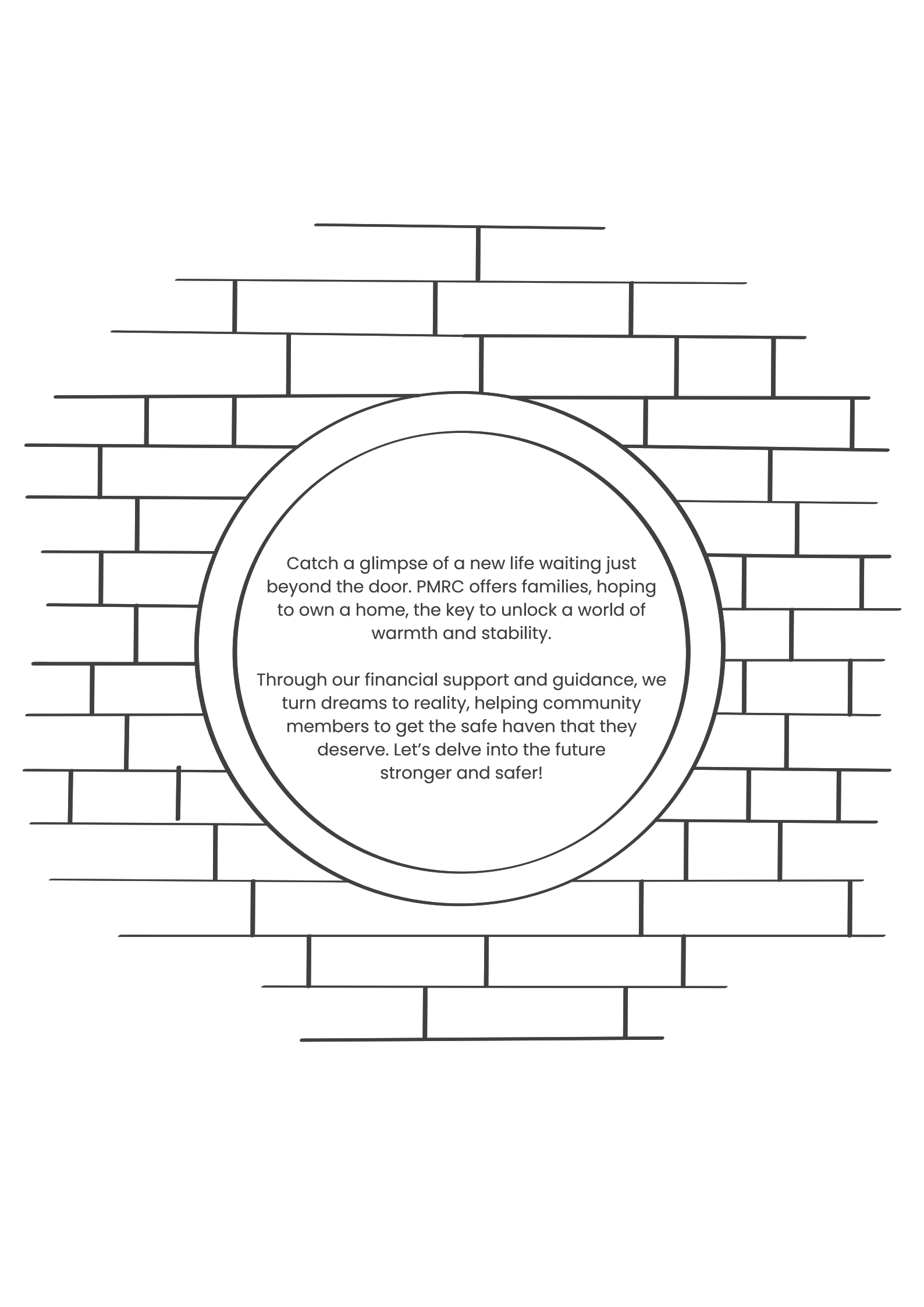
# A GLIMPSE OF THE FUTURE

ANNUAL REPORT 2025

PMRC TURNING  
DREAMS  
INTO REALITY.

RS 3.7 BN  
2018

RS 101 BN  
2025



Catch a glimpse of a new life waiting just beyond the door. PMRC offers families, hoping to own a home, the key to unlock a world of warmth and stability.

Through our financial support and guidance, we turn dreams to reality, helping community members to get the safe haven that they deserve. Let's delve into the future stronger and safer!





# CORPORATE INFORMATION

## LIST OF DIRECTORS

<b>Mr. Fouad Farrukh</b>	(Non-Executive) Chairman
<b>Mr. Risha Mohyeddin</b>	Non-Executive
<b>Mr. Imran Sarwar</b>	Non-Executive
<b>Ms. Mehreen Ahmed</b>	Non-Executive
<b>Mr. Tayyeb Afzal</b>	Non-Executive
<b>Mr. Ahmed Taimoor Nasir</b>	Non-Executive
<b>Ms. Sonia Karim</b>	Non-Executive, Independent
<b>Mr. Shahid Alam Siddiqui</b>	Non-Executive (resigned with effect from December 24, 2025)
<b>Mr. Mubashar Maqbool</b>	Non-Executive, Independent
<b>Mr. Moazzam Iftikhar Ahmed</b>	Non-Executive, Independent
<b>Mr. Mudassir Hussain Khan</b>	Managing Director / Chief Executive Officer

## BOARD COMMITTEES

### **Board Audit Committee**

Mr. Moazzam Iftikhar Ahmed (I.D)	Chairman
Mr. Tayyeb Afzal	Member
Mr. Ahmed Taimoor Nasir	Member

### **Board Risk Committee**

Mr. Imran Sarwar	Chairman
Mr. Fouad Farrukh	Member
Mr. Risha Mohyeddin	Member
Mr. Shahid Alam Siddiqui	Member

### **Board HR Committee**

Ms. Sonia Karim (I.D)	Chairperson
Mr. Tayyeb Afzal	Member
Mr. Mubashar Maqbool (I.D)	Member
Ms. Mehreen Ahmed	Member

### **Board Corporate Governance & Nominations Committee**

Mr. Ahmed Taimoor Nasir	Chairman
Ms. Mehreen Ahmed	Member
Mr. Mudassir H. Khan (MD/CEO)	Member

### **CFO & Group Head Operations**

Mr. Omair Farooqi, FCA

### **Company Secretary**

Mr. Naved Hanif

### **Auditors**

A.F. Ferguson & Co.  
Chartered Accountants

### **Barristers and Legal Consultant**

M/s. LEX Firma

### **Registered Office**

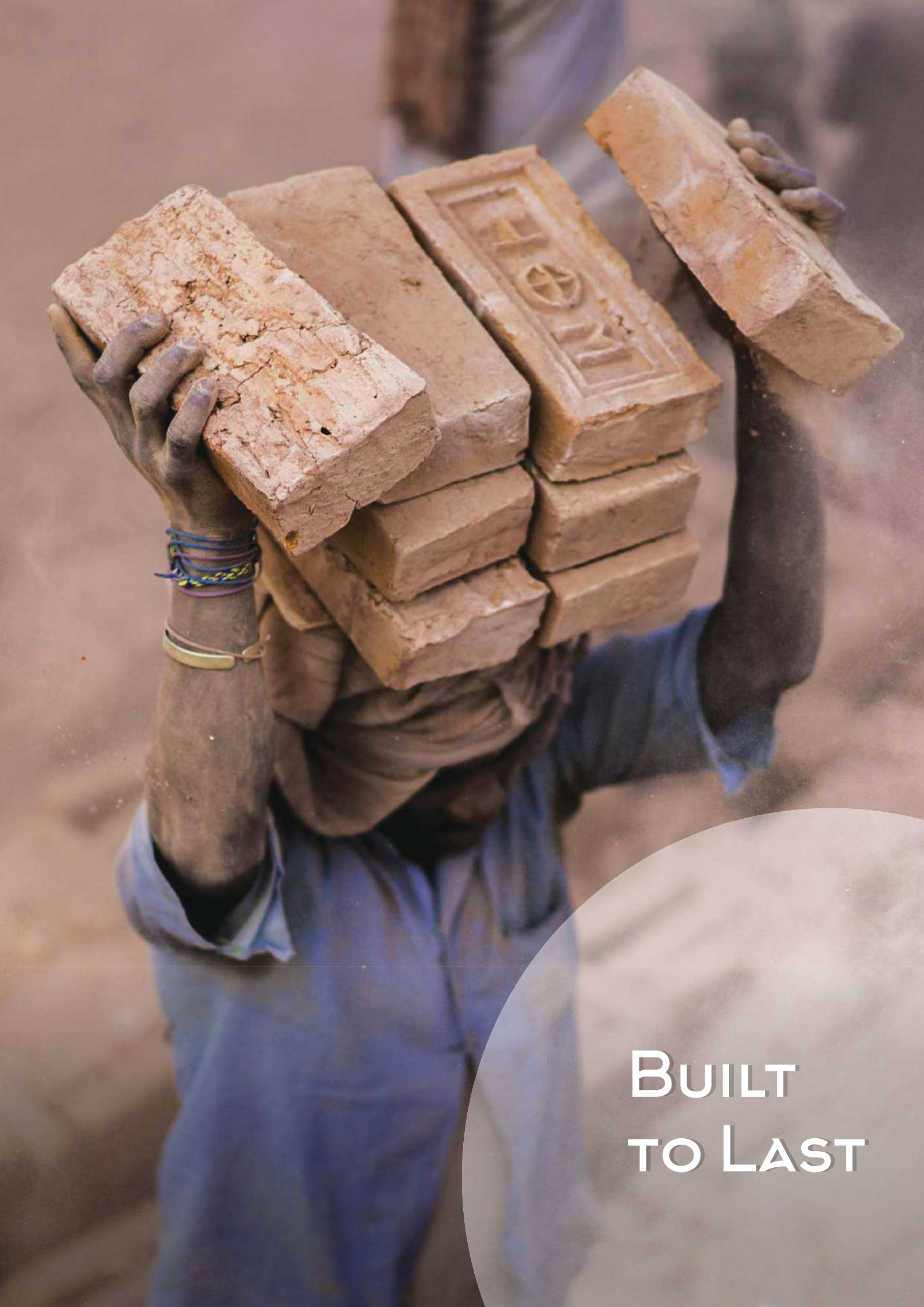
Finance & Trade Center, 4th Floor,  
Block-A Shahrah-e-Faisal,  
Karachi -74400, Pakistan

### **Website**

[www.pmrc.com.pk](http://www.pmrc.com.pk)

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**BUILT  
TO LAST**



# OVERVIEW

PMRC was formed with the aim to address the severe shortage of housing in the country not only by making housing finance available to primary mortgage lenders but also by increasing affordability through the provision of long-term liquidity and introduction of fixed rate financing.

We as a Company value the desire of all those individuals who can not afford to either build a house or move to a bigger one; better suited to their needs. PMRC envisions to make housing accessible and affordable, increasing financial inclusion for low and middle income segments, and providing investment opportunities to capital market participants by offering new asset products.



HOUSING  
WITH  
PURPOSE



# VISION

To be a leading catalyst for the development of housing finance and capital markets in Pakistan.

# MISSION

Promote expansion of affordable housing finance.

Establish high standards of mortgage practices for housing finance.

Provide innovative, viable and market-based financial products for the development of mortgage market in Pakistan.

Introduce new classes of conventional and Islamic assets to deepen and widen the local capital market.



**ENDURING  
VALUE**



# CORE VALUES

## **Integrity and Professionalism**

We act with integrity and professionalism and build trust by always making the right choice.

## **Excellence**

In the pursuit of excellence in our delivery, we will continuously enhance the quality and performance of our service levels through collaboration, development and technology.

## **Responsibility**

We are a responsible organization with a commitment to deliver. We strive for excellence and take full responsibility of our decisions and actions.

## **Respect**


Respect and trust in the capabilities of our employees will be our driving force.

## **Innovation**

We continuously explore new approaches to business and open to opportunities that will create value for stakeholders.

## **Teamwork**

We foster the spirit of one-team through encouraging collaborative efforts to achieve common goal.





**INCLUSIVE  
GROWTH**



# ENTITY RATING

VIS Credit Rating Company Limited (VIS) has reaffirmed entity ratings of PMRC as 'AAA/A-1+' (Triple A/A-One Plus). Outlook on assigned ratings is stable.

## **Long Term AAA (Triple A)**

The long-term rating of 'AAA' indicates highest credit quality.

## **Short Term A-1+(A One Plus)**

The short-term rating of 'A-1+' (A One Plus) signifies highest certainty of timely payment; Short-term liquidity, including internal operating factors and/or access to alternative sources of funds, is outstanding and safety is just below risk free GoP's short term obligations.



**SUSTAINED  
IMPACT**



# SUSTAINABILITY

PMRC strives to deliver affordable housing programs that emphasize minimizing environmental impact, championing energy efficiency, and nurturing social and economic sustainability. Sustainable housing not only contributes to environmental well-being but also results in long-term financial savings for homeowners by reducing utility bills and maintenance costs. This commitment plays a pivotal role in addressing the challenges of climate change and promoting a built environment that is both more sustainable and resilient.

# KEY SERVICE AREAS

## REFINANCE & PRE-FINANCE PRODUCTS

PMRC provides housing refinance and pre-finance solutions to Financial Institutions (FIs) enabling them to expand their housing loan portfolios across all segments of society, including low, middle and high income customers.

## TRUSTEE OF CREDIT GUARANTEE TRUST (CGT)

PMRC acts as the trustee of the CGT established by the Government of Pakistan, ensuring support for low-cost housing finance.

## FINANCE FACILITY FOR LOW AND MIDDLE INCOME SEGMENT

PMRC provides financing facilities to FIs to generate housing loans tailored for low and middle-income segment, ensuring broader access to affordable housing.

## CONVENTIONAL & ISLAMIC FINANCING

PMRC provides financing through both conventional and Islamic modes, catering to a diverse range of borrowers.

## CAPITAL MARKET

In line with its mandate of promoting Capital Market in the country, PMRC issues bonds and sukuk to raise funds providing long term liquidity to primary mortgage lenders.

## DEVELOPER FINANCE

Recognizing the limited availability of developer financing in Pakistan, PMRC offers financing facility aimed at supporting developers, thereby promoting the construction of new housing projects.

## GREEN FINANCING INITIATIVES

PMRC is committed to promoting sustainable development by launching green financing facility, enabling Partner Financial Institutions (PFIs) to extend solar financing solutions to their customers.

## DIVERSE CLIENTELE

PMRC serves a wide range of FIs, including commercial and microfinance banks, DFIs, Housing Finance Companies (HFCs), Microfinance Institutions (MFIs), and Non-Banking Financial Institutions (NBFIs).

## FINANCING FOR PENSIONERS

PMRC has tailored financing facility specifically designed for pensioners.

## WOMEN HOUSING FINANCE

The Women Housing Finance product variant is a targeted initiative developed to promote financial inclusion and empower women through homeownership. This specialized mortgage product is designed to encourage Primary Mortgage Lenders (PMLs) to extend housing finance to women borrowers.

## INTERNATIONAL & ASIAN MARKET MEMBERSHIPS

PMRC is a proud member of the International & Asian Secondary Mortgage Market Associations (ISMMA & ASMMA), aligning itself with global mortgage financing standards.

## FINANCING FOR GOVERNMENT EMPLOYEES

PMRC has tailored financing facility specifically designed for government employees, facilitating their access to housing finance with favorable terms.

## ADDITIONAL LTV GUARANTEE PRODUCT

One major hindrance for potential first-time home buyers is the necessity of a sizeable down payment. Although, the down payment is an integral part of the loan, but in some cases keeps such potential customers at bay as they find it difficult to make this payment.

Additional LTV Guarantee product has been designed for such prospective homeowners and covers up to 15% exposure.

**THE BOARD'S FOCUS REMAINED FIRMLY ON SAFEGUARDING SHAREHOLDER VALUE WHILE ENSURING THAT PMRC FULFILLS ITS DEVELOPMENTAL MANDATE IN A SUSTAINABLE AND PRUDENT MANNER.**



# CHAIRMAN'S STATEMENT

Pakistan's economy in FY2025 reflected cautious stabilization amid structural challenges. Real GDP growth was recorded at approximately 2.6%, indicating moderate expansion supported by industrial activity and a resilient services sector. Inflationary pressures eased during the year, enabling the State Bank of Pakistan to reduce the policy rate significantly from 22.0% to 10.50% by December 2025. Fiscal management remained relatively prudent, with continued efforts toward deficit containment and revenue enhancement, while the external sector showed mixed dynamics amid resilient remittances and select export segments. Looking ahead, GDP growth is projected at around 3%, subject to continued fiscal discipline and structural reform implementation. Within this improving environment, the mortgage finance sector demonstrated recovery momentum in 2025, and is expected to expand by approximately 15% to 20% in 2026, with fresh industry disbursements projected in the range of Rs. 70 to 80 billion.

Within this evolving macroeconomic landscape, FY2025 marked an important milestone in PMRC's institutional journey as the Company's total assets crossed PKR 100 billion, representing a 48% increase during the year. Net outstanding advances expanded by approximately 17%, while investments increased by 54%, strengthening liquidity buffers and balance sheet flexibility. The Company recorded a net profit of PKR 2.8 billion with earnings reflecting disciplined pricing, prudent risk management, and stable asset quality.

Importantly, the Board maintained strong oversight on operational efficiency. Focused measures were undertaken to control expenses and enhance productivity, resulting in the cost-to-income ratio being maintained at an efficient 18.4%. The Board views this as a strong indicator of institutional discipline and operational maturity as the Company continues to scale its operations.

PMRC also successfully maintained its AAA credit rating, underscoring the strength of its governance framework, balance sheet resilience, and risk management practices. The Board considers this rating as a reflection of steady progress, sound oversight, sustained confidence of shareholders and stakeholders and institutional resilience.

Throughout the year, the Board remained actively engaged and responsive, providing strategic direction and rigorous oversight across governance, liquidity, capital planning, and risk management. The diversity of expertise and independence of judgment at the Board level continued to be a defining strength of the Company. The Board's focus remained firmly on safeguarding shareholder value while ensuring that PMRC fulfills its developmental mandate in a sustainable and prudent manner.

As economic conditions stabilize and the housing finance market regains momentum, PMRC is well positioned to contribute to the next phase of market development, supported by strong governance, a resilient balance sheet, operational efficiency, and a clear strategic direction. The Company remains committed to contributing meaningfully to the strengthening of Pakistan's housing finance ecosystem.

On behalf of the Board of Directors, I thank our shareholders and stakeholders for their continued trust and confidence, and I acknowledge the dedication of management team and staff in advancing PMRC's objectives during the year. Lastly, I would like to acknowledge and commend the CEO Mudassir Khan for his efforts and commitment in progressing PMRC to this level and I wish him well as he moves on to pursue other goals.



**Fouad Farrukh**  
Chairman

**Date: March 04, 2026**

**PMRC'S PRIORITIES WILL REMAIN FOCUSED ON SCALING REFINANCE OPERATIONS RESPONSIBLY, DIVERSIFYING FUNDING SOURCES, EXTENDING TENOR WHERE FEASIBLE, AND FURTHER STRENGTHENING INITIATIVES RELATED TO WOMEN AND GREEN HOUSING FINANCE.**



# CEO STATEMENT

On behalf of the management team, I am pleased to present the Annual Report of Pakistan Mortgage Refinance Company Limited for the financial year ended FY2025.

The year 2025 marked a significant phase of economic stabilization and renewed confidence in Pakistan's economy, as key macroeconomic indicators reflected a gradual recovery despite heavy rains that triggered flooding. Parts of Punjab were amongst the worst hit causing widespread casualties and disrupting supply chains not just in Punjab but across the country. In spite of these challenges, inflation averaged approximately 5.2% during FY2025–26, supported by prudent monetary measures undertaken by the State Bank of Pakistan, while the policy rate was progressively reduced from 13% to 10.5% as price pressures eased.

PMRC delivered yet another year of exceptional financial performance, with our asset base expanding by over 48% year-on-year to surpass PKR 100 billion. Net outstanding advances expanded by around 17%, reflecting continued demand from partner institutions. Refinance disbursements during the year grew sharply by approximately 82%, surpassing prior-year levels and internal expectations, underscoring PMRC's expanding relevance in the market. This progress reflects the collective efforts of our stakeholders, partner institutions, and employees, and demonstrates the Company's growing ability to deliver long-term liquidity solutions. We view this milestone not only as a validation of our progress but also as a responsibility to continue scaling with discipline and prudence. PMRC also introduced new avenues for liquidity with launch of Certificates of Investment and Certificates of Islamic Investment generating PKR 27 billion during the year. Long term funding of PKR 4 billion was also secured to support additional disbursements.

PMRC continued to strengthen its developmental impact alongside its commercial performance. Financing extended to support women homebuyers increased during the year, reinforcing PMRC's commitment to inclusive access. In parallel, PMRC expanded its green housing finance portfolio, supporting energy-efficient and environmentally sustainable housing solutions in line with evolving market practices and policy priorities.

PMRC also played its role internationally, providing technical support to other Mortgage Refinance Companies (MRCs) and was invited at the Technical Deep Dive (TDD) Workshop on Public-Private Partnerships for Affordable Housing, organized by the World Bank's Tokyo Development Learning Center in Japan, highlighting its role in the development of Pakistan's mortgage market. It was also featured at the Asian Development Bank' Water and Urban Development Forum in Manila, where the importance of affordable, safe, and green housing was emphasized, along with PMRC's contribution to building an inclusive and sustainable housing finance ecosystem in Pakistan.

Looking ahead, the medium-term outlook for the economy and housing finance market is cautiously positive. Continued macroeconomic stability and gradual improvement in financial conditions can support renewed mortgage activity. PMRC's priorities will remain focused on scaling refinance operations responsibly, diversifying funding sources, extending tenor where feasible, and further strengthening initiatives related to women and green housing finance.

PMRC remains committed to executing its mandate with discipline, transparency, and a long-term perspective, supporting partner institutions, strengthening the housing finance ecosystem, and contributing to sustainable economic development.

I extend my sincere thanks to our shareholders, regulators, and development partners for their continued support. I am especially grateful to our Board for their support and the entire PMRC team for their professionalism and commitment. I also acknowledge our partner banks, DFIs, and Islamic financial institutions for their collaboration in expanding housing finance across Pakistan.

As CEO from the time of commencement of PMRC operations, I take pride in the progress the Company has achieved over the past seven plus years. These accomplishments are the result of collective effort, dedication, and shared vision. I extend my heartfelt appreciation to the entire PMRC team, and particularly to the senior management team whose passion and commitment enabled the Company to deliver strong results throughout this journey. As I move-on from PMRC, I remain confident that the Company will continue to grow from strength to strength and achieve even greater success in the years ahead.

All the best wishes for the future.



**Mudassir H. Khan**  
**Managing Director / Chief Executive Officer**

**Date: March 04, 2026**

# DIRECTORS' REPORT



Standing Left to Right: Mubashar Maqbool, Moazzam Iftikhar Ahmed, Risha Mohyeddin, Imran Sarwar

Sitting Left to Right: Mehreen Ahmed, Mudassir Hussain Khan, Fouad Farrukh, Tayyeb Afzal

Missing: Ahmed Taimoor Nasir, Sonia Karim, Shahid Alam Siddiqui

On behalf of the Board of Directors (Board), we are pleased to submit the Directors' report along with the Annual Audited Financial Statements of Pakistan Mortgage Refinance Company Limited (PMRC or Company) for the year ended December 31, 2025.

## MACROECONOMIC REVIEW

In 2025, Pakistan's economy continued to navigate a complex mix of challenges and emerging strengths. Structural pressures such as elevated inflation earlier in the year, currency volatility, and ongoing energy sector constraints persisted, although there were signs of gradual stabilization alongside selective receptacles of resilience in sectors such as information technology, agriculture, and high-value exports.

Government efforts to address fiscal imbalances and strengthen macroeconomic stability laid the groundwork for a sustained recovery, while structural reforms remain key for long-term growth. Pakistan's annual inflation declined sharply from 23.4% in FY2024 to 4.5% in FY2025, reflecting significantly reduced price pressures and improved macroeconomic conditions. In 2025, the State Bank of Pakistan (SBP) significantly eased monetary policy, reducing the policy rate from a 2024 peak of 22.0% to 10.50% by December 2025. These reductions reflected improving economic indicators, including manufacturing growth and stable inflation expectations, despite persistent core inflation pressures.

The external sector showed mixed dynamics. The current account position benefited from resilient remittances which increased by 16%, rising from \$34.65 billion in 2024 to \$40.23 billion in 2025, and export performance in some high value segments, although trade deficits widened at times due to rising import demand. Overall, external balances remained a focus of policy attention as global uncertainties and external financing needs continued to influence economic planning.

Fiscal management in 2025, remained prudent relative to the preceding years, with efforts to contain the fiscal deficit and improve revenue collection. While challenges persisted in managing public debt and expanding the tax base, strengthened fiscal discipline helped anchor confidence in macroeconomic frameworks.

Real GDP growth in FY2025, was recorded at around 2.6%, marking a continuation of moderate expansion. Growth was supported by improved industrial activity and a resilient services sector, although output remained below potential given persistent structural bottlenecks.

The housing and mortgage finance segment faced headwinds in 2025, attributable to elevated borrowing costs earlier in the cycle and tighter credit conditions for low- and middle-income borrowers. However, the moderation of interest rates and improving economic sentiment is expected to gradually bolster demand in the housing finance market.

Overall, 2025 was characterized by cautious optimism, macroeconomic stability was sustained, inflation trends remained manageable, and policy frameworks showed adaptability to evolving conditions. Continued focus on structural reforms, especially in energy, taxation, and export competitiveness will be essential to unlock higher growth and strengthen resilience against external shocks in the coming year.

## FINANCIAL PERFORMANCE

During 2025, the Company delivered a resilient financial performance, marked by strong balance sheet expansion and sustained profitability. Total assets increased significantly to Rs. 101.2 billion from Rs. 68.3 billion in 2024, driven primarily by growth in investments, advances, and improved liquidity management. Profit after tax remained robust at Rs. 2.81 billion, while shareholders' equity strengthened to Rs. 15.37 billion. Basic and diluted earnings per share stood at Rs. 4.51, reflecting stable returns to shareholders.

Financial Highlights	2025	2024
	Rs. In "000"	
<b>Financial Position</b>		
Shareholder's Equity	15,368,152	13,411,172
Total Assets	101,248,708	68,256,493
Subordinated Loan	2,785,148	2,839,356
Term Finance Certificates/Sukuk	11,725,000	13,162,500
Deposits and other accounts	10,178,650	-
Borrowings	50,416,268	28,274,958
Investments	42,184,053	27,396,823
Disbursements	21,000,000	11,530,000
<b>Financial Performance</b>		
Net Mark-up/Return/Profit/Interest Earned	3,307,510	4,144,560
Profit After Tax	2,812,154	2,828,793
<b>Ratios</b>		
EPS	4.51	4.53

## MOVEMENT IN RESERVES

Particulars	2025	2024
	Rs. In "000"	
<b>Opening Balance</b>	<b>13,411,172</b>	<b>10,931,012</b>
Impact of Adoption of IFRS 9	-	13,579
Unappropriated Profit	3,374,585	3,394,552
Transfer to Statutory Reserve	(562,431)	(565,759)
Other Comprehensive Income	80,490	573,453
Dividend paid	(935,664)	(935,664)
<b>Closing Balance</b>	<b>15,368,152</b>	<b>13,411,172</b>

## CAPITAL RATIOS AND MCR

The Company maintained a strong financial position, with its capital base significantly exceeding both regulatory thresholds and Basel capital requirements. As at the reporting date, the Capital Adequacy Ratio (CAR) stood at 81.71%, well above the minimum regulatory requirement of 11.5%, demonstrating the Company's robust capacity to absorb potential risks, support future growth, and remain aligned with international best practices.

## BUSINESS OVERVIEW

In 2025, the Company achieved a significant milestone by crossing Rs. 100 billion in total assets and closed the year with a balance sheet size of Rs. 101.2 billion. This reflects a robust growth momentum, financial discipline and business strength of the Company. This growth was achieved while remaining within the strong compliance culture of PMRC under the guidance of the Board of Directors, with no penalties, Islamic charities and clean audit reports.

The phenomenal success was driven by strategic partnerships with Participating Financial Institutions, which enabled the successful disbursement of Rs. 21 billion, the highest disbursement the Company has ever achieved. The expanded balance sheet underscores PMRC's increasing capacity to support homeownership, facilitate market liquidity, and contribute meaningfully to the development of Pakistan's housing finance sector.

### Launch of Certificates of Investment (COIs) and Certificates of Islamic Investment (COIIs)

PMRC successfully launched Conventional and Shariah-compliant Islamic COIs and COIIs in Q1-2025, creating a new and sustainable short-term funding avenue. During FY-2025, the Company mobilized PKR 27 billion through COIs / COIIs, contributing to PMRC achieving a total asset size of PKR 101.2 billion.

### Product Innovation and Market Development

PMRC regularly organizes roundtable sessions with banks and financial institutions, in order to gather mortgage market trends and prevalent challenges to design products and services that address the same.

PMRC during the year continued to focus on green/solar financing and promoting low/middle-income. In 2025, the Company added two new product variants in its refinance suite in both Islamic and conventional modes namely:

- Women Housing Finance
- Mera Ghar Mera Aashiana (MGMA)

### Credit Guarantee Trust

Pursuant to extensive correspondence and multiple consultative meetings with the Ministry of Finance (MoF), SBP, and the World Bank Group (WBG), an in-principal agreement was reached on the repurposing of the Risk Sharing Facility (RSF). PMRC played a central role in coordinating these discussions. The changes required to align the operations manual and other constitutional documents are now in process.

### Fostering Collaboration and Capacity Building

PMRC actively engaged all housing finance stakeholders through roundtables and training sessions to promote innovation and growth in the housing finance market. Events like conferences, round tables, seminars, brain storming sessions, focus groups etc are routinely organized by the Company and brings together banks, regulators, developers, Real Estate Investment Trust (REIT) management companies, and industry experts.

The suggestions, ground realities and recommendations of the above initiatives are then advocated by PMRC on behalf of all the stakeholders with the regulators and the relevant Government ministries.

PMRC as per its mandate of improving and promoting the mortgage eco system of the country, conducted targeted trainings for over 22 financial institutions thereby strengthening industry knowledge on mortgage best practices, ESG requirements, and overall compliance standards.

## FUTURE OUTLOOK

The economic outlook for Pakistan is expected to remain moderate, with GDP growth projected at around 3%, contingent on the successful implementation of fiscal and structural reforms. While the current account deficit is likely to persist, targeted support under the IMF Extended Fund Facility and ongoing policy measures are expected to help stabilize the economy.

Monetary policy is anticipated to remain moderate, balancing inflation control with growth support. Continued focus on fiscal consolidation, energy sector reforms, and structural improvements will be key to sustaining stability and fostering moderate growth in the medium term.

The mortgage finance market demonstrated a notable recovery during 2025, supported by a declining interest rate environment and the introduction of new and innovative lending products. As a result, the market recorded strong year-on-year growth.

Looking ahead, industry assessments suggest that 2026, is expected to remain positive for the mortgage finance sector. Lenders anticipate fresh disbursements in the range of Rs. 70 to 80 billion, which is projected to translate into an overall market expansion of approximately 15% to 20% during the year.

After the success of Mera Pakistan Mera Ghar launched in 2020, the Government has launched a similar scheme titled, MGMA targeting the low-income segment of the society. PMRC has already developed product suites for support of this initiative.

This along with the level of interest rates, increased construction activity, launch of various REIT schemes are all expected to contribute to both the demand and supply side economics of the housing market.

PMRC's Green Financing Product, introduced in late 2024, has gained significant momentum, with increasing uptake by banks promoting sustainable housing solutions. This strategic approach positions PMRC to effectively broaden mortgage finance accessibility across various market segments while championing sustainable housing finance initiatives.

## MAXIMIZING HUMAN CAPITAL

The Company maximizes the potential of its workforce by implementing targeted recruitment strategies, comprehensive employee development programs, and robust engagement initiatives. Alongside these efforts, a strong emphasis on diversity and inclusion, continuous organizational and individual growth, and the celebration of outstanding performance are integral to nurturing a culture of excellence throughout the organization.

## CORPORATE SOCIAL RESPONSIBILITY

At PMRC, our success is deeply interconnected with the well-being and progress of our communities, customers, and employees. We are committed to conducting our business in a manner that generates mutual value for all stakeholders. Corporate Social Responsibility plays a vital role in driving sustainable impact and stands as a fundamental element of our operations.

During the year, the Company actively supported various social initiatives by contributing to institutions dedicated to health and education. This included backing the Karachi Down Syndrome Program (KDSP) in establishing a training kitchen, assisting The Kidney Centre with the acquisition of critical medical equipment, and supporting The Indus Hospital in enhancing its emergency care capabilities through the provision of defibrillators. Furthermore, the Company contributed to the Family Educational Services Foundation (FESF) to improve access to clean water by providing water dispensers and bottles across multiple campuses nationwide. These efforts reflect the Company's ongoing commitment to social responsibility and community welfare.

In line with this commitment, PMRC allocated Rs. 10 million towards diverse charitable initiatives, particularly in the areas of health and education, to support meaningful and lasting social development.

## SUSTAINABILITY RISK MANAGEMENT AND DE&I INITIATIVES

PMRC, as a regulated DFI operating as a wholesale mortgage refinance entity, has limited direct environmental and social exposure. The Company does not engage in construction, real estate development, or direct retail mortgage lending.

PMRC's sustainability-related risks arise primarily indirectly through mortgage portfolios accepted as collateral by participating financial institutions. These risks include environmental and social risks associated with underlying mortgage properties, climate-related physical risks affecting collateral values, as well as regulatory and reputational risks.

These risks are managed through PMRC’s Risk Management framework and a Board-approved Environmental and Social Risk Management (ESRM) Policy and Environmental and Social Management System (ESMS), aligned with applicable Pakistani laws, regulatory guidelines, and relevant international standards.

Key mitigation measures include:

- An exclusion-based approach through a defined Environmental and Social Exclusion List
- Mandatory environmental and social screening criteria for mortgage portfolios
- Review of Customers’ environmental and social risk management systems
- Pre- and post-disbursement monitoring of collateral portfolios
- Environmental and social covenants embedded in refinancing agreements

Oversight of sustainability-related risks is exercised by the Board through the Board Risk Committee (BRC), with periodic reporting by Management. During the year, these risks were assessed and considered low and manageable in view of PMRC’s business model and control framework.

PMRC remains committed to responsible finance and will continue to enhance its sustainability practices and disclosures in line with evolving regulatory expectations.

## Diversity and Inclusion

PMRC believes in empowering individuals by respecting and appreciating what makes them different in terms of age, gender, ethnicity, religion, disability, education, and national origin. The Company is committed to fostering, cultivating, and preserving a culture of diversity and inclusion across all levels. The Company ensured that all employment-related decisions, including recruitment, promotion, training, compensation, and retention, were made on merit, qualifications, and business needs, without discrimination on the basis of gender, age, ethnicity, religion, disability, education, or national origin.

To promote gender diversity, the Company actively encouraged female participation in its workforce and provided fair consideration to qualified female candidates during recruitment processes. Where feasible, recruitment panels included gender-diverse representation to support balanced and unbiased decision-making. Job advertisements were placed on the website/recruitments platform to encourage applications from women and differently abled individuals.

The Company continued to promote a respectful and inclusive workplace culture, maintaining zero tolerance for any unethical, disrespectful, or prejudicial behaviour. Departmental Heads were made responsible for fostering inclusive participation and valuing diverse perspectives within their respective teams.

Internship programs were conducted with a focus on encouraging female students and graduates to participate, thereby supporting the development of a more gender-balanced talent pipeline.

## RISK MANAGEMENT FRAMEWORK

The Board remains resolute in its commitment to guiding PMRC as an innovative and forward-thinking organization dedicated to creating sustainable long-term value. Our operations are firmly grounded in robust corporate governance and comprehensive risk management practices, underscoring our role as a dependable and trustworthy financial institution.

PMRC’s risk management framework is structured to identify, evaluate, and mitigate risks, thereby minimizing their potential impact and enabling the successful execution of the Company’s strategic objectives. Management affirms that the current Internal Control system is well-designed, effectively implemented, and regularly monitored. Continuous enhancements are made to the control environment, including technological advancements. The Board fully endorses management’s evaluation of the overall effectiveness of Internal Controls, encompassing those related to Financial Reporting.

## DIVIDEND AND APPROPRIATIONS

The Directors have recommended cash dividend of Rs. 1.5 per share (2024: Rs. 1.5 per share) for the year ended December 31, 2025, subject to approval of the shareholders in the upcoming Annual General Meeting. Additionally, the Board has approved an appropriation of Rs. 562.431 million from the current year’s profit to the statutory reserve in compliance with the requirements of the Banking Companies Ordinance, 1962.

## CREDIT RATINGS

Based on PMRC's low exposure to credit & market risk, strong projected capitalization indicators, strong sponsors, experienced & professional management team and sound risk management controls, VIS Credit Rating Company Limited (VIS) has assigned entity ratings of "AAA/A-1" (Triple A/A-One Plus). Outlook on the assigned ratings is "Stable".

## STATEMENT OF INTERNAL CONTROLS

The Board expresses its satisfaction in endorsing management's statement on internal controls as presented in the Annual Report. In line with the SBP's Guidelines on Internal Controls, the Company has undertaken structured and focused efforts to develop and implement robust mechanisms for the identification, evaluation, and management of risks across all DFI operations. These measures are designed to effectively mitigate risk exposures while ensuring smooth and efficient operations. Recognizing the dynamic nature of the risk environment, the Company remains committed to continuously reviewing and refining its processes to address emerging risks and evolving challenges. Ongoing improvements are made to strengthen the internal control framework, ensuring continued alignment with regulatory requirements and industry best practices.

## CORPORATE GOVERNANCE

The Board of Directors has adopted, the Code of Corporate Governance issued by SECP on voluntary basis as the Board is committed to ensuring the best Governance practices.

The Directors are pleased to report that:

- The financial statements, prepared by the management of the Company, present fairly the state of affairs of the Company, the results of its operations, cash flows and changes in equity.
- Proper books of accounts have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements, except for the changes in accounting policies as described in Note '4' to the financial statements. Accounting estimates are based on reasonable and prudent judgment.
- IFRS Accounting Standards, as applicable to companies in Pakistan, have been followed in preparation of financial statements.
- The system of internal control in the Company is sound in design and is effectively implemented and monitored.
- There are no significant doubts regarding PMRC's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance except for those as explained in the Statement of Compliance.
- Profit amounting to Rs. 562.431 million has been transferred to Statutory Reserve for the year ended December 31, 2025.
- The current Board of Directors consists of eight (8) male (excluding Chief Executive Office) and two (2) female members.
- Details of Directors' training programs are given in the Statement of Compliance with the Code of Corporate Governance.
- The Company engaged Pakistan Institute of Corporate Governance (PICG) to carry out its Board evaluation for 2025, under self-assessment which is in process. PICG has also carried out the evaluation for 2024, covering the three basic components as required by the Listed Companies (Corporate Governance) regulations and (for banks) SBP's Guidelines on Performance Evaluation of Board of Directors, which are; Board as a whole, Board Committees and Individual members of the Board. The Board self-assessment was carried out through an online portal-based questionnaire. The entire process ensured the anonymity of responses received. The deliverables of the assessment process were:

- Board Assessment Report including Board Committees
- Individual Board Member Evaluation Report
- Analysis of Results Report

## CHANGE IN DIRECTORSHIP

During the year, Mr. Farrakh Qayyum retired from the Board, and Mr. Fouad Farrukh was appointed as Chairman in his place. The Directors extend their full support to Mr. Fouad Farrukh and look forward to his leadership in guiding the Company's strategic direction.

Mr. Shahid Alam Siddiqui also ceased to be a director. The Board places on record its sincere appreciation for the valuable contributions and dedicated services rendered by Mr. Farrakh Qayyum and Mr. Shahid Alam Siddiqui during their tenure.

Mr. Moazzam Iftikhar Ahmed was appointed as an Independent Director of the Company during the year. Subsequent to the year-end, Mr. Masroor Omar was appointed as a Non-Executive, Non-Independent Director in place of Mr. Shahid Alam Siddiqui. The Board extends a warm welcome to the newly appointed Directors and looks forward to benefiting from his experience and professional insight in further strengthening the Company's governance framework and oversight functions.

## COMPOSITION OF THE BOARD AND BOARD COMMITTEES

The Board at full complement comprises seven non-executive directors representing the cross-section of shareholders, three independent directors, and the Managing Director and Chief Executive Officer.

The composition of the present Board, excluding Chief Executive Officer is as follows:

1.	Independent Directors	3
2.	Non-Executive Directors	7
3.	Executive Directors	0
4.	Female Directors	2

The Board has formed committees comprising of members given below:

<b>a)</b>	<b>Audit Committee</b>
	Mr. Moazzam Iftikhar Ahmed (Chairman, Independent Director)
	Mr. Tayyeb Afzal (Member)
	Mr. Ahmed Taimoor Nasir (Member)
<b>b)</b>	<b>HR Committee</b>
	Ms. Sonia Karim (Chairman, Independent Director)
	Mr. Mubashar Maqbool (Member)
	Mr. Tayyeb Afzal (Member)
	Ms. Mehreen Ahmed (Member)
<b>c)</b>	<b>Risk Committee</b>
	Mr. Imran Sarwar (Chairman)
	Mr. Fouad Farrukh (Member)
	Mr. Shahid Alam Siddiqui (Member) – resigned with effect from December 24, 2025
	Mr. Risha Mohyeddin (Member)

d)	Corporate Governance & Nominations Committee
	Mr. Ahmed Taimoor Nasir (Chairman, Non-Executive Director)
	Ms. Mehreen Ahmed (Member)
	Mr. Mudassir H. Khan (Member)

## COMPOSITION OF THE SHARI'AH BOARD

The Company's Shariah Board comprises of two members:

S. No.	Name	Designation
1.	Mufti Ehsan Waquar	Chairman Shari'ah Board
2.	Dr. Mufti Muhammad Yunas Ali	Resident Shari'ah Board Member

## MEETINGS OF THE BOARD

Below are the details of number of Board and Committee Meetings held and attended during the year 2025:

Sr. No	Name	Board Meetings		BRC Meetings		BHRC Meetings		BAC Meetings		Corporate Governance & Nominations (CGN) Meetings		Details
		Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended	
1	Ahmed Taimoor Nasir	10	10	N/A	N/A	N/A	N/A	5	5	N/A	N/A	
2	Farrakh Qayyum	10	6	N/A	N/A	4	2	N/A	N/A	3	3	Left BoD in October 2025
3	Fouad Farrukh	10	10	4	1	N/A	N/A	N/A	N/A	3	3	
4	Imran Sarwar	10	8	4	4	N/A	N/A	N/A	N/A	N/A	N/A	
5	Moazzam Iftikhar Ahmed	10	1	N/A	N/A	N/A	N/A	5	1	N/A	N/A	Joined BoD in October 2025
6	Mubashar Maqbool	10	10	N/A	N/A	4	2	5	3	N/A	N/A	
7	Shahid Alam Siddiqui	10	10	4	4	N/A	N/A	N/A	N/A	N/A	N/A	Left BoD in December 2025
8	Tayyeb Afzal	10	10	N/A	N/A	4	2	5	5	N/A	N/A	
9	Risha A. Mohyeddin	10	9	4	1	4	2	N/A	N/A	N/A	N/A	
10	Mehreen Ahmed	10	10	4	3	4	2	N/A	N/A	N/A	N/A	
11	Sonia Karim	10	10	N/A	N/A	4	2	N/A	N/A	N/A	N/A	
12	Mudassir H. Khan	10	10	N/A	N/A	N/A	N/A	N/A	N/A	3	3	

## MEETINGS OF THE SHARIAH BOARD

S. No.	Name	Held	Attended
1.	Mufti Ehsan Waquar	4	4
2.	Dr. Mufti Muhammad Yunas Ali	4	4

## VALUE OF INVESTMENTS IN EMPLOYEE RETIREMENT BENEFITS FUNDS

The table below shows the net assets of the provident and gratuity funds maintained by the Company, based on their audited financial statements as at December 31, 2024.

Name of Retirement Fund	Rs. In "000"
Staff Provident Fund	117,205
Staff Gratuity Fund	79,287

## PATTERN OF SHAREHOLDING

Sr. No	Name	No. of Shares held of PKR 10 each	% Holding	Paid up Capital Rs. In "000"
1	Ministry of Finance - Islamic Republic of Pakistan	180,000,000	28.86%	1,800,000,000
2	National Bank of Pakistan	90,000,000	14.43%	900,000,000
3	Habib Bank Limited	75,000,000	12.02%	750,000,000
4	United Bank Limited	75,000,000	12.02%	750,000,000
5	International Finance Corporation	75,000,000	12.02%	750,000,000
6	Askari Bank Limited	45,000,000	7.21%	450,000,000
7	Bank Alfalah Limited	45,000,000	7.21%	450,000,000
8	Allied Bank Limited	30,000,000	4.82%	300,000,000
9	Bank Al Habib Limited	7,500,000	1.21%	75,00,000
10	House Building Finance Company Limited	1,001,250	0.16%	10,012,500
11	Bank Makramah Limited	274,500	0.04%	2,745,000
12	Directors / Individual	150	0.00%	1,500
		623,775,900	100.00%	6,237,759,000

## AUDITORS

The present auditors, M/s. A.F. Ferguson & Co., Chartered Accountants, shall retire at the forthcoming Annual General Meeting upon completion of their term of five consecutive years, in accordance with the applicable regulatory requirements.

Accordingly, on the recommendation of the Board Audit Committee, the Board of Directors recommends to the shareholders the appointment of M/s. KPMG Taseer Hadi & Co., Chartered Accountants as the statutory auditors of the Company for the year ending December 31, 2026, at a fee of Rs. 3,797,500/- for statutory assignments, excluding out-of-pocket expenses and applicable taxes to be paid at actuals. This fee includes the per-certificate cost for the issuance and maturity of Term Finance Certificates / Sukuk.

## APPRECIATION AND ACKNOWLEDGEMENT

On behalf of the Board and the Management, we would like to express our gratitude to our Shareholders for placing their trust in PMRC; SBP, SECP and other regulatory bodies for their support, guidance and oversight as well as the WBG. We would also like to extend appreciation to our colleagues for the diligent work towards meeting customer expectations and their dedication towards achieving Company's goals and objectives.

For and on behalf of the Board of Directors.



**Fouad Farrukh**  
Chairman



**Mudassir H. Khan**  
Managing Director /  
Chief Executive Officer

Date: March 4, 2026

# ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز (بورڈ) کی جانب سے، میں 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے پاکستان مارکیٹ ری فنانس کمپنی لمیٹڈ (PMRC یا کمپنی) کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کے ساتھ ڈائریکٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

## میکرو اکنامک جائزہ

سال 2025 میں، پاکستان کی معیشت نے چیلنجز اور اہمترتی ہوئی قوتوں کے پیچیدہ امتزاج کو عبور کرنا جاری رکھا۔ ساختی دباؤ جیسے کہ سال کے آغاز میں بلند افراط زر، زرمبادلہ کی غیر یقینی صورتحال، اور توانائی کے شعبے کی رکاوٹوں میں تسلسل برقرار رہا، اگرچہ اطلاعاتی ٹیکنالوجی، زراعت، اور اعلیٰ قدر کی برآمدات جیسے شعبوں میں بہتر بیج احکام کے آثار بھی نظر آئے۔

مالیاتی عدم توازن کو کم کرنے اور معاشی احکام کو مضبوط بنانے کے لیے حکومتی اقدامات نے پائیدار معاشی بحالی کی بنیاد فراہم کی، جبکہ طویل المدتی ترقی کے لیے ساختی اصلاحات کو بدستور کلیدی اہمیت حاصل رہی۔ پاکستان میں سالانہ افراط زر مالی سال 2024 کے 23.4 فیصد سے کم ہو کر مالی سال 2025 میں 4.5 فیصد رہ گئی، جو قیمتوں کے دباؤ میں نمایاں کمی اور معاشی حالات میں بہتری کی عکاسی کرتی ہے۔ سال 2025 کے دوران اسٹیٹ بینک آف پاکستان نے مالیاتی پالیسی میں نمایاں نرمی اختیار کرتے ہوئے پالیسی ریٹ کو 2024 کی بلند ترین سطح 22 فیصد سے کم کر کے دسمبر 2025 تک 10.50 فیصد کر دیا۔ یہ کمی بہتر معاشی اشاریوں، صنعتی سرگرمی میں اضافے اور افراط زر کی مستحکم توقعات کے تناظر میں کی گئی، اگرچہ بنیادی افراط زر کے کچھ دباؤ بدستور موجود رہے۔

بیرونی شعبے میں صورت حال مٹی جلی رہی۔ بیرون ملک پاکستانیوں کی ترسیلات زر میں مضبوط اضافہ دیکھنے میں آیا، جو 2024 کے 34.65 ارب امریکی ڈالر سے بڑھ کر 2025 میں 40.23 ارب امریکی ڈالر ہو گئیں، یعنی تقریباً 16 فیصد اضافہ ہوا۔ اس کے ساتھ ساتھ بعض اعلیٰ قدر کی برآمدی مصنوعات کی کارکردگی بھی مثبت رہی۔ تاہم درآمدی طلب میں اضافے کے باعث بعض اوقات تجارتی خسارے میں وسعت بھی دیکھنے میں آئی۔ مجموعی طور پر عالمی غیر یقینی صورتحال اور بیرونی مالیاتی ضروریات کے باعث بیرونی توازن پالیسی سازی کا اہم محور رہے۔

سال 2025 کے دوران مالیاتی نظم و ضبط گزشتہ برسوں کے مقابلے میں بہتر رہا، اور مالیاتی خسارے کو قابو میں رکھنے اور مصوبوں کی وصولی میں بہتری لانے کی کوششیں جاری رہیں۔ اگرچہ سرکاری قرضوں کے انتظام اور ٹیکس نیٹ کے پھیلاؤ جیسے چیلنجز موجود رہے، تاہم مالیاتی نظم و ضبط کے اقدامات نے معاشی پالیسی کے فریم ورک پر اعتماد کو مضبوط بنانے میں مدد دی۔

مالی سال 2025 میں حقیقی مجموعی قومی پیداوار (GDP) کی شرح نمو تقریباً 2.6 فیصد ریکارڈ کی گئی، جو اعتدال پسند معاشی توسیع کے تسلسل کی نشاندہی کرتی ہے۔ صنعتی سرگرمی میں بہتری اور خدمات کے شعبے کی مضبوطی نے اس نمو کی حمایت کی، اگرچہ ساختی رکاوٹوں کے باعث پیداوار اپنی مکمل استعداد سے کم رہی۔

ہاؤسنگ اور مارکیٹ فنانس کے شعبے کو 2025 میں بعض مشکلات کا سامنا رہا، جس کی بڑی وجہ سال کے ابتدائی حصے میں بلند شرح سود اور کم و متوسط آمدنی والے قرض لینے والوں کے لیے سخت قرضہ جاتی شرائط تھیں۔ تاہم شرح سود میں کمی اور معاشی اعتماد میں بہتری کے نتیجے میں توقع ہے کہ ہاؤسنگ فنانس مارکیٹ میں طلب بہتر بیج بڑھے گی۔

مجموعی طور پر سال 2025 پر امید فضا کے ساتھ گزرا، جس میں معاشی احکام برقرار رہا، افراط زر قابل انتظام سطح پر رہی، اور پالیسی فریم ورک بدلتے حالات کے مطابق لچکدار ثابت ہوئے۔

آئندہ سال میں توانائی، ٹیکس اصلاحات اور برآمدی مسابقت جیسے شعبوں میں ساختی اصلاحات پر مسلسل توجہ دینا بلند شرح نمو کے حصول اور بیرونی اقتصادی خدمات کے مقابلے میں معیشت کی مضبوطی کے لیے نہایت ضروری ہوگا۔

## مالیاتی کارکردگی

2025 کے دوران، کمپنی نے مضبوط مالیاتی کارکردگی کا مظاہرہ کیا، جو مضبوط بیننس شیٹ کی توسیع اور مستحکم منافع کی عکاسی کرتی ہے۔ کل اثاثے نمایاں طور پر بڑھ کر 101.2 ارب روپے ہو گئے، جو 2024 میں 68.3 ارب روپے تھے، جس کی بنیادی وجہ سرمایہ کاری، ایڈوانسز میں اضافہ اور بہتر لیویٹیٹی منجنت تھا۔ ٹیکس کے بعد منافع مستحکم طور پر 2.81 ارب روپے رہا، جبکہ شیئر ہولڈرز کی ایکویٹی 15.37 ارب روپے مضبوط ہوئی۔ بنیادی اور ڈائیلیٹڈ ارننگ پر حصص 4.51 روپے رہا، جو شیئر ہولڈرز کو مستحکم منافع کی عکاسی کرتا ہے۔

2025	2024	مالیاتی جھلکیاں
روپے 000 میں		
		مالی حالت
15,368,152	13,411,172	شیئر ہولڈرز کے حصص
101,248,708	68,256,493	مجموعی اثاثہ جات
2,785,148	2,839,356	ذیلی قرضہ جات
11,725,000	13,162,500	مخصوص مدتی سرمایہ کاری کے سرٹیفیکیٹس - حاکموں
10,178,650	-	ڈپازٹس اور دیگر کھاتے
50,416,268	28,274,958	قرضہ جات
42,184,053	27,396,823	سرمایہ کاری
21,000,000	11,530,000	ایڈوانسز
		مالیاتی کارکردگی
3,307,510	4,144,560	خالص مارک اپ - منافع - سودی آمدن
2,812,154	2,828,793	ٹیکس اداگی کے بعد منافع
		تناسب
4.51	4.53	فی حصص آمدن

## ریزرو میں تبدیلی

2025	2024	تفصیلات
روپے 000 میں		
13,411,172	10,931,012	ابتدائی حساب
-	13,579	IFRS 9 کو اپنانے کا اثر
3,374,585	3,394,552	غیر مختص منافع
(562,431)	(565,759)	قانونی رزرو میں منتقلی
80,490	573,453	دیکر مجموعی آمدن
(935,664)	(935,664)	نفع کی اداگی
15,368,152	13,411,172	باقی رہ جانے والا حساب

## سرمایہ تناسب اور MCR

کمپنی نے مضبوط مالیاتی پوزیشن برقرار رکھی، اور اس کی سرمایہ جاتی بنیاد ریگولیٹری حدود اور بازل کیپٹل تقاضوں دونوں سے نمایاں طور پر زیادہ رہی۔ رپورٹنگ کی تاریخ تک کیپٹل ایڈیٹی کیوٹی ریٹو فیصد 81.71 (CAR) رہی، جو کہ کم از کم ریگولیٹری تقاضے 11.5 فیصد سے کہیں زیادہ ہے۔ یہ صورتحال اس بات کو ظاہر کرتی ہے کہ کمپنی میں ممکنہ خطرات کو برداشت کرنے، مستقبل کی ترقی کو سارا دینے اور بین الاقوامی بہترین طریقہ کار کے مطابق کام جاری رکھنے کی مضبوط صلاحیت موجود ہے۔

## کاروباری جائزہ

سال 2025 میں کمپنی نے ایک اہم سنگ میل حاصل کرتے ہوئے اپنے کل اثاثوں میں 100 ارب روپے کا ہندسہ عبور کر لیا اور سال کا اختتام 101.2 ارب روپے کے نیٹس شیٹ ٹیم کے ساتھ کیا۔ یہ کامیابی کمپنی کی مضبوط ترقی کی رفتار، مالیاتی نظم و ضبط اور کاروباری استحکام کی عکاسی کرتی ہے۔ یہ ترقی بورڈ آف ڈائریکٹرز کی رہنمائی میں PMRC کی مضبوط (Compliance) کے کلچر کے اندر رستے ہونے حاصل کی گئی، جہاں سال بھر کوئی جرمانہ عائد نہیں ہوا، اسلامی خیرات (Islamic Charities) کی اداگی باقاعدگی سے کی گئی، اور آڈٹ رپورٹس بھی کلین (Clean Audit Reports) رہیں۔

اس غیر معمولی کامیابی کے پیچھے شراکتی مالیاتی اداروں کے ساتھ قائم اسٹریٹجک شراکت داریاں کارفرما رہیں، جن کے ذریعے 21 ارب روپے کی کامیاب فنڈنگ جاری کی گئی، جو کہ کمپنی کی تاریخ میں سب سے زیادہ ڈسپنسمنٹ ہے۔ نیٹس شیٹ میں یہ توسیع PMRC کی بڑھتی ہوئی صلاحیت کو ظاہر کرتی ہے، جس کے ذریعے گھروں کی ملکیت کے فروغ، مارکیٹ میں لیکویڈیٹی کی فراہمی اور پاکستان کے بانڈ فنڈس کے شعبے کی ترقی میں بامعنی کردار ادا کیا جا رہا ہے۔

## سرٹیفیکیٹس آف انویسٹمنٹ (COIs) اور سرٹیفیکیٹس آف اسلامک انویسٹمنٹ (COIIs) کا آغاز

PMRC نے Q1-2025 میں روایتی اور شریعت کے مطابق اسلامی COIs اور COIIs کامیابی کے ساتھ لانچ کیے، جس سے ایک نیا اور پائیدار قلیل مدتی فنڈنگ کا ذریعہ پیدا ہوا۔ مالی سال 2025 کے دوران، کمپنی نے COIs / COIIs کے ذریعے 27 ارب روپے جمع کیے، جو PMRC کو کل اثاثوں کے حجم کو 101.2 ارب روپے تک پہنچانے میں مدد فراہم کرتے ہیں۔

### مصنوعات کی جدت اور مارکیٹ کی ترقی

PMRC باقاعدگی سے بینکوں اور مالیاتی اداروں کے ساتھ راؤنڈ ٹیبل سیشنز کا اہتمام کرتا ہے، تاکہ مارکیٹنگ مارکیٹ کے رجحانات اور درپیش چیلنجز کا جائزہ لے کر ایسی مصنوعات اور خدمات تیار کی جاسکیں جو ان مسائل کا حل فراہم کریں۔

PMRC نے سال کے دوران گرین/ہولر فنڈنگ اور کم و متوسط آمدنی والے طبقے کی معاونت پر اپنی توجہ مرکوز رکھی۔ سال 2025 میں، کمپنی نے اپنے ری فنانس سٹیٹ میں اسلامی اور روایتی دونوں طریقوں میں دو نئی مصنوعات کی اقسام کا اضافہ کیا، جو کہ درج ذیل ہیں:

- نواتین ہاؤسنگ فنانس
- میرا گھر میرا آشیانہ

### کریڈٹ گارنٹی ٹرسٹ

وزارت خزانہ (MoF) سٹیٹ بینک آف پاکستان (SBP) اور ورلڈ بینک گروپ (WBG) کے ساتھ طویل خط و کتابت اور متعدد مشاورتی اجلاسوں کے نتیجے میں، 'رسک شیئرنگ فیسیلٹی' (RSF) کے طریقہ کار میں تبدیلی (Repurposing) پر اصولی اتفاق رائے ہو گیا ہے۔ PMRC نے ان مذاکرات کی کوآرڈینیشن میں مرکزی کردار ادا کیا۔ آپریٹنگ بیورو اور دیگر دستاویزات کو ان تبدیلیوں سے ہم آہنگ کرنے کا عمل اب جاری ہے۔

### تعاون اور صلاحیت سازی کو فروغ دینا

PMRC ہاؤسنگ فنانس کے تمام اسٹیک ہولڈرز (حصہ داروں) کے ساتھ راؤنڈ ٹیبلز اور تربیتی سیشنز کے ذریعے فعال طور پر جڑا رہا تاکہ ہاؤسنگ فنانس مارکیٹ میں جدت اور ترقی کو فروغ دیا جاسکے۔ کمپنی کی جانب سے کانفرنسز، گول میز مذاکرے، سیمینارز، ذہنی مشق کے سیشنز (Brainstorming sessions) اور فوکس گروپس جیسے پروگرام باقاعدگی سے منعقد کیے جاتے ہیں، جو بینکوں، ریگولیٹرز، ڈویلپرز، ریئل اسٹیٹ انویسٹمنٹ ٹرسٹ (REIT) سٹیٹ گنٹھوں اور صنعتی ماہرین کو ایک پیٹ فارم پر اکٹھا کرتے ہیں۔

مذکورہ بالا اقدامات سے حاصل ہونے والی تجاویز، زمینی حقائق اور سفارشات کو PMRC تمام اسٹیک ہولڈرز کی جانب سے ریگولیٹرز اور متعلقہ سرکاری وزارتوں کے سامنے پیش کرتا ہے۔

ملک کے مارکیٹ ایکوسٹم کو بہتر بنانے اور اسے فروغ دینے کے اپنے مینڈیٹ کے مطابق، PMRC نے 22 سے زائد مالیاتی اداروں کے لیے ٹارگٹڈ ٹریننگز منعقد کیں، جس سے مارکیٹ کے بہترین طریقہ کار، (ESG ماہرین، سماجی اور گورننس) کے تقاضوں اور مجموعی طور پر (Compliance) کے معیارات سے متعلق صنعتی معلومات کو تقویت ملی۔

### مستقبل کا منظر نامہ

پاکستان کے لیے اقتصادی منظر نامہ متوقع طور پر معتدل رہنے کی توقع ہے، جس میں جی ڈی پی کی شرح نمو کا تخمینہ تقریباً 3 فیصد لگایا گیا ہے۔ اس کا انحصار مالیاتی اور ساختی اصلاحات کے کامیاب نفاذ پر ہے۔ اگرچہ کرنٹ اکاؤنٹ خسارہ برقرار رہنے کا امکان ہے، تاہم آئی ایم ایف کے "ایکسٹینڈڈ فنڈ فیسیلٹی" کے تحت ملنے والی امداد اور جاری پالیسی اقدامات سے معیشت کو استحکام ملنے کی توقع ہے۔

توقع ہے کہ ماہری پالیسی معتدل رہے گی، جس میں افراط زر (منگانی) پر قابو پانے اور معاشی ترقی کی حمایت کے درمیان توازن برقرار رکھا جائے گا۔ درمیانی مدت میں استحکام برقرار رکھنے اور معتدل ترقی کے فروغ کے لیے مالیاتی استحکام، توانائی کے شعبے میں اصلاحات اور ساختی بہتری پر مسلسل توجہ کلیدی اہمیت کی حامل ہوگی۔

مارکیٹ فنانس مارکیٹ نے 2025 کے دوران نمایاں بحالی ظاہر کی، جس کی وجہ شرح سود میں کمی کا رجحان اور نئے و جدید قرضہ جاتی مصنوعات کا تعارف تھا۔ اس کے نتیجے میں، مارکیٹ میں سال بہ سال مضبوط ترقی ریکارڈ کی گئی۔

مستقبل کے تناظر میں، صنعتی جائزے یہ ظاہر کرتے ہیں کہ سال 2026 مارگیج فنانس کے شعبے کے لیے مثبت رہنے کی توقع ہے۔ قرض دہندگان 70 سے 80 ارب روپے کی حد میں نئی ادائیگیوں (Disbursements) کی توقع کر رہے ہیں، جس کا تخمینہ سال کے دوران مارکیٹ میں تقریباً 15 سے 20 فیصد تک مجموعی پھیلاؤ کی صورت میں لگایا گیا ہے۔ 2020 میں شروع کی گئی میرا پاکستان میرا گھر اسکیم کی کامیابی کے بعد، حکومت نے معاشرے کے کم آمدنی والے طبقے کے لیے اسی طرح کی ایک اور اسکیم "میرا گھر میرا تھیانہ" کے نام سے شروع کی ہے۔ PMRC اس اقدام کی معاونت کے لیے پہلے ہی پروڈکٹ سوئٹس (مصنوعات کا مجموعہ) تیار کر چکا ہے۔

یہ عوامل، شرح سود کی سطح، تعمیراتی سرگرمیوں میں اضافے اور مختلف (REIT) اسکیموں کے آغاز کے ساتھ مل کر، ہاؤسنگ مارکیٹ کی "طلب اور رسد دونوں اطراف کی معاشیات (Economics)" میں بہتری لانے میں معاون ثابت ہوں گے۔

PMRC کی گریڈ فناننگ پروڈکٹ، جسے 2024 کے اواخر میں متعارف کرایا گیا تھا، کافی مقبولیت حاصل کر چکی ہے، اور پائیدار ہاؤسنگ سوشل کو فروغ دینے والے بینکوں کی جانب سے اس میں دلچسپی اور استعمال میں مسلسل اضافہ ہو رہا ہے۔ یہ سٹریٹجک طریقہ کار PMRC کو اس قابل بناتا ہے کہ وہ مارکیٹ کے مختلف حصوں میں مارگیج فنانس تک رسائی کو مؤثر طریقے سے وسیع کرے اور ساتھ ہی پائیدار ہاؤسنگ فنانس کے اقدامات کی قیادت جاری رکھے۔

## انسانی سرمایہ کاری کو زیادہ سے زیادہ بنانا

کمپنی افرادی قوت کی بھرتی کی ٹارگٹ حکمت عملی، ملازمین کی ترقی کے جامع پروگراموں اور مشغولیت کے نوس اقدامات کے ذریعے اپنے عملے کی بھرتی کی صلاحیتوں کو بھرپور طریقے سے بروئے کار لاتی ہے۔ ان کوششوں کے ساتھ ساتھ، تنوع اور شمولیت، تنظیمی و انفرادی ترقی پر بھرپور توجہ، اور بہترین کارکردگی کا اعتراف، پورے ادارے میں ایک بہترین کلچر کو پروان چڑھانے کے لیے لازمی جہد ہیں۔

## کارپوریٹ سوشل ریسپانسبلٹی

PMRC میں ہماری کامیابی ہماری کمیونٹی، صارفین اور ملازمین کی فلاح و بہبود اور ترقی کے ساتھ گہرا تعلق رکھتی ہے۔ ہم اپنے کاروبار کو اس انداز میں چلانے کے لیے پرعزم ہیں جو تمام اسٹیک ہولڈرز کے لیے باہمی قدر پیدا کرے۔ کارپوریٹ سماجی ذمہ داری (CSR) پائیدار اثرات مرتب کرنے میں ایک اہم کردار ادا کرتی ہے اور یہ ہمارے آپریشنز کے ایک بنیادی عنصر کے طور پر موجود ہے۔

سال کے دوران کمپنی نے صحت اور تعلیم کے شعبوں سے وابستہ مختلف اداروں کی معاونت کے ذریعے متعدد سماجی اقدامات کی بھرپور حمایت کی۔ اس ضمن میں Karachi Down Syndrome Program (KDSP) کو ترقی دینے کے قیام میں معاونت فراہم کی گئی The Kidney Centre کو اہم طبی آلات کی خریداری میں مدد دی گئی، جبکہ The Indus Hospital کو ایمرجنسی نگہداشت کی سہولیات کو بہتر بنانے کے لیے ڈیفنڈیشن پروگرام کی فراہمی کے ذریعے تعاون فراہم کیا گیا۔ مزید برآں، کمپنی نے Family Educational Services Foundation (FESF) کے ساتھ تعاون کرتے ہوئے ملک بھر کے متعدد ہسپتالوں میں ڈائریکٹرز اور پانی کی بوتلیں فراہم کر کے صاف پانی تک رسائی کو بہتر بنانے میں اپنا کردار ادا کیا۔ یہ تمام اقدامات سماجی ذمہ داری اور کمیونٹی کی فلاح و بہبود کے لیے کمپنی کے مسلسل عزم کی عکاسی کرتے ہیں۔

اس عزم کے تحت PMRC نے صحت اور تعلیم کے شعبوں میں متعدد خیراتی اقدامات کے لیے 1 کروڑ روپے مختص کیے، تاکہ باہمی اور دیرپا سماجی ترقی کو فروغ دیا جاسکے۔

## پائیداری کے خطرات کا انتظام اور DE&I اقدامات

PMRC، ایک ریگولیٹڈ ترقیاتی مالیاتی ادارے (DFI) کے طور پر جو بول سیل مارگیج ری فنانس ادارے کے طور پر کام کر رہا ہے، محدود براہ راست ماحولیاتی اور سماجی اثرات رکھتا ہے۔ کمپنی تعمیرات، ریئل اسٹیٹ ڈویلپمنٹ، یا براہ راست ریئل مارگیج لینڈنگ (عوام کو قرضہ دہی) میں شامل نہیں ہے۔

PMRC کے پائیداری سے وابستہ خطرات بنیادی طور پر باواسطہ ان مارگیج پورٹ فولیوز کے ذریعے پیدا ہوتے ہیں جو شریک مالیاتی اداروں کی جانب سے بطور ضمانت قبول کیے جاتے ہیں۔ ان خطرات میں زیر کفالت مارگیج شدہ جائیدادوں سے منسلک ماحولیاتی اور سماجی خطرات، ضمانت کی مالیت کو متاثر کرنے والے موسمیاتی تبدیلیوں کے حتمی خطرات، اور اس کے ساتھ ساتھ ریگولیٹری اور سیکورٹیز سے متعلق خطرات شامل ہیں۔

ان خطرات کا انتظام PMRC کے رسک مینجمنٹ فریم ورک اور بورڈ سے منظور شدہ ماحولیاتی اور سماجی رسک مینجمنٹ پالیسی اور ماحولیاتی اور سماجی مینجمنٹ سسٹم کے ذریعے کیا جاتا ہے، جو متعلقہ پاکستانی قوانین، ریگولیٹری ہدایات اور بین الاقوامی معیار کے مطابق ہیں۔

- ایک متعین کردہ ماحولیاتی اور سماجی اخراج کی فہرست (Exclusion List) سے ذریعے (ممنوعہ سرگرمیوں کو روکنا)۔
- مارکیٹ پورٹ فولیوز کے لیے ماحولیاتی اور سماجی اسکریننگ کے لازمی معیارات۔
- صارفین (PFIs) کے اپنے ماحولیاتی اور سماجی رسک مینجمنٹ سسٹمز کا معائنہ۔
- ضامتی پورٹ فولیوز (Collateral Portfolios) کی ادائیگی سے پہلے اور بعد کی باقاعدہ مانیٹرنگ۔
- ری فناننگ کے معاہدوں میں شامل ماحولیاتی اور سماجی شرائط (Covenants)

پائیداری سے وابستہ خطرات کی نگرانی بورڈ کی جانب سے 'بورڈ رسک کمیٹی' (BRC) کے ذریعے کی جاتی ہے، جس میں انتظامیہ (Management) کی طرف سے وقتاً فوقتاً رپورٹنگ کی جاتی ہے۔ سال کے دوران، ان خطرات کا جائزہ لیا گیا اور PMRC کے کاروباری ماڈل اور کنٹرول فریم ورک کے پیش نظر انہیں کم اور قابل انتظام قرار دیا گیا۔

PMRC ذمہ دارانہ مالیات (Responsible Finance) کے لیے پرعزم ہے اور ریگولیٹری توقعات میں ہونے والی تبدیلیوں کے مطابق اپنی پائیداری (Sustainability) کے طریقوں اور انکشافات (Disclosures) کو مزید بہتر بناتا رہے گا۔

## تنوع اور شمولیت

PMRC افراد کی عمر، صنف، نسل، مذہب، معذوری، تعلیم اور قومی پس منظر کے فرق کا احترام اور قدر کرتے ہوئے انہیں بااختیار بنانے پر یقین رکھتا ہے۔ کچھ ہر سطح پر تنوع (Diversity) اور شمولیت (Inclusion) کی روایت کو فروغ دینے، پروان چڑھانے اور برقرار رکھنے کے لیے پرعزم ہے۔ کمپنی اس بات کو یقینی بناتی ہے کہ ملازمت سے متعلق تمام فیصلے، بشمول بھرتی، ترقی، تربیت، معاوضہ اور ملازمت برقرار رکھنا، صنف، عمر، نسل، مذہب، معذوری، تعلیم یا قومی پس منظر کی بنیاد پر کسی بھی امتیازی سلوک کے بغیر، صرف میرٹ، قابلیت اور کاروباری ضروریات کی بنیاد پر کیے جائیں۔

صنعتی تنوع (Gender Diversity) کو فروغ دینے کے لیے، کمپنی نے اپنی افرادی قوت میں خواتین کی شرکت کی بھرپور حوصلہ افزائی کی اور بھرتی کے عمل کے دوران اہل خواتین امیدواروں کو مضمناہ موقع فراہم کیا۔

جہاں ممکن ہو سکا، بھرتی کے پیمانے میں مختلف اصناف کی نمائندگی شامل کی گئی تاکہ متوازن اور غیر جانبدارانہ فیصلہ سازی کو یقینی بنایا جاسکے۔ ویب سائٹ اور بھرتی کے پلیٹ فارمز پر ملازمت کے اشتہارات اس طرح دیے گئے تاکہ خواتین اور معذور افراد (Differently abled individuals) کو درخواست دینے کی ترغیب مل سکے۔

کمپنی نے کام کی جگہ پر ایک باوقار اور جامع (Inclusive) ثقافت کو فروغ کو جاری رکھا، جہاں کسی بھی غیر اخلاقی، توہین آمیز، یا متعصبانہ رویے کے لیے 'زیرو ٹولرنس' (قطعی برداشت نہ کرنے) کی پالیسی برقرار رکھی گئی۔ شعبہ جاتی سربراہان (Departmental Heads) کو اس بات کا ذمہ دار بنایا گیا کہ وہ اپنی ٹیموں میں شمولیت اور مختلف آراء کی قدر کرنے کے عمل کو پروان چڑھائیں۔

اس کے علاوہ، انٹرنل پروگرامز منعقد کیے گئے جن میں طلبات اور فارغ التحصیل خواتین کی شرکت پر خصوصی توجہ دی گئی، تاکہ صنفی طور پر متوازن اور باصلاحیت افرادی قوت کی فراہمی (Talent Pipeline) کو ممکن بنایا جاسکے۔

## خطرے کے انتظام کا فریم ورک

بورڈ PMRC کو ایک جدید اور مستقبل بین (Forward thinking) ادارے کے طور پر آگے بڑھانے کے اپنے عزم پر قائم ہے، جو پائیدار طویل مدتی قدر پیدا کرنے کے لیے وقف ہے۔ جاری تمام کارروائیاں مضبوط کارپوریٹ گورننس اور جامع رسک مینجمنٹ کے طریقوں پر استوار ہیں، جو ایک قابل بحروسہ اور معتبر مالیاتی ادارے کے طور پر ہمارے کردار کی توثیق کرتی ہیں۔

PMRC کا رسک مینجمنٹ فریم ورک خطرات کی نشاندہی کرنے، ان کا تخمینہ لگانے اور انہیں کم کرنے کے لیے اس طرح ترتیب دیا گیا ہے کہ ان کے ممکنہ اثرات کو کم سے کم کیا جاسکے اور کمپنی کے اسٹریٹجک مقاصد کی کامیاب تکمیل کو ممکن بنایا جاسکے۔ انتظامیہ اس بات کی تصدیق کرتی ہے کہ موجودہ داخلی کنٹرول (Internal Control) کا نظام بہترین طور پر ڈیزائن کیا گیا ہے، موثر طریقے سے نافذ العمل ہے، اور اس کی باقاعدگی سے نگرانی کی جاتی ہے۔ کنٹرول کے ماحول کو مسلسل بہتر بنایا جا رہا ہے، جس میں تکنیکی ترقی بھی شامل ہے۔ بورڈ، داخلی کنٹرول کی مجموعی تاثیر (بشمول مالیاتی رپورٹنگ سے متعلق کنٹرولز) کے بارے میں انتظامیہ کے جائزے کی مکمل تائید کرتا ہے۔

## ڈویڈنڈ اور مختصیاں

ڈائریکٹرز نے 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے 1.5 روپے فی شیئر (2024: 1.5 روپے فی شیئر) نقد منافع (Cash Dividend) کی سفارش کی ہے، جو کہ آئندہ سالانہ جنرل میٹنگ (AGM) میں حصص یافتگان کی منظوری سے مشروط ہے۔ مزید برآں، بورڈ نے بینکنگ کمپنیز آرڈیننس 1962 کے تقاضوں کی تعمیل میں، رواں سال کے منافع میں سے 562.431 ملین روپے قانونی ریزرو (Statutory Reserve) میں منتقل کرنے کی منظوری دی ہے۔

## کریڈٹ ریٹنگز

PMRC کے کریڈٹ اور مارکیٹ رسک سے محدود تعلق، سرمایہ کاری کے مضبوط متوقع اشاریوں، مضبوط اسپانسرز، تجربہ کار اور پیشہ ورانہ انتظامی ٹیم اور رسک مینجمنٹ کے ٹھوس کنٹرولز کی بنیاد پر، VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے ادارے کو "AAA/A-1+" (نریٹیل اے / اے-1-ون پلس) کی ریٹنگز تفویض کی ہیں۔ ان ریٹنگز کے لیے مستقبل کا مظہر نامہ (Outlook) 'مستحکم' (Stable) قرار دیا گیا ہے۔

## داخلی کنٹرولز کا بیان

بورڈ سالانہ رپورٹ میں پیش کردہ داخلی کنٹرولز (Internal Controls) سے متعلق انتظامیہ کے بیان کی توثیق کرتے ہوئے اپنے اطمینان کا اظہار کرتا ہے۔ اسٹیٹ بینک آف پاکستان کی داخلی کنٹرولز سے متعلق گائیڈ لائنز کے عین مطابق، کمپنی نے ڈی ایف آئی (DFI) کے تمام آپریشنز میں خطرات کی نشاندہی، تخمینہ کاری اور ان کے انتظام کے لیے مضبوط طریقہ کار وضع کرنے اور انہیں نافذ کرنے کے لیے منظم اور مربوط کوششیں کی ہیں۔ ان اقدامات کا مقصد خطرات (Risk Exposures) کے اثرات کو مؤثر طریقے سے کم کرنا اور آپریشنز کی ہموار اور مستحکم انجام دہی کو یقینی بنانا ہے۔ خطرات کے بدلتے ہوئے ماحول کو مد نظر رکھتے ہوئے، کمپنی نئے ابھرتے ہوئے خطرات اور چیلنجز سے نمٹنے کے لیے اپنے عمل (Processes) کے مسلسل جائزے اور ان کی بہتری کے لیے پرعزم ہے۔ داخلی کنٹرولز کے فریم ورک کو مزید مضبوط بنانے کے لیے مسلسل اصلاحات کی جا رہی ہیں، تاکہ ریگولیٹری تقاضوں اور صنعت کے بہترین طریقوں (Best Practices) کے ساتھ مسلسل ہم آہنگی کو یقینی بنایا جاسکے۔

## کارپوریٹ گورننس

بورڈ آف ڈائریکٹرز نے ایس ای سی پی کی جانب سے رضاکارانہ بنیادوں پر جاری کردہ کوڈ آف کارپوریٹ گورننس کو اپنایا ہے کیونکہ بورڈ بہترین گورننس کے طریقوں کو یقینی بنانے کے لیے پرعزم ہے۔ ڈائریکٹرز کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ:

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے، کمپنی کے معاملات، آپریشنز کے نتائج، کیش فلو اور ایکٹیویٹی میں تبدیلیوں کو مصفاہ طور پر پیش کرتے ہیں۔
- کھاتوں کی مناسب دیکھ بھال برقرار رکھی گئی ہیں۔
- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے، سوائے اکاؤنٹنگ پالیسیوں میں تبدیلیوں کے جیسا کہ نوٹ '4' میں بیان کیا گیا ہے۔ اکاؤنٹنگ تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہوتے ہیں۔
- پاکستان میں نافذ العمل IFRS اکاؤنٹنگ اینڈرڈز کی مکمل پیروی کی گئی ہے۔
- کمپنی میں اندرونی کنٹرول کا نظام ڈیزائن کے لحاظ سے درست ہے اور اسے مؤثر طریقے سے لاگو کیا جاتا ہے اور اس کی نگرانی کی جاتی ہے۔
- PMRC کی ایک ترقی کرتی کمپنی کے طور پر جاری رکھنے کی صلاحیت کے بارے میں کوئی خاص شک نہیں ہے۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی نمایاں کمی نہیں ہوئی ہے سوائے ان کے جیسا کہ تعمیل کے بیان میں وضاحت کی گئی ہے۔
- 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے 562.431 ملین روپے کا منافع قانونی ریزرو (Statutory Reserve) میں منتقل کر دیا گیا ہے۔
- موجودہ بورڈ آف ڈائریکٹرز آٹھ (8) مرد (بیٹیف ایگزیکٹو آفسر کے علاوہ) اور دو (2) خواتین اراکین پر مشتمل ہے۔
- ڈائریکٹرز کے تربیتی پروگراموں کی تفصیلات کوڈ آف کارپوریٹ گورننس کی تعمیل کے بیان میں دی گئی ہیں۔
- کمپنی نے 2025 کے لیے بورڈ کی تشکیص (Board Evaluation) کے لیے 'پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس' کی خدمات حاصل کی ہیں، جو کہ جاری ہے۔
- پی آئی سی جی نے 2024 کے لیے بھی تشکیص مکمل کی تھی جس میں تین بنیادی اجزاء شامل تھے: مجموعی طور پر بورڈ، بورڈ کی کمیٹیاں اور بورڈ کے انفرادی اراکان۔ یہ خود تشکیصی عمل ایک آن لائن پورٹل پر مبنی سوانامے کے ذریعے کیا گیا جس میں جوابات کی رازداری کو یقینی بنایا گیا۔ اس تشکیص کے اہم نتائج درج ذیل تھے:

- بورڈ کی تفویض کی رپورٹ بشمول بورڈ کمیٹیاں
- انفرادی بورڈ ممبر کی تفویض کی رپورٹ
- نتائج کی رپورٹ کا تجزیہ

## ڈائریکٹر شپ میں تبدیلی

رواں سال کے دوران، جناب فرخ قیوم بورڈ سے سبکدوش (Retire) ہو گئے اور ان کی جگہ جناب فواد فرخ کو بطور چیئر مین مقرر کیا گیا۔ ڈائریکٹرز، جناب فواد فرخ کو اپنے مکمل تعاون کا یقین دلاتے ہیں اور کمپنی کی اسٹریٹجک سمت (Strategic Direction) کے تعین میں ان کی قیادت اور رہنمائی کے منتظر ہیں۔

جناب شاہد عالم صدیقی بھی ڈائریکٹر کے عہدے سے سبکدوش ہو گئے۔ بورڈ، جناب فرخ قیوم اور جناب شاہد عالم صدیقی کی جانب سے ان کے دورِ ملازمت کے دوران پیش کی گئی گراں قدر خدمات اور مخلصانہ کاوشوں پر ان کے لیے دلی تعریف اور شکریہ ریکارڈ پر لاتا ہے۔

رواں سال کے دوران جناب معظم افتخار احمد کو کمپنی کا آزاد ڈائریکٹر مقرر کیا گیا۔ سال کے اختتام کے بعد، جناب شاہد عالم صدیقی کی جگہ جناب مسرور عمر کو بطور نان ایگزیکٹو، نان انڈیپنڈنٹ ڈائریکٹر مقرر کیا گیا۔ بورڈ نے مقرر ہونے والے ڈائریکٹرز کو خوش آمدید کہتا ہے اور کمپنی کے گورننس فریم ورک اور نگرانی کے امور (Oversight functions) کو مزید مستحکم کرنے کے لیے ان کے تجربے اور پیشہ ورانہ بصیرت سے مستفید ہونے کا منتظر ہے۔

## بورڈ اور بورڈ کمیٹیوں کی تشکیل

پورے بورڈ میں سات غیر ایگزیکٹو ڈائریکٹرز شامل ہوتے ہیں جو شیئر ہولڈرز کی مختلف طبقات کی نمائندگی کرتے ہیں، تین آزاد ڈائریکٹرز، اور نیٹنگ ڈائریکٹر اور چیف ایگزیکٹو آفیسر بھی شامل ہیں۔ موجودہ بورڈ کی تشکیل، جس میں چیف ایگزیکٹو آفیسر کو شامل نہیں کیا گیا، درج ذیل ہے :

3	آزاد ڈائریکٹرز	i
7	غیر ایگزیکٹو ڈائریکٹرز	ii
0	ایگزیکٹو ڈائریکٹرز	iii
2	خاتون ڈائریکٹرز	iv

بورڈ نے درج ذیل ارکان پر مشتمل کمیٹیاں تشکیل دی ہیں :

الف	آؤٹ کمیٹی
i	جناب معظم افتخار احمد (چیئر مین آزاد ڈائریکٹر)
ii	جناب طیب افضل (ممبر)
iii	جناب احمد تیمور ناصر (ممبر)
ب	HR کمیٹی
i	محترمہ سونیا کریم (چیئر مین آزاد ڈائریکٹر)
ii	جناب بشیر مقبول (ممبر)
iii	جناب طیب افضل (ممبر)
iv	محترمہ مہرین احمد (ممبر)
ج	رسک کمیٹی
i	جناب عمران سرور (چیئر مین)
ii	جناب فواد فرخ (ممبر)
iii	محترمہ ریثا جمی الدین (ممبر)
iv	جناب شاہد عالم صدیقی - 24 دسمبر 2025 سے مستعفی ہو گئے

## کارپوریٹ گورننس اور نامزدگی کمیٹی

		i	جناب احمد تیمور ناصر (چیئر مین آزاد ڈائریکٹر)
		ii	محترمہ مہرین احمد (ممبر)
		iii	جناب مدثر ایچ خان (ممبر)

## شریعی بورڈ کی تشکیل

کمپنی کا شریعی بورڈ دو ارکان پر مشتمل ہے:

نام	عہدہ
i	منشی احسان وقار
ii	ڈاکٹر مفتی محمد یونس علی

## بورڈ (BOD) کے اجلاس

نیچے سال 2025 کے دوران ہونے والے اور شرکت کیے گئے بورڈ اور کمیٹی کے اجلاسوں کی تفصیل دی گئی ہے:

تفصیلات	کارپوریٹ گورننس اینڈ نو مینشن میٹنگز		بی اے سی میٹنگز		بی ایچ آئی میٹنگز		بی آئی میٹنگز		بورڈ میٹنگز		نام	سیریل نمبر
	حاضری	کی تعداد	حاضری	کی تعداد	حاضری	کی تعداد	حاضری	کی تعداد	حاضری	کی تعداد		
	N/A	N/A	5	5	N/A	N/A	N/A	N/A	10	10	جناب احمد تیمور ناصر	۱
اکتوبر 2025 میں BOD کو چھوڑا	3	3	N/A	N/A	2	4	N/A	N/A	6	10	جناب فرخ قیوم	۲
	3	3	N/A	N/A	N/A	N/A	1	4	10	10	جناب فواد فرخ	۳
	N/A	N/A	N/A	N/A	N/A	N/A	4	4	8	10	جناب عمران سرور	۴
اکتوبر 2025 میں BOD میں شامل ہونے	N/A	N/A	1	5	N/A	N/A	N/A	N/A	1	10	جناب معظم افتخار احمد	۵
	N/A	N/A	3	5	2	4	N/A	N/A	10	10	جناب بشر مقبول	۶
دسمبر 2025 میں BOD کو چھوڑا	N/A	N/A	N/A	N/A	N/A	N/A	4	4	10	10	جناب شاہد عالم صدیقی	۷
	N/A	N/A	5	5	2	4	N/A	N/A	10	10	جناب طیب فضل	۸
	N/A	N/A	N/A	N/A	2	4	1	4	9	10	محترمہ ریثا می الدین	۹
	N/A	N/A	N/A	N/A	2	4	3	4	10	10	محترمہ مہرین احمد	۱۰
	N/A	N/A	N/A	N/A	2	4	N/A	N/A	10	10	محترمہ یونیا کریم	۱۱
	3	3	N/A	N/A	N/A	N/A	N/A	N/A	10	10	جناب مدثر ایچ خان	۱۲

## شریعی بورڈ کے اجلاس

سیریل نمبر	نام	اجلاس کی تعداد	حاضری
i	منشی احسان وقار	4	4
ii	ڈاکٹر مفتی محمد یونس علی	4	4

## ملازمین کی ریٹائرمنٹ بینیفٹس فنڈز میں سرمایہ کاری کی قیمت

نیچے دی گئی جدول کمپنی کی جانب سے برقرار رکھے گئے پروویڈنٹ اور گریجویٹ فنڈز کے خالص اثاثے دکھاتی ہے، جو 31 دسمبر 2024 کو ان کے آڈیٹڈ مالیاتی بیانات کی بنیاد پر ہیں۔

روپے "000" میں	ریٹائرمنٹ فنڈ کا نام
117,205	اسٹاف پراویڈنٹ فنڈ
79,287	اسٹاف گریجویٹ فنڈ

## حصص کی ملکیت کا نمونہ

پاکستانی روپے	% ہولڈنگ	حصص کی تعداد ہر حصہ کی قیمت دس روپے ہے	نام	سیریل نمبر
1,800,000,000	28.86%	180,000,000	وزارت خزانہ - اسلامی جمہوریہ پاکستان	۱
900,000,000	14.43%	90,000,000	نیشنل بینک آف پاکستان	۲
750,000,000	12.02%	75,000,000	حبیب بینک لمیٹڈ	۳
750,000,000	12.02%	75,000,000	یونائیٹڈ بینک لمیٹڈ	۴
750,000,000	12.02%	75,000,000	انٹرنیشنل فنانس کارپوریشن	۵
450,000,000	7.21%	45,000,000	عسکری بینک لمیٹڈ	۶
450,000,000	7.21%	45,000,000	بینک الاتحاح لمیٹڈ	۷
300,000,000	4.82%	30,000,000	الائیڈ بینک لمیٹڈ	۸
75,000,000	1.21%	7,500,000	بینک الحیب لمیٹڈ	۹
10,012,500	0.16%	1,001,250	پاؤس بلڈنگ فنانس کمپنی لمیٹڈ	۱۰
2,745,000	0.04%	274,500	بینک کلرم لمیٹڈ سابقہ سمٹ بینک لمیٹڈ	۱۱
1,500	0.00%	150	ڈائریکٹرز / انفرادی	۱۲
6,237,759,000	100.00%	623,775,900		

## آڈیٹرز

موجودہ آڈٹ فرم، میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس)، متعلقہ ریگولیٹری تقاضوں کے مطابق مسلسل پانچ سال کی مدت مکمل ہونے پر، آئندہ ہونے والے سالانہ جنرل میٹنگ (AGM) میں سبکدوش (Retire) ہو جائے گی۔

چنانچہ، بورڈ آڈٹ کمیٹی کی سناراش پر، بورڈ آف ڈائریکٹرز حصص یافتگان (Shareholders) نے 31 دسمبر 2026 کو ختم ہونے والے سال کے لیے میسرز کے پی ایم جی تاثیر بادی اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) کو کمپنی کے قانونی آڈیٹرز (Statutory Auditors) کے طور پر مقرر کرنے کی تجویز دیتا ہے۔ اس قانونی تفویض (Assignment) کے لیے فیس 3,797,500 روپے لگے کی گئی ہے، جس میں اوپری اخراجات (Out of pocket expenses) اور متعلقہ ٹیکس شامل نہیں ہیں اور ان کی ادائیگی اہل لاگت (Actuals) کی بنیاد پر کی جائے گی۔ اس فیس میں ٹرم فنانس سرٹیفیکیشن (TFCs) اور صکوک (Sukuk) کے اجراء اور ميعاد کی تکمیل (Maturity) سے متعلق فی سرٹیفیکیشن جاری کرنے کی لاگت بھی شامل ہے۔

## تعریف اور اعتراف

بورڈ اور انتظامیہ کی جانب سے، ہم PMRC پر اعتماد کرنے کے لیے اپنے حصص یافتگان (Shareholders); اور تعاون، رہنمائی اور نگرانی کے لیے اسٹیٹ بینک آف پاکستان، ایس ای سی پی، دیگر ریگولیٹری اداروں اور ورلڈ بینک گروپ کا حکمرانی ادا کرتے ہیں۔ ہم اپنے تمام ساتھیوں کی انتہک محنت، صارفین کی توقعات پر پورا اترنے کی لگن اور کمپنی کے اہداف و مقاصد کے حصول کے لیے ان کے مخلصانہ عزم کو بھی سراہتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے اور اس کی نمائندگی میں۔



مدیر ایچ خان  
ہیڈنگ ڈائریکٹر ایگزیکٹو آفیسر



نواد فرخ  
چیئرمین

تاریخ: 4 مارچ 2026

# DIRECTORS' PROFILE



## FOUAD FARRUKH

### CHAIRMAN

Mr. Fouad Farrukh has over 27 years of diversified banking experience. He is currently serving as Senior Executive Vice President at National Bank of Pakistan and heading Aitemaad Islamic Banking Group. He is also serving on Boards of Atlas Power Limited and First National Bank Modaraba.

At NBP, he is responsible for growth and development of Islamic banking business and is member of various management committees and chairs two of them.

Prior to joining NBP, he served Faysal Bank Limited for 8 years both as Group Head Retail and Islamic Banking.

He served HBL in Dubai as Risk Head Gulf and then country manager HBL Bahrain.

He did his MBA from Lahore University of Management Sciences on Dean's honours list and BS from University of Maryland USA.



## RISHA MOHYEDDIN

### DIRECTOR

Mr. Risha A. Mohyeddin is the Global Treasurer for HBL, responsible for Sales & Trading businesses (covering Fixed Income, FX, Derivatives & Structured Products, Equities) and Treasury/Balance Sheet Management activities, for the Bank's global franchise.

Previously he has served as Regional Treasurer for Barclays Bank in Dubai and headed businesses in National Bank of Pakistan and United Bank Ltd., Pakistan.

Previously he worked at Citibank as Country Treasurer for Pakistan, and Regional Head of Structuring, based in Bahrain. During his career, Mr. Mohyeddin has worked closely with market bodies and regulatory agencies to help advance the regulatory structure of markets

in several countries in the region, including Pakistan, Egypt and the UAE.

He has an MBA from Melbourne Business School, Australia and a Masters in Finance from Boston College, US.



## SONIA KARIM

### INDEPENDENT DIRECTOR

Sonia Karim is currently working as the Chief Operating Officer of Maxim Agri (Pvt.) Ltd. She is also the founder and CEO for Zaraee – an online marketplace for agricultural inputs. Prior to this, she was heading the power division of Nishat Chunian Group as Managing Director, heading a 200 MW IPP and a 46 MW coal power plant. A senior business leader, with over 20 years of work experience in textile and energy sectors, she has worked in various roles, including marketing, sales, product development and production optimization in textiles; supply chain development, project finance, corporate finance, contract negotiation, policy making, operational optimization and performance measurement in the energy sector.

Sonia did her Bachelors in Electronics Engineering from the Ghulam Ishaq Khan Institute of Engineering Science & Technology and MBA from the Lahore University of Management Sciences. She has done executive courses from AOTS Japan, the London Business School and National University of Singapore.



## IMRAN SARWAR

### DIRECTOR

Mr. Imran Sarwar serves as the Group Executive, Risk and Credit Policy and Group Chief Risk Officer at United Bank Limited.

Mr. Sarwar holds degrees in Business & Accounting from Ohio Wesleyan University and LLB from Punjab University. With over 27 years of diversified banking experience covering Corporate, Institutional, Investment Banking and Risk, he has worked in Pakistan, Australia, UK and UAE. Before joining UBL, he was Head of Corporate and Institutional Banking UAE for Standard Chartered Bank. He joined UBL in August 2017.



## MEHREEN AHMED

### DIRECTOR

Ms. Mehreen Ahmed currently serves as the Group Head – Retail Banking at Bank Alfalah.

In this role, she is responsible for managing the Bank's Retail, Commercial, SME & Consumer businesses across the country.

Her operational network comprises over 525 branches and she leads the banks sales effort for one of the widest product suites in the market.

She is also managing high-impact new businesses including Wealth Management, Premier Banking, and Payroll Banking alongside, Marketing, Communications, and Deposit Products.

She joined Bank Alfalah in 2012 as the Group Head for Consumer Business and New Initiatives. Her banking career spans over 25 years across Pakistan's leading financial institutions including Standard Chartered, MCB, and Soneri Bank Limited.

She holds an MBA in Finance and Marketing from the Institute of Business Administration (IBA), University of Karachi.

Ms. Mehreen Ahmed represents Bank Alfalah on the board of the Pakistan Mortgage Refinance Company (PMRC), and is also a member on the Client Councils of leading international payment schemes.



## AHMED TAIMOOR NASIR

### DIRECTOR

Mr. Ahmed Taimoor Nasir is a Nominee Director, representing the Ministry of Finance, Government of Pakistan on the Board of PMRC.

Presently he is serving as Joint Secretary, Internal Finance Wing, Ministry of Finance, Government of Pakistan. He is also a Nominee Director of the Ministry of Finance on the Board of Zarai Taraqati Bank Limited.

Mr. Taimoor has over 30 years of extensive experience in public sector with the Federal and Provincial Governments as well as with international organizations.

He has previously served as Director General to the Auditor General of Pakistan, Director General of the National Socio-economic Registry at BISP and Joint Secretary in the Power Division.

Mr. Taimoor holds Masters of Sciences (M.Sc.) in Accounting & Finance from Manchester Business School, UK and Masters in Computer Sciences from Shaheed Zulfikar Ali Bhutto Institute of Science and Technology, (SZABIST) as well as Bachelor of Engineering in Civil Engineering from University of Engineering and Technology, Lahore.



## TAYYEB AFZAL

### NOMINEE DIRECTOR

Tayyeb Afzal is an accomplished C-level executive with extensive experience spanning over 45 years across various sectors in geographies. His expertise lies in financial services, manufacturing, and professional services, particularly in the areas of risk governance, leadership, financial management, and strategic planning.

As the first corporate leader in Pakistan to achieve certification in Risk Governance® from the DCRO Institute, Tayyeb has demonstrated a strong commitment to best practices in corporate governance and risk management. His expertise extends to serving as an independent director, business advisor, and mentor to aspiring entrepreneurs, reflecting his dedication to nurturing talent and fostering growth in the business community.

With a reputation for board-level excellence, Tayyeb is widely recognized for his impactful contributions to leading public and private companies in Pakistan. His leadership of audit committees, proficiency in financial optimization, and strategic guidance on initiatives such as IPO planning, M&A, and due diligence underscore his strategic vision and operational acumen.

Having worked in diverse international markets such as the U.K., Canada, and various Middle Eastern countries, Tayyeb brings a global perspective to his roles, leveraging his deep understanding of different cultural contexts and business environments. His experience in external and internal auditing, corporate banking, and equipment leasing further enhances his ability to add value across a spectrum of industries and functional domains.

Tayyeb's professional credentials as a Fellow of the Institute of Chartered Accountants of England & Wales (ICAEW) and a Fellow of The Association of Chartered Certified Accountants (ACCA) of the UK attest to his technical proficiency and commitment to upholding the highest standards of ethical conduct and professional excellence.

In summary, Tayyeb Afzal stands out as a dynamic and visionary leader with a proven track record of driving business success through strategic foresight, analytical thinking, and a deep-seated commitment to fostering organizational growth and innovation. His blend of global experience, industry expertise, and leadership capabilities positions him as a valuable asset to any organization seeking to navigate complex challenges and capitalize on emerging opportunities in today's dynamic business landscape.



## MUBASHAR MAQBOOL

### INDEPENDENT DIRECTOR

Mr. Mubashar Maqbool holds an MBA degree in Finance and International Business from University of Miami, U.S.A. and another MBA in Finance from Quaid-e-Azam University, Pakistan. He has a long, diversified and successful track record in Corporate Banking, Corporate Finance, Project Finance, Commercial Banking, SME Banking as well as General Management. In a career spanning over thirty years, he has held senior positions in renowned local and multinational organizations like Citigroup, Samba Financial Group, KSA, Habib Bank Limited, Pakistan Kuwait Investment Company, etc. both in Pakistan and abroad.

Mr. Mubashar started his banking career with Citibank Pakistan where he held various positions in Corporate Banking Group. In 1997, he was transferred to Saudi American Bank (Samba), Saudi Arabia. He was Division Head, Corporate Banking in Samba Bank till 2004. Mr. Mubashar joined Habib Bank Limited in 2004 and held various senior positions there including Corporate Head – Central, Group Head – Commercial Banking & Retail Lending, Group Head – Commercial Banking and Country Manager / CEO, HBL – UAE. He also represented HBL on the Board of Pakistan Agricultural Storage and Services Corporation (PASSCO).

Mr. Mubashar served as Managing Director, Pak Kuwait Investment Co. (Private) Limited (PKIC) from March 2019 to July 2023. During his tenor at PKIC, he turned PKIC into one of Pakistan's largest and most profitable Financial Institutions. During his tenor, PKIC achieved many historic landmarks like largest project finance portfolio of any DFI, obtaining approval from SBP to setup Pakistan's first and only Islamic Digital Bank, etc. During that time, he also served and contributed meaningfully on the Board of Meezan Bank Limited. He was also Head of Meezan Bank's Board IT Committee, Member Board Risk Management Committee and Board Audit Committee.



## MOAZZAM IFTIKHAR AHMED

### INDEPENDENT DIRECTOR

Mr. Moazzam Iftikhar Ahmed is a fintech entrepreneur and senior investment professional with over 25 years of experience spanning supply-chain finance, development finance, management consulting, and corporate banking. He is the CEO and Co-Founder of Dynamic Resources (CashNowT), where he launched Pakistan's first supply chain finance platform, delivering transactions exceeding PKR 6 billion (as of June 2025). Previously, he served at IFC (World Bank Group) for over 14 years, helping grow Pakistan's portfolio from under \$300 million to over \$1.2 billion, leading major investments across infrastructure and industry, and establishing IFC's Karachi office.

He holds an MBA, Strategy & General Management, from Duke University's Fuqua School of Business, Durham, North Carolina, and a BA, Economics, minor in Urban Studies from The College of Wooster, Ohio.



## MUDASSIR H. KHAN

### MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

Mr. Mudassir H. Khan is the Managing Director/CEO of Pakistan Mortgage Refinance Company. Mr. Khan holds an Executive Masters in Business Administration (update) from Stern School of Business, New York, USA and a Masters in Finance from St. John's University, New York, USA.

He is also an Electrical Engineer from University of Oklahoma, USA.

With over 29 years of diversified banking experience primarily covering Retail, Corporate & Investment Banking, Operations, Risk and Development Banking.

Before joining PMRC, Mr. Khan worked with National Bank of Pakistan for four years as SEVP/Group Chief Retail & Commercial Banking and as Group Chief Payments & Digital Banking.

Prior to that, he was with HBL for nine years, holding different portfolios as SEVP Group Head Global Operations, CIO, CCO and Head of Basel and Operational Risk.

He also worked with the World Bank for more than fourteen years in the area of Financial Sector, South Asia Region, based in Pakistan and also worked in Afghanistan, Bangladesh, Nepal, Maldives; as well as in the Africa Region in Ghana, Uganda, Kenya and Sierra Leone.

Before joining the World Bank, he worked in the field of Corporate and Investment Banking with Citibank, N.A and Bear Stearns in Pakistan and in USA.

Mr. Khan had been a speaker at many conferences locally and internationally related to housing finance, banking & digital transformation, banking operations and reforms and risk management.

He had also served in many Boards as Director and was the Chairman of NBP Fullerton Asset Management (NAFA) and of First Women Bank Limited (FWBL).

He is currently MD/CEO PMRC and member of the Board of Pakistan Microfinance Network as Independent, Non-Executive Director.

# SHARIAH BOARD MEMBERS



## MUFTI EHSAN WAQUAR

### CHAIRMAN, SHARIAH BOARD - PAKISTAN MORTGAGE REFINANCE COMPANY

Mufti Ehsan Waquar serves as Chairman of the Shariah Board (CSB) of PMRC, where he provides independent Shariah oversight for Islamic business and investment products. His role includes guiding Shariah governance, product structuring, and regulatory compliance in line with industry best practices.

He brings over two decades of experience in the Islamic Financial Services Industry and has advised a select group of leading national and international institutions, including NBP Funds, National Bank of Pakistan, Securities and Exchange Commission of Pakistan, United Bank Limited, Al Baraka Bank Pakistan, Yasaar Ltd. (UAE & UK), Minhaj Advisory (UAE) and the International Finance Corporation (World Bank Group).

Mufti Ehsan Waquar holds an MBA in Finance from the Institute of Business Management (IoBM) and a Master's in Economics from the University of Karachi. He has also completed a comprehensive traditional Islamic education and graduated as a Mufti, earning a Shahadat-al-alimiyyah with specialization (Takhassus) in Islamic Jurisprudence from Jamia-tur-Rasheed. In addition, he holds a Bachelor's degree in Law (LLB). This unique multidisciplinary academic background enables him to effectively bridge modern banking practices with Shariah principles.

At PMRC, he played a key role in the development of Shariah-compliant credit guarantee scheme, that is the initiative of the Government of Pakistan to promote low-income house buyers and facilitating them with creating a guarantee trust scheme.

In addition to his advisory roles, he serves as the Founder and Chief Executive Officer of ESAAC (Ehsan Shariah Advisors & Consultants Pvt. Ltd.) and as Vice Chancellor of Al-Ghazali University. His academic and professional qualifications support his effective and practical Shariah leadership at PMRC.



## DR. MUFTI MUHAMMAD YUNAS ALI

### RESIDENT SHARI'AH BOARD MEMBER & HEAD SHARI'AH COMPLIANCE

Dr Mufti Muhammad Yunas Ali is an experienced scholar in Islamic banking and finance with over two decades of experience in banking, research, Ifta and teaching. Since joining PMRC in 2018 as the Islamic Business & Product Manager, he now serves as the Resident Shari'ah Board Member (RSBM) and Head of Shariah Compliance.

Dr Ali has published numerous books and research papers, including a pioneering work on the elimination of Riba in light of the Federal Shariat Court's judgment. He is actively involved in academia and has taught courses on Islamic Banking, Finance and Takaful at leading institutions including the University of Karachi (UoK), NIBAF, ICAP and others.

Dr Ali holds a Ph.D. and Master's degree in Islamic Banking & Finance from the UoK. He has also completed Takhassus-fil-Fiqh wal-Ifta and Al-Shahadul Aalamiyyah.

# OUR TEAM



## Standing Left to Right

Mehmood Uzair – Head Risk  
Naved Hanif – Company Secretary  
Farrukh Zaheer – Head Treasury & FIs

## Sitting Left to Right

Syed Zafar Alam Tirmizi – Head Business & Products  
Mudassir H. Khan – Managing Director & CEO  
Iffat Hina – Head HR & Admin  
Omair Farooqi – CFO & Group Head Operations



## Standing Left to Right

Hasan Junaid Nasir – Head Islamic Business  
Syed Zafar Alam Tirmizi – Head Business & Products  
Mehmood Uzair – Head Risk  
Naved Hanif – Company Secretary  
Farrukh Zaheer – Head Treasury & FIs  
Waseem Ahmed Hashmi – Head Internal Audit  
Badar Munir – Head IT

## Sitting Left to Right

Farheen Amjad – Head Finance  
Mudassir H. Khan – Managing Director & CEO  
Omair Farooqi – CFO & Group Head Operations  
Iffat Hina – Head HR & Admin

# EMPLOYEE ENGAGEMENT

## CONNECTING TALENT, BUILDING FUTURES

During the year, PMRC participated for the first time in prominent university career fairs organized by leading institutions such as IBA and IoBM. The initiative enhanced PMRC's visibility among early-career professionals and built meaningful connections with students and alumni from leading academic institutions.

This step reflects the organization's focus on expanding its presence and nurturing talent.



## MAVERICK MENTORSHIP PROGRAM FOR IBA STUDENT

During the year, IBA invited PMRC's HR team to provide mentorship to their students. This initiative allowed HR professionals to share their knowledge, experience, and practical insights, helping students better understand career pathways, workplace expectations, and professional development. The program reinforced PMRC's commitment to supporting education and guiding the next generation of talent



## CELEBRATING WOMEN'S DAY AT PMRC: TOGETHER FOR EQUALITY, TOGETHER FOR GROWTH

International Women's Day serves as a moment to acknowledge the vital role women play in shaping society across social, economic, and professional spheres. It recognizes the determination, resilience, and dedication women demonstrate in balancing responsibilities and contributing meaningfully, often in the face of ongoing challenges.

At PMRC, the day was observed by highlighting the contributions, achievements, and continued commitment of women across the organization. Their efforts significantly support organizational effectiveness and contribute to maintaining a professional, inclusive, and respectful work environment. The observance reaffirmed PMRC's dedication to promoting equality, inclusion, and opportunities that support the growth and advancement of women at all levels of the organization.



## EID CELEBRATIONS AT PMRC

PMRC celebrated Eid-ul-Fitr and Eid-ul-Adha with joyous office gatherings and festive dinners that encouraged team interaction and camaraderie. These events provided staff the opportunity to connect, share happiness, and enjoy time together in a warm and cheerful environment. The celebrations reflect PMRC's commitment to fostering a supportive atmosphere and reinforcing a strong sense of community within the organization.



## 14TH AUGUST CELEBRATION

PMRC commemorated Pakistan's 78th Independence Day with a dignified ceremony that honored the nation's history and the sacrifices made for freedom. The event featured a flag-hoisting followed by the national anthem, creating a sense of unity and respect. Staff participation reflected a shared pride in the country's heritage and values.

The celebration highlighted qualities such as perseverance, responsibility, and dedication, connecting these principles to the organization's mission and work culture. The gathering also offered staff the chance to socialize and enjoy the occasion together, fostering team spirit.



## BREAST CANCER AWARENESS SESSION: AWARENESS EMPOWERS, EARLY DETECTION SAVES LIVES

During Pinktober, PMRC partnered with Indus Hospital to organize an educational session on breast cancer. The program highlighted the importance of preventive care, early detection, and regular screenings in improving treatment outcomes and overall health. Staff received practical guidance on recognizing early warning signs, understanding risk factors, and addressing common misconceptions, including that men can also be affected. Employees were encouraged to share this knowledge with family and friends, promoting proactive health practices beyond the workplace.

The initiative reflects PMRC's commitment to promoting health awareness and supporting the well-being of its staff.



## WORLD MENTAL HEALTH DAY - PROMOTING EMPLOYEE WELL-BEING

PMRC highlighted the importance of mental well-being as a foundation for a balanced and productive life. For this purpose, PMRC invited a certified wellness coach and mental health advocate to lead an interactive session for employees, focusing on stress management, self-care practices, and practical ways to maintain mental balance.

The program included hands-on techniques for managing everyday challenges and featured engaging activities, such as the "Fitness Bowl," to support both physical and emotional wellness. Employees were encouraged to reflect on their personal well-being and adopt habits that promote a healthier mind and body. The session reflected PMRC's commitment to supporting mental health in the workplace, providing staff with practical guidance and activities that help them stay balanced, resilient, and motivated.



## CORPORATE SOCIAL RESPONSIBILITY: BLOOD DONATION INITIATIVE

PMRC reaffirmed its dedication to social responsibility by organizing a Blood Donation Initiative in partnership with the Fatimid Foundation, aimed at supporting patients with Thalassemia and promoting awareness about the importance of voluntary blood donation. The initiative provided a structured platform for employees to actively contribute to the well-being of the community, demonstrating the organization's focus on civic engagement and social impact.

By collaborating with reputable organizations such as the Fatimid Foundation, PMRC ensures that its CSR activities are meaningful, sustainable, and aligned with the organization's broader mission of creating positive societal change. The initiative underscores the company's ongoing efforts to promote health, well-being, and community development while reinforcing its core values of care, social stewardship, and corporate responsibility.



## BIRTHDAY CELEBRATIONS—FOSTERING A POSITIVE WORK ENVIRONMENT: STAFF RECOGNITION INITIATIVES

In 2025, PMRC focused on celebrating personal milestones to foster a sense of appreciation within the organization. Staff birthdays were acknowledged through organized celebrations, highlighting individual contributions. Such recognition reflects PMRC's dedication to employee well-being, motivation, and a positive workplace culture.



# CSR ENGAGEMENT

PMRC demonstrates a strong commitment to CSR and its mission to create a meaningful impact, reflecting the organization's dedication to fostering positive and lasting change in the communities served. During the year, the organization supported FESF, KDSP, The Kidney Center, and The Indus Hospital, enhancing access to clean water, vocational training, healthcare equipment, and emergency care. These initiatives highlight PMRC's ongoing focus on addressing community needs and promoting well-being, education, and healthcare across the regions it serves.

## FESF

PMRC provided financial support to FESF campuses in Jhelum, Lahore, Karachi, Hyderabad, Rashidabad, Nawabshah, and Sukkur to enhance access to clean drinking water. This initiative aimed to promote a healthier learning environment for students and staff.



## KARACHI DOWN SYNDROME PROGRAM (KDSP)

PMRC supported the establishment of a training kitchen at the Karachi Down Syndrome Program. The initiative was intended to facilitate vocational skill development and promote greater independence and inclusion for individuals with Down syndrome.



## THE KIDNEY CENTER

PMRC extended financial support toward the procurement of dialysis machine for The Kidney Center. This support strengthened the institution's capacity to deliver critical renal care services and respond effectively to patient needs.



## THE INDUS HOSPITAL

PMRC provided financial assistance for the procurement of defibrillators at The Indus Hospital. This initiative contributed to improved emergency response capabilities and enhanced the quality of patient care.



## TRAININGS

During the year, PMRC continued to place a strong emphasis on workforce development as a key pillar of organizational sustainability. A total of 2,554.5 training hours were delivered, encompassing both internal programs and external Islamic trainings conducted by renowned institutes. Capacity-building workshops focused on enhancing leadership skills, effective communication, and analytical problem-solving, while specialized sessions on Anti-Money Laundering (AML) strengthened compliance knowledge and professional competencies across the organization.



## PMRC ANNUAL PICNIC

PMRC organized its Annual Picnic, bringing together employees for a day of relaxation, engagement, and team bonding. The event offered staff an opportunity to connect outside the workplace, fostering stronger relationships and reinforcing a culture of collaboration and camaraderie.

The picnic featured a variety of recreational activities, interactive games, and shared meals, creating an atmosphere of enjoyment and appreciation. Through these informal interactions, employees strengthened interpersonal connections, celebrated collective achievements, and reflected on the organization's successes over the year.

This initiative highlights PMRC's commitment to employee well-being, engagement, and recognition. By providing opportunities that promote teamwork, morale, and a sense of belonging, the organization continues to cultivate a supportive and inclusive workplace. The Annual Picnic serves as a reminder that PMRC's greatest strength lies in its people, whose dedication and collaboration drive the organization's ongoing growth and success.





# EVENT HIGHLIGHTS

## PMRC IS PROUD TO WELCOME NBP FUND'S INVESTMENT IN ITS CERTIFICATE OF INVESTMENT (24TH MARCH, 2025)

Pakistan Mortgage Refinance Company (PMRC) is committed to expanding access to affordable housing finance in Pakistan. As a leading Development Finance Institution (DFI), PMRC sets high standards for mortgage practices and offers innovative financial solutions to support the growth and development of the country's mortgage market. To strengthen and diversify PMRC has introduced Certificate of Investment as a new avenue for investors.

PMRC is proud to welcome NBP Fund's investment in its Certificate of Investment, a testament to the strength of our long-term relationship. This collaboration reflects a continued journey of mutual trust, strategic alignment, and a shared vision for deepening capital markets through secure and impactful investment solutions.

Here's to building on this foundation and achieving even greater success together.



## TRAINING SESSION ON BEST PRACTICES IN HOUSING FINANCE, MORTGAGE LOAN DOCUMENTATION AND MQS (27TH MARCH, 2025)

On Thursday, March 27, 2025, PMRC hosted a training session for its Partner Financial Institutions (PFIs). The session covered key topics, including best practices in housing finance, the current housing market scenario, the importance of standardizing mortgage documentation, PMRC's eligibility criteria, and Minimum Quality Standards (MQS).

The training was conducted by Mr. Jamil Akhtar, Head of Product at PMRC. Representatives from Meezan Bank, JS Bank, Bank Al-Habib, Bank Alfalah, HBL, Faysal Bank, Soneri Bank, SAFCO, Assan Ghar, and HBFCL attended the session.



## FAYSAL ASSET MANAGEMENT LIMITED (FAML) AND PAKISTAN MORTGAGE REFINANCE COMPANY (PMRC) MOU (21ST APRIL, 2025)

Faysal Asset Management Limited (FAML) and Pakistan Mortgage Refinance Company (PMRC) have entered into a Memorandum of Understanding (MoU), with FAML as the launch customer for the Certificate of Islamic Investment, signifying its confidence in PMRC's innovative and secure investment offerings.

This collaboration underscores the strength of their long-standing relationship and reflects a shared vision, strategic alignment, and mutual trust in advancing Pakistan's capital markets through impactful and ethical investment solutions. Both organizations reaffirm their commitment to working together in a spirit of transparency, partnership, and shared success, with the overarching goal of strengthening Pakistan's financial ecosystem.

Together, FAML and PMRC aim to foster innovation and growth in Pakistan's Islamic finance landscape.



## PAKISTAN MORTGAGE REFINANCE COMPANY (PMRC) AND TPL INSURANCE JOIN FORCES TO BOOST MORTGAGE MARKET IN PAKISTAN (6TH MAY, 2025)

Pakistan Mortgage Refinance Company (PMRC) and TPL Insurance Join Forces to Boost Mortgage Market in Pakistan Dated: May 6, 2025 PMRC has partnered with TPL Insurance to provide coverage for the Loan-to-Value (LTV) Guarantee product—an initiative aimed at enhancing mortgage affordability and accessibility for middle-income first-time home buyers. This collaboration empowers PMRC's Partner Financial Institutions (PFIs) to extend additional credit to eligible borrowers within regulatory limits, by mitigating the associated credit risk. The LTV Guarantee product is designed to encourage greater participation in the housing finance market, lowering the initial cost burden on consumers and enabling PFIs to support more homebuyers with confidence. Together, PMRC and TPL are committed to fostering financial inclusion and expanding homeownership opportunities across Pakistan.



## ADB WATER AND URBAN DEVELOPMENT FORUM HELD AT ADB HEADQUARTERS IN MANILA, PHILIPPINES (28TH MAY, 2025)

Mudassir H. Khan, MD/CEO of PMRC was invited for the ADB Water and Urban Development Forum held at ADB Headquarters in Manila, Philippines from 28–30 May 2025. He spoke on the need for expanding affordable, safe and green housing in Pakistan and other regional countries. He shared insights on SPHF’s post-flood housing reconstruction initiative and PMRC’s pivotal role in strengthening the housing finance ecosystem to promote inclusive and sustainable homeownership. The session showcased national programs across Asia, including Pakistan’s Green and Resilient Affordable Housing Program, and explored innovative strategies to ensure resilience, social inclusion, and affordability in urban housing development.



## ROUNDTABLE CONFERENCE ON MORTGAGE MARKET INNOVATIONS AND NEW PRODUCT IDEAS (3RD JUNE, 2025)

Pakistan Mortgage Refinance Company (PMRC) hosted a Roundtable Conference on “Mortgage Market Innovations and New Product Ideas” on June 3, 2025, at its head office in Karachi.

The event brought together senior representatives from leading mortgage finance institutions, including NBP, HBL, MCB, ABL, BoK, Askari Bank, Meezan Bank, JS Bank, Al Baraka Bank, Bank Alfalah, SNBL, HBL Microfinance Bank, LOLC Microfinance Bank, ASA Microfinance Bank, HBFCL, and also key stakeholders such as IFC, PMN, Punjab Affordable Housing Program, and TPL Insurance.

The discussion focused on the current housing market landscape and explored opportunities to expand mortgage finance in Pakistan. Participants highlighted the urgent need to introduce and scale Sustainable, Affordable, Green, and Resilient mortgage solutions.

Valuable recommendations to improve existing products and develop new, consumer-responsive offerings were discussed and debated. The conference ended with many action items to promote the mortgage market. PMRC remains committed to fostering collaboration and innovation to help bridge the housing gap and enhance access to homeownership for all.



## TRAINING WORKSHOP

(12TH SEPTEMBER, 2025)

At PMRC, we are committed to strengthening Pakistan's housing finance ecosystem through knowledge, innovation, and collaboration. Staying ahead of evolving market dynamics is essential for building sustainable solutions that expand access to housing finance.

In pursuit of this vision, our Business and Product team organized a comprehensive training workshop on September 12, 2025, at PMRC. The program provided insights on the current mortgage market landscape and highlighted PMRC's latest product offerings designed to support the growth of mortgage financing in Pakistan.

By investing in capacity building, we aim to equip stakeholders with the knowledge and tools required to drive innovation and enable more Pakistanis to realize the dream of homeownership.



## PMRC JOURNEY

(15TH SEPTEMBER, 2025)

At the Technical Deep Dive (TDD) workshop on Public-Private Partnerships for Affordable Housing. Organized by The World Bank Tokyo Development Learning Center (TDLC) at Tokyo and Yokohama, Japan from September 15 to 19, 2025. Mudassir H. Khan (MD/CEO PMRC) presented PMRC's Journey and role it has played in the development of mortgage market in Pakistan.



## TECHNICAL DEEP DIVE (TDD) WORKSHOP ON PUBLIC-PRIVATE PARTNERSHIPS FOR AFFORDABLE HOUSING (15TH SEPTEMBER, 2025)

PMRC Participation in Technical Deep Dive (TDD) workshop on Public-Private Partnerships for Affordable Housing.

PMRC was invited by The World Bank Tokyo Development Learning Center (TDLC) for a Technical Deep Dive (TDD) workshop on Public-Private Partnerships for Affordable Housing. The event took place in Tokyo and Yokohama from September 15 to 19, 2025. The event was organized in collaboration with the World Bank Finance, Competitiveness, and Innovation Global Practice (FCI) and the International Finance Corporation (IFC).

Delegations from 10 countries from the public and private sectors of World Bank client countries participate in the TDD.



## GROUP DISCUSSION AT THE TECHNICAL DEEP DIVE (TDD) WORKSHOP ON PUBLIC-PRIVATE PARTNERSHIPS (15TH SEPTEMBER, 2025)

Group Discussion at the Technical Deep Dive (TDD) workshop on Public-Private Partnerships.

At the Technical Deep Dive (TDD) workshop on Public-Private Partnerships for Affordable Housing. Organized by The World Bank Tokyo Development Learning Center (TDLC) at Tokyo and Yokohama, Japan. Mudassir H. Khan (MD/CEO PMRC) presented Pakistan housing market scenario and discussed workable model for public-private partnership.



## VISITING PUBLIC PRIVATE PARTNERSHIP (PPP) UNITS IN JAPAN AT THE TECHNICAL DEEP DIVE (TDD) WORKSHOP ON PPP (15TH SEPTEMBER, 2025)

Site visit of workshop participants from 10 countries visiting Public Private Partnership (PPP) Units in Japan at the Technical Deep Dive (TDD) workshop on Public-Private Partnerships for Affordable Housing. Organized by The World Bank Tokyo Development Learning Center (TDL) at Tokyo and Yokohama.



## INTERNATIONAL SECONDARY MORTGAGE MARKET ASSOCIATION (ISMMA) ANNUAL MEETING (13TH OCTOBER, 2025)

Syed Zafar Alam Tirmizi (Head Business and Products – PMRC) attended International Secondary Mortgage Market Association (ISMMA) annual meeting at Nairobi, Kenya. ISMMA is a platform to exchange ideas, experiences, and best practices among member countries to promote affordable and sustainable housing markets.

A big thank you to Johnstone Oltetia at Kenya Mortgage Refinance Company (KMRC) for hosting ISMMA meeting in his beautiful city.



## AFFORDABLE HOUSING DEVELOPMENT ORGANIZED BY AFRICAN UNION FOR HOUSING FINANCE (AUHF) AT NAIROBI, KENYA (14TH OCTOBER, 2025)

Syed Zafar Alam Tirmizi (Head Business and Products – PMRC) visited site for affordable housing development organized by African Union for Housing Finance (AUHF) at Nairobi, Kenya. Projects shown were exemplary model of affordable housing which can be replicated to Pakistan market.



**SYED ZAFAR ALAM TIRMIZI (HEAD BUSINESS AND PRODUCTS – PMRC)  
PARTICIPATED AS PANELIST AT 41ST ANNUAL CONFERENCE OF AFRICAN UNION  
FOR HOUSING FINANCE (AUHF) AT NAIROBI, KENYA (15TH OCTOBER, 2025)**

Syed Zafar Alam Tirmizi (Head Business and Products – PMRC) participated as panellist at 41st annual conference of African Union for Housing Finance (AUHF) at Nairobi, Kenya. The conference was theme for blended finance for affordable housing. This Session was aimed to stimulate private investment for affordable mortgages.



**PMRC TEAM STUDY VISIT OF CAGAMAS  
BERHAD (3RD NOVEMBER, 2025)**

PMRC team conducted a study visit of Cagamas Berhad, Malaysia’s leading liquidity provider in the housing finance sector. The visit aimed to gain insights into the Cagamas model, its innovative practices, and product structures that have successfully supported housing finance development in Malaysia. The PMRC delegation including Mehmood Uzair – Head of Risk Jamil Akhtar – Head of Products and Shaikh Taha A. – Head of Business, explored opportunities to adapt and replicate these best practices to strengthen and deepen the mortgage market in Pakistan.



**PMRC TEAM STUDY VISIT TO CIMB BANK,  
MALAYSIA**

**(5TH NOVEMBER, 2025)**

PMRC team visited CIMB Bank to explore bank's mortgage finance practices and role played in promoting and expanding the mortgage market in Malaysia. The visit provided valuable insights into innovative lending strategies, risk management approaches, and product structures that contribute to a vibrant and sustainable housing finance ecosystem.



**PMRC TEAM VISIT TO PRIMA AFFORDABLE HOUSING  
PROJECT, MALAYSIA**

**(7TH NOVEMBER, 2025)**

PMRC team visited the PRIMA Affordable Housing Project in Malaysia to gain firsthand insights into the country's approach to improving housing affordability. PRIMA, a government-owned entity, is focused on developing quality homes and apartments to bridge the housing gap for middle-income households. The visit provided valuable learning on PRIMA's operational model, development framework and delivery mechanisms. The PMRC team reviewed these practices to evaluate how similar models could be adapted to strengthen the housing market in Pakistan.



## **PARTNER FINANCIAL INSTITUTIONS (PFIS) ON THE CREDIT GUARANTEE SCHEME (CGS) (21ST NOVEMBER, 2025)**

PMRC organized a training session on November 21, 2025, to enhance the understanding of Partner Financial Institutions (PFIs) on the Credit Guarantee Scheme (CGS), including its features, modalities, and operational processes.

Representatives from UBL, NBP, Faysal Bank, ABL, Askari Bank, BOP, Bank Alfalah, HMB, and NRSP Bank participated in the session.



## **PMRC ORGANIZED A ROUNDTABLE CONFERENCE ON TOPIC UNLOCKING HOUSING FINANCE POTENTIAL (24TH DECEMBER, 2025)**

PMRC organized a roundtable conference on topic “Unlocking Housing Finance Potential: A Multi-Stakeholder Dialogue with Regulators, REITs, ABAD & Property Experts” on 24th December 2025 at Ramada Hotel, Karachi, Pakistan. The objective of the roundtable was to discuss strategies for building mortgage liquidity, developer finance, and Real Estate Investment Trusts (REITs) to support the development of Pakistan’s housing market. The session was attended by participants from the State Bank of Pakistan (SBP), SECP, Arif Habib Dolmen REIT Management Limited, Pak Brunei Investment Company Limited, HBL, The Bank of Punjab, Zameen.com, Meezan Bank Limited, JS Bank, Alfalah Investments, Savills Pakistan.



# GROWTH AT A GLANCE

BALANCE SHEET (Rs. IN '000')	2019	2020	2021	2022	2023	2024	2025
Investments	8,821,820	10,202,696	10,238,557	20,564,969	13,804,680	27,396,823	42,184,053
Advances	7,729,232	14,967,077	23,714,838	33,662,362	34,401,920	34,456,076	40,365,115
<b>Total Assets</b>	<b>19,576,545</b>	<b>28,835,374</b>	<b>50,211,026</b>	<b>55,553,941</b>	<b>60,559,058</b>	<b>68,256,493</b>	<b>101,248,708</b>
Borrowings	14,616,504	22,299,457	42,238,165	45,990,866	48,467,434	44,276,814	64,926,416
Share Capital	3,658,506	3,658,506	6,237,759	6,237,759	6,237,759	6,237,759	6,237,759
<b>Total Equity</b>	<b>4,616,028</b>	<b>6,138,363</b>	<b>7,367,199</b>	<b>8,744,939</b>	<b>10,931,012</b>	<b>13,411,172</b>	<b>15,368,152</b>

OPERATING RESULTS (Rs. IN '000')							
Net mark-up/return/ interest/profit earned	1,192,579	1,793,691	1,438,250	2,117,166	3,427,106	4,144,560	3,307,510
Operating Expenditure	272,060	315,170	352,922	417,442	603,103	731,107	634,759
Provisions & Write offs charge / (reversal)	-	15,702	-	94,502	253,393	584,494	(54,305)
<b>Profit After Tax</b>	<b>901,842</b>	<b>1,436,338</b>	<b>1,066,433</b>	<b>1,579,217</b>	<b>2,558,698</b>	<b>2,828,793</b>	<b>2,812,154</b>

RATIOS							
Return on Assets	7.73%	5.93%	2.70%	2.99%	4.41%	4.39%	3.32%
Return on Equity	21.66%	26.71%	15.79%	19.60%	26.01%	23.24%	19.54%
Cost to Income Ratio	22.80%	17.54%	24.49%	19.66%	17.39%	17.40%	18.40%
Dividend Payout Ratio	0.00%	0.00%	*194.9%	29.62%	36.57%	33.08%	33.27%
Earnings Per Share	2.46	2.50	1.71	2.53	4.10	4.53	4.51

\* This represents Bonus Shares issued.

CAPITAL ADEQUACY							
CET1 to RWA	203.39%	141.67%	53.10%	64.43%	72.18%	89.91%	79.39%
Tier 1 Capital to RWA	203.39%	141.67%	53.10%	64.43%	72.18%	89.91%	79.39%
<b>Total Capital to RWA</b>	<b>206.93%</b>	<b>143.62%</b>	<b>53.10%</b>	<b>65.13%</b>	<b>73.07%</b>	<b>92.16%</b>	<b>81.71%</b>



**INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the members of Pakistan Mortgage Refinance Company Limited**

**Review Report on the Statement of Compliance contained in Listed Companies  
(Code of Corporate Governance) Regulations, 2019**

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 Pakistan Mortgage Refinance Company Limited (the Company) for the year ended December 31, 2025 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 only 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, 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 December 31, 2025.

A. F. Ferguson & Co.  
Chartered Accountants  
Karachi  
Dated: March 9, 2026  
UDIN: CR202510068LFQIUX6Vr

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
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# ANNUAL STATEMENT OF INTERNAL CONTROLS

A comprehensive internal control framework forms an integral part of Pakistan Mortgage Refinance Company Limited's (PMRC) overall risk management structure. This framework comprises processes for identifying and evaluating risks, implementing appropriate control activities, ensuring effective information flow and communication, and monitoring the effectiveness of controls on an ongoing basis. The objective of this system is to enhance the efficiency and effectiveness of operations, ensure the reliability and integrity of financial reporting, safeguard PMRC's assets, and ensure compliance with applicable laws, regulations, and internal policies.

Management has established and implemented a system of internal controls, duly approved by the Board of Directors (BoD), to provide reasonable assurance that PMRC's financial and operational objectives are achieved and that established policies, procedures, and a sound control environment are consistently maintained. Nonetheless, due to inherent limitations, even well-designed internal control systems cannot eliminate all risks and, accordingly, can provide only reasonable assurance regarding the effectiveness of controls and the reliability of financial reporting.

PMRC's internal control structure comprises various strategies, including different levels of monitoring activities, Organizational Structure, Policies, Procedure, and other measures. PMRC's BoD, through its board-level subcommittees, has ultimate responsibility for evaluating and ensuring an adequate and effective Internal Control System exists in the company.

A Shari'ah Board (SB), established by the BoD, ensures a strong governance framework around the Company's Islamic refinance business. The Shari'ah Compliance Department works under the direct supervision of the SB to monitor Shari'ah Non-Compliance Risk (SNCR), including compliance with the SBP's Islamic Banking regulations, directions, and guidelines issued by the SB, as well as compliance with Shari'ah Principles.

The company follows the "three lines of defense" model, with the first line comprising Business/Primary Process Owners responsible to ensure that business risks are properly identified and mitigated, and the controls are adequately designed and operating effectively. The company's control functions, the second line, are responsible for conducting end-to-end reviews of processes to identify gaps and ensure that timely remedial action is taken for rectification. The Compliance Function is responsible for managing the compliance risk by enabling the company to conform with applicable laws, regulations, guidelines, and the company's own internal policies and procedures. The third line of defense comprises the internal audit function, which provides independent reasonable assurance on the adequacy and effectiveness of governance, risk management, and internal controls to the Board Audit Committee (BAC), BoD, and other stakeholders.

The Risk Management Function, part of second line of defense, is responsible for the development and implementation of the Risk Management Framework according to the company's operational complexity and risk profile to manage and monitor the risks associated with various business activities. The Credit Risk Management Committee (CRMC), chaired by the Managing Director (MD)/Chief Executive Officer (CEO), and the Board Risk Committee (BRC) provide strategic guidance in accordance with the Risk Management Framework. The Management Committee (MANCOM), chaired by the MD/CEO, monitors, reviews, and provides oversight on regulatory, risk, and control-related matters to ensure that control observations and emerging risks are highlighted appropriately. For known gaps, remediation plans are reviewed and monitored by MANCOM to ensure that these gaps are addressed timely and effectively.

Internal Audit, as the third line of defense, has full and unrestricted access to the BAC and provides independent assurance by conducting risk-based audits of activities and processes to evaluate the adequacy and effectiveness of the control environment. All material observations and weaknesses identified by the auditors, both internal and external, are reported to the BAC with agreed Management action plan with implementation timelines.

PMRC strictly follows the SBP's instructions on Internal Controls over Financial Reporting (ICFR) and has completed SBP's stage-wise implementation roadmap. As part of this exercise, PMRC has documented a comprehensive ICFR Framework, which ensures effectiveness over internal control over financial reporting through timely review and updating of pertinent policies/procedures, establishing relevant control procedures, and testing of internal controls. PMRC's external auditors are engaged annually to provide a Long Form Report (LFR) on ICFR, which is presented to the BAC along with the progress on rectification of issues identified in the previous LFR. Based on the results of ongoing testing of internal controls and audits conducted during the year, management considers that the PMRC's internal controls over financial reporting are sound in design, have been effectively implemented, and are being appropriately monitored. PMRC's BoD endorses the management's evaluation, including the effectiveness of ICFR and efforts outlined in the Directors' Report, which highlights the adoption of the aforementioned internationally accepted standards to improve controls, processes, and ensure effective risk management.




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**Officiating Head  
of Compliance**



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**Head of Internal Audit**



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**Chief Financial Officer**



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**Managing Director /  
Chief Executive Officer**

Dated: March 03, 2026

# CODE OF CORPORATE GOVERNANCE

## Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

### Pakistan Mortgage Refinance Company Limited (the Company)

Year ended: December 31, 2025

The Company is an unlisted public company and has been notified as a Development Financial Institution (DFI) by the Finance Division – Government of Pakistan. The State Bank of Pakistan's (SBP) Corporate Governance Regulatory Framework, issued vide BPRD circular 5 of 2021, dated November 22, 2021, has clarified that though DFIs are not required to follow the Listed Companies (Code of Corporate Governance) Regulations (the regulations), issued by the Securities & Exchange Commission of Pakistan (SECP), but it is expected that all DFIs will continue to follow the best practices on corporate governance. However, this relaxation for DFIs will not be construed as an exemption from any provision/requirement of the Banking Companies Ordinance, 1962.

For the purpose of better governance, the Board of Directors has however, adopted the Code of Corporate Governance issued by SECP voluntarily, except for the matters as specified in the Shareholders' Agreement dated July 2, 2020 (the Agreement), such as the appointment of directors including independent directors will be dealt in accordance with the Agreement.

The Directors are elected as per the Agreement dated July 2, 2020, entered into between the Shareholders.

### Composition of the Board according to the Agreement

As per the Agreement, the number of Directors comprising the Board shall be ten (10) (excluding the Managing Director/Chief Executive Officer of the Company). The Company shall have at least three (3) Independent Directors. No more than two (2) Directors shall be Public Sector Nominee Directors. International Finance Corporation (IFC) shall have the right to nominate one (1) Director (the "IFC Nominee Director") and the Company and other Shareholder Parties shall, in accordance with the agreement, ensure that such nominee is promptly appointed as a Director subject to fit and proper clearance under the applicable law.

The Company has complied with the requirements of the Regulations in the following manner:

1. The present total number of directors elected is Ten (10), excluding Managing Director/Chief Executive Officer, as per the following. One of the Directors, has resigned with effect from December 24, 2025, accordingly, that position is vacant and will be filled in due course of time.

a	Male	8
b	Female	2

2. The composition of the present Board, excluding Managing Director/Chief Executive Officer is as follows:

i	Independent Directors	3
ii	Non-Executive Directors	7
iii	Executive Directors	0
iv	Female Directors	2

The Board has fixed the number of independent directors at Three (3) as per the aforementioned Shareholders' Agreement.

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies.
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/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
6. All powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Companies Act 2017 (the Act), and the 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 the 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. All of the Directors on Board, including the Managing Director/Chief Executive Officer, and Six (6) of the Executives have already completed Directors' Training Program earlier, offered by the institutes that meet criteria specified by the Commission. Details of the persons who have completed directors' trainings is as under:

#### **Directors**

- i. Mr. Fouad Farrukh, Chairman, Non-Executive Director
- ii. Mr. Risha Mohyeddin, Non-Executive Director
- iii. Mr. Imran Sarwar, Non-Executive Director
- iv. Ms. Mehreen Ahmed, Non-Executive Director
- v. Mr. Tayyeb Afzal, Non-Executive Director
- vi. Mr. Ahmed Taimoor Nasir, Non-Executive Director
- vii. Ms. Sonia Karim, Non-Executive, Independent Director
- viii. Mr. Mubashar Maqbool, Non-Executive, Independent Director
- ix. Mr. Shahid Alam Siddiqui, Non-Executive Director (Resigned with effect from December 24, 2025)
- x. Mr. Moazzam Iftikhar Ahmed, Non-Executive, Independent Director
- xi. Mr. Mudassir H. Khan, Managing Director/Chief Executive Officer

#### **Executives**

- i. Mr. Omair Yousuf Farooqi, Chief Financial Officer and Group Head Operations
  - ii. Mr. Zafar Alam Tirmizy, Head of Business & Products
  - iii. Mr. Naved Hanif, Company Secretary & Head of Corporate Affairs
  - iv. Mr. Farrukh Zaheer, Head of Treasury & Financial Institutions
  - v. Ms. Iffat Hina, Head of HR and Admin
  - vi. Mr. Waseem Ahmed Hashmi, Head of Internal Audit
10. The Board has approved appointment of the Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
  11. Chief Financial Officer and Managing Director/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	<b>Audit Committee</b>
	Mr. Moazzam Iftikhar Ahmed (Chairman)
	Mr. Tayyeb Afzal (Member)
	Mr. Ahmed Taimoor Nasir (Member)
b	<b>HR Committee</b>
	Ms. Sonia Karim (Chairperson)
	Mr. Tayyeb Afzal (Member)
	Mr. Mubashar Maqbool (Member)
	Ms. Mehreen Ahmed (Member)
c	<b>Risk Committee</b>
	Mr. Imran Sarwar (Chairman)
	Mr. Fouad Farrukh (Member)
	Mr. Risha Mohyeddin (Member)
	Mr. Shahid Alam Siddiqui (Member)
d	<b>Corporate Governance &amp; Nominations Committee</b>
	Mr. Ahmed Taimoor Nasir (Chairman)
	Ms. Mehreen Ahmed (Member)
	Mr. Mudassir H. Khan (Member)

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the acommittees for compliance.
14. The frequency of meetings of the committees is as under:

a	Audit Committee	Quarterly
b	HR Committee	Half Yearly
c	Risk Committee	Quarterly
d	Corporate Governance & Nomination Committee	At least once a year

15. The Board has set up an effective internal audit function, who are considered suitably qualified and experienced for the purpose and are 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 Managing Director/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 requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

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

For and on behalf of the Board of Directors.



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**Fouad Farrukh**  
Chairman



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**Mudassir H. Khan**  
Managing Director /  
Chief Executive Officer

Dated: March 04, 2026



# FINANCIALS



**To the members of Pakistan Mortgage Refinance Company Limited**  
**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the annexed financial statements of Pakistan Mortgage Refinance Company Limited (the Company), which comprise the statement of financial position as at December 31, 2025, and the statement of profit and loss account, the statement of comprehensive income, the statement of changes in equity, and the cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information 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, the statement of financial position, statement of profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Banking Companies Ordinance, 1962 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

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

**Information Other than the Financial Statements and Auditor's Reports Thereon**

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements 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 the 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. We have nothing to report in this regard.

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■ KARACHI ■ LAHORE ■ ISLAMABAD



## 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 accounting and reporting standards as applicable in Pakistan, the requirements of Banking Companies Ordinance, 1962 and the 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 is responsible for overseeing the Company's financial reporting process.

## 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.

### Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

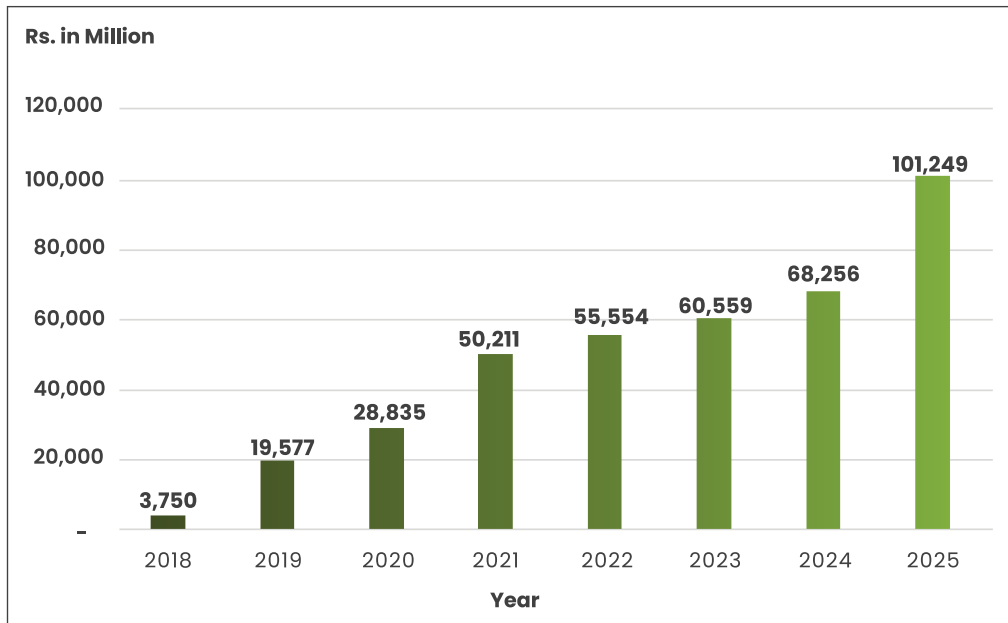
- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit and loss account, the statement of comprehensive income, statement of changes in equity, and cash flow statement, (together with the notes thereon have been drawn up in conformity with the Banking Companies Ordinance, 1962 and the Companies Act, 2017 (XIX of 2017) and 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) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar**.

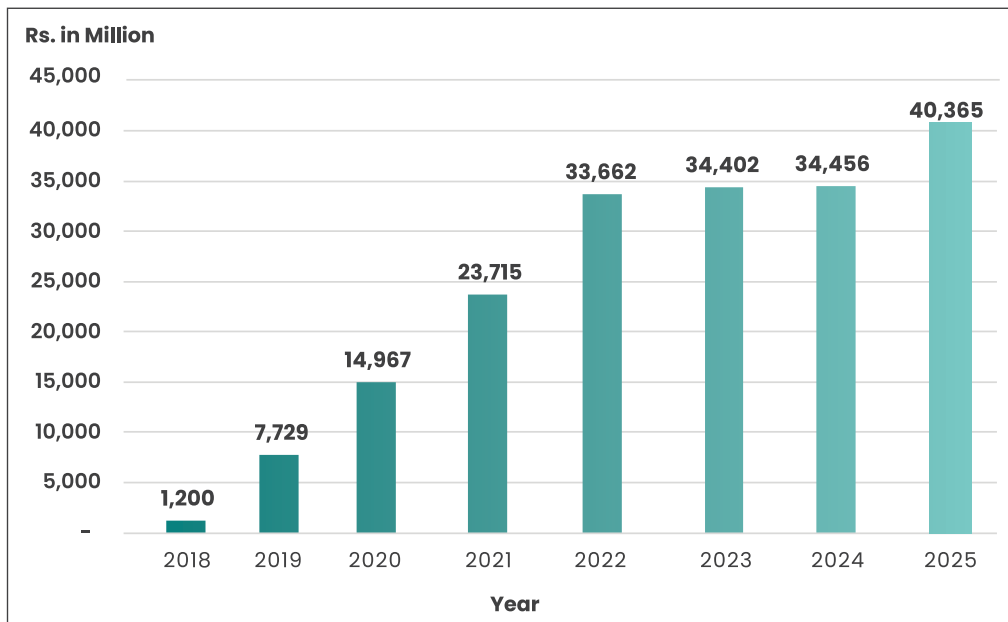
A. F. Ferguson & Co.  
Chartered Accountants  
Dated: March 9, 2026  
Karachi  
UDIN: AR2025100681POYgp0s4

# FINANCIAL HIGHLIGHTS

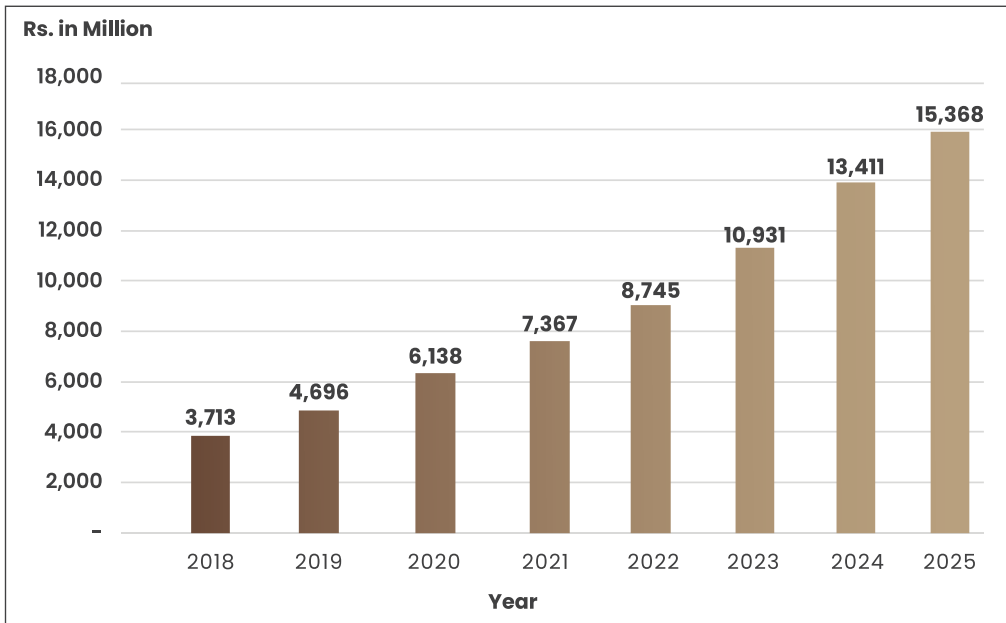
## Total Assets



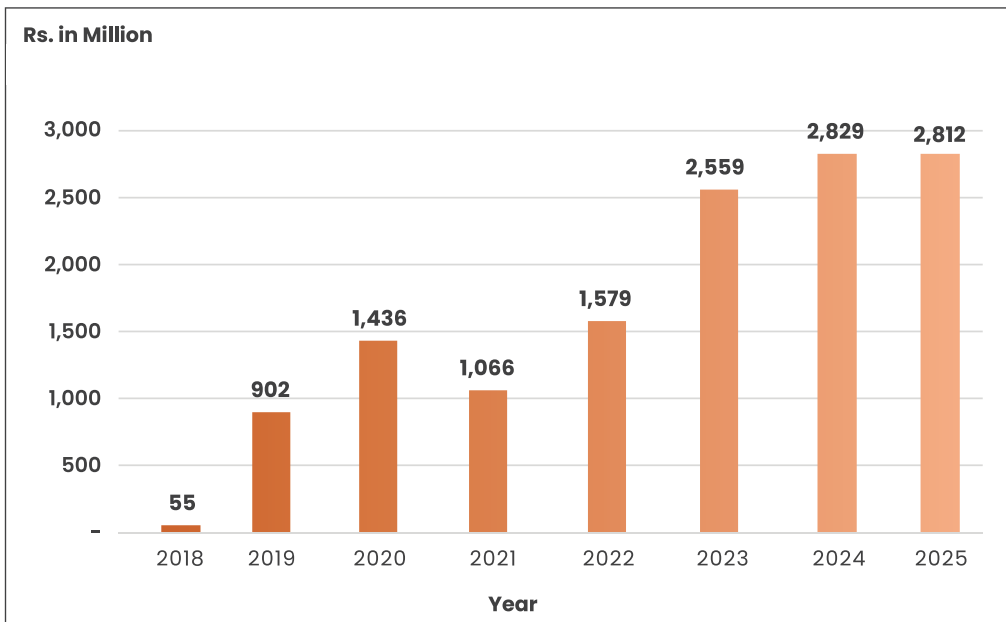
## Advances



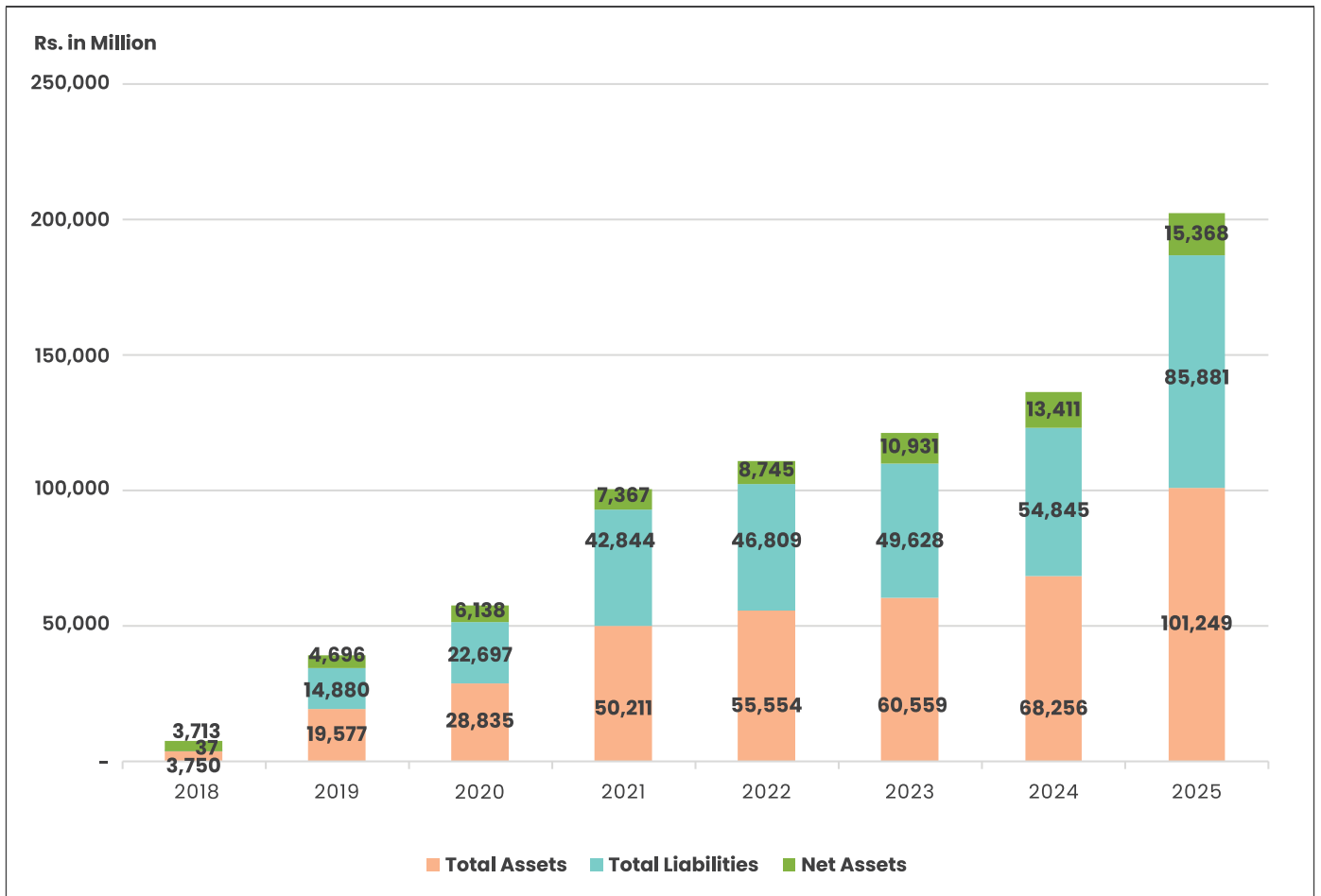
# Equity



# Profit after Tax



# Net Assets Analysis



# STATEMENT OF FINANCIAL POSITION

For the year ended  
December 31, 2025

	Note	2025	2024
(Rupees in '000)			
<b>ASSETS</b>			
Cash and balances with treasury banks	5	113,258	5,338
Balances with other banks	6	15,858,218	1,238,218
Lendings to financial institutions	7	1,361,018	3,998,264
Investments	8	42,184,053	27,396,823
Advances	9	40,365,115	34,456,076
Property and equipment	10	107,732	67,525
Right-of-use assets	11	-	21,452
Intangible assets	12	23,285	30,379
Deferred tax assets		-	-
Other assets	13	1,236,029	1,042,418
<b>Total Assets</b>		<b>101,248,708</b>	<b>68,256,493</b>
<b>LIABILITIES</b>			
Bills payable		-	-
Borrowings	14	62,141,268	41,437,458
Deposits and other accounts	15	10,178,650	-
Lease liabilities	16	-	23,800
Subordinated debt	17	2,785,148	2,839,356
Deferred tax liabilities		-	-
Other liabilities	18	10,775,490	10,544,707
<b>Total Liabilities</b>		<b>85,880,556</b>	<b>54,845,321</b>
<b>NET ASSETS</b>		<b>15,368,152</b>	<b>13,411,172</b>
<b>REPRESENTED BY</b>			
Share capital	19	6,237,759	6,237,759
Reserves		2,647,703	2,085,272
Surplus on revaluation of assets	20	298,912	223,010
Unappropriated profit		6,183,778	4,865,131
		<b>15,368,152</b>	<b>13,411,172</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	21		

The annexed notes 1 to 45 and annexure form an integral part of these financial statements.

  
Managing Director /  
Chief Executive Officer

  
Chief Financial Officer

  
Director

  
Director

  
Director

# STATEMENT OF PROFIT AND LOSS ACCOUNT

For the year ended  
December 31, 2025

	Note	2025	2024
		(Rupees in '000)	
Mark-up / return / interest / profit earned	22	9,695,996	8,061,135
Mark-up / return / interest / profit expensed	23	6,388,486	3,916,575
<b>Net mark-up / return / interest / profit earned</b>		<b>3,307,510</b>	4,144,560
<b>Non mark-up / interest income</b>			
Fee and commission income	24	29,862	29,862
Dividend income		-	-
Foreign exchange income / (loss)		-	-
Income / (loss) from derivatives		-	-
Gain on securities	25	112,583	27,275
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-
Other income	26	44	427
<b>Total non-markup / interest income</b>		<b>142,489</b>	57,564
<b>Total income</b>		<b>3,449,999</b>	4,202,124
<b>Non mark-up / interest expenses</b>			
Operating expenses	27	634,759	731,107
Workers' Welfare Fund	28	57,391	57,730
Other charges		-	-
<b>Total non-markup / interest expenses</b>		<b>692,150</b>	788,837
Profit before credit loss allowance		<b>2,757,849</b>	3,413,287
Credit loss allowance and write offs - net reversal / (charge)	29	54,305	(584,494)
Extraordinary / unusual items		-	-
<b>Profit before taxation</b>		<b>2,812,154</b>	2,828,793
Taxation	30	-	-
<b>Profit after taxation</b>		<b>2,812,154</b>	2,828,793
		----- (Rupees) -----	
<b>Basic and diluted earnings per share</b>	31	<b>4.51</b>	4.53

The annexed notes 1 to 45 and annexure form an integral part of these financial statements.

  
Managing Director /  
Chief Executive Officer

  
Chief Financial Officer

  
Director

  
Director

  
Director

# STATEMENT OF COMPREHENSIVE INCOME


For the year ended  
December 31, 2025

	Note	2025	2024
		(Rupees in '000)	
Profit after taxation for the year		<b>2,812,154</b>	2,828,793
<b>Other comprehensive income / (loss)</b>			
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>			
Movement in surplus on revaluation of debt investments at Fair Value through Other Comprehensive Income (FVOCI)		<b>188,485</b>	603,850
Debt investments carried at FVOCI reclassified to profit and loss account	25	<b>(112,583)</b>	(27,275)
		<b>75,902</b>	576,575
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>			
Remeasurement gain / (loss) on defined benefit obligation	34.8.2	<b>4,588</b>	(3,123)
<b>Total comprehensive income for the year</b>		<b>2,892,644</b>	3,402,245


The annexed notes 1 to 45 and annexure form an integral part of these financial statements.



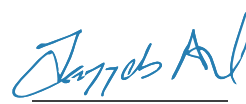
Managing Director /  
Chief Executive Officer



Chief Financial Officer



Director



Director



Director

# STATEMENT OF CHANGES IN EQUITY

For the year ended  
December 31, 2025

	Share capital	Statutory reserve	Surplus / (Deficit) on revaluation of assets	Unappropriated profit	Total
Note	(Rupees in '000)				
Balance as at January 01, 2024	6,237,759	1,519,513	(353,565)	3,540,884	10,944,591
<b>Total comprehensive income for the year</b>					
Profit after taxation for the year ended December 31, 2024	-	-	-	2,828,793	2,828,793
<b>Other comprehensive income / (loss)</b>					
Remeasurement loss on defined benefit obligation 34.8.2	-	-	-	(3,123)	(3,123)
Movement in surplus on revaluation of debt investments at FVOCI	-	-	603,850	-	603,850
Debt investments carried at FVOCI reclassified to statement of profit and loss account 25	-	-	(27,275)	-	(27,275)
<b>Total comprehensive income for the year ended December 31, 2024</b>	-	-	576,575	2,825,670	3,402,245
Transfer to statutory reserve	-	565,759	-	(565,759)	-
<b>Transactions with owners recorded directly in equity</b>					
Final dividend for the year ended December 31, 2023 @ Rs. 1.50 per share declared on March 05, 2024	-	-	-	(935,664)	(935,664)
Balance as at December 31, 2024	6,237,759	2,085,272	223,010	4,865,131	13,411,172
<b>Total comprehensive income for the year</b>					
Profit after taxation for the year ended December 31, 2025	-	-	-	2,812,154	2,812,154
<b>Other comprehensive income / (loss)</b>					
Remeasurement gain on defined benefit obligation 34.8.2	-	-	-	4,588	4,588
Movement in surplus on revaluation of debt investments at FVOCI	-	-	188,485	-	188,485
Debt investments carried at FVOCI reclassified to statement of profit and loss account 25	-	-	(112,583)	-	(112,583)
<b>Total comprehensive income for the year ended December 31, 2025</b>	-	-	75,902	2,816,742	2,892,644
Transfer to statutory reserve	-	562,431	-	(562,431)	-
<b>Transactions with owners recorded directly in equity</b>					
Final dividend for the year ended December 31, 2024 @ Rs. 1.50 per share declared on February 25, 2025	-	-	-	(935,664)	(935,664)
<b>Balance as at December 31, 2025</b>	<u>6,237,759</u>	<u>2,647,703</u>	<u>298,912</u>	<u>6,183,778</u>	<u>15,368,152</u>

The annexed notes 1 to 45 and annexure form an integral part of these financial statements.

  
Managing Director /  
Chief Executive Officer

  
Chief Financial Officer

  
Director

  
Director

  
Director

# CASH FLOW STATEMENT

For the year ended  
December 31, 2025

	Note	2025	2024
(Rupees in '000)			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit for the year before taxation		2,812,154	2,828,793
<b>Adjustments:</b>			
Net mark-up / return / interest / profit earned		(3,308,399)	(4,148,116)
Depreciation	27	37,480	29,074
Depreciation on right-of-use assets	27	21,452	23,402
Amortisation of intangible assets	27	9,246	7,358
Amortisation of transaction cost		9,245	15,968
Amortisation of prepaid staff cost		15,115	11,816
Provision for Workers' Welfare Fund	28	57,391	57,730
Gain on sale of property and equipment	26	(44)	(110)
Gain on sale of securities	25	(112,583)	(27,275)
Provision for defined benefit obligation	34.8.1	21,288	13,708
Finance charges on leased assets	23	889	3,556
Credit loss allowance and write offs - net (reversal) / charge	29	(54,305)	584,494
		<b>(3,303,225)</b>	<b>(3,428,395)</b>
		<b>(491,071)</b>	<b>(599,602)</b>
<b>(Increase) / decrease in operating assets</b>			
Advances		(5,852,983)	(753,350)
Lendings to financial institutions		2,637,353	(3,998,408)
Other assets (excluding advance taxation and mark-up accrued)		(98,385)	193,039
		<b>(3,314,015)</b>	<b>(4,558,719)</b>
<b>Increase / (decrease) in operating liabilities</b>			
Borrowings		33,555,844	(2,835,200)
Deposits and other accounts		10,178,650	-
Other liabilities (excluding payable to defined benefit plan and mark-up payable)		(195,497)	145,152
		<b>43,538,997</b>	<b>(2,690,048)</b>
Mark-up / return / interest / profit - received		9,576,884	8,465,748
Mark-up / return / interest / profit - paid		(5,576,100)	(3,823,382)
Contributions paid to defined benefit scheme	34.6	(22,514)	(14,061)
Income tax paid		(349)	(707)
<b>Net cash generated from / (used in) operating activities</b>		<b>43,711,832</b>	<b>(3,220,771)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investments in debt securities classified as FVOCI		(14,598,860)	(21,965,360)
Redemption of debt securities classified as Fair Value through Profit and Loss (FVPL)		120	120
Investments in property and equipment		(89,715)	(24,150)
Investments in intangible assets		(2,152)	(2,032)
Proceeds from disposal of property and equipment		12,072	555
<b>Net cash used in investing activities</b>		<b>(14,678,535)</b>	<b>(21,990,867)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Dividend paid		(935,664)	(935,664)
Payments of lease obligations against right-of-use assets		(24,689)	(32,918)
Net receipts from long term loan	14	3,666,667	3,000,000
(Repayment) / receipt from short term loan	14	(15,000,000)	15,000,000
Repayment of Term Finance Certificates (TFC) and sukuk certificates		(1,437,500)	(9,637,500)
Repayment of loan of World Bank - Housing Finance Project		(339,529)	(339,529)
Repayment of subordinated debt		(232,674)	(232,674)
<b>Net cash (used in) / generated from financing activities</b>		<b>(14,303,389)</b>	<b>6,821,715</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>14,729,908</b>	<b>(18,389,923)</b>
Cash and cash equivalents at the beginning of the year		1,243,556	19,633,646
Opening net credit allowance on cash and cash equivalents	6.3	167	(1,444)
Cash and cash equivalents at the beginning of the year - net of credit loss allowance		1,243,723	19,632,202
Closing net credit allowance on cash and cash equivalents	6.3	(2,155)	1,277
<b>Cash and cash equivalents at the end of the year</b>	32	<b>15,971,476</b>	<b>1,243,556</b>

The annexed notes 1 to 45 and annexure form an integral part of these financial statements.



Managing Director /  
Chief Executive Officer



Chief Financial Officer



Director



Director



Director

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended  
December 31, 2025

## 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Pakistan Mortgage Refinance Company Limited (the Company) is an unlisted public limited company incorporated in Pakistan on May 14, 2015 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company has been notified as a Development Financial Institution (DFI) by the Finance Division of Government of Pakistan on October 27, 2017. The State Bank of Pakistan (SBP) granted the certificate for commencement of business with effect from June 12, 2018.
- 1.2** The Company's objectives interalia include promoting, developing and improving the housing finance market of Pakistan by providing financing facilities to banks and financial institutions against their conventional and Islamic housing finance portfolios and other eligible securities and promote the development of capital markets in Pakistan. The Company is also engaged in providing Trustee services to the Government owned Credit Guarantee Scheme for housing finance. The registered office of the Company is situated at Finance and Trade Center, 4th floor, Block-A, Shahrah-e-Faisal, Karachi.
- 1.3** The Company has been assigned a rating of 'AAA' by VIS Credit Rating Company Limited dated April 24, 2025 (December 31, 2024: 'AAA' dated April 09, 2024). The rating reflects the highest possible credit quality rating with the lowest expectation of default risk.

## 2 BASIS OF PRESENTATION

These financial statements have been prepared in conformity with the format of financial statements prescribed by SBP vide BPRD Circular No. 2 dated February 09, 2023.

### 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 comprise of:

- IFRS accounting standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017.
- Provisions of, directives and notifications issued under the Banking Companies Ordinance, 1962 (BCO) and the Companies Act, 2017; and
- Directives issued by SBP and the Securities and Exchange Commission of Pakistan (SECP);

Wherever the requirements of BCO, the Companies Act, 2017 or the directives and notifications issued by SBP and SECP differ with the requirements of IFRSs, the requirements of BCO, the Companies Act, 2017 and the said directives and notifications shall prevail.

SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies / DFIs in Pakistan through BSD Circular Letter No. 10 dated August 26, 2002, till further instructions. Further, SECP has deferred the applicability of IFRS 7 'Financial Instruments: Disclosures', through S.R.O 411(1) / 2008 dated April 28, 2008. The SECP has notified IFAS 3, Profit and Loss Sharing on Deposits with effect from January 1, 2014. The SBP, through BPRD Circular Letter No. 4 dated February 25, 2015, has deferred the applicability of IFAS 3 till further instructions. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements.

## **2.2 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current year**

There are certain new and amended standards, issued by IASB, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 01, 2025 but are considered not to be relevant or do not have any material effect on the Company's operations and are therefore not detailed in these financial statements.

## **2.3 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective**

There are certain new and amended standards, issued by IASB, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 01, 2026 but are considered not to be relevant or will not have any material effect on the Company's financial statements except for:

- the new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) with applicability date of January 01, 2027. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit and Loss Account' with certain additional disclosures in the financial statements.
- amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' clarify the timing of recognition and derecognition of certain financial instruments including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities. Further, guidance on the Solely Payments of Principal and Interest (SPPI) assessment, and disclosure requirement for instruments with cash flows modifying features and equity instruments designated at FVOCI have also been amended. These amendments are effective from January 01, 2026. These amendments, when applied, may impact the accounting and presentation of the financial instruments.

The management is in the process of assessing the impact of these standards and amendments on the financial statements of the Company.

## **2.4 Critical accounting estimates and judgments**

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form basis of making the judgments about carrying values of assets and liabilities which are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of its revision and future periods if the revision affects both current and future periods.

Significant accounting estimates and areas where judgments were made by the management in the application of accounting policies are as follows:

- i) classification, measurement and credit loss allowance of investments (notes 4.3, 4.4.1 and 8);
- ii) classification, measurement and credit loss allowance of advances (notes 4.4.1, 4.8 and 9);
- iii) accounting for defined benefit plan (note 4.12);
- iv) lease liability and right-of-use assets (notes 4.6.2, 11 and 16);
- v) credit loss allowance of lendings to financial institutions, balances with other banks and other assets (notes 4.2, 4.4.1, 6, 7 and 13);
- vi) estimation of useful lives of property and equipment and intangible assets (notes 4.6.1, 4.7, 10 and 12); and
- vii) impairment of non-financial assets (note 4.5)

### **3 BASIS OF MEASUREMENT**

These financial statements have been prepared under the historical cost convention except for the following:

- obligation in respect of staff retirement benefit scheme is carried at present value of defined benefit obligation;
- investments classified as FVOCI and FVPL are carried at fair value;
- right-of-use assets and their related lease liability are carried at present value on initial recognition;
- advances are recorded at their fair value on initial recognition; and
- borrowings and subordinated debt obtained at lower than market rate are carried at fair value.

#### **3.1 Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements have been presented in Pakistani Rupees, which is the Company's functional and presentation currency.

### **4 MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

#### **4.1 Cash and cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement represent balances with treasury banks, balances with other banks in current and deposit accounts and Market Treasury Bills (MTB) having original maturity of three months or less.

#### **4.2 Lendings to / borrowings from financial and other institutions**

**4.2.1** The Company enters into Repurchase Agreements (Repo) and Reverse Repo at contracted rates for a specified period of time. These are recorded as under:

##### **(a) Sale of securities under Repo**

Securities sold with a simultaneous commitment to repurchase at a specified future date (Repo) continue to be recognised in the financial statements and are measured in accordance with accounting policies for investment securities. The counterparty liability for amounts received under these agreements is included in borrowings. The difference between sale and repurchase price is treated as mark-up / return / interest expense and accrued over the life of the repo agreement using effective interest method.

##### **(b) Purchase of securities under reverse Repo**

Securities purchased with a corresponding commitment to resell at a specified future date (Reverse Repo) are not recognised in the financial statements as the Company does not obtain control over the securities. Amounts paid under these agreements are included in lendings to financial institutions. The difference between purchase and resale price is treated as mark-up / return / interest income and accrued over the life of the reverse repo agreement using effective interest method.

##### **4.2.2 Clean lending**

Clean lendings with financial institutions are stated net of provision. Return on such lending is accrued to statement of profit and loss account on a time proportion basis except for mark-up on impaired / delinquent lendings, which are recognised on receipt basis.

## 4.3 Investments

### 4.3.1 Classification

The company classifies its investment portfolio into the following categories;

#### - FVOCI

Securities which are held with an objective of both collecting contractual cash flows and selling the security, are held under this category. The contractual cashflows here represents SPPI.

#### - FVPL

Securities which do not meet the criteria of FVOCI are classified as FVPL.

### 4.3.2 Initial recognition and measurement

Investments are initially recognized at fair value plus transaction costs directly attributable to the acquisition, except for instruments classified at FVPL, which are recognized at fair value with transaction costs expensed immediately in statement of profit and loss account.

### 4.3.3 Subsequent measurement of investments

#### - FVOCI

Subsequently measured at fair value with changes recorded in other comprehensive income. Premium or discount on investments is amortized using Effective Interest / Profit Rate (EIR/EPR) and taken to statement of profit and loss account.

#### - FVPL

Subsequently measured at fair value with changes recorded in the statement of profit and loss account. Premium or discount on investments is amortized using EIR/EPR and taken to statement of profit and loss account.

#### Reclassification of investments

Any reclassification of investments from one category to another shall be made only when, there is a change in the Company's business model for managing that investment.

## 4.4 Financial Assets

### 4.4.1 Expected Credit Loss (ECL)

The Company assesses on a forward-looking basis the ECL associated with all advances and other debt financial assets not held at FVPL. The Company recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The ECL allowance is based on the credit losses expected to arise over the life of the asset, the LifeTime ECL (LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' ECL (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated at facility level.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company considers an exposure to have significantly increased in credit risk when there is considerable deterioration in the internal rating grade for subject customer. The Company also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer / facility to the watch list, or the account becoming forborne. Regardless of the change in credit grades, generally, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 60 Days Past Due (DPDs). However, for certain portfolios, the Company rebuts 60 DPD presumption based on behavioural analysis of its borrowers. When estimating ECLs on a collective basis for a group of similar assets, the Company applies the similar principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Based on the above process, the Company groups its financial instruments into Stage 1, Stage 2 and Stage 3 as described below:

- Stage 1: When financial instruments are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 financial instruments also include facilities where the credit risk has improved and these have been reclassified from Stage 2. The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast Exposure At Default (EAD) and multiplied by the expected Loss Given Default (LGD) and discounted by an approximation to the original EIR / EPR. This calculation is made for all the scenarios.
- Stage 2: When a financial instrument has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 also includes facilities, where the credit risk has improved and the instrument has been reclassified from Stage 3. The mechanics are similar to those explained above, including the use of multiple scenarios, but Probability of Default (PDs) are applied over the lifetime of the instrument. The expected cash flows are discounted by an approximation to the original EIR/EPR.
- Stage 3: For financial instruments considered credit-impaired, the Company recognises the LTECLs for these instruments. The Company uses a PD of 100% and LGD as computed for each portfolio or as prescribed by SBP.

The credit exposure (in local currency) that have been guaranteed by the Government and Government Securities are exempted from the application of ECL calculation.

As per BPRD Circular No. 03 of 2022 dated July 05, 2022, ECL of Stage 1 and Stage 2 is calculated as per IFRS 9, while ECL of Stage 3 has been calculated based on higher of either the Prudential Regulations or IFRS 9 at segment level.

Currently, all financial assets of the Company are recognised under Stage 1 except for the exposure as disclosed in note 9.3 to these financial statements.

### **Forward looking information**

In its ECL models, the Company relies on range of the following forward looking information as economic inputs, such as:

- Gross Domestic Product (GDP) growth
- Consumer price index
- Unemployment rate

## Definition of default

The concept of "impairment" or "default" is critical to the implementation of IFRS 9 as it drives determination of risk parameters, i.e. PD, LGD and EAD.

As per BPRD Circular No. 3 of 2022 dated July 05, 2022 and BPRD Circular Letter No. 16 of 2024 dated July 29, 2024, ECL of Stage 1 and Stage 2 is calculated as per IFRS, while ECL of Stage 3 has been calculated based on higher of Prudential Regulations or IFRS at borrower / facility level for corporate loan portfolio.

This implies that if one facility of a counterparty becomes more than 90 DPDs in repaying its contractual dues or as defined in Prudential Regulations; all other facilities would deem to be classified as stage 3.

## Write-offs

The Company's accounting policy under IFRS 9 remains the same as it was under SBP regulations / existing reporting framework. Financing written off in accordance with the policy does not in any way prejudice the Company's right of recovery from the customer.

### 4.4.2 Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when these have been transferred and either: (i) the Company transfers substantially all the risks and rewards of ownership, or (ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

Collateral furnished by the Company against amounts due to financial institutions are not derecognised because the Company retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met.

## 4.5 Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists and where the carrying value exceeds the estimated recoverable amounts, assets are written down to their recoverable amounts and any resultant impairment losses are recognised immediately in the statement of profit and loss account.

Impairment losses are reversed if there has been a change in the estimate used to determine the recoverable amounts. Such reversals are only made to the extent that the assets' carrying amounts do not exceed the amounts that would have been determined had no impairment loss been recognised.

## 4.6 Property and equipment and depreciation

### 4.6.1 Property and equipment – owned

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged to the statement of profit and loss account using the straight line method at the rates disclosed in note 10.2 after taking into account residual values, if any. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date. Depreciation is charged from the month when the asset is available for use while no depreciation is charged in the month the asset is disposed off.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. All other repair and maintenance expenditure are charged to the statement of profit and loss account as and when incurred. The asset, or part thereof, is derecognised when the asset is sold or written off at its carrying amount on the date of derecognition.

Gain / loss on disposal of property and equipment is recognised in the statement of profit and loss account in the period in which disposal is made.

#### **4.6.2 Right-of-use assets and lease liabilities**

On initial recognition, right-of-use assets are measured at an amount equal to initial lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or the site on which it is located.

Right-of-use assets are subsequently stated at cost less any accumulated depreciation / accumulated impairment losses and are adjusted for any remeasurement of lease liability. The remeasurement of lease liability will only occur in cases where the terms of the lease are changed during the lease tenure.

Right-of-use assets are depreciated over their expected useful lives using the straight-line method. Depreciation on additions (new leases) is charged from the month in which leases are entered into. No depreciation is charged in the month in which the leases mature or are terminated.

The lease liabilities are initially measured as the present value of the remaining lease payments, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using EIR. The lease liability is also measured to reflect any remeasurement or change in lease terms. These remeasurement of lease liabilities are recognised as an adjustment to the carrying amount of related right-of-use assets after the date of initial recognition.

Each lease payment is allocated between a reduction of the liability and a finance cost. The finance cost is charged to the statement of profit and loss account as financial charges over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

#### **4.6.3 Capital work-in-progress**

Capital work-in-progress is stated at cost less accumulated impairment losses, if any. All expenditure connected with specific assets incurred during the installation and construction / development period is carried under this head. These are transferred to the relevant categories of assets as and when assets become available for use.

#### **4.7 Intangible assets and amortisation**

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised using the straight line method at the rate stated in note 12.1. The residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, at each reporting date. Amortisation is charged from the month the asset is available for use while no amortisation is charged in the month the asset is disposed of.

Subsequent costs are included in the asset's carrying amounts or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Gains and losses on disposals, if any, are taken to the statement of profit and loss account in the period in which these arise.

#### **4.8 Advances**

Advances include amounts disbursed to customers in the ordinary course of business and loans or advances extended to staff under the Company's Human Resource (HR) policy.

Advances shall be initially recognized at fair value and classified at amortized cost, as they are held within a business model to collect contractual cash flows that represent SPPI. Subsequently, they are measured at amortized cost using EIR, with interest income recognized in statement of profit and loss account over the loan term.

Staff loans are initially recognized at their fair value, determined by discounting future contractual cash flows using a market rate of interest applicable to similar loans. After initial recognition, staff loans are measured at amortized cost using EIR, with interest income recognized in statement of profit and loss account over the loan term.

The difference between the disbursed amount and the fair value of staff loans are recorded as a prepaid staff cost and subsequently amortised over the tenure of the loan.

Advances are written off when there is no realistic prospect of recovery as disclosed in note 4.4.1.

#### **4.9 Islamic financing and related assets**

Musharakah financing are stated net of ECL and general provision. Under Musharakah mortgage finance facility, the Company enters into the housing / mortgage finance with the customer (Islamic Banking Institution / Islamic Financial Institution) based on Shirkat-ul-'Aqd (Business Partnership). Initially, the Company shall purchase the units at face value or on an agreed price as well as customer will commingle its share. The Profit-Sharing Ratio (PSR) will be pro-rata or any other ratio agreed at the time of signing the contract. The Company and customer have agreed that if the profit realised is above the desired ceiling, the profit in excess of such a ceiling will be distributed at mutually agreed rate. Profit on musharakah mortgage finance is booked over term of facility using EPR.

#### **4.10 Financial Liabilities**

These include term loans from financial institutions, TFCs, Bai Muajjal transactions, subordinated debt and borrowings from Government of Pakistan under World bank-Housing Finance Project. All financial liabilities are initially recognized at fair value less directly attributable transaction cost except for TFCs.

For TFCs, the directly attributable transaction cost is recognized as a prepaid asset which is amortized over the life of instrument.

For subordinated debt and borrowings from Government of Pakistan under World Bank-Housing Finance Project, the difference between fair value and proceeds received is recognized as a deferred Government grant.

Subsequently all financial liabilities except for TFCs are measured at amortized cost using EIR / EPR.

##### **4.10.1 Derecognition**

Financial liabilities are derecognised when these are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

#### **4.11 Employees compensated absences**

The Company accounts for all accumulated compensated absences as per the HR policy of the Company.

#### **4.12 Staff retirement benefits**

##### **Defined benefit plan – staff gratuity fund**

The Company operates a funded gratuity scheme for its employees as per HR policy of the Company. The liability recognised in balance sheet in respect of defined benefit gratuity scheme, is the present value of the defined benefit obligation as at the reporting date less the fair value of plan assets. Contributions to the fund are made on the basis of actuarial recommendations. The Projected Unit Credit Method is used for actuarial valuations. Valuations are conducted by an independent actuary with the last valuation conducted as at December 31, 2025.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period and recognised as an expense to the statement of profit and loss account. Past service cost is the change in the present value of defined benefit obligation resulting from a plan amendment or curtailment and is recognised as an expense in the statement of profit and loss account when the plan amendment or curtailment occurs. Actuarial gains and losses that arise out of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income with no subsequent recycling through statement of profit and loss account.

##### **Defined contribution plan – staff provident fund**

The Company operates a provident fund scheme for its employees. Equal monthly contributions are made into the Fund both by the Company and the employees at the rate of 10% of basic salary as per HR policy of the Company.

#### **4.13 Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are set-off and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off and the Company intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously. Income and expense items of such assets and liabilities are also off-set and the net amount is reported in the financial statements.

#### **4.14 Other provisions**

Provisions are recognised when the Company has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

#### **4.15 Commitments**

Commitments contracted for but not incurred are disclosed in the financial statements at committed amounts.

#### **4.16 Taxation**

The Company is currently exempt from tax as disclosed in note 30 to these financial statements.

#### **4.17 Revenue recognition**

Revenue is recognised to the extent that the economic benefits associated with the transaction will flow to the Company and the amount can be measured reliably.

- Mark-up / return / interest / profit from bank deposits, lending to financial institutions, investments (including premium and discounts) and advances are recognized using EIR/EPR over the tenure of the instrument. In case of credit impaired or non-performing financial assets, income is recognized on receipt

basis. Deferred grant income is recognized using EIR over the tenure of facility.

- Fee, commission and advisory service income are recognized as services are rendered.
- Trustee remuneration is recognised on a straight-line basis over the guarantee period.
- Gains and losses on disposal of assets are recognised in the period in which these arise.
- Other income is recognized on accrual basis.

#### **4.18 Earnings Per Share (EPS)**

The Company presents basic and diluted EPS for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

#### **4.19 Statutory reserve**

Every DFI incorporated in Pakistan is required to transfer 20% of its profit to a statutory reserve until the reserve equals share capital. Thereafter, 10% of the profit of the DFI is to be transferred to this reserve.

#### **4.20 Segment reporting**

A segment is a distinguishable component of the Company that is engaged either in providing product 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.

##### **4.20.1 Business segments**

The Company considers Management Committee as its Chief Operating Decision Maker (CODM). The CODM reviews the financial performance of the Company as a single entity. Accordingly, these financial statements have been prepared on the basis of a single reportable segment.

##### **Mortgage financing**

Mortgage financing includes providing financing facilities to banks and financial institutions against their existing housing finance portfolios, Government securities and other eligible securities for collateral.

##### **4.20.2 Geographical segments**

The operations of the Company are currently based only in Pakistan.

#### **4.21 Share capital**

Ordinary shares are classified as equity and recognised at their face value.

#### **4.22 Dividend distribution**

Dividends and appropriations to reserves, which are approved subsequent to the date of the statement of financial position are, except where required by law, recognised in the year in which these are approved and disclosed as a non-adjusting event after the balance sheet date.

	Note	2025	2024
(Rupees in '000)			
<b>5 CASH AND BALANCES WITH TREASURY BANKS</b>			
With SBP in:			
Local currency current account	5.1	113,213	5,295
With National Bank of Pakistan (NBP) in:			
Local currency current account		31	31
Local currency deposit account	5.2	14	12
		45	43
		113,258	5,338
Less: Credit loss allowance held against cash and balances with treasury banks	5.3	-	-
Cash and balances with treasury banks - net of credit loss allowance		113,258	5,338

**5.1** This represents the minimum cash reserve required to be maintained with SBP in accordance with the requirements of BSD Circular No. 4 dated May 22, 2004.

**5.2** This represents deposit account maintained with NBP. This carries mark-up at the rate of 9.5% (December 31, 2024: 13.50%) per annum.

	Note	2025	2024
(Rupees in '000)			
<b>5.3 Movement in credit loss allowance held against cash and balances with treasury banks</b>			
Opening balance		-	-
Charge for the year		-	6
Reversal for the year	29	-	(6)
Closing balance		-	-

## 6 BALANCES WITH OTHER BANKS

In Pakistan			
In current account		268	1,579
In deposit accounts	6.1 & 6.2	15,860,105	1,236,806
		15,860,373	1,238,385
Less: Credit loss allowance held against balances with other banks	6.3	(2,155)	(167)
Balances with other banks - net of credit loss allowance		15,858,218	1,238,218

**6.1** This includes deposit accounts in local currency maintained with other banks amounting to Rs. 360.105 million (December 31, 2024: 1,236.806 million). These carry mark-up / profit at rates ranging from 6.29% to 11.00% (December 31, 2024: 5.87% to 13.50%) per annum.

**6.2** This includes Term Deposit Receipt (TDR) amounting to Rs. 15,500 million (December 31, 2024: Nil) which are due to mature latest by March 24, 2026. These carry mark-up / profit rates ranging from 11.00% to 11.75% (December 31, 2024: Nil) per annum.

6.3 Movement in credit loss allowance held against balances with other banks – Stage 1	Note	2025	2024
		(Rupees in '000)	
Opening balance		167	-
Charge for the year		2,150	1,444
Reversal for the year		(162)	(1,277)
	29	<u>1,988</u>	<u>167</u>
Closing balance		<u>2,155</u>	<u>167</u>

## 7 LENDINGS TO FINANCIAL INSTITUTIONS

Reverse Repo	7.3	1,361,055	3,998,408
Less: Credit loss allowance held against lendings to financial institutions	7.5	(37)	(144)
Lendings to financial institutions – net of credit loss allowance		<u>1,361,018</u>	<u>3,998,264</u>

### 7.1 Particulars of lending

In local currency	1,361,018	3,998,264
In foreign currencies	-	-
	<u>1,361,018</u>	<u>3,998,264</u>

7.2 Lendings to financial Institutions- particulars of credit loss allowance	2025		2024	
	Lendings	Credit loss allowance held	Lendings	Credit loss allowance held
	(Rupees in '000)			
<b>Domestic</b>				
Performing – Stage 1	<u>1,361,055</u>	<u>37</u>	<u>3,998,408</u>	<u>144</u>

7.3 This carry mark-up rate of 11.40% (December 31, 2024: 13.75%) per annum and will mature on January 02, 2026.

### 7.4 Securities held as collateral against Lending to financial institutions

	2025			2024		
	Held by Company	Further given as collateral	Total	Held by Company	Further given as collateral	Total
	(Rupees in '000)					
Pakistan Investment Bonds (PIB)	<u>1,361,055</u>	<u>-</u>	<u>1,361,055</u>	<u>3,998,408</u>	<u>-</u>	<u>3,998,408</u>

7.5 Movement in credit loss allowance held against lending to financial Institutions – Stage 1	Note	2025	2024
		(Rupees in '000)	
Opening balance		144	-
Charge for the year		-	144
Reversal for the year		(107)	-
	29	<u>(107)</u>	<u>144</u>
Balance at the end of the year		<u>37</u>	<u>144</u>

## 8 INVESTMENTS

8.1 Investments by type	2025				2024			
	Cost / amortised cost	Credit loss allowance	Surplus	Carrying value	Cost / amortised cost	Credit loss allowance	Surplus	Carrying value
(Rupees in '000)								
<b>Debt Instruments</b>								
<b>Classified / Measured at FVOCI</b>								
Federal Government securities	41,535,623	-	298,912	41,834,535	26,774,180	-	223,010	26,997,190
Non-Government debt securities	50,000	(2)	-	49,998	100,000	(7)	-	99,993
	<b>41,585,623</b>	<b>(2)</b>	<b>298,912</b>	<b>41,884,533</b>	26,874,180	(7)	223,010	27,097,183
<b>Classified / Measured at FVPL</b>								
Non-Government debt securities	299,520	-	-	299,520	299,640	-	-	299,640
<b>Total investments</b>	<b>41,885,143</b>	<b>(2)</b>	<b>298,912</b>	<b>42,184,053</b>	27,173,820	(7)	223,010	27,396,823

## 8.2 Investments by segments

Federal Government securities	2025				2024			
	Cost / amortised cost	Credit loss allowance	Surplus	Carrying value	Cost / amortised cost	Credit loss allowance	Surplus	Carrying value
MTB	36,969,053	-	101,220	37,070,273	22,352,263	-	164,725	22,516,988
PIB	4,566,570	-	197,692	4,764,262	4,421,917	-	58,285	4,480,202
	<b>41,535,623</b>	-	<b>298,912</b>	<b>41,834,535</b>	26,774,180	-	223,010	26,997,190
<b>Non-Government debt securities</b>								
Unlisted	349,520	(2)	-	349,518	399,640	(7)	-	399,633
<b>Total investments</b>	<b>41,885,143</b>	<b>(2)</b>	<b>298,912</b>	<b>42,184,053</b>	27,173,820	(7)	223,010	27,396,823

## 8.3 Quality of securities

Details regarding quality of securities are as follows:

	2025	2024
	Cost	
(Rupees in '000)		
<b>Federal Government securities - Government guaranteed</b>		
MTB	36,969,053	22,352,263
PIB	4,566,570	4,421,917
	<b>41,535,623</b>	26,774,180
<b>Non-Government debt securities</b>		
<b>Unlisted</b>		
- A+	299,520	299,640
- AAA	50,000	100,000
	<b>349,520</b>	399,640
	<b>41,885,143</b>	27,173,820

## 8.4 Particlurs of credit loss allowance

### 8.4.1 Investments - exposure\*

	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
(Rupees in '000)								
Opening balance	399,640	-	-	399,640	399,760	-	-	399,760
Investments derecognised or repaid	(50,120)	-	-	(50,120)	(120)	-	-	(120)
Closing balance	<b>349,520</b>	-	-	<b>349,520</b>	399,640	-	-	399,640

\*Excluding Government and Government guaranteed exposure

#### 8.4.2 Investments - Credit loss allowance

	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	(Rupees in '000)							
Opening balance	7	-	-	7	-	-	-	-
Charge for the year	-	-	-	-	5	-	-	5
Investments derecognised or repaid	(5)	-	-	(5)	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	-	-	-	-	2	-	-	2
<b>Closing balance</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>7</b>

#### 8.5 Investments given as collateral

	2025			2024		
	Cost / amortised cost	Surplus/ (Deficit)	Carrying Value	Cost / amortised cost	Surplus/ (Deficit)	Carrying Value
	(Rupees in '000)					
PIB	-	-	-	1,003,029	(17,429)	985,600
MTB	8,002,910	23,229	8,026,139	15,486,109	123,624	15,609,733
	<b>8,002,910</b>	<b>23,229</b>	<b>8,026,139</b>	<b>16,489,138</b>	<b>106,195</b>	<b>16,595,333</b>

Note **2025** 2024  
(Rupees in '000)

#### 8.6 Movement in credit loss allowance held against investment - Stage 1

Opening balance		7	-
Charge for the year		-	7
Reversal for the year		(5)	-
	29	(5)	7
Closing balance		2	7

#### 8.7 Particulars of credit loss allowance against debt securities

	2025		2024	
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
	(Rupees in '000)			
<b>Domestic</b>				
Performing - Stage 1	50,000	(2)	100,000	(7)

9	ADVANCES	Note	Performing		Non-Performing		Total	
			2025	2024	2025	2024	2025	2024
(Rupees in '000)								
	Loans, cash credits, running finances, etc.		16,760,660	15,109,674	1,059,131	1,288,707	17,819,791	16,398,381
	Islamic financing and related assets		23,437,601	19,006,028	-	-	23,437,601	19,006,028
	Advances – gross	9.1	40,198,261	34,115,702	1,059,131	1,288,707	41,257,392	35,404,409
	Credit loss allowance / provision against advances							
	- Stage 1	9.2.2	(14,816)	(20,520)	-	-	(14,816)	(20,520)
	- Stage 3		-	-	(529,566)	(579,918)	(529,566)	(579,918)
	- General	9.2.2 & 9.4	(347,895)	(347,895)	-	-	(347,895)	(347,895)
	Advances – net of provision		39,835,550	33,747,287	529,565	708,789	40,365,115	34,456,076

9.1	Particulars of advances (gross)	2025	2024
(Rupees in '000)			
	In local currency	41,257,392	35,404,409
9.1.1	Advances to Women, Women-owned and Managed Enterprises		
	Women	13,978	15,478
	Women Owned and Managed Enterprises	-	-
		13,978	15,478

9.1.2 Gross loans disbursed to women during the year was Rs. 7.273 million (December 31, 2024; Rs. 7.159 million).

## 9.2 Particulars of credit loss allowance

### 9.2.1 Advances – Exposure (gross)

	2025			2024		
	Stage 1	Stage 3	Total	Stage 1	Stage 3	Total
(Rupees in '000)						
Opening Balance	34,115,702	1,288,707	35,404,409	34,749,815	-	34,749,815
New advances	21,066,652	-	21,066,652	11,670,230	-	11,670,230
Advances derecognised or repaid	(14,984,093)	(229,576)	(15,213,669)	(10,844,997)	(170,639)	(11,015,636)
Transfer to stage 1	-	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-	-
Transfer to stage 3	-	-	-	(1,459,346)	1,459,346	-
	6,082,559	(229,576)	5,852,983	(634,113)	1,288,707	654,594
Closing balance – current year	40,198,261	1,059,131	41,257,392	34,115,702	1,288,707	35,404,409

## 9.2.2 Advances - Credit loss allowance

	2025				2024			
	Expected Credit Loss		General	Total	Expected Credit Loss		General	Total
	Stage 1	Stage 3			Stage 1	Stage 3		
(Rupees in '000)								
Opening balance	20,520	579,918	347,895	948,333	-	-	347,895	347,895
New advances	5,875	-	-	5,875	8,812	-	-	8,812
Advances derecognised or repaid	(11,579)	(50,352)	-	(61,931)	(2,104)	-	-	(2,104)
Transfer to stage 3	-	-	-	-	(886)	-	-	(886)
Charge for the year	-	-	-	-	14,765	579,918	-	594,683
	(5,704)	(50,352)	-	(56,056)	20,587	579,918	-	600,505
(Reversal)/changes in risk parameters (PDs/LGDs/EADs)	-	-	-	-	(67)	-	-	(67)
Closing balance	14,816	529,566	347,895	892,277	20,520	579,918	347,895	948,333

## 9.2.3 Advances - Credit loss allowance details Internal / External rating / stage classification

	2025		2024	
	Stage 1 / General Provision	Stage 2	Stage 1 / General Provision	Stage 2
(Rupees in '000)				
<b>Outstanding gross exposure</b>				
<b>Performing - Stage 1</b>				
Loans	40,198,261	-	34,115,702	-
<b>Non-performing - Stage 3</b>				
Doubtful	-	1,059,131	-	1,288,707
<b>Total</b>	<b>40,198,261</b>	<b>1,059,131</b>	<b>34,115,702</b>	<b>1,288,707</b>
<b>Corresponding ECL</b>				
Stage 1	14,816	-	20,520	-
Stage 3	-	529,566	-	579,918
General Provision	347,895	-	347,895	-
<b>Total</b>	<b>362,711</b>	<b>529,566</b>	<b>368,415</b>	<b>579,918</b>

9.3 Advances include Rs. 1,059.131 million (December 31, 2024: 1,288.707 million) which have been placed under non-performing status as detailed below:

Category of classification	2025		2024	
	Non-performing loans	Credit loss allowance	Non-performing loans	Credit loss allowance
(Rupees in '000)				
<b>Domestic</b>				
Doubtful - Stage 3	1,059,131	529,566	1,288,707	579,918

**9.4** The Company's financing activities largely belongs to the banking industry which includes Banks, DFIs, Micro Finance Institutions, whose financial health by and large is dependent upon the smooth and timely recovery of loans from their customer. Any adverse implication on the recovery of loans extended by financial institutions may impact the timely recovery of the Company's loans as well. Besides financing banking institutions, the Company has also extended its financial services to Non-Banking Financial Institutions including Housing Financing Companies and Micro Finance Institutions. Generally, these institutions have low / middle income targeted borrowers who are more prone to macroeconomic challenges and may be adversely affected to fulfil their obligations. Considering the aforesaid issues, the Company has maintained a general provision reserve of Rs. 347.895 million against the micro finance sector, so that any unforeseen losses can be addressed through this reserve.

**9.5 Advances - Category of classification**

	December 31, 2025		December 31, 2024	
	Outstanding amount	Credit loss allowance / provision held	Outstanding amount	Credit loss allowance / provision held
(Rupees in '000)				
<b>Domestic</b>				
Performing - Stage 1	40,198,261	14,816	34,115,702	20,520
General provision	-	347,895	-	347,895
	<b>40,198,261</b>	<b>362,711</b>	34,115,702	368,415
Non-performing - Stage 3				
Doubtful	1,059,131	529,566	1,288,707	579,918
<b>Total</b>	<b>41,257,392</b>	<b>892,277</b>	35,404,409	948,333

**9.6 Particulars of credit loss allowance against advances**

	2025		2024	
	Stage 1 / General Provision	Stage 3	Stage 1 / General Provision	Stage 3
(Rupees in '000)				
In local currency	362,711	529,566	368,415	579,918

**9.7** No loans have been written off during the current and prior year.

	Note	2025	2024
(Rupees in '000)			
<b>10 PROPERTY AND EQUIPMENT</b>			
Capital work-in-progress	10.1	3,323	-
Property and equipment	10.2	104,409	67,525
		<b>107,732</b>	67,525

**10.1 Capital work-in-progress**

Equipment	10.1.1	3,323	-
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**10.1.1** This amount represents payments made to Silicon Technologies for the procurement of Cisco network switches.

## 10.2 Property and equipment

		2025				
Note		Leasehold improvements	Furniture and fixtures	Electrical, office and computer equipment	Vehicles	Total
		(Rupees in '000)				
<b>At January 01, 2025</b>						
Cost		37,365	19,676	64,047	43,087	164,175
Accumulated depreciation		(23,144)	(11,008)	(37,844)	(24,654)	(96,650)
Net book value		14,221	8,668	26,203	18,433	67,525
<b>Year ended December 31, 2025</b>						
Opening net book value		14,221	8,668	26,203	18,433	67,525
Additions		183	342	10,871	74,996	86,392
<b>Disposals</b>						
Cost		-	-	(5,115)	(35,411)	(40,526)
Accumulated depreciation		-	-	5,042	23,456	28,498
		-	-	(73)	(11,955)	(12,028)
Depreciation charge for the year	27	(7,508)	(3,281)	(11,382)	(15,309)	(37,480)
Closing net book value		6,896	5,729	25,619	66,165	104,409
<b>At December 31, 2025</b>						
Cost		37,548	20,018	69,803	82,672	210,041
Accumulated depreciation		(30,652)	(14,289)	(44,184)	(16,507)	(105,632)
Net book value		6,896	5,729	25,619	66,165	104,409
<b>Rate of depreciation (% per annum)</b>		20%	10% - 20%	20% - 50%	20%	
		(Rupees in '000)				
<b>At January 01, 2024</b>						
Cost		31,493	17,594	46,656	43,087	138,830
Accumulated depreciation		(16,269)	(8,506)	(28,445)	(16,037)	(69,257)
Net book value		15,224	9,088	18,211	27,050	69,573
<b>Year ended December 31, 2024</b>						
Opening net book value		15,224	9,088	18,211	27,050	69,573
Additions		6,182	2,543	18,746	-	27,471
<b>Disposals</b>						
Cost		(310)	(461)	(1,355)	-	(2,126)
Accumulated depreciation		188	346	1,147	-	1,681
		(122)	(115)	(208)	-	(445)
Depreciation charge for the year	27	(7,063)	(2,848)	(10,546)	(8,617)	(29,074)
Closing net book value		14,221	8,668	26,203	18,433	67,525
<b>At December 31, 2024</b>						
Cost		37,365	19,676	64,047	43,087	164,175
Accumulated depreciation		(23,144)	(11,008)	(37,844)	(24,654)	(96,650)
Net book value		14,221	8,668	26,203	18,433	67,525
<b>Rate of depreciation (% per annum)</b>		20%	10% - 20%	20% - 50%	20%	

### 10.2.1 Details of disposal made to related parties during the year

Particulars of assets	Cost	Net book value	Sale price	Mode of disposal	Particulars of the purchaser
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————— (Rupees in '000) —————

#### Electrical, office and computer equipment

Mobile Phone	50	-	1	Sale to Employee	Mr. Badar Munir
Mobile Phone	470	-	5	Sale to Employee	Mr. Mudassir H. Khan
Mobile Phone	60	-	1	Sale to Employee	Ms. Iffat Hina
Mobile Phone	60	-	1	Sale to Employee	Mr. Mehmood Uzair
Mobile Phone	50	-	1	Sale to Ex- Employee	Mr. Zahid Hussain Gokal
Mobile Phone	50	-	1	Sale to Employee	Mr. Naved Hanif
Mobile Phone	50	-	1	Sale to Employee	Mr. Farrukh Zaheer
Laptop	272	-	3	Sale to Employee	Mr. Naved Hanif
Laptop	247	-	2	Sale to Employee	Mr. Hasan Junaid Nasir
Laptop	357	-	4	Sale to Employee	Mr. Omair Farooqi
Laptop	381	-	4	Sale to Ex- Employee	Mr. Zahid Hussain Gokal
	<b>2,047</b>	<b>-</b>	<b>24</b>		

#### Vehicles

Hyundai Elantra	4,526	1,660	1,660	Sale to Employee	Mr. Mudassir H. Khan
Toyota Land Cruiser	30,885	10,295	10,295	Sale to Employee	Mr. Mudassir H. Khan
	<b>35,411</b>	<b>11,955</b>	<b>11,955</b>		
<b>Total</b>	<b>37,458</b>	<b>11,955</b>	<b>11,979</b>		

10.2.1.1 These assets are disposed off in accordance with applicable HR policy and employment agreement.

**2025**                      2024  
(Rupees in '000)

10.2.2 The cost of fully depreciated fixed assets that are still in the Company's use is as follows:

Electrical, office and computer equipment	<b>23,888</b>	20,529
Leasehold Improvements	<b>200</b>	-
Furniture and fixtures	<b>1,286</b>	1,286
	<b>25,374</b>	21,815

11 RIGHT-OF-USE ASSETS	Note	2025 (Rupees in '000)	2024
<b>At January 1,</b>			
Cost		117,010	117,010
Accumulated depreciation		<b>(95,558)</b>	(72,156)
<b>Net Carrying amount at January 1,</b>		<b>21,452</b>	44,854
Depreciation charge for the year	27	<b>(21,452)</b>	(23,402)
<b>Net Carrying amount at December 31,</b>	11.1	<b>-</b>	21,452

**11.1** The lease agreement for the right-of-use asset and corresponding lease liability has expired on November 30, 2025. The company continues to occupy the premises for a further period of 5 years commencing from January 01, 2026. Rent for December 2025 was paid at the existing rate as agreed with the owner, and recognized as rental expense.

12 INTANGIBLE ASSETS	Note	2025 (Rupees in '000)	2024
Computer software	12.1	<b>23,285</b>	30,379
<b>12.1 Intangible assets</b>			
<b>Computer software</b>			
<b>At January 1,</b>			
Cost		56,762	40,590
Accumulated amortisation		<b>(26,383)</b>	(19,025)
<b>Net Carrying amount at January 1,</b>		<b>30,379</b>	21,565
Opening net book value		30,379	21,565
Additions - directly purchased		2,152	16,172
Amortisation charge for the year	27	<b>(9,246)</b>	(7,358)
<b>Net Carrying amount at December 31,</b>		<b>23,285</b>	30,379
<b>At December 31</b>			
Cost		58,914	56,762
Accumulated amortisation		<b>(35,629)</b>	(26,383)
Net book value		<b>23,285</b>	30,379
<b>Rate of amortisation (% per annum)</b>		<b>20%</b>	20%
<b>Useful life</b>		<b>5 years</b>	5 years

<b>13 OTHER ASSETS</b>	Note	<b>2025</b>	2024
		(Rupees in '000)	
Mark-up / return / interest / profit accrued in local currency		<b>979,544</b>	860,432
Advances, deposits and prepayments		<b>109,041</b>	55,803
Advance taxation		<b>28,155</b>	27,806
Prepaid staff cost	13.3	<b>119,543</b>	98,756
		<b>1,236,283</b>	1,042,797
Less: Credit loss allowance held against other assets			
Other assets - net of credit loss allowance	13.1	<b>(254)</b>	(379)
		<b>1,236,029</b>	1,042,418
<b>13.1 Credit loss allowance held against other assets</b>			
Mark-up / return / interest / profit accrued in local currency	13.2	<b>254</b>	379
<b>13.2 Movement in credit loss allowance held against other assets - stage 1</b>			
Opening balance		<b>379</b>	-
Charge for the year		<b>-</b>	421
Reversal for the year		<b>(125)</b>	(42)
	29	<b>(125)</b>	379
Closing balance		<b>254</b>	379
<b>13.3</b>			
This represents the difference between issue amount and fair value determined at the time of disbursement under IFRS 9, of staff loans. It is being recognized in statement of profit and loss account over the tenure of the loan in line with the recognition of interest/profit income on such loans under EIR/EPR.			
<b>14 BORROWINGS</b>	Note	<b>2025</b>	2024
		(Rupees in '000)	
<b>Secured</b>			
TFC	14.2	<b>11,725,000</b>	13,162,500
Repo	14.3	<b>7,966,242</b>	456,286
Long Term Loan / Facility	14.4	<b>6,666,667</b>	3,000,000
Short Term Loan	14.5	<b>-</b>	15,000,000
<b>Total secured</b>		<b>26,357,909</b>	31,618,786
<b>Unsecured</b>			
Borrowings from Government of Pakistan under World Bank - Housing Finance Project	14.6	<b>4,128,778</b>	4,209,979
Bai Muajjal	14.7	<b>30,654,581</b>	5,608,693
Clean Borrowing	14.8	<b>1,000,000</b>	-
		<b>62,141,268</b>	41,437,458
<b>14.1 Particulars of borrowings with respect to currencies</b>			
In local currency		<b>62,141,268</b>	41,437,458
<b>14.2</b>			
These certificates have maturity of five to ten years and carry mark-up rate ranging from 9.35% to 10.84% (December 31, 2024: 9.35% to 19.87%) per annum. The principal is payable annually or at maturity whereas mark-up is payable semi-annually. Further, TFCs amounting to Rs. 1,100 million have matured during the year.			

- 14.3** This represents Repo borrowing at mark-up rate ranging from 10.55% to 10.58% (December 31, 2024: 13.10%) per annum and are due to mature latest by January 02, 2026. The market value of securities given as collateral against these borrowings is given in note 8.5 to these financial statements.
- 14.4** These long term loans / facility carry mark-up / profit rates ranging from 11.29% to 11.55% (December 31, 2024: 18.36%) per annum and will mature latest by November 13, 2028.
- 14.5** These short term loans carry mark-up at Nil (December 31 2024: 10.24% per annum) and were matured on February 14, 2025 and February 17, 2025.
- 14.6** This represents borrowing from Government of Pakistan under World Bank – Housing Finance Project for 30 years at fixed rate of 3% per annum. The mark-up and the principal are payable semi-annually, whereby the principal is repayable in fifty installments, the repayment of which has commenced from April 15, 2023. At initial recognition date, the loan was recorded at fair value.
- 14.7** Bai Muajjal borrowings carry profit rate ranging from 10.45% to 10.90% (December 31, 2024: 11.95%) per annum and are due to mature latest by April 03, 2026.
- 14.8** Clean borrowing carries mark-up at the rate of 10.55% (December 31, 2024: Nil) per annum and are due to mature on January 02, 2026.

	Note	2025	2024
(Rupees in '000)			
<b>15 DEPOSITS AND OTHER ACCOUNTS</b>			
<b>Customers / employees</b>			
Others – In local currency	15.1	650	-
<b>Financial institutions</b>			
Others – In local currency	15.2	10,178,000	-
		<b>10,178,650</b>	-

- 15.1** This represents non mark-up bearing Certificate of Investments (COI) issued to the employees of the Company and are due to mature latest by November 26, 2026.
- 15.2** This includes Certificate of Investments – Islamic (COII) issued at a profit rate ranging from 10.27% to 10.85% per annum (December 31, 2024: Nil) and are due to mature latest by March 13, 2026.

	Note	2025	2024
(Rupees in '000)			
<b>16 LEASE LIABILITIES</b>			
Opening balance		23,800	53,162
Lease payments including interest		(24,689)	(32,918)
Interest expense		889	3,556
Closing balance	11.1	-	23,800
<b>16.1 Contractual maturity of lease liabilities</b>			
Short-term lease liabilities – within one year		-	23,800
Total lease liabilities		-	23,800

## 17 SUBORDINATED DEBT

On February 22, 2019, the Government of Pakistan lent Rs. 7,051 million under World Bank – Housing Finance Project with principal repayment starting from April 15, 2023 and maturing on October 15, 2047, at a fixed rate of 3% per annum. This has been disbursed as a sub-ordinated loan, and if needed, can be converted into non-participatory Additional Tier 1 Capital.

	Note	2025	2024
Issue amount (Rupees in '000)		7,050,716	7,050,716
Outstanding principal at fair value (Rupees in '000)	17.1	2,785,148	2,839,356
Issue date		February 22, 2019	February 22, 2019
Maturity date		October 15, 2047	October 15, 2047
Rating		Not applicable	Not applicable
Security		Unsecured	Unsecured
Profit payment frequency		Semi-annually	Semi-annually
Principal redemption		Semi-annually	Semi-annually
Mark-up		3% per annum	3% per annum

**17.1** The actual outstanding amount of subordinated debt as at December 31, 2025 is Rs. 6,352.695 million (December 31, 2024: Rs. 6,585.368 million) and initially recorded at fair value on initial recognition date as explained in note 18.1.

18 OTHER LIABILITIES	Note	2025 (Rupees in '000)	2024
Mark-up / return / interest / profit payable in local currency		<b>1,477,802</b>	665,416
Deferred Government Grant	18.1	<b>8,620,029</b>	9,145,717
Accrued expenses		<b>37,258</b>	38,595
Withholding tax payable		<b>10,270</b>	9,188
Unearned income	18.2	<b>208,246</b>	237,628
Provision for Government levies	18.3	<b>270,314</b>	212,908
Payable to defined benefit plan	34.4	<b>735</b>	6,549
Payable to defined contribution plan		-	12
Provision for employees' benefit		<b>150,836</b>	228,694
		<b>10,775,490</b>	10,544,707

**18.1** This represents the difference between issue amount and fair value determined at the time of disbursement under IFRS 9, of subordinated debt and borrowings from Government of Pakistan under Housing Finance Project. It is being recognized in statement of profit and loss account in line with the recognition of borrowing expense, which the Government grant is compensating.

**18.2** This includes unearned Trustee fee income received in advance from Credit Guarantee Trust (CGT) and is being recognized on a straight line basis over the term of the guarantee provided by CGT.

**18.3** This includes an amount of Rs. 270.210 million in respect of provision for Sindh Workers' Welfare Fund (SWWF) as disclosed in note 28.1.

## 19 SHARE CAPITAL

### 19.1 Authorised capital

2025	2024		2025	2024
(Number of shares)			(Rupees in '000)	
<b>1,000,000,000</b>	1,000,000,000	Ordinary shares of Rs. 10 each	<b>10,000,000</b>	10,000,000

## 19.2 Issued, subscribed and paid up capital

2025	2024			
(Number of shares)				
<b>623,775,900</b>	623,775,900	Ordinary shares of Rs. 10 each fully paid in cash	<b>6,237,759</b>	6,237,759

### 19.2.1 List of shareholders as at December 31, 2025 and December 31, 2024 is as follows:

Name of Shareholders	2025		2024	
	Number of shares held	Percentage of shareholding	Number of shares held	Percentage of shareholding
Ministry of Finance – Islamic Republic of Pakistan	180,000,000	28.86%	180,000,000	28.86%
NBP	90,000,000	14.43%	90,000,000	14.43%
Habib Bank Limited	75,000,000	12.02%	75,000,000	12.02%
United Bank Limited	75,000,000	12.02%	75,000,000	12.02%
International Finance Corporation	75,000,000	12.02%	75,000,000	12.02%
Askari Bank Limited	45,000,000	7.22%	45,000,000	7.22%
Bank Alfalah Limited	45,000,000	7.22%	45,000,000	7.22%
Allied Bank Limited	30,000,000	4.81%	30,000,000	4.81%
Bank Al Habib Limited	7,500,000	1.20%	7,500,000	1.20%
House Building Finance Company Limited	1,001,250	0.16%	1,001,250	0.16%
Bank Makramah Limited	274,500	0.04%	274,500	0.04%
Directors *	150	-	150	-

\* Nil figures due to rounding off.

	Note	2025	2024
		(Rupees in '000)	
<b>20 SURPLUS ON REVALUATION OF ASSETS</b>			
Surplus on revaluation of investments measured at FVOCI	8.1 & 8.2	<b>298,912</b>	223,010

## 21 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2025 and December 31, 2024.

	Note	2025	2024
		(Rupees in '000)	
<b>22 MARK-UP / RETURN / INTEREST / PROFIT EARNED</b>			
Loans and advances		<b>4,835,013</b>	4,543,886
Investments		<b>3,963,524</b>	2,418,312
Clean lending		<b>27,938</b>	9,752
Reverse Repo		<b>155,580</b>	559,060
Deferred grant income	22.2	<b>525,689</b>	440,102
Balances with banks (including TDR)		<b>188,252</b>	90,023
		<b>9,695,996</b>	8,061,135

### 22.1 Interest income (calculated using EIR/EPR method) recognised on:

Financial assets measured at amortised cost	<b>5,206,783</b>	5,202,721
Financial assets measured at FVPL	<b>40,812</b>	68,222
Financial assets measured at FVOCI	<b>3,922,712</b>	2,350,090
Deferred grant income	<b>525,689</b>	440,102
	<b>9,695,996</b>	8,061,135

**22.2** This represents income on Government grant amortised at EIR over its remaining period of the loans disclosed in note 18.1.

<b>23 MARK-UP / RETURN / INTEREST / PROFIT EXPENSED</b>	Note	<b>2025</b>	2024
		(Rupees in '000)	
Borrowings from Government of Pakistan under World Bank			
- Housing Finance Project		<b>593,454</b>	554,044
Subordinated debt		<b>410,725</b>	381,112
Repo		<b>227,169</b>	486,265
TFC		<b>1,286,557</b>	1,705,747
Clean borrowings		<b>32,139</b>	27,075
Long Term Loan		<b>591,909</b>	191,583
Short Term Loan		<b>191,460</b>	201,318
COI/COII		<b>1,004,398</b>	-
Bai Muajjal		<b>2,034,671</b>	269,817
Sukuk certificates		<b>-</b>	84,242
		<b>6,372,482</b>	3,901,203
Amortization of prepaid staff cost		<b>15,115</b>	11,816
Lease liability against right-of-use assets		<b>889</b>	3,556
		<b>6,388,486</b>	3,916,575
<b>23.1</b> Interest expense calculated using EIR/EPR method		<b>6,372,482</b>	3,901,203
Other financial liabilities			
Amortization of prepaid staff cost		<b>15,115</b>	11,816
Lease liability against right-of-use assets		<b>889</b>	3,556
		<b>16,004</b>	15,372
		<b>6,388,486</b>	3,916,575
<b>24 FEE AND COMMISSION INCOME</b>			
Trustee fee	24.1	<b>29,862</b>	29,862

**24.1** This represents fee for trustee services rendered to CGT. The Company is entitled to a trustee fee at 0.25 times of the premium received by the schemes for Low Income Housing and Low Income Housing - Mera Pakistan Mera Ghar (MPMG) as disclosed in note 18.2.

	Note	2025 (Rupees in '000)	2024
<b>25 GAIN ON SECURITIES</b>			
Realised - net	25.1 & 25.2	<b>112,583</b>	27,275
<b>25.1</b> Realised gain on Federal Government Securities - net		<b>112,583</b>	27,275
<b>25.2</b> Net gain on debt instruments measured at FVOCI		<b>112,583</b>	27,275
<b>26 OTHER INCOME</b>			
Gain on sale of property and equipment - net		<b>44</b>	110
Penalty recovered from customers / vendors		-	59
Participation fee income		-	250
Others		-	8
		<b>44</b>	427
<b>27 OPERATING EXPENSES</b>			
<b>Total compensation expense</b>	27.1	<b>385,395</b>	485,407
<b>Property expense</b>			
Rent and taxes	27.4	<b>2,743</b>	214
Insurance		<b>920</b>	827
Utilities cost		<b>6,089</b>	6,924
Security expenses		<b>1,219</b>	1,138
Repairs and maintenance		<b>647</b>	564
Depreciation on lease hold improvements	10.2	<b>7,508</b>	7,063
Depreciation on right-of-use assets	11	<b>21,452</b>	23,402
		<b>40,578</b>	40,132
<b>Information technology expenses</b>			
Software maintenance		<b>22,129</b>	18,580
Disaster recovery site cost		<b>2,651</b>	1,995
Website maintenance		<b>431</b>	356
Hardware maintenance		<b>1,010</b>	389
Network charges		<b>3,033</b>	3,063
Depreciation	10.2	<b>11,382</b>	10,546
Amortisation	12.1	<b>9,246</b>	7,358
		<b>49,882</b>	42,287
<b>Other operating expenses</b>			
Directors' fees and allowances	36.3	<b>51,170</b>	31,040
Fees and allowances to Shariah Board	36.4	<b>12,650</b>	11,025
Director's evaluation expense		<b>949</b>	1,230
Legal and professional charges		<b>7,024</b>	12,863
Fees and subscription		<b>5,549</b>	5,199
Outsourced services costs	33.1	<b>6,551</b>	6,345
Travelling and conveyance		<b>12,039</b>	10,237
Depreciation	10.2	<b>18,590</b>	11,465
Training and development		<b>4,677</b>	4,883
Postage and courier charges		<b>177</b>	245
Communication		<b>1,595</b>	1,480
Stationery and printing		<b>2,618</b>	1,994
Marketing, advertisement and publicity		<b>4,790</b>	3,824
Research and development		<b>273</b>	1,695
Conference		-	9,671
Auditors' remuneration	27.2	<b>4,460</b>	33,096
Insurance		<b>7,969</b>	6,622
Donations	27.3	<b>10,000</b>	5,000
Vehicle repair and maintenance		<b>337</b>	403
Entertainment		<b>2,461</b>	1,248
Brokerage expenses		<b>2,311</b>	1,587
Others		<b>2,714</b>	2,129
		<b>158,904</b>	163,281
		<b>634,759</b>	731,107

	Note	2025	2024
		(Rupees in '000)	
<b>27.1 Total compensation expense</b>			
<b>Managerial remuneration</b>			
Fixed		<b>318,932</b>	277,214
<b>Other benefits</b>			
Provision for cash bonus / awards		<b>17,522</b>	169,728
Charge for defined benefit obligation	34.8.1	<b>21,288</b>	13,708
Contribution to defined contribution plan	35	<b>17,334</b>	15,324
Medical		<b>368</b>	393
Conveyance		<b>146</b>	164
Compensated absences		<b>8,848</b>	8,010
Others		<b>957</b>	866
		<b>385,395</b>	485,407
<b>27.2 Auditors' remuneration</b>			
Audit fee for annual financial statements		<b>1,045</b>	871
Half yearly review fee		<b>406</b>	339
Special certifications and sundry advisory services		<b>1,699</b>	1,599
<b>In other capacity</b>			
Tax advisory services		<b>356</b>	558
Special certifications and sundry advisory services		<b>430</b>	29,166
Out-of-pocket expenses		<b>524</b>	563
		<b>4,460</b>	33,096
<b>27.3 Detail of donations made during the year</b>			
<b>Donations individually exceeding Rs 100,000</b>			
The Citizens Foundation		-	500
Akhuwat Foundation		-	500
The Kidney Centre Post Graduate Training Institute		<b>3,300</b>	1,000
Karachi Down Syndrome Program		<b>3,000</b>	1,000
Family Educational Services Foundation		<b>1,100</b>	500
Indus Hospital and Health Network		<b>2,600</b>	1,000
Marie Adelaide Leprosy Centre		-	500
		<b>10,000</b>	5,000

**27.3.1** There were no donations involving any interest of directors, sponsor shareholders, key management personnel, or their spouses in the donee organizations.

**27.4** This includes rent expense of office premises for the month of December 2025 as disclosed in 11.1.

	Note	2025	2024
		(Rupees in '000)	
<b>28 WORKERS' WELFARE FUND</b>			
Provision for Workers' Welfare Fund	28.1	<b>57,391</b>	57,730

**28.1** SWWF Act had been passed by the Government of Sindh in May 2015 as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs. 0.50 million, is required to pay SWWF in respect of that year a sum equal to two percent of such income. Accordingly, as a result of abundant caution, the management has maintained a provision for SWWF in the financial statements amounting to Rs. 270.210 million which includes a provision of Rs. 57.391 million of the current year.

	<b>2025</b>	2024
	(Rupees in '000)	
<b>29 CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET</b>		
<b>Reversal / (charge) for credit loss allowance on:</b>		
Cash and balances with treasury banks	-	6
Balances with other banks	<b>(1,988)</b>	1,277
Lendings to financial institutions	<b>107</b>	(144)
Investments	<b>5</b>	(2)
Advances	<b>56,056</b>	(585,673)
Other assets	<b>125</b>	42
	<b>54,305</b>	(584,494)

### 30 TAXATION

The income of the Company is exempt from income tax under the Table given for Clause 57(4) of Part 1 of the Second Schedule of the Income Tax Ordinance, 2001.

	<b>2025</b>	2024
	(Rupees in '000)	
<b>31 BASIC AND DILUTED EPS</b>		
Profit for the year	<b>2,812,154</b>	2,828,793
	(Number of shares)	
Weighted average number of ordinary shares	<b>623,775,900</b>	623,775,900
	(Rupees)	
Basic EPS	<b>4.51</b>	4.53

### 31.1 Diluted EPS

Diluted EPS has not been presented separately as the Company does not have any convertible instruments in issue as at December 31, 2025 and December 31, 2024.

	Note	2025 (Rupees in '000)	2024
<b>32 CASH AND CASH EQUIVALENTS</b>			
Cash and balances with treasury banks	5	<b>113,258</b>	5,338
Balances with other banks	6	<b>15,858,218</b>	1,238,218
		<b>15,971,476</b>	1,243,556

		2025 (Number)	2024
<b>33 STAFF STRENGTH</b>			
Permanent		<b>44</b>	41
On Company's contract		<b>1</b>	1
Outsourced	33.1	<b>10</b>	10
Company's own staff strength at the end of the year		<b>55</b>	52

**33.1** This represents 10 (2024: 10) employees of outsourcing service companies who were assigned to perform janitorial and other services.

#### **34 DEFINED BENEFIT PLAN**

**34.1** As mentioned in note 4.12, the Company operates a funded gratuity scheme for its employees as per the policy of the Company. The benefits under the gratuity scheme are payable on retirement at the age of 60 or earlier cessation of service, in lump sum. The benefit is equal to one month's last drawn gross salary for each year of eligible service with the Company subject to a minimum qualifying period of service of two years. The Company's costs and contributions are determined based on actuarial valuation carried out at each year end using Projected Unit Credit Actuarial Method.

#### **34.2 Number of employees under the defined benefit plan**

	2025 (Number)	2024
The number of employees covered under the defined benefit plan as at December 31	<b>45</b>	42

#### **34.3 Principal actuarial assumptions**

The actuarial valuations were carried out as at December 31, 2025 using the following significant assumptions:

	2025 (Per annum)	2024
Discount rate	<b>11.00%</b>	112.25%
Expected long term salary increase rate	<b>10.00%</b>	11.25%
Salary increase rate for next year	<b>7.00%</b>	14.50%
Mortality rates	<b>SLIC (2001-05)-1</b>	SLIC (2001-05)-1

	Note	2025 (Rupees in '000)	2024
<b>34.4 Reconciliation of payable to defined benefit plan</b>			
Present value of defined benefit obligation	34.7	<b>108,719</b>	89,070
Less: fair value of plan assets	34.6	<b>(107,984)</b>	(82,521)
Payable		<b>735</b>	6,549
<b>34.5 Movement in defined benefit plan</b>			
Opening balance		<b>6,549</b>	3,779
Current service cost	34.8.1	<b>20,531</b>	13,163
Net interest expense	34.8.1	<b>757</b>	545
Actual contributions by the Company		<b>(22,514)</b>	(14,061)
Re-measurement (gain) / loss	34.8.2	<b>(4,588)</b>	3,123
Closing balance		<b>735</b>	6,549
<b>34.6 Movement in fair value of plan assets</b>			
Fair value at the beginning of the year		<b>82,521</b>	54,872
Interest income on plan assets		<b>11,189</b>	7,369
Actual contribution by the Company - net		<b>22,514</b>	14,061
Benefits paid by the Company to outgoing members		<b>(4,722)</b>	(2,668)
Re-measurement gain / (loss) recognised in other comprehensive income during the year	34.8.2	<b>(3,518)</b>	8,887
Fair value at the end of the year		<b>107,984</b>	82,521
<b>34.7 Movement in payable under defined benefit obligation</b>			
Obligations at the beginning of the year		<b>89,070</b>	58,650
Current service cost		<b>20,531</b>	13,163
Interest cost on defined benefit obligation		<b>11,946</b>	7,915
Benefits paid by the Company to outgoing members		<b>(4,722)</b>	(2,668)
Re-measurement (gain) / loss recognised in other comprehensive income during the year	34.8.2	<b>(8,106)</b>	12,010
Obligations at the end of the year		<b>108,719</b>	89,070
<b>34.8 Charge for defined benefit plan</b>			
<b>34.8.1 Cost recognised in statement of profit and loss account</b>			
Current service cost		<b>20,531</b>	13,163
Net interest on defined benefit plan		<b>757</b>	545
		<b>21,288</b>	13,708
<b>34.8.2 Re-measurements recognised in other comprehensive income during the year</b>			
(Gain) / loss on obligation			
- financial assumptions		<b>(3,757)</b>	1,121
- demographic assumptions		-	-
- experience adjustments		<b>(4,349)</b>	10,889
Net return on plan assets over interest income		<b>(8,106)</b>	12,010
Total re-measurement (gain) / loss recognised in other comprehensive income		<b>(4,588)</b>	3,123
<b>34.9 Components of plan assets</b>			
Balances with banks (including accrued income)		<b>552</b>	5,150
Government securities (including accrued income)		<b>107,433</b>	77,371
		<b>107,985</b>	82,521

### 34.10 Sensitivity analysis

A sensitivity analysis for each significant financial assumption as of the reporting date, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at that date, is as follows:

	2025	2024
	(Rupees in '000)	
1% increase in discount rate	<u>102,636</u>	<u>83,935</u>
1% decrease in discount rate	<u>115,589</u>	<u>94,887</u>
1% increase in expected rate of salary increase	<u>115,067</u>	<u>94,463</u>
1% decrease in expected rate of salary increase	<u>103,000</u>	<u>84,227</u>

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability recognised within the statement of financial position.

**34.11** The expected charge for the next financial year commencing January 1, 2026 works out to Rs 21.623 million (2025: Rs. 21.288 million).

### 34.12 Maturity profile

The weighted average duration of the obligation is 5.93 years (2024: 6.12 years).

### 34.13 Expected maturity analysis of undiscounted defined benefit obligation

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6 to 10
	(Rupees)					
Undiscounted payments	<u>3,966,815</u>	<u>59,668,080</u>	<u>4,500,274</u>	<u>16,919,690</u>	<u>5,445,558</u>	<u>174,047,589</u>

### 34.14 Funding Policy

An implicit, though not a formally expressed objective, is that the liabilities under the scheme in respect of members in service on the valuation date on a going concern basis and having regard to projected future salary increases, should be covered by the Fund on the valuation date, the total book reserve as of the valuation date, future contributions to the Fund, future additions to the book reserve and future projected investment income of the Fund.

Accordingly, the contribution to the Fund should remain reasonably stable as a percentage of salaries, under the Actuarial Cost Method employed.

### 34.15 Description of risks

The defined benefit plan exposes the Company to the following risks:

**Withdrawal risks** – This is the risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

**Mortality risks** – This is the risk that the actual mortality experience is different. Similar to the withdrawal risk, the effect depends on the beneficiaries' service / age distribution and the benefit.

**Investment risks** – This is the risk of the investment underperformance and being not sufficient to meet the liabilities.

**Final salary risks** – This is the risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.

### 35 DEFINED CONTRIBUTION PLAN

The Company operates a provident fund scheme for its employees as per the policy of the Company. Equal monthly contributions at the rate of 10% per annum (2024: 10% per annum) of basic salaries are made both by the Company and employees. Contributions made to the provident fund during the year are as follows:

	2025	2024
	(Rupees in '000)	
Contribution made by the Company	<b>17,334</b>	15,324
Contribution made by employees	<b>17,334</b>	15,324

The number of employees covered under the defined contribution plan as at December 31, 2025 are 41 (2024: 39).

### 36 COMPENSATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

#### 36.1 Total compensation expense

Items	Directors				Managing Director / Chief Executive Officer		Key Management Personnel	
	Chairman		Non-Executive					
	2025	2024	2025	2024	2025	2024	2025	2024
	(Rupees in '000)							
Fees and allowances etc.	<b>6,650</b>	2,400	<b>44,520</b>	28,640	-	-	-	-
<b>Managerial remuneration</b>								
Fixed	-	-	-	-	<b>73,070</b>	66,312	<b>133,901</b>	116,799
<b>Other benefits</b>								
Bonus	-	-	-	-	<b>30,000</b>	35,000	<b>36,584</b>	32,983
Charge for defined benefit plan	-	-	-	-	<b>6,106</b>	5,225	<b>10,203</b>	4,418
Contribution to defined contribution plan	-	-	-	-	<b>4,453</b>	4,123	<b>7,290</b>	6,433
Medical	-	-	-	-	<b>292</b>	319	-	-
Compensated absences	-	-	-	-	<b>1,890</b>	412	<b>3,728</b>	2,573
Others	-	-	-	-	<b>728</b>	331	<b>13,152</b>	2,110
<b>Total</b>	<b>6,650</b>	2,400	<b>44,520</b>	28,640	<b>116,539</b>	111,722	<b>204,858</b>	165,316
Number of person(s)	<b>1</b>	1	<b>9</b>	11	<b>1</b>	1	<b>9</b>	10

**36.2** Managing Director / Chief Executive Officer (MD/CEO) is entitled to Company maintained cars in accordance with the terms of his employment and is entitled to life insurance benefits in accordance with the policy of the Company. In addition, the MD / CEO is also provided with driver, corporate club membership, medical and security arrangements in accordance with the terms of his employment.

The term "Key Management Personnel" means any executive or key executive reporting directly to the MD / CEO.

### 36.3 Remuneration paid to Directors for participation in Board and Committee Meetings

2025							
Meeting Fees and Allowances Paid							
Sr. No.	Name of Director	For Board Meetings	For Board Committees				Total Amount Paid
			Audit Committee	Risk Committee	Human Resource Committee	Nomination Committee	
(Rupees in '000)							
1	Mr. Fouad Farrukh	3,780	-	350	-	1,050	5,180
2	Mr. Risha Mohyeddin	3,150	-	350	700	-	4,200
3	Mr. Imran Sarwar	2,800	-	1,680	-	-	4,480
4	Ms. Mehreen Ahmed	3,500	-	1,050	700	-	5,250
5	Mr. Tayyeb Afzal	3,500	1,820	-	700	-	6,020
6	Mr. Ahmed Taimoor Nasir	3,500	1,750	-	-	-	5,250
7	Ms. Sonia Karim	3,500	-	-	1,540	-	5,040
8	Mr. Shahid Alam Siddiqui	3,500	-	1,400	-	-	4,900
9	Mr. Mubashar Maqbool	3,500	1,260	-	700	-	5,460
10	Mr. Moazzam Iftikhar Ahmed	350	420	-	-	-	770
11	Mr. Farrakh Qayyum	2,520	-	-	840	1,260	4,620
<b>Total amount paid</b>		<b>33,600</b>	<b>5,250</b>	<b>4,830</b>	<b>5,180</b>	<b>2,310</b>	<b>51,170</b>
No. of meetings		10	5	4	4	3	

2024							
Meeting Fees and Allowances Paid							
Sr. No.	Name of Director	For Board Meetings	For Board Committees				Total Amount Paid
			Audit Committee	Risk Committee	Human Resource Committee	Nomination Committee	
(Rupees in '000)							
1	Mr. Rehmat Ali Hasnie	1,140	-	-	-	350	1,490
2	Mr. Risha Mohyeddin	1,650	-	-	700	-	2,350
3	Mr. Imran Sarwar	1,650	-	1,680	-	-	3,330
4	Ms. Mehreen Ahmed	2,000	-	1,400	-	-	3,400
5	Mr. Ahmed Taimoor Nasir	2,000	1,750	-	-	-	3,750
6	Mr. Tayyeb Afzal	2,000	1,820	-	-	-	3,820
7	Mr. Shahid Alam Siddiqui	1,650	-	1,050	-	-	2,700
8	Mr. Farrakh Qayyum	2,210	-	-	840	420	3,470
9	Ms. Sonia Karim	2,000	-	-	700	-	2,700
10	Mr. Shahid Sattar	950	840	-	-	-	1,790
11	Mr. Mubashar Maqbool	700	840	-	-	-	1,540
12	Mr. Fouad Farrukh	700	-	-	-	-	700
<b>Total amount paid</b>		<b>18,650</b>	<b>5,250</b>	<b>4,130</b>	<b>2,240</b>	<b>770</b>	<b>31,040</b>
No. of meetings		6	5	4	2	1	

### 36.4 Remuneration paid to Shariah Board Members

	2025		2024	
	Chairman	Resident Member	Chairman	Resident Member
Managerial remuneration and allowances (including bonus of RSBM)	5,020	7,630	4,737	6,288
Total number of persons	1	1	1	1

## 37 FAIR VALUE MEASUREMENT

The fair value of quoted securities other than those classified under held to collect model, is based on quoted market price. Quoted securities classified under "held to collect" are carried at amortized cost.

The fair value of assets and liabilities at concessional rate are based on market rate at transaction date.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

The management considers that the estimated fair value of remaining financial assets and liabilities is not significantly different from their respective carrying amounts.

### 37.1 Fair value of financial assets

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

2025				
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
<b>On balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
Federal government securities	-	41,834,535	-	41,834,535
Non-government debt securities	-	349,518	-	349,518
2024				
	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
<b>On balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
Federal government securities	-	26,997,190	-	26,997,190
Non-government debt securities	-	399,633	-	399,633

### 37.2 Valuation techniques and inputs used in determination of fair values

Item	Valuation techniques and input used
PIB	Fair value of fixed and floater PIB are derived using the PKRV and PKFRV rates respectively available on Mutual Funds Association of Pakistan (MUFAP).
MTB	Fair value of MTB are derived using the PKRV rates available on MUFAP.
TFC	Investment in TFC are valued based on the debt instrument prices as published at the close of each business day by MUFAP.

## 38 SEGMENT INFORMATION

### 38.1 Segment details with respect to business activities

These financial statements have been prepared on the basis of a single business activity i.e. mortgage financing as disclosed in note 4.20.1.

### 38.2 Segment details with respect to geographical locations

The Company's business segment operates in Pakistan only.

## 39 TRUST ACTIVITIES

The Company acts as a Trustee of CGT which has been set up by the Government of Pakistan to provide Credit Guarantee in respect of low Income housing to Qualified Financial Institutions. The services provided by the Company primarily includes managing, operating and administering the activities of the Trust.

## 40 RELATED PARTY TRANSACTIONS AND BALANCES

The Company has related party relationship with its major shareholders, directors, key management personnel and their close family members, CGT and staff retirement benefit funds (both defined benefit plan and defined contribution plan).

Transactions with related parties of the Company are carried out on contractual basis in terms of the policy as approved by the Board of Directors (the Board). Contributions to approved defined benefit plan and defined contribution plan are made in accordance with the actuarial valuations / terms of scheme. Transactions with owners have been disclosed in 'Statement of Changes in Equity'. All other transactions between the Company and its related parties are carried out under normal course of business except staff loans that are as per terms of employment.

Details of transactions with related parties during the year and balances with them as at year end, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2025			2024		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
	(Rupees in '000)					
<b>Cash and balances with treasury banks</b>						
In current account	-	-	31	-	-	31
In deposit accounts	-	-	14	-	-	12
	-	-	45	-	-	43
<b>Balances with other banks</b>						
In current account	-	-	268	-	-	1,579
In deposit accounts	-	-	667	-	-	199,303
	-	-	935	-	-	200,882
Credit loss allowance held against balances with other banks	-	-	-	-	-	27
<b>Lendings to financial institutions</b>						
Opening balance	-	-	-	-	-	-
Additions during the year	-	-	35,820,543	-	-	25,637,796
Repaid during the year	-	-	(35,820,543)	-	-	(25,637,796)
Closing balance	-	-	-	-	-	-
<b>Advances</b>						
Opening balance	-	98,015	12,594,487	-	91,273	8,828,836
Movement to prepaid staff cost	-	-	-	-	(37,205)	-
Addition during the year	-	21,955	9,975,000	-	51,190	5,500,000
Repaid during the year	-	(22,697)	(3,494,118)	-	(7,243)	(1,734,349)
Closing balance	-	97,273	19,075,369	-	98,015	12,594,487
Credit loss allowance held against advances		13	5,460		13	5,535
<b>Other assets</b>						
Mark-up / return / interest / profit accrued	-	-	400,943	-	-	355,924
Advances, deposits and prepayments	-	67,083	-	-	-	-
Closing balance	-	67,083	400,943	-	-	355,924
Credit loss allowance held against Other assets		-	112		-	147
<b>Borrowings</b>						
Opening balance	-	-	8,662,500	-	-	11,500,000
Borrowings during the year	-	-	80,256,235	-	-	15,459,773
Settled during the year	-	-	(72,938,800)	-	-	(18,297,273)
Closing balance	-	-	15,979,935	-	-	8,662,500
<b>Deposits and other accounts</b>						
Opening balance	-	-	-	-	-	-
Received during the year	-	250	11,678,000	-	-	-
Withdrawn during the year	-	(25)	(6,000,000)	-	-	-
Closing balance	-	225	5,678,000	-	-	-
<b>Other liabilities</b>						
Mark-up / return / interest / profit payable	-	-	454,740	-	-	298,515
Payable to defined benefit plan	-	-	735	-	-	6,549
Payable to defined contribution plan	-	-	-	-	-	12
Unearned income	-	-	205,387	-	-	235,249
Closing balance	-	-	660,862	-	-	540,325

	2025			2024		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
	(Rupees in '000)					
<b>Income</b>						
Mark-up / return / profit / interest earned	-	15,185	2,011,415	-	12,794	1,582,783
Fee and commission income	-	-	29,862	-	-	29,862
<b>Expense</b>						
Mark-up / return / profit / interest expensed	-	9,277	1,894,042	-	7,041	1,176,384
Directors' fees and allowances	51,170	-	-	31,040	-	-
Remuneration of key management personal	-	321,397	-	-	277,038	-
Operating expenses	-	1,448	-	-	-	-
Credit loss allowance - (reversal) / charge	-	-	(137)	-	1	2,420
Contribution to defined contribution plan	-	-	17,334	-	-	15,324
Charge for defined benefit plan	-	-	21,288	-	-	13,708

**40.1** In addition to the above, the Company has outstanding sub-ordinated loan amounting to Rs. 6,352.695 million (December 31, 2024: Rs. 6,585.368 million) and borrowing under World Bank - Housing Finance Project amounting to Rs. 9,270.156 million (December 31, 2024: Rs. 9,609.684 million) respectively from the Ministry of Finance. These balances include unearned Government Grant Income.

#### **41 CAPITAL ADEQUACY, LEVERAGE RATIO AND LIQUIDITY REQUIREMENTS**

The Company has assessed and reported its Capital Adequacy Ratio in the financial statements on the basis of Basel III requirements as prescribed by SBP.

	2025	2024
	(Rupees in '000)	
<b>Minimum Capital Requirement (MCR):</b>		
Paid-up capital (net of losses)	<b>6,237,759</b>	6,237,759
<b>Capital Adequacy Ratio (CAR):</b>		
Eligible Common Equity Tier 1 (CET 1) Capital	<b>15,045,954</b>	13,157,783
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	<b>15,045,954</b>	13,157,783
Eligible Tier 2 Capital	<b>439,298</b>	329,714
Total Eligible Capital (Tier 1 + Tier 2)	<b>15,485,252</b>	13,487,497
<b>Risk Weighted Assets (RWAs):</b>		
Credit Risk	<b>11,230,908</b>	8,536,285
Market Risk	<b>860,442</b>	-
Operational Risk	<b>6,860,409</b>	6,098,580
Total	<b>18,951,759</b>	14,634,865
Common Equity Tier 1 Capital Adequacy Ratio	<b>79.39%</b>	89.91%
Tier 1 Capital Adequacy Ratio	<b>79.39%</b>	89.91%
Total Capital Adequacy Ratio	<b>81.71%</b>	92.16%

The Basel III Framework for capital adequacy is applicable to the Company. The Company monitors its capital adequacy ratio and endeavors to maintain it at a level sufficiently higher than the minimum regulatory requirement. The Company calculates capital requirement as per Basel III regulatory framework, using the Standardised Approach for Credit Risk and Market Risk whereas Basic Indicator Approach for Operational Risk.

## Capital Management

The regulatory capital as managed by the Company is analysed into following tiers:

- Common Equity Tier 1 Capital (CET1), which includes fully paid up capital, general reserves, statutory reserves as per the financial statements and net un-appropriated profits after all regulatory adjustment applicable on CET1.
- Additional Tier 1 Capital (ADT1), which includes perpetual non-cumulative preference shares and share premium resulting from the same. The Company did not have any ADT1 as of December 31, 2025.
- Tier 2 Capital, which includes general provisions, surplus on revaluation of FVOCI securities after all regulatory adjustments applicable on Tier 2.

The Company also stress tests its capital adequacy to various risks as per SBP stress testing guidelines.

Capital Adequacy Ratio	2025		2024	
	Required	Actual	Required	Actual
CET1 to total RWA	6.00%	79.39%	6.00%	89.91%
Tier 1 Capital to total RWA	7.50%	79.39%	7.50%	89.91%
Total Capital to total RWA	11.50%	81.71%	11.50%	92.16%
			<b>2025</b>	2024
			(Rupees in '000)	
<b>Leverage Ratio (LR):</b>				
Eligible Tier-1 Capital			<b>15,045,954</b>	13,157,783
Total Exposures			<b>95,624,747</b>	65,184,641
Leverage Ratio			<b>15.73%</b>	20.19%
<b>Liquidity Coverage Ratio (LCR):</b>				
Total High Quality Liquid Assets			<b>34,460,313</b>	14,569,371
Total Net Cash Outflow			<b>4,677,109</b>	11,630
Liquidity Coverage Ratio			<b>737%</b>	125,278%
<b>Net Stable Funding Ratio (NSFR):</b>				
Total Available Stable Funding			<b>46,200,957</b>	44,305,761
Total Required Stable Funding			<b>40,576,990</b>	26,916,069
Net Stable Funding Ratio			<b>113.86%</b>	164.61%

**41.1** The full disclosures on the capital adequacy, leverage ratio and liquidity requirements as per SBP instructions issued from time to time shall be placed on the website. The link to the full disclosure is available at <https://pmrc.com.pk/wp-content/uploads/2025/04/Liquidity-Capital-Adequacy-Leverage-Disclosure-2025.pdf>.

## **42 RISK MANAGEMENT**

The primary goal of risk management is to identify, assess and monitor risk inherent in the activities of the Company and take adequate measures to manage and control these risks on a timely basis. The risk management framework of the Company encompasses comprehensive and adequate risk management policies and procedures to mitigate salient risk elements in operations of the Company. Risk management policies are formulated on regulatory guidelines and covers all type of major risks the Company is exposed to. The Company places utmost emphasis on the importance of risk management and has put in place all relevant measures to identify, monitor and control the relevant risks on its low risk business model. The Board through its designated committees thoroughly reviews and guides the risk management activities in the Company.

### **Categories of risk**

The Company generates most of its revenues by accepting credit, liquidity and market risk. Effective management of these risks is the decisive factor in the profitability of the Company. In addition, the Company is subject to certain consequential risks that are common to all business undertakings. These risks are grouped under two headings: operational risk and reputational risk. The Framework is organised with reference to these five risk categories as detailed below:

Credit risk	This risk is defined as the possibility of loss due to unexpected default or a deterioration of credit worthiness of a counter party.
Market risk	The risk of loss generated by adverse changes in the price of assets or contracts currently held by the Company.
Liquidity risk	The risk that the Company is unable to meet its payment obligations or fund increases in assets when they fall due without incurring an unacceptable cost the consequences of which may be the failure to meet obligations to repay investors and fulfil commitments to lend.
Operational risk	Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events and includes legal risk.
Reputational risk	The risk of failing to meet the standards of performance or behavior required or expected by stakeholders in commercial activities or the way in which business is conducted.

### **Risk responsibilities**

The Board is accountable for the overall supervision of the risk management process. The Board is responsible for the approval of all risk policies and ensuring that these are properly implemented. Furthermore, the Board approves the appointment of senior management personnel who are capable of managing the risk activities conducted by the Company.

Risk management department ensures that risks remain within the boundaries as defined by the Board, comply with the risk parameters and prudential limits, establish systems and procedures and work out remedial measures.

Credit Risk Management Committee (CRMC) implements credit policy and monitors credit risk in light with credit policy and PR.

The Company's risk management, compliance and internal audit department support the risk management function. The compliance department ensures that all the directives and guidelines issued by SBP are being complied with. Internal audit department reviews the compliance of internal control procedures with internal and regulatory standards.

#### **42.1 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. Exposure to credit risks for the Company arises primarily from lending activities and investments.

A multi-tiered approach is being followed in the management of credit risk with the organisational structure, roles and responsibilities clearly outlined in the credit policy manual. The Board is responsible for final approval of overall risk tolerance and threshold. Various business units responsible for undertaking risks are expected to comply with the credit policy and adhere to the independent risk management function. This is ensured through the implementation of a credit approval and documentation process adopted by the Company.

The Company uses both external and internal ratings to evaluate risk. The Company obtains external ratings from VIS Credit Rating Company Limited whereas a comprehensive risk assessment matrix model is used for internal ratings.

##### **Stress testing**

The Company conducts stress testing of its existing portfolio of advances and investments. This exercise is conducted on a quarterly basis through assigning shocks to these assets of the Company and assessing its resulting effect on capital adequacy.

#### **42.1.1 Credit risk – general disclosures Basel specific**

The Company is using Standardised Approach (SA) of the SBP's Basel accord for the purpose of estimating credit risk weighted assets. Under SA, Company is allowed to take into consideration external rating(s) of counter-parties for the purpose of calculating risk weighted assets. A detailed procedural manual specifying processes for deriving Credit Risk Weighted Assets in accordance with the SBP Basel Standardised Approach is in place and firmly adhered to by the Company.

#### **42.1.2 Disclosures for portfolio subject to the standardised approach & supervisory risk weights**

##### **42.1.2.1 External ratings**

The SBP Basel III guidelines require Company's to use ratings assigned by specified External Credit Assessment Institutions (ECAIs) namely Pakistan Credit Rating Agency Limited (PACRA) and VIS.

The Company uses external ratings for the purpose of mapping risk weights as per the Basel III framework. Instances whereby an exposure is rated by two or more ratings agencies, mapping into different risk weights, instructions outlined in Regulatory guidelines on BASEL framework shall be adhered to for selection of applicable rating.

### 42.1.3 Disclosures with respect to credit risk mitigation for standardised approach

#### 42.1.3.1 Credit risk mitigation policy

The Company defines collateral as the assets or rights provided to the Company by the borrower or a third party in order to secure a credit facility. The Company would have the rights of secured creditor in respect of the assets / contracts offered as security for the obligations of the borrower / obligor.

#### 42.1.3.2 Collateral valuation and management

As stipulated in the SBP Basel guidelines, the Company uses the comprehensive approach for collateral valuation. Under this approach, the Company reduces its credit exposure to a counterparty when calculating its capital requirements to the extent of risk mitigation provided by the eligible financial collateral as specified in the Basel guidelines. In line with Basel guidelines, the Company makes adjustments in eligible collaterals for possible future fluctuations in the value of the collateral. These adjustments, also referred to as 'haircuts', to produce volatility adjusted amounts for collateral, are reduced from the exposure to compute the capital charge based on the applicable risk weights.

#### 42.1.3.3 Types of collaterals

The Company determines the appropriate collateral for each facility based on the type of product and counterparty. The company generally obtains assignment on mortgage properties of customers and government securities against mortgage financing to customers. In addition, the company may accept lien on bank deposits and hypothecation charge over present and future assets of the borrowers.

#### 42.1.3.4 Credit concentration risk

Credit concentration risk arises mainly due to concentration of exposures under various categories viz. industry, geography, and single/group borrower exposures. Within credit portfolio, as a prudential measure aimed at better risk management and avoidance of concentration of risks, the SBP has prescribed regulatory limits on Company's' maximum exposure to single borrower, group borrowers and related parties.

#### 42.1.3.5 Lendings to financial institutions

##### Credit risk by public / private sector

	Gross lendings		Non-performing lendings		Credit loss allowance held			
	2025	2024	2025	2024	Stage 1		Stage 3	
	(Rupees in '000)							
Public / Government	-	3,998,408	-	-	-	144	-	-
Private	<b>1,361,055</b>	-	-	-	<b>37</b>	-	-	-
	<b>1,361,055</b>	3,998,408	-	-	<b>37</b>	144	-	-

#### 42.1.3.6 Investment in debt securities

Gross lendings		Non-performing lendings		Credit loss allowance held			
2025	2024	2025	2024	2025	2024	2025	2024
				Stage 1		Stage 3	

(Rupees in '000)

##### Credit risk by industry sector

Government	<b>41,834,535</b>	26,997,190	-	-	-	-	-	-	-
Financial institutions	<b>299,520</b>	299,760	-	-	-	-	-	-	-
Others	<b>50,000</b>	100,000	-	-	<b>2</b>	7	-	-	-
	<b>42,184,055</b>	27,396,950	-	-	<b>2</b>	7	-	-	-

##### Credit risk by public / private sector

Public / Government	<b>41,834,535</b>	26,997,190	-	-	-	-	-	-	-
Private	<b>349,520</b>	399,760	-	-	<b>2</b>	7	-	-	-
	<b>42,184,055</b>	27,396,950	-	-	<b>2</b>	7	-	-	-

#### 42.1.3.7 Advances

Gross Advances		Non-performing Advances		Credit loss allowance held				General Provision	
2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
				Stage 1		Stage 3			

(Rupees in '000)

##### Credit risk by industry sector

Financial institutions	<b>41,068,295</b>	35,243,264	<b>1,059,131</b>	1,288,707	<b>14,816</b>	20,520	<b>529,566</b>	579,918	<b>347,875</b>	347,875
Others	<b>189,097</b>	161,145	-	-	-	-	-	-	<b>20</b>	20
	<b>41,257,392</b>	35,404,409	<b>1,059,131</b>	1,288,707	<b>14,816</b>	20,520	<b>529,566</b>	579,918	<b>347,895</b>	347,895

##### Credit risk by public / private sector

Public / Government	<b>6,962,513</b>	6,628,833	-	-	<b>2,585</b>	3,404	-	-	<b>49,574</b>	49,574
Private	<b>34,294,879</b>	28,775,576	-	-	<b>12,231</b>	17,116	<b>529,566</b>	579,918	<b>298,321</b>	298,321
	<b>41,257,392</b>	35,404,409	-	-	<b>14,816</b>	20,520	<b>529,566</b>	579,918	<b>347,895</b>	347,895

#### 42.1.3.8 Concentration of advances

The Company's top 10 funded exposures aggregated to Rs. 39,294 million (2024: Rs. 30,668 million) are as following:

	2025	2024
	(Rupees in '000)	
Funded	<b>39,293,840</b>	30,667,508
Non Funded	-	-
Total Exposure	<b>39,293,840</b>	30,667,508

#### 42.1.3.9 Advances - Province/Region-wise disbursement & utilization

Province / Region	2025						
	Disbursements	Utilisation					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan
(Rupees in '000)							
Sindh	<b>21,066,652</b>	<b>7,975,000</b>	<b>13,091,652</b>	-	-	-	-
<b>Total</b>	<b>21,066,652</b>	<b>7,975,000</b>	<b>13,091,652</b>	-	-	-	-

Province / Region	2024						
	Disbursements	Utilisation					
		Punjab	Sindh	KPK including FATA	Balochistan	Islamabad	AJK including Gilgit-Baltistan
(Rupees in '000)							
Sindh	11,670,230	4,000,000	7,670,230	-	-	-	-
<b>Total</b>	11,670,230	4,000,000	7,670,230	-	-	-	-

#### 42.2 Market Risk

The market risk is the risk of reductions in earnings, value and / or reserves arising from changes in market rates (such as interest rates, exchange rates, credit spreads) and market prices (such as commodities, equities, property etc.) as well as their correlations and volatilities.

The Company's business model primarily caters to refinancing loans with recourse to the customers by issuing term finance / sukuk certificates in the capital market. Its main line of business is providing pre-financing / re-financing facilities. Any surplus funds (primarily from equity) shall be invested in safe investment instruments.

The Company measures market risk using various techniques like duration analysis for interest rate risk in banking book, sensitivity analysis for investment in government securities, stress testing, etc. The results are communicated to Board Risk Committee (BRC) and Asset and Liability Committee (ALCO).

Moreover, the Company shall not be operating a trading book. Market risk as explained above on the asset side only arises in the instruments which are earmarked as "FVOCI".

#### 42.2.1 Statement of financial position split by trading and banking books - Basel II Specific

	2025			2024		
	Banking book	Trading book	Total	Banking book	Trading book	Total
	(Rupees in '000)					
Cash and balances with treasury banks	113,258	-	113,258	5,338	-	5,338
Balances with other banks	15,858,218	-	15,858,218	1,238,218	-	1,238,218
Lendings to financial institutions	1,361,018	-	1,361,018	3,998,264	-	3,998,264
Investments	31,725,419	10,458,634	42,184,053	27,396,823	-	27,396,823
Advances	40,365,115	-	40,365,115	34,456,076	-	34,456,076
Property and equipment	107,732	-	107,732	67,525	-	67,525
Right-of-use assets	-	-	-	21,452	-	21,452
Intangible assets	23,285	-	23,285	30,379	-	30,379
Other assets	1,236,029	-	1,236,029	1,042,418	-	1,042,418
	<b>90,790,074</b>	<b>10,458,634</b>	<b>101,248,708</b>	68,256,493	-	68,256,493

#### 42.2.2 Yield / interest rate risk in the banking book (IRRBB) - Basel II Specific

Interest rate risk is the risk of loss from adverse movements in interest rates. ALCO monitors and manages the interest rate risk with the objective of limiting the potential adverse effects on the profitability of the Company arising from fluctuation in the market interest rates and mismatching or gaps in the amount of financial assets and financial liabilities in different maturity time bands.

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The lending, funding and investment activities of the Company are exposed to interest rate risk. The Company shall provide refinancing loans to customer with similar repayment structure and tenor as the underlying term finance / sukuk certificates issued to fund those loans to the best extent possible (i.e. the Company will be match funding).

	2025		2024	
	Banking book	Trading book	Banking book	Trading book
	(Rupees in '000)			
Impact of 1% change in interest rates on				
- Profit and loss account	92,887	-	289,944	-
- Other comprehensive income	(159,316)	-	(167,273)	-

42.2.3 Mismatch of interest rate sensitive assets and liabilities

On-balance sheet financial instruments	2025											Non-interest bearing financial instruments		
	Effective Yield / Interest rate	Total	Exposed to Yield / Interest risk										Above 10 Years	
			Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years				
<b>Assets</b>														
Cash and balances with treasury banks	9.50%	113,258	14	-	-	-	-	-	-	-	-	-	-	113,244
Balances with other banks	10.97%	15,856,218	5,357,950	10,500,000	-	-	-	-	-	-	-	-	-	268
Lending to financial institutions	11.47%	1,361,018	1,361,018	-	-	-	-	-	-	-	-	-	-	-
Investments	11.42%	42,184,053	4,990,010	5,431,896	7,419,559	20,589,429	2,411,437	18,504,390	1,341,722	317,683	50,495	3,372	-	
Advances	11.52%	40,365,115	136,363	4,300,716	4,565,233	6,605,134	5,731,607	15,012,222	150,122	33,298	4,326,641	-	-	
Other assets		1,098,564	133,787	681,589	172,192	7,972	14,754	18,517,202	20,317	350,981	21,843	-	-	
		100,980,226	11,979,142	20,914,201	12,156,984	27,202,535	8,157,798	18,517,202	1,512,161	350,981	72,338	-	116,884	
<b>Liabilities</b>														
Bills payable	9.05%	62,141,268	16,975,075	27,429,806	2,148,964	6,539,182	79,970	78,631	160,696	5,405,244	3,323,700	-	-	
Borrowings	10.57%	10,178,650	8,978,000	1,200,000	500	150	-	-	-	-	-	-	-	
Deposits and other accounts		-	-	-	-	-	-	-	-	-	-	-	-	
Lease liabilities		-	-	-	-	-	-	-	-	-	-	-	-	
Subordinated debt	3.00%	2,785,148	-	-	27,621	26,114	53,301	52,333	106,876	268,414	2,250,489	-	-	
Other liabilities		8,620,029	-	-	128,230	220,805	438,931	441,238	876,832	2,187,352	4,326,641	-	-	
		83,725,095	25,953,075	28,629,806	2,305,315	6,786,251	572,202	572,202	1,144,404	7,861,010	9,900,830	-	-	
<b>On-balance sheet gap</b>		17,255,131	(13,973,933)	(7,715,605)	9,851,669	20,416,284	7,585,596	17,945,000	367,757	(7,510,030)	(9,828,493)	-	116,884	
<b>Total yield / interest risk sensitivity gap</b>		(13,973,933)	(7,715,605)	9,851,669	20,416,284	7,585,596	16,164,011	17,945,000	367,757	(7,510,030)	(9,828,493)	-	-	
<b>Cumulative yield / interest risk sensitivity gap</b>		(13,973,933)	(21,689,535)	(11,837,869)	8,578,415	34,109,010	34,476,767	26,966,738	17,136,245	-	-	-	-	

On-balance sheet financial instruments

On-balance sheet financial instruments	2024											Non-interest bearing financial instruments		
	Effective Yield / Interest rate	Total	Exposed to Yield / Interest risk										Above 10 Years	
			Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years				
<b>Assets</b>														
Cash and balances with treasury banks	18.13%	5,338	12	-	-	-	-	-	-	-	-	-	-	5,326
Balances with other banks	20.80%	1,238,218	1,238,639	-	-	-	-	-	-	-	-	-	-	1,579
Lending to financial institutions		3,998,264	3,998,264	-	-	-	-	-	-	-	-	-	-	-
Investments	16.70%	27,396,823	-	12,266,548	3,355,254	8,280,427	10,979,021	2,261,855	97,985	1,232,740	39,121	1,904	-	
Advances	12.90%	34,456,076	171,005	3,843,263	3,592,798	10,979,021	14,479,668	927,276	97,985	324,036	15,021	-	-	
Other assets		98,575	181	2,347	3,477	6,784	12,758	11,441	17,915	27,651	54,142	-	-	
		67,193,294	5,407,101	16,112,158	6,951,529	19,266,232	14,492,426	3,200,572	115,900	1,584,427	54,142	-	8,809	
<b>Liabilities</b>														
Bills payable	13.55%	41,437,458	456,286	25,271,193	39,650	39,682	6,579,469	79,622	159,781	5,403,796	3,407,981	-	-	
Borrowings		-	-	-	-	-	-	-	-	-	-	-	-	
Deposits and other accounts	3.00%	23,800	-	7,762	7,930	8,108	52,995	53,060	106,348	267,781	2,306,233	-	-	
Lease liabilities		2,839,356	-	26,463	26,476	219,943	439,738	439,520	878,275	2,189,433	4,758,819	-	-	
Subordinated debt		9,145,717	456,286	25,278,955	294,031	294,209	7,072,202	572,201	1,144,404	7,861,010	10,473,033	-	-	
Other liabilities		53,446,331	4,950,816	(9,166,797)	6,657,498	18,972,023	7,420,224	2,628,371	(1,028,504)	(6,276,583)	(10,418,891)	-	8,809	
		13,746,963	4,950,816	(9,166,797)	6,657,498	18,972,023	7,420,224	2,628,371	(1,028,504)	(6,276,583)	(10,418,891)	-	8,809	
<b>On-balance sheet gap</b>		4,950,816	(9,166,797)	(4,215,981)	2,441,518	21,413,540	28,833,764	31,462,135	30,433,631	24,187,048	13,738,157	-	-	
<b>Total yield / interest risk sensitivity gap</b>		(9,166,797)	(4,215,981)	2,441,518	2,441,518	21,413,540	28,833,764	31,462,135	30,433,631	24,187,048	13,738,157	-	-	
<b>Cumulative yield / interest risk sensitivity gap</b>		(9,166,797)	(13,382,778)	(10,941,267)	(8,500,749)	13,007,261	41,841,025	73,303,160	103,736,791	127,923,839	141,661,996	-	-	

Reconciliation to total assets

Reconciliation to total assets	2025	2024
Balance as per balance sheet	101,248,708	68,256,493
Less: non financial assets	107,732	67,525
Property and equipment	-	21,452
Right-of-use assets	23,285	30,379
Intangible assets	137,463	943,844
Other assets	268,480	1,063,200
Total financial assets	100,980,228	67,193,294
Reconciliation to total liabilities		
Balance as per balance sheet	85,880,556	54,845,321
Less: non financial liabilities	2,155,461	1,398,989
Total financial liabilities	83,725,095	53,446,332

### 42.3 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. It includes legal risk but excludes strategic and reputational risk.

The Board has approved an Operational Risk Management Policy which defines the operational risk framework of the Company. The operational risk framework is defined as per the Company's business model. The Company has a monoline business and by size of fixed / immovable assets, the Company is not a large sized entity, with limited scale of physical operations, one office location, and a limited number of required Human and IT resources. The Company is hence exposed to low exposure to operational risk.

The Operational Risk Management policy defines objective of Operational Risk Management which is to identify, measure, monitor and control Operational Risk exposures of the Company to keep it in line with Company's risk tolerance and business strategy. The policy also defines roles and responsibilities of individuals involved in operational risk management along with operational risk thresholds and tolerances.

The Board has also approved IT policy and IT Security policy. Company has placed a comprehensive IT-Security framework that fits its business model. IT Security is managed through implementation measures for system design, cyber security, confidentiality, integrity, data encryption and secured tunnel.

#### **Operational risk disclosures – Basel II Specific**

The Company uses Basic Indicator Approach to calculate capital charge for operational risk as per Basel regulatory framework. This approach is considered to be the most suitable in view of the business model of the Company.

### 42.4 Liquidity Risk

Liquidity risk is the potential for loss to an institution arising from either its inability to meet its obligations or to fund increase in assets as they fall due without incurring unacceptable cost or losses.

The Board has approved Liquidity Risk Management Policy and Asset Liability Management Policy which defines liquidity risk framework for the Company.

Liquidity Risk Policy outlines guidelines for liquidity risk management. These guidelines broadly define strategies for managing liquidity positions by devising limits, monitoring tools such as setting liquidity ratios, cashflow needs, reporting mechanisms etc., contingency planning, early warning indicators for raising red flags and roles and responsibilities of individuals involved in liquidity risk management.

The Board has also approved Terms of Reference (ToRs) of ALCO under Asset Liability Management Policy. ALCO is entrusted to efficiently manage the Company's overall assets and liabilities portfolio. The elements of financial losses are mitigated by way of closely monitoring the influence of interest rates and market dynamics on the Company's balance sheet. ALCO also acts as a decision making unit responsible for balance sheet management including strategic management of interest rates and liquidity risks.

The Company periodically calculates LCR, NSFR ratios as well as maturity gaps to monitor liquidity positions. Regulatory stress testing is performed on a quarterly basis.

42.4.1 Maturities of assets and liabilities – based on contractual maturity

2025													
Total	Upto 1 Day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 Month	Over 1 to 2 Months	Over 2 to 3 Months	Over 3 to 6 Months	Over 6 to 9 Months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 years
(Rupees in '000)													
<b>Assets</b>													
Cash and balances with treasury banks	113,258	-	-	-	-	-	-	-	-	-	-	-	-
Balances with other banks	358,218	-	-	5,000,000	-	10,500,000	-	-	-	-	-	-	-
Lending to financial institutions	1,361,018	1,361,018	-	-	-	-	-	-	-	-	-	-	-
Investments	42,184,063	-	4,990,010	-	-	4,433,296	7,082,599	17,366,466	3,248,021	2,411,558	299,280	2,352,825	-
Advances	40,365,115	-	-	136,643	177,503	2,622,485	2,391,381	1,540,546	4,204,908	5,928,165	18,771,735	852,655	3,739,093
Property and equipment	107,732	-	-	3,237	3,170	3,146	8,676	10,444	7,005	26,677	23,597	20,904	875
Intangible assets	23,285	-	-	787	787	2,354	2,354	2,351	2,351	7,825	3,515	2,530	-
Other assets	1,236,029	425	-	185,446	156,759	526,824	175,158	6,972	35,011	26,326	24,372	24,078	74,657
<b>Liabilities</b>													
Borrowings	101,248,708	471,476	4,990,010	5,326,113	338,219	18,086,536	9,660,168	18,926,779	7,497,296	8,400,551	19,122,499	3,252,992	3,814,525
Deposits and other accounts	62,141,268	-	2,078,840	5,929,993	18,582,210	2,234,895	2,148,964	1,666,667	5,039,182	2,525,903	4,078,631	160,697	8,728,944
Subordinated debt	10,178,650	-	-	8,978,000	-	1,200,000	500	50	100	-	-	-	-
Other liabilities	2,785,148	-	-	-	-	-	27,621	7,034	26,114	53,301	52,333	106,876	2,518,903
<b>Net assets</b>	10,775,490	37,169	47,978	636,453	632,463	291,459	174,471	7,034	227,839	467,068	472,234	1,203,315	6,518,006
85,880,556	-	9,003,411	2,126,818	15,544,446	19,214,873	3,726,354	2,351,556	1,673,751	5,293,235	3,046,172	4,603,198	1,470,888	17,825,853
<b>Net assets</b>	15,368,152	471,476	2,863,192	(10,218,333)	(18,876,654)	14,360,183	7,308,612	17,253,028	2,204,061	5,354,379	14,519,301	1,782,105	(14,011,226)
Share capital	6,237,759	-	-	-	-	-	-	-	-	-	-	-	-
Reserves	2,647,703	-	-	-	-	-	-	-	-	-	-	-	-
Unappropriated profit	6,183,778	-	-	-	-	-	-	-	-	-	-	-	-
Surplus on revaluation of assets	298,912	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net assets</b>	15,368,152	-	-	-	-	-	-	-	-	-	-	-	-

2024													
Total	Upto 1 Day	Over 1 to 7 days	Over 7 to 14 days	Over 14 days to 1 Month	Over 1 to 2 Months	Over 2 to 3 Months	Over 3 to 6 Months	Over 6 to 9 Months	Over 9 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 years
(Rupees in '000)													
<b>Assets</b>													
Cash and balances with treasury banks	5,338	-	-	-	-	-	-	-	-	-	-	-	-
Balances with other banks	1,238,218	-	-	-	-	-	-	-	-	-	-	-	-
Lending to financial institutions	3,998,264	3,998,264	-	-	-	-	-	-	-	-	-	-	-
Investments	27,396,823	-	-	-	3,835,080	7,358,368	2,968,174	12,500	8,292,980	50,120	2,261,975	1,284,880	1,232,747
Advances	34,456,076	-	-	171,206	149,987	3,593,180	3,593,216	1,727,962	5,030,250	10,373,037	4,803,545	796,370	4,215,323
Property and equipment	67,525	-	-	2,479	2,478	2,469	7,341	7,258	7,082	19,878	8,420	8,817	1,303
Right-of-use assets	2,452	-	-	1,131	1,131	3,393	3,393	3,393	3,393	7,880	-	-	-
Intangible assets	30,379	-	-	751	751	751	2,254	2,254	2,254	8,984	7,394	4,985	-
Other assets	10,424,418	52,050	124,350	49,860	145,866	288,588	216,149	71,300	34,942	27,477	26,155	20,101	49,752
<b>Liabilities</b>													
Borrowings	68,256,493	1,295,606	4,122,614	225,427	4,235,293	11,246,487	6,790,527	1,760,497	13,370,901	10,487,376	7,107,493	2,116,153	5,499,125
Lease liabilities	41,437,458	-	456,286	-	20,775,359	337,500	1,139,950	163,667	39,682	7,025,302	2,525,454	159,782	8,811,776
Subordinated debt	23,800	-	-	-	7,930	-	7,930	8,108	-	-	-	-	-
Other liabilities	2,839,356	-	-	-	-	-	26,463	26,463	26,476	52,995	53,060	106,348	2,574,014
<b>Net assets</b>	10,544,707	9,001	141	37,377	399,220	385,874	349,707	7,416	227,339	469,523	471,485	1,152,252	7,035,572
54,845,321	-	465,287	141	37,377	211,745,79	731,336	1,523,749	182,191	283,498	7,547,620	3,049,939	1,418,382	18,421,362
<b>Net assets</b>	13,411,172	1,295,606	3,657,327	(141)	188,050	(16,939,286)	10,515,351	1,578,306	13,077,403	2,939,756	4,057,490	696,771	(2,922,237)
Share capital	6,237,759	-	-	-	-	-	-	-	-	-	-	-	-
Reserves	2,085,272	-	-	-	-	-	-	-	-	-	-	-	-
Unappropriated profit	4,865,131	-	-	-	-	-	-	-	-	-	-	-	-
Surplus on revaluation of assets	223,010	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net assets</b>	13,411,172	-	-	-	-	-	-	-	-	-	-	-	-

42.4.2 Maturities of assets and liabilities – based on expected maturities

2025										
Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Above 10 Years	
(Rupees in '000)										
Assets										
Cash and balances with treasury banks	113,258	-	-	-	-	-	-	-	-	-
Balances with other banks	5,358,218	10,500,000	-	-	-	-	-	-	-	-
Lending to financial institutions	1,361,018	-	-	-	-	-	-	-	-	-
Investments	42,184,053	4,433,296	7,082,599	20,614,487	2,411,558	299,280	2,352,825	-	-	-
Advances	40,365,115	136,643	2,799,988	2,391,381	5,928,165	18,771,735	852,655	3,688,598	50,495	-
Property and equipment	107,732	3,237	6,316	8,676	26,677	23,597	20,904	875	-	-
Right-of-use assets	-	-	-	-	-	-	-	-	-	-
Intangible assets	23,285	787	1,572	2,354	7,825	3,515	2,530	-	-	-
Deferred tax assets	-	-	-	-	-	-	-	-	-	-
Other assets	1,236,029	185,971	683,583	175,158	26,326	24,372	24,078	52,759	21,898	-
	101,248,708	12,149,042	18,424,755	9,660,168	26,424,074	19,122,499	3,252,992	3,742,232	72,393	-
Liabilities										
Bills payable	-	-	-	-	-	-	-	-	-	-
Borrowings	62,141,268	16,975,075	20,817,307	2,148,963	6,705,849	4,078,631	160,696	5,405,244	3,323,700	-
Deposits and other accounts	10,178,650	8,978,000	1,200,000	500	150	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	-	-	-
Subordinated debt	2,785,148	-	-	27,621	26,114	52,333	106,876	268,414	2,250,488	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-
Other liabilities	10,775,490	721,602	923,922	174,471	234,873	472,234	1,203,315	2,251,364	4,326,641	-
	85,880,556	26,674,677	22,941,229	2,351,555	6,966,986	4,603,198	1,470,887	7,925,022	9,900,829	-
Net assets	15,368,152	(14,525,635)	(4,516,473)	7,308,613	19,457,088	14,519,301	1,782,105	(4,182,790)	(9,828,436)	-
Share capital	6,237,759	-	-	-	-	-	-	-	-	-
Reserves	2,647,703	-	-	-	-	-	-	-	-	-
Unappropriated profit	6,183,778	-	-	-	-	-	-	-	-	-
Surplus on revaluation of assets	298,912	-	-	-	-	-	-	-	-	-
	15,368,152	-	-	-	-	-	-	-	-	-

2024										
Total	Upto 1 Month	Over 1 to 3 Months	Over 3 to 6 Months	Over 6 Months to 1 Year	Over 1 to 2 Years	Over 2 to 3 Years	Over 3 to 5 Years	Over 5 to 10 Years	Above 10 Years	
(Rupees in '000)										
Assets										
Cash and balances with treasury banks	5,338	-	-	-	-	-	-	-	-	-
Balances with other banks	1,238,218	-	-	-	-	-	-	-	-	-
Lending to financial institutions	3,998,264	-	-	-	-	-	-	-	-	-
Investments	27,396,823	11,293,448	2,968,174	8,305,480	50,120	2,261,975	1,284,880	1,232,747	-	-
Advances	34,456,076	3,745,166	3,593,216	6,758,212	10,373,037	4,803,545	796,370	4,176,202	39,121	-
Property and equipment	67,525	2,479	7,341	14,344	19,878	8,420	8,817	1,299	-	-
Right-of-use assets	21,452	1,131	3,393	6,786	7,880	-	-	-	-	-
Intangible assets	30,379	751	1,503	2,254	8,984	7,394	4,985	-	-	-
Deferred tax assets	-	-	-	-	-	-	-	-	-	-
Other assets	1,042,418	226,260	216,149	42,072	27,477	26,155	20,101	34,731	15,021	-
	68,256,493	5,643,647	15,481,780	6,790,527	15,131,402	7,107,489	2,115,153	5,444,979	54,142	-
Liabilities										
Bills payable	-	-	-	-	-	-	-	-	-	-
Borrowings	41,437,458	456,286	21,112,859	1,139,650	206,349	2,525,455	159,781	5,403,796	3,407,981	-
Deposits and other accounts	23,800	-	7,762	7,930	8,108	-	-	-	-	-
Lease liabilities	2,839,356	-	-	26,463	26,476	52,995	106,348	267,781	2,306,233	-
Subordinated debt	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	10,544,707	46,518	785,094	349,707	234,755	471,485	1,152,253	2,276,758	4,758,813	-
Other liabilities	54,845,321	502,804	21,905,715	1,523,750	4,768,888	3,050,000	1,418,382	7,948,335	10,473,029	-
	13,411,172	5,140,843	(6,423,935)	5,266,777	14,655,714	2,939,757	696,771	(2,503,356)	(10,418,887)	-
Net assets										
Share capital	6,237,759	-	-	-	-	-	-	-	-	-
Reserves	2,085,272	-	-	-	-	-	-	-	-	-
Unappropriated profit	4,865,131	-	-	-	-	-	-	-	-	-
Deficit on revaluation of assets	223,010	-	-	-	-	-	-	-	-	-
	13,411,172	-	-	-	-	-	-	-	-	-

#### 43 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on March 04, 2026 have proposed a final cash dividend in respect of the year ended December 31, 2025 of 1.5 per share (2024: Re. 1.5 per share). These financial statements do not include the effect of this appropriation which will be accounted for subsequent to the year end.

#### 44 GENERAL

**44.1** Captions, as prescribed by BPRD Circular No. 2 of 2018 issued by SBP, in respect of which there are no amounts, have not been reproduced in these financial statements, except for captions of the statement of financial position and statement of profit and loss account.

**44.2** Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.

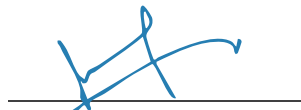
**44.3** The corresponding figure have been rearranged and reclassified, wherever considered necessary, for the purpose of better presentation and comparison and to reflect the substance of the transaction.

#### 45 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on March 04, 2026 by the Board of the Company.



**Managing Director /  
Chief Executive Officer**



**Chief Financial Officer**



**Director**



**Director**



**Director**

A vibrant, busy street scene in a developing city. The street is lined with multi-story buildings in various colors, including green, pink, and blue. Utility poles with numerous wires crisscross the sky. In the foreground, a red rickshaw with a Pepsi logo is moving away from the viewer. Several people are riding motorcycles, and others are walking. A man in a blue uniform is standing near a motorcycle on the right. The overall atmosphere is one of a bustling, everyday urban environment.

# ANNEXURE TO FINANCIAL STATEMENTS

# SHARI'AH BOARD REPORT 2025

For the year ended  
December 31, 2025

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ  
المحمد للدراب العلمین والصلاة والسلام علی سید الانبیاء وخاتم النبیین وعلی آله واصحابه اجمعین

The Board of Directors (BoD) of Pakistan Mortgage Refinance Company Limited (herein referred to as 'PMRC') has entrusted the Shari'ah Board (SB) with the task to assess the overall Shari'ah compliance environment within PMRC Islamic Business. The objective of the report is to present an opinion on the overall Shari'ah compliance environment of PMRC Islamic Business.

## SCOPE OF THE REPORT

The scope of this report is to review the affairs of PMRC Islamic Business Operations as per the rules set by and prescribed under the "Guide and Criteria for Establishing Islamic Banking Institutions and Commencement of Shariah Compliant Business and operations by Developmental Finance Institutions".

## MANAGEMENT RESPONSIBILITY

The Board of Directors and Key Executives of PMRC have sole responsibility to ensure that the Islamic Business operations of PMRC are conducted as per the Guidelines prescribed above, and that company's Islamic Business Operation comply with Shari'ah principles at all times.

## SHARIAH BOARD'S APPROVALS

SB approves the valuation of portfolio of Islamic Refinance Business (Advances) and Islamic Commercial Papers (ICP) of the Islamic business of the Company, which stands at Rs. 23.4 Bn and 10.1 Bn respectively as at December 31, 2025.

Policies with respect to the Charity, Pool Management, Shari'ah Non-compliance Risk (SNCR) Management along with possible SNCR list, Shari'ah Compliance Framework, Shari'ah Compliance Manual and Service Level Agreement (SLA) had already been prepared to enhance the Shari'ah compliance capabilities of the PMRC Islamic Business. Furthermore, during the year, the SB reviewed and approved the following policies, procedures, documents and plans for ensuing the compliance as required by regulator (SBP):

- |  |  |
|--|--|
| 1. Annual Report 2024 to Board (Eng & Urdu)  | 14. Amendment in COII  |
| 2. Shariah Compliance Review Plan  | 15. Product Program – Islamic Business                           |
| 3. Shariah Structure of Islamic Commercial Papers (Certificate of Islamic Investment – COII) | 16. Conflict of Interest Policy                                  |
| 4. Shariah Compliance Framework  | 17. Directors Remuneration Policy                                |
| 5. Shariah Training Plan   | 18. TORs Board's Corporate Governance and Nominations Committee. |
| 6. Fraud Risk Policy   | 19. TORs ManCom  |
| 7. KYC & AML Policy  | 20. Amended MMA (New Variant)                                    |
| 8. Internal Audit Policy Manual  | 21. Offer letter for Staff                                       |
| 9. HR Policy Manual  | 22. Related Party Policy   |
| 10. Remuneration Policy  | 23. Procedure for Revising Fatawa / Shariah Rulings.             |
| 11. Risk Based Remuneration Framework  | 24. Shariah Board Self-Assessment Document.                      |
| 12. Hiring of Key Executives & MD/CEO – FPT criteria   | 25. Revised Terms of Reference (TORs) for the Shariah Board.     |
| 13. Donation Policy  |  |

## SHARI'AH COMPLIANCE REVIEW (SCR)

During the year under review, following activities were performed by the SCU:

They reviewed profit distribution among the investors with respect to the pool management guidelines. It also verified distribution of profit and loss to the investors (ICP holders) prior to the disbursement.

It reviewed treasury deal tickets (PMRC Islamic Business Mudarabah based borrowing from conventional side of PMRC) in light of the Shari'ah guidelines as given by the Shari'ah Board of PMRC.

SCU also facilitated the business team in obtaining approvals of various transactions from the Shari'ah Board. SCU extended its support for Shari'ah structuring and developing modalities as well.

## TRAINING AND CAPACITY BUILDING

During the year 2025, PMRC identified the need to train staff for Islamic Business Operations. For that purpose, it conducted quarterly sessions to create awareness on Islamic mode of Finance and the difference between conventional and Shariah compliant structures. It also facilitated internal and external training sessions to enhance Shari'ah compliance environment of the Islamic Business of the Company. In addition, the orientation sessions for the Senior Management (ManCom) and the Board of Directors were conducted by the Chairman Shariah Board.

All the training sessions have been conducted as per the plan approved by the Shari'ah Board.

## SHARI'AH BOARD OPINION

To form our opinion as expressed in this report, we have studied the quarterly reports and Shariah Compliance reviews carried out by Resident Shari'ah Board Member & Head Shari'ah Compliance Unit (RSBM & HSCU) for each class of transactions and relevant documentations.

Based on above, we opine that;

- i. Business affairs of PMRC Islamic Business, specifically the transactions, documentation and procedures performed and executed by PMRC during the year of 2025 are, by and large, in compliance with fatwas/opinions/advices issued by the Shari'ah Board.
- ii. PMRC (Islamic business operations) has complied with directives, regulations, instructions, and guidelines related to Shari'ah compliance issued by State Bank of Pakistan (SBP) in accordance with the rulings of the SBP's Shari'ah Advisory Committee (SAC).
- iii. PMRC has a mechanism in place to ensure Shari'ah compliance in its Islamic business operations through SCU.
- iv. PMRC has a well-defined charity policy in place to ensure that earnings realized from sources or means prohibited by Shari'ah are credited to the charity account to warrant that the income distributed among stakeholders generally remains Halal and pure.
- v. In the year 2025, no charity amount is recovered from the customers on account of delays in payments.
- vi. The allocation of profit and losses to investors, which was reviewed by SCU on a monthly basis, is in conformity with the Shari'ah principles and Pool Management Guidelines.

## CONVERSION PROGRESS AND SHARIAH BOARD RECOMMENDATIONS

The Shariah Board (SB) received an update from the head of Islamic Business on the progress of converting PMRC's business operations into an Islamic framework. The transition is currently proceeding in alignment with the approved plan, which is commendable. To ensure a smooth transition from conventional to Islamic business, the SB recommends the following:

**1. Operational Conversion:**

Management should ensure the full and timely implementation of the approved conversion plan. Regular progress updates should be provided to the SB and the Board of Directors periodically to ensure transparency and oversight during the transition.

**2. Asset Growth:**

All new Musharakah refinancing facilities must be issued exclusively under Shariah-compliant modes.

**3. Internal Financing and Benefits:**

All existing staff financing facilities should be transitioned to Islamic modes of finance.

**4. Provident and Gratuity Funds:**

Ensure that the balances in the Provident Fund (PF) and Gratuity Fund (GF) are invested solely in Shariah-compliant avenues.

**5. Human Capital Development:**

Enhance Shariah compliance training for all personnel, with a specific focus on supporting staff under the SLA. Facilitate staff participation in the IBCC-NIBAF (Islamic Banking Certification Course) to fulfil SBP's mandatory capacity-building requirements.

May Almighty Allah forgive our shortcomings and mistakes that we may have committed willingly or unwillingly, and grant us success in this world and hereafter.

وصلی اللہ تعالیٰ علی سیدنا و مولانا و نبینا محمد و علی آہ و اصحابہ و بارک و سلم

**Dr. Mufti Muhammad Yunas Ali**  
Resident Member Shari'ah Board

**Mufti Ehsan Waquar Ahmad**  
Chairperson Shari'ah Board

Date: 2025

# شریعی بورڈ رپورٹ ۲۰۲۵

برائے سال اختتام 31 دسمبر، 2025

بسم الله الرحمن الرحيم

الحمد لله رب العلمين والصلاة والسلام على سيد الانبياء وخاتم النبيين وعلى آله واصحابه اجمعين

پاکستان پارٹننگ ری فنانانس کمپنی لمیٹڈ (جسے یہاں 'PMRC' کہا گیا ہے) کے بورڈ آف ڈائریکٹرز (BoD) نے شریعی بورڈ (SB) کو یہ ذمہ داری سونپی ہے کہ وہ PMRC اسلامک بزنس کے اندر مجموعی طور پر شرعی تعمیل (Shariah Compliance) کے ماحول کا جائزہ لے۔ اس رپورٹ کا مقصد PMRC اسلامک بزنس کے مجموعی شرعی تعمیل کے ماحول پر رائے پیش کرنا ہے۔

## رپورٹ کا دائرہ کار (Scope)

اس رپورٹ کا دائرہ کار (PMRC) اسلامک بزنس آپریشنز کا "ترقیاتی مالیاتی اداروں (DFIs) کے ذریعے اسلامی بینکاری کے اداروں کے قیام اور شرعی اصولوں کے مطابق کاروبار اور آپریشنز کے آغاز کے لیے گائیڈ اور معیار" کے تحت جائزہ لینا ہے۔

## انتظامی ذمہ داری

(PMRC) کے بورڈ آف ڈائریکٹرز اور اعلیٰ عہدیداران اس بات کو یقینی بنانے کے ذمہ دار ہیں کہ (PMRC) کے اسلامک بزنس آپریشنز مذکورہ بالا رہنما اصولوں کے مطابق انجام دیے جائیں، اور کمپنی کے اسلامک بزنس آپریشنز ہر وقت شرعی اصولوں کے مطابق رہیں۔

## شرعی بورڈ کی منظوری

شرعی بورڈ نے کمپنی کے اسلامی کاروبار کے 'اسلامک ری فنانانس بزنس (Advances) اور 'اسلامک کمرشل پیپرز (ICP)' کے پورٹ فولیو کی مالیت کی منظوری دے دی ہے، جو 31 دسمبر 2025 تک بالترتیب 23.4 ارب روپے اور 10.1 ارب روپے ہے۔

(PMRC) اسلامک بزنس کی شریعی کمپلائنس کی صلاحیتوں کو بڑھانے کے لیے صدقہ (Charity) پول بینجنت، شرعی عدم تعمیل کے خطرے (SNCR) کی بینجنت اور ساتھ ساتھ SNCR کی فرسٹ، شرعی تعمیل کے فریم ورک، شریعی کمپلائنس کابینہ ٹل اور سروس لیول ایگریمنٹ (SLA) سے متعلق پالیسیاں پسے ہی تیار کی جا چکی تھیں۔ مزید برآں، سال کے دوران، شریعی بورڈ نے ریگولیشنز (اسٹیٹ بینک آف پاکستان) کی ضرورت کے مطابق درج ذیل پالیسیوں، طریقہ کار، دستاویزات اور منصوبوں کا جائزہ لیا اور ان کی منظوری دی:

۱. بورڈ کو پیش کی جانے والی سالانہ رپورٹ 2024 (انگریزی اور اردو)	۱۳. COII میں ترمیم
۲. شریعی کمپلائنس کے جائزے کا منصوبہ (Shariah Compliance Review Plan)	۱۵. پروڈکٹ پروگرام - اسلامک بزنس
۳. اسلامک کمرشل پیپرز کا شرعی ڈھانچہ تکمیل آف اسلامک انویسٹمنٹ (COII)	۱۶. منادات کے کراؤ (Conflict of Interest) کی پالیسی
۴. شریعی کمپلائنس کافریم ورک	۱۷. ڈائریکٹرز کے معاوضے کی پالیسی
۵. شرعی تربیت کا منصوبہ	۱۸. بورڈ کی کارپوریٹ گورننس اور نامزدگی کمیٹی کے ٹی او آرز (TORs)
۶. فراڈ رسک پالیسی	۱۹. بینجنت کمیٹی (ManCom) کے ٹی او آرز
۷. کے وائی سی (KYC) اور منی لانڈرنگ مخالف (AML) پالیسی	۲۰. ترمیم شدہ MMA (نیاورژن)
۸. اندرونی آڈٹ پالیسی کابینہ ٹل	۲۱. عملے کے لیے آفر لیٹر
۹. ایچ آر (HR) پالیسی کابینہ ٹل	۲۲. متعلقہ فریقین (Related Party) کی پالیسی
۱۰. معاوضہ (Remuneration) کی پالیسی	۲۳. فتاویٰ شرعی احکامات پر نظر ثانی کا طریقہ کار
۱۱. خطرے پر مبنی معاوضے کافریم ورک (Risk Based Remuneration Framework)	۲۴. شریعی بورڈ کی خود تہنیتی (Self-Assessment) دستاویز
۱۲. کلیدی عہدیداروں اور MD/CEO کی بھرتی کیلئے FPT معیار	۲۵. شریعی بورڈ کے لیے نظر ثانی شدہ ٹی او آرز (TORs)
۱۳. عطیات (Donation) کی پالیسی	

## شریعی کمپلائنس کا جائزہ (SCR)

اسماں، شریعی کمپلائنس یونٹ (SCU) کی جانب سے درج ذیل سرگرمیاں انجام دی گئیں:

انہوں نے پول بینجمنٹ کے رہنما اصولوں کے مطابق سرمایہ کاروں کے درمیان منافع کی تقسیم کا جائزہ لیا۔ نیز ادائیگی سے قبل سرمایہ کاروں (اسلامک کمرشل پیپر ہولڈرز) کے درمیان نفع و نقصان کی تقسیم کی تصدیق کی۔ انہوں نے ٹریڈری ڈیلنگس (اسلامک بزنس آپریٹرز کے لیے کنونٹنل بزنس سے مضاربہ کی بنیاد پر لی جانے والی رقم) کا شریعی بورڈ کے رہنما اصولوں کی روشنی میں جائزہ لیا۔

شریعی کمپلائنس یونٹ نے شریعی بورڈ سے مختلف ٹرانزیکشنز کی منظوری حاصل کرنے میں بزنس ٹیم کی معاونت کی اور شرعی ڈھانچہ سازی (Structuring) اور طریقہ کار وضع کرنے میں بھی تعاون فراہم کیا۔

## تربیت اور افراد کار کی صلاحیتوں میں اضافہ

سال 2025 کے دوران، PMRC نے اسلامک بزنس آپریٹرز کے لیے عملے کی تربیت کی ضرورت کو محسوس کیا۔ اس مقصد کے لیے، اسلامی طرز مالیات کے طریقوں اور روایتی و شرعی طریقوں کے درمیان فرق کے بارے میں آگاہی پیدا کرنے کے لیے سہ ماہی نشستیں منعقد کی گئیں۔ کمپنی کے اسلامک بزنس کے شرعی تعمیل کے ماحول کو بہتر بنانے کے لیے اندرونی اور بیرونی تربیتی نشستوں کا اہتمام بھی کیا گیا۔ مزید برآں، چیئرمین شریعی بورڈ نے سینئر مینجمنٹ (ManCom) اور بورڈ آف ڈائریکٹرز کے لیے اور بینیشن سیشنز کا انعقاد کیا۔ تمام تربیتی سیشنز شریعی بورڈ کے منظور شدہ منصوبے کے مطابق منعقد کیے گئے ہیں۔

## شریعی بورڈ کی رائے

اپنی رائے کا اظہار کرنے کیلئے، جیسا کہ اس رپورٹ میں ذکر ہے، ہم یعنی شریعی بورڈ نے ہر قسم کی ٹرانزیکشنز اور اسکے متعلقہ دستاویزات کے حوالے سے ریویڈ شریعی بورڈ ممبر (RSBM) اور ہیڈ شریعی کمپلائنس یونٹ (HSCU) کی سہ ماہی رپورٹ اور شرعی تعمیل کے جائزوں کا مطالعہ کیا ہے۔ مندرجہ بالا کی بنیاد پر، جاری رائے یہ ہے کہ:

- 1- پنی ایم آری اسلامک بزنس کے کاروباری معاملات، خاص طور پر سال 2025 کے دوران انجام دی گئی ٹرانزیکشنز، دستاویزات اور طریقہ کار، مجموعی طور پر شریعی بورڈ کے جاری کردہ فتاویٰ / آراء اور منوروں کے مطابق ہیں۔
- 2- پنی ایم آری اسلامک بزنس آپریٹرز نے اسٹیٹ بینک آف پاکستان (SBP) کی شرعی ایڈوائزی کمیٹی کے فیصلوں کے مطابق اسٹیٹ بینک کے جاری کردہ شریعی تعمیل سے متعلق ہدایات، ضوابط اور رہنما اصولوں کی پیروی کی ہے۔
- 3- پنی ایم آری کے پاس شریعی کمپلائنس یونٹ کے ذریعے اپنے اسلامی کاروباری آپریٹرز میں شرعی تعمیل کو یقینی بنانے کا ایک طریقہ کار موجود ہے۔
- 4- پنی ایم آری کے پاس ایک جامع چیریٹی (Charity) پالیسی موجود ہے تاکہ یہ یقینی بنایا جاسکے کہ شریعت کی طرف سے ممنوعہ ذرائع سے حاصل ہونے والی آمدنی چیریٹی اکاؤنٹ میں جمع کرائی جائے تاکہ اسٹیک ہولڈرز میں تقسیم کی جانے والی آمدنی کے حلال اور پاک ہونے کو ممکن بنایا جاسکے۔
- 5- سال 2025 میں، ادا کی گئیوں میں تاخیر کی وجہ سے صارفین سے صدقہ کی مد میں کوئی رقم وصول نہیں کی گئی۔
- 6- سرمایہ کاروں کو نفع و نقصان کی تقسیم، جس کا SCU نے ماہانہ بنیادوں پر جائزہ لیا، شرعی اصولوں اور پول بینجمنٹ کے رہنما اصولوں کے مطابق ہے۔

## کنورژن کا عمل اور شریعی بورڈ کی سفارشات:

شریعی بورڈ (SB) کو ہیڈ آف اسلامک بزنس کی جانب سے PMRC کے کاروباری آپریٹرز کو اسلامی فریم ورک میں تبدیل کرنے کی پیشرفت پر بریکنگ دی گئی۔ تبدیلی کا عمل اس وقت منظور شدہ منصوبے کے مطابق جاری ہے، جو کہ قابل تائید ہے۔ روایتی کاروباری طرز سے اسلامی طرز میں ہموار منتقلی کو یقینی بنانے کے لیے، شرعی بورڈ درج ذیل سفارشات پیش کرتا ہے:

- ۱- آپریشنل کنورژن :  
انتظامیہ کو منظور شدہ کنورژن پلان کے مکمل اور بروقت نفاذ کو یقینی بنانا چاہیے۔ کنورژن کے دوران شفافیت اور نگرانی کے لیے شریعہ بورڈ اور بورڈ آف ڈائریکٹرز کو وقتاً فوقتاً پیشرفت کی رپورٹ فراہم کی جائے۔
- ۲- اثاثوں کی ترقی :  
تمام نئی مشارکہ ری فنانش سہولیات صرف اور صرف شرعی اصولوں کے مطابق طریقہ کار پر جاری کی جائیں۔
- ۳- اندرونی فائنانسنگ اور مراعات :  
علیٰ کی مالی معاونت کی تمام موجودہ سہولیات کو اسلامی طریقوں پر منتقل کیا جائے۔
- ۴- پروویڈنٹ اور گریجویٹ فنڈز :  
اس بات کو یقینی بنایا جائے کہ پروویڈنٹ فنڈ (PF) اور گریجویٹ فنڈ (GF) کی رقم (Balance) صرف شرعی طور پر جائز جگہوں میں ہی انویسٹ کیے جائیں۔
- ۵- انسانی عملے کی مہارتوں و صلاحیتوں کی ترقی :  
تمام عملے کے لیے شریعہ کمپلائنس ٹریننگ کو بہتر بنایا جائے، خاص طور پر SLA کے تحت معاون عملے پر توجہ دی جائے۔ اسٹیٹ بینک کی جاری کردہ لازمی استعداد کاری کی ضرورت کو پورا کرنے کے لیے علیٰ کی IBCC-NIBAF (اسلامک بینکنگ سرٹیفیکیشن کورس) میں شرکت کو یقینی بنائیں۔

اللہ تعالیٰ ہماری ان کوتاہیوں کو معاف فرمائے جو ہم سے جان بوجھ کر یا نادانانہ طور پر ہوئی ہوں، اور ہمیں دنیا و آخرت میں کامیابی عطا فرمائے۔

وصلی اللہ تعالیٰ علی سیدنا و مولانا و نبینا محمد و علی آلہ و اصحابہ و بارک وسلم

مفتی احسان وقار احمد  
چیف ایگزیکٹو آفیسر شریعہ بورڈ

ڈاکٹر مفتی محمد یونس علی  
ریزیڈنٹ شریعہ بورڈ ممبر

تاریخ: ۲۰۲۵

# ANNEXURE TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended  
December 31, 2025

The Company is managing the operations of its Shariah Compliant products through its Head Office. The statement of financial position and profit and loss account for the year ended December 31, 2025 are as follows:

(A) Statement of financial position	Note	2025 (Rupees in '000)	2024
<b>ASSETS</b>			
Balances with other banks		10,821,869	909,352
Islamic financing and related assets - net	1	23,415,070	18,976,964
Other assets		511,604	420,652
		<b>34,748,543</b>	20,306,968
<b>LIABILITIES</b>			
Due to financial institutions	2	1,000,000	-
Deposits and other accounts	3	10,178,000	-
Due to head office		20,538,593	18,255,229
Other liabilities		434,921	148,056
		<b>32,151,514</b>	18,403,285
<b>NET ASSETS</b>		<b>2,597,029</b>	1,903,683
<b>REPRESENTED BY</b>			
Islamic banking fund		150,000	150,000
Reserves		491,883	353,214
Unappropriated profit		1,955,146	1,400,470
		<b>2,597,029</b>	1,903,684
<b>CONTINGENCIES AND COMMITMENTS</b>	4		
<b>(B) Statement of profit and loss account</b>			
Profit / return earned	5	2,915,959	2,738,586
Profit / return expensed	6	2,203,458	1,902,995
<b>Net profit / return</b>		<b>712,501</b>	835,591
<b>Other income</b>			
Fee and commission income		14,764	14,764
Dividend income		-	-
Foreign exchange income		-	-
Income / (loss) from derivatives		-	-
Gain / (loss) on securities		-	-
Other income		-	-
<b>Total other income</b>		<b>14,764</b>	14,764
<b>Total income</b>		<b>727,265</b>	850,355
<b>Other expenses</b>			
Operating expenses		22,768	29,568
Workers' Welfare Fund		14,032	16,513
<b>Total other expenses</b>		<b>36,800</b>	46,081
Profit before credit loss allowance		690,465	804,274
Credit loss allowance and write offs - net reversal		2,880	(4,845)
<b>Profit before taxation</b>		<b>693,345</b>	809,119
Taxation		-	-
<b>Profit after taxation</b>		<b>693,345</b>	809,119

	Note	2025 (Rupees in '000)	2024 (Rupees in '000)
<b>1 ISLAMIC FINANCING AND RELATED ASSETS – NET</b>			
Musharakah financing	1.1	23,437,445	19,005,402
Staff loans		156	626
Islamic Financing and related assets – gross		23,437,601	19,006,028
Less: Provision / credit loss allowance (stage-1)		(22,531)	(29,064)
Islamic Financing and related assets– net of provision		<u>23,415,070</u>	<u>18,976,964</u>

1.1 This represents Islamic financing under musharakah financing facility. The tenure of this financing facility varies from 1 year to 13 years with profit rates ranging from 6.50% to 17.80% (2024: 6.50% to 19.03%) per annum.

	Note	2025 (Rupees in '000)	2024 (Rupees in '000)
<b>2 DUE TO FINANCIAL INSTITUTION</b>			
<b>Financial institutions</b>			
Long Term Facility	2.1	<u>1,000,000</u>	<u>-</u>

2.1 This long term facility carry profit at the rate of 11.29% per annum (December 31, 2024: Nil) and will mature latest by November 13, 2028.

<b>3 DEPOSITS AND OTHER ACCOUNTS</b>			
<b>Financial institutions</b>			
Others – In local currency	3.1	<u>10,178,000</u>	<u>-</u>

3.1 This includes COI issued at a profit rate ranging from 10.27% to 10.85% per annum (December 31, 2024: Nil) and are due to mature latest by March 13, 2026.

#### 4 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2025 and December 31, 2024.

	2025	2024
	(Rupees in '000)	
<b>5 PROFIT / RETURN EARNED</b>		
<b>Profit earned on:</b>		
Financing	2,773,465	2,727,045
Balances with banks	142,494	11,541
	<u>2,915,959</u>	<u>2,738,586</u>
<b>6 PROFIT / RETURN EXPENSED</b>		
<b>Profit expensed on:</b>		
Financing	<u>2,203,458</u>	<u>1,902,995</u>

## 7 POOL MANAGEMENT

The company maintains pools for COII issued by the company. The objective of the pools is to effectively manage investments in COII to earn and distribute from earning assets. The funds in these pools are generally deployed in Islamic assets.

The relationship between investors / partners is based on the concept of Musharakh Shirkat-ul-'Aqd, in accordance with the principles of Shariah. Profit Sharing Ratio (PSR) is decided as per the agreement between the partners for each in Certificate of Islamic Investment issued. Loss, if any, is borne by the partners as per their proportionate share in overall investment. The company grants Hiba at its discretion within limits prescribed by the regulator.

The company during the year maintained ten musharakah pools and the average rate of profit earned on the assets tagged in the pools during the year range from 9.04% to 11.58% per annum. There is little or no risk of default in assets tagged against these pools.

Profit was paid on maturity of each COII. Profit rate range 10.27% to 11.40% per annum was distributed to the investors.

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