Government of Pakistan
Ministry of Privatisation
PRIVATISATION COMMISSION

INVITATION FOR EXPRESSIONS OF INTEREST FOR

ACQUISITION OF UP TO 100% SHARES OF HOUSE BUILDING FINANCE COMPANY LIMITED

Expressions of Interest **("EOI")** are hereby invited from reputed local and international investors, banks, and financial institutions interested in acquiring strategic shareholding in the House Building Finance Company Limited **("HBFCL")**

1. House Building Finance Corporation was established in 1952 by Government of Pakistan **("GoP")** as Pakistan's only housing finance entity, and was converted to a public unlisted company, HBFCL, on July 25, 2007. Subsequently, HBFCL was notified as a Development Finance Institution **(DFI)** and is regulated by the SBP.
2. The GoP, acting through the Privatisation Commission **("PC")**, intends to proceed with the privatisation of HBFCL, through divestment of up to 100% share capital of HBFCL along with transfer of management control to a qualified strategic investor **("Transaction")**.
3. Salient features of the Transaction are:
   a. HBFCL shall continue to operate as a Development Finance Institution;
   b. HBFCL shall be allowed to diversify its product portfolio to include other products such as SME Financing, Consumer Financing, Leasing & Asset Based Financing subject to a maximum cap of 30% of the funds available for deployment to ensure that the Company remains a specialized housing finance entity.
   c. The above will be subject to compliance with all the applicable laws.
4. **Interested Party(ies)** may include individual, partnership, trust, company or association or body corporate or body of individuals, any consortium, whether or not having a separate legal personality, **other than any enterprise owned or controlled by the Federal Government or any consortium in which any such enterprise is a member.**
5. Interested Parties should submit their EOIs in hard copy (in duplicate) and in soft copy by email to PC's email address mentioned below. The EOI should be accompanied by the following information/documents:
   a. In case of individuals, partnership or their consortium, the name of Interested Party submitting the EOI along with copies of CNIC or Passport (for foreigners) of the individual submitting the EOI on his/her behalf or on behalf of the interested party.
   b. In case of body corporate or consortium, name of the Interested Party and copy of registration certificate of the body corporates. It is clarified that individuals/consortiums may be required to form a special purpose company for acquisition of equity stake in HBFCL;
   c. Name, address, telephone, mobile, fax and email address of the authorized contact person representing the Interested Party;
   d. Confirmation that the Net Worth of the Interested Party is at least PKR 5,000,000,000/- (Pakistani Rupees Five Billion only) or equivalent US$ (United States Dollars) [in case of an individual] and if the Interested Party is a consortium, the consortium must have an aggregate Net Worth of at least PKR 5,000,000,000/- (Pakistani Rupees Five Billion only) or equivalent US$ (United States Dollars) and the lead bidder must have a Net Worth of at least PKR 2,500,000,000/- (Pakistani Rupees Two Billion and Five Hundred Million only) or equivalent US$ (United States Dollars) and each consortium member, must have a Net Worth of at least PKR 1,000,000,000/- (Pakistani Rupees One Billion only) or equivalent US$ (United States Dollars); and
   e. Non-refundable processing fee of PKR 200,000/- or US$ 1,000/- payable in the form of either bank draft / pay order in favour of "Privatisation Commission", or in the form of deposit through electronic payment/ wire transfer as per following bank account details:

Bank Name:	National Bank of Pakistan
Account Title:	Privatisation Commission
Account number:	3035236082
IBAN:	PK72NBPA0341003035236082
Swift Code:	NBPAPKKA02I

6. **Important Information:**
   i) Interested Parties which submit an EOI along with the non-refundable processing fee, will be sent a Request for Statement of Qualification (the **"RSOQ"**). An early submission of EOI will allow parties maximum time for completion of their Statement of Qualification (the **"SOQ"**). The SOQs submitted by Interested Parties will enable PC to pre-qualify Interested Parties in accordance with the RSOQ.
   ii) PC reserves the right to reject or accept any EOI or SOQ from any interested party for whatsoever reason. An EOI or SOQ shall not be construed as an offer.
   iii) Any Interested Party who has submitted an EOI and wishes to form a consortium may do so prior/ subsequent to pre-qualification process, with any other party who has also submitted an EOI and/or is prequalified.
7. **Special Incentives for Domestic Banks as Interested Parties**
   Details of **'Special Incentives'** for domestic banks, who wish to participate, is provided in the 'Investment Teaser'. A detailed **'Investment Teaser'** on the Transaction is available on the website of the Privatisation Commission **www.privatisation.gov.pk** and HBFCL **www.hbfc.com.pk**.
8. **The deadline for submission of:**
   i) EOI is 1600 hours on October 31th, 2022
   ii) SOQ is 1600 hours on November 16th, 2022
9. **The EOIs and SOQs must be submitted to the Privatisation Commission in hard copy and by email to PC's addresses listed below.**
   PC has appointed Financial Advisory Consortium comprising of MCB Bank Limited, EY Ford Rhodes, Elixir Securities Pakistan (Private) Limited and Haidermota & Co. (Legal Counsel) to conduct this Transaction.
10. An interested party which has earlier submitted EOI in May 2022 may obtain the revised RSOQ by approaching PC for issuance of RSOQ till 16:00 hours on November 16th, 2022, without payment of fees.

The Privatisation Commission, Government of Pakistan and the Financial Advisory Consortium reserve the right not to respond to any request for preliminary or other information. This Invitation for Expression of Interest is intended only to seek expression of interest from interested parties at this stage. The details of the Transaction (including the Transaction structure) and supporting documents would be provided to pre-qualified Interested Parties at an appropriate time as part of the process. Documentation accompanying and comprising an Expression of Interest as provided by any Interested Party shall not be reclaimed or returned. This advertisement is not intended to be, and should not be construed as: (a) an offer or invitation to acquire any securities or assets of HBFCL; and (b) any representation or warranty, express or implied, with respect to any statement made herein.

For further information, please contact:

Privatisation Commission		Financial Advisor
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