

PAK BRUNEI INVESTMENT COMPANY LIMITED
CAPITAL ADEQUACY, LEVERAGE AND LIQUIDITY DISCLOSURES ON STANDALONE BASIS
AS AT DECEMBER 31, 2023

CAPITAL ADEQUACY RETURN

Scope of Applications

The Basel Framework is applicable to Pak Brunei Investment Company both at the consolidated level and also on a stand alone basis. The Company has three subsidiaries namely Primus Leasing Limited, Awwal Corporate Restructuring Company Limited and Awwal Modaraba Management Limited. All subsidiaries are consolidated as per International Financial Reporting Standards (IFRS).

Detail of the Company's eligible capital (on an unconsolidated basis) is as follows:

	December 31, 2023	December 31, 2022
	----- (Rupees in '000) -----	
	Note	
Common Equity Tier 1 capital (CET1): Instruments and reserves		
Fully paid-up capital / capital deposited with SBP	6,000,000	6,000,000
Balance in share premium account	-	-
Reserve for issue of bonus shares	-	-
Discount on Issue of shares	-	-
General / statutory reserves	2,390,092	2,120,621
Gain / (losses) on derivatives held as cash flow hedge	-	-
Unappropriated / unremitted profits / (losses)	3,316,725	3,384,198
Minority Interests arising from CET1 capital instruments consolidated Company subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	-
CET 1 before regulatory adjustments	11,706,817	11,504,819
Total regulatory adjustments applied to CET1	<u>(3,481,689)</u>	<u>(3,949,076)</u>
Common Equity Tier 1	8,225,128	7,555,743
	<i>a</i>	
Additional Tier 1 (AT 1) Capital		
Qualifying Additional Tier-1 instruments plus any related share premium of which: Classified as equity	-	-
of which: Classified as liabilities	-	-
Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1) of which: instrument issued by subsidiaries subject to phase out	-	-
AT1 before regulatory adjustments	-	-
Total regulatory adjustment applied to AT1 capital	<u>(1,371,047)</u>	<u>(2,189,626)</u>
Additional Tier 1 capital recognized for capital adequacy	-	-
	<i>b</i>	
Tier 1 Capital (CET1 + admissible AT1)	8,225,128	7,555,743
	<i>(c=a+b)</i>	
Tier 2 Capital		
Qualifying Tier 2 capital instruments under Basel III plus any related share premium	-	-
Tier 2 capital instruments subject to phase out arrangement issued under Pre-Basel III rules	-	-
Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group tier 2) of which: instruments issued by subsidiaries subject to phase out	-	-
General Provisions or general reserves for loan losses - up to maximum of 1.25% of Credit Risk Weighted Assets	-	-
Revaluation reserves	-	-
of which: Revaluation reserves on property	-	-
of which: Unrealised gains / losses on AFS	-	-
Foreign exchange translation reserves	-	-
Undisclosed / other reserves (if any)	-	-
T2 before regulatory adjustments	-	-
Total regulatory adjustment applied to T2 capital	<u>(116,272)</u>	<u>(171,153)</u>
Tier 2 capital (T2) after regulatory adjustments	-	-

Note	December 31,	December 31,
	2023	2022
	----- (Rupees in '000) -----	
Tier 2 capital recognized for capital adequacy	-	-
Portion of Additional Tier 1 capital recognized in Tier 2 capital	-	-
Total Tier 2 capital admissible for capital adequacy	<u>-</u>	<u>-</u>
TOTAL CAPITAL (T1 + admissible T2)	8,225,128	7,555,743
Total Risk Weighted Assets (RWA)	30,945,061	32,819,667
Capital ratios and buffers (in percentage of risk weighted assets)		
CET1 to total RWA	26.58%	23.02%
Tier-1 capital to total RWA	26.58%	23.02%
Total capital to RWA	26.58%	23.02%
Company specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	11.50%	11.50%
of which: capital conservation buffer requirement	1.50%	1.50%
of which: countercyclical buffer requirement	0.00%	0.00%
of which: D-SIB or G-SIB buffer requirement	0.00%	0.00%
CET1 available to meet buffers (as a percentage of risk weighted assets)	15.08%	11.52%
National minimum capital requirements prescribed by SBP		
CET1 minimum ratio	6.00%	6.00%
Tier 1 minimum ratio	7.50%	7.50%
Total capital minimum ratio	11.50%	11.50%

December 31,	Amounts subject to Pre		December 31,
	2023	- Basel III treatment	
----- (Rupees in '000) -----			

Common Equity Tier 1 capital: Regulatory adjustments

Goodwill (net of related deferred tax liability)	-	-	-
All other intangibles (net of any associated deferred tax liability)	12,521	-	3,267
Shortfall of provisions against classified assets	-	-	-
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-
Defined-benefit pension fund net assets	-	-	-
Reciprocal cross holdings in CET1 capital instruments	-	-	-
Cash flow hedge reserve	-	-	-
Investment in own shares / CET1 instruments	-	-	-
Securitization gain on sale	-	-	-
Capital shortfall of regulated subsidiaries	-	-	-
Deficit on account of revaluation from Company's holdings of property / AFS	820,467	-	1,501,592
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Company does not own more than 10% of the issued share capital (amount above 10% threshold)	27,815	-	-
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	823,770	-	115,004
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	21,672	-	-
Amount exceeding 15% threshold of which: significant investments in the common stocks of financial entities of which: deferred tax assets arising from temporary differences	404,396	-	139,587
National specific regulatory adjustments applied to CET1 capital	-	-	-
Investment in TFCs of other banks exceeding the prescribed limit	-	-	-
Any other deduction specified by SBP	-	-	-
Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	1,371,047	-	2,189,626
Total regulatory adjustments applied to CET1	3,481,689	-	3,949,076

	December 31, 2023	Amounts subject to Pre - Basel III treatment (Rupees in '000)	December 31, 2022
Additional Tier 1 Capital: regulatory adjustments			
Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	-	898,372
Investment in own AT1 capital instruments	-	-	-
Reciprocal cross holdings in Additional Tier 1 capital instruments	-	-	-
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Company does not own more than 10% of the issued share capital (amount above 10% threshold)	1,254,775	-	1,120,101
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	-
Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-1 capital	-	-	-
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	116,272	-	171,153
Total of Regulatory Adjustment applied to AT1 capital	1,371,047	-	2,189,626

Tier 2 Capital: regulatory adjustments

Portion of deduction applied 50:50 to core capital and supplementary capital based on Pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	-	-
Reciprocal cross holdings in Tier 2 instruments	-	-	-
Investment in own Tier 2 capital instrument	-	-	-
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Company does not own more than 10% of the issued share capital (amount above 10% threshold)	116,272	-	171,153
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	-
Total regulatory adjustment applied to T2 capital	116,272	-	171,153

December 31, 2023 December 31, 2022
----- (Rupees in '000) -----

Additional information**Total Risk Weighted Assets subject to pre-Basel III treatment**

Risk weighted assets in respect of amounts subject to Pre-Basel III Treatment	-	-
of which: recognised portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity	-	-
of which: deferred tax assets	-	-
of which: Defined-benefit pension fund net assets	-	-
of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is less than 10% of the issued common share capital of the entity	-	-
of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity	-	-

Amounts below the thresholds for deduction (before risk weighting)

Non-significant investments in the capital of other financial entities	1,398,862	1,291,255
Significant investments in the common stock of financial entities	1,084,601	999,996
Deferred tax assets arising from temporary differences (net of related tax liability)	1,106,274	883,995

Applicable caps on the inclusion of provisions in Tier 2

Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	-	-
Cap on inclusion of provisions in Tier 2 under standardized approach	-	-
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	-

Leverage Ratio

The Company calculates leverage ratio in line with SBP's issued guidelines on Basel III. Pak Brunei's leverage ratio on standalone basis, as on December 31, 2023 is 5.34%. The same was 9.65% as on December 31, 2022.

IFRS 9 Impact: The company has applied transitional arrangement as per the IFRS-9 application instructions for the absorption of ECL for Capital Adequacy Ratio purpose. The Company has added back the transitional adjustment amount of 90% of Stage 1 and Stage 2 provisions to CET 1 Capital. Had the transition arrangement not been applied, the CAR and leverage ratio would decline to 26.32% and 5.29% respectively.

Capital Structure Reconciliation

Step 1

	December 31, 2023	
	Balance sheet as in published financial statements ----- (Rupees in '000) -----	Under regulatory scope of consolidation
Assets		
Cash and balances with treasury banks	688,559	688,559
Balances with other banks	239,927	239,927
Lendings to financial institutions	-	-
Investments	158,671,066	158,671,066
Advances	19,609,901	19,609,901
Operating fixed assets	82,704	82,704
Deferred tax assets	1,129,621	1,129,621
Other assets	7,648,423	7,648,423
Total assets	188,070,201	188,070,201
Liabilities and equity		
Bills payable	-	-
Borrowings	174,593,998	174,593,998
Deposits and other accounts	-	-
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	-	-
Deferred tax liabilities	-	-
Other liabilities	2,637,255	2,637,255
Total liabilities	177,231,253	177,231,253
Common Equity Tier 1 capital (CET1): Instruments and reserves		
Fully paid-up capital / capital deposited with SBP	6,000,000	6,000,000
Reserves	2,390,092	2,390,092
Unappropriated / unremitted profit / (losses)	3,269,323	3,269,323
Minority interest	-	-
Surplus/(Deficit) on revaluation of assets	(820,467)	(820,467)
Total liabilities and equity	188,070,201	188,070,201

Step 2

	December 31, 2023	
	Balance sheet as in published financial statements ----- (Rupees in '000) -----	Under regulatory scope of consolidation
Assets		
Cash and balances with treasury banks	688,559	688,559
Balance with other banks	239,927	239,927
Lending to financial institutions	-	-
Investments	158,671,066	158,671,066
of which: Non-significant capital investments in capital of other financial institutions exceeding 10% threshold	1,398,862	1,398,862
of which: significant capital investments in financial sector entities exceeding regulatory threshold	823,770	823,770
of which: Mutual Funds exceeding regulatory threshold	-	-
of which: Reciprocal cross holdings in CET1	-	-
of which: Reciprocal cross holdings in Tier2	-	-
of which: others	-	-
Advances	19,609,901	19,609,901
shortfall in provisions / excess of total EL amount over eligible provisions under IRB	-	-
general provisions reflected in Tier 2 capital	-	-
Fixed Assets	82,704	82,704
of which: Intangibles	12,521	12,521
Deferred tax assets	1,129,621	1,129,621
of which: DTAs excluding those arising from temporary differences	-	-
of which: DTAs arising from temporary differences exceeding regulatory threshold	21,672	21,672
Other assets	7,648,423	7,648,423
of which: Goodwill	-	-
of which: Intangibles	-	-
of which: Defined-benefit pension fund net assets	-	-
Total assets	188,070,201	188,070,201

		December 31, 2023	
Reference	Balance sheet as in published financial statements ----- (Rupees in '000) -----	Under regulatory scope of consolidation	
Liabilities and equity			
	Bills payable	-	-
	Borrowings	174,593,998	174,593,998
	Deposits and other accounts	-	-
	Sub-ordinated loans	-	-
	of which: eligible for inclusion in AT1	-	-
	of which: eligible for inclusion in Tier 2	-	-
	Liabilities against assets subject to finance lease	-	-
	Deferred tax liabilities	-	-
	of which: DTLs related to goodwill	-	-
	of which: DTLs related to intangible assets	-	-
	of which: DTLs related to defined pension fund net assets	-	-
	of which: other deferred tax liabilities	-	-
	Other liabilities	2,637,255	2,637,255
	Total liabilities	177,231,253	177,231,253
	Share capital	6,000,000	6,000,000
	of which: amount eligible for CET1	6,000,000	6,000,000
	of which: amount eligible for AT1	-	-
	Reserves	2,390,092	2,390,092
	of which: portion eligible for inclusion in CET1: Share premium	-	-
	of which: portion eligible for inclusion in CET1 general / statutory reserve	2,390,092	2,390,092
	of which: portion eligible for inclusion in Tier 2	-	-
	Unappropriated profit / (losses)	3,269,323	3,269,323
	Minority Interest	-	-
	of which: portion eligible for inclusion in CET1	-	-
	of which: portion eligible for inclusion in AT1	-	-
	of which: portion eligible for inclusion in Tier 2	-	-
	Surplus on revaluation of assets	(820,467)	(820,467)
	of which: Revaluation reserves on fixed assets	-	-
	of which: Unrealised gains / losses on AFS	(820,467)	(820,467)
	In case of deficit on revaluation (deduction from CET1)	-	-
	Total liabilities and equity	188,070,201	188,070,201

Step 3

	Source based on reference number from step 2	Component of regulatory capital reported by Company (Rupees in '000)
Common Equity Tier 1 capital (CET1): Instruments and reserves		
Fully paid-up capital / capital deposited with SBP	(t)	6,000,000
Balance in share premium account		-
Reserve for issue of Bonus Shares		-
General / statutory reserves	(v)	2,390,092
Gain / (losses) on derivatives held as cash flow hedge		-
Unappropriated/unremitted profits / (losses)	(y)	3,316,725
Minority interests arising from CET1 capital instruments issued to third party by consolidated Company subsidiaries (amount allowed in CET1 capital of the consolidation group)	(z)	-
CET 1 before regulatory adjustments		11,706,817

	Source based on reference number from step 2	Component of regulatory capital reported by Company (Rupees in '000)
Common Equity Tier 1 capital: Regulatory adjustments		
Goodwill (net of related deferred tax liability)	(l) - (p)	-
All other intangibles (net of any associated deferred tax liability)	(m) - (q)	12,521
Shortfall of provisions against classified assets	(g)	-
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	{(h) - (r)} * x%	-
Defined-benefit pension fund net assets	{(l) - (q)} * x%	-
Reciprocal cross holdings in CET1 capital instruments	(d)	-
Cash flow hedge reserve		-
Investment in own shares / CET1 instruments		-
Securitization gain on sale		-
Capital shortfall of regulated subsidiaries		-
Deficit on account of revaluation from Company's holdings of property / AFS	(ab)	820,467
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Company does not own more than 10% of the issued share capital (amount above 10% threshold)	(a) - (ac) - (ae)	27,815
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	(b) - (ad) - (af)	823,770
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	(i)	21,672
Amount exceeding 15% threshold		-
of which: significant investments in the common stocks of financial entities		-
of which: deferred tax assets arising from temporary differences		404,396
National specific regulatory adjustments applied to CET1 capital		-
Investment in TFCs of other banks exceeding the prescribed limit		-
Any other deduction specified by SBP (mention details)		-
Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions		1,371,047
Total regulatory adjustments applied to CET1 (sum of 9 to 25)		3,481,689
Common Equity Tier 1		8,225,128
Additional Tier 1 (AT 1) Capital		
Qualifying Additional Tier-1 instruments plus any related share premium		-
of which: Classified as equity	(t)	-
of which: Classified as liabilities	(m)	-
Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1)	(y)	-
of which: instrument issued by subsidiaries subject to phase out		-
AT1 before regulatory adjustments		-
Additional Tier 1 Capital: regulatory adjustments		-
Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	(c)	-
Investment in own AT1 capital instruments		-
Reciprocal cross holdings in Additional Tier 1 capital instruments		-
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Company does not own more than 10% of the issued share capital (amount above 10% threshold)	(ac)	1,254,775
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	(ad)	-
Portion of deduction applied 50:50 to core capital and supplementary capital based on Pre-Base I treatment which, during transitional period, remain subject to deduction from tier-1 capital		-
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		116,272
Total of regulatory adjustment applied to AT1 capital		1,371,047
Additional Tier 1 capital		-
Additional Tier 1 capital recognised for capital adequacy		-

Tier 1 capital (CET1 + admissible AT1)		8,225,128
Tier 2 capital		
Qualifying Tier 2 capital instruments under Basel III		-
Capital instruments subject to phase out arrangement from tier 2 (Pre-Basel III instruments)	(n)	-
Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group tier 2)	(z)	-
of which: instruments issued by subsidiaries subject to phase out		-
General Provisions or general reserves for loan losses-up to maximum of 1.25% of credit risk weighted assets	(g)	-
Revaluation Reserves eligible for Tier 2		-
of which: Revaluation reserves on fixed assets	portion of	-
of which: Unrealized gains / losses on AFS	(aa)	-
Foreign exchange translation reserves	(v)	-
Undisclosed / other reserves (if any)		-
T2 before regulatory adjustments		-
Tier 2 Capital: regulatory adjustments		
Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital		-
Reciprocal cross holdings in Tier 2 instruments		-
Investment in own Tier 2 capital instrument		-
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Company does not own more than 10% of the issued share capital (amount above 10% threshold)	(ae)	-
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	(af)	116,272
Amount of regulatory adjustment applied to T2 capital		-
Tier 2 capital (T2)		-
Tier 2 capital recognised for capital adequacy		-
Excess Additional Tier 1 capital recognised in Tier 2 capital		-
Total Tier 2 capital admissible for capital adequacy		-
TOTAL CAPITAL (T1 + admissible T2)		8,225,128

Main Features of Regulatory Capital Instruments

S. No.	Main Features	Common Shares	Instrument-2	Explanation
1	Issuer	6,000,000		Pak Brunei Investment Company Limited. Common shares are held by Ministry of Finance, Government of Pakistan and Brunei Investment Agency in a 50:50 ratio
2	Unique identifier (e.g. KSE Symbol or Bloomberg identifier etc.)			N/A
3	Governing law(s) of the instrument			Repealed Companies Ordinance, 1984, and Companies Act, 2017
	Regulatory treatment			
4	Transitional Basel III rules			N/A
5	Post-transitional Basel III rules			Common Equity Tier 1
6	Eligible at solo / group / group and solo			Solo
7	Instrument type			Ordinary Shares
8	Amount recognised in regulatory capital (Currency in PKR thousands, as of reporting date)			11,659,415
9	Par value of instrument			Rs.10 per share
10	Accounting classification			Shareholder's Equity
11	Original date of issuance			4-Nov-06
12	Perpetual or dated			Perpetual
13	Original maturity date			N/A
14	Issuer call subject to prior supervisory approval			No
15	Optional call date, contingent call dates and redemption amount			N/A
16	Subsequent call dates, if applicable			
	Coupons / dividends			N/A
17	Fixed or floating dividend / coupon			N/A
18	Coupon rate and any related index/ benchmark			N/A
19	Existence of a dividend stopper			Yes (please refer PR-11)
20	Fully discretionary, partially discretionary or mandatory			Fully discretionary
21	Common Equity Tier 1 capital (CET1): Instruments and reserves			
	Existence of step up or other incentive to redeem			No
22	Non-cumulative or cumulative			Non cumulative
23	Convertible or non-convertible			Non-convertible
24	If convertible, conversion trigger (s)			N/A
25	If convertible, fully or partially			N/A
26	If convertible, conversion rate			N/A
27	If convertible, mandatory or optional conversion			N/A
28	If convertible, specify instrument type convertible into			N/A
29	If convertible, specify issuer of instrument it converts into			N/A
30	Write-down feature			No
31	If write-down, write-down trigger(s)			N/A
32	If write-down, full or partial			N/A
33	If write-down, permanent or temporary			N/A
34	If temporary write-down, description of write-up mechanism			N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)			N/A
36	Non-compliant transitioned features			No
37	If yes, specify non-compliant features			N/A

Risk weighted assets

The capital requirements for the Company as per the major risk categories is indicated below:

	Capital Requirement		Risk Weighted Assets	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	----- (Rupees in '000) -----			
Credit risk				
<u>Portfolios subject to standardised approach (Simple or Comprehensive)</u>				
Cash and cash equivalents	-	-	-	-
Sovereign	-	-	-	-
Public sector entities	-	-	-	-
Banks	4,799	133,329	47,985	1,333,285
Corporate	1,215,122	1,554,124	12,151,218	15,541,236
Retail	3,907	4,277	39,074	42,766
Residential mortgages	1,785	4,695	17,848	46,953
Past due loans	11,343	61,153	113,432	611,528
Operating fixed assets	7,018	5,631	70,183	56,307
Other assets	254,415	246,837	2,544,154	2,468,368
	1,498,388	2,010,043	14,983,895	20,100,443
Off - balance sheet				
Non-market related	235,113	156,259	2,351,133	1,562,585
Market related exposures	-	-	-	-
Equity exposure risk in the banking book				
Under simple risk weight method	327,177	354,623	3,271,770	3,546,231
Under Internal models approach	-	-	-	-
	562,290	510,882	5,622,903	5,108,816
Market risk				
<u>Capital requirement for portfolios subject to standardised approach</u>				
Interest rate risk	583,718	294,763	5,837,180	2,947,625
Equity position risk	186,700	268,159	1,867,003	2,681,588
Foreign Exchange risk	-	-	-	-
	770,418	562,921	7,704,183	5,629,213
<u>Capital requirement for portfolios subject to internal models approach</u>				
	-	-	-	-
Operational risk				
<u>Capital requirement for operational risks</u>	263,407.99	198,119	2,634,080	1,981,195
Total	3,094,505	3,281,966	30,945,061	32,819,667
	December 31, 2023		December 31, 2022	
	Required	Actual	Required	Actual
	----- (Rupees in '000) -----			
CET1 to total RWA	6.00%	26.58%	6.00%	23.02%
Tier-1 capital to total RWA	7.50%	26.58%	7.50%	23.02%
Total capital to total RWA	11.50%	26.58%	11.50%	23.02%

Pak Brunei Investment Company Limited
Liquidity Coverage Ratio - Financial Statement Disclosure
December 31, 2023

Liquidity Coverage Ratio (LCR)

SBP implemented LCR to monitor the short-term resilience of the liquidity risk profile of Banks/DFIs by ensuring they have sufficient stock of unencumbered high-quality liquid assets (HQLA) to endure a significant stress scenario for 30 calendar days.

Since PBIC's funding requirements are met from market borrowing and PBIC does not raise money from general public, PBIC's exposure to systemic risk is limited. PBIC however maintains ample stock of liquid securities to manage its liquidity requirements.

<i>(in local currency)</i>		Average For The FY (for disclosure purpose)	
		TOTAL UNWEIGHTED ^a VALUE (average)	TOTAL WEIGHTED ^b VALUE (average)
HIGH QUALITY LIQUID ASSETS			
1	Total high quality liquid assets (HQLA)	18,014,272	17,914,626
CASH OUTFLOWS		-	-
2	Retail deposits and deposits from small business customers of w	-	-
2.1	stable deposit	-	-
2.2	Less stable deposit	-	-
3	Unsecured wholesale funding of which:	-	-
3.1	Operational deposits (all counterparties)	-	-
3.2	Non-operational deposits (all counterparties)	-	-
3.3	Unsecured debt	16,777,139	16,664,320
4	Secured wholesale funding	50,372,978	274,653
5	Additional requirements of which:	-	-
5.1	Outflows related to derivative exposures and other collateral requi	-	-
5.2	Outflows related to loss of funding on debt products	-	-
5.3	Credit and Liquidity facilities	4,517,976	464,673
6	Other contractual funding obligations	1,612,332	1,612,332
7	Other contingent funding obligations	491,667	24,583
8	TOTAL CASH OUTFLOWS	73,772,092	19,040,562
CASH INFLOWS		-	-
9	Secured lending	-	-
10	Inflows from fully performing exposures	2,551,558	1,343,594
11	Other Cash inflows	115,750	115,750
12	TOTAL CASH INFLOWS	2,667,308	1,459,345
		TOTAL ADJUSTED VALUE	
21	TOTAL HQLA		17,914,626
22	TOTAL NET CASH OUTFLOWS		17,581,217
23	LIQUIDITY COVERAGE RATIO		101.90%

a unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows)

b Weighted values must be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows)

c Adjusted values must be calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (ie cap on level 2B and level 2 assets for HQLA and cap on inflows)

Pak Brunei Investment Company Limited
Net Stable Funding Ratio - Financial Statement Disclosure
December 31, 2023

Net Stable Funding Ratio (NSFR)

Net Stable Funding Ratio "NSFR" ensures that PBIC remains adequately funded over a longer time horizon by requiring the company to fund its activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress.

The ratio is defined as the amount of Available Stable Funding (ASF), relative to the amount of Required Stable Funding (RSF). The amounts of ASF and RSF are calculated after application of prescribed hair-cut from regulator. SBP expects Banks and DFIs to meet NSFR requirement of 100% effective from December 31, 2017. Pak Brunei Investment Company meets the regulatory requirement as on December 31, 2023

		unweighted value by residual maturity				weighted value
		No Maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	
<i>(Amount in PKR in thousands)</i>						
ASF Item						
1	Capital:					
2	Regulatory capital	11,659,415				11,659,415
3	Other capital instruments					
4	Retail deposits and deposit from small business customers:					
5	Stable deposits					
6	Less stable deposits					
7	Wholesale funding:					
8	Operational deposits					
9	Other wholesale funding		45,556	4,230,898	10,693,172	12,831,399
10	Other liabilities:					
11	NSFR derivative liabilities					
12	All other liabilities and equity not included in other categories		162,261,629			
13	Total ASF					24,490,814
RSF item						
14	Total NSFR high-quality liquid assets (HQLA)				161,159,635	195,254
15	Deposits held at other financial institutions for operational purposes					
16	Performing loans and securities:					
17	Performing loans to financial institutions secured by Level 1 HQLA					
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions					
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:				2,802,894	2,382,460
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk				379,628	246,759
21	Securities that are not in default and do not qualify as HQLA including exchange-traded equities.				2,790,849	2,372,221
22	Other assets:					7,539,925
23	Physical traded commodities, including gold					
24	Assets posted as initial margin for derivative contracts					
25	NSFR derivative assets				117,090	99,527
26	NSFR derivative liabilities before deduction of variation margin posted					
27	All other assets not included in the above categories				5,712,991	5,712,991
28	Off-balance sheet items		5,272,255			263,613
29	Total RSF					18,812,749
30	Net Stable Funding Ratio (%)					130.18%