



PAK BRUNEI INVESTMENT COMPANY LTD.

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


FOR THE PERIOD ENDED MARCH 31, 2023

PAK BRUNEI INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

(Audited)		(Audited)			
March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022	Note	
----- USD in '000 -----		----- Rupees in '000 -----			
ASSETS					
871	1,186	Cash and balances with treasury banks	6	247,176	336,633
390	354	Balances with other banks	7	110,731	100,591
20,236	23,115	Lendings to financial institutions	8	5,742,769	6,559,967
274,328	157,881	Investments	9	77,852,028	44,805,384
77,574	85,301	Advances	10	22,014,987	24,207,863
65	57	Fixed assets	11	18,357	16,037
124	142	Right of use assets	12	35,187	40,269
11	12	Intangible assets	13	2,991	3,267
3,129	3,115	Deferred tax assets	14	887,924	883,994
14,152	9,260	Other assets	15	4,016,196	2,627,825
1,254	1,254	Non-current assets classified as held-for-sale	16	355,799	355,799
392,134	281,677			111,284,145	79,937,629
LIABILITIES					
-	-	Bills payable		-	-
350,133	240,741	Borrowings	17	99,365,005	68,320,235
193	193	Deposits and other accounts	18	54,768	54,768
-	-	Liabilities against assets subject to finance lease		-	-
-	-	Subordinated debt		-	-
-	-	Deferred tax liabilities		-	-
9,176	5,494	Other liabilities	19	2,603,349	1,559,399
359,502	246,428			102,023,122	69,934,402
32,632	35,249	NET ASSETS		9,261,023	10,003,227
REPRESENTED BY					
21,142	21,142	Share capital		6,000,000	6,000,000
7,954	7,473	Reserves		2,257,387	2,120,622
(6,394)	(5,291)	Deficit on revaluation of assets	20	(1,814,483)	(1,501,592)
9,930	11,925	Unappropriated profit		2,818,119	3,384,197
32,632	35,249			9,261,023	10,003,227
CONTINGENCIES AND COMMITMENTS					
			21		

The annexed notes 1 to 37 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
 FOR THE PERIOD ENDED MARCH 31, 2023

Period Ended			Period Ended	
March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
----- USD in '000 -----			----- Rupees in '000 -----	
648	212	Profit after taxation for the year	183,822	59,623
		Other comprehensive loss		
		<i>Items that may be reclassified to profit and loss account in subsequent periods:</i>		
(1,859)	(76)	Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	(527,577)	(21,540)
		<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	-	-
756	-	Movement in surplus / (deficit) on revaluation of equity investments - net of tax	214,686	-
<u>(454)</u>	<u>136</u>	Total comprehensive income / (loss)	<u>(129,069)</u>	<u>38,083</u>

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 President/Chief Executive


 Chief Financial Officer


 Director


 Director


 Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2023

	Share capital	Reserves		Deficit on revaluation of investments	Unappropriated profit	Total
		Statutory reserve	General reserve			
Rupees in '000						
Opening Balance as at January 01, 2022	6,000,000	1,720,050	200,000	(1,073,299)	3,385,267	10,232,018
Comprehensive income for the year						
Profit after taxation for the period ended March 31, 2022	-	-	-	-	59,623	59,623
Other comprehensive loss						
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-
- Movement in deficit on revaluation of investments - net of tax	-	-	-	(21,540)	-	(21,540)
	-	-	-	(21,540)	59,623	38,083
Transfer to statutory reserve	-	11,925	-	-	(11,925)	-
Opening Balance as at April 01, 2022	6,000,000	1,731,975	200,000	(1,094,839)	3,432,965	10,270,101
Comprehensive Income for the year						
Profit after taxation (December 31, 2022)	-	-	-	-	443,234	443,234
Other comprehensive loss						
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	(3,355)	(3,355)
- Movement in deficit on revaluation of investments - net of tax	-	-	-	(406,753)	-	(406,753)
	-	-	-	(406,753)	439,879	33,126
Transfer to statutory reserve	-	88,648	-	-	(88,648)	-
Transfer to general reserve	-	-	100,000	-	(100,000)	-
Transactions with owners, recorded directly in equity						
Final cash dividend paid for the year ended December 31, 2021 @ Re. 0.50 per share	-	-	-	-	(300,000)	(300,000)
Opening Balance as at January 01, 2023	6,000,000	1,820,622	300,000	(1,501,592)	3,384,197	10,003,227
Impact of first time adoption of IFRS 9	-	-	-	-	(354,436)	(354,436)
Comprehensive income for the year						
Profit after taxation for the period ended March 31, 2023	-	-	-	-	183,822	183,822
Other comprehensive loss						
- Loss on disposal of securities classified as fair value through other comprehensive income - net of tax	-	-	-	-	(258,699)	(258,699)
- Remeasurement loss on defined benefit obligations - net of tax	-	-	-	-	-	-
- Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	(527,577)	-	(527,577)
- Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	214,686	-	214,686
	-	-	-	(312,891)	(74,877)	(387,768)
Transfer to statutory reserve	-	36,764	-	-	(36,764)	-
Transfer to general reserve	-	-	100,000	-	(100,000)	-
Closing Balance as at March 31, 2023	6,000,000	1,857,387	400,000	(1,814,483)	2,818,119	9,261,023

The annexed notes 1 to 37 forms an integral part of these financial statements.


President/Chief Executive


Chief Financial Officer


Director


Director

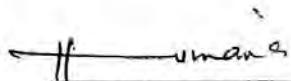

Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED MARCH 31, 2023

March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
----- USD in '000 -----			----- Rupees in '000 -----	
979	270	CASH FLOWS FROM OPERATING ACTIVITIES	277,764	76,497
225	134	Profit before taxation	63,820	37,925
754	136	Less: Dividend income	213,944	38,572
		Adjustments:		
10	20	Net mark-up / interest income	(338,709)	-
18	-	Depreciation	2,949	5,688
1	-	Depreciation on right-of-use assets	5,082	-
-	-	Amortisation	311	52
60	57	Provision for Sindh Workers' Welfare Fund	-	-
-	-	Credit loss allowance and write offs	16,944	16,074
-	-	Gain on sale of fixed assets	(46)	-
-	-	Finance charges on leased assets	19	-
72	3	Unrealized loss on revaluation of investments classified as FVPL	20,322	775
161	80		(293,128)	22,589
915	216		(79,184)	61,161
		(Increase) / decrease in operating assets		
2,877	3,524	Lendings to financial institutions	816,407	1,000,000
(13,899)	(10,504)	Investments classified as FVPL	(3,944,403)	(2,980,961)
6,445	2,272	Advances	1,829,172	644,702
(3,811)	162	Others assets (excluding advance taxation)	(1,081,672)	46,037
(8,388)	(4,546)		(2,380,496)	(1,290,222)
		Increase/ (decrease) in operating liabilities		
109,393	7,715	Borrowings from financial institutions	31,044,770	2,189,343
-	-	Deposits	-	-
3,644	802	Other liabilities (excluding current taxation)	1,034,251	227,589
113,037	8,517		32,079,021	2,416,932
-	-	Payments against off-balance sheet obligations	-	-
9,289	-	Mark-up / Interest received	2,636,215	-
(8,096)	-	Mark-up / Interest paid	(2,297,506)	-
(1,359)	(281)	Income tax paid	(385,587)	(79,756)
104,205	3,906	Net cash flow generated from operating activities	29,572,463	1,108,115
		CASH FLOWS FROM INVESTING ACTIVITIES		
(104,635)	(4,263)	Net Investments in securities classified as FVOCI	(29,693,829)	(1,209,936)
-	-	Net investments in amortized cost securities	-	-
167	118	Dividends received	47,318	33,407
(19)	(1)	Investments in operating fixed assets	(5,269)	(173)
-	-	Investments in operating intangible assets	(35)	(132)
-	-	Proceeds from sale of fixed assets	46	-
(104,487)	(4,146)	Net cash flow (used in) investing activities	(29,651,769)	(1,176,834)
		CASH FLOWS FROM FINANCING ACTIVITIES		
-	-	Dividend paid	-	-
-	-	Payments of lease obligations against right-of-use assets	-	-
-	-	Net cash flow used in financing activities	-	-
(282)	(240)	Decrease in cash and cash equivalents	(79,306)	(68,719)
1,541	661	Cash and cash equivalents at beginning of the year	437,213	187,445
1,259	421	Cash and cash equivalents at end of the year	357,907	118,726


The annexed notes 1 to 37 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 PERIOD ENDED MARCH 31, 2023

1 STATUS AND NATURE OF BUSINESS

Pak Brunei Investment Company Limited (the Company) is a Development Finance Institution (DFI) which was incorporated in Pakistan as an unlisted public limited company on November 28, 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The State Bank of Pakistan (SBP) granted the approval for commencement of business with effect from August 20, 2007. The Company is a joint venture between the Government of Pakistan (GoP) and the Brunei Investment Agency (BIA). The Company's objectives inter alia include making investments in the industrial and agro-based industrial fields in Pakistan on a commercial basis through carrying out 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 (2022: 2) one located in Karachi and the other in Lahore.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

These unconsolidated condensed interim 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 SECP from time to time.

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.

The Company has adopted IFRS 9 Financial Instruments from 1st Jan 2023 and the detail of the first time adoption is disclosed in note 3. The SECP, through S.R.O. 411(1)/2008 dated 28 April 2008, has deferred the applicability of IFRS 7 to the Banks and DFIs.

The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular No.2 dated February 09, 2023 and IAS 34. These condensed interim financial statements do not include all the information and disclosures required for annual financial statements and should be read in conjunction with the financial statements for the year ended December 31, 2022.

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. 283.7919 to US Dollars has been used as it was the prevalent rate as on March 31, 2023.

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, 2022, except for early adoption of IFRS 9 as

3.1 Impact of Adoption of IFRS 9

3.1.1 Classification and measurement of financial instrument:

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVOCI") and Fair value through profit and loss ("FVTPL"). This classification is generally based on the business model in which a financial asset is managed and is based on its contractual cash flows.

3.1.2 Impairment of Financial Assets:

The IFRS 9 replaces the current credit loss measurement method with an 'expected credit loss' model ("ECL"). The IFRS 9 requires the Company to record an allowance for ECLs for all financial assets not held at FVTPL. The allowance is based on the ECLs associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination.

3.1.3 Transition

Changes in accounting policies resulting from the adoption of the complete IFRS 9 have been applied retrospectively, except as described below;

Comparative periods have not been restated. A difference in the carrying amounts of financial assets and financial liabilities resulting from the adoption of the IFRS 9 are recognized in retained earnings as at 1 January 2023.

Accordingly, the impairment allowance presented for 2022 does not reflect the requirements of the IFRS 9 and therefore impairment allowance is not comparable to the information presented for 2023 under the IFRS 9.

The assessment for the determination of the business model within which a financial asset is held, considers the facts and circumstances that existed at the date of initial application.

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, 2022.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2022.

	Note	March 31, 2023	(Audited) December 31, 2022
----- Rupees in '000 -----			
6 CASH AND BALANCES WITH TREASURY BANKS			
With State Bank of Pakistan in:			
Local currency current account	6.1	<u>247,176</u>	<u>336,633</u>
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.			
7 BALANCES WITH OTHER BANKS			
In Pakistan			
In deposit accounts	7.1	110,742	100,591
Less: Credit loss allowance held against balances with other banks		(11)	
Balances with other banks - net of credit loss allowance		<u>110,731</u>	<u>100,591</u>
7.1 These carry mark-up at rate of 14.51% to 15.5% per annum (2022: 4.40% to 14.51% per annum).			
8 LENDINGS TO FINANCIAL INSTITUTIONS			
Repurchase agreement lendings (reverse repo)	8.1	5,743,560	6,559,967
Term deposit receipts (TDRs)		-	-
		<u>5,743,560</u>	<u>6,559,967</u>
Less: Credit loss allowance held against lending to financial institutions		(791)	
Lendings to financial institutions - net of credit loss allowance		<u>5,742,769</u>	<u>6,559,967</u>
8.1 These carried mark-up at rate of 19% to 20.35% (2022: 15.50% to 16.20%) and are due to mature by May 1, 2023 (2022: January 16, 2023).			

8.2 Particulars of lending	(Audited)	
	March 31, 2023	December 31, 2022
	----- Rupees in '000 -----	
In local currency	5,743,560	6,559,967
In foreign currencies	-	-
	<u>5,743,560</u>	<u>6,559,967</u>

Lending to FIs- Particulars of credit loss allowance	March 31, 2023		December 31, 2022	
	Lending	Credit loss allowance held	Lending	Credit loss allowance held
	----- Rupees in '000 -----			
Domestic				
Performing	5,743,560	791	-	-
Under performing	-	-	-	-
Non-performing				
Stage 1				
Stage 2				
Stage 3				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
	<u>5,743,560</u>	<u>791</u>	<u>-</u>	<u>-</u>

8.3 Securities held as collateral against lendings to financial institutions

	(Audited)					
	March 31, 2023		December 31, 2022			
	Held by Company	Further given as collateral	Total	Held by Company	Further given as collateral	Total
	----- Rupees in '000 -----					
Market Treasury Bills	825,000	-	825,000	2,489,398	-	2,489,398
Pakistan Investment Bonds	5,032,400	(518,000)	4,514,400	4,070,569	(3,883,572)	186,997
Total	<u>5,857,400</u>	<u>(518,000)</u>	<u>5,339,400</u>	<u>6,559,967</u>	<u>(3,883,572)</u>	<u>2,676,395</u>

10 ADVANCES

Note	Performing		Non-performing		Total	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
	----- Rupees in '000 -----					
Loans, cash credits, running finances, etc.	21,907,051	23,826,850	941,242	881,635	22,848,293	24,708,485
Advances - gross	21,907,051	23,826,850	941,242	881,635	22,848,293	24,708,485
Credit loss allowance against advances						
-Stage 1	80,190	-	-	-	80,190	-
-Stage 2	8,030	-	-	-	8,030	-
-Stage 3	-	-	745,086	500,622	745,086	500,622
	88,220	-	745,086	500,622	833,306	500,622
Advances - net of credit loss allowance	21,818,831	23,826,850	196,156	381,013	22,014,987	24,207,863

10.1 Particulars of advances (gross)	Audited	
	March 31, 2023	December 31, 2022
	----- Rupees in '000 -----	
In local currency	22,848,293	24,708,485
In foreign currencies	-	-
	<u>22,848,293</u>	<u>24,708,485</u>

10.2 Advances include Rs. 941.242 million (2022: Rs. 881.635 million) which have been placed under the non-performing / stage 3 status as detailed

Category of classification	Note	Audited			
		March 31, 2023		December 31, 2022	
		Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
		----- Rupees in '000 -----			
Domestic					
Other Assets Especially Mentioned	10.2.1	58,586	21,372	7,175	717
Substandard		13,779	5,027	3,528	882
Doubtful	Stage 3	13,980	6,990	15,220	7,386
Loss		854,896	711,697	855,712	491,637
Total		<u>941,242</u>	<u>745,086</u>	<u>881,635</u>	<u>500,622</u>

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

10.3 Particulars of credit loss allowance against advances

	March 31, 2023				December 31, 2022			
	Stage 3	Stage 2	Stage 1	Total	Stage 3	Stage 2	Stage 1	Total
	----- Rupees in '000 -----							
Opening balance	500,622	-	-	500,622	497,025	50,000	-	547,025
Charge for the period / year	18,948	-	-	18,948	101,127	-	-	101,127
Reversals	-	-	-	-	(110,075)	(50,000)	-	(160,075)
	18,948	-	-	18,948	(8,948)	(50,000)	-	(58,948)
Provision due to conversion of investment	-	-	-	-	12,545	-	-	12,545
Impact of first time adoption of IFRS 9 charged to opening retained earnings	225,516	8,030	80,190	313,736	-	-	-	-
Closing balance	<u>745,086</u>	<u>8,030</u>	<u>80,190</u>	<u>833,306</u>	<u>500,622</u>	<u>-</u>	<u>-</u>	<u>500,622</u>

10.3.1 Stage 1 includes loans and advances that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For Stage 1 loans, 12-month expected credit losses ('ECL') are recognized and interest revenue is calculated on the gross carrying amount of the loan amount. 12-month ECL are the expected credit losses that result from default events that are possible within 12 months after the reporting date.

Stage 2 includes loans and advances where credit risk is higher since initiation or they have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment. For these loans, lifetime ECL are recognized, but interest revenue is still calculated on the gross carrying amount of the loan amount. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the loans. Expected credit losses are the weighted average credit losses with the probability of default ('PD') as the weight.

Stage 1 comprises of EAD amounting to Rs. 21,589,734 and ECL of Rs. 80.190 million and stage 2 comprises of ECL amounting to Rs. 317,317 and ECL of Rs. 8.030 million.

10.3.2 Forced Sale Value (FSV) benefit amounting to Rs. 372.230 (2022: Rs. 483.916) is available with the Company against certain mortgaged properties held as collateral against non-performing advances. However, the same has not been considered while computing credit loss allowance as at period end as credit loss allowance has been computed under IFRS 9, Financial Instruments.

10.4 Advances - Particlurs of credit loss allowance

	March 31, 2023			December 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	----- Rupees in '000 -----			----- Rupees in '000 -----		
10.4.1 Opening balance	76,434	14,018	723,906	61,636	38,303	661,812
New Advances	9,298	74	0	32,378	1,610	12,925
Advances derecognised or repaid	(12,161)	(157)	(7,151)	(6,026)	(6,929)	(119,683)
Transfer to stage 1	260	(260)	-	2,402	(2,402)	-
Transfer to stage 2	(425)	495	(71)	(960)	960	-
Transfer to stage 3	(14,410)	(9,453)	23,863	(2,336)	(6,372)	8,708
Amounts written off / charged off	-	-	-	-	-	(13,327)
Changes in risk parameters	21,371	3,050	4,539	(10,660)	(11,153)	173,472
Closing balance	80,368	7,768	745,086	76,434	14,018	723,906

10.4.2 Advances - Category of classification

		March 31, 2023		December 31, 2022	
		Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
		----- Rupees in '000 -----			
Performing	Stage 1	21,589,734	80,190	23,349,993	76,434
Underperforming	Stage 2	317,317	8,030	476,857	14,018
Non-Performing	Stage 3				
Other Assets Especially Mentioned		58,586	21,372	7,175	2,617
Substandard		13,779	5,027	3,527	1,614
Doubtful		13,980	6,990	15,220	7,162
Loss		854,896	711,697	855,713	712,513

11 FIXED ASSETS

	Note	March 31, 2023	Audited December 31, 2022
		----- Rupees in '000 -----	
Property and equipment		18,357	16,037
Capital work-in-progress		-	-
		<u>18,357</u>	<u>16,037</u>

12 RIGHT OF USE ASSETS

At January 1,			
Cost		154,306	127,060
Accumulated Depreciation		(114,037)	(91,600)
Net Carrying amount at January 1, 2023		<u>40,269</u>	<u>35,460</u>
Additions / modification during the period/year		-	27,246
Deletions during the period/year		-	-
Depreciation Charge for the period/year		(5,082)	(22,437)
Net Carrying amount at March 31, 2023 / December 31, 2022		<u>35,187</u>	<u>40,269</u>

13 INTANGIBLE ASSETS

Computer Software		2,991	3,267
Capital work-in-progress	13.1	-	-
		<u>2,991</u>	<u>3,267</u>

13.1 Capital work-in-progress

Software		-	-
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14 DEFERRED TAX ASSETS

Deductible temporary differences on			
- Accelerated tax depreciation		2,602	2,602
- Lease liability against right-of-use assets		9,515	9,515
- Carry forward of alternate corporate tax		-	-
- Provision for Bonus		19,470	19,470
- Provision for diminution in the value of investments		94,761	94,761
- Provision against advances, other assets, etc.		169,135	165,205
- Deficit on revaluation of investments		633,259	633,259
- Unrealized loss on equity investments		170	170
- Amortisation of Premium on investments		21,094	21,094
		950,006	946,076
Taxable temporary differences on			
- Net investment in finance lease		(48,524)	(48,524)
- Right-of-use assets		(13,289)	(13,289)
- Post retirement employee benefits		(269)	(269)
		(62,082)	(62,082)
		<u>887,924</u>	<u>883,994</u>

		March 31, 2023	Audited December 31, 2022
	Note	----- Rupees in '000 -----	
15 OTHER ASSETS			
Income/ mark-up accrued in local currency		2,490,730	1,405,833
Advances, deposits, advance rent and other prepayments		14,919	17,472
Advance taxation (payments less provisions)		1,448,044	1,155,669
Receivable from related parties	15.1	4,066	4,985
Lease receivable under IFRS-16		433	606
Dividend receivable		16,502	-
Receivable from defined benefit plan		1,502	3,260
Advance against investment in right shares -related party		40,000	40,000
		<u>4,016,196</u>	<u>2,627,825</u>
Less: Credit loss allowance held against other assets	15.2	-	-
Other Assets (Net of credit loss allowance)		<u>4,016,196</u>	<u>2,627,825</u>
15.1 Receivable from related parties			
Receivable from Awwal Modaraba (subsidiary)		1,010	1,124
Receivable from other Modarabas managed by Awwal Modaraba Management Limited (related parties)		904	810
Receivable from Awwal Corporate Restructuring Company Limited (subsidiary)		931	2,120
Receivable from Primus Leasing Company Limited (subsidiary)		1,221	931
		<u>4,066</u>	<u>4,985</u>
15.2 Credit loss allowance held against other assets			
Advances, deposits, advance rent & other prepayments		-	-
Non banking assets acquired in satisfaction of claims		-	-
		<u>-</u>	<u>-</u>
15.2.1 Movement in Credit loss allowance held against other assets			
Opening balance		-	-
Charge for the period / year		-	-
Reversals		-	-
Amount written off		-	-
Closing balance		<u>-</u>	<u>-</u>
16 NON-CURRENT ASSETS CLASSIFIED AS HELD-FOR-SALE			
Non-current assets classified as held-for-sale		<u>355,799</u>	<u>355,799</u>

This relates to land and building which have been classified as 'Non-current assets held for sale' as at March 31, 2023. The Company has entered into an agreement with a buyer to dispose of some of these properties. It is expected that the process of sale of all these properties will be completed in the near future.

		March 31, 2023	Audited December 31, 2022
----- Rupees in '000 -----			
17	BORROWINGS		
	<i>Secured</i>		
	Borrowings from State Bank of Pakistan		
	- Long-Term Finance Facility (LTFF) scheme	17.2	3,921,589
	- Power Plants Using Renewable Energy (PPRE) scheme	17.3	155,522
	- Temporary Economic Refinance Facility (TERF)	17.4	794,296
	- Finance for Storage of Agriculture Produce (FSAP) scheme	17.5	111,896
	- Credit Guarantee (CGS) Scheme	17.6	120,275
	- Special Persons (SP) Scheme	17.7	3,370
	- Working Capital (WCF) Scheme	17.8	976,736
	- COVID - 19 Scheme	17.9	6,000
	- Balancing, Modernization & Replacement (BMR) scheme	17.10	458,043
			6,547,727
	Repurchase agreement borrowings		60,781,384
	Borrowings from banks	17.11	13,841,667
	Total secured		81,170,778
	<i>Unsecured</i>		
	Letters of placement:		18,194,227
			11,836,644
			99,365,005
			68,320,235
17.1	Particulars of borrowings with respect to currencies		
	In local currency		99,365,005
	In foreign currencies		68,320,235
			-
			99,365,005
			68,320,235
17.2	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 the SBP. The rate of return ranges from 2% to 11% per annum (2022: 2.00% to 7.00% per annum). These are secured against demand promissory notes and have maturities upto June 21, 2031.		
17.3	These borrowings have been obtained from the SBP under a scheme for financing renewable energy power plants to promote renewable energy projects in the country. These carry mark-up at rates ranging from 2.00% to 5.00% per annum (2021: 2.00% to 5.00% per annum) and are due to mature latest by June 28, 2029. As per the terms of the agreement, the Company has granted the SBP a right to recover the outstanding amount from the Company at the respective date of maturity of finances by directly debiting the current account of the Company maintained with the SBP.		
17.4	These represent borrowings from the SBP under scheme for temporary economic refinance facility. The mark-up rate applicable on these facilities is 1% to 2% per annum (2022: 1% per annum) payable on quarterly basis, with maturities upto May 18, 2032 (2022: May 2032). As per the terms of the agreement, the Company has granted the SBP a right to recover the outstanding amount from the Company at the respective date of maturity of finances by directly debiting the current account of the Company maintained with the SBP.		
17.5	These borrowings have been obtained from the SBP under a scheme for financing the storage of agricultural produce to encourage the private sector to establish silos, warehouses and cold storages. These carry mark-up at rate of 2.5% per annum (2022: 2.5% per annum) and are due to mature latest by February 23, 2029 (2022: October		
17.6	These represent borrowings from the SBP under scheme for refinance and credit guarantee schemes. The mark-up rate applicable on these facilities is 0% per annum (2022: 0% per annum) payable on quarterly basis, with maturities upto February 28, 2028 (2022: November, 2027). As per the terms of the agreement, the Company has granted the SBP a right to recover the outstanding amount from the Company at the respective date of maturity of finances by directly debiting the current account of the Company maintained with the SBP.		
17.7	These represent financing facilities to special persons to meet credit needs for setting up of new business enterprises or for expansion of existing ones and claim refinance from State Bank of Pakistan up to 100% of finance extended by them. The spread is capped at 5% per annum (2022: 5% per annum) by SBP whereas SBP's refinance rate for this facility is 0% per annum (2022: 0% per annum) . In case of default of the counterparty, upto 60% of principal is covered by SBP. As per the terms of the agreement, the Company has granted the SBP a right to recover the outstanding amount from the Company at the respective date of maturity of finances by directly debiting the current account of the Company maintained with the SBP.		
17.8	In accordance with the refinance facility for working capital, the Company has entered into agreements for financing with the SBP for extending financing to meet working capital requirements of the customers. The profit rate on this		

facility is 2% (2022: 2%) payable on quarterly basis with maturities upto December 29, 2027. As per the agreements, the Company has granted the SBP the right to recover the outstanding amounts from the Company at the date of maturity of the finances by directly debiting the current account maintained by the Company with the SBP.

- 17.9 In accordance with the refinance facility for combating COVID-19, the Company has entered into agreements for financing with the SBP for extending medical equipment finances to the customers. The average profit rate on this facility is 0% (2021: 0%) with maturities upto October 2025. As per the agreements, the Company has granted the SBP the right to recover the outstanding amounts from the Company at the date of maturity of the finances by directly debiting the current account maintained by the Company with the SBP.
- 17.10 These represent borrowings from the SBP under scheme for balancing, modernization & replacement scheme. The mark-up rate applicable on these facilities is 1% to 2% per annum (2022: 1% to 2% per annum) payable on quarterly basis, with maturities upto April 28, 2028 2027 (2022: April 2028). As per the terms of the agreement, the Company has granted the SBP a right to recover the outstanding amount from the Company at the respective date of maturity of finances by directly debiting the current account of the Company maintained with the SBP.
- 17.11 These represent borrowings from various financial institutions at mark-up rates ranging from 16.02% to 18.54% per annum (2022: 15.92% to 17.29% per annum) with maturities upto June 2027 (2022: June 2027).

	March 31, 2023	Audited December 31, 2022
	----- Rupees in '000 -----	
18 DEPOSITS AND OTHER ACCOUNTS		
Customers		
- Certificate of investments (COIs) - in local currency	54,768	54,768
Financial Institutions		
- Certificate of investments (COIs) - in local currency	-	-
	<u>54,768</u>	<u>54,768</u>
Composition of Deposits		
- Public sector entities	-	-
- Private sector entities	54,768	54,768
	<u>54,768</u>	<u>54,768</u>
19 OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	1,875,615	797,888
Unearned commission and income on bills discounted	27,249	28,998
Accrued expenses	113,032	86,826
Brokerage / commission payable	2,339	1,584
Payable against purchase of shares	-	120,362
Lease liability against right-of-use assets	28,414	28,834
Security deposits against advances	294,459	295,565
Provision for Sindh Worker's Welfare Fund	148,995	148,995
Payable to related party	-	28
Provision for off balance sheet obligations	19.1 11,858	-
Others	101,388	50,319
	<u>2,603,349</u>	<u>1,559,399</u>
19.1 Credit loss allowance against off-balance sheet obligations		
Opening balance	-	-
First time adoption of IFRS 9 - Adjustment in opening retained earning	9,680	-
	9,680	-
Charge for the period / year	2,178	-
Reversals	-	-
	2,178	-
Amount written off	-	-
Closing balance	<u>11,858</u>	<u>-</u>

	Note	March 31, 2023	Audited December 31, 2022
----- Rupees in '000 -----			
20	DEFICIT ON REVALUATION OF ASSETS		
	Deficit on revaluation of		
	- Securities measured at FVOCI-Debt	9.1 (2,235,318)	(1,703,081)
	- Securities measured at FVOCI-Equity	9.1 (217,084)	(431,770)
		(2,452,402)	(2,134,851)
	Deferred tax on deficit on revaluation of:		
	- Securities measured at FVOCI-Debt	637,919	633,259
	- Securities measured at FVOCI-Equity	-	-
		(1,814,483)	(1,501,592)
21	CONTINGENCIES AND COMMITMENTS		
	- Guarantees	21.1 330,000	1,330,000
	- Commitments	21.2 70,771,104	23,342,226
	- Other contingent liabilities	21.3 -	-
		71,101,104	24,672,226
21.1	Guarantees		
	Financial guarantees	330,000	1,330,000
21.2	Commitments		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	-	4,103
	Commitments in respect of:		
	- repo transactions	21.2.1 69,654,104	20,732,735
	- forward lendings	21.2.2 1,117,000	2,485,027
	- other commitments	-	120,362
	Other commitments	-	-
		70,771,104	23,342,226
21.2.1	Commitments in respect of repo transactions		
	Repurchase of government securities	63,356,110	14,157,761
	Reverse repurchase of government securities	6,297,994	6,574,974
		69,654,104	20,732,735
21.2.2	Commitments in respect of forward lendings		
	Undrawn formal standby facilities, credit lines and other commitments to lend	1,117,000	2,485,027

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.

21.3 Other contingent liabilities

21.3.1 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.

21.3.2 The returns of income of the Company from tax years 2008 to 2022 had been filed with the tax authorities. From tax year 2008 upto tax year 2020, these returns have been revised and additional tax demands have been raised of which Rs. 782.07 million are outstanding as at December 31, 2022. 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 (note 13). 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.

	Note	March 31, 2023	March 31, 2022
----- Rupees in '000 -----			
22	MARK-UP / RETURN / INTEREST EARNED		
On:			
a)	Loans and advances	737,186	403,481
b)	Investments	2,761,401	567,604
c)	Lendings to financial institutions	181,308	24,250
d)	Balances with banks	5,648	1,359
		<u>3,685,543</u>	<u>996,694</u>
Interest income (calculated using effective interest rate method) recognised on:			
	Financial assets measured at amortised cost;	28,399	-
	Financial assets measured at fair value through OCI.	-	-
		<u>28,399</u>	<u>-</u>
		<u>3,713,942</u>	<u>996,694</u>
23	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits	2,026	1,387
	Borrowings	3,373,188	864,851
	Interest expense on lease liability against right-of-use assets	19	294
		<u>3,375,233</u>	<u>866,532</u>
24	FEE AND COMMISSION INCOME		
	Advisory / arrangement fee	188	8,138
	Processing fee income	3,966	4,862
	Commitment fee	1,809	1,625
	Commission on letters of credit	78	-
	Trustee fee	16,595	15,104
		<u>22,636</u>	<u>29,729</u>
25	GAIN / (LOSS) ON SECURITIES		
	Realised	25.1	16,707
	Unrealised gain / (loss) on financial assets at FVPL		(15,506)
			<u>(20,322)</u>
		25.2	<u>(3,615)</u>
			<u>(16,281)</u>
25.1	Realised (loss) / gain on:		
	Federal government securities	2,913	248
	Shares	13,794	(15,754)
		<u>16,707</u>	<u>(15,506)</u>
25.2	Net gain / loss on financial assets / liabilities measured at FVPL:		
	Designated upon initial recognition	5,497	-
	Mandatorily measured at FVPL	(12,025)	-
		<u>(6,528)</u>	<u>-</u>
	Net gain / (loss) on financial assets / liabilities measured at amortised cost	2,913	-
	Net gain / (loss) on financial assets measured at FVOCI	<u>(3,615)</u>	<u>-</u>
25.3	Net gain / (loss) on investments in equity instruments designated at FVOCI	<u>(258,699)</u>	<u>-</u>
26	OTHER INCOME		
	Rent on property	-	-
	Gain on sale of fixed assets - net	46	-
	Others	(92)	-
		<u>(46)</u>	<u>-</u>

27	OPERATING EXPENSES	Note	March 31, 2023	March 31, 2022
			----- Rupees in '000 -----	
	Total compensation expense		74,447	47,962
	Property expense			
	Rent and taxes		-	-
	Insurance		1,616	1,476
	Security		909	280
	Utilities cost		1,215	700
	Repairs and maintenance (including janitorial charges)		2,724	2,157
	Depreciation		181	
	Depreciation on right-of-use assets		5,082	3,081
			11,727	7,694
	Information technology expenses			
	Software maintenance		-	729
	Hardware maintenance		318	340
	Depreciation		963	1,084
	Amortisation		311	52
			1,592	2,205
	Other operating expenses			
	Directors' fees and allowances		1,200	1,200
	Fees and subscription		1,380	426
	Legal and professional charges		1,241	7,591
	Outsourced services costs		2,196	1,858
	Travelling and conveyance		6,369	13,379
	Brokerage commission		7,006	2,118
	Depreciation		1,805	1,523
	Training and development		1,206	164
	Postage and courier charges		93	138
	Communication		951	779
	Stationery and printing		751	288
	Marketing, advertisement and publicity		20	30
	Auditors' remuneration		913	688
	Expenses incurred in relation to assets held for sale		11,679	-
	Service charges for lease rental recoveries		780	-
	Others		1,440	921
			39,030	31,103
			126,796	88,964

28	PROVISION FOR SINDH WORKERS' WELFARE FUND	Note	March 31, 2023	March 31, 2022
			----- Rupees in '000 -----	
	Provision for Sindh Workers' Welfare Fund	28.1	-	-

28.1 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 148.995 million which includes a provision of Rs Nil for the current year.

	Note	March 31, 2023	March 31, 2022
		----- Rupees in '000 -----	
29 CREDIT LOSS ALLOWANCE & WRITE OFFS - NET			
Credit loss allowance against balances with other banks		11	-
Credit loss allowance against lending to financial institutions		791	-
Credit loss allowance for diminution in value of investments	9.2	(4,984)	13,157
Credit loss allowance against loans and advances	10.3	18,948	2,917
Credit loss allowance against off balance sheet obligations	19.1	2,178	-
		<u>16,944</u>	<u>16,074</u>
30 TAXATION			
Current		82,594	21,535
Prior years		-	-
Deferred		11,348	(4,661)
		<u>93,942</u>	<u>16,874</u>
		March 31, 2023	March 31, 2022
		----- Rupees -----	
31 BASIC EARNINGS PER SHARE			
Profit for the year		<u>183,822</u>	<u>59,623</u>
Weighted average number of ordinary shares		<u>600,000</u>	<u>600,000</u>
Basic earnings per share		<u>0.31</u>	<u>0.10</u>

31.1 Diluted earnings per share

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

32 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.

32.1 Fair value of financial assets

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

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

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Valuation techniques and inputs used in determination of fair values

Item	Valuation techniques and input used
Fully paid-up ordinary shares	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 / sukuk 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:

	March 31, 2023			
	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	-	72,618,149	-	72,618,149
Ordinary shares	748,964	-	-	748,964
Non-Government debt securities	-	2,471,543	-	2,471,543
Off-balance sheet financial instruments - measured at fair value				
Commitments				
Commitments in respect of repo transactions	-	69,654,104	-	69,654,104
Audited				
December 31, 2022				
	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	-	38,973,866	-	38,973,866
Shares	1,340,790	-	-	1,340,790
Non-Government debt securities	-	2,477,356	-	2,477,356
Off-balance sheet financial instruments - measured at fair value				
Commitments				
Commitments in respect of repo transactions	-	20,732,735	-	20,732,735

SEGMENT INFORMATION

Profit and Loss Account

Net mark-up / return / profit	-	271,518	67,190	338,709
Non mark-up / return / interest income	22,636	60,159	-	82,795
Total income	22,636	331,677	67,190	421,504

Segment direct expenses

Total expenses

Expected credit loss and write-offs

Profit before tax

March 31, 2023			
Corporate finance	Trading and sales	Commercial banking	Total
-	271,518	67,190	338,709
22,636	60,159	-	82,795
22,636	331,677	67,190	421,504
6,620	100,524	19,652	126,796
6,620	100,524	19,652	126,796
-	(4,182)	21,126	16,944
16,016	235,335	26,412	277,764

Statement of Financial Position

Cash and bank balances

Lendings to financial institutions

Investments

Advances - performing

- non-performing

Others

Total assets

18,688	283,750	55,470	357,907
-	5,742,769	-	5,742,769
-	77,852,028	-	77,852,028
-	936,770	20,882,061	21,818,831
-	64,072	132,084	196,156
2,952	4,444,628	868,874	5,316,454
21,640	89,324,016	21,938,489	111,284,145

Borrowings

Deposits and other accounts

Others

Total liabilities

Equity

Total equity and liabilities

-	83,116,660	16,248,345	99,365,005
-	45,812	8,956	54,768
-	2,177,645	425,704	2,603,349
-	85,340,117	16,683,005	102,023,122
21,640	3,983,900	5,255,483	9,261,023
21,640	89,324,017	21,938,488	111,284,145

Contingencies and commitments

-	69,654,104	1,447,000	71,101,104
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Profit and Loss Account

Net mark-up / return / profit	-	70,197	59,965	130,162
Non mark-up / return / interest income	29,728	21,645	-	51,373
Total income	29,728	91,842	59,965	181,535

Segment direct expenses

Total expenses

Provisions

Profit before tax

March 31, 2022			
Corporate finance	Trading and sales	Commercial banking	Total
-	70,197	59,965	130,162
29,728	21,645	-	51,373
29,728	91,842	59,965	181,535
14,569	45,008	29,387	88,964
14,569	45,008	29,387	88,964
-	15,947	127	16,074
15,159	30,887	30,451	76,497

Statement of Financial Position

Cash and bank balances

Investments

Lendings to financial institutions

Advances - performing

- non-performing

Others

Total assets

December 31, 2022			
Corporate finance	Trading and sales	Commercial banking	Total
40,616	327,428	69,180	437,224
-	44,805,384	-	44,805,384
-	6,559,967	-	6,559,967
-	1,288,503	22,538,347	23,826,850
-	11,249	369,764	381,013
5,534	3,237,605	684,052	3,927,192
46,150	56,230,136	23,661,343	79,937,629

Borrowings

Deposits and other accounts

Others

Total liabilities

Equity

Total equity and liabilities

-	56,403,229	11,917,006	68,320,235
-	45,215	9,553	54,768
-	1,287,395	272,004	1,559,399
-	57,735,839	12,198,563	69,934,402
46,150	(1,505,703)	11,462,780	10,003,227
46,150	56,230,136	23,661,343	79,937,629

Contingencies and commitments

-	20,732,735	3,939,492	24,672,227
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34 RELATED PARTY TRANSACTIONS

The Company has related party relationship with subsidiary companies (namely Primus Leasing Limited, Awwal Modaraba, Awwal Modaraba Management Limited and Awwal Corporate Restructuring Company 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. 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 year and balances with them as at period end, other than those which have been disclosed elsewhere in these unconsolidated financial statements, are as follows:

	March 31, 2023				December 31, 2022			
	Directors	Key management personnel	Subsidiaries	Other related parties	Directors	Key management personnel	Subsidiaries	Other related parties
(Rupees in '000)								
Investments								
Opening balance	-	-	2,013,372	-	-	-	2,003,372	-
Investment made during the period	-	-	-	-	-	-	10,000	-
Investment redeemed / disposed off during the period	-	-	-	-	-	-	-	-
Closing balance	-	-	2,013,372	-	-	-	2,013,372	-
Advances								
Opening balance	-	72,204	574,803	178,207	-	89,209	371,223	-
Addition during the year	-	1,040	37,304	58,000	-	46,336	570,095	300,000
Repaid during the year	-	(1,810)	(168,985)	(56,279)	-	(10,432)	(366,515)	(150,000)
Transfer in / (out) - net	-	-	-	-	-	(52,909)	-	28,207
Closing balance	-	71,434	443,122	179,928	-	72,204	574,803	178,207
Lending to financial institutions								
Opening balance	-	-	-	26,000	-	-	-	-
Addition during the year	-	-	-	155,700	-	-	-	58,000
Repaid during the year	-	-	-	(149,300)	-	-	-	(32,000)
Closing balance	-	-	-	32,400	-	-	-	26,000
Other assets								
Interest / mark-up accrued	-	-	13,876	959	-	-	13,613	423
Lease receivable under IFRS-16	-	-	873	-	-	-	606	-
Receivable from defined benefit plan	-	-	-	1,758	-	-	-	3,260
Preliminary expense	-	-	931	-	-	-	931	-
Advance against investments in right shares	-	-	40,000	-	-	-	40,000	-
Others	-	-	2,231	2,702	-	-	3,244	810
	-	-	57,911	5,419	-	-	58,394	4,493
Borrowings								
Opening balance	-	-	-	-	-	-	39,000	191,154
Borrowings during the year	-	-	-	6,483	-	-	-	28,444
Settled during the year	-	-	-	(3,219)	-	-	(39,000)	(219,598)
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	-	3,263	-	-	-	-
Other Liabilities								
Interest / mark-up payable	-	-	-	29	-	-	-	-
Other liabilities	-	-	28	-	-	-	28	-
	-	-	28	29	-	-	28	-

	March 31, 2023				March 31, 2022			
	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	-	846	19,768	11,600	-	599	12,194	4,648
Dividend income	-	-	-	-	-	-	-	-
Expense								
Mark-up / return / interest paid	-	-	-	74	-	-	46	150
Operating expenses	1,200	18,096	-	-	2,000	28,751	-	-
Reimbursement of expenses	-	1,888	780	-	-	1,543	-	-
Expenses charged	34,1	-	5,662	2,363	-	-	5,337	-

34.1 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).

35 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	March 31, 2023	December 31, 2022
	----- Rupees in '000 -----	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>6,000,000</u>	<u>6,000,000</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>6,649,264</u>	<u>7,555,743</u>
Eligible Additional Tier 1 (ADT 1) Capital	<u>-</u>	<u>-</u>
Total Eligible Tier 1 Capital	<u>6,649,264</u>	<u>7,555,743</u>
Eligible Tier 2 Capital	<u>-</u>	<u>-</u>
Total Eligible Capital (Tier 1 + Tier 2)	<u>6,649,264</u>	<u>7,555,743</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>22,499,138</u>	<u>25,209,260</u>
Market Risk	<u>4,380,970</u>	<u>5,629,213</u>
Operational Risk	<u>1,981,195</u>	<u>1,981,195</u>
Total	<u>28,861,303</u>	<u>32,819,667</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>23.04%</u>	<u>23.02%</u>
Tier 1 Capital Adequacy Ratio	<u>23.04%</u>	<u>23.02%</u>
Total Capital Adequacy Ratio	<u>23.04%</u>	<u>23.02%</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	<u>6,649,264</u>	<u>7,555,743</u>
Total Exposures	<u>103,447,638</u>	<u>78,312,993</u>
Leverage Ratio - percentage	<u>6.43%</u>	<u>9.65%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>24,164,102</u>	<u>7,989,493</u>
Total Net Cash Outflow	<u>23,074,019</u>	<u>7,107,724</u>
Liquidity Coverage Ratio - percentage	<u>104.72%</u>	<u>112.41%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>26,861,784</u>	<u>27,729,097</u>
Total Required Stable Funding	<u>21,955,815</u>	<u>23,794,119</u>
Net Stable Funding Ratio - percentage	<u>122.34%</u>	<u>116.54%</u>

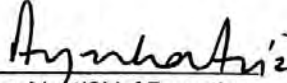
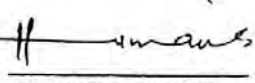
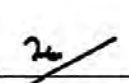

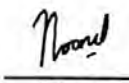
36 GENERAL

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

36.2 Comparative information has been re-classified, re-arranged or additionally incorporated in these unconsolidated financial statements, wherever necessary, to facilitate comparison and better presentation.

37 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on April 25, 2023 by the Board of Directors of the Company.

 _____ President/Chief Executive	 _____ Chief Financial Officer	 _____ Director	 _____ Director	 _____ Director
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