



PAK BRUNEI INVESTMENT COMPANY LTD.

**UNCONSOLIDATED CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED)**

**FOR THE QUARTER AND NINE MONTHS PERIOD ENDED
SEPTEMBER 30, 2021**

PAK BRUNEI INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

(Audited)
September 30, 2021 December 31, 2020
----- USD in '000 -----

(Audited)
September 30, 2021 December 31, 2020
Note ----- Rupees in '000 -----

ASSETS			ASSETS		
561	985	Cash and balances with treasury banks	6	95,775	168,090
506	2,473	Balances with other banks	7	86,404	422,121
3,541	2,976	Lendings to financial institutions	8	604,300	507,800
136,432	102,445	Investments	9	23,283,106	17,482,949
89,672	112,119	Advances	10	15,303,207	19,133,886
501	677	Fixed assets	11	85,471	115,471
22	23	Intangible assets	12	3,748	3,918
2,195	2,060	Deferred tax assets	13	374,521	351,475
7,131	8,714	Other assets	14	1,217,044	1,487,107
2,819	3,402	Non-current assets classified as held-for-sale	15	481,110	580,596
<u>243,380</u>	<u>235,874</u>			<u>41,534,686</u>	<u>40,253,413</u>
LIABILITIES			LIABILITIES		
-	-	Bills payable		-	-
176,997	162,685	Borrowings	16	30,205,911	27,763,412
-	4,864	Deposits and other accounts	17	-	830,000
-	-	Liabilities against assets subject to finance lease		-	-
-	-	Subordinated debt		-	-
-	-	Deferred tax liabilities		-	-
4,811	5,435	Other liabilities	18	821,012	927,426
<u>181,808</u>	<u>172,984</u>			<u>31,026,923</u>	<u>29,520,838</u>
<u>61,572</u>	<u>62,890</u>	NET ASSETS		<u>10,507,763</u>	<u>10,732,575</u>
REPRESENTED BY			REPRESENTED BY		
35,158	35,158	Share capital		6,000,000	6,000,000
11,244	10,101	Reserves		1,918,831	1,723,782
(4,647)	(2,302)	Deficit on revaluation of assets	19	(792,977)	(392,920)
19,817	19,933	Unappropriated profit		3,381,909	3,401,713
<u>61,572</u>	<u>62,890</u>			<u>10,507,763</u>	<u>10,732,575</u>
CONTINGENCIES AND COMMITMENTS			20		

The annexed notes 1 to 36 forms an integral part of these financial statements.

President/Chief Executive

Chief Financial Officer

Director

Director

Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED SEPTEMBER 30, 2021

Period ended			Quarter Ended		Period ended		
September 30, 2021	September 30, 2020		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	
----- USD in '000 -----			----- Rupees in '000 -----				
14,900	18,696	Mark-up / return / interest earned	21	888,846	797,071	2,542,756	3,107,350
10,970	14,783	Mark-up / return / interest expensed	22	677,429	534,526	1,872,104	2,456,855
3,930	3,913	Net mark-up / interest income		211,417	262,545	670,652	650,495
		Non mark-up / interest income					
299	314	Fee and commission income	23	18,102	17,167	50,945	52,182
304	572	Dividend income		49,640	81,541	51,818	95,082
1,017	2,822	Gain / (loss) on securities	24	44,008	(43,026)	173,474	463,975
14	1	Other income	25	72	4,999	2,450	5,196
1,634	3,709	Total non-markup / interest income		111,822	60,681	278,687	616,435
5,564	7,622	Total income		323,239	323,226	949,339	1,266,930
		Non mark-up / interest expenses					
1,816	1,564	Operating expenses	26	94,281	80,041	309,985	259,892
61	-	Sindh Workers' Welfare Fund	27	2,469	-	10,345	-
64	-	Other charges		500	-	10,947	-
1,941	1,564	Total non mark-up / interest expenses		97,250	80,041	331,277	259,892
3,623	6,058	Profit before provisions		225,989	243,185	618,062	1,007,038
(194)	384	Provisions / (reversal) and write offs - net	28	(39,548)	(70,571)	(33,093)	63,901
-	-	Extraordinary / unusual items		-	-	-	-
3,817	5,674	Profit before taxation		265,537	313,756	651,155	943,137
1,031	1,563	Taxation	29	72,152	73,397	175,910	259,845
2,786	4,111	Profit after taxation		193,385	240,359	475,245	683,292
----- USD -----			----- Rupees -----				
0.00464	0.00667	Basic and diluted earnings per share	30	0.32	0.40	0.79	1.14

The annexed notes 1 to 36 forms an integral part of these financial statements.

President/Chief Executive

Chief Financial Officer

Director

Director

Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED SEPTEMBER 30, 2021

Period ended			Quarter Ended		Period ended	
September 30, 2021	September 30, 2020		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
----- USD in '000 -----			----- Rupees in '000 -----			
2,786	4,111	Profit after taxation for the year	193,385	240,359	475,245	683,292
		Other comprehensive loss				
		<i>Items that may be reclassified to profit and loss account in subsequent periods:</i>				
(2,344)	(2,121)	Movement in deficit on revaluation of investments - net of tax	(435,935)	(340,249)	(400,057)	(361,946)
		<i>Items that will not be reclassified to profit and loss account in subsequent periods:</i>				
-	-	Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-
<u>442</u>	<u>1,990</u>	Total comprehensive (loss) / income	<u>(242,550)</u>	<u>(99,890)</u>	<u>75,188</u>	<u>321,346</u>

The annexed notes 1 to 36 forms an integral part of these financial statements.

President/Chief Executive

Chief Financial Officer

Director

Director

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PAK BRUNEI INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021

	Share capital	Reserves		Deficit on revaluation of investments	Unappropriated profit	Total
		Statutory reserve	General reserve			
----- Rupees in '000 -----						
Opening Balance as at January 01, 2020	6,000,000	1,480,107	-	(150,898)	3,220,185	10,549,394
Comprehensive income for the year						
Profit after taxation for the period ended September 30, 2020	-	-	-	-	683,292	683,292
Other comprehensive loss						
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-
- Movement in deficit on revaluation of investments - net of tax	-	-	-	(361,946)	-	(361,946)
	-	-	-	(361,946)	683,292	321,346
Transactions with owners, recorded directly in equity						
Final cash dividend paid for the year ended December 31, 2019 @ Re. 0.50 per share	-	-	-	-	(300,000)	(300,000)
Transfer to statutory reserve	-	136,658	-	-	(136,658)	-
Transfer to general reserve	-	-	100,000	-	(100,000)	-
Opening Balance as at October 01, 2020	6,000,000	1,616,765	100,000	(512,844)	3,366,818	10,570,740
Comprehensive income for the year						
Profit after taxation (December 31, 2020)	-	-	-	-	35,082	35,082
Other comprehensive loss						
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	6,829	6,829
- Movement in deficit on revaluation of investments - net of tax	-	-	-	119,924	-	119,924
	-	-	-	119,924	41,911	161,835
Transfer to statutory reserve	-	7,017	-	-	(7,017)	-
Opening Balance as at January 01, 2021	6,000,000	1,623,782	100,000	(392,920)	3,401,713	10,732,575
Comprehensive income for the year						
Profit after taxation for the period ended September 30, 2021	-	-	-	-	475,245	475,245
Other comprehensive loss						
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-
- Movement in deficit on revaluation of investments - net of tax	-	-	-	(400,057)	-	(400,057)
	-	-	-	(400,057)	475,245	75,188
Transactions with owners, recorded directly in equity						
Final cash dividend paid for the year ended December 31, 2020 @ Re. 0.50 per share	-	-	-	-	(300,000)	(300,000)
Transfer to statutory reserve	-	95,049	-	-	(95,049)	-
Transfer to general reserve	-	-	100,000	-	(100,000)	-
Closing Balance as at September 30, 2021	<u>6,000,000</u>	<u>1,718,831</u>	<u>200,000</u>	<u>(792,977)</u>	<u>3,381,909</u>	<u>10,507,763</u>

The annexed notes 1 to 36 forms an integral part of these financial statements.

President/Chief Executive

Chief Financial Officer

Director

Director

Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

September 30, 2021	September 30, 2020		September 30, 2021	September 30, 2020
----- USD in '000 -----			----- Rupees in '000 -----	
		CASH FLOWS FROM OPERATING ACTIVITIES		
3,816	5,526	Profit before taxation	651,155	943,137
304	557	Less: Dividend income	51,818	95,082
<u>3,512</u>	<u>4,969</u>		<u>599,337</u>	<u>848,055</u>
		Adjustments:		
194	128	Depreciation	33,040	21,767
6	5	Amortisation	1,011	889
61	-	Provision for Sindh Workers' Welfare Fund	10,345	-
(194)	374	(Reversal) / Provision and write-offs	(33,093)	63,901
(1)	-	Gain on sale of fixed assets	(235)	(47)
8	-	Unrealized loss/(gain) on revaluation of investments classified as held for trading - net	1,388	-
<u>74</u>	<u>507</u>		<u>12,455</u>	<u>86,510</u>
<u>3,586</u>	<u>5,476</u>		<u>611,792</u>	<u>934,565</u>
		(Increase) / decrease in operating assets		
(565)	20,549	Lendings to financial institutions	(96,500)	3,506,796
(52)	-	Held-for-trading securities	(8,834)	-
22,317	12,558	Advances	3,808,648	2,143,043
1,905	2,038	Others assets (excluding advance taxation)	325,024	347,878
<u>23,605</u>	<u>35,145</u>		<u>4,028,338</u>	<u>5,997,717</u>
		Increase/ (decrease) in operating liabilities		
14,312	(90,778)	Borrowings from financial institutions	2,442,499	(15,491,926)
(4,864)	1,231	Deposits	(830,000)	210,000
(684)	(3,314)	Other liabilities (excluding current taxation)	(116,759)	(565,500)
8,764	(92,861)		1,495,740	(15,847,426)
(765)	(2,404)	Income tax paid	(130,611)	(410,323)
<u>35,190</u>	<u>(54,644)</u>	Net cash flow generated from / (used in) operating activities	<u>6,005,259</u>	<u>(9,325,467)</u>
		CASH FLOWS FROM INVESTING ACTIVITIES		
(35,878)	57,066	Net investments in available-for-sale securities	(6,122,277)	9,484,841
(34)	484	Net investments in held-to-maturity securities	(5,846)	82,683
108	136	Dividends received	18,478	23,258
(19)	(26)	Investments in operating fixed assets	(3,176)	(4,506)
(5)	-	Investments in operating intangible assets	(841)	-
2	-	Proceeds from sale of fixed assets	372	47
<u>(35,826)</u>	<u>57,660</u>	Net cash flow (used in) / generated from investing activities	<u>(6,113,291)</u>	<u>9,586,323</u>
		CASH FLOWS FROM FINANCING ACTIVITIES		
(1,758)	(1,758)	Dividend paid	(300,000)	(300,000)
<u>(1,758)</u>	<u>(1,758)</u>	Net cash flow used in financing activities	<u>(300,000)</u>	<u>(300,000)</u>
(2,394)	1,258	Decrease in cash and cash equivalents	(408,032)	(39,144)
3,458	1,720	Cash and cash equivalents at beginning of the year	590,211	293,480
<u>1,064</u>	<u>2,978</u>	Cash and cash equivalents at end of the year	<u>182,179</u>	<u>254,336</u>

The annexed notes 1 to 36 forms an integral part of these financial statements.

President/Chief Executive

Chief Financial Officer

Director

Director

Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER AND PERIOD ENDED SEPTEMBER 30, 2021

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 (now repealed) Companies Ordinance, 1984. 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 industrial and agro-based industrial 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 (December 31, 2020: 2) one located in Karachi and the other in Lahore.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the SBP and the Securities and Exchange Commission of Pakistan (SECP) from time to

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 IFRS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

2.2 US dollar equivalent

The US dollar amounts shown in the condensed interim unconsolidated statement of financial position, condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income and condensed interim unconsolidated cash flow statement are stated as additional information solely for the convenience of readers. For the purpose of conversion to US Dollars, the rate of Rs. 170.6576 to US Dollars has been used as it was the prevalent rate as on September 30, 2021

2.3 The condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended December 31, 2020.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the audited annual financial statements of the Company for the year ended December 31, 2020.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of this condensed interim unconsolidated financial information is the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31, 2020.

4.1 General Reserve

As per the applicable provisions of Companies Act, 2017, the Board of Directors approved the creation of general reserve during the year 2020.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company including the measures taken during COVID-19 are consistent with those disclosed in the annual audited unconsolidated financial statements for the year ended December 31, 2020.

			(Audited)
		September 30,	December 31,
		2021	2020
	Note	----- Rupees in '000 -----	

6 CASH AND BALANCES WITH TREASURY BANKS

With State Bank of Pakistan in:
Local currency current account

6.1	95,775	168,090
	95,775	168,090

6.1 This includes the minimum cash reserve required to be maintained with the SBP in accordance with the requirement of BSD Circular No. 04 dated May 22, 2004.

			(Audited)
		September 30,	December 31,
		2021	2020
	Note	----- Rupees in '000 -----	

7 BALANCES WITH OTHER BANKS

In Pakistan
In deposit accounts

7.1	86,404	422,121
	86,404	422,121

7.1 These carry mark-up at rate ranging from 5.50% to 6.50% per annum (2020: 4.51% to 5.5% per annum).

			(Audited)
		September	December 31,
		2021	2020
	Note	----- Rupees in '000 -----	

8 LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (reverse repo)
Term deposit receipts (TDRs)

8.1	4,300	507,800
8.2	600,000	-
	604,300	507,800

8.1 These carried mark-up at rate ranges from 7.25% to 8.60% (2020: 6.06 % to 14.70%) and will mature within 1 month (2020: January 06, 2021).

8.2 These carried mark-up at the rate of 8.60% (2020: Nil) and will mature within 1 month (2020: Nil).

			(Audited)
		September	December 31,
		2021	2020
		----- Rupees in '000 -----	

8.2 Particulars of lending

In local currency
In foreign currencies

604,300	507,800
-	-
604,300	507,800

8.3 Securities held as collateral against lendings to financial institutions

	(Audited)					
	September 30, 2021			December 31, 2020		
	Held by Company	Further given as collateral	Total	Held by Company	Further given as collateral	Total
	----- Rupees in '000 -----					
Pakistan Investment Bonds	4,300	-	4,300	507,800	(507,800)	-
Total	4,300	-	4,300	507,800	(507,800)	-

9 INVESTMENTS

9.1 Investments by type:

Held-for-trading securities

Ordinary shares

September 30, 2021				December 31, 2020			
Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
7,320	-	126	7,446	-	-	-	-
7,320	-	126	7,446	-	-	-	-

Available-for-sale securities

Federal government securities

- Market Treasury Bills

- Pakistan Income Bonds

Ordinary shares

Term Finance Certificates

Modaraba certificates

Units of mutual funds

September 30, 2021				December 31, 2020			
Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
9,572,957	-	(24,815)	9,548,142	1,394,174	-	629	1,394,803
9,368,785	-	(698,464)	8,670,321	11,040,610	-	(553,915)	10,486,695
1,049,383	(25,893)	(219,138)	804,352	809,168	(77,837)	(3,252)	728,079
2,428,208	(266,220)	750	2,162,738	2,851,129	(269,110)	12,563	2,594,582
38,336	-	(189)	38,147	-	-	-	-
-	-	-	-	240,020	-	(7,344)	232,676
22,457,669	(292,113)	(941,856)	21,223,700	16,335,101	(346,947)	(551,319)	15,436,835

Held-to-maturity securities

Commercial paper

September 30, 2021				December 31, 2020			
Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
48,588	-	-	48,588	42,742	-	-	42,742
48,588	-	-	48,588	42,742	-	-	42,742

Subsidiaries

2,003,372	-	-	2,003,372	2,003,372	-	-	2,003,372
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Total investments

24,516,949	(292,113)	(941,730)	23,283,106	18,381,215	(346,947)	(551,319)	17,482,949
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9.1.1 Investments given as collateral

Market Treasury Bills

Pakistan Investment Bonds

Term finance certificates

Audited					
September 30, 2021			December 31, 2020		
Cost / amortised cost	Surplus / (deficit)	Carrying value	Cost / amortised cost	Surplus / (deficit)	Carrying value
6,362,760	(16,502)	6,346,258	8,706,074	(39,944)	8,666,130
5,730,708	(448,882)	5,281,826	1,193,232	932	1,194,164
739,505	-	739,505	739,824	-	739,824
12,832,972	(465,383)	12,367,589	10,639,130	(39,012)	10,600,118

9.2 Provision for diminution in value of investments

Opening balance

Charge / reversals

Charge for the year

Reversal on disposals

Closing balance

(Audited)	
September 30, 2021	December 31, 2020
----- Rupees in '000 -----	
346,947	342,385

113,098	94,842
(167,932)	(90,280)
(54,834)	4,562
292,113	346,947

Particulars of provision against debt securities

Category of classification

Domestic

Loss

Audited			
September 30, 2021		December 31, 2020	
Non-performing investments	Provision	Non-performing investments	Provision
----- (Rupees in '000) -----			
266,220	266,220	269,110	269,110

10 ADVANCES

	Performing		Non-performing		Total	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
	----- Rupees in '000 -----					
Loans, cash credits, running finances, etc.	14,742,211	18,573,440	1,006,469	983,888	15,748,680	19,557,328
Advances - gross	14,742,211	18,573,440	1,006,469	983,888	15,748,680	19,557,328
Provision against advances						
- Specific	-	-	445,473	423,442	445,473	423,442
- General	-	-	-	-	-	-
	-	-	445,473	423,442	445,473	423,442
Advances - net of provision	14,742,211	18,573,440	560,996	560,446	15,303,207	19,133,886

(Audited)
September 30, December 31,
2021 2020
----- Rupees in '000 -----

10.1 Particulars of advances (gross)

In local currency	15,748,680	19,557,328
In foreign currencies	-	-
	15,748,680	19,557,328

10.2 Advances include Rs. 1,006.469 million (December 31, 2020: Rs. 983.888 million) which have been placed under the non-performing status as detailed below:

Category of classification	Note	(Audited)			
		September 30, 2021		December 31, 2020	
		Non Performing Loans	Provision	Non Performing Loans	Provision
		----- Rupees in '000 -----			
Domestic					
Other Assets Especially Mentioned	10.2.1	7,568	757	285	28
Substandard		20,400	5,100	415,489	888
Doubtful		414,120	1,091	11,832	5,916
Loss		564,381	438,525	556,282	416,610
Total		1,006,469	445,473	983,888	423,442

10.2.1 The 'Other Assets Especially Mentioned' category pertains to small enterprise finance.

10.3 Particulars of provision against advances

	(Audited)					
	September 30, 2021			December 31, 2020		
	Specific	General	Total	Specific	General	Total
	----- Rupees in '000 -----					
Opening balance	423,442	-	423,442	394,034	-	394,034
Charge for the year	25,121	-	25,121	54,768	-	54,768
Reversals	(3,090)	-	(3,090)	(25,360)	-	(25,360)
	22,031	-	22,031	29,408	-	29,408
Amounts written off	-	-	-	-	-	-
Closing balance	445,473	-	445,473	423,442	-	423,442

10.3.1 The Company has availed the benefit of Forced Sale Value (FSV) of certain mortgaged properties held as collateral against non-performing advances as allowed under BSD Circular 1 of 2011. Had the benefit under the said circular not been taken, the specific provision against non-performing advances would have been higher by Rs. 537.794 million (December 31, 2020: Rs. 242.656 million). The FSV benefit availed - net of tax is not available for the distribution as either cash or stock dividend to the shareholders.

(Audited)
September 30, December 31,
2021 2020
----- Rupees in '000 -----

11 FIXED ASSETS

Property and equipment	20,111	24,491
Right-of-use of asset	65,360	90,980
	85,471	115,471

		(Audited)	
		September 30,	December 31,
Note		2021	2020
		----- Rupees in '000 -----	
12	INTANGIBLE ASSETS		
	Computer Software	569	1,580
	Capital work-in-progress	3,179	2,338
		<u>3,748</u>	<u>3,918</u>
12.1	Capital work-in-progress		
	Software	<u>3,179</u>	<u>2,338</u>
13	DEFERRED TAX ASSETS		
	Deductible temporary differences on		
	- Provision for diminution in the value of investments	90,183	91,157
	- Provision against advances, other assets, etc.	126,556	122,798
	- Deficit on revaluation of investments	148,879	158,399
	- Lease liability against right-of-use asset	22,736	21,945
	- Accelerated tax depreciation	2,638	4,552
	- Amortization of discount on investments	14,106	(9,862)
	- Provision for bonus	7,250	11,600
		<u>412,348</u>	<u>400,589</u>
	Taxable temporary differences on		
	- Net investment in finance lease	(13,811)	(20,189)
	- Post retirement employee benefits	(2,541)	(2,541)
	- Right-of-use assets	(21,475)	(26,384)
		<u>(37,827)</u>	<u>(49,114)</u>
		<u>374,521</u>	<u>351,475</u>
14	OTHER ASSETS		
	Income/ mark-up accrued in local currency	431,076	593,580
	Advances, deposits, advance rent and other prepayments	6,822	8,494
	Advance taxation (payments less provisions)	731,549	653,684
	Advance against subscription of term finance certificates	-	150,000
	Receivable against sale of shares	-	65,406
	Receivable from related parties	2,573	3,613
	Lease receivable under IFRS-16	1,563	2,092
	Dividend receivable	33,340	-
	Receivable from defined benefit plan	10,121	10,238
		<u>1,217,044</u>	<u>1,487,107</u>
	Less: Provision held against other assets	-	-
		<u>1,217,044</u>	<u>1,487,107</u>
14.1	Receivable from related parties		
	Receivable from Awwal Modaraba Management Limited (subsidiary)	1,060	-
	Receivable from Awwal Modaraba (subsidiary)	-	-
	Receivable from other Modarabas managed by Awwal Modaraba Management Limited (related parties)	810	1,024
	Receivable from Primus Leasing Company Limited (subsidiary)	704	2,589
		<u>2,573</u>	<u>3,613</u>
15	NON-CURRENT ASSETS CLASSIFIED AS HELD-FOR-SALE		
	Land, building and machinery acquired from:		
	Sufi Steel Industries (Private) Limited	394,756	387,745
	Lion Steel Industries (Private) Limited	86,354	86,111
	Orbit Developers (Private) Limited	-	29,050
	Atlas Cables (Private) Limited	-	77,690
		<u>481,110</u>	<u>580,596</u>

These represent land, building and machinery which have been classified as 'non-current assets held for sale' as at September 30, 2021. The Company is in the process of disposing of these properties. It is expected that the process of sale of these properties will be completed in the near future.

16 **BORROWINGS**

(Audited)
September 30, December 31,
2021 2020
---- Rupees in '000 ----

Secured

Borrowings from State Bank of Pakistan			
- Long-Term Finance Facility (LTFF) scheme	16.1	4,890,702	5,249,794
- Power Plants Using Renewable Energy (PPRE) scheme		70,256	104,562
- Temporary Economic Refinance Facility (TERF)		651,323	156,759
- Finance for Storage of Agriculture Produce (FSAP) scheme		170,433	213,492
- Finance under working capital		290,125	-
- Finance under Credit Guarantee		44,179	20,999
- Special Persons (SP) Scheme		2,050	2,425
- Balancing, Modernization & Replacement (BMR) scheme		72,093	20,602
- COVID - 19 Scheme		8,500	-
		6,199,661	5,768,633
Repurchase agreement borrowings	16.2	8,220,339	7,391,858
Borrowings from banks	16.3	9,191,607	12,162,316
Total secured		<u>23,611,607</u>	<u>25,322,807</u>

Unsecured

Letters of placement:			
- Primus Leasing Limited (subsidiary)		-	132,982
- Awwal Modaraba (subsidiary)	16.4	39,000	200,000
- Staff retirement funds (related party)		16,147	72,722
- Other Modarabas managed by Awwal Modaraba Management Limited (related parties)	16.5	124,500	-
- Others	16.6	6,414,657	2,034,901
		<u>30,205,911</u>	<u>27,763,412</u>

16.1 The Company has entered into agreements for financing with the SBP for Long-Term Financing 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 SBP. The mark-up rates on these facilities are ranging from 2% to 6% per annum (2020: 2% to 6% per annum) payable on quarterly basis, with maturities upto June 2031 (2020: November 2030).

16.2 These represent borrowings from various financial institutions at mark-up rates ranging from 7.40% to 8.00% per annum (2020: 7.00% to 7.03% per annum). Market Treasury Bills and Pakistan Investment Bonds having a face value of Rs. 6,670 million (2020: 1,200 million) and Rs. 2,000 million (2020: Nil) respectively have been given as collateral against these borrowings.

16.3 These carry mark-up at rates ranging from 7.71% to 8.41% per annum (2020: 7.45% to 7.80% per annum) and are repayable by June 2024 (2020: December 2023). These are secured against hypothecation of receivables and floating charge over term finance certificates and Pakistan Investment Bonds having a face value of Rs. 740 million (2020: 740 million) and Rs 3,350 million (2020: Rs 4,464 million) respectively.

16.4 These carry mark-up rates ranging from 6.5% to 7.10% (2020: 6.5%) and are repayable within 1 week (2020: 7

16.5 These carry mark-up at the rate of 7.10% (2020: Nil) and are repauable within 1 month (2020: Nil).

16.6 These carry mark-up at rates ranging from 6.80% to 14.00% per annum (2020: 6.50% to 7.50% per annum) and are repayable till November 2022 (2020: 3 months).

17 **DEPOSITS AND OTHER ACCOUNTS**

(Audited)

	September 30, 2021			December 31, 2020		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
Rupees in '000						
Customers						
- Certificate of investments (COIs)	-	-	-	830,000	-	830,000
Financial Institutions						
- Certificate of investments (COIs)	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>830,000</u>	<u>-</u>	<u>830,000</u>

(Audited)
September 30, December 31,
2021 2020
---- Rupees in '000 ----

18 **OTHER LIABILITIES**

Mark-up / return / interest payable in local currency	252,098	164,436
Unearned commission and income on bills discounted	22,838	30,085
Accrued expenses	51,249	61,150
Brokerage / commission payable	533	1,401
Payable against purchase of shares	26,554	100,456
Payable to related party	-	10,706
Lease liability against right-of-use assets	79,682	111,119
Security deposits against advances	240,338	253,450
Provision for Sindh Worker's Welfare Fund	133,007	122,662
Advance from customers	-	63,596
Others	14,713	8,365
	<u>821,012</u>	<u>927,426</u>

	Note	September 30, 2021	(Audited) December 31, 2020
----- Rupees in '000 -----			
19 DEFICIT ON REVALUATION OF ASSETS			
Deficit on revaluation of			
- Available-for-sale securities	9.1	(941,856)	(551,319)
Deferred tax on deficit on revaluation of:			
- Available-for-sale securities		148,879	158,399
		<u>(792,977)</u>	<u>(392,920)</u>
20 CONTINGENCIES AND COMMITMENTS			
- Guarantees	20.1	899,728	980,103
- Commitments	20.2	13,441,928	11,244,892
- Other contingent liabilities	20.3	-	-
		<u>14,341,655</u>	<u>12,224,995</u>
20.1 Guarantees			
Financial guarantees		<u>899,728</u>	<u>980,103</u>
20.2 Commitments			
Documentary credits and short-term trade-related transactions			
- letters of credit		181,335	323,157
Commitments in respect of:			
- repo transactions	20.2.1	8,231,224	7,908,009
- forward lendings	20.2.2	4,429,368	2,263,726
- other commitments	20.2.3	600,000	750,000
		<u>13,441,928</u>	<u>11,244,892</u>
20.2.1 Commitments in respect of repo transactions			
Repurchase of government securities		8,226,897	7,399,831
Reverse repurchase of government securities		4,327	508,178
		<u>8,231,224</u>	<u>7,908,009</u>
20.2.2 Commitments in respect of forward lendings			
Undrawn formal standby facilities, credit lines and other commitments to lend		4,376,012	2,263,726
Commitments in respect of stock future contracts		53,356	-
		<u>4,429,368</u>	<u>2,263,726</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.

20.2.3 Other commitments

This represents commitment to make injection on behalf of Awwal Modaraba Management Limited (the subsidiary) in KASB Modaraba, First Pak Modaraba and First Prudential Modaraba aggregating to Rs. 750 million out of which Rs. 150 million was injected during the nine month period ended September 30, 2021.

20.3 Other contingent liabilities

20.3.1 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 favour of the Company.

20.3.2 The returns of income of the Company from tax years 2008 to 2020 had been filed with the tax authorities. From tax year 2008 up to tax year 2019, these returns have been revised and additional tax demands have been raised of which Rs. 649.390 million are outstanding as at September 30, 2021. 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 favour 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.

20.3.3 In 2018, the Company signed an agreement with Army Welfare Trust (AWT) which included an indemnity in favour of AWT for a period of 3 years from December 14, 2016 against any financial liability which may arise out of any fraudulent act carried out during the tenure of the Company's management of Primus Investment Management Limited (PIML). The Company has received a notice of demand for indemnification from AWT Investments Limited (AWTIL) under the aforesaid agreement for an amount of Rs. 34.362 million. The Company has also received a notice of demand for indemnification from AWT on December 13, 2019. The Company, through its legal counsel has responded to the said notice on January 28, 2020. As per advice of the legal counsel, the Company has a strong case in this matter and chances of any successful claim against the Company appear to be unlikely.

	Note	September 30, 2021	September 30, 2020
----- Rupees in '000 -----			
21	MARK-UP / RETURN / INTEREST EARNED		
	On:		
	a) Loans and advances	840,210	1,216,788
	b) Investments	1,680,178	1,752,188
	c) Lendings to financial institutions	19,284	129,675
	d) Sub-lease of premises	117	488
	e) Balances with banks	2,968	8,211
		<u>2,542,756</u>	<u>3,107,350</u>
22	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits	16,736	44,925
	Interest expense on lease liability	4,949	-
	Borrowings	1,850,419	2,411,930
		<u>1,872,104</u>	<u>2,456,855</u>
23	FEE AND COMMISSION INCOME		
	Advisory / arrangement fee	-	89
	Processing fee income	2,685	1,595
	Commitment fee	6,802	8,570
	Trustee fee	41,407	41,800
	Front end fee	50	128
		<u>50,945</u>	<u>52,182</u>
24	GAIN ON SECURITIES		
	Realised	174,862	463,975
	Unrealised - held for trading	(1,388)	-
		<u>173,474</u>	<u>463,975</u>
24.1	Realised (loss) / gain on:		
	Federal government securities	109,730	546,972
	Shares	48,674	(87,348)
	Mutual funds	16,083	4,307
	Commercial paper	6	44
	Non-government debt securities	368	-
		<u>174,862</u>	<u>463,975</u>
25	OTHER INCOME		
	Rent on property	-	150
	Gain on sale of fixed assets - net	235	47
	Immovable property	2,215	4,999
	Others	-	-
		<u>2,450</u>	<u>5,196</u>

26	OPERATING EXPENSES	Note	September 30, 2021	September 30, 2020
			----- Rupees in '000 -----	
	Total compensation expense		176,202	151,859
	Property expense			
	Rent and taxes		121	-
	Insurance		4,501	3,366
	Security		1,137	1,149
	Utilities cost		3,775	2,959
	Repairs and maintenance (including janitorial charges)		4,347	4,138
	Depreciation		25,594	14,452
			39,474	26,064
	Information technology expenses			
	Software maintenance		1,408	3,550
	Hardware maintenance		506	557
	Depreciation		2,475	2,210
	Amortisation		1,011	889
			5,399	7,206
	Other operating expenses			
	Directors' fees and allowances		3,600	3,600
	Fees and subscription		1,539	1,441
	Legal and professional charges		15,211	8,156
	Outsourced services costs		5,166	4,612
	Travelling and conveyance		31,169	25,901
	Brokerage commission		13,425	12,932
	Depreciation		4,971	5,105
	Training and development		1,236	513
	Postage and courier charges		404	367
	Communication		2,066	1,975
	Stationery and printing		1,779	1,015
	Marketing, advertisement and publicity		40	283
	Donation		3,500	5,000
	Auditors' remuneration		1,572	1,141
	Others		3,230	2,722
			88,910	74,763
			309,985	259,892
			September 30, 2021	September 30, 2020
			----- Rupees in '000 -----	
27	PROVISION FOR SINDH WORKERS' WELFARE FUND			
	Provision for Sindh Workers' Welfare Fund	27.1	10,345	-

27.1 As a consequence of the 18th amendment to the Constitution of Pakistan, the Sindh Workers' Welfare Fund Act, 2014 (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 unconsolidated financial statements amounting to Rs 133.007 million.

	Note	September 30, 2021	September 30, 2020
----- Rupees in '000 -----			
OTHER CHARGES			
Penalties imposed by the State Bank of Pakistan		10,947	-
28 PROVISIONS AND WRITE OFFS - NET			
Provision for diminution in value of investments - net	9.2	(55,125)	10,455
Provisions against loans and advances	10.3	22,031	53,446
Other provisions / write offs		-	-
		<u>(33,093)</u>	<u>63,901</u>
29 TAXATION			
Current		208,476	262,902
Prior years		-	25,000
Deferred		<u>(32,566)</u>	<u>(28,057)</u>
		<u>175,910</u>	<u>259,845</u>
----- Rupees in '000 -----			
30 BASIC EARNINGS PER SHARE			
Profit for the year		<u>475,245</u>	<u>683,292</u>
--No. of shares in '000s--			
Weighted average number of ordinary shares		<u>600,000</u>	<u>600,000</u>
----- Rupees -----			
Basic earnings per share		<u>0.79</u>	<u>1.14</u>
30.1 Diluted earnings per share			

Diluted earnings per share has not been presented separately as the Company does not have any convertible instruments in issue.

31 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.

31.1 Fair value of financial assets

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

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

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	Fair values of investments in listed equity securities 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 rates (Reuters page).
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.
Units of mutual funds	Fair values of investments in units of mutual funds are determined based on redemption prices as at the close of the business day.

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:

	September 30, 2021			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal government securities	-	18,218,463	-	18,218,463
Shares	804,352	-	-	804,352
Non-Government debt securities	-	2,162,738	-	2,162,738
Units of mutual funds	-	-	-	-
Units of modaraba certificates	38,147	-	-	38,147
Off-balance sheet financial instruments - measured at fair value				
Commitments in respect of repo transactions	-	8,231,224	-	8,231,224
Commitments in respect of stock future contracts	53,356	-	-	53,356

	Audited			
	December 31, 2020			
Level 1	Level 2	Level 3	Total	
----- Rupees in '000 -----				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal government securities	-	11,881,498	-	11,881,498
Shares	728,079	-	-	728,079
Non-Government debt securities	-	2,594,582	-	2,594,582
Units of mutual funds	-	232,676	-	232,676
Units of modaraba certificates	-	-	-	-
Off-balance sheet financial instruments - measured at fair value				
Commitments in respect of repo transactions	-	7,908,009	-	7,908,009
Commitments in respect of stock future contracts	-	-	-	-

	September 30, 2021			
	Corporate finance	Trading and sales	Commercial banking	Total
Condensed interim unconsolidated profit and loss account for the half year ended September 30, 2021 (un-audited)				
Net mark-up / return / profit	-	473,734	196,918	670,652
Non mark-up / return / interest income	50,945	227,742	-	278,687
Total income	50,945	701,476	196,918	949,339
Segment direct expenses	17,777	244,785	68,715	331,277
Total expenses	17,777	244,785	68,715	331,277
Provisions	-	(45,910)	12,817	(33,093)
Profit before tax	33,168	502,601	115,386	651,155
Condensed interim unconsolidated statement of financial position (un-audited)				
Cash and bank balances	9,776	134,614	37,789	182,179
Lendings to financial institutions	-	604,300	-	604,300
Investments	-	23,283,106	-	23,283,106
Advances - performing	-	909,394	13,832,817	14,742,211
- non-performing	-	23,204	537,792	560,996
Others	4,788	1,683,378	473,728	2,161,894
Total assets	14,564	26,637,996	14,882,126	41,534,686
Borrowings	-	19,586,264	10,619,647	30,205,911
Deposits and other accounts	-	-	-	-
Others	-	640,142	180,870	821,012
Total liabilities	-	20,226,406	10,800,517	31,026,923
Equity	14,564	6,411,591	4,081,608	10,507,763
Total equity and liabilities	14,564	26,637,997	14,882,125	41,534,686
Contingencies and commitments	-	9,965,643	14,882,125	24,847,768

	September 30, 2020			
	Corporate finance	Trading and sales	Commercial banking	Total
Condensed interim unconsolidated profit and loss account for the half year ended September 30, 2021 (un-audited)				
Net mark-up / return / profit	-	418,878	231,617	650,495
Non mark-up / return / interest income	52,182	564,253	-	616,435
Total income	52,182	983,131	231,617	1,266,930
Segment direct expenses	10,704	201,678	47,510	259,892
Total expenses	10,704	201,678	47,510	259,892
Provisions	-	18,852	45,049	63,901
Profit before tax	41,478	762,601	139,058	943,137

	December 31, 2020			
	Corporate finance	Trading and sales	Commercial banking	Total
Unconsolidated statement of financial position (audited)				
Cash and bank balances	29,968	486,510	73,733	590,211
Investments	-	17,482,949	-	17,482,949
Lendings to financial institutions	-	507,800	-	507,800
Advances - performing	-	516,832	18,056,608	18,573,440
- non-performing	-	34,218	526,228	560,446
Others	5,161	2,222,437	310,969	2,538,567
Total assets	35,129	21,250,746	18,967,538	40,253,413
Borrowings	-	24,109,537	3,653,875	27,763,412
Deposits and other accounts	-	720,766	109,234	830,000
Others	-	802,811	124,615	927,426
Total liabilities	-	25,633,114	3,887,724	29,520,838
Equity	35,129	(4,382,368)	15,079,814	10,732,575
Total equity and liabilities	35,129	21,250,746	18,967,538	40,253,413
Contingencies and commitments	-	63,300	12,161,695	12,224,995

33 RELATED PARTY TRANSACTIONS

The Company has related party relationship with subsidiary companies (namely Primus Leasing Limited, Awwal Modaraba and Awwal Modaraba Management Limited), employees' defined benefit and defined contribution plan and its key management personnel.

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. 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. 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 unconsolidated financial statements, are as follows:

	September 30, 2021				December 31, 2020			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
(Rupees in '000)								
Investments								
Lendings	-	-	-	4,300				
Investments								
Opening balance	-	-	2,003,372	-	-	-	2,003,372	-
Investment made during the year	-	-	-	38,147	-	-	-	-
Investment redeemed / disposed off during the year	-	-	-	-	-	-	-	-
Closing balance	-	-	2,003,372	38,147	-	-	2,003,372	-
Advances								
Opening balance	-	94,365	40,792	-	-	81,077	17,320	-
Addition during the year	-	12,520	47,185	150,000	-	4,345	30,776	-
Repaid during the year	-	(43,370)	(22,892)	-	-	(18,300)	(7,304)	-
Transfer in / (out) - net	-	3,416	-	-	-	27,243	-	-
Closing balance	-	66,931	65,085	150,000	-	94,365	40,792	-
Other assets								
Interest / mark-up accrued	-	-	3,550	24	-	-	-	-
Lease receivable under IFRS-16	-	-	1,563	-	-	-	2,092	-
Receivable from defined benefit plan	-	-	10,121	-	-	-	-	10,238
Dividend receivable	-	-	29,428	-	-	-	-	-
Others	-	-	2,573	-	-	-	3,613	-
	-	-	47,235	24	-	-	5,705	10,238
Borrowings								
Opening balance	-	-	332,982	72,722	-	-	460,000	66,014
Borrowings during the year	-	-	418,341	692,320	-	-	1,430,428	68,893
Settled during the year	-	-	(712,323)	(558,381)	-	-	(1,557,446)	(62,185)
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	39,000	206,661	-	-	332,982	72,722
Other Liabilities								
Interest / mark-up payable	-	-	190	32	-	-	6,035	1,209
Other liabilities	-	-	-	-	-	-	10,706	-
	-	-	190	32	-	-	16,741	1,209
(Rupees in '000)								
	September 30, 2021				September 30, 2020			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
(Rupees in '000)								
Income								
Mark-up / return / interest earned	-	3,281	3,550	376	-	2,999	1,309	-
Dividend income	-	-	29,428	-	-	71,824	79,905	-
Expense								
Mark-up / return / interest paid	-	-	9,947	8,423	-	-	26,093	9,806
Operating expenses	2,800	97,496	-	-	3,600	95,495	-	-
Reimbursement of expenses	-	6,162	-	-	-	6,257	-	0
Expenses charged	33.1	-	23,460	-	-	-	19,524	-

33.1 These denote administrative expenses charged by the Company under the cost sharing agreement entered into between the Company and its subsidiaries (namely Primus Leasing Limited, Awwal Modaraba Management Limited and Awwal Modaraba).

34 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	September 30, 2021	(Audited) December 31, 2020
	----- Rupees in '000 -----	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	6,000,000	6,000,000
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	8,664,750	8,046,697
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	8,664,750	8,046,697
Eligible Tier 2 Capital	-	-
Total Eligible Capital (Tier 1 + Tier 2)	8,664,750	8,046,697
Risk Weighted Assets (RWAs):		
Credit Risk	20,201,181	22,526,883
Market Risk	5,789,222	5,795,062
Operational Risk	1,883,003	1,883,003
Total	27,873,406	30,204,948
Common Equity Tier 1 Capital Adequacy ratio	31.09%	26.64%
Tier 1 Capital Adequacy Ratio	31.09%	26.64%
Total Capital Adequacy Ratio	31.09%	26.64%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	8,664,750	8,046,697
Total Exposures	46,995,451	42,045,291
Leverage Ratio - percentage	18.44%	19.14%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	12,155,482	9,207,538
Total Net Cash Outflow	12,863,083	7,900,138
Liquidity Coverage Ratio - percentage	94.50%	116.55%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	19,949,056	21,586,084
Total Required Stable Funding	16,971,723	19,210,958
Net Stable Funding Ratio - percentage	117.54%	112.36%

35 GENERAL

- 35.1** Figures in these unconsolidated financial statements have been rounded off to the nearest thousand Rupees unless otherwise stated.
- 35.2** Comparative information has been re-classified, re-arranged or additionally incorporated in these unconsolidated financial statements, wherever necessary, to facilitate comparison and better presentation.

36 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on **October 28, 2021** by the Board of Directors of the Company.

President/Chief Executive

Chief Financial Officer

Director

Director

Director