

**Pak Brunei Investment  
Company Limited**

Condensed Interim Financial  
Statements for the Period Ended June  
30, 2024

## INDEPENDENT AUDITOR'S REVIEW REPORT

### To the members of Pak Brunei Investment Company Limited

#### Report on review on condensed interim unconsolidated financial statements

##### Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of **Pak Brunei Investment Company Limited** ("the Company") as at **June 30, 2024**, the related condensed interim unconsolidated statement of profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated cash flow statement, and notes to the financial information for the period then ended (here-in-after referred to as the "condensed interim unconsolidated financial statements"). Management is responsible for the preparation and presentation of these condensed interim unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

##### Other Matters

The figures for the quarters ended June 30, 2024 and 2023 in the condensed interim unconsolidated statement of profit and loss account and condensed interim unconsolidated statement of comprehensive income have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the period ended June 30, 2024.

The engagement partner on the review resulting in this independent auditor's report is **Hena Sadiq**.

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2024**

June 30, 2024	December 31, 2023		Note	(Un-audited) June 30, 2024	(Audited) December 31, 2023
----- USD in '000 -----				----- Rupees in '000 -----	
<b>ASSETS</b>					
2,668	2,482	Cash and balances with treasury banks	8	739,919	688,559
1,510	865	Balances with other banks	9	418,969	239,927
3,572	-	Lendings to financial institutions	10	990,798	-
684,419	571,973	Investments	11	189,864,606	158,671,066
71,595	70,689	Advances	12	19,861,282	19,609,901
152	192	Property and equipment	13	42,099	53,320
15	61	Right of use assets	14	4,132	16,863
38	45	Intangible assets	15	10,417	12,521
4,405	4,073	Deferred tax assets	16	1,221,896	1,129,621
42,751	26,517	Other assets	17	11,859,474	7,356,144
1,054	1,054	Assets classified as held-for-sale	18	292,279	292,279
<b>812,179</b>	<b>677,951</b>			<b>225,305,871</b>	<b>188,070,201</b>
<b>LIABILITIES</b>					
-	-	Bills payable		-	-
757,617	629,372	Borrowings	19	210,170,377	174,593,998
597	-	Deposits and other accounts	20	165,705	-
9	10	Lease liabilities	21	2,499	2,765
-	-	Subordinated debt		-	-
-	-	Deferred tax liabilities		-	-
14,351	9,497	Other liabilities	22	3,980,735	2,634,490
<b>772,574</b>	<b>638,879</b>			<b>214,319,316</b>	<b>177,231,253</b>
<b>39,605</b>	<b>39,072</b>	<b>NET ASSETS</b>		<b>10,986,555</b>	<b>10,838,948</b>
<b>REPRESENTED BY</b>					
21,629	21,629	Share capital		6,000,000	6,000,000
8,804	8,616	Reserves		2,442,377	2,390,092
(2,334)	(2,958)	Deficit on revaluation of assets	23	(647,383)	(820,467)
11,506	11,785	Unappropriated profit		3,191,561	3,269,323
<b>39,605</b>	<b>39,072</b>			<b>10,986,555</b>	<b>10,838,948</b>
<b>CONTINGENCIES AND COMMITMENTS</b>					
			24		

The annexed notes from 1 to 42 form an integral part of these condensed interim unconsolidated financial statements.

  
**Managing Director/  
Chief Executive**

  
**Chief Financial Officer**

  
**Director**

  
**Director**

  
**Director**




**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED JUNE 30, 2024**

Half year ended		Half year ended		Quarter ended	
June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
USD in '000		Rupees in '000			
74,706	34,219	20,724,269	9,492,584	10,663,540	5,778,642
73,952	31,980	20,514,948	8,871,571	10,639,284	5,496,338
754	2,239	209,321	621,013	24,256	282,304
<b>Non mark-up / interest income</b>					
206	163	57,098	45,139	27,915	22,503
806	261	223,492	72,312	122,481	8,492
904	132	250,738	36,754	191,511	40,369
-	355	13	98,497	8	98,543
1,916	911	531,341	252,702	341,915	169,907
2,670	3,150	740,662	873,715	366,171	452,211
<b>Non mark-up / interest expenses</b>					
977	975	271,063	270,350	109,912	143,554
33	33	9,293	9,260	5,289	9,260
-	-	-	-	-	-
1,010	1,008	280,356	279,610	115,201	152,814
1,660	2,142	460,306	594,105	250,970	299,397
18	506	4,961	140,365	(8,193)	123,421
-	-	-	-	-	-
1,642	1,636	455,345	453,740	259,163	175,976
<b>PROFIT BEFORE LEVIES AND TAXATION</b>					
962	27	266,939	7,455	261,831	1,739
680	1,609	188,406	446,285	(2,668)	174,237
(263)	778	(73,019)	215,768	(124,805)	129,281
943	831	261,425	230,517	122,137	44,956
<b>PROFIT AFTER TAXATION</b>					
<b>Basic earnings per share</b>					
0.00157	0.00138	0.44	0.38	0.20	0.07
<b>Diluted earnings per share</b>					
0.00157	0.00138	0.44	0.38	0.20	0.07


The annexed notes from 1 to 42 form an integral part of these condensed interim unconsolidated financial statements.

  
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**Chief Financial Officer**

  
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**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED JUNE 30, 2024**

Half year ended			Half year ended		Quarter ended	
June 30, 2024	June 30, 2023		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
USD in '000			Rupees in '000			
943	831	Profit after taxation for the period	261,425	230,517	122,137	44,956
		<b>Other comprehensive income</b>				
		<i>Items that may be reclassified to statement of profit and loss account in subsequent periods:</i>				
(429)	(1,065)	Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	(119,076)	(295,336)	291,307	160,999
		<i>Items that will not be reclassified to statement of profit and loss account in subsequent periods:</i>				
-	-	Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-
1,053	1,184	Movement in surplus / (deficit) on revaluation of equity investments - net of tax	292,160	328,323	309,171	184,879
47	(1,660)	Loss on disposal of securities classified as fair value through other comprehensive income - net of tax	13,098	(460,507)	6,340	(201,808)
<u>1,614</u>	<u>(710)</u>	<b>Total comprehensive income / (loss)</b>	<u>447,607</u>	<u>(197,003)</u>	<u>728,955</u>	<u>189,026</u>


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**Managing Director/  
 Chief Executive**

  
**Chief Financial Officer**

  
**Director**

  
**Director**

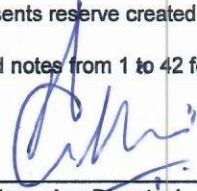
  
**Director**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED JUNE 30, 2024**

	Share capital	Capital reserve* Statutory reserve	General reserve	Surplus / (deficit) on revaluation of assets	Revenue reserve* Unappropriated profit	Total
	Rupees in '000					
Balance as at January 1, 2023 (audited)	6,000,000	1,820,621	300,000	(1,501,592)	3,384,198	10,003,227
Impact of first time adoption of IFRS 9	-	-	-	-	(247,707)	(247,707)
<b>Total comprehensive income for the period</b>						
Profit after taxation for the half year ended June 30, 2023	-	-	-	-	230,517	230,517
<b>Other comprehensive loss</b>						
- Loss on disposal of securities classified as fair value through other comprehensive income - net of tax	-	-	-	-	(460,507)	(460,507)
- Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	(295,336)	-	(295,336)
- Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	328,323	-	328,323
Total other comprehensive income / (loss) - net of tax	-	-	-	32,987	(229,990)	(197,003)
Transfer to statutory reserve	-	46,103	-	-	(46,103)	-
Transfer to general reserve	-	-	100,000	-	(100,000)	-
<b>Transactions with owners, recorded directly in equity</b>						
Final cash dividend paid for the year ended December 31, 2022	-	-	-	-	-	-
<b>Balance as at June 30, 2023 (un-audited)</b>	<b>6,000,000</b>	<b>1,866,724</b>	<b>400,000</b>	<b>(1,468,605)</b>	<b>2,760,398</b>	<b>9,558,517</b>
<b>Total comprehensive income for the period</b>						
Profit after taxation for the half year ended December 31, 2023	-	-	-	-	616,837	616,837
<b>Other comprehensive income / (loss)</b>						
- Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	3,314	3,314
- Loss on disposal of securities classified as fair value through other comprehensive income - net of tax	-	-	-	-	12,142	12,142
- Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	366,204	-	366,204
- Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	281,934	-	281,934
Total other comprehensive income - net of tax	-	-	-	648,138	632,293	1,280,431
Transfer to statutory reserve	-	123,368	-	-	(123,368)	-
<b>Balance as at December 31, 2023 (audited)</b>	<b>6,000,000</b>	<b>1,990,092</b>	<b>400,000</b>	<b>(820,467)</b>	<b>3,269,323</b>	<b>10,838,948</b>
<b>Total comprehensive income for the period</b>						
Profit after taxation for the half year ended June 30, 2024	-	-	-	-	261,425	261,425
<b>Other comprehensive income</b>						
- Loss on disposal of securities classified as fair value through other comprehensive income - net of tax	-	-	-	-	13,098	13,098
- Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	(119,076)	-	(119,076)
- Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	292,160	-	292,160
Total other comprehensive income - net of tax	-	-	-	173,084	274,523	447,607
Transfer to statutory reserve	-	52,285	-	-	(52,285)	-
Final cash dividend paid for the year ended December 31, 2023 @ Re. 0.50 per share	-	-	-	-	(300,000)	(300,000)
<b>Balance as at June 30, 2024 (un-audited)</b>	<b>6,000,000</b>	<b>2,042,377</b>	<b>400,000</b>	<b>(647,383)</b>	<b>3,191,561</b>	<b>10,986,555</b>

\* This represents reserve created under section 21(i)(a) of the Banking Companies Ordinance, 1962.

The annexed notes from 1 to 42 form an integral part of these condensed interim unconsolidated financial statements.

  
**Managing Director/  
 Chief Executive**

  
**Chief Financial Officer**

  
**Director**

  
**Director**

  
**Director**



**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2024**

Half year ended			Half year ended	
June 30, 2024	June 30, 2023		June 30, 2024	June 30, 2023
----- USD in '000 -----			----- Rupees in '000 -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1,642	1,636	Profit before levies and taxation	455,345	453,740
806	261	Less: Dividend income	223,492	72,312
836	1,375		231,853	381,428
<b>Adjustments:</b>				
42	20	Depreciation	11,854	5,446
46	46	Depreciation on right-of-use assets	12,732	12,820
9	2	Amortisation	2,457	555
18	506	Credit loss allowance and write offs - net	4,961	140,365
-	(7)	Gain on sale of fixed assets	(13)	(1,871)
(1)	(348)	Gain on sale of assets classified as held-for-sale	-	(96,626)
33	33	Provision for Sindh Workers' Welfare Fund	9,293	9,260
16	23	Unrealised loss on revaluation of investments classified as fair value through profit and loss - net	4,202	6,277
163	275		45,486	76,226
999	1,650		277,339	457,654
<b>(Increase) / decrease in operating assets</b>				
(3,572)	6,734	Lendings to financial institutions	(990,800)	1,867,976
(3,582)	(153,186)	Net investments in securities held at fair value as classified through profit and loss	(993,584)	(42,495,276)
(920)	14,962	Advances	(255,250)	4,150,610
(7,816)	(5,093)	Others assets (excluding advance taxation)	(2,168,269)	(1,412,861)
(15,890)	(136,583)		(4,407,903)	(37,889,551)
<b>Increase / (decrease) in operating liabilities</b>				
128,245	238,426	Borrowings	35,576,379	66,141,859
597	-	Deposits	165,705	-
(1)	10	Lease liabilities	(266)	2,657
4,800	2,882	Other liabilities	1,331,524	799,499
133,641	241,318		37,073,342	66,944,015
(962)	(27)	Levies paid	(266,939)	(7,455)
(8,511)	(2,974)	Income tax paid	(2,361,111)	(825,022)
109,277	103,384	Net cash flow from operating activities	30,314,728	28,679,641
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
(108,161)	(104,843)	Net (investments) / divestments in securities classified as fair value through other comprehensive income	(30,004,948)	(29,084,593)
799	261	Dividends received	221,595	72,312
(2)	(37)	Investments in property and equipment	(633)	(10,168)
(1)	-	Investments in operating intangible assets	(353)	-
-	15	Proceeds from sale of property and equipment	13	4,253
-	1,022	Proceeds from sale assets classified as held-for-sale	-	283,521
(107,365)	(103,582)	Net cash flow used in investing activities	(29,784,326)	(28,734,675)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
(1,081)	-	Dividend paid	(300,000)	-
(1,081)	-	Net cash flow used in financing activities	(300,000)	-
831	(198)	<b>Increase / (decrease) in cash and cash equivalents</b>	230,402	(55,034)
3,347	1,576	Cash and cash equivalents at beginning of the period	928,486	437,224
4,178	1,378	Cash and cash equivalents at end of the period	1,158,888	382,190

The annexed notes from 1 to 42 form an integral part of these condensed interim unconsolidated financial statements.

Managing Director/  
Chief Executive

Chief Financial Officer

Director

Director

Director



**PAK BRUNEI INVESTMENT COMPANY LIMITED**

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2024**

**1 STATUS AND NATURE OF BUSINESS**

Pak Brunei Investment Company Limited (the Company) is a Development Finance Institution (DFI) which was incorporated in Pakistan as an unlisted public limited company on November 28, 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The State Bank of Pakistan (SBP) granted the approval for commencement of business with effect from August 20, 2007. The Company is a joint venture between the Government of Pakistan (GoP) and the Brunei Investment Agency (BIA). The Company's objectives inter alia include making investments in the industrial and agro-based industrial fields in Pakistan on a commercial basis through carrying out specific projects and marketing of their products in Pakistan and abroad and to undertake other feasible business and to establish and acquire companies to conduct various businesses. The registered office of the Company is situated at Horizon Vista, Plot no. Commercial 10, Block 4, Scheme 5, Clifton, Karachi, Pakistan. The Company is in operation with 2 offices (2023: 2) one located in Karachi and the other in Lahore.

**2 BASIS OF PRESENTATION**

**2.1 Statement of compliance**

These condensed interim unconsolidated 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 Standards (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, and directives issued under the Banking Companies Ordinance, 1962 and Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017, or the directives issued by the SBP and the SECP differ with the requirements of IAS 34, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

**2.2** The disclosures made in these unconsolidated condensed interim financial statements have been based on the format prescribed by the SBP vide BPRD Circular No.2 dated February 09, 2023 and IAS 34. SBP prescribed format for condensed interim unconsolidated statement of profit and loss account has been amended by showing levies separate line item preceding profit before taxation to comply with requirements of IAS 37, IFRC 21 and guide on IAS 12 issued by Institute of Chartered Accountants of Pakistan (ICAP). These unconsolidated condensed interim financial statements do not include all the information and disclosures required for annual financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2023.

**2.3** The SBP through its BSD Circular letter No. 11 dated September 11, 2002 has deferred the implementation of IAS 40 'Investment Property' for banking companies / DFIs till further instructions. Accordingly, the requirements of this standards have not been considered in the preparation of these condensed interim unconsolidated financial statements.

**2.4 Standards, interpretations of and amendments to the published accounting and reporting standards that are effective in the current period:**

There are certain amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2024 but are considered not to be relevant or do not have any significant effect on the Company's operations other than certain additional disclosures.



### 3 MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies applied in the preparation of these condensed interim unconsolidated financial statements are consistent with those applied in the preparation of the annual audited unconsolidated financial statements of the Company for the year ended December 31, 2023 except adoption of new accounting policy as fully described in note 3.1 & 3.2 of these condensed interim unconsolidated financial statements.

#### 3.1 Accounting for minimum taxes and final taxes

As an application resource, a guide was issued by Institute of Chartered Accountants of Pakistan (ICAP) in May 2024 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide) applicable for reporting period June 30, 2024 and onwards.

In the given guide it has been stated that minimum taxes and final taxes which are charged as per the provisions of the Income Tax Ordinance, 2001 previously accounted for and presented as income taxes within the scope of IAS 12 'Income taxes' will now be treated as 'Levies' as defined in para BC4 of IFRIC 21 as taxes whose calculation is based on gross amounts such as revenue.

As per IAS 12, income taxes includes all domestic and foreign taxes which are based on taxable profits which is the profit (loss) for a period, determined in accordance with the rules established by the taxation authorities, upon which income taxes are payable (recoverable).

In view of the above clarifications from ICAP, it has been established that minimum tax and final taxes do not meet the criteria of income tax expense as per IAS 12 hence it should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

The guide issued by ICAP provides two (2) approaches to account for minimum and final regime taxes, which is a choice of accounting policy of which the Company has chosen the following:

Designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37. Under approach (b) i.e. when the excess is treated as a 'levy', the effective rate of income tax is equal to the enacted rate of income tax.

Similarly, any amount deducted as final taxes will be classified as a levy in the statement of profit or loss and there would be no deferred tax liability / (asset) recognised in case of final taxes.

Super tax charged to entities as per provisions of Income Tax Ordinance, 2001, will be classified as either 'Income Tax' or 'levy' in accordance with guide stated in preceding paragraphs of this guide [i.e. if super tax calculation is based on taxable profits as defined in IAS 12, then, such super tax shall be recognised as 'income tax' otherwise such super tax shall qualify for recognition as 'levy' as per IFRIC 21 / IAS 37].

Advance taxes paid under any section of the Income Tax Ordinance, 2001, except minimum taxes paid under section 113, which are termed as levy as per the above guide will be classified as 'prepaid assets'.

The above changes have been accounted for in these condensed interim unconsolidated financial statements as per the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The adoption of this policy did not result in re-statement of condensed interim unconsolidated financial statements and the application of this guide did not result any material differences except for reclassifications which are presented as below:

	Current Classification	Previous Classification
	----- (Rupees in '000) -----	
<b>Effect on condensed interim unconsolidated statement of profit or loss:</b>		
<i>For the period ended June 30, 2023</i>		
Taxation:		
- Current year	40,906	48,361
Levies		
- Levies	7,455	-
	<u>48,361</u>	<u>48,361</u>



### 3.2 Taxation / Levies

#### *i. Current*

Provision for current taxation is based on taxable income at the enacted / corporate tax rate after taking into account tax credits and rebates available, if any, as per the Income Tax Ordinance, 2001.

#### *ii. Levies*

Levies as per IFRIC 21, minimum taxes and final taxes on dividend income.

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e laws and/or regulations), other than:

- (a) those outflows of resources that are within the scope of other standards.
- (b) fines or other penalties that are imposed for breaches of the legislation.

In these condensed interim unconsolidated financial statements, levy includes minimum taxes differential, if any, final taxes and super taxes which are based on other than taxable profits. The corresponding advance tax paid, except for minimum taxes under section 113, which are treated as levy are recognised in prepaid assets as 'prepaid levies'.

#### *iii. Deferred*

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering, the effective rate of tax as determined in approach (b) to the guide issued by ICAP.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at enacted tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

### 4 BASIS OF MEASUREMENT

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

- Certain investments are marked to market and carried at fair value; and
- Obligation in respect of staff retirement benefits and lease liabilities which have been carried at present value and right-of-use assets which are initially measured at an amount equal to the corresponding lease liabilities (adjusted for any lease payments and certain specified costs) and depreciated over the respective lease terms.

### 5 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the condensed interim unconsolidated financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim unconsolidated financial statements are presented in Pakistan Rupee which is the Company's functional and presentation currency.

The US dollar amounts shown in the condensed interim unconsolidated statement of financial position, condensed interim unconsolidated statement of profit and loss account, condensed interim unconsolidated statement of comprehensive income and condensed interim unconsolidated cash flow statement are provided as additional information solely for the convenience of users of the financial statements. For the purpose of conversion to US Dollars, the rate of Rs. 277.41 to US Dollars has been used for 2024 and 2023 as it was the prevalent rate on June 30, 2024.

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**11 INVESTMENTS**

**11.1 Investments by type:**

(Un-audited) (Audited)  
June 30, 2024 December 31, 2023

Rupees in '000						
Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)
-	-	-	-	-	-	-
1,993,524	-	1,076	1,994,600	999,932	-	(1,232)
948,375	-	(17,710)	930,665	948,375	-	(11,200)
1,250,180	-	-	1,250,180	1,250,188	-	-
4,192,079	-	(16,634)	4,175,445	3,198,495	-	(12,432)

Note

**DEBT INSTRUMENTS**  
- Classified / Measured at FVPL

**Federal government securities**  
GoP Ijara Sukuk Bond  
Market Treasury Bills  
Pakistan Investment Bonds - Floating Rate

**Non-government debt securities**  
Listed companies  
Unlisted companies

- Classified / Measured at FVOCI

11.1.1

**Federal government securities**  
Market Treasury Bills  
Pakistan Investment Bonds - Fixed Rate  
Pakistan Investment Bonds - Floating Rate

11.1.1

**Non-government debt securities**  
Listed companies  
Unlisted companies

**EQUITY INSTRUMENTS**  
- Classified / Measured at FVOCI (Non -Reclassifiable)

**Ordinary shares**

Listed companies  
Unlisted companies\*

992,033	-	699,212	1,691,245	639,085	-	322,231	961,316
-	-	-	-	-	-	-	-
992,033	-	699,212	1,691,245	639,085	-	322,231	961,316

**Subsidiaries (Measured at cost)**

Primus Leasing Limited  
Awwal Corporate Restructuring Company Limited

1,000,000	-	-	1,000,000	1,000,000	-	-	1,000,000
1,016,707	-	-	1,016,707	908,372	-	-	908,372
2,016,707	-	-	2,016,707	1,908,372	-	-	1,908,372

**Total investments**

191,382,829	(251,175)	(1,267,049)	189,864,606	160,371,201	(255,515)	(1,444,620)	158,671,066
-------------	-----------	-------------	-------------	-------------	-----------	-------------	-------------

\* This includes privately placed Corporate Sukuks and Term Finance Certificates (TFCs) amounting to Rs. 1,894.26 million (2023: Rs. 1,791.84 million) which are carried at cost as their market value is not readily available from Mutual Fund Association of Pakistan (MUFAP).

(Un-audited) (Audited)  
June 30, December 31,  
2024 2023  
----- Rupees in '000 -----

**11.1.1 Investments given as collateral**

Market Treasury Bills				135,812,176	129,429,497
Pakistan Investment Bonds				1,747,582	699,776,787
Term finance / sukuks certificates				80,290	117,090
Ordinary shares				<u>137,640,048</u>	<u>829,323,374</u>

**11.2 Credit loss allowance for diminution in value of investments**

**11.2.1 Opening balance**

Opening balance				255,515	289,647
Adjustment of provision against shares				-	(21,331)
Charge / (reversals)				-	-
Charge for the period / year				(4,340)	(12,801)
Reversals on disposals for the period / year				(4,340)	(12,801)
Closing balance				<u>251,175</u>	<u>255,515</u>

Particulars of credit loss allowance against debt securities	(Un-audited)		(Audited)	
	June 30, 2024		December 31, 2023	
	Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
----- Rupees in '000 -----				
<b>Domestic</b>				
Performing	188,038,041	28	157,483,335	7
Underperforming	-	-	-	-
Non-performing				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	<u>336,048</u>	<u>251,147</u>	<u>340,409</u>	<u>255,508</u>
	<u>336,048</u>	<u>251,147</u>	<u>340,409</u>	<u>255,508</u>
<b>Total</b>	<u>188,374,089</u>	<u>251,175</u>	<u>157,823,744</u>	<u>255,515</u>

**11.3 Summary of financial information of subsidiaries**

Investment in subsidiaries	(Un-audited)						
	June 30, 2024						
Percentage of holding	Country of incorporation	Total assets	Total liabilities	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	Cost
----- Rupees in '000 -----							
Primus Leasing Limited	100%	3,000,300	1,783,456	278,487	90,226	90,226	1,000,000
Awwal Corporate Restructuring Company Limited	100%	1,086,141	28,012	100,964	22,846	22,846	1,016,707
							<u>2,016,707</u>

Investment in subsidiaries	(Audited)						
	December 31, 2023						
Percentage of holding	Country of incorporation	Total assets	Total liabilities	Revenue	Profit / (loss) after tax	Total comprehensive income / (loss)	Cost
----- Rupees in '000 -----							
Primus Leasing Limited	100%	2,886,680	1,760,063	512,411	187,145	187,145	1,000,000
Awwal Corporate Restructuring Company Limited	89.78%	1,125,383	32,551	169,646	63,075	63,024	908,372
							<u>1,908,372</u>





12 **ADVANCES**

Loans, cash credits, running finances, etc.  
Islamic financing and related assets  
Bills discounted and purchased  
Advances - gross

Note

12.2

12.1

Credit loss allowance against advances  
-Stage 1  
-Stage 2  
-Stage 3

Advances - net of credit loss allowance

(Un-audited)		
June 30, 2024		
Performing	Non Performing	Total
(Rupees in '000)		
19,773,509	1,141,178	20,914,687
-	-	-
-	-	-
19,773,509	1,141,178	20,914,687
62,617	-	62,617
14,546	-	14,546
-	976,242	976,242
77,163	976,242	1,053,405
19,696,346	164,936	19,861,282

Loans, cash credits, running finances, etc.  
Islamic financing and related assets  
Bills discounted and purchased  
Advances - gross

Credit loss allowance against advances  
-Stage 1  
-Stage 2  
-Stage 3

Advances - net of credit loss allowance

(Audited)		
December 31, 2023		
Performing	Non Performing	Total
(Rupees in '000)		
19,534,991	1,124,446	20,659,437
-	-	-
-	-	-
19,534,991	1,124,446	20,659,437
58,874	-	58,874
19,736	-	19,736
-	970,926	970,926
78,610	970,926	1,049,536
19,456,381	153,520	19,609,901

12.1 **Particulars of advances (gross)**

In local currency  
In foreign currencies

(Un-audited) June 30, 2024	(Audited) December 31, 2023
(Rupees in '000)	
20,914,687	20,659,437
-	-
20,914,687	20,659,437

- 12.2 Advances include Rs. 1,141.178 million (2023: Rs. 1,124.446 million) which have been placed under the non-performing / stage 3 status as detailed below:

Category of classification in stage 3	Note	(Un-audited)		(Audited)	
		June 30, 2024		December 31, 2023	
		Non performing loans	Credit loss allowance	Non performing loans	Credit loss allowance
Rupees in '000					
Domestic					
Other assets especially mentioned	12.2.1	8,326	5,132	600	400
Substandard		2,748	1,694	29,967	19,995
Doubtful		53,443	32,949	133,776	98,321
Loss		1,076,661	936,467	960,103	852,210
<b>Total</b>		<b>1,141,178</b>	<b>976,242</b>	<b>1,124,446</b>	<b>970,926</b>

- 12.2.1 The 'Other assets especially mentioned' category pertains to small enterprise finance.

12.3 Particulars of credit loss allowance against advances

	Unaudited			
	30 June 2024			
	Stage 3	Stage 2	Stage 1	Total
Rupees in '000				
Opening balance	970,926	19,736	58,874	1,049,536
Charge for the period	23,721	-	3,743	27,464
Reversals during the period	(18,405)	(5,190)	-	(23,595)
	5,316	(5,190)	3,743	3,869
Amount written off	-	-	-	-
<b>Closing balance</b>	<b>976,242</b>	<b>14,546</b>	<b>62,617</b>	<b>1,053,405</b>
(Audited)				
December 31, 2023				
	Stage 3	Stage 2	Stage 1	Total
Rupees in '000				
Opening balance	500,622	-	-	500,622
Impact of Adoption of IFRS 9	223,284	14,018	76,434	313,736
Charge for the year	292,776	5,718	-	298,494
Reversals during the year	(27,658)	-	(17,560)	(45,218)
	265,118	5,718	(17,560)	253,276
Amounts written off	(18,098)	-	-	(18,098)
<b>Closing balance</b>	<b>970,926</b>	<b>19,736</b>	<b>58,874</b>	<b>1,049,536</b>

Stage 1 comprises of Exposure At Default (EAD) which includes principal and markup amounting to Rs. 19,770.027 million and ECL of Rs. 62.617 million and stage 2 comprises of EAD (principal plus markup) amounting to Rs. 387.109 million and ECL of Rs. 14.547 million.

Forced Sale Value (FSV) benefit amounting to Rs. 371.280 million (2023: Rs. 371.280 million) is available with the Company against certain mortgaged properties held as collateral against non-performing advances. However, the same has not been considered while computing credit loss allowance as at period end as credit loss allowance has been computed under IFRS 9 - Financial Instruments.



12.4 Particulars of credit loss allowance

12.4.1 Advances - exposure

(Un-audited)				
June 30, 2024				
	Stage 1	Stage 2	Stage 3	Total
----- Rupees in '000 -----				
Opening balance	19,150,503	384,487	1,124,447	20,659,437
New Advances	3,095,120	-	1,308	3,096,428
Advances derecognised or repaid	(2,778,053)	(44,584)	(18,541)	(2,841,178)
Transfer to stage 1	25,825	(25,825)	-	-
Transfer to stage 2	(22,635)	22,635	-	-
Transfer to stage 3	(8,413)	(25,551)	33,965	-
Amounts written off / charged off	-	-	-	-
Changes in risk parameters	-	-	-	-
Closing balance	<u>19,462,347</u>	<u>311,162</u>	<u>1,141,179</u>	<u>20,914,687</u>

(Audited)				
December 31, 2023				
	Stage 1	Stage 2	Stage 3	Total
----- Rupees in '000 -----				
Opening balance	23,461,928	364,922	881,635	24,708,485
Impact on adoption of IFRS 9				
New Advances	3,820,754	20,305	138,073	3,979,132
Advances derecognised or repaid	(7,900,429)	(74,966)	(34,687)	(8,010,082)
Transfer to stage 1	95,140	(95,140)	-	-
Transfer to stage 2	(302,624)	302,624	-	-
Transfer to stage 3	(24,266)	(133,258)	157,524	-
Amounts written off / charged off	-	-	(18,098)	(18,098)
Changes in risk parameters	-	-	-	-
Closing balance	<u>19,150,503</u>	<u>384,487</u>	<u>1,124,447</u>	<u>20,659,437</u>

12.4.2 Advances - Credit loss allowance

(Un-audited)				
June 30, 2024				
	Stage 1	Stage 2	Stage 3	Total
----- Rupees in '000 -----				
Opening balance	58,874	19,736	970,926	1,049,536
New Advances	14,019	533	582	15,134
Advances derecognised or repaid	(11,457)	(1,013)	(17,490)	(29,960)
Transfer to stage 1	263	(263)	-	-
Transfer to stage 2	(178)	178	-	-
Transfer to stage 3	(159)	(5,995)	6,154	-
	2,488	(6,560)	(10,754)	(14,826)
Amounts written off / charged off	-	-	-	-
Changes in risk parameters	1,255	1,370	16,070	18,695
Closing balance	<u>62,617</u>	<u>14,546</u>	<u>976,242</u>	<u>1,053,405</u>

	(Audited)			
	December 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000			
Opening balance	-	-	500,622	500,622
<b>Impact of Adoption of IFRS 9</b>	76,434	14,018	223,284	313,736
New Advances	12,285	4,077	138,073	154,435
Advances derecognised or repaid	(9,580)	(5,675)	(9,783)	(25,038)
Transfer to stage 1	957	(957)	-	-
Transfer to stage 2	(936)	936	-	-
Transfer to stage 3	(270)	(4,459)	4,729	-
	2,456	(6,078)	133,019	129,397
Amounts written off / charged off	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	(20,016)	11,796	114,001	105,781
<b>Closing balance</b>	<b>58,874</b>	<b>19,736</b>	<b>970,926</b>	<b>1,049,536</b>

**12.5 Advances - Credit loss allowance details  
Internal / external rating / stage classification**

	(Un-audited)			
	June 30, 2024			
	Stage 1	Stage 2	Stage 3	Total
	Rupees in '000			
<b>Outstanding gross exposure</b>				
<b>Performing - Stage 1</b>	<b>19,462,347</b>	-	-	<b>19,462,347</b>
<b>Under Performing - Stage 2</b>	-	<b>311,162</b>	-	<b>311,162</b>
<b>Non-performing - Stage 3</b>				
Other Assets Especially Mentioned	-	-	8,326	8,326
Substandard	-	-	2,748	2,748
Doubtful	-	-	53,443	53,443
Loss	-	-	1,076,661	1,076,661
	-	-	1,141,178	1,141,178
<b>Total</b>	<b>19,462,347</b>	<b>311,162</b>	<b>1,141,178</b>	<b>20,914,687</b>
<b>Corresponding ECL</b>				
Stage 1 and stage 2	62,617	14,546	-	77,163
Stage 3	-	-	976,242	976,242
	<b>19,399,730</b>	<b>296,616</b>	<b>164,936</b>	<b>19,861,282</b>
<b>Outstanding gross exposure</b>				
<b>Performing - Stage 1</b>	<b>19,150,504</b>	-	-	<b>19,150,504</b>
<b>Under Performing - Stage 2</b>	-	<b>384,487</b>	-	<b>384,487</b>
<b>Non-performing - Stage 3</b>				
Other Assets Especially Mentioned	-	-	-	-
Substandard	-	-	30,567	30,567
Doubtful	-	-	133,776	133,776
Loss	-	-	960,103	960,103
	-	-	1,124,446	1,124,446
<b>Total</b>	<b>19,150,504</b>	<b>384,487</b>	<b>1,124,446</b>	<b>20,659,437</b>
<b>Corresponding ECL</b>				
Stage 1 and stage 2	58,874	19,736	-	78,610
Stage 3	-	-	970,926	970,926
	<b>19,091,630</b>	<b>364,751</b>	<b>153,520</b>	<b>19,609,901</b>



	(Un-audited) June 30, 2024	(Audited) December 31, 2023
	----- Rupees in '000 -----	
<b>13 PROPERTY AND EQUIPMENT</b>		
Property and equipment	42,099	53,320
	<u>42,099</u>	<u>53,320</u>
	(Un-audited) June 30, 2024	(Un-audited) June 30, 2023
	----- Rupees in '000 -----	
<b>13.1 Additions to property and equipment</b>		
The following additions have been made to property and equipment during the period:		
<b>Property and equipment</b>		
Electrical office and computer equipment	633	6,988
Vehicles	-	-
Others	-	3,180
	<u>633</u>	<u>10,168</u>
<b>13.2 Disposal of property and equipment</b>		
The net book value of Property and Equipment disposed off during the period is as follows:		
Furniture and fixture	-	-
Electrical office and computer equipment	-	148
Vehicles	-	2,234
Others	-	-
Total	<u>-</u>	<u>2,382</u>
	(Un-audited) June 30, 2024	(Audited) December 31, 2023
	----- Rupees in '000 -----	
<b>14 RIGHT OF USE ASSETS</b>		
At January 01,		
Cost	156,771	154,306
Accumulated depreciation	(139,908)	(114,037)
Net carrying amount at January 01,	<u>16,863</u>	<u>40,269</u>
Additions / modification during the period / year	-	2,465
Depreciation charge for the period / year	(12,731)	(25,871)
Net carrying amount at June 30, 2024 / December 31, 2023	<u>4,132</u>	<u>16,863</u>
<b>15 INTANGIBLE ASSETS</b>		
Computer software	10,417	12,521
	<u>10,417</u>	<u>12,521</u>

(Un-audited) (Audited)  
June 30, December 31,  
2024 2023  
----- Rupees in '000 -----

16 DEFERRED TAX ASSETS

Note

Deductible temporary differences on:

- Provision for diminution in the value of investments
- Provision against advances, other assets, etc.
- Deficit on revaluation of investments
- Unrealised loss on debt investments (FVPL)
- Lease liability against right-of-use asset
- Provision for off balance sheet obligations
- Provision for bonus
- Payable against post retirement employee benefits
- Amortisation of premium on investments
- Net investment in finance lease

97,956	99,652
419,262	417,753
760,354	684,223
6,487	4,848
-	1,078
7,303	5,186
14,095	37,831
2,633	172
74,209	-
5,249	-
<b>1,387,550</b>	<b>1,250,743</b>

Taxable temporary differences on:

- Net investment in finance lease
- Amortisation of premium on investments
- Unrealised gain on equity investments
- Accelerated tax depreciation
- Post retirement employee benefits
- Right-of-use assets
- Lease liability against right-of-use asset
- Lease receivable against sub-lease

-	(23,670)
-	(9,271)
(157,323)	(72,502)
(3,345)	(6,544)
(2,388)	(2,388)
(1,611)	(6,577)
(975)	-
(12)	(170)
<b>(165,654)</b>	<b>(121,122)</b>
<b>1,221,896</b>	<b>1,129,621</b>

17 OTHER ASSETS

- Income / mark-up accrued in local currency
- Advances, deposits, advance rent and other prepayments
- Advance taxation
- Advance against privately placed term finance certificates
- Dividend receivable
- Receivable against sale of shares
- Receivable from related parties
- Lease receivable under IFRS-16

17.1

17.2

7,711,792	5,493,259
49,850	10,168
4,027,338	1,694,173
50,000	122,845
3,250	1,353
12,213	27,261
5,000	6,648
31	437
<b>11,859,474</b>	<b>7,356,144</b>
-	-
<b>11,859,474</b>	<b>7,356,144</b>

Less: Credit loss allowance held against other assets

17.1 Receivable from related parties

- Receivable from Awwal Modaraba Management Company Limited (subsidiary)
- Modaraba Management Limited (related parties)
- Receivable from Primus Leasing Company Limited (subsidiary)
- Receivable from Awwal Corporate Restructuring Company Limited (subsidiary)

241	1,843
1,823	770
2,936	3,050
-	985
<b>5,000</b>	<b>6,648</b>

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17.2 This represents lease receivable against sublease under IFRS-16 amounting to Rs. 0.031 million (December 31, 2023: Rs. 0.437 million) from Primus Leasing Limited.

(Un-audited)      (Audited)  
 June 30,          December 31,  
 2024                  2023  
 ----- Rupees in '000 -----

18 **ASSETS CLASSIFIED AS HELD-FOR-SALE**

**Land, building and machinery acquired from:**

	Note	(Un-audited) June 30, 2024	(Audited) December 31, 2023
Lion Steel Industries (Private) Limited	18.1	168,904	168,904
Awwal Modaraba Management Limited-Investment	18.2	105,000	105,000
Advance against investment in right shares -related party	18.3	40,000	40,000
Impairment loss		(21,625)	(21,625)
		123,375	123,375
<b>Total assets classified as held-for-sale</b>		<b>292,279</b>	<b>292,279</b>

18.1 These represent land, building and machinery which have been classified as 'non-current assets as held for sale' as at December 31, 2021. The Company acquired these assets by settling total outstanding principal and mark-up of Rs. 135 million and Rs. 34 million respectively. It is expected that the process of sale of these assets will be completed in the near future.

18.2 The Board of Directors of the Company decided to proceed with divestment of its total interest in Awwal Modaraba Management Limited (AMML). In light of this decision, the Board of Directors of AMML in their meeting held on September 30, 2023 directed to disseminate this significant development to relevant authorities and stakeholders in a timely and transparent manner.

The material information was sent to the Pakistan Stock Exchange (PSX) and Securities and Exchange Commission of Pakistan (SECP) of Pakistan on October 02, 2023.

On October 12, 2023, invitation for expression of Interest was published in the newspaper for complete acquisition of AMML including management rights of the modaraba.

On November 21, 2023, the Company informed the Registrar Modaraba, SECP about the receipt of indicative bids from various parties. The SECP vide letter dated November 28, 2023, advised to apply to the Registrar Modaraba for the transfer of shares of the Modaraba Company along with management rights of the modaraba to the proposed acquirer, who is fit and proper under the Modaraba Law.

On May 09, 2024, the Company informed SECP that it had entered into a Share Purchase Agreement (SPA) dated April 03, 2024 for divestment of 100% of its shareholding in AMML subject to the approval of the SECP and other necessary approvals. The Company also requested permission from Registrar Modaraba for transfer of its 100% shareholding in AMML to the buyer. As of the reporting date, the SECP is conducting an assessment process to evaluate the fit and proper status of the buyer. Upon receiving approval from the Registrar Modaraba, SECP, the shares of AMML, along with the management rights of the Modaraba, will be transferred to the approved buyer.

During the year 2021, the Company has given an advance against right issue to AMML amounting to Rs. 40 million.

The investment in AMML, shares and advance against issue of share, has been classified as assets held for sale. Impairment has been recorded against asset held for sale by comparing cost and estimated fair value.

18.3 The Company has paid an advance against right issue to the Awwal Modaraba Management Limited (Subsidiary Company) amounting to Rs. 40 million against which shares have not been issued as at June 30, 2024.



		Un-audited June 30, 2024	Audited December 31, 2023
	Note	----- Rupees in '000 -----	
<b>19</b>	<b>BORROWINGS</b>		
	<i>Secured</i>		
	Borrowings from State Bank of Pakistan:		
	- Long-Term Finance Facility (LTFF) scheme	19.1	2,707,548
	- Power Plants Using Renewable Energy (PPRE) scheme	19.2	155,786
	- Temporary Economic Refinance Facility (TERF)	19.3	701,625
	- Finance for Storage of Agriculture Produce (FSAP) scheme	19.4	301,774
	- Credit Guarantee (CGS) Scheme	19.5	180,576
	- Special Persons (SP) Scheme	19.6	2,160
	- Working capital (WC) Scheme	19.7	1,216,818
	- Balancing, Modernization & Replacement (BMR) scheme	19.8	738,197
			6,004,484
	Repurchase agreement borrowings	19.9	138,467,319
	Borrowings from banks	19.10	14,838,333
	<b>Total secured</b>		<b>159,310,136</b>
	<i>Unsecured</i>		
	Letters of placement	19.11	50,860,241
			<b>210,170,377</b>

- 19.1** The Company has entered into agreements for financing with the SBP for Long-Term Financing Facility (LTFF) under export oriented projects to customers. According to the terms of the respective agreements, the SBP has the right to receive the outstanding amount from the Company at the due date by directly debiting the current account maintained by the Company with the SBP. The rate of return ranges from 2% to 11% per annum (December 31, 2023: 2% to 11% per annum). These are secured against demand promissory notes and are repayable within 7 years (December 31, 2023: 8 years).
- 19.2** These borrowings have been obtained from the SBP under a scheme for financing renewable energy power plants to promote renewable energy projects in the country. These carry mark-up at rates ranging from 2% to 5% per annum (December 31, 2023: 2% to 5% per annum) and are due to mature latest by June 28, 2029. As per the terms of the agreement, the Company has granted the SBP a right to recover the outstanding amount from the Company at the respective date of maturity of finances by directly debiting the current account of the Company maintained with the SBP.
- 19.3** These represent borrowings from the SBP under scheme for temporary economic refinance facility. The mark-up rate applicable on these facilities is 1% to 2% per annum (December 31, 2023: 1% to 2% per annum) payable on quarterly basis, with maturities upto May 18, 2032 (December 31, 2023: May 2032). As per the terms of the agreement, the Company has granted the SBP a right to recover the outstanding amount from the Company at the respective date of maturity of finances by directly debiting the current account of the Company maintained with the SBP.
- 19.4** These borrowings have been obtained from the SBP under a scheme for financing the storage of agricultural produce to encourage the private sector to establish silos, warehouses and cold storages. These carry mark-up at rate of from 2% to 4% per annum (December 31, 2023: 2% to 4% per annum) and are due to mature latest by February 28, 2030 (December 31, 2023: June 02, 2029).
- 19.5** These represent borrowings from the SBP under scheme for refinance and credit guarantee schemes. The mark-up rate applicable on these facilities is 0% per annum (December 31, 2023: 0% per annum) payable on quarterly basis, with maturities upto May 30, 2029 (December 31, 2023: November, 2028). As per the terms of the agreement, the Company has granted the SBP a right to recover the outstanding amount from the Company at the respective date of maturity of finances by directly debiting the current account of the Company maintained with the SBP.

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- 19.6 These represent financing facilities to special persons to meet credit needs for setting up of new business enterprises or for expansion of existing ones and claim refinance from State Bank of Pakistan up to 100% of finance extended by them. The spread is capped at 5% per annum (December 31, 2023: 5% per annum) by SBP whereas SBP's refinance rate for this facility is 0% per annum (December 31, 2023: 0% per annum) . In case of default of the counterparty, upto 60% of principal is covered by SBP. As per the terms of the agreement, the Company has granted the SBP a right to recover the outstanding amount from the Company at the respective date of maturity of finances by directly debiting the current account of the Company maintained with the SBP. These borrowings have maturity date of September 30, 2027.
- 19.7 In accordance with the refinance facility for working capital, the Company has entered into agreements for financing with the SBP for extending financing to meet working capital requirements of the customers. The profit rate on this facility is 2% per annum (December 31, 2023: 2%) payable on quarterly basis with maturities upto May 29, 2028 (December 31, 2023: May 29, 2028). As per the agreements, the Company has granted the SBP the right to recover the outstanding amounts from the Company at the date of maturity of the finances by directly debiting the current account maintained by the Company with the SBP.
- 19.8 These represent borrowings from the SBP under scheme for balancing, modernization & replacement scheme. The mark-up rate applicable on these facilities is 2% per annum (December 31, 2023: 1% to 2% per annum) payable on quarterly basis, with maturities upto May 20, 2030 (December 31, 2023: June 2029). As per the terms of the agreement, the Company has granted the SBP a right to recover the outstanding amount from the Company at the respective date of maturity of finances by directly debiting the current account of the Company maintained with the SBP.
- 19.9 These represent collateralised borrowings against Pakistan Investment Bonds. The mark-up rates on these borrowings ranges from 20.52% to 20.58% per annum (December 31, 2023: 22.07% to 22.11% per annum).
- 19.10 This represents secured borrowings from commercial banks. These borrowings carry mark-up at rates ranging from 20% to 22.14% per annum (December 31, 2023: 21.49% to 23.26% per annum) and are repayable by June 14, 2027 (December 31, 2023: 4 years). These are secured against hypothecation of receivables and floating charge over term finance certificates having a face value of Rs. 579.81 million (December 31, 2023: 2,139 million) and pledge of government securities having a face value of Rs. 5,500 million.
- 19.11 This represents clean borrowings from financial institutions and corporate. These borrowings carry mark-up at rates ranging from 19.50% to 21.20% per annum (2023: 20.70% to 22.35% per annum) and are repayable by October 18, 2024 (2023: May 2024).

	Note	(Un-audited) June 30, 2024	(Audited) December 31, 2023
----- Rupees in '000 -----			
<b>20 DEPOSITS AND OTHER ACCOUNTS</b>			
<b>Customers</b>			
- Certificate of investments (COIs) - In local currency	20.2	165,705	-
	20.1	165,705	-
<b>20.1 Composition of deposits</b>			
- Public sector entities		-	-
- Private sector		165,705	-
		165,705	-
<b>20.2</b>			
These Certificate of Investments (COIs) carry mark-up rate from 19.00% to 21.00% per annum (2023: Nil per annum) with maturity on June 05, 2025 (2023: Nil).			

*Handwritten signature*

	Note	(Un-audited) June 30, 2024	(Audited) December 31, 2023
Rupees in '000			
<b>21 LEASE LIABILITIES</b>			
Outstanding amount at the start of the period / year		2,765	28,834
Additions during the period / year		-	2,465
Lease payments including interest		(483)	(32,382)
Interest expense		217	3,848
Exchange difference		-	-
Outstanding amount at the end of the period / year		<u>2,499</u>	<u>2,765</u>
<b>Contactual maturity of lease liabilities</b>			
Short-term lease liabilities - within one year		622	1,451
Long-term lease liabilities			
- 1 to 5 years		1,877	1,314
- 5 to 10 years		-	-
- More than 10 years		-	-
		<u>1,877</u>	<u>1,314</u>
Total lease liabilities		<u>2,499</u>	<u>2,765</u>
<b>22 OTHER LIABILITIES</b>			
Mark-up / return / interest payable in local currency		3,295,693	1,925,144
Unearned commission and income on bills discounted		16,919	32,359
Accrued expenses		65,745	126,275
Brokerage / commission payable		3,733	2,695
Security deposits against advances		288,412	288,177
Provision for Sindh Worker's Welfare Fund		182,972	173,680
Credit loss allowance against off - balance sheet obligations	22.1	18,725	13,298
Payable to defined benefit plan - related party		6,749	443
Others		101,787	72,419
		<u>3,980,735</u>	<u>2,634,490</u>
<b>22.1 Credit loss allowance against off-balance sheet obligations</b>			
Opening balance		13,297	9,678
Charge for the period / year		5,428	3,619
Reversals		-	-
		<u>5,428</u>	<u>3,619</u>
Amount witten off		-	-
Closing balance		<u>18,725</u>	<u>13,297</u>
<b>23 DEFICIT ON REVALUATION OF ASSETS - NET OF TAX</b>			
Deficit on revaluation of			
- Securities measured at FVOCI-Debt	11.1	(1,949,627)	(1,754,419)
- Securities measured at FVOCI-Equity		699,212	322,231
		<u>(1,250,415)</u>	<u>(1,432,188)</u>
Deferred tax on deficit on revaluation of:			
- Securities measured at FVOCI-Debt		760,355	684,223
- Securities measured at FVOCI-Equity		(157,323)	(72,502)
		<u>(647,383)</u>	<u>(820,467)</u>



		(Un-audited) June 30, 2024	(Audited) December 31, 2023
		----- Rupees in '000 -----	
<b>24</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
		<b>Note</b>	
	- Guarantees	24.1	100,000
	- Commitments	24.2	152,860,059
	- Other contingent liabilities	24.3	-
			<u>152,960,059</u>
<b>24.1</b>	<b>Guarantees</b>		
	Financial guarantees		<u>100,000</u>
<b>24.2</b>	<b>Commitments</b>		
	Documentary credits and short-term trade-related transactions		
	- letters of credit		1,139,530
	Commitments in respect of:		
	- repo transactions	24.2.1	141,623,020
	- forward lendings	24.2.2	6,108,309
	- future purchase and sale transactions	24.2.3	3,989,200
	- other commitments		-
			<u>152,860,059</u>
<b>24.2.1</b>	<b>Commitments in respect of repo transactions</b>		
	Repurchase of government securities		140,628,326
	Reverse repurchase of government securities		994,694
			<u>141,623,020</u>
<b>24.2.2</b>	<b>Commitments in respect of forward lendings</b>		
	Undrawn formal standby facilities, credit lines and other commitments to lend*		<u>6,108,309</u>
<b>24.2.3</b>	<b>Commitments in respect of future transactions</b>		
	Purchase		-
	Sale		4,956,324
			<u>3,989,200</u>
			<u>4,956,324</u>

\*These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Company without the risk of incurring significant penalty or expense.

### 24.3 Other contingent liabilities

**24.3.1** In 2009, Burj Bank Limited (formerly Dawood Islamic Bank Limited) filed a legal suit amounting to Rs. 200 million for damages against the Company for alleged non-performance of underwriting commitment in respect of issue of shares at a premium. The legal advisors of the Company are of the opinion that the Company has a strong case and that the matter will most likely be decided in favor of the Company.

**24.3.2** The returns of income of the Company from tax years 2008 to 2023 had been filed with the tax authorities. From tax year 2008 up to tax year 2020, these returns have been revised and additional tax demands have been raised of which Rs. 782.07 million are outstanding as at December 31, 2023. The matters which have been raised in these demands mainly included allocation of common expenses to dividend income, taxation of discount income, additions on account of concessional loans to employees and deletion of the charge pertaining to the Workers' Welfare Fund. The Company is contesting these demands and appeals have been filed by the Company against the same which are pending adjudication at various legal and appellate forums. The Company has made partial payments against some of these demands which are being shown as refundable from tax authorities. The management is confident that the matters will eventually be decided in favor of the Company and that the Company will be able to adjust amounts in respect of matters decided against the Company (if any) against the tax refunds currently being claimed by it.

		(Un-audited)	
		Half year ended June 30, 2024	Half year ended June 30, 2023
		----- Rupees in '000 -----	
<b>25</b>	<b>MARK-UP / RETURN / INTEREST EARNED</b>	<b>Note</b>	
	Loans and advances	1,534,373	1,430,636
	Investments	18,565,598	7,554,039
	Lendings to financial institutions	610,170	496,103
	Sub-lease of premises	10	43
	Balances with banks	14,118	11,763
		<u>20,724,269</u>	<u>9,492,584</u>
	<b>Interest income (calculated using effective interest rate method) recognised on:</b>		
	Financial assets measured at amortised cost		
	Financial assets measured at amortised cost;	2,158,661	1,938,502
	Financial assets measured at FVOCI.	18,454,430	6,407,643
		<u>20,613,091</u>	<u>8,346,145</u>
<b>26</b>	<b>MARK-UP / RETURN / INTEREST EXPENSED</b>		
	Deposits	11,093	4,074
	Interest expense on lease liability	217	3,096
	Borrowings	20,503,638	8,864,401
		<u>20,514,948</u>	<u>8,871,571</u>
<b>27</b>	<b>FEE AND COMMISSION INCOME</b>		
	Advisory / arrangement fee	11,295	694
	Processing fee income	18,765	8,902
	Commitment fee	614	3,896
	Trustee fee	26,424	31,630
	Front end fee	-	17
		<u>57,098</u>	<u>45,139</u>
<b>28</b>	<b>GAIN / (LOSS) ON SECURITIES</b>		
	Realised gain on sale of securities	255,841	43,031
	Unrealised loss on securities held at fair value through profit and loss	(4,202)	(6,277)
	Unrealised loss on arbitrage shares	(901)	-
		<u>250,738</u>	<u>36,754</u>
<b>28.1</b>	<b>Realised gain on:</b>		
	Federal government securities	207,707	30,799
	Ordinary shares	48,134	11,900
	Non-government debt securities	-	332
		<u>255,841</u>	<u>43,031</u>
<b>29</b>	<b>OTHER INCOME</b>		
	Gain on sale of assets classified as held-for-sale	-	96,626
	Gain on sale of fixed assets - net	13	1,871
		<u>13</u>	<u>98,497</u>





32.1 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 Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. Accordingly, as a matter of abundant caution, the management has maintained a provision for SWWF in the condensed interim unconsolidated condensed interim financial statements amounting to Rs. 182.972 million which includes a provision of Rs. 9.217 million for the current period.

		(Un-audited)	
		Half year ended June 30, 2024	Half year ended June 30, 2023
		----- Rupees in '000 -----	
<b>33</b>	<b>Credit loss allowance and write offs - net</b>	<b>Note</b>	
	Credit loss allowance against balances with other banks	9.1	2 -
	Credit loss allowance against lending to financial institutions	10.2	2 7
	Credit loss allowance for diminution in value of investments	11.3	(4,340) (6,356)
	Credit loss allowance against loans and advances	12.3	3,869 143,902
	Credit loss allowance against off balance sheet obligations		5,428 2,812
			<u>4,961</u> <u>140,365</u>
<b>34</b>	<b>TAXATION</b>		
	Current		27,946 40,906
	Deferred		(100,965) 174,862
			<u>(73,019)</u> <u>215,768</u>
<b>35</b>	<b>BASIC EARNINGS PER SHARE</b>		
	Profit for the period		<u>261,425</u> <u>230,517</u>
			<b>Number of shares</b>
	Weighted average number of ordinary shares		<u>600,000</u> <u>600,000</u>
			<b>----- Rupees -----</b>
	Basic earnings per share		<u>0.44</u> <u>0.38</u>

**35.1 Diluted earnings per share**

Diluted earnings per share is same as basic earnings per share as the Company does not have any convertible instruments in issue.

**36 FAIR VALUE MEASUREMENT**

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

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.

**36.1 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).



**Valuation techniques and inputs used in determination of fair values**

Item	Valuation techniques and input used
Fully paid-up ordinary shares / units of modaraba certificates	Fair values of investments in listed equity securities and units of modaraba certificates are valued on the basis of closing quoted market prices available at the stock exchange.
Pakistan Investment Bonds / Market Treasury Bills	Fair values of Pakistan Investment Bonds and Treasury Bills are derived using the PKRV / PKFRV rates.
Term finance / sukuks certificates	Investments in listed debt securities (comprising term finance certificates, bonds, sukuk certificates and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the prices announced by the Pakistan Stock Exchange Limited.

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, 2024			
	Level 1	Level 2	Level 3	Total
<b>On balance sheet financial instruments</b>	----- Rupees in '000 -----			
<b>Financial assets - measured at fair value</b>				
Investments				
Federal government securities	-	183,450,829	-	183,450,829
Shares	1,691,245	-	-	1,691,245
Non-Government debt securities	-	2,705,824	-	2,705,824
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Future sale and purchase transactions	-	3,989,200	-	3,989,200
	----- Rupees in '000 -----			
	(Audited)			
	December 31, 2023			
	Level 1	Level 2	Level 3	Total
<b>On balance sheet financial instruments</b>	----- Rupees in '000 -----			
<b>Financial assets - measured at fair value</b>				
Investments				
Federal government securities	-	153,327,875	-	153,327,875
Ordinary shares	961,316	-	-	961,316
Non-Government debt securities	-	2,473,503	-	2,473,503
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Future sale and purchase transactions	-	4,956,324	-	4,956,324
	----- Rupees in '000 -----			
	(Un-audited)			
	June 30, 2024			
	Corporate finance	Trading and sales	Commercial banking	Total
<b>Condensed interim unconsolidated statement of profit and loss account for the period ended June 30, 2024 (un-audited)</b>	----- Rupees in '000 -----			
Net Mark-up / return / interest income	-	194,557	14,764	209,321
Non mark-up / return / interest income	57,097	474,244	-	531,341
<b>Total income</b>	<b>57,097</b>	<b>668,801</b>	<b>14,764</b>	<b>740,662</b>
Segment direct expenses	21,907	252,784	5,665	280,356
<b>Total expenses</b>	<b>21,907</b>	<b>252,784</b>	<b>5,665</b>	<b>280,356</b>
Credit loss allowance	-	5,856	(895)	4,961
<b>Profit before levies and taxation</b>	<b>35,190</b>	<b>410,161</b>	<b>9,994</b>	<b>455,345</b>

**SEGMENT INFORMATION**

**Condensed interim unconsolidated statement of profit and loss account for the period ended June 30, 2024 (un-audited)**

Net Mark-up / return / interest income	-	194,557	14,764	209,321
Non mark-up / return / interest income	57,097	474,244	-	531,341
<b>Total income</b>	<b>57,097</b>	<b>668,801</b>	<b>14,764</b>	<b>740,662</b>
Segment direct expenses	21,907	252,784	5,665	280,356
<b>Total expenses</b>	<b>21,907</b>	<b>252,784</b>	<b>5,665</b>	<b>280,356</b>
Credit loss allowance	-	5,856	(895)	4,961
<b>Profit before levies and taxation</b>	<b>35,190</b>	<b>410,161</b>	<b>9,994</b>	<b>455,345</b>

**Condensed interim unconsolidated statement of financial position as at June 30, 2024 (un-audited)**

(Audited)				
June 30, 2024				
Corporate finance	Trading and sales	Commercial banking	Total	
Rupees in '000				
Cash and bank balances	89,315	1,046,479	23,094	1,158,888
Investments	-	189,864,606	-	189,864,606
Lendings to financial institutions	-	990,798	-	990,798
Advances - performing	-	1,289,290	18,407,056	19,696,346
- non-performing	-	28,452	136,484	164,936
Others	4,365	13,135,945	289,987	13,430,297
<b>Total assets</b>	<b>93,680</b>	<b>206,355,570</b>	<b>18,856,621</b>	<b>225,305,871</b>
Borrowings	-	195,262,893	14,907,484	210,170,377
Deposits and other accounts	-	-	165,705	165,705
Lease liabilities	-	2,449	50	2,499
Other liabilities	-	3,883,327	97,408	3,980,735
<b>Total liabilities</b>	<b>-</b>	<b>199,148,669</b>	<b>15,170,647</b>	<b>214,319,316</b>
Equity	93,680	7,206,901	3,685,974	10,986,555
<b>Total equity and liabilities</b>	<b>93,680</b>	<b>206,355,570</b>	<b>18,856,621</b>	<b>225,305,871</b>
<b>Contingencies and commitments</b>	<b>-</b>	<b>147,731,329</b>	<b>5,228,730</b>	<b>152,960,059</b>

**Unconsolidated condensed interim statement of profit and loss account for the period ended June 30, 2023 (un-audited)**

(Un-audited)				
June 30, 2023				
Corporate finance	Trading and sales	Commercial banking	Total	
Rupees in '000				
Net mark-up / return / interest income	-	531,751	89,262	621,013
Non mark-up / return / interest income	45,139	207,563	-	252,702
<b>Total income</b>	<b>45,139</b>	<b>739,314</b>	<b>89,262</b>	<b>873,715</b>
Segment direct expenses	14,446	236,598	28,566	279,610
<b>Total expenses</b>	<b>14,446</b>	<b>236,598</b>	<b>28,566</b>	<b>279,610</b>
Credit loss allowance	-	32,930	107,435	140,365
<b>Profit before levies and taxation</b>	<b>30,693</b>	<b>469,786</b>	<b>(46,739)</b>	<b>453,740</b>

**Unconsolidated statement of financial position (audited)**

(Audited)				
December 31, 2023				
Corporate finance	Trading and sales	Commercial banking	Total	
Rupees in '000				
Cash and bank balances	52,273	796,953	79,260	928,486
Investments	-	158,671,066	-	158,671,066
Lendings to financial institutions	-	-	-	-
Advances - performing	-	1,254,440	18,201,941	19,456,381
- non-performing	-	12,129	141,391	153,520
Others	4,656	8,054,978	801,114	8,860,748
<b>Total assets</b>	<b>56,929</b>	<b>168,789,566</b>	<b>19,223,706</b>	<b>188,070,201</b>
Borrowings	-	158,794,054	15,799,944	174,593,998
Deposits and other accounts	-	-	-	-
Lease liabilities	-	2,515	250	2,765
Other liabilities	-	2,396,183	238,307	2,634,490
<b>Total liabilities</b>	<b>-</b>	<b>161,192,752</b>	<b>16,038,501</b>	<b>177,231,253</b>
Equity	56,929	7,596,814	3,185,205	10,838,948
<b>Total equity and liabilities</b>	<b>56,929</b>	<b>168,789,566</b>	<b>19,223,706</b>	<b>188,070,201</b>
<b>Contingencies and commitments</b>	<b>-</b>	<b>116,840,634</b>	<b>6,332,674</b>	<b>123,173,308</b>

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38 RELATED PARTY TRANSACTIONS

The Company has related party relationship with its subsidiary companies (Primus Leasing Limited, Awwal Corporate Restructuring Company Limited and Awwal Modaraba Management Limited), First Prudential Modaraba, employees' defined benefit and defined contribution plan, its key management personnel and state controlled entities.

There are no transactions with key management personnel other than those carried out as per their terms of employment. Contributions to approved defined benefit and contribution plans are made in accordance with the actuarial valuations / terms of scheme. Transactions with owners have been disclosed in 'condensed interim unconsolidated Statement of Changes in Equity'. All other transactions between the Company and its related parties are carried out under normal course of business except employee staff loans that are as per terms of employment. However we understand that there are several transactions with subsidiaries that are based on agreed terms. The 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 unconsolidated financial statements, are as follows:

38.1 Balances with related parties

	(Un-audited)				(Audited)			
	June 30, 2024				December 31, 2023			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
(Rupees in '000)								
<b>Investments</b>								
Opening balance	-	-	1,908,372	-	-	-	2,013,372	-
Investment made during the period / year	-	-	108,335	-	-	-	-	-
Investment disposed off during the period / year	-	-	-	-	-	-	-	-
Classified as held-for-sale	-	-	-	-	-	-	(105,000)	-
Closing balance	-	-	2,016,707	-	-	-	1,908,372	-
<b>Lending to financial institutions</b>								
Opening balance	-	-	-	-	-	-	-	26,000
Investment	-	-	-	-	-	-	-	301,600
Repayment	-	-	-	-	-	-	-	(327,600)
Closing balance	-	-	-	-	-	-	-	-
<b>Advances</b>								
Opening balance	-	49,810	719,958	159,775	-	72,204	574,803	178,207
Addition during the period / year	-	16,450	705,000	-	-	19,558	395,540	300,000
Repaid during the period / year	-	(12,245)	(708,335)	(232)	-	(41,952)	(250,385)	(318,432)
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	54,015	716,623	159,543	-	49,810	719,958	159,775
<b>Other assets</b>								
Interest / mark-up accrued	-	-	23,827	182	-	-	49,595	288
Lease receivable under IFRS-16	-	-	2,332	-	-	-	437	-
Receivable from defined benefit plan	-	-	-	-	-	-	-	-
Preliminary expense	-	-	-	-	-	-	-	-
Advance against investments in right shares	-	-	-	-	-	-	-	-
Others	-	-	4,227	773	-	-	5,877	1,023
	-	-	30,386	955	-	-	55,909	1,311
<b>Assets classified as held-for-sale</b>								
Opening balance	-	-	145,000	-	-	-	-	-
Transfer during the period	-	-	-	-	-	-	145,000	-
Disposed off during the year	-	-	-	-	-	-	-	-
Closing balance	-	-	145,000	-	-	-	145,000	-
<b>Borrowings</b>								
Opening balance	-	-	-	4,827	-	-	-	-
Borrowings during the period / year	-	-	-	126,756	-	-	-	73,156
Settled during the period / year	-	-	-	(110,755)	-	-	-	(68,329)
Closing balance	-	-	-	20,828	-	-	-	4,827
<b>Other liabilities</b>								
Interest / mark-up payable	-	-	-	34	-	-	-	6
Payable to defined benefit plan	-	-	-	6,749	-	-	-	443
Other liabilities	-	-	-	-	-	-	-	-
	-	-	-	6,783	-	-	-	449

38.2 RELATED PARTY TRANSACTIONS

	(Un-audited) June 30, 2024				(Un-audited) June 30, 2023			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
(Rupees in '000)								
<b>Income</b>								
Mark-up / return / interest earned	-	1,364	(1,934)	22,888	-	1,683	45,828	22,888
Dividend	-	-	57,423	-	-	-	-	-
Reverse Repo	-	-	-	-	-	-	-	-
<b>Expense</b>								
Mark-up / return / interest expensed	-	-	-	503	-	-	-	93
Operating expenses	400	46,755	-	-	2,000	87,483	-	-
Reimbursement of expenses	-	12,043	2,187	-	-	9,223	2,125	98
Expenses charged	-	-	17,235	4,936	-	-	11,310	4,672
Fixed assets disposal	-	-	-	-	-	2,214	-	-
						(Un-audited) June 30, 2024	(Audited) December 31, 2023	
						----- Rupees in '000 -----		

39 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

**Minimum Capital Requirement (MCR):**

Paid-up capital	<b>6,000,000</b>	6,000,000
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**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier 1 (CET 1) Capital	<b>7,703,555</b>	8,225,128
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	<b>7,703,555</b>	8,225,128
Eligible Tier 2 Capital	-	-
Total Eligible Capital (Tier 1 + Tier 2)	<b>7,703,555</b>	8,225,128

**Risk Weighted Assets (RWAs):**

Credit Risk	<b>21,592,376</b>	20,606,797
Market Risk	<b>8,758,392</b>	7,704,183
Operational Risk	<b>2,634,080</b>	2,634,080
Total	<b>32,984,848</b>	30,945,060

Common Equity Tier 1 Capital Adequacy ratio - percentage	<b>23.35%</b>	26.58%
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Tier 1 Capital Adequacy Ratio - percentage	<b>23.35%</b>	26.58%
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Total Capital Adequacy Ratio - percentage	<b>23.35%</b>	26.58%
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**Leverage Ratio (LR):**

Eligible Tier-1 Capital	<b>7,703,555</b>	8,225,128
Total Exposures	<b>218,780,054</b>	153,919,681
Leverage Ratio (%)	<b>3.52%</b>	5.34%

**Liquidity Coverage Ratio (LCR):**

Total High Quality Liquid Assets	<b>43,998,484</b>	17,914,626
Total Net Cash Outflow	<b>47,712,349</b>	17,581,217
Liquidity Coverage Ratio (Ratio)	<b>92.22%</b>	101.90%

**Net Stable Funding Ratio (NSFR):**

Total Available Stable Funding	<b>21,614,562</b>	24,490,814
Total Required Stable Funding	<b>20,028,246</b>	18,812,749
Net Stable Funding Ratio (%)	<b>107.92%</b>	130.18%

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40 **CORRESPONDING FIGURES**

Corresponding figures are rearranged or reclassified, wherever necessary, for the purpose of comparison and better presentation. No significant reclassification or restatement were made in these condensed interim unconsolidated financial statements during the period.

41 **GENERAL**

41.1 Figures in these condensed interim unconsolidated financial statements have been rounded off to the nearest thousand Rupees unless otherwise stated.

42 **EVENTS AFTER THE REPORTING DATE**

There are no events after the reporting date which could have material effect on these condensed interim financial statements.

42 **DATE OF AUTHORISATION FOR ISSUE**

23 AUG 2024

These condensed interim unconsolidated financial statements were authorised for issue on \_\_\_\_\_ by the Board of Directors of the Company.

  
\_\_\_\_\_  
President/Chief Executive  
\_\_\_\_\_  
Chief Financial Officer  
\_\_\_\_\_  
Director  
\_\_\_\_\_  
Director  
\_\_\_\_\_  
Director