



**PAK BRUNEI INVESTMENT COMPANY LTD.**

**FINANCIAL STATEMENTS  
(UN-AUDITED)**

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

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED 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) ----- (Rupees in '000') -----	December 31, 2017 (Audited)
<b>ASSETS</b>				
1,084	1,192	Cash and balances with treasury banks	125,063	137,609
1,506	646	Balances with other banks	173,739	74,549
-	20,978	Lendings to financial institutions	-	2,420,909
107,745	66,539	Investments - net	12,433,773	7,678,634
157,107	162,633	Advances - net	18,130,196	18,767,825
177	171	Operating fixed assets	20,445	19,732
1,747	1,625	Deferred tax assets-net	201,550	187,551
5,607	5,047	Other assets	647,096	582,464
<b>274,973</b>	<b>258,833</b>		<b>31,731,862</b>	<b>29,869,273</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	-	-
5,658	5,943	Other liabilities	652,990	685,802
<b>182,640</b>	<b>168,224</b>		<b>21,076,709</b>	<b>19,413,049</b>
<b>92,332</b>	<b>90,609</b>	<b>NET ASSETS</b>	<b>10,655,153</b>	<b>10,456,224</b>
<b>REPRESENTED BY</b>				
51,993	51,993	Share capital	6,000,000	6,000,000
11,858	11,714	Reserves	1,368,428	1,351,812
29,225	28,650	Unappropriated profit	3,372,618	3,306,156
<b>93,077</b>	<b>92,357</b>		<b>10,741,046</b>	<b>10,657,968</b>
(744)	(1,748)	Deficit on revaluation of assets - net of tax	(85,893)	(201,744)
<b>92,332</b>	<b>90,609</b>		<b>10,655,153</b>	<b>10,456,224</b>

**CONTINGENCIES AND COMMITMENTS** 10

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

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

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

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

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

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

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - (UN-AUDITED)**  
**FOR THE QUARTER AND PERIOD ENDED MARCH 31, 2017**

Period Ended March 31, 2018 ----- (US \$ in '000') -----	Period Ended March 31, 2017		Note	Quarter Ended March 31, 2018	Period Ended March 31, 2018	Quarter Ended March 31, 2017	Period Ended March 31, 2017
				----- (Rupees in '000') -----			
3,734	3,468	Mark-up / Return / Interest earned		430,920	430,920	400,178	400,178
2,257	2,502	Mark-up / Return / Interest expensed		260,422	260,422	288,720	288,720
1,477	966	Net mark-up / Interest income		170,498	170,498	111,458	111,458
14	41.86	(Reversal)/Provision against non-performing loans and advances		1,609	1,609	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		-	-	-	-
111	43			12,783	12,783	5,006	5,006
1,367	922	Net mark-up / interest income after provisions		157,715	157,715	106,452	106,452
<b>NON MARK-UP/ INTEREST INCOME</b>							
136	108	Fee, commission and brokerage income		15,743	15,743	12,459	12,459
30	125	Dividend income		3,465	3,465	14,368	14,368
147	1,743	Gain on sale of securities		16,937	16,937	201,104	201,104
-	-	Unrealized gain / (loss) on revaluation of investments classified as held for trading		(598)	(598)	1,853	1,853
(5)	16	Other income		38	38	96	96
0	1						
308	1,992	Total non-mark-up / interest income		35,585	35,585	229,880	229,880
1,675	2,914			193,300	193,300	336,332	336,332
<b>NON MARK-UP/ INTEREST EXPENSES</b>							
618	595	Administrative expenses		71,300	71,300	68,643	68,643
-	-	Other provisions / write offs - net		-	-	-	-
21	-	Provision for Sindh Workers' Welfare Fund		2,440	2,440	-	-
-	-	Other charges		-	-	-	-
639	595	Total non-mark-up / interest expenses		73,740	73,740	68,643	68,643
1,036	2,320			119,560	119,560	267,689	267,689
-	-	Extra ordinary/unusual items		-	-	-	-
1,036	2,320	<b>PROFIT BEFORE TAXATION</b>		119,560	119,560	267,689	267,689
437	512	Taxation - Current		50,482	50,482	59,117	59,117
-	-	- Prior years		-	-	-	-
(121)	116	- Deferred		(14,000)	(14,000)	13,392	13,392
316	628			36,482	36,482	72,509	72,509
720	1,691	<b>PROFIT AFTER TAXATION</b>		83,078	83,078	195,180	195,180
28,650	28,650	Unappropriated profit brought forward		3,306,156	3,306,156	3,306,156	3,306,156
29,369	30,341	<b>Profit available for appropriation</b>		3,389,234	3,389,234	3,501,336	3,501,336
0.0012	0.0028	Earnings per share - Basic and diluted (in Rupees)	11	0.14	0.14	0.33	0.33

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

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

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

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chairman

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

<b>Period Ended March 31, 2018</b>	<b>Period Ended March 31, 2017</b>		<b>Quarter Ended March 31, 2018</b>	<b>Period Ended March 31, 2018</b>	<b>Quarter Ended March 31, 2017</b>	<b>Period Ended March 31, 2017</b>
----- (US \$ in '000') -----			----- (Rupees in '000) -----			
<b>720</b>	1,691	Profit after taxation for the period	<b>83,078</b>	<b>83,078</b>	195,180	195,180
		<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>720</b>	1,691	<b>Comprehensive income transferred to equity</b>	<b>83,078</b>	<b>83,078</b>	195,180	195,180
		<b>Components of comprehensive income not reflected in equity</b>				
<b>1,004</b>	175	Surplus / (deficit) on revaluation of 'available-for-sale securities' - net of tax*	<b>115,851</b>	<b>115,851</b>	20,175	20,175
<b>1,724</b>	1,866	<b>Total comprehensive income for the period</b>	<b>198,929</b>	<b>198,929</b>	215,355	215,355

\* (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.

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

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

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

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

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

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

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

<b>Period Ended March 31, 2018</b>	<b>Period Ended March 31, 2017</b>		<b>Period Ended March 31, 2018</b>	<b>Period Ended March 31, 2017</b>
<b>----- (US \$ in '000') -----</b>			<b>----- (Rupees in '000) -----</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>1,036</b>	<b>2,320</b>	Profit before taxation	<b>119,560</b>	267,689
<b>30</b>	<b>125</b>	Less: Dividend Income	<b>3,465</b>	14,368
<b>1,006</b>	<b>2,195</b>		<b>116,095</b>	253,321
Adjustments				
<b>16</b>	<b>34</b>	Depreciation	<b>1,872</b>	3,953
<b>2</b>	<b>2</b>	Amortization	<b>239</b>	208
<b>14</b>	<b>42</b>	(Reversal)/Provision against Non Performing Advances	<b>1,609</b>	4,831
<b>97</b>	<b>2</b>	Provision for diminution in value of investments	<b>11,174</b>	175
<b>-</b>	<b>-</b>	Provision against other assets	<b>-</b>	-
<b>-</b>	<b>-</b>	Transfer from fixed assets to staff loans	<b>-</b>	-
<b>(0.22)</b>	<b>-</b>	Loss/(Gain) on sale of fixed assets	<b>(25)</b>	-
<b>5</b>	<b>(16)</b>	Unrealized loss/(Gain) on investments	<b>598</b>	(1,853)
<b>-</b>	<b>-</b>	Finance charges on leased assets	<b>-</b>	-
<b>134</b>	<b>63</b>		<b>15,467</b>	7,314
<b>1,140</b>	<b>2,259</b>		<b>131,562</b>	260,635
(Increase) / decrease in operating assets				
<b>20,978</b>	<b>2,150</b>	Lendings to financial institutions	<b>2,420,909</b>	248,065
<b>(1,819)</b>	<b>2,691</b>	Held -for-trading securities	<b>(209,880)</b>	310,561
<b>5,511</b>	<b>9,054</b>	Advances	<b>636,023</b>	1,044,824
<b>(399)</b>	<b>527</b>	Other assets (excluding current taxation)	<b>(46,047)</b>	60,841
<b>24,272</b>	<b>14,422</b>		<b>2,801,005</b>	1,664,291
Increase in operating liabilities				
<b>40,967</b>	<b>(15,064)</b>	Borrowings	<b>4,727,636</b>	(1,738,375)
<b>(26,267)</b>	<b>(21,058)</b>	Deposits and other accounts	<b>(3,031,164)</b>	(2,430,105)
<b>(290)</b>	<b>195</b>	Other liabilities (excluding current taxation)	<b>(33,410)</b>	22,536
<b>14,411</b>	<b>(35,927)</b>		<b>1,663,062</b>	(4,145,944)
<b>-</b>	<b>-</b>	Financial charges paid	<b>-</b>	-
<b>(568)</b>	<b>(734)</b>	Income tax paid	<b>(65,602)</b>	(84,747)
<b>39,255</b>	<b>(19,981)</b>	Net cash from operating activities	<b>4,530,027</b>	(2,305,765)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>(38,470)</b>	<b>(7,714)</b>	Net investments in available-for-sale securities	<b>(4,439,483)</b>	(890,253)
<b>(10)</b>	<b>-</b>	Net investments in held-to-maturity securities	<b>(1,101)</b>	(19,207)
<b>-</b>	<b>-</b>	Investment in subsidiary	<b>-</b>	-
<b>-</b>	<b>19,698</b>	Investment in associates	<b>-</b>	2,273,187
<b>-</b>	<b>122</b>	Dividend income received	<b>-</b>	14,106
<b>(24)</b>	<b>(4)</b>	Investments in operating fixed assets	<b>(2,824)</b>	(405)
<b>0.22</b>	<b>-</b>	Proceeds from disposal of fixed assets	<b>25</b>	-
<b>(38,504)</b>	<b>12,103</b>	Net cash used in investing activities	<b>(4,443,383)</b>	1,377,428
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>-</b>	<b>-</b>	Payments of lease obligations	<b>-</b>	-
<b>-</b>	<b>-</b>	Advance against equity	<b>-</b>	-
<b>-</b>	<b>-</b>	Proceeds from issue of share capital	<b>-</b>	-
<b>-</b>	<b>-</b>	Net cash flows from financing activities	<b>-</b>	-
<b>751</b>	<b>(7,878)</b>	<b>Increase/(Decrease) in cash and cash equivalents</b>	<b>86,644</b>	(928,337)
<b>1,838</b>	<b>19,575</b>	Cash and cash equivalents at beginning of the period	<b>212,158</b>	2,258,974
<b>2,589</b>	<b>11,697</b>	Cash and cash equivalents at the end of the period	<b>298,802</b>	1,330,637

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

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

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

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

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

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

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

	Share capital	Statutory reserve	Unappropriated profit	Total
	----- (Rupees in '000) -----			
Balance as at January 01, 2017	6,000,000	1,257,721	3,232,896	10,490,617
<b>Comprehensive income:</b>				
Profit after taxation for the period ended March 31, 2017	-	-	195,180	195,180
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	195,180	195,180
Transfer to statutory reserve		39,036	(39,036)	-
<b>Balance as at March 31, 2017</b>	<b>6,000,000</b>	<b>1,296,757</b>	<b>3,389,040</b>	<b>10,685,797</b>
Balance as at April 01, 2017	6,000,000	1,296,757	3,389,040	10,685,797
<b>Comprehensive income:</b>				
Profit after taxation for the period ended December 31, 2017	-	-	275,276	275,276
Other comprehensive income	-	-	(3,105)	(3,105)
Total comprehensive income for the period	-	-	272,171	272,171
Transfer to statutory reserve	-	55,055	(55,055)	-
<b>Transaction with owners recorded directly in equity</b>				
Final cash dividend - December 31, 2016 declared subsequent to year end @ Re. 0.50 per share	-	-	(300,000)	(300,000)
<b>Balance as at December 31, 2017</b>	<b>6,000,000</b>	<b>1,351,812</b>	<b>3,306,156</b>	<b>10,657,968</b>
Balance as at January 01, 2018	6,000,000	1,351,812	3,306,156	10,657,968
<b>Comprehensive income:</b>				
Profit after taxation for the period ended March 31, 2018	-	-	83,078	83,078
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	83,078	83,078
Transfer to statutory reserve		16,616	(16,616)	-
<b>Balance as at March 31, 2018</b>	<b>6,000,000</b>	<b>1,368,428</b>	<b>3,372,618</b>	<b>10,741,046</b>

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

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

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

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

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

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

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

**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, 2016: 2) one located in Karachi and the other in Lahore.

**2. BASIS OF PRESENTATION**

**2.1 Basis of Measurement**

These 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 unconsolidated condensed interim statement of financial position, unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income and unconsolidated 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. 115.40 to US Dollars has been used for both 2017 and 2018, as it was the prevalent rate as on March 31, 2018.

**2.3 Separate financial statements**

These unconsolidated financial statements represent the separate financial statements of the Company. The consolidated financial statements of the Company and its subsidiary Company are presented separately.

**3. STATEMENT OF COMPLIANCE**

**3.1** These unconsolidated condensed interim financial statements of the Company for the period ended March 31, 2017 have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions of the Companies Act, 2017, 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 SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for DFIs through BSD Circular no. 11 dated September 11, 2002 till further instructions. In addition, the Securities and Exchange Commission of Pakistan has deferred the applicability of International Financial Reporting Standard 7, Financial Instruments: Disclosures (IFRS 7) vide SRO 411(I) / 2008 dated April 28, 2008 till further orders. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.
- 3.3** The disclosures made in these unconsolidated 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 unconsolidated condensed interim financial statements should be read in conjunction with the annual 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 unconsolidated financial statements are same as those applied in preparing the most recent annual financial statements of the Company.

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

The preparation of unconsolidated 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 estimating uncertainty were the same as those applied to unconsolidated 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 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		<b>11,247,366</b>	<b>1,186,407</b>	<b>12,433,773</b>
Prior year - Audited (December 31, 2017)	7.1		7,678,634	-	7,678,634
Prior year corresponding period - Un-Audited (March 31, 2017)			7,525,786	7,476,938	15,002,724
		<b>March 31, 2018 (Un-audited)</b>	<b>December 31, 2017 (Audited)</b>		
		<b>Held by the Company</b>	<b>Given as collateral</b>	<b>Total</b>	<b>Held by the Company</b>
		----- (Rupees in '000) -----			<b>Given as collateral</b>
		----- (Rupees in '000) -----			<b>Total</b>
		----- (Rupees in '000) -----			----- (Rupees in '000) -----
<b>7.1 Investments by type:</b>					
<b>Held-for-trading securities</b>					
Ordinary shares of listed companies		226,291	-	226,291	16,411
		226,291	-	226,291	16,411
<b>Available- for- sale securities</b>					
Market Treasury Bills		6,310,988	536,425	6,847,413	2,967,052
Pakistan Investment Bonds		39,101	-	39,101	39,269
Ordinary shares of listed companies		870,713	-	870,713	1,043,317
Ordinary shares of unlisted companies		233,452	-	233,452	141,331
Term Finance Certificates and SUKUK		1,414,297	650,000	2,064,297	1,501,819
Units of mutual funds		504,436	-	504,436	504,436
Preference shares		3,250	-	3,250	3,250
		9,376,237	1,186,425	10,562,662	6,200,474
<b>Held- to- maturity securities</b>					
Commercial paper		60,913	-	60,913	59,812
<b>Investment in subsidiaries 7.1.1</b>		2,003,372	-	2,003,372	2,003,372
<b>Investment at cost</b>		11,666,813	1,186,425	12,853,238	8,280,069
<b>Less: Provision for diminution in value of Investments</b>		(297,454)	-	(297,454)	(364,171)
<b>Investments (net of provisions)</b>		11,369,359	1,186,425	12,555,784	7,915,898
Surplus/(Deficit) on revaluation of held-for-trading securities		(588)	-	(588)	10
Surplus/(Deficit) on revaluation of available-for-sale securities		(121,405)	(18)	(121,423)	(237,274)
<b>Total investments (Net of Provision)</b>		11,247,366	1,186,407	12,433,773	7,678,634

### 7.1.1 Investment in subsidiaries

Name of investee company	Name of Chief Executive	% of holding		Cost as at	
		2018	2017	2018	2017
<b>Unlisted public companies</b>					
----- (Rupees in '000) -----					
Awwal Modaraba Management Ltd	Mr. Karim Hatim	<b>100.00</b>	100.00	<b>105,000</b>	105,000
Primus Leasing Ltd.	Mr. Irfan Ahmed	<b>100.00</b>	100.00	<b>1,000,000</b>	1,000,000
				<b>1,105,000</b>	1,105,000
<b>Listed Modaraba</b>					
Awwal Modaraba	Mr. Karim Hatim	<b>89.78</b>	89.78	<b>898,372</b>	898,372
				<b>2,003,372</b>	2,003,372

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

## 8. ADVANCES

Loans, cash credits, running finances, etc. in Pakistan	12,485,356	13,511,193
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	1,328,744	1,183,597
Advances - gross	18,420,876	19,056,899
Provision for non-performing advances - specific	(290,680)	(287,826)
Provision for non-performing advances - general	-	(1,248)
	(290,680)	(289,074)
Advances - net of provision	18,130,196	18,767,825

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	1,248	289,074	235,191	899	236,090
Charge for the period	2,854	-	2,854	84,228	349	84,577
Reversals	-	(1,248)	(1,248)	(31,593)	-	(31,593)
	2,854	(1,248)	1,606	52,635	349	52,984
Closing Balance	290,680	-	290,680	287,826	1,248	289,074

## 9. SHARE CAPITAL

	March 31, 2018 (Un-audited)	December 31, 2017 (Audited)
	----- (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

<b>March 31,</b>	December 31,
<b>2018</b>	2017
<b>(Un-audited)</b>	(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>	<b>2,196,432</b>	2,008,754
<b>10.2</b>	<b>Commitments to extend credit</b>	<b>4,296,055</b>	3,871,876
<b>10.3</b>	<b>Commitments in government securities</b>		
	- Repurchases	<b>536,431</b>	-
<b>10.4</b>	<b>Other commitments</b>		
	- Govt securities	-	1,722,024

## 11. BASIC AND DILUTED EARNINGS PER SHARE

	Quarter Ended March 31, 2018 (Un-audited)	Period Ended March 31, 2018 (Un-audited)	Quarter Ended March 31, 2017 (Un-audited)	Period Ended March 31, 2017 (Un-audited)
Profit after taxation for the period attributable to ordinary shareholders (Rupees in '000)	<b>83,078</b>	<b>83,078</b>	195,180	195,180
Weighted average number of ordinary shares outstanding during the period (in '000)	<b>600,000</b>	<b>600,000</b>	600,000	600,000
Basic and diluted earnings per share (Rupees)	<b>0.14</b>	<b>0.14</b>	0.33	0.33

## 12. 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, 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 'Unconsolidated Statement of Changes in Equity'. All other transactions between the Company and its related parties are carried out under normal course of business except employee staff loans that are as per terms of employment. 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	Subsidiary	Associates	Key management personnel	Other related parties	Subsidiary	Associates
----- (Rupees in '000) -----								
<b>Advances</b>								
At beginning of the period / year	46,070	609,921	-	-	55,380	359,808	-	-
Given during the period / year	3,083	104,441	-	-	14,306	475,641	-	-
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	64,635	745,438	-	-	46,070	609,921	-	-
<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	-	-	-	-	-	-	-	-
<b>Investments</b>								
At beginning of the period / year	-	-	2,003,372	-	-	19,250	1,078,530	4,341,488
Investments/additions	-	21,283	-	-	-	41,210	1,000,072	762,218
Redemption	-	-	-	-	-	(60,460)	(230)	(4,619,087)
Transfers	-	-	-	-	-	-	(75,000)	(409,619)
Classified as held for sale	-	-	-	-	-	-	-	(75,000)
At end of the period / year	-	21,283	2,003,372	-	-	-	2,003,372	-
<b>Other assets</b>								
At beginning of the period / year	-	4,103	27,883	-	-	6,482	8,707	2,102
Investments / additions made during the year	-	-	7,073	-	-	-	29,186	9,253
Redemption during the year	-	-	(4,005)	-	-	-	(10,010)	(9,696)
Charge for the year	-	(2,056)	-	-	-	(5,689)	-	-
Remeasurements arising during the year	-	-	-	-	-	(4,436)	-	-
Transfer to other assets	-	-	-	-	-	-	-	(1,659)
Benefits paid to outgoing members	-	-	-	-	-	7,746	-	-
At end of the period / year	-	2,047	30,951	-	-	4,103	27,883	-

	For the period ended March 31, 2018 (Un-audited)				For the period ended March 31, 2017 (Un-audited)			
	Key management personnel	Other related parties	Subsidiary	Associates	Key management personnel	Other related parties	Subsidiary	Associates
	----- (Rupees in '000) -----							
Mark-up / return / interest earned	<u>609</u>	<u>13,112</u>	<u>-</u>	<u>-</u>	<u>322</u>	<u>5,582</u>	<u>-</u>	<u>-</u>
Mark-up / return / interest expensed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Gain on securities - net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>437</u>	<u>90,375</u>	<u>28,620</u>
Fee income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Dividend income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80</u>	<u>7,800</u>	<u>-</u>
Salaries and other benefits	<u>20,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,666</u>	<u>-</u>	<u>-</u>	<u>-</u>
Re-imbursement of expenses	<u>1,662</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,135</u>	<u>-</u>	<u>-</u>	<u>1,295</u>

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

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

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

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

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

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