



**PAK BRUNEI INVESTMENT COMPANY LTD.**

**CONSOLIDATED FINANCIAL STATEMENTS  
(UN-AUDITED)**

**FOR THE PERIOD ENDED MARCH 31, 2018**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2018**

March 31, 2018 (Un-audited) ----- (US \$ in '000') -----	December 31, 2017 (Audited)		March 31, 2018 (Un-audited)	December 31, 2017 (Audited)	Note ----- (Rupees in '000') -----
<b>ASSETS</b>					
1,760	1,193	Cash and balances with treasury banks	203,091	137,621	
3,436	4,765	Balances with other banks	396,545	549,900	
5,893	27,738	Lendings to financial institutions	680,000	3,200,909	
92,399	51,290	Investments - net	10,662,837	5,918,860	7
165,202	167,521	Advances - net	19,064,270	19,331,908	8
250	245	Operating fixed assets	28,841	28,303	
1,757	1,642	Deferred tax assets-net	202,716	189,506	
6,491	5,836	Other assets	749,022	673,523	
<b>277,186</b>	<b>260,230</b>		<b>31,987,322</b>	<b>30,030,530</b>	
<b>LIABILITIES</b>					
-	-	Bills payable	-	-	
162,077	121,110	Borrowings	18,703,719	13,976,083	
14,905	41,171	Deposits and other accounts	1,720,000	4,751,164	
-	-	Sub-ordinated loans	-	-	
-	-	Liabilities against assets subject to finance lease	-	-	
-	-	Deferred tax liabilities-net	-	-	
6,386	6,397	Other liabilities	736,978	738,202	
<b>183,368</b>	<b>168,678</b>		<b>21,160,697</b>	<b>19,465,449</b>	
<b>93,818</b>	<b>91,552</b>	<b>NET ASSETS</b>	<b>10,826,625</b>	<b>10,565,081</b>	
<b>REPRESENTED BY</b>					
51,993	51,993	Share capital	6,000,000	6,000,000	9
11,970	11,714	Reserves	1,381,394	1,351,812	
30,589	29,574	Unappropriated profit	3,529,946	3,412,835	
<b>94,552</b>	<b>93,281</b>	Total equity attributable to the equity holders of the holding company	<b>10,911,340</b>	<b>10,764,647</b>	
21	19	Non-controlling interest	2,417	2,178	
<b>94,573</b>	<b>93,300</b>		<b>10,913,757</b>	<b>10,766,825</b>	
(755)	(1,748)	Deficit on revaluation of assets - net of tax	(87,132)	(201,744)	
<b>93,818</b>	<b>91,552</b>		<b>10,826,625</b>	<b>10,565,081</b>	

**CONTINGENCIES AND COMMITMENTS** 10

The annexed notes 1 to 14 form an integral part of these consolidated financial statements.

\_\_\_\_\_  
**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**

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**Director**

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**Chairman**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - (UN-AUDITED)**  
**FOR THE QUARTER AND PERIOD ENDED MARCH 31, 2018**

Period ended March 31, 2018 ----- (US \$ in '000') -----	Period ended March 31, 2017		Note	Quarter ended March 31, 2018	Period ended March 31, 2018 ----- (PKR in '000') -----	Quarter ended March 31, 2017	Period ended March 31, 2017
3,646	3,469	Mark-up / Return / Interest earned		420,758	420,758	400,368	400,368
2,257	2,502	Mark-up / Return / Interest expensed		260,422	260,422	288,720	288,720
1,389	967	Net mark-up / Interest income		160,336	160,336	111,648	111,648
22	42	(Reversal)/Provision against non-performing loans and advances		2,580	2,580	4,831	4,831
97	2	Provision for diminution in the value of investments		11,174	11,174	175	175
-	-	Bad debts written off directly		-	-	-	-
119	43			13,754	13,754	5,006	5,006
1,270	924	Net mark-up / interest income after provisions		146,582	146,582	106,642	106,642
<b>NON MARK-UP/ INTEREST INCOME</b>							
614	108	Fee, commission and brokerage income		70,831	70,831	12,459	12,459
30	125	Dividend income		3,465	3,465	14,368	14,368
146	1,495	Gain on sale of securities		16,897	16,897	172,484	172,484
(6)	16	Unrealized gain / (loss) on revaluation of investments classified as held for trading		(636)	(636)	1,853	1,853
0	1	Other income		38	38	96	96
785	1,744	Total non-mark-up / interest income		90,595	90,595	201,260	201,260
2,055	2,668			237,177	237,177	307,902	307,902
<b>NON MARK-UP/ INTEREST EXPENSES</b>							
417	643	Administrative expenses		48,175	48,175	74,245	74,245
-	-	Other provisions / write offs - net		-	-	-	-
-	-	Provision for Sindh Workers' Welfare Fund		3,763.00	3,763.00	-	-
-	-	Other charges		-	-	-	-
417	643	Total non-mark-up / interest expenses		51,938	51,938	74,245	74,245
1,638	2,025			185,239	185,239	233,657	233,657
-	386	Share of profit/(loss) of associates		-	-	44,588	44,588
1,638	2,411	<b>Profit before tax from continuing operations</b>		185,239	185,239	278,245	278,245
446	512	Taxation - Current		51,427	51,427	59,119	59,119
-	-	- Prior years		-	-	-	-
(114)	116.05	- Deferred		(13,120)	(13,120)	13,392	13,392
332	628			38,307	38,307	72,511	72,511
1,306	1,783	<b>Profit after tax from continuing operations</b>		146,932	146,932	205,734	205,734
<b>Discontinued Operation</b>							
		Profit after tax from discontinued operation		-	-	3,024	3,024
				146,932	146,932	208,758	208,758
<b>Attributable to:</b>							
1,271	1,809	Equity shareholders of the holding company		146,693	146,693	208,758	208,758
2	-	Non-controlling interest		239	239	-	-
1,273	1,809			146,932	146,932	208,758	208,758
0.0021	0.0030	<b>Earnings per share - Basic and diluted (in Rupees)</b>	11	0.24	0.24	0.34	0.34

The annexed notes 1 to 14 form an integral part of these consolidated financial statements.

Chief Financial Officer

Chief Executive Officer

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER AND PERIOD ENDED MARCH 31, 2018**

Period ended March 31, 2018 ----- (US \$ in '000') -----	Period ended March 31, 2017		Quarter ended March 31, 2018	Period ended March 31, 2018 ----- (PKR in '000') -----	Quarter ended March 31, 2017	Period ended March 31, 2017
1,273	1,809	Profit after taxation for the period	146,932	146,932	208,758	208,758
		<b>Other comprehensive income - net</b>				
-	-	Items that are not to be reclassified to profit or loss in subsequent periods	-	-	-	-
-	-	Items that may be reclassified to profit or loss in subsequent periods	-	-	-	-
-	-	<b>Comprehensive income transferred to equity</b>	<b>146,932</b>	<b>146,932</b>	208,758	208,758
		<b>Components of comprehensive income not reflected in equity</b>				
175	(394)	Surplus / (deficit) on revaluation of 'available-for-sale securities' - net of tax*	114,612	114,612	20,175	20,175
<b>175</b>	<b>(394)</b>	<b>Total comprehensive income for the period</b>	<b>261,544</b>	<b>261,544</b>	228,933	228,933

\* (Deficit) / Surplus on revaluation of 'available-for-sale securities' - net of tax has been shown in the Statement of Comprehensive Income in order to comply with the revised "Prudential Regulations for Corporate / Commercial Banking" issued by the State Bank of Pakistan vide BPRD Circular No. 06 of 2014 on June 26, 2014.

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\_\_\_\_\_  
**Chief Financial Officer**

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**Chief Executive Officer**

\_\_\_\_\_  
**Director**

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**Director**

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**Chairman**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2018**

Period Ended March 31, 2018	Period Ended March 31, 2017		Period Ended March 31, 2018	Period Ended March 31, 2017
----- (US \$ in '000') -----			----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1,605	2,411	Profit before taxation	185,239	278,245
30	125	Less: Dividend Income	3,465	14,368
<b>1,575</b>	<b>2,287</b>		<b>181,774</b>	<b>263,877</b>
Adjustments				
22	34	Depreciation	2,515	3,953
3	2	Amortization	291	208
22,36	42	(Reversal)/Provision against Non Performing Advances	2,580	4,831
97	2	Provision for diminution in value of investments	11,174	175
(0)	-	Loss/(Gain) on sale of fixed assets	(25)	-
-	-	Revaluation Loss/ Gain in Associate Co.	-	-
6	(16)	Unrealized loss/(Gain) on investment	676	(1,853)
(31)	-	Finance charges on leased assets	(3,604)	-
<b>118</b>	<b>63</b>		<b>13,607</b>	<b>7,314</b>
<b>1,693</b>	<b>2,350</b>		<b>195,381</b>	<b>271,191</b>
(Increase) / decrease in operating assets				
15,086	2,150	Lendings to financial institutions	1,740,909	248,065
(1,819)	2,691	Held -for-trading securities	(209,880)	310,561
2,590	9,061	Advances	298,918	1,045,615
(71)	1,690	Other assets (excluding current taxation)	(8,228)	195,075
<b>15,786</b>	<b>15,592</b>		<b>1,821,719</b>	<b>1,799,316</b>
Increase in operating liabilities				
40,967	(15,064)	Borrowings	4,727,636	(1,738,375)
(26,267)	(21,058)	Deposits and other accounts	(3,031,164)	(2,430,106)
(409)	(223)	Other liabilities (excluding current taxation)	(47,142)	(25,788)
<b>14,292</b>	<b>(36,345)</b>		<b>1,649,330</b>	<b>(4,194,269)</b>
<b>31,771</b>	<b>(18,403)</b>		<b>3,666,430</b>	<b>(2,123,762)</b>
-	-	Financial charges paid	-	-
(619)	(735)	Income tax paid	(71,488)	(84,766)
<b>31,152</b>	<b>(19,138)</b>	<b>Net cash from operating activities</b>	<b>3,594,942</b>	<b>(2,208,528)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
(40,366)	(7,714)	Net investments in available-for-sale securities	(4,658,248)	(890,253)
(10)	(166)	Net investments in held-to-maturity securities	(1,101)	(19,207)
-	18,857	Investment in Associates	-	2,176,064
(0)	122	Dividend income received	(6)	14,106
(29)	(4)	Investments in operating fixed assets	(3,343)	(405)
0,22	-	Proceeds from disposal of fixed assets	25	-
<b>(40,404)</b>	<b>11,094</b>	<b>Net cash used in investing activities</b>	<b>(4,662,673)</b>	<b>1,280,305</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
-	-	Payments of lease obligations	-	-
-	-	Advance against equity	-	-
-	-	Proceeds from issue of share capital	-	-
-	-	Net cash flows from financing activities	-	-
<b>(9,252)</b>	<b>(8,044)</b>	<b>Increase/(Decrease) in cash and cash equivalents</b>	<b>(1,067,731)</b>	<b>(928,223)</b>
<b>14,449</b>	<b>19,697</b>	<b>Cash and cash equivalents at beginning of the period</b>	<b>1,667,367</b>	<b>2,273,012</b>
<b>5,196</b>	<b>11,653</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>599,636</b>	<b>1,344,790</b>

The annexed notes 1 to 14 form an integral part of these consolidated financial statements.

\_\_\_\_\_  
Chief Financial Officer

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Chief Executive Officer

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Director

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Director

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Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2018**

	Share capital	Statutory reserve	Unappropriated profit	Non-Controlling interest	Total
	----- (Rupees in '000) -----				
Balance as at January 01, 2017 - restated	6,000,000	1,257,721	3,346,556	2,205	10,606,482
<b>Comprehensive income:</b>					
Profit after taxation for the period ended March 31, 2017	-	-	205,734	-	205,734
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	205,734	-	205,734
Transfer to statutory reserve		39,036	(39,036)	-	-
<b>Balance as at March 31, 2017 - restated</b>	<b>6,000,000</b>	<b>1,296,757</b>	<b>3,513,254</b>	<b>2,205</b>	<b>10,812,216</b>
Balance as at April 01, 2017	6,000,000	1,296,757	3,513,254	2,205	10,812,216
<b>Comprehensive income:</b>					
Profit after taxation for the period ended December 31, 2017	-	-	257,756	371	258,127
Other comprehensive income	-	-	(3,105)	-	(3,105)
Total comprehensive income for the period	-	-	254,651	371	255,022
Transfer to statutory reserve	-	55,055	(55,055)	-	-
<b>Transaction with owners, recorded directly in equity</b>					
Final cash dividend for the year ended December 31, 2016@ Re.0.50 per share	-	-	(300,000)	-	(300,000)
Dividend payout by Awwal Modaraba @ Rs. 1.225 per certificate	-	-	-	(269)	(269)
Movement in NCI's holding	-	-	(15)	(129)	(144)
<b>Balance as at December 31, 2017</b>	<b>6,000,000</b>	<b>1,351,812</b>	<b>3,412,835</b>	<b>2,178</b>	<b>10,766,825</b>
Balance as at January 01, 2018	6,000,000	1,351,812	3,412,835	2,178	10,766,825
<b>Comprehensive income:</b>					
Profit after taxation for the period ended March 31, 2018	-	-	146,693	239	146,932
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	146,693	239	146,932
Transfer to statutory reserve	-	29,582	(29,582)	-	-
<b>Balance as at March 31, 2018</b>	<b>6,000,000</b>	<b>1,381,394</b>	<b>3,529,946</b>	<b>2,417</b>	<b>10,913,757</b>

The annexed notes 1 to 14 form an integral part of these consolidated financial statements.

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

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Director

\_\_\_\_\_  
Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2018**

**1. STATUS AND NATURE OF BUSINESS**

The "Group" consists of:

- **Holding Company**

Pak Brunei Investment Company Limited (the "Holding Company" or "parent") is a Development Finance Institution (DFI) incorporated as an un-listed public limited company under the (now repealed) Companies Ordinance, 1984. The State Bank of Pakistan (the SBP) granted the approval for commencement of business with effect from August 20, 2007. The Holding Company is a joint venture between the Government of Pakistan and the Brunei Investment Agency. The Holding Company's objectives inter alia include making investments in the industrial and agro based industrial fields in Pakistan on commercial basis through carrying out of industrial and agro based industrial projects and marketing of their products in Pakistan and abroad and to undertake other feasible businesses and to establish and acquire companies to conduct various businesses. The registered office of the Holding 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, 2016: 2) one located in Karachi and the other in Lahore.

- **Subsidiaries**

- **Awwal Modaraba Management Limited (AMML) - 100% holding**

Awwal Modaraba Management Limited (the Company) was incorporated in Pakistan on June 05, 2014 as an unlisted public company under the (now repealed) Companies Ordinance, 1984. Subsequently, it was registered as a Modaraba Management Company with the Registrar of Modaraba Companies and Modarabas under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. The Company is a wholly owned subsidiary of Pak Brunei Investment Company Limited (the Holding Company) with its registered office situated at Horizon Vista, plot no. Commercial 10, Block 4, Scheme 5, Clifton, Karachi, Pakistan.

The principal activity of the Company is to engage in the business of floatation of Modarabas and to function as a Modaraba Company within the meaning of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. Presently, the Company is managing Awwal Modaraba only which is a perpetual Modaraba engaged in providing working capital, term finance, ijarah, musharika, morabaha and other shariah compliant instruments to credit worthy customers. The Modaraba is listed on the Pakistan Stock Exchange Limited.

- **Primus Leasing Limited (PLL) - 100% holding**

PLL was incorporated in Pakistan as a public unlisted company on July 13, 2017 under the Companies Act, 2017. The registered office of PLL is situated at Horizon Vista, plot no. Commercial 10, Block 4, Scheme 5, Clifton, Karachi, Pakistan. PLL is licensed to carry out leasing business as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP).

The principal objective of PLL is to carry on and undertake the business of leasing of movable and immovable property for any purpose whatsoever including but not being limited to industrial, commercial, agricultural and other development purposes on such terms, covenants and conditions and at such rentals as may be deemed fit.

- **Awwal Modaraba (AM)**

AM has been floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder. AM is managed by the AMML. After receiving certificate of minimum subscription, AM commenced its business operations with effect from February 10, 2016. The registered office is situated at Horizon Vista, plot no. Commercial 10, Block 4, Scheme 5, Clifton, Karachi, Pakistan.

AM is a perpetual, multi purpose and multi dimensional Modaraba and is primarily engaged in providing working capital, Term Finance, Ijarah, Musharika, Morabaha and other Shari'ah compliant investments /

instruments to credit worthy customers. AM is listed on the Pakistan Stock Exchange Limited.



## **2. BASIS OF PRESENTATION**

### **2.1 Basis of Measurement**

These consolidated financial statements have been prepared under the historical cost convention except that certain investments and derivatives have been stated at revalued amounts in accordance with the directives of the State Bank of Pakistan (SBP).

### **2.2 US Dollar equivalent**

The US dollar amounts shown in the consolidated condensed interim statement of financial position, consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income and consolidated condensed interim statement of cash flow are stated as additional information solely for the convenience of readers. For this purpose of conversion to US Dollars, the rate of Rs. 114.40 to US Dollars has been used for both 2017 and 2018, as it was the prevalent rate as on March 31, 2018.

## **3. STATEMENT OF COMPLIANCE**

**3.1** These consolidated condensed interim financial statements of the Company for the period ended March 31, 2018 have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 and directives issued by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan. In case where requirements differ, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the said directives have been followed.

**3.2** The State Bank of Pakistan has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for Non Banking Financial Institutions in Pakistan vide BSD Circular Letter number 11 dated September 11, 2002, till further instructions. Further, according to the notification of SECP dated April 28, 2008, the IFRS - 7 "Financial Instruments: Disclosures" has not been made applicable for banks and NBFCs. Therefore, it is also not applicable on the Company as it follows the same format of reporting as made applicable on banks by the SBP and accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by SBP.

**3.3** The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BSD Circular Letter No. 2, dated May 12, 2004 and International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and do not include all the information required in the annual financial statements. Accordingly, these consolidated condensed interim financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2017.

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation followed in preparation of these consolidated financial statements are same as those applied in preparing the most recent annual consolidated financial statements of the Company.

#### **5. ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of consolidated financial statements requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the management in applying the accounting policies and the key sources of estimatiing uncertainty were the same as those applied to consolidated financial statements for the year ended December 31, 2017.

#### **6. FINANCIAL RISK MANAGEMENT**

The financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements of the Company for the year ended December 31, 2017.

## 7. INVESTMENTS

		<b>Held by Bank</b>	<b>Given as collateral</b>	<b>Total</b>
.....Rupees in '000'.....				
Current period (March 31, 2018) - Un-audited	7.1	<u>9,476,430</u>	<u>1,186,407</u>	<u>10,662,837</u>
Prior year - Audited (December 31, 2017)	7.1	<u>5,918,860</u>	-	<u>5,918,860</u>
Prior year corresponding period - Un-Audited (March 31, 2017)		<u>7,623,890</u>	<u>7,476,938</u>	<u>15,100,828</u>

March 31, 2018 (Un-audited)			December 31, 2017 (Audited)		
Held by the Company	Given as collateral	Total	Held by the Company	Given as collateral	Total
----- (Rupees in '000) -----			----- (Rupees in '000) -----		

### 7.1 Investments by type:

#### Held-for-trading securities

Ordinary shares of listed companies	226,291	-	226,291	16,411	-	16,411
Market Treasury Bills	-	-	-	243,641	-	243,641
	226,291	-	226,291	260,052	-	260,052

#### Available- for- sale securities

Market Treasury Bills	6,543,462	536,425	7,079,887	2,967,052	-	2,967,052
Pakistan Investment Bonds	39,101	-	39,101	39,269	-	39,269
Ordinary shares of listed companies	870,713	-	870,713	1,043,317	-	1,043,317
Ordinary shares of unlisted companies	233,452	-	233,452	141,331	-	141,331
Term Finance Certificates and SUKUK	1,414,297	650,000	2,064,297	1,501,819	-	1,501,819
Mutual funds	504,436	-	504,436	504,436	-	504,436
Preference shares	3,250	-	3,250	3,250	-	3,250
	9,608,711	1,186,425	10,795,136	6,200,474	-	6,200,474

#### Held- to- maturity securities

Commercial paper	60,913	-	60,913	59,812	-	59,812
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#### Investment at cost

	9,895,915	1,186,425	11,082,340	6,520,338	-	6,520,338
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#### Less: Provision for diminution in value of Investments

	(297,454)	-	(297,454)	(364,171)	-	(364,171)
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#### Investments (net of provisions)

	9,598,461	1,186,425	10,784,886	6,156,167	-	6,156,167
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#### Surplus/(Deficit) on revaluation of held-for-trading securities

	(588)	-	(588)	(33)	-	(33)
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#### Surplus/(Deficit) on revaluation of available-for-sale securities

	(121,443)	(18)	(121,461)	(237,274)	-	(237,274)
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#### Total investments (Net of Provision)

	<u>9,476,430</u>	<u>1,186,407</u>	<u>10,662,837</u>	<u>5,918,860</u>	-	<u>5,918,860</u>
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**March 31,**      December 31,  
**2018**                      2017  
**(Un-audited)**              (Audited)  
----- (Rupees in '000) -----

## 8. ADVANCES

Loans, cash credits, running finances, etc. in Pakistan	12,568,334	13,514,052
LTFF scheme under State Bank of Pakistan		
- Long Term Finance Facility (LTFF) scheme	3,973,016	3,758,417
- Power Plants Using Renewable Energy (PPRE) scheme	254,984	254,984
- Finance for Storage of Agriculture Produce (FSAP) scheme	378,776	348,708
Net investment in finance lease - inPakistan	1,436,835	1,199,614
Islamic financing and related assets	744,136	545,367
Advances - gross	19,356,081	19,621,142
Less: Provision for non-performing advances - specific	(291,811)	(287,826)
Provision for non-performing advances - general	-	(1,408)
	(291,811)	(289,234)
 Advances - net of provision	 19,064,270	 19,331,908

8.1 Advances include Rs. 961.097 million (December 31, 2017 : Rs. 953.997 million) which have been placed under non-performing status as detailed below:

Category of Classification	Domestic	Overseas	Total	Provision Required	Provision Held
	----- (Rupees in '000) -----				
OAEM	-	-	-	-	-
Substandard	65,083	-	65,083	10,054	10,054
Doubtful	446,239	-	446,239	62,478	62,478
Loss	449,775	-	449,775	218,148	218,148
	961,097	-	961,097	290,680	290,680

## 8.2 Movement of Provision

	March 31, 2018			December 31, 2017		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	287,826	1,408	289,234	235,191	899	236,090
Charge for the period	3,985	-	3,985	84,228	509	84,737
Reversals	-	(1,408)	(1,408)	(31,593)	-	(31,593)
Closing Balance	291,811	-	291,811	287,826	1,408	289,234
	-	-	-			

## 9. SHARE CAPITAL

	<b>March 31,</b>	<b>December 31,</b>
	<b>2018</b>	<b>2017</b>
	<b>(Un-audited)</b>	<b>(Audited)</b>
	----- (Rupees in '000) -----	
<b>Authorized Capital</b>		
600,000,000 (2017: 600,000,000) Ordinary shares of Rs. 10 each	6,000,000	6,000,000
<b>Issued, subscribed and paid up Capital</b>		
600,000,000 (2017: 600,000,000) Ordinary shares of Rs. 10 each fully paid in cash	6,000,000	6,000,000

**March 31,**      December 31,  
**2018**              2017  
**(Un-audited)**      (Audited)  
----- **(Rupees in '000)** -----

**10. CONTINGENCIES AND COMMITMENTS**

There has been no change in the disclosure of contingencies and commitments as disclosed in last annual audited financial statements for the year ended December 31, 2017, except as follows:

<b>10.1</b>	<b>Transaction-related Contingent liability</b>	<u><b>2,196,432</b></u>	<u>2,008,754</u>
<b>10.2</b>	<b>Commitments to extend credit</b>	<u><b>4,296,055</b></u>	<u>3,983,406</u>
<b>10.3</b>	<b>Commitments for trading in government securities</b> - Repurchases	<u><b>536,431</b></u>	<u>-</u>
<b>10.4</b>	<b>Other commitments</b> - Govt securities	<u>-</u>	<u>1,722,024</u>

**11. BASIC AND DILUTED EARNINGS PER SHARE**

	<b>Quarter Ended March 31, 2018 (Un-audited)</b>	<b>Period Ended March 31, 2018 (Un-audited)</b>	<b>Quarter Ended March 31, 2017 (Un-audited)</b>	<b>Period Ended March 31, 2017 (Un-audited)</b>
Profit after taxation for the period attributable to ordinary shareholders (Rupees in '000)	<u><b>146,932</b></u>	<u><b>146,932</b></u>	<u>205,734</u>	<u>205,734</u>
Weighted average number of ordinary shares outstanding during the period (in '000)	<u><b>600,000</b></u>	<u><b>600,000</b></u>	<u>600,000</u>	<u>600,000</u>
Basic and diluted earnings per share (Rupees)	<u><b>0.24</b></u>	<u><b>0.24</b></u>	<u><b>0.34</b></u>	<u>0.34</u>

## 12. RELATED PARTY TRANSACTIONS

The Group has related party relationship with associates, employees' defined benefit and defined contribution plan, its key management personnel, and other related parties (such as Nimir Industrial Chemicals Limited, Allahdin Power Limited, Bunny's (Private) Limited and Atlas Cables (Private) Limited mainly on account of common directorship.

There are no transactions with key management personnel other than those carried out as per their terms of employment. Transactions with owners have been disclosed in 'Consolidated 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. The details of transactions with related parties during the period and balances with them as at quarter/year end are as follows:

	For the period ended March 31, 2018 (Un-audited)			For the year ended December 31, 2017 (Audited)		
	Key management personnel	Other related parties	Associate	Key management personnel	Other related parties	Associates
----- (Rupees in '000) -----						
<b>Advances</b>						
At beginning of the period / year	52,409	809,921	-	61,719	359,808	-
Given during the period / year	3,083	104,441	-	14,306	675,641	-
Transferred	17,850	34,083	-	(15,496)	(15,496)	-
Repaid during the period / year	(2,368)	(3,007)	-	(8,120)	(210,032)	-
At end of the period / year	<u>70,974</u>	<u>945,438</u>	<u>-</u>	<u>52,409</u>	<u>809,921</u>	<u>-</u>
<b>Borrowings</b>						
At beginning of the period / year	-	-	-	-	-	-
Received during the period / year	-	-	-	-	-	-
Repaid during the period / year	-	-	-	-	-	-
At end of the period / year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Investments</b>						
At beginning of the period / year	-	-	-	-	19,250	4,335,621
Investments/additions	-	21,283	-	-	41,210	741,985
Redemption	-	-	-	-	(60,460)	(4,692,803)
Share of profit	-	-	-	-	-	60,428
Retained interest in associate classified as AFS	-	-	-	-	-	(445,231)
At end of the period / year	<u>-</u>	<u>21,283</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Assets</b>						
At beginning of the period / year	-	4,103	-	-	6,482	-
Investments / additions made during the year	-	-	-	-	-	-
Redemption during the year	-	-	-	-	-	-
Charge for the year	-	(2,056)	-	-	(5,689)	-
Remeasurements arising during the year	-	-	-	-	(4,436)	-
Transfer to other assets	-	-	-	-	-	-
Benefits paid to outgoing members	-	-	-	-	7,746	-
At end of the period	<u>-</u>	<u>2,047</u>	<u>-</u>	<u>-</u>	<u>4,103</u>	<u>-</u>

	For the period ended March 31, 2017 (Un-audited)			For the period ended March 31, 2016 (Un-audited)		
	Key management personnel	Other related parties	Associate	Key management personnel	Other related parties	Associates
	----- (Rupees in '000) -----					
Mark-up / return / interest earned	<b>609</b>	<b>18,616</b>		322	5,582	
Mark-up / return / interest expensed	-	-		-	-	
Gain on sale of securities-net	-	-		-	437	
Fee income	-	-		-	-	
Dividend income	-			-	80	
Salaries and other benefits	<b>32,485</b>	-		28,020	-	
Re-imburement of expenses	<b>1,964</b>	-		1,634	-	

**13. GENERAL**

**13.1 Credit Rating**

The JCR-VIS Credit Rating Company Limited has assigned a long-term entity rating of 'AA+' (Double A plus) and short-term rating of 'A-1+' (Single A One Plus) to the Holding Company in June 2017. Outlook on the assigned ratings is 'Stable'. These ratings denote a very low expectation of credit risk and indicate a very strong capacity for timely payment of financial commitments.

**13.2** Figures have been rounded-off to the nearest thousand rupees.

**14. DATE OF AUTHORIZATION FOR ISSUE**

These consolidated condensed interim financial statements were authorized for issue on **09-May-2018** by Board of Directors of the Group.

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Chairman**