



KPMG Taseer Hadi & Co.
Chartered Accountants

**Pakistan Mortgage Refinance
Company Limited**

**Condensed Interim Financial Statements
(Un-Audited)**

For the half year ended 30 June 2026



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Pakistan Mortgage Refinance Company Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Pakistan Mortgage Refinance Company Limited** (the Company) as at 30 June 2026 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim cash flow statement and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

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



KPMG Taseer Hadi & Co.

Other Matters

The financial statements of the Company for half year ended 30 June 2025 and for the year ended 31 December 2025 were respectively reviewed and audited by another firm of Chartered Accountants who had expressed an unqualified conclusion and opinion thereon vide their reports dated 28 August 2025 and 09 March 2026, respectively.

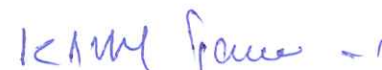
The figures for the quarter ended 31 March 2026 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

Date: 28 August 2026

Karachi

UDIN: RR202610106I1NaUGbjo


KPMG Taseer Hadi & Co.
Chartered Accountants

PAKISTAN MORTGAGE REFINANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

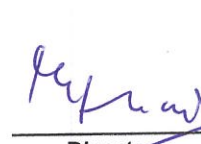
	Note	(Un-audited) June 30, 2026 ----- Rupees in '000 -----	(Audited) December 31, 2025
ASSETS			
Cash and balances with treasury banks	7	139,015	113,258
Balances with other banks	8	5,033,710	15,858,218
Lendings to financial institutions	9	946,779	1,361,018
Investments	10	55,742,181	42,184,053
Advances	11	44,119,799	40,365,115
Property and equipment	12	97,216	107,732
Right-of-use asset	13	173,662	-
Intangible assets	14	18,667	23,285
Deferred tax assets		-	-
Other assets	15	1,448,597	1,236,029
Total assets		107,719,626	101,248,708
LIABILITIES			
Bills payable		-	-
Borrowings	16	66,864,564	62,141,268
Deposits and other accounts	17	12,800,650	10,178,650
Lease liabilities	18	179,654	-
Subordinated debt	19	2,758,050	2,785,148
Deferred tax liabilities		-	-
Other liabilities	20	9,828,298	10,775,490
Total liabilities		92,431,216	85,880,556
NET ASSETS		15,288,410	15,368,152
REPRESENTED BY			
Share capital		6,237,759	6,237,759
Reserves		2,866,230	2,647,703
Surplus on revaluation of assets	21	62,201	298,912
Unappropriated profit		6,122,220	6,183,778
		15,288,410	15,368,152
CONTINGENCIES AND COMMITMENTS			
	22		

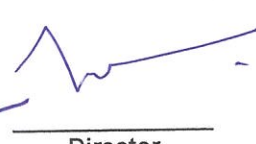
The annexed notes from 1 to 35 and annexure form an integral part of these condensed interim financial statements.


Managing Director /
Chief Executive Officer


Chief Financial Officer


Director

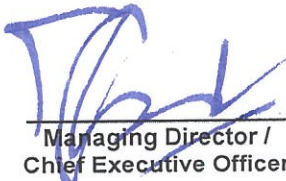

Director


Director

PAKISTAN MORTGAGE REFINANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED JUNE 30, 2026

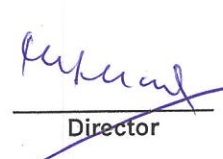
Note	Half year ended		Quarter ended		
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025	
----- Rupees in '000 -----					
Mark-up / return / interest / profit earned	23	5,007,698	4,649,600	2,326,463	2,396,411
Mark-up / return / interest / profit expensed	24	3,561,114	2,936,618	1,685,711	1,577,790
Net mark-up / return / interest / profit earned		1,446,584	1,712,982	640,752	818,621
Non mark-up / interest income					
Fee and commission income	25	14,931	14,931	7,466	7,466
Dividend income		-	-	-	-
Foreign exchange income / (loss)		-	-	-	-
Income / (loss) from derivatives		-	-	-	-
(Loss) / gain on securities	26	(18,421)	85,813	(14,577)	-
Net gains/(loss) on derecognition of financial assets measured at amortised cost		-	-	-	-
Other income		68	19	13	11
Total non-markup / interest income		(3,422)	100,763	(7,098)	7,477
Total income		1,443,162	1,813,745	633,654	826,098
Non mark-up / interest expense					
Operating expenses	27	358,671	243,796	172,760	62,252
Workers' Welfare Fund		22,299	31,948	9,188	15,857
Other charges		-	-	-	-
Total non-markup / interest expenses		380,970	275,744	181,948	78,109
Profit before credit loss allowance		1,062,192	1,538,001	451,706	747,989
Credit loss allowance and write offs - net (reversal) / charge	28	(30,441)	(27,471)	1,508	(28,971)
Profit before taxation		1,092,633	1,565,472	450,198	776,960
Taxation	29	-	-	-	-
Profit after taxation		1,092,633	1,565,472	450,198	776,960
----- (Rupees) -----					
Basic and diluted Earnings Per Share (EPS)	30	1.75	2.51	0.72	1.25

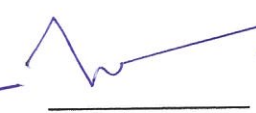
LAW The annexed notes from 1 to 35 and annexure form an integral part of these condensed interim financial statements.


Managing Director /
Chief Executive Officer


Chief Financial Officer


Director


Director


Director

PAKISTAN MORTGAGE REFINANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED JUNE 30, 2026

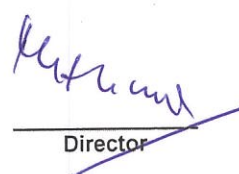
Note	Half year ended		Quarter ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Rupees in '000				
Profit after taxation for the period	1,092,633	1,565,472	450,198	776,960
Other comprehensive (loss) / income				
<i>Items that may be reclassified to profit and loss account in subsequent periods:</i>				
Movement in surplus on revaluation of debt investment at Fair Value through Other Comprehensive Income (FVOCI)	(255,132)	141,649	106,277	214,054
Debt investment carried at FVOCI reclassified to profit and loss account	18,421	(85,813)	14,577	-
	(236,711)	55,836	120,854	214,054
Total comprehensive income for the period	855,922	1,621,308	571,052	991,014

The annexed notes from 1 to 35 and annexure form an integral part of these condensed interim financial statements.


Managing Director /
Chief Executive Officer


Chief Financial Officer


Director


Director

Director

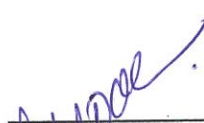
PAKISTAN MORTGAGE REFINANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2026

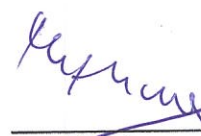
	Share capital	Statutory reserve	Surplus/ (deficit) on revaluation of investments	Unappropriated profit	Total
Note					
	Rupees in '000				
Balance as at December 31, 2024 (audited)	6,237,759	2,085,272	223,010	4,865,131	13,411,172
Total comprehensive income for the period					
Profit after taxation for the half year ended June 30, 2025	-	-	-	1,565,472	1,565,472
Other Comprehensive Income / (loss)					
Movement in surplus on revaluation of debt investment at FVOCI	-	-	141,649	-	141,649
Debt investment carried at FVOCI reclassified to profit and loss account	-	-	(85,813)	-	(85,813)
Total comprehensive income for the half year ended June 30, 2025	-	-	55,836	1,565,472	1,621,308
Transfer to statutory reserve	-	313,094	-	(313,094)	-
Transactions with owners, recorded directly in equity					
Final dividend for the year ended December 31, 2024 @ Rs. 1.50 per share declared on February 25, 2025	-	-	-	(935,664)	(935,664)
Balance as at June 30, 2025 (un-audited)	6,237,759	2,398,366	278,846	5,181,845	14,096,816
Total comprehensive income for the period					
Profit after taxation for the half year ended December 31, 2025	-	-	-	1,246,682	1,246,682
Other Comprehensive Income / (loss)					
Remeasurement gain on defined benefit plan	-	-	-	4,588	4,588
Movement in surplus on revaluation of debt investment at FVOCI	-	-	46,836	-	46,836
Debt investment carried at FVOCI reclassified to profit and loss account	-	-	(26,770)	-	(26,770)
Total comprehensive income for the half year ended December 31, 2025	-	-	20,066	1,251,270	1,271,336
Transfer to statutory reserve	-	249,337	-	(249,337)	-
Balance as at December 31, 2025 (audited)	6,237,759	2,647,703	298,912	6,183,778	15,368,152
Total comprehensive income for the period					
Profit after taxation for the half year ended June 30, 2026	-	-	-	1,092,633	1,092,633
Other Comprehensive Income / (loss)					
Movement in surplus on revaluation of debt investment at FVOCI	-	-	(255,132)	-	(255,132)
Debt investment carried at FVOCI reclassified to profit and loss account	-	-	18,421	-	18,421
Total comprehensive income for the half year ended June 30, 2026	-	-	(236,711)	1,092,633	855,922
Transfer to statutory reserve	-	218,527	-	(218,527)	-
Transactions with owners, recorded directly in equity					
Final dividend for the year ended December 31, 2025 @ Rs. 1.50 per share declared on March 04, 2026	-	-	-	(935,664)	(935,664)
Balance as at June 30, 2026 (un-audited)	6,237,759	2,866,230	62,201	6,122,220	15,288,410

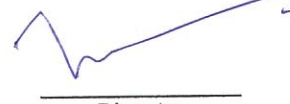
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Managing Director /
Chief Executive Officer


Chief Financial Officer


Director


Director


Director

PAKISTAN MORTGAGE REFINANCE COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

Note	Half year ended	
	June 30, 2026	June 30, 2025
	----- Rupees in '000 -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period before taxation	1,092,633	1,565,472
Adjustments:		
Net mark-up / return / interest / profit earned	(1,446,584)	(1,712,982)
Depreciation	27 18,271	17,990
Depreciation on right-of-use assets	27 19,295	11,701
Amortisation of intangible assets	27 4,731	4,554
Amortisation of transaction cost	-	4,895
Amortisation of prepaid staff cost	24 7,281	7,290
Provision for Workers' Welfare Fund	22,299	31,948
Gain on sale of property and equipment	(38)	(19)
(Loss) / gain on sale of securities	26 18,421	(85,813)
Provision for defined benefit obligation	10,812	10,644
Finance charges on leased assets	24 9,069	768
Credit loss allowance and write offs - net reversal	28 (30,441)	(27,471)
	(1,366,884)	(1,736,495)
	(274,251)	(171,023)
(Increase) / decrease in operating assets		
Lendings to financial institutions	414,250	3,998,408
Advances	(3,725,587)	(11,448,372)
Other assets (excluding advance taxation and mark-up accrued)	(128,298)	(19,224)
	(3,439,635)	(7,469,188)
Increase / (decrease) in operating liabilities		
Borrowings	5,073,254	14,402,296
Deposits and other accounts	2,622,000	10,500,550
Other liabilities (excluding payable to defined benefit plan and mark-up payable)	(96,552)	(167,261)
	7,598,702	24,735,585
Mark-up / return / interest / profit - received	4,891,616	4,546,303
Mark-up / return / interest / profit - paid	(4,242,630)	(2,704,241)
Contributions paid to defined benefit scheme	(735)	(10,662)
Income tax paid	(77)	(40)
Net cash generated from operating activities	4,532,990	18,926,734
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in securities classified as FVOCI	(13,813,318)	(4,141,738)
Net investments in securities classified as Fair Value through Profit and Loss (FVPL)	60	60
Additions in property and equipment	(15,821)	(77,514)
Additions in intangible assets	(113)	(1,323)
Proceeds from disposal of property and equipment	8,104	11,974
Net cash used in investing activities	(13,821,088)	(4,208,541)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(935,664)	(935,664)
Payments of lease obligations against right-of-use assets	18 (11,186)	(16,459)
Repayment of Term Finance Certificates (TFC)	(112,500)	(1,437,500)
Net (repayment) / receipts of long term loan	(166,667)	2,833,333
Repayment of short term loan	-	(15,000,000)
Repayment of loan of World Bank - Housing Finance Project	(169,764)	(169,764)
Repayment of subordinated debt	(116,337)	(116,337)
Net cash used in financing activities	(1,512,118)	(14,842,391)
	(10,800,216)	(124,198)
Net decrease in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	15,971,476	1,243,556
Opening net credit allowance on cash and cash equivalents	2,155	167
Cash and cash equivalents at the beginning of the period - net of credit loss allowance	15,973,631	1,243,723
Credit loss allowance on cash and cash equivalents during the period	(690)	(136)
Cash and cash equivalents at the end of the period - net of credit loss allowance	5,172,725	1,119,389

The annexed notes from 1 to 35 and annexure form an integral part of these condensed interim financial statements.

Managing Director /
Chief Executive Officer

Chief Financial Officer

Director

Director

Director

PAKISTAN MORTGAGE REFINANCE COMPANY LIMITED
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2026

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 inter alia 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 June 3, 2026 (December 31, 2025: 'AAA' dated April 24, 2025). The rating reflects the highest possible credit quality rating with the lowest expectation of default risk.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34 "Interim Financial Reporting" and International Financial Reporting 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.

- 2.2 These condensed interim financial statements of the Company do not include all the information and disclosures required in the annual audited financial statements and are limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 02 dated February 09, 2023 and IAS 34. Accordingly, these condensed interim financial statements should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2025.
- 2.3 SBP has deferred the applicability of 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 condensed interim financial statements.
- 2.4 **Amendments to approved accounting standards that are effective in the current period**

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 do not have any material effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

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2.5 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, 2027 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.

The management is in the process of assessing the impact of this standard on the condensed interim financial statements of the Company.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the Company for the year ended December 31, 2025.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim 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.

The significant judgments and estimates made by the management in the application of its accounting policies and the related estimates and judgments are the same as those applied to the annual audited financial statements of the Company for the year ended December 31, 2025.

5 BASIS OF MEASUREMENT

These condensed interim 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.

5.1 Functional and presentation currency

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

6 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual audited financial statements for the year ended December 31, 2025. These risk management policies continue to remain robust and the Company is reviewing its portfolio regularly and conducts rapid portfolio reviews in line with emerging risks.

7 CASH AND BALANCES WITH TREASURY BANKS

With SBP in:
Local currency current account

Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	-----Rupees in '000-----	
7.1	138,969	113,213
7.2	31	31
	15	14
	46	45

Less: Credit loss allowance held against balances with other banks
Cash and balances with treasury banks - net of credit loss allowance

-	-
139,015	113,258

7.1 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.

7.2 This represents deposit account maintained with NBP. This carries mark-up at the rate of 7.31% (December 31, 2025: 7.37%) per annum.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
-----Rupees in '000-----			
8 BALANCES WITH OTHER BANKS			
In Pakistan			
In current account		815	268
In deposit accounts	8.1 & 8.2	5,033,585	15,860,105
		5,034,400	15,860,373
Less: Credit loss allowance held against balances with other banks	8.3	(690)	(2,155)
Balances with other banks - net of credit loss allowance		5,033,710	15,858,218

8.1 This includes deposit accounts in local currency maintained with other banks amounting to Rs. 33.585 million (December 31, 2025: 360.105 million). These carry mark-up / profit at rates ranging from 4.00% to 10.50% (December 31, 2025: 6.29% to 11.00%) per annum.

8.2 This includes Term Deposit Receipt (TDR) amounting to Rs. 5,000 million (December 31, 2025: Rs. 15,500 million) which is due to mature on July 17, 2026. This carries mark-up rate of 12.00% (December 31, 2025: 11.00% to 11.75%) per annum.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
-----Rupees in '000-----			
8.3 Movement in credit loss allowance held against balances with other banks – Stage 1			
Opening balance		2,155	167
Charge for the period / year		685	2,150
Reversal for the period / year		(2,150)	(162)
	28	(1,465)	1,988
Closing balance		690	2,155

9 LENDINGS TO FINANCIAL INSTITUTIONS

Reverse Repurchase agreements (Repo)	9.1	946,805	1,361,055
Less: Credit loss allowance held against lendings to financial institutions	9.3	(26)	(37)
Lendings to financial institutions - net of credit loss allowance		946,779	1,361,018

9.1 This carry mark-up rate of 11.50% (December 31, 2025: 11.40%) per annum and will mature latest by July 02, 2026.

9.2 Lendings to Financial Institutions- Particulars of credit loss allowance

Domestic
Performing - Stage 1

(Un-audited) June 30, 2026			(Audited) December 31, 2025		
Lendings	Credit loss allowance held	Total	Lendings	Credit loss allowance held	Total
946,805	(26)	946,779	1,361,055	(37)	1,361,018

----- Rupees in '000 -----

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
-----Rupees in '000-----			
9.3 Movement in credit loss allowance held against lending to financial institutions – Stage 1			
Opening balance		37	144
Charge for the period / year		26	-
Reversal for the period / year		(37)	(107)
	28	(11)	(107)
Closing balance		26	37

10 INVESTMENTS

10.1 Investments by type

	(Un-audited) June 30, 2026				(Audited) December 31, 2025			
	Cost / amortised cost	Credit loss allowance	Surplus	Carrying value	Cost / amortised cost	Credit loss allowance	Surplus	Carrying value
----- (Rupees in '000) -----								
Debt Instruments								
Classified / Measured at FVOCI								
Federal Government securities	55,355,520	-	61,069	55,416,589	41,535,623	-	298,912	41,834,535
Non-Government debt securities	25,000	-	1,132	26,132	50,000	(2)	-	49,998
	55,380,520	-	62,201	55,442,721	41,585,623	(2)	298,912	41,884,533
Classified / Measured at FVPL								
Non-Government debt securities	299,460	-	-	299,460	299,520	-	-	299,520
Total investments	55,679,980	-	62,201	55,742,181	41,885,143	(2)	298,912	42,184,053

10.1.1 Investments given as collateral

	(Un-audited) June 30, 2026			(Audited) December 31, 2025		
	Cost / amortised cost	(Deficit) / surplus	Carrying value	Cost / amortised cost	(Deficit) / surplus	Carrying value
----- Rupees in '000 -----						
Market Treasury Bills (MTB's)	25,652,634	(15,772)	25,636,862	8,002,910	23,229	8,026,139

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
-----Rupees in '000-----			
10.2 Credit loss allowance for diminution in value of investments			
Opening balance		2	7
Reversal for the period / year	28	(2)	(5)
Closing balance		-	2

	(Un-audited) June 30, 2026		(Audited) December 31, 2025	
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
-----Rupees in '000-----				
10.3 Particulars of credit loss allowance against debt securities				
Domestic				
Performing - Stage 1	25,000	-	50,000	(2)

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11 ADVANCES

Note	Performing		Non-performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
	2026	2025	2026	2025	2026	2025
Rupees in '000						
Loans, cash credits, running finances, etc.	17,549,181	16,760,660	1,000,122	1,059,131	18,549,303	17,819,791
Islamic financing and related assets	26,433,676	23,437,601	-	-	26,433,676	23,437,601
Advances - gross	43,982,857	40,198,261	1,000,122	1,059,131	44,982,979	41,257,392
Credit loss allowance / provision against advances						
- Stage 1	(15,224)	(14,816)	-	-	(15,224)	(14,816)
- Stage 3	-	-	(500,061)	(529,566)	(500,061)	(529,566)
- General	(347,895)	(347,895)	-	-	(347,895)	(347,895)
	(363,119)	(362,711)	(500,061)	(529,566)	(863,180)	(892,277)
Advances - net of credit loss allowance / provision	43,619,738	39,835,550	500,061	529,565	44,119,799	40,365,115

(Un-audited) (Audited)
June 30, December 31,
2026 2025

11.1 Particulars of advances (gross)

In local currency

44,982,979 41,257,392

11.2 Advances include Rs. 1,000.122 million (December 31, 2025: 1,059.131 million) which have been placed under non-performing status as detailed below:

Category of classification	(Un-audited)		(Audited)	
	June 30, 2026		December 31, 2025	
	Non-performing loans	Credit loss allowance	Non-performing loans	Credit loss allowance
Rupees in '000				
Domestic Doubtful - Stage 3	1,000,122	500,061	1,059,131	529,566

11.3 Particulars of credit loss allowance / provision against advances

(Un-audited)					(Audited)				
June 30, 2026					December 31, 2025				
Note	Expected Credit Loss		General	Total	Expected Credit Loss		General	Total	
	Stage 1	Stage 3			Stage 1	Stage 3			
-----Rupees in '000-----									
Opening balance	14,816	529,566	347,895	892,277	20,520	579,918	347,895	948,333	
Charge for the period / year	3,771	-	-	3,771	5,875	52,957	-	58,832	
Reversal during the period / year	(3,363)	(29,505)	-	(32,868)	(11,579)	(103,309)	-	(114,888)	
28	408	(29,505)	-	(29,097)	(5,704)	(50,352)	-	(56,056)	
Closing balance	15,224	500,061	347,895	863,180	14,816	529,566	347,895	892,277	

11.3.1 The Company's financing activities largely belongs to the banking industry which includes Banks, DFIs, Microfinance 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 Microfinance 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. In accordance with SBP BPRD Circular No. 01 of 2025 which permits it to retain such excess general provision up to 31 December 2026.

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11.4 Advances - particulars of credit loss allowance / provision

Advances - particulars of credit loss allowance / provision		(Un-audited)				(Audited)			
		June 30, 2026				December 31, 2025			
		Expected Credit Loss		General	Total	Expected Credit Loss		General	Total
		Stage 1	Stage 3			Stage 1	Stage 3		
Note		-----Rupees in '000-----							
		14,816	529,566	347,895	892,277	20,520	579,918	347,895	948,333
		3,771	-	-	3,771	5,875	-	-	5,875
		(3,363)	(29,505)	-	(32,868)	(11,579)	(103,309)	-	(114,888)
		-	-	-	-	-	52,957	-	52,957
	28	408	(29,505)	-	(29,097)	(5,704)	(50,352)	-	(56,056)
	(Reversal) / changes in risk parameters (PDs/LGDs/EADs)	-	-	-	-	-	-	-	-
	Closing balance	15,224	500,061	347,895	863,180	14,816	529,566	347,895	892,277

11.5 Advances - Category of classification

	(Un-audited)		(Audited)	
	June 30, 2026		December 31, 2025	
	Outstanding amount	Credit loss allowance / provision held	Outstanding amount	Credit loss allowance / provision held
Rupees in '000				
Domestic				
Performing - Stage 1	43,982,857	15,224	40,198,261	14,816
General provision	-	347,895	-	347,895
	43,982,857	363,119	40,198,261	362,711
Non-performing - Stage 3				
Doubtful	1,000,122	500,061	1,059,131	529,566
Total	44,982,979	863,180	41,257,392	892,277

12 PROPERTY AND EQUIPMENT

Capital work-in-progress
Property and equipment

Note	(Un-audited)	(Audited)
	June 30, 2026	December 31, 2025
Rupees in '000		
12.1	10,834	3,323
	86,382	104,409
	97,216	107,732

12.1 Capital work-in-progress

Advances to suppliers
Equipment

Note	(Un-audited)	(Audited)
	June 30, 2026	December 31, 2025
12.1.1	10,834	-
	-	3,323
	10,834	3,323

12.1.1 This amount includes an advance of Rs. 10.695 million paid towards the purchase of office vehicles.

12.2 Additions to property and equipment

The following additions have been made to property and equipment during the period:

Capital work-in-progress

Note	(Un-audited)	(Audited)
	Half year ended June 30, 2026	Half year ended June 30, 2025
Rupees in '000		
12.1.1	10,834	-
	657	-
	-	183
	-	74,996
	7,652	2,335
	8,309	77,514

Property and equipment

Furniture and fixtures

Leasehold improvements

Vehicles

Electrical, office and computer equipment

Note	(Un-audited)	(Audited)
	Half year ended June 30, 2026	Half year ended June 30, 2025
Rupees in '000		
12.1.1	10,834	-
	657	-
	-	183
	-	74,996
	7,652	2,335
	8,309	77,514

Total

km

(Un-audited)	
Half year ended	
June 30, 2026	June 30, 2025
-----Rupees in '000-----	

12.3 Disposal of property and equipment

The net book value of property and equipment disposed off during the period is as follows:

Vehicles	
Electrical, office and computer equipment	
Total	

7,817	11,955
249	-
8,066	11,955

13 RIGHT-OF-USE ASSETS

Opening balance	
Cost	
Accumulated depreciation	
Net carrying amount at January 1	

(Un-audited)	(Audited)
June 30, 2026	December 31, 2025
-----Rupees in '000-----	

Additions during the period	
Depreciation charge for the period / year	
Closing balance - Net carrying amount	

13.1	192,957	-
27	(19,295)	(21,452)
	173,662	-

13.1 This represents the lease agreement for the company's office premises, commencing from January 01, 2026 for a term of five years.

14 INTANGIBLE ASSETS

Capital work-in-progress	
Computer software	

(Un-audited)	(Audited)
June 30, 2026	December 31, 2025
-----Rupees in '000-----	

113	-
18,554	23,285
18,667	23,285

14.1 Additions to intangible assets

The following additions have been made to intangible assets during the period:

Directly purchased	
Capital work-in-progress	
Computer software	

(Un-audited)	(Audited)
June 30, 2026	June 30, 2025
-----Rupees in '000-----	

113	-
-	1,323
113	1,323

15 OTHER ASSETS

Mark-up / return / interest / profit accrued in local currency	
Advances, deposits and prepayments	
Advance against purchase of securities	
Advance taxation	
Prepaid staff cost	

(Un-audited)	(Audited)
June 30, 2026	December 31, 2025
-----Rupees in '000-----	

15.1	1,095,626	979,544
	34,843	109,041
	200,000	-
	28,232	28,155
	90,284	119,543
	1,448,985	1,236,283
15.2	(388)	(254)
	1,448,597	1,236,029

Less: Credit loss allowance held against other assets	
Other assets - net of credit loss allowance	

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- 15.1 This amount includes Rs. 200 million paid as subscription money towards the issuance of TFC, which was subsequently issued on July 6, 2026.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		-----Rupees in '000-----	

15.2 Credit loss allowance held against other assets

Mark-up / return / interest / profit accrued in local currency

15.2.1	388	254
--------	-----	-----

15.2.1 Movement in credit loss allowance held against other assets - Stage 1

Opening balance

254 379

Charge for the period / year

218 92

Reversal for the period / year

(84) (217)

28 134 (125)

Closing balance

388 254

16 BORROWINGS

Secured

TFC

16.1 11,582,307 11,725,000

Repo

16.2 25,493,200 7,966,242

Long term loan / Facility

16.3 6,500,000 6,666,667

Total secured

43,575,507 26,357,909

Unsecured

Borrowings from Government of Pakistan under

World Bank - Housing Finance Project

16.4 4,088,180 4,128,778

Bai Muajjal

16.5 19,200,877 30,654,581

Clean Borrowing

16.6 - 1,000,000

Total unsecured

23,289,057 35,783,359

66,864,564 62,141,268

- 16.1 These certificates have maturity of five to ten years and carry mark-up rate ranging from 9.35% to 10.51% (December 31, 2025: 9.35% to 10.84%) per annum. The principal is payable annually or at maturity whereas mark-up is payable semi-annually.
- 16.2 This represents Repo borrowing at mark-up rate ranging from 11.53% to 11.57% (December 31, 2025: 10.55% to 10.58%) per annum and are due to mature latest by July 03, 2026. The market value of securities given as collateral against these borrowings is given in note 10.1.1 to these condensed interim financial statements.
- 16.3 These long term loans / facility carry mark-up / profit rates ranging from 11.09% to 12.22% (December 31, 2025: 11.29% to 11.55%) per annum and will mature latest by November 13, 2028.
- 16.4 This represents borrowing from Government of Pakistan under World Bank - Housing Finance Project for 30 years at fixed rate of 3% per annum. The interest 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. The loan has been recorded at fair value.
- 16.5 Bai Muajjal borrowings carry profit rate ranging from 11.55% to 11.60% (December 31, 2025: 10.45% to 10.90%) per annum and are due to mature latest by September 17, 2026.
- 16.6 Clean borrowing carry mark-up at Nil (December 31 2025: 10.55% per annum) and were matured on January 02, 2026.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		-----Rupees in '000-----	

17 DEPOSITS AND OTHER ACCOUNTS

Customers

Others - In local currency

17.1 650 650

Financial institutions

Others - In local currency

17.2 12,800,000 10,178,000

12,800,650 10,178,650

KMM

- 17.1 This represents non mark-up bearing Certificate of Investments (COI) issued to the employees of the Company and are due to mature latest by January 27, 2027.
- 17.2 This represents Certificate of Investments - Islamic (COII) issued at a profit rate ranging from 11.45% to 11.95% (December 31, 2025: 10.27% to 10.85%) per annum and are due to mature latest by August 07, 2026.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
-----Rupees in '000-----			
18 LEASE LIABILITIES			
Opening balance		-	23,800
Additions during the period / year		181,771	-
Interest / markup expense	24	9,069	889
Lease payments including interest / markup		(11,186)	(24,689)
Closing balance		<u>179,654</u>	<u>-</u>
18.1 Contractual maturities of lease liabilities			
Not later than one year		44,744	23,800
Later than one year and upto five years		134,910	-
Total lease liabilities		<u>179,654</u>	<u>23,800</u>

For the purpose of discounting, PKRV rate of 10.65% has been used.

19 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	(Un-audited) June 30, 2026	(Audited) December 31, 2025
Issue amount (Rupees in '000)		7,050,716	7,050,716
Outstanding principal at fair value (Rupees in '000)	19.1	2,758,050	2,785,148
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

- 19.1 The actual outstanding amount of subordinated debt as at June 30, 2026 is Rs. 6,236.358 million (December 31, 2025: Rs. 6,352.695 million). This was initially recognised at fair value as explained in note 20.1.

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
-----Rupees in '000-----			
20 OTHER LIABILITIES			
Mark-up / return / interest / profit payable in local currency		796,286	1,477,802
Deferred Government Grant	20.1	8,402,309	8,620,029
Provision for Government levies		292,598	270,314
Provision for employees' benefit		93,191	150,836
Accrued expenses		33,085	37,258
Withholding tax payable		6,702	10,270
Unearned income	20.2	193,315	208,246
Payable to defined benefit plan		10,812	735
		<u>9,828,298</u>	<u>10,775,490</u>

- 20.1 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.
- 20.2 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 as explained in note 25.1.

10/11/2026

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
	Note	Rupees in '000-----	
21 SURPLUS ON REVALUATION OF ASSETS			
Surplus on revaluation of investments measured at FVOCI	10.1	62,201	298,912
22 CONTINGENCIES AND COMMITMENTS			
- Other Contingent Liabilities	22.1	-	-
- Commitments	22.2	19,662	-
		19,662	-
22.1 Other Contingent Liabilities:			
There were no contingencies and commitments outstanding as at June 30, 2026 and December 31, 2025.			
22.2 Commitments:			
Commitments for acquisition of:			
- property and equipment	22.2.1	19,549	-
- intangible assets		113	-
		19,662	-
22.2.1 This represents the outstanding portion of the purchase price of vehicles that are not yet available for their intended use and has been disclosed as a commitment.			
		(Un-audited) Half year ended June 30, 2026	June 30, 2025
	Note	Rupees in '000-----	
23 MARK-UP / RETURN / INTEREST / PROFIT EARNED			
Loans and advances		2,129,807	2,349,939
Investments		2,093,112	1,861,784
Clean lendings		8,587	26,168
Reverse Repo		140,288	97,678
Deferred grant income		217,720	304,034
Balances with banks (including TDR)	23.1	418,184	9,997
		5,007,698	4,649,600
23.1 Interest income (calculated using Effective Interest Rate (EIR) method) recognised on:			
Financial assets measured at amortised cost		2,696,866	2,483,782
Financial assets measured at FVPL		18,834	21,067
Financial assets measured at FVOCI		2,074,278	1,840,717
Deferred grant Income		217,720	304,034
		5,007,698	4,649,600
24 MARK-UP / RETURN / INTEREST / PROFIT EXPENSED			
Borrowings from Government of Pakistan under World Bank - Housing Finance Project		265,673	322,346
Subordinated debt		182,785	221,504
Repo		377,093	122,551
TFC		570,783	694,380
Clean borrowings		81,927	11,124
Long term loan		365,304	246,675
Short term loan		-	190,646
COI / COII		412,724	277,023
Bai Muajjal		1,288,475	842,311
		3,544,764	2,928,560
Amortization of prepaid staff cost		7,281	7,290
Interest / mark-up against lease liability	18	9,069	768
		3,561,114	2,936,618
24.1 Interest expense calculated using EIR method		3,544,764	2,928,560
Other financial liabilities			
Amortization of prepaid staff cost		7,281	7,290
Interest / mark-up against lease liability		9,069	768
		16,350	8,058
		3,561,114	2,936,618
25 FEE AND COMMISSION INCOME			
Trustee fee	25.1	14,931	14,931
25.1 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).			

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		(Un-audited)	
		Half year ended	
		June 30,	June 30,
		2026	2025
		-----Rupees in '000-----	
26	(LOSS) / GAIN ON SECURITIES		
	Realised - net	(18,421)	85,813
26.1	Realised (loss) / gain on Federal Government Securities	(18,421)	85,813
26.2	Net (loss) / gain on debt instruments measured at FVOCI	(18,421)	85,813

		(Un-audited)	
		Half year ended	
		June 30,	June 30,
		2026	2025
		-----Rupees in '000-----	
27	OPERATING EXPENSES		
	Total compensation expense	230,199	132,759
	Property expense		
	Insurance	472	472
	Utilities cost	2,686	3,318
	Security expense	619	589
	Repairs and maintenance	304	272
	Depreciation on lease hold improvements	3,235	3,752
	Depreciation on right-of-use assets	19,295	11,701
		26,611	20,104
	Information technology expenses		
	Software maintenance	16,242	10,493
	Disaster recovery site cost	1,141	998
	Website maintenance	317	182
	Hardware maintenance	279	338
	Depreciation	5,839	5,573
	Amortisation	4,731	4,554
	Network charges	1,400	1,522
		29,949	23,660
	Other operating expenses		
	Directors' fees and allowances	18,200	24,640
	Fees and allowances to Shariah Board	7,752	7,108
	Legal and professional charges	4,674	3,368
	Fees and subscription	4,868	3,165
	Outsourced services costs	3,765	3,377
	Travelling and conveyance	5,701	3,019
	Depreciation	9,197	8,665
	Training and development	1,439	1,119
	Postage and courier charges	87	103
	Communication	795	783
	Printing and stationery	1,396	1,374
	Marketing, advertisement and publicity	3,565	1,909
	Auditors' remuneration	2,746	2,441
	Insurance	4,443	3,442
	Vehicle repairs and maintenance	88	101
	Entertainment	1,051	584
	Brokerage expenses	1,270	966
	Others	875	1,109
		71,912	67,273
		358,671	243,796

28 CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET

(Reversal) / charge for credit loss allowance on:

Balances with other banks	8.3	(1,465)	(31)
Lendings to financial institutions	9.3	(11)	(144)
Investments	10.2	(2)	(4)
Advances	11.3	(29,097)	(27,166)
Other assets	15.2.1	134	(126)
		(30,441)	(27,471)

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29 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.

30 BASIC AND DILUTED EPS

(Un-audited)	
Half year ended	
June 30, 2026	June 30, 2025
-----Rupees in '000-----	
Profit for the period	1,092,633 1,565,472
(Number of shares)	
Weighted average number of ordinary shares	623,775,900 623,775,900
------(Rupees)-----	
Basic EPS	1.75 2.51

30.1 Diluted EPS

Diluted EPS has not been presented separately as the Company does not have any convertible instruments in issue as at June 30, 2026 and June 30, 2025.

31 FAIR VALUE MEASUREMENTS

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 the remaining financial assets and liabilities is not significantly different from their respective carrying amounts.

31.1 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 assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3:	Fair value measurements using input 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:

(Un-audited)			
June 30, 2026			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			

On balance sheet financial instruments

Financial assets - measured at fair value

Investments

Federal government securities	-	55,416,589	-	55,416,589
Non-government debt securities	-	325,592	-	325,592

Handwritten signature/initials

On balance sheet financial instruments

Financial assets - measured at fair value

Investments

Federal government securities	-	41,834,535	-	41,834,535
Non-government debt securities	-	349,518	-	349,518

31.2 Valuation techniques and inputs used in determination of fair values

Items	Valuation techniques and input used
Pakistan Investment Bonds (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.

32 RELATED PARTY TRANSACTIONS AND BALANCES

The Company has related party relationship with its major shareholders, directors, key management personnel and their close family members, Credit Guarantee Trust and staff retirement benefit funds (both defined benefit 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 contribution plan are made in accordance with the actuarial valuations / terms of scheme. Transactions with owners have been disclosed in 'Condensed Interim 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 and sale of fixed assets that are as per terms of employment.

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

(Un-audited)			(Audited)		
June 30, 2026			December 31, 2025		
Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
Rupees in '000					
Statement of financial position					
Cash and balances with treasury banks					
In current accounts					
Opening balance	-	31	-	-	31
Deposits	-	570,862	-	-	1,155,846
Withdrawal	-	(570,862)	-	-	(1,155,846)
Closing balance	-	31	-	-	31
In deposit account					
Opening balance	-	14	-	-	13
Deposits	-	1	-	-	1
Withdrawal	-	-	-	-	-
Closing balance	-	15	-	-	14
	-	46	-	-	45
Balances with other banks					
In current account					
Opening balance	-	268	-	-	1,579
Deposits	-	320,280	-	-	441,337
Withdrawal	-	(319,733)	-	-	(442,648)
Closing balance	-	815	-	-	268
In deposit accounts					
Opening balance	-	667	-	-	199,303
Deposits	-	543,392	-	-	993,503
Withdrawal	-	(542,484)	-	-	(1,192,139)
Closing balance	-	1,575	-	-	667
	-	2,390	-	-	935
Lendings to financial institutions					
Opening balance	-	-	-	-	-
Addition during the period / year	-	70,286,632	-	-	35,820,543
Repayments during the period / year	-	(69,339,827)	-	-	(35,820,543)
Closing balance	-	946,805	-	-	-

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	(Un-audited)			(Audited)		
	June 30, 2026			December 31, 2025		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
Rupees in '000						
Advances						
Opening balance	-	97,273	19,075,369	-	98,015	12,594,487
Addition during the period / year	-	14,511	4,000,000	-	21,955	9,975,000
Repayment during the period / year	-	(27,281)	(2,207,432)	-	(22,697)	(3,494,118)
Closing balance	-	84,503	20,867,937	-	97,273	19,075,369
 Credit loss allowance held against advances	-	11	5,176	-	13	5,460
 Other assets						
Mark-up / return / interest / profit accrued	-	-	553,541	-	-	400,943
Advances, deposits and prepayments	-	49,784	-	-	67,083	-
Closing balance	-	49,784	553,541	-	67,083	400,943
 Credit loss allowance held against other assets	-	-	136	-	-	112
 Deposits and other accounts						
Opening balance	-	225	5,678,000	-	-	-
Received during the period / year	-	25	5,100,000	-	250	11,678,000
Withdrawn during the period / year	-	(50)	(8,778,000)	-	(25)	(6,000,000)
Closing balance	-	200	2,000,000	-	225	5,678,000
 Borrowings						
Opening balance	-	-	15,979,935	-	-	8,662,500
Borrowings during the period / year	-	-	92,373,882	-	-	80,256,235
Settled during the period / year	-	-	(99,749,956)	-	-	(72,938,800)
Closing balance	-	-	8,603,861	-	-	15,979,935
 Other liabilities						
Mark-up / return / interest / profit payable	-	-	181,042	-	-	454,740
Payable to defined benefit plan	-	-	10,812	-	-	735
Unearned income	-	-	190,456	-	-	205,387
Closing balance	-	-	382,310	-	-	660,862

	(Un-audited)			(Un-audited)		
	June 30, 2026			June 30, 2025		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
Rupees in '000						

Statement of profit and loss account

Income						
Mark-up / return / interest / profit earned	-	6,421	1,039,215	-	7,757	902,834
Fee and commission income	-	-	14,931	-	-	14,931
 Expense						
Mark-up / return / interest / profit expensed	-	3,811	948,471	-	4,734	898,894
Directors' fees and allowances	18,200	-	-	24,640	-	-
Remuneration of key management personal	-	177,782	-	-	179,781	-
Operating expenses	-	1,096	-	-	-	-
Credit loss allowance - reversal	-	(2)	(260)	-	(1)	(171)
Charge for defined contribution plan	-	-	8,078	-	-	8,677
Charge for defined benefit plan	-	-	10,812	-	-	10,644
 Other transactions						
Proceeds from sale of fixed assets	-	8,042	-	-	11,969	-

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- 32.1 In addition to the above, the Company has outstanding sub-ordinated loan amounting to Rs. 2,758.050 million (December 31, 2025: Rs. 2,785.148 million) and borrowing under World Bank - Housing Finance Project amounting to Rs. 4,088.180 million (December 31, 2025: Rs. 4,128.778 million) from the Ministry of Finance. These balances are stated after adjusting for unearned Government Grant amounting to Rs. 8,402.309 million (December 31, 2025: 8,620.029 million).

33 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital

(Un-audited) June 30, 2026	(Audited) December 31, 2025
-----Rupees in '000-----	

6,237,759	6,237,759
-----------	-----------

Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital

Eligible Additional Tier 1 (ADT 1) Capital

Total Eligible Tier 1 Capital

Eligible Tier 2 Capital

Total Eligible Capital (Tier 1 + Tier 2)

15,207,786	15,045,954
-	-
15,207,786	15,045,954
185,967	439,298
15,393,753	15,485,252

Risk Weighted Assets (RWAs):

Credit Risk

Market Risk

Operational Risk

Total

9,901,255	11,230,908
485,546	860,442
6,860,409	6,860,409
17,247,210	18,951,759

Common Equity Tier 1 Capital Adequacy Ratio

88.18%	79.39%
--------	--------

Tier 1 Capital Adequacy Ratio

88.18%	79.39%
--------	--------

Total Capital Adequacy Ratio

89.25%	81.71%
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Leverage Ratio (LR):

Eligible Tier-1 Capital

Total Exposure

Leverage Ratio

15,207,786	15,045,954
103,099,326	95,624,747
14.75%	15.73%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets

Total Net Cash Outflow

Liquidity Coverage Ratio

30,867,515	34,460,313
3,633,263	4,677,109
850%	737%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding

Total Required Stable Funding

Net Stable Funding Ratio

42,485,672	46,200,957
33,842,458	40,576,990
125.54%	113.86%

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34 GENERAL

34.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

34.2 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of better presentation and comparison and to reflect the substance of the transactions.

35 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on August 28, 2026 by the Board of Directors of the Company.

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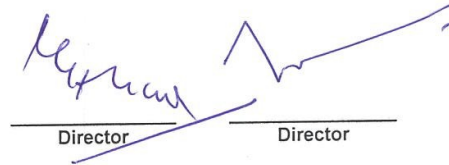
Managing Director /
Chief Executive Officer



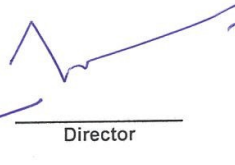
Chief Financial Officer



Director



Director



Director

PAKISTAN MORTGAGE REFINANCE COMPANY LIMITED
ANNEXURE TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED JUNE 30, 2026

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 half year ended June 30, 2026 are as follows:

(A)	Statement of financial position	Note	(Un-audited)	(Audited)
			June 30, 2026	December 31, 2025
			----- Rupees in '000 -----	
	ASSETS			
	Balances with other banks		372	10,821,869
	Islamic financing and related assets - net	1	26,410,639	23,415,070
	Other assets		633,341	511,604
			27,044,352	34,748,543
	LIABILITIES			
	Due to financial institutions	2	1,000,000	1,000,000
	Due to head office		9,898,750	20,538,593
	Deposits and other accounts	3	12,800,000	10,178,000
	Other liabilities		306,286	434,921
			24,005,036	32,151,514
	NET ASSETS		3,039,316	2,597,029
	REPRESENTED BY			
	Islamic banking fund		150,000	150,000
	Reserves		580,340	491,883
	Unappropriated profit	7	2,308,976	1,955,146
			3,039,316	2,597,029
	CONTINGENCIES AND COMMITMENTS	4		
			(Un-audited)	
			For the half year ended	
			June 30, 2026	June 30, 2025
			----- Rupees in '000 -----	
(B)	Statement of profit and loss account			
	Profit / return earned	5	1,483,774	1,322,606
	Profit / return expensed	6	1,029,101	980,437
	Net profit / return		454,673	342,169
	Other income			
	Fee and commission income		7,382	7,382
	Total income		462,055	349,551
	Other expenses			
	Operating expenses		11,630	11,003
	Workers' Welfare Fund		8,991	6,675
	Total other expenses		20,621	17,678
	Profit before provisions / credit loss allowance		441,434	331,873
	Provisions / credit loss allowance and write offs - net reversal		853	4,811
	Profit before taxation		442,287	336,684
	Taxation		-	-
	Profit after taxation		442,287	336,684

		(Un-audited) June 30, 2026	(Audited) December 31, 2025
	Note	-----Rupees in '000-----	
1 ISLAMIC FINANCING AND RELATED ASSETS - NET			
Musharakah financing		26,390,305	23,403,133
Diminishing Musharaka		43,371	34,312
Other financing		-	156
Islamic Financing and related assets - gross		26,433,676	23,437,601
Less: Provision / credit loss allowance - stage 1		(23,037)	(22,531)
		<u>26,410,639</u>	<u>23,415,070</u>
		(Un-audited) June 30, 2026	(Audited) December 31, 2025
		-----Rupees in '000-----	
2 DUE TO FINANCIAL INSTITUTIONS			
Financial institutions			
Long Term Facility	2.1	<u>1,000,000</u>	<u>1,000,000</u>
2.1 This long term facility carry profit at the rate of 11.98% per annum (December 31, 2025: 11.29%) and will mature latest by November 13, 2028.			
		(Un-audited) June 30, 2026	(Audited) December 31, 2025
	Note	-----Rupees in '000-----	
3 DEPOSITS AND OTHER ACCOUNTS			
Financial institutions			
Others - In local currency	3.1	<u>12,800,000</u>	<u>10,178,000</u>
3.1 This includes COII issued at a profit rate ranging from 11.45% to 11.95% (December 31, 2025: 10.27% to 10.85%) per annum and are due to mature latest by August 07, 2026.			
4 CONTINGENCIES AND COMMITMENTS			
There were no contingencies and commitments outstanding as at June 30, 2026 and December 31, 2025.			
		(Un-audited) Half year ended June 30, 2026	June 30, 2025
		----- Rupees in '000 -----	
5 PROFIT / RETURN EARNED			
Profit earned on:			
Financing		1,482,059	1,312,654
Balances with banks		1,715	9,952
		<u>1,483,774</u>	<u>1,322,606</u>
6 PROFIT / RETURN EXPENSED			
Profit expenses on:			
Financing		<u>1,029,101</u>	<u>980,437</u>
		(Un-audited) June 30, 2026	(Audited) December 31, 2025
		-----Rupees in '000-----	
7 ISLAMIC BUSINESS UNAPPROPRIATED PROFIT			
Opening Balance		1,955,146	1,400,470
Add: Islamic banking profit for the period / year		442,287	693,345
Less: Reserves		(88,457)	(138,669)
Closing balance		<u>2,308,976</u>	<u>1,955,146</u>