



PAK BRUNEI INVESTMENT COMPANY LTD.

UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

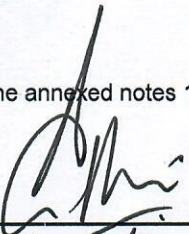
FOR THE PERIOD ENDED MARCH 31, 2024

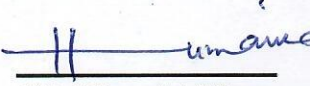
PAK BRUNEI INVESTMENT COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

(Audited)				(Audited)	
March 31, 2024	December 31, 2023			March 31, 2024	December 31, 2023
----- US Dollar in '000 -----				----- Rupees in '000 -----	
ASSETS					
1,526	2,477	Cash and balances with treasury banks	6	424,244	688,559
1,798	2,056	Balances with other banks	7	499,808	571,384
-	-	Lendings to financial and other institutions	8	-	-
675,107	563,962	Investments	9	187,657,324	156,762,694
73,508	80,219	Advances	10	20,432,688	22,298,274
408	428	Property and equipment	11	113,336	118,852
63	87	Right-of-use assets	12	17,555	24,160
41	45	Intangible assets	13	11,527	12,799
5,461	4,451	Deferred tax assets	14	1,518,028	1,237,193
45,921	26,594	Other assets	15	12,764,643	7,392,212
661	703	Assets classified as held-for-sale	16	183,752	195,387
804,494	681,022	Total Assets		223,622,905	189,301,514
LIABILITIES					
-	-	Bills payable		-	-
748,609	629,454	Borrowings	17	208,088,495	174,967,331
45	44	Deposits and other accounts	18	12,400	12,400
29	34	Lease liabilities		8,025	9,527
-	-	Liabilities against assets subject to finance lease		-	-
-	-	Subordinated debt		-	-
-	-	Deferred tax liabilities		-	-
17,294	12,248	Other liabilities	19	4,807,029	3,404,000
765,977	641,780	Total Liabilities		212,915,949	178,393,258
38,517	39,242	NET ASSETS		10,706,956	10,908,256
REPRESENTED BY					
21,585	21,585	Share capital		6,000,000	6,000,000
8,699	8,598	Reserves		2,417,950	2,390,092
12,767	12,055	Unappropriated profit		3,549,127	3,350,949
(4,542)	(3,004)	Deficit on revaluation of assets	20	(1,262,423)	(835,029)
38,509	39,234	Total equity attributable to the equity holders of the Holding Company		10,704,654	10,906,012
8	8	Non-controlling interest		2,302	2,244
38,517	39,242			10,706,956	10,908,256

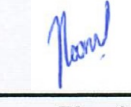
CONTINGENCIES AND COMMITMENTS 21

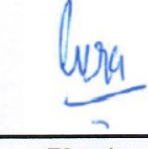
The annexed notes 1 to 37 and annexure I form an integral part of these consolidated financial statements.


**Managing Director/
 Chief Executive**


Chief Financial Officer


Director

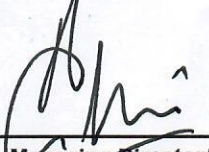

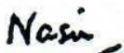



Director


Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED MARCH 31, 2024

Period Ended			Period Ended		
March 31, 2024	March 31, 2023		March 31, 2024	March 31, 2023	Note
----- US Dollar in '000 -----			----- Rupees in '000 -----		
36,730	13,784	Mark-up / return / interest earned	10,209,455	3,831,486	22
35,600	12,232	Mark-up / return / interest expensed	9,895,683	3,400,073	23
1,130	1,552	Net mark-up / interest income	313,772	431,413	
Non mark-up / interest income					
114	90	Fee and commission income	31,667	25,130	24
364	230	Dividend income	101,011	63,820	
-	-	Foreign exchange income	-	-	
-	-	Income / (loss) from derivatives	-	-	
214	(13)	Gain / (loss) on securities	59,227	(3,615)	25
1	12	Other income	5	3,237	26
693	319	Total non-markup / interest income / expense	191,910	88,572	
1,823	1,871	Total income	505,682	519,985	
Non mark-up / interest expenses					
684	564	Operating expenses	190,231	156,728	27
-	-	Other charges	-	-	
25	5	Workers' Welfare Fund	7,034	1,256	28
709	569	Total non mark-up / interest expenses	197,265	157,984	
1,114	1,302	Profit before credit loss allowance	308,418	362,001	
46	61	Credit loss allowance and write offs - net	12,884	16,944	29
1,068	1,241	Profit before taxation from continuing operations	295,534	345,057	
322	414	Taxation	89,462	115,160	30
746	827	Profit for the year from continuing operations	206,072	229,897	
Discontinued Operations					
48	-	Profit after tax for the year from discontinued operations	13,264	-	16.2
794	827	Profit for the year	219,336	229,897	
Attributable to:					
789	827	Equity holders of the Holding Company	219,278	229,887	
1	1	Non-controlling interest	58	10	
790	828		219,336	229,897	
----- USD -----			----- Rupees -----		
0.00131	0.00138	Basic and diluted earnings per share	0.37	0.38	31

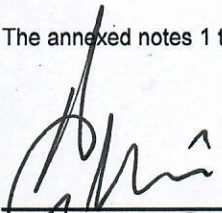
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 Managing Director/ Chief Executive	 Chief Financial Officer	 Director	 Director	 Director
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PAK BRUNEI INVESTMENT COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2024

Period Ended			Period Ended	
March 31, 2024	March 31, 2023		March 31, 2024	March 31, 2023
----- US Dollar in '000 -----			Note	----- Rupees in '000 -----
Profit after taxation for the year attributable to:				
789	827	Equity holders of the Holding Company	219,278	229,852
1	1	Non-controlling interest	58	45
<u>790</u>	<u>828</u>		<u>219,336</u>	<u>229,897</u>
Other comprehensive loss				
<i>Items that may be reclassified to consolidated profit and loss account in subsequent periods:</i>				
254	(1,909)	Movement in surplus / (deficit) on revaluation of debt 'investments through FVOCI - net of tax	20.1 70,868	(530,898)
2	-	Movement in surplus / (deficit) on revaluation of equity investments - net of tax	468	-
<i>Items that will not be reclassified to consolidated profit and loss account in subsequent periods:</i>				
-	-	- Remeasurement loss on defined benefit obligation - net of tax	-	-
2,195	772.00	Movement in surplus / (deficit) on revaluation of equity investments - net of tax	610,257	214,686
(1,614)	(931.00)	Loss on disposal of securities classified as fair value through other comprehensive income - net of tax	(448,365)	(258,699)
<u>1,627</u>	<u>(1,240)</u>	Total comprehensive income / (loss)	<u>452,564</u>	<u>(345,014)</u>

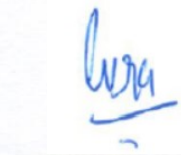
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 Managing Director/
 Chief Executive


 Chief Financial Officer


 Director


 Director


 Director

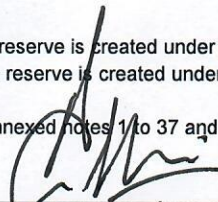
PAK BRUNEI INVESTMENT COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2024

	Share capital	Capital reserve	Revenue reserve	(Deficit) / surplus on revaluation of assets	Unappropriated profit	Non-controlling interest	Total
		Statutory reserve *	General reserve **				
Rupees in '000							
Balance as at January 01, 2023 (restated)	6,000,000	1,820,621	300,000	(1,516,622)	3,353,115	2,221	9,959,335
Impact of first time adoption of IFRS 9 (note 4.2)					(247,707)		(247,707)
Comprehensive income for the period							
Profit after taxation for the period ended March 31, 2023	-	-	-	-	229,852	45	229,897
Other comprehensive income - net of tax							
- Loss on disposal of securities classified as fair value through other comprehensive income - net of tax	-	-	-	-	(258,699)	-	(258,699)
- Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	(530,898)	-	-	(530,898)
- Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	214,686	-	-	214,686
	-	-	-	(316,212)	(28,847)	45	(345,014)
Transfer to statutory reserve	-	36,764	-	-	(36,764)	-	-
Transfer to general reserve	-	-	100,000	-	(100,000)	-	-
Balance as at April 01, 2023	6,000,000	1,857,385	400,000	(1,832,834)	2,939,797	2,266	9,366,614
Comprehensive income for the year							
Profit after taxation for the year ended December 31, 2023					730,262	(22)	730,240
Other comprehensive income - net of tax							
- Remeasurement loss on defined benefit obligations - net of tax					3,263		3,263
- Loss on disposal of securities classified as fair value through other comprehensive income - net of tax					(189,666)		(189,666)
- Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax				601,766			601,766
- Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax				396,039			396,039
	-	-	-	997,805	543,859	(22)	1,541,642
Transfer to statutory reserve		132,707			(132,707)		
Opening Balance as at January 01, 2024	6,000,000	1,990,092	400,000	(835,029)	3,350,949	2,244	10,908,256
Comprehensive income for the period							
Profit after taxation for the period ended March 31, 2024	-	-	-	-	219,278	58	219,336
Other comprehensive income - net of tax							
- Loss on disposal of securities classified as fair value through other comprehensive income - net of tax	-	-	-	-	6,758		6,758
- Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	(410,383)	-	-	(410,383)
- Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	(17,011)	-	-	(17,011)
	-	-	-	(427,394)	226,036	58	(201,300)
Transfer to statutory reserve	-	27,858	-	-	(27,858)	-	-
Closing Balance as at March 31, 2024	6,000,000	2,017,950	400,000	(1,262,423)	3,549,127	2,302	10,706,956

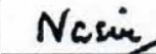
* This reserve is created under the requirement of section of 42(2) of SBP Act, 1956.

** This reserve is created under the requirement of Companies Act, 2017 for future losses (if any) and other contingencies.

The annexed notes 1 to 37 and annexure I form an integral part of these consolidated financial statements.


Managing Director/


Chief Financial Officer


Director


Director


Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED MARCH 31, 2024

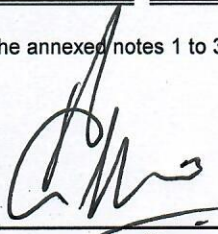
Period Ended		Period Ended	
March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- US Dollar in '000 -----		----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
1,049	1,225	295,534	345,057
57	-	15,981	-
359	227	101,011	63,820
747	998	210,505	281,237
Adjustments:			
20	20	27 5,812	5,231
23	21	27 6,605	5,837
4	1	27 1,219	393
-	-	23 12	122
25	5	28 7,034	1,256
45	61	29 12,884	16,944
-	-	26 -	-
-	(7)	26 (5)	(1,789)
70	73	25 19,723	20,322
187	174	53,283	48,316
934	1,172	263,788	329,553
(Increase) / decrease in operating assets			
-	3,000	-	845,161
(11,678)	(13,934)	(3,290,197)	(3,925,505)
6,576	5,752	1,852,654	1,620,462
(15,076)	(4,011)	(4,247,473)	(1,130,136)
(20,178)	(9,193)	(5,685,016)	(2,590,018)
Increase/ (decrease) in operating liabilities			
117,559	110,071	33,121,164	31,011,436
-	-	-	-
4,958	3,823	1,396,764	1,076,977
122,517	113,894	34,517,928	32,088,413
-	-	-	-
(4,229)	(1,432)	(1,191,489)	(403,575)
99,044	104,441	27,905,212	29,424,373
CASH FLOWS FROM INVESTING ACTIVITIES			
(100,500)	(105,462)	(28,314,290)	(29,712,727)
-	-	-	-
261	168	73,478	47,318
(2)	(45)	(296)	(12,653)
-	-	-	-
-	-	-	(35)
1	7	5	1,946
-	-	-	-
(100,240)	(105,332)	(28,241,103)	(29,676,151)

Period Ended
 March 31, 2024 March 31, 2023
 ----- US Dollar in '000 -----


Period Ended
 March 31, 2024 March 31, 2023
 Note ----- Rupees in '000 -----

CASH FLOWS FROM FINANCING ACTIVITIES				
-	-	Dividend paid to equity shareholders of the Holding Company	-	-
-	-	Dividend paid to non-controlling interests	-	-
-	(4)	Rentals paid during the year	-	(1,241)
-	(4)	Net cash used in financing activities	-	(1,241)
(1,196)	(895)	Increase in cash and cash equivalents	(335,891)	(253,019)
4,472	2,969	Cash and cash equivalents at beginning of the year	1,259,943	836,611
<u>3,276</u>	<u>2,074</u>	Cash and cash equivalents at end of the year	<u>924,052</u>	<u>583,592</u>

The annexed notes 1 to 37 and annexure I form an integral part of these consolidated financial statements.



 Managing Director/
 Chief Executive



 Chief Financial Officer



 Director



 Director



 Director

PAK BRUNEI INVESTMENT COMPANY LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024

1 STATUS AND NATURE OF BUSINESS

The "Group" consists of:

Holding Company

Pak Brunei Investment Company Limited (the Holding 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 Holding Company is a joint venture between the Government of Pakistan (GoP) and the Brunei Investment Agency (BIA). The Holding 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 Holding Company is situated at Horizon Vista, Plot no. Commercial 10, Block 4, Scheme 5, Clifton, Karachi, Pakistan. The Holding Company is in operation with 2 offices (2023: 2) one located in Karachi and the other in Lahore.

Subsidiaries

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

Awwal Modaraba Management Limited (AMML) was incorporated in Pakistan on June 05, 2014 as an unlisted public company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). 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. AMML is a wholly owned subsidiary of Pak Brunei Investment Company Limited (the Holding Company) with its registered office situated at Horizon Vista, 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 Management Company within the meaning of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

The Company floated Awwal Modaraba on January 4, 2016 and was managing Awwal Modaraba since then. The Securities and Exchange Commission of Pakistan (SECP) via order no. SC/M/PRDD/KASB/2019/36 dated January 31, 2020, appointed Awwal Modaraba Management Limited as the Management Company of KASB Modaraba, First Prudential Modaraba and First Pak Modaraba with effect from February 3, 2020.

These Modarabas are perpetual in nature and are engaged in providing working capital, term finance, ijarah, musharaka, morabaha and other shariah compliant instruments to credit worthy customers and investment in securities. These Modarabas are listed on the Pakistan Stock Exchange Limited.

As part of the business plan, the Board of Directors of Holding Company in their meeting held on March 11, 2022 approved to merge the Awwal Modaraba with and into Awwal Corporate Restructuring Company Limited (ACRCL) and KASB Modaraba, First Pak Modaraba with and into First Prudential Modaraba. The proposed schemes of arrangement for the mergers were approved / sanctioned by the Sindh High Court on March 02, 2023, effective from December 31, 2021. Consequently, the surviving Modaraba i.e. First Prudential Modaraba is being managed by the Company.

The Board of Directors of Holding Company has decided to proceed with divestment of its total interest in AMML. Accordingly, the Board of Directors in their meeting held on September 30, 2023 directed to disseminate the significant development to relevant authorities and stakeholders in a timely and transparent manner.

The material information was sent to the PSX and SECP of Pakistan on September 30, 2023.

On October 12, 2023, invitation for Expression of Interest was published in the newspaper for complete acquisition of AMML including management rights of the modaraba.

On November 21, 2023, the Holding Company informed the Registrar Modaraba, SECP about the receipt of bids from various parties. The SECP vide letter dated November 21, 2023, directed to apply to the Registrar Modaraba for the transfer of AMML shares and management rights of the modaraba to the proposed acquirer.

As of the reporting date, the process of evaluation / review of the bids, received by the Holding Company, is in progress for selection of successful party. After finalisation of the assessment process the matter shall be forwarded to the Registrar Modaraba to seek permission for transfer of AMML shares along with the management rights of the modaraba as advised by SECP.

Standalone financial statements of AMML have been prepared on a going concern basis as the Modaraba under the Management company is in profitable operations and Holding company's (PBICL) financial support exists at the reporting date. Holding Company would continue its financial support to the Company till divestment of its total interest, however assets and liabilities have been classified under held for sale in these consolidated financial statement. Bids received by the Holding Company indicate that no impairment is required in the assets of the Company.

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

Primus Leasing Limited ("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, Commercial-10, Block-4, Scheme-5, Clifton, Karachi. The PLL is licensed to carry out leasing business as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP). PLL has two offices with one located in Karachi and the other in Lahore.

The principal objective of PLL is to carry on and undertake the business of leasing of movable 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 Corporate Restructuring Company Limited - 99.78% holding**

Awwal Corporate Restructuring Company Limited (ACRCL) is an unlisted public limited company incorporated, under the Companies Act 2017, on December 24, 2021. The registered office of Awwal Corporate Restructuring Company Limited is situated at 3rd floor, Horizon Vista, Plot No. Commercial 10, Block No. 4, Scheme No.5, Clifton, Karachi.

The principal activity of ACRCL is to conduct business as per Corporate Restructuring Act 2016 and Corporate Restructuring Rules 2019 notified by the Securities & Exchange Commission of Pakistan (SECP).

2 BASIS OF PRESENTATION

2.1 These consolidated condensed interim financial statements have been prepared in conformity with the format of financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular No. 02 of 2023 dated February 09, 2023 effective from the accounting year ending December 31, 2023.

2.2 Statement of compliance

These consolidated 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) 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 State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (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 IFRSs or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

2.3 The SBP through its BSD Circular letter No. 11 dated September 11, 2002 has deferred the implementation of IAS 40 'Investment Property' for Non-Banking Financial Institutions (NBFIs) in Pakistan. The Holding Company has adopted IFRS 9 'Financial Instruments' from January 01, 2023. Adoption of IFRS 9 and new format has included IFRS 7 disclosures in these consolidated financial statements therefore the Group has also adopted IFRS 7 from January 01, 2023.

2.4 Critical accounting estimates and judgments

The preparation of the consolidated financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future periods.

3 BASIS OF MEASUREMENT

3.1 Accounting convention

These consolidated financial statements have been prepared under the historical cost convention except for the following:

- Non-current assets classified as held for sale are valued at lower of carrying amount and fair value less cost to sell;
- Certain investments are marked to market and carried at fair value;
- Obligation in respect of staff retirement benefit is carried at present value of defined benefit obligation; and
- Lease liability against right-of-use assets is carried at present value of rentals.

3.2 US Dollar equivalent

The US dollar amounts shown in the consolidated statement of financial position, consolidated statement of profit and loss account, consolidated statement of comprehensive income and consolidated cash flow statement are provided as additional information solely for the convenience of users of the consolidated financial statements. For the purpose of conversion to US Dollars, the rate of Rs. 277.9667 to US Dollars has been used for 2024 and 2023 as it was the prevalent rate on March 31, 2024.

3.3 Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. These consolidated financial statements are presented in Pakistan Rupee which is the Group's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those of the previous financial year.

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, 2023.

	Note	March 31, 2024	Audited December 31, 2023
----- Rupees in '000 -----			
6 CASH AND BALANCES WITH TREASURY BANKS			
With State Bank of Pakistan in:			
Local currency current account	6.1	424,244	688,559
Less: Credit loss allowance held against cash and balances with treasury banks		-	-
Cash and balances with treasury banks - net of credit loss allowance		<u>424,244</u>	<u>688,559</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.

	Note	March 31, 2024	Audited December 31, 2023
----- Rupees in '000 -----			
7 BALANCES WITH OTHER BANKS			
In Pakistan			
Cash in hand		70	3.00
In current accounts		12,050	14,225
In deposit accounts	7.1	487,689	557,158
Less: Credit loss allowance held against balances with other banks		(2)	(2)
Balances with other banks - net of credit loss allowance		<u>499,808</u>	<u>571,384</u>

7.1 These carry mark-up rates of 7.23% to 20.51% per annum (2023: 5.50% to 20.51% per annum).

	Note	March 31, 2024	Audited December 31, 2023
----- Rupees in '000 -----			
8 LENDINGS TO FINANCIAL INSTITUTIONS			
Repurchase agreement lendings (reverse repo)		-	-
Term deposit receipts (TDRs)		-	-
Less: Credit loss allowance held against lending to financial institutions		-	-
Lendings to financial institutions - net of credit loss allowance		<u>-</u>	<u>-</u>

8.1 Particulars of lending

In local currency		-	-
In foreign currencies		-	-
		<u>-</u>	<u>-</u>

8.2 Securities held as collateral against lendings to financial institutions

	March 31, 2024			Audited December 31, 2023		
	Held by Group	Further given as collateral	Total	Held by Group	Further given as collateral	Total
	Rupees in '000					
Pakistan Investment Bonds	-	-	-	-	-	-
Market Treasury Bills	-	-	-	-	-	-
Total	-	-	-	-	-	-

9 INVESTMENTS

9.1 Investments by type:

	March 31, 2024				Audited December 31, 2023			
	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value	Cost / amortised cost	Credit loss allowance	Surplus / (deficit)	Carrying value
	Rupees in '000							

DEBT INSTRUMENTS

- Classified / Measured at FVPL

Federal government securities

Market Treasury Bills	2,805,555	-	-	2,805,555				
Pakistan Investment Bonds - Floating Rate	997,116	-	-	997,116	999,932	-	(1,232)	998,700

Non-government debt securities

Listed companies	948,375	-	(17,710)	930,665	948,375	-	(11,200)	937,175
Unlisted companies	1,270,212	-	-	1,270,212	1,250,188	-	-	1,250,188
	6,021,258	-	(17,710)	6,003,548	3,198,495	-	(12,432)	3,186,063

- Classified / Measured at FVOCI

Previously AFS

Federal government securities

Market Treasury Bills	3,183,768	-	(5,208)	3,178,560	17,728,104	-	3,417	17,731,521
Pakistan Investment Bonds - Fixed Rate	8,247,685	-	(1,663,548)	6,584,137	8,261,346	-	(1,789,356)	6,471,990
Pakistan Investment Bonds - Floating Rate	170,458,761	-	(758,422)	169,700,339	128,094,144	-	31,520	128,125,664

Non-government debt securities

Listed companies	14,361	(14,361)	-	-	300,466	(14,361)	-	286,105
Unlisted companies	643,980	(238,971)	-	405,009	241,189	(241,154)	-	35

Modaraba certificates

	182,548,555	(253,332)	(2,427,178)	179,868,045	154,625,249	(255,515)	(1,754,419)	152,615,315
	188,569,813	(253,332)	(2,444,888)	185,871,593	157,823,744	(255,515)	(1,766,851)	155,801,378

EQUITY INSTRUMENTS

Ordinary shares

Listed companies	468,085	-	(15,096)	452,989	-	-	-	-
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- Classified / Measured at FVOCI (Non -Reclassifiable)

Ordinary shares

Listed companies	1,032,461	-	300,281	1,332,742	639,085	-	322,231	961,316
Unlisted companies *	-	-	-	-	-	-	-	-
	1,032,461	-	300,281	1,332,742	639,085	-	322,231	961,316

Total investments

	190,070,359	(253,332)	(2,159,703)	187,657,324	158,462,829	(255,515)	(1,444,620)	156,762,694
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* The Company has shares of Pakistan Mercantile Exchange Limited which were acquired at a cost of Rs. 21.3 million were fully provided as at December 31, 2022. On adoption of IFRS 9, the cost has been net off by provision.

9.2 Investments given as collateral

	March 31, 2024			Audited December 31, 2023		
	Cost / amortised cost	Surplus / (deficit)	Carrying value	Cost / amortised cost	Surplus / (deficit)	Carrying value
----- Rupees in '000 -----						
Pakistan Investment Bonds	157,372,688	(2,223,673)	155,149,015	131,100,838	(1,671,341)	129,429,497
Market Treasury Bills	-	-	-	-	-	-
Term finance certificates / sukus	709,947	-	709,947	699,826,000	(49,213)	699,776,787
Ordinary shares	78,292	42,978	121,270	73,718	43,372	117,090
	<u>158,160,927</u>	<u>(2,180,695)</u>	<u>155,980,232</u>	<u>831,000,556</u>	<u>(1,677,182)</u>	<u>829,323,374</u>

Above debt securities are pledged against the repurchase borrowings, while shares are pledged with National Clearing Company Pakistan Limited (NCCPL) against ready market exposure.

	Audited	
	March 31, 2024	December 31, 2023
----- Rupees in '000 -----		

9.3 Provision for diminution in value of investments

Opening balance	255,515	289,647
Adjustment of provision against shares	-	(21,331)
Charge / (reversals)		
Charge for the period / year	-	-
Reversals for the period / year	(2,183)	(12,801)
	(2,183)	(12,801)
Closing balance	<u>253,332</u>	<u>255,515</u>

9.4 Particulars of credit loss allowance against debt securities

		Audited			
		March 31, 2024	December 31, 2023		
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
----- Rupees in '000 -----					
Performing	Stage 1	188,231,587	13	157,483,335	7
Underperforming	Stage 2	-	-	-	-
Non-Performing	Stage 3				
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		338,226	253,319	340,409	255,508
		<u>188,569,813</u>	<u>253,332</u>	<u>157,823,744</u>	<u>255,515</u>

10 ADVANCES

	Performing		Non-performing		Total	
	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
	----- Rupees in '000 -----					
Loans, cash credits, running finances, etc.	20,330,232	22,174,618	1,362,981	1,424,446	21,693,213	23,599,064
Advances - gross	20,330,232	22,174,618	1,362,981	1,424,446	21,693,213	23,599,064
Credit loss allowance against advances						
-Stage 1	54,000	81,284	-	-	54,000	81,284
-Stage 2	13,386	24,770	-	-	13,386	24,770
-Stage 3	-	-	1,193,139	1,194,736	1,193,139	1,194,736
	67,386	106,054	1,193,139	1,194,736	1,260,525	1,300,790
Advances - net of credit loss allowance	20,262,846	22,068,564	169,842	229,710	20,432,688	22,298,274

10.1 Particulars of advances (gross)

Audited
March 31, 2024 **December 31, 2023**
----- Rupees in '000 -----

In local currency	21,693,213	23,599,064
In foreign currencies	-	-
	<u>21,693,213</u>	<u>23,599,064</u>

10.2 Particulars of credit loss allowance

10.2.1 Advances - Exposure

	March 31, 2024				December 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- Rupees in '000 -----							
Gross carrying amount - opening	21,656,731	517,887	1,424,446	23,599,064	25,921,643	513,408	1,181,635	27,616,686
New advances	1,424,024	-	1,308	1,425,333	4,544,407	118,569	140,483	4,803,460
Advances derecognised or repaid	(3,300,334)	(16,807)	(14,042)	(3,331,183)	(8,581,660)	(145,693)	(75,632)	(8,802,984)
Transfer to stage 1	750	(750)	-	-	266,466	(266,466)	-	-
Transfer to stage 2	(28,395)	28,770	(375)	-	(441,305)	441,305	-	-
Transfer to stage 3	(15,600)	(38,259)	53,859	-	(52,820)	(143,237)	196,057	-
	(1,919,554)	(27,047)	40,751	(1,905,850)	(4,264,912)	4,479	260,909	(3,999,524)
Amounts written off / charged off	-	-	-	-	-	-	(18,098)	(18,098)
Closing balance	19,737,177	490,839	1,465,197	21,693,213	21,656,731	517,887	1,424,446	23,599,064

10.2.2 Advances - Credit loss allowance

	March 31, 2024				December 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- Rupees in '000 -----							
Opening balance	81,284	24,770	1,194,736	1,300,790	22,528	7,562	724,431	754,521
Impact of Adoption of IFRS 9	-	-	-	-	76,434	14,018	223,284	313,736
New Advances	8,322	424	630	9,376	14,545	4,497	138,149	157,191
Advances derecognised or repaid	(56,016)	(963)	(3,910)	(60,889)	(9,988)	(6,982)	(98,977)	(115,947)
Transfer to stage 1	127	(127)	-	-	1,003	(1,003)	-	-
Transfer to stage 2	(253)	272	(19)	-	(1,050)	1,278	(228)	-
Transfer to stage 3	(265)	(6,379)	6,643	-	(276)	(4,463)	4,739	-
	(48,084)	(6,773)	3,344	(51,513)	4,234	(6,672)	43,683	41,244
Amounts written off / charged off	-	-	-	-	-	-	-	-
Changes in risk parameters (PDs/LGDs/EADs)	(24,749)	2,916	33,082	11,248	(21,912)	9,862	203,338	191,289
Closing balance	8,451	20,913	1,231,162	1,260,525	81,284	24,770	1,194,736	1,300,790

10.2.3 Advances - Category of classification

	March 31, 2024				Audited December 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
----- Rupees in '000 -----								
Outstanding gross exposure								
Performing - Stage 1	19,909,358	-	-	19,909,358	21,656,731	-	-	21,656,731
Under Performing - Stage 2		420,874	-	420,874	-	517,887	-	517,887
Non-performing - Stage 3								
Other Assets Especially Mentioned	-	-	19,400	19,400	-	-	600	600
Substandard	-	-	34,486	34,486	-	-	29,967	29,967
Doubtful	-	-	31,612	31,612	-	-	233,776	233,776
Loss	-	-	1,277,483	1,277,483	-	-	1,160,103	1,160,103
	-	-	1,362,981	1,362,981	-	-	1,424,446	1,424,446
Total	19,909,358	420,874	1,362,981	21,693,213	21,656,731	517,887	1,424,446	23,599,064
Corresponding ECL								
Stage 1 and stage 2	54,000	13,386	-	67,386	81,284	24,770	-	106,054
Stage 3	-	-	1,193,139	1,193,139	-	-	1,194,736	1,194,736
	19,855,358	407,488	169,842	20,432,688	21,575,447	493,117	229,710	22,298,274

	March 31, 2024		Audited December 31, 2023	
	Non performing loans	Provision	Non performing loans	Provision
----- Rupees in '000 -----				
Other Assets Especially Mentioned	19,400	12,944	600	400
Substandard	34,486	23,010	29,967	19,995
Doubtful	31,612	21,093	233,776	172,131
Loss	1,277,483	1,136,092	1,160,103	1,002,210
Total	1,362,981	1,193,139	1,424,446	1,194,736

10.2.3.1 Category of classification in stage 3

Domestic

Other Assets Especially Mentioned	19,400	12,944	600	400
Substandard	34,486	23,010	29,967	19,995
Doubtful	31,612	21,093	233,776	172,131
Loss	1,277,483	1,136,092	1,160,103	1,002,210
Total	1,362,981	1,193,139	1,424,446	1,194,736

Advances include Rs. 1,362.981 million (2023: Rs. 1,424.446 million) which have been placed under the non-performing status.

- 10.3** 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 recognised 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.
- 10.3.1** 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 recognised, 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.
- 10.3.2** Forced Sale Value (FSV) benefit amounting to Rs. 406.188 (2023: Rs. 371.28) 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.

11	PROPERTY AND EQUIPMENT	Note	March 31,	Audited
			2024	December 31, 2023
			----- Rupees in '000 -----	
	Property and equipment	11.1	113,336	118,852
	Capital work in progress		-	-
			<u>113,336</u>	<u>118,852</u>

11.1 This includes ijara assets amounting to Rs. 53.733 million (2023: Rs. 53.213.)

11.2 The cost of fully depreciated fixed assets that are still in the Company's use is as follows:

12	RIGHT-OF-USE ASSETS	Note	March 31,	Audited
			2024	December 31, 2023
			----- Rupees in '000 -----	
	Leasehold improvements		43,167	43,167
	Furniture and fixtures		17,156	17,156
	Electrical, office and computer equipment		35,344	35,344
	Vehicles		70	70
			<u>95,737</u>	<u>95,737</u>

12 RIGHT-OF-USE ASSETS

At January 01,

Cost

Accumulated Depreciation

Net Carrying amount at January 01,

Additions / reassessment during the period / year

Deletions during the period / year

Reclassified to asset held for sale

Depreciation Charge for the period / year

Net Carrying amount at March 31, 2024 / December 31, 2023

	197,996	188,198
	(173,836)	(141,269)
	<u>24,160</u>	<u>46,929</u>
	-	9,798
	-	-
	-	(4,197)
	<u>(6,605)</u>	<u>(28,370)</u>
	<u>17,555</u>	<u>24,160</u>

13 INTANGIBLE ASSETS

Intangible assets

Capital work-in-progress

	11,527	12,799
	-	-
	<u>11,527</u>	<u>3,659</u>

14	DEFERRED TAX ASSETS	March 31,	Audited	
		2024	December 31, 2023	
		----- Rupees in '000 -----		
	Deductible temporary differences on			
	- Lease liability against right-of-use assets	1,078	1,078	
	- Carry forward of alternate corporate tax	-	-	
	- Provision for Bonus	37,831	37,831	
	- Provision for diminution in the value of investments	99,652	99,652	
	- Provision against advances, other assets, etc.	417,753	417,753	
	- Deficit on revaluation of investments	946,599	684,223	
	- Unrealized loss on debt investments (FVPL)	4,848	4,848	
	- Payable against post retirement employee benefits	172	172	
	- Provision for off-balance sheet obligations	5,186	5,186	
		1,513,119	1,250,743	
	Taxable temporary differences on			
	- Net investment in finance lease	(23,670)	(23,670)	
	- Right-of-use assets	(6,577)	(6,577)	
	- Accelerated tax depreciation	(6,544)	(6,544)	
	- Unrealized loss on equity investments	(67,563)	(72,502)	
	- Amortisation of discount on investments	(9,271)	(9,271)	
	- Lease receivable against sub lease	(170)	(170)	
	- Post retirement employee benefits	(2,388)	(2,388)	
		(116,183)	(121,122)	
		1,396,936	1,129,621	
15	OTHER ASSETS			
	Income / mark-up accrued in local currency	9,680,167	5,519,040	
	Advances, deposits, advance rent and other prepayments	21,504	14,628	
	Advance taxation (payments less provisions)	2,781,095	1,695,305	
	Dividend receivable	28,886	1,353	
	Advance against subscription of privately placed term finance certificates	150,000	122,845	
	Receivable against sale of shares	75,347	27,261	
	Receivable against advisory fee	-	27,480	
	Receivable from related parties	-	9,674	
	Lease receivable against IFRS 16	226	-	
	Advance against bid amount	32,639	-	
	Others	-	456	
		12,769,864	7,418,042	
	Less: Provision held against other assets	(5,221)	(25,830)	
		12,764,643	7,392,212	
16	ASSETS CLASSIFIED AS HELD-FOR-SALE			
	Land, building and machinery acquired from:			
	Lion Steel Industries (Private) Limited	16.1	168,904	168,904
	Subsidiary held for sale	16.2	14,849	26,483
	Total assets classified as held-for-sale		183,753	168,904

16.1 These represent land, building and machinery which have been classified as 'non-current assets as held for sale' as at December 31, 2021. The Company acquired these assets by settling total outstanding principal and mark-up of Rs. 135 million and Rs. 34 million respectively. It is expected that the process of sale of these assets will be completed in the near future.

16.2 Asset Held For Sale Discontinued Operation

On September 30, 2023, the Group publicly announced the decision of its Board of Directors to sell AMML, a wholly owned subsidiary. The sale of AMML is expected to be completed within a year from the reporting date. At March 31, 2024, AMML is classified as a disposal group held for sale and as a discontinued operation. The results of AMML for the period are presented below:

The major classes of assets and liabilities of AMML classified as held for sale as at March 31, 2024 are, as follows:

	Note	March 31, 2024	Audited December 31, 2023
		----- Rupees in '000 -----	
Assets			
Bank balances		4,080	13,089
Right-of-use assets		2,617	4,569
Property and equipment		5,011	5,460
Investments		24,455	24,714
Accrued profit		68	68
Prepayments & other receivables		175	57
Taxation - net		(2,052)	632
Receivable from Modarabas under management - related parties		2,168	2,166
Assets held for sale		<u>36,523</u>	<u>50,755</u>
Liabilities			
Lease liability under IFRS-16		(2,783)	(4,740)
Accrued expenses and other liabilities		(18,891)	(19,532)
Liabilities directly associated with assets held for sale		<u>(21,674)</u>	<u>(24,272)</u>
Net assets directly associated with disposal group		<u>14,849</u>	<u>26,483</u>
		March 31, 2024	March 31, 2023
		----- Rupees in '000 -----	
16.3 INCOME		217	-
Profit on bank deposits		32,071	-
Other income		32,288	-
EXPENSES			
Financial charges			
Interest expense on lease liability - IFRS 16		(188)	-
Deposits		(6,293)	-
		(6,481)	-
ADMINISTRATIVE EXPENSES			
Total compensation expense		(3,060)	-
Depreciation on property		(2,401)	-
Directors' fees and allowances		(2,253)	-
Fees and subscription		(25)	-
Legal and professional charges		(62)	-
Travelling and conveyance		(209)	-
Communication		(19)	-
Others - admin		(20)	-
		<u>(8,050)</u>	-
		17,757	-
Provision for Workers' Welfare Fund		(1,776)	-
Loss before tax from discontinued operations		<u>15,981</u>	-
Taxation		(2,717)	-
Profit after taxation for the period from discontinued operation		<u>13,264</u>	-

		March 31, 2024	Audited December 31, 2023
		----- Rupees in '000 -----	
17	BORROWINGS		
	Secured		
	Borrowings from State Bank of Pakistan under:		
	- Long-Term Finance Facility (LTFF) scheme	17.2	2,964,023
	- Power Plants Using Renewable Energy (PPRE) scheme	17.3	161,843
	- Temporary Economic Refinance Facility (TERF)	17.4	720,060
	- Finance for Storage of Agriculture Produce (FSAP) scheme	17.5	283,502
	- Credit Guarantee (CGS) Scheme	17.6	173,993
	- Special Persons (SP) Scheme	17.7	2,385
	- Working Capital (WCF) Scheme	17.8	1,106,782
	- Balancing, Modernisation & Replacement (BMR) scheme	17.9	710,643
		6,123,231	5,871,859
	Repurchase agreement borrowings	17.10	158,501,986
	Borrowings from banks	17.11	12,491,667
	Total secured		177,116,884
	Unsecured		
	Letters of placement:	17.12	30,971,611
			26,082,715
			208,088,495
			174,967,331
17.1	Particulars of borrowings with respect to currencies		
	In local currency		208,088,495
	In foreign currencies		-
			208,088,495
			174,967,331
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 (2023: 2.00% to 11.00% 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 (2023: 2.00% to 5.00% per annum) and are due to mature latest by June 30, 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 from 1% to 2% per annum (2023: 1% to 2% per annum) payable on quarterly basis, with maturities upto May 18, 2032 (2023: 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 ranging from 2% to 4% per annum (2023: 2% to 4% per annum) and are due to mature latest by February 28, 2030 (2023: June 2, 2029).		
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 (2023: 0% per annum) payable on quarterly basis, with maturities upto March 19, 2029 (2023: November, 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.		

18 DEPOSITS AND OTHER ACCOUNTS

Note	March 31, 2024			Audited December 31, 2023			
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total	
	----- Rupees in '000 -----						
Deposit (Ijara arrangement)	18.1	12,400	-	12,400	12,400	-	12,400
Customers							
- Certificate of investments (COIs)		-	-	-	-	-	-
Financial institutions							
- Certificate of investments (COIs)		-	-	-	-	-	-
	18.2	12,400	-	12,400	12,400	-	12,400

18.1 This represents sum received under ijarah lease arrangement, adjustable at the expiry of the lease period.

Note	Audited	
	March 31, 2024	December 31, 2023
----- Rupees in '000 -----		
18.2 Composition of deposits		
- Public sector entities	-	-
- Private sector	12,400	54,768
	12,400	54,768

19 OTHER LIABILITIES

Mark-up / return / interest payable in local currency	3,157,195	1,929,378
Unearned commission and income on bills discounted	23,642	32,359
Accrued expenses	183,702	140,229
Brokerage / commission payable	4,017	2,695
Payable against purchase of shares	97,431	-
Payable to related party	996	4,417
Payable to defined benefit plan - related party	17,485	12,462
Security deposits against advances	994,538	972,380
Provision for Worker's Welfare Fund	202,761	195,727
Provision for off balance sheet obligations	15,433	13,298
Unclaimed dividends	189	189
Tax payable	35,408	24,128
Advance from customers	202	751
Others	74,030	75,987
	4,807,029	3,404,000

20 SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS

Surplus / (Deficit) on revaluation of			
- Securities measured at FVOCI-Debt	9.1	(2,427,178)	(1,754,419)
- Securities measured at FVOCI-Equity		285,719	307,669
		(2,141,459)	(1,446,750)
Deferred tax on surplus / (deficit) on revaluation of:			
- Securities measured at FVOCI-Debt		946,599	684,223
- Securities measured at FVOCI-Equity		(67,563)	(72,502)
		(1,262,423)	(835,029)

		Audited March 31, 2024	December 31, 2023
	Note	----- Rupees in '000 -----	
20.1 Movement in revaluation of assets			
Deficit on revaluation as at January 01		(1,446,750)	(2,149,881)
Revaluation deficit recognised during the year		(694,709)	703,131
Deficit on revaluation as at December 31		(2,141,459)	(1,446,750)
Less: related deferred tax asset on			
- Revaluation as at January 01		611,721	633,259
- Revaluation recognised during the year		267,315	(21,538)
		879,036	611,721
Deficit on revaluation of assets - net of tax		<u>(1,262,423)</u>	<u>(835,029)</u>
21 CONTINGENCIES AND COMMITMENTS			
- Guarantees	21.1	200,000	200,000
- Commitments	21.2	173,421,689	122,973,308
- Other contingent liabilities	21.3	-	-
		<u>173,621,689</u>	<u>123,173,308</u>
21.1 Guarantees			
Financial guarantees		<u>200,000</u>	<u>200,000</u>
21.2 Commitments			
Documentary credits and short-term trade-related transactions			
- letters of credit		1,176,350	1,176,350
Commitments in respect of:			
- forward lendings	21.2.1	6,998,197	3,884,675
- future purchase and sale transactions	21.2.2	2,805,555	4,956,324
- repo transactions	21.2.3	162,441,587	112,955,959
		<u>173,421,689</u>	<u>122,973,308</u>
21.2.1 Commitments in respect of forward lendings			
Undrawn formal standby facilities, credit lines and other commitments to lend		<u>6,998,197</u>	<u>3,884,675</u>
These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Company without the risk of incurring significant penalty or expense.			
21.2.2 Commitments in respect of future transactions			
Purchase		-	-
Sale		2,805,555	4,956,324
		<u>2,805,555</u>	<u>4,956,324</u>
21.2.3 Commitments in respect of repo transactions			
Repurchase of government securities		162,441,587	112,955,959
Reverse repurchase of government securities		-	-
		<u>162,441,587</u>	<u>112,955,959</u>

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 favor of the Company.

21.3.2 The returns of income of the Company from tax years 2008 to 2023 had been filed with the tax authorities. From tax year 2008 up to 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, 2023. 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 favor 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, 2024	Audited March 31, 2023
		----- Rupees in '000 -----	
22 MARK-UP / RETURN / INTEREST EARNED			
On:			
a) Loans and advances		851,881	876,256
b) Investments		9,257,460	2,761,401
c) Lendings to financial institutions		84,470	181,308
d) Sub-lease of premises		-	-
e) Balances with banks		15,644	12,521
		<u>10,209,455</u>	<u>3,831,486</u>
22.1 Interest income (calculated using effective interest rate method) recognised on:			
Financial assets measured at amortised cost;		951,995	1,070,085
Financial assets measured at FVOCI		9,243,091	2,648,131
		<u>10,195,086</u>	<u>3,718,216</u>
23 MARK-UP / RETURN / INTEREST EXPENSED			
Deposits		-	2,035
Interest expense on lease liability against right-of-use assets		12	122
Borrowings		9,895,671	3,397,917
		<u>9,895,683</u>	<u>3,400,074</u>
24 FEE AND COMMISSION INCOME			
Processing fee income		6,373	4,417
Advisory / participation fee / management fee		10,674	665
Commitment fee		-	1,809
Commission of letter of credit		764	78
Trustee fee		13,221	16,595
Front end fee		635	1,566
		<u>31,667</u>	<u>25,130</u>

		March 31, 2024	Audited March 31, 2023
		----- Rupees in '000 -----	
25	GAIN ON SECURITIES		
	Realised gain / (loss)	25.1	78,950
	Unrealised loss on securities classified as fair value through profit or loss - net		(16,707)
			<u>(20,322)</u>
			<u>59,227</u>
			<u>(3,615)</u>
25.1	Realised gain / (loss) on:		
	Federal government securities		71,101
	Shares		7,849
			<u>78,950</u>
			<u>16,707</u>
26	OTHER INCOME		
	Gain on sale of fixed assets - net		5
	Others		-
			<u>5</u>
			<u>3,236</u>
27	OPERATING EXPENSES		
	Total compensation expenses		115,528
			93,598
	Property expense		
	Rent and taxes		843
	Insurance		2,826
	Utilities cost		2,285
	Security (including guards)		104
	Repairs and maintenance (including janitorial charges)		3,096
	Depreciation on Right-of Use Assets	12	6,605
			15,759
			14,949
	Information technology expenses		
	Software maintenance		499
	Hardware maintenance		268
	Depreciation		1,525
	Amortisation		1,219
			3,511
			1,680
	Other operating expenses		
	Directors' fees and allowances		1,350
	Fees and subscription		1,361
	Legal and professional charges		6,981
	Travelling and conveyance		17,153
	Brokerage commission		9,960
	Depreciation		4,287
	Training and development		148
	Postage and courier charges		167
	Communication		2,194
	Outsourced service cost		2,210
	Stationery and printing		516
	Marketing, advertisement and publicity		117
	Donations		-
	Auditors' remuneration		1,123
	Expenses incurred in relation to assets held for sale		3,027
	Service charges for lease rental recoveries		-
	Others		4,840
			55,433
			46,501
			<u>190,231</u>
			<u>156,728</u>

		March 31, 2024	Audited March 31, 2023
		----- Rupees in '000 -----	
28	WORKERS' WELFARE FUND		
	Provision for Workers' Welfare Fund	28.1	7,034
			1,256

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. The matter relating to payment of SWWF is pending before the Sindh High Court and an interim stay order has been obtained by the Holding Company and Primus Leasing Limited. However, as a matter of abundant caution, the management has maintained a provision for SWWF in the consolidated financial statements amounting to Rs. 202.761 million which includes a provision of Rs. 7.034 million for the current period.

		March 31, 2024	Audited March 31, 2023
		----- Rupees in '000 -----	
29	CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET		
		Note	
	Credit loss allowance against balances with other banks	7	11
	Credit loss allowance against lending to financial institutions		791
	Reversal of provision against investments	8.3	(4,984)
	Provisions against loans and advances		18,948
	Credit loss allowance against off balance sheet obligations		2,178
			12,884
			16,944

30	TAXATION		
	Current		102,982
	Prior years		-
	Deferred		(13,520)
			89,462
			115,160

31	BASIC EARNINGS PER SHARE		
	Profit for the year		219,278
			229,887
			-----Number of shares in '000-----
	Weighted average number of ordinary shares		600,000
			600,000
			----- Rupees -----
	Basic earnings per share		0.37
			0.38

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 / PKFRV rates (FMA report).
Term finance / sukuku 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.

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:

On balance sheet financial instruments

March 31, 2024			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			

Financial assets - measured at fair value

Investments

Federal government securities	-	183,265,707	-	183,265,707
Ordinary shares	1,785,731	-	-	1,785,731
Non-government debt securities		930,665	-	930,665

Off-balance sheet financial instruments

Commitments

- future purchase and sale transactions	-	2,805,555	-	2,805,555
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On balance sheet financial instruments

December 31, 2023			
Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----			

Financial assets - measured at fair value

Investments

Federal government securities	-	153,327,875	-	153,327,875
Ordinary shares	961,316	-	-	961,316
Non-government debt securities	-	1,223,280	-	1,223,280

Off-balance sheet financial instruments

Commitments

Forward shares	-	4,956,324	-	4,956,324
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33 SEGMENT INFORMATION

33.1 Segment details with respect to business activities

March 31, 2024				
Corporate finance	Trading and sales	Commercial banking	Total	
-----Rupees in '000-----				
Consolidated statement of Profit and Loss Account				
Net Mark-up / return / profit	-	286,548	27,224	313,772
Non mark-up / return / interest income	31,667	160,243		191,910
Total income	31,667	446,791	27,224	505,683
Total expenses	12,353	174,292	10,620	197,265
Credit loss allowance and write offs - net		5,856	7,028	12,884
Profit before tax from continuing operations	19,314	266,644	9,576	295,534
Income from discontinuing operations	32,288	-	-	32,288
Expenses from discontinuing operations	16,307	-	-	16,307
Profit before tax from discontinuing operation	15,981	-	-	15,981
Consolidated Statement of Financial Position				
Cash and bank balances	57,866	816,438	49,748	924,052
Investments	-	187,657,324	-	187,657,324
Lendings to financial institutions	-	-	-	-
Advances - performing	-	1,699,347	18,563,499	20,262,846
- non-performing	-	28,451	141,391	169,842
Others	8,919	13,761,461	838,461	14,608,841
Total assets	66,785	203,963,021	19,593,099	223,622,905
Borrowings	-	196,137,334	11,951,161	208,088,495
Deposits & other accounts	-	11,688	712	12,400
Lease liabilities	-	7,564	461	8,025
Others	-	4,531,004	276,025	4,807,029
Total liabilities	-	200,687,590	12,228,359	212,915,949
Equity	66,787	3,275,430	7,364,739	10,706,956
Total equity and liabilities	66,787	203,963,019	19,593,099	223,622,905
Contingencies and commitments	-	165,247,142	8,374,547	173,621,689

March 31, 2023				
Corporate finance	Trading and sales	Commercial banking	Total	
-----Rupees in '000-----				
Consolidated statement of Profit and Loss Account				
Net mark-up / return / profit	-	337,172	94,241	431,413
Non mark-up / return / interest income	25,130	63,442	-	88,572
Total income	25,130	400,614	94,241	519,985
Total expenses	7,463	122,536	27,985	157,984
0	-	(4,182)	21,126	16,944
Profit before tax from continuing operations	17,667	282,260	45,130	345,057
Income from discontinuing operations	612	3,597	2,513	6,722
Expenses from discontinuing operations	2,727	16,018	11,191	29,936
Profit before tax from discontinuing operations	(2,114)	(12,421)	(8,678)	(23,214)

December 31, 2023				
Corporate finance	Trading and sales	Commercial banking	Total	
-----Rupees in '000-----				
Consolidated Statement of Financial Position				
Cash and bank balances	66,163	1,053,139	140,641	1,259,943
Investments	-	156,762,694	-	156,762,694
Lendings to financial institutions	-	-	-	-
Advances - performing	-	1,597,763	20,470,801	22,068,564
Advances - non-performing	-	12,129	217,581	229,710
Others	8,182	7,915,518	1,056,903	8,980,603
Total assets	74,345	167,341,243	21,885,926	189,301,514
Borrowings	-	154,354,160	20,613,171	174,967,331
Deposits and other accounts	-	10,939	1,461	12,400
Lease liabilities	-	8,405	1,122	9,527
Others	-	3,002,970	401,030	3,404,000
Total liabilities	-	157,376,474	21,016,784	178,393,258
Equity	74,345	9,964,769	869,142	10,908,256
Total equity and liabilities	74,345	167,341,243	21,885,926	189,301,514
Contingencies and commitments	-	116,840,634	6,332,674	123,173,308

33.2 Segment details with respect to geographical location

The operations of the Company are currently based only in Pakistan.

34 RELATED PARTY TRANSACTIONS

The Group has related party relationship with associates, employees' defined benefit and defined contribution plans, its key management personnel and state controlled entities.

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 disclosed in notes 36 and 37 to these consolidated financial statements and are made in accordance with the actuarial valuations / terms of scheme. Remuneration to chief executive, directors and executives is disclosed in note 38 to the consolidated financial statements. Transactions with owners have been disclosed in 'Consolidated Statement of Changes in Equity'. All other transactions between the Group 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 year end, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

34.1 RELATED PARTY TRANSACTIONS

March 31, 2024			December 31, 2023		
Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties

(Rupees in '000)

Lendings

Opening balance	-	-	-	-	26,000
Addition during the year	-	-	-	-	301,600
Repaid during the year	-	-	-	-	(327,600)
Closing balance	-	-	-	-	-

Advances

Opening balance	-	43,363	159,775	-	72,204	178,207
Addition during the year	-	8,828	-	-	19,558	300,000
Repaid during the year	-	(1,903)	(115)	-	(41,952)	(318,432)
Transfer in / (out) - net	-	-	-	-	(6,447)	-
Closing balance	-	50,288	159,660	-	43,363	159,775

Other assets

Interest / mark-up accrued	-	-	9,041	-	-	288
Lease receivable under IFRS-16	-	-	-	-	-	-
Receivable from defined benefit plan	-	-	-	-	-	-
Preliminary expense	-	-	-	-	-	-
Others	-	-	833	-	-	1,023
	-	-	9,874	-	-	1,311

Borrowings

Opening balance	-	-	4,827	-	-	-
Borrowings during the year	-	-	35,537	-	-	73,156
Settled during the year	-	-	(30,887)	-	-	(68,329)
Closing balance	-	-	9,478	-	-	4,827

Other liabilities

Interest / mark-up payable	-	-	6	-	-	6
Payable to defined benefit plan	-	-	17,485	-	-	12,462
Other liabilities	-	-	-	-	-	-
	-	-	17,491	-	-	12,468

March 31, 2024			March 31, 2023		
Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties

(Rupees in '000)

Income

Mark-up / return / interest earned	-	1,364	9,504	-	1,070	11,377
Dividend income	-	-	-	-	-	-

Expense

Mark-up / return / interest paid	-	-	503	-	-	74
Operating expenses	1,200	26,495	-	1,200	26,514	-
Reimbursement of expenses	-	5,337	-	-	1,888	-
Expenses charged (note 42.1)	-	-	2,499	-	-	2,363

CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	March 31 2024	Audited December 31 2023
	----- Rupees in '000 -----	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	6,000,000	6,000,000
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	8,797,584	9,441,917
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	8,797,584	9,441,917
Eligible Tier 2 Capital	-	-
Total Eligible Capital (Tier 1 + Tier 2)	8,797,584	9,441,917
Risk Weighted Assets (RWAs):		
Credit Risk	22,596,427	21,701,609
Market Risk	7,588,107	7,704,487
Operational Risk	3,131,354	3,131,354
Total	33,315,887	32,537,450
Common Equity Tier 1 Capital Adequacy ratio	26.41%	29.02%
Tier 1 Capital Adequacy Ratio	26.41%	29.02%
Total Capital Adequacy Ratio	26.41%	29.02%
In order to strengthen the solvency of Banks / Development Financial Institutions (DFI), SBP through its BSD Circular No. 19 of 2008 dated September 05, 2008 has asked the DFIs to raise their minimum paid up capital to Rs.6 billion free of losses by the end of financial year 2009.		
The paid-up capital and CAR of the Group stands at Rs. 6 billion and 26.41% of its risk weighted exposure as at March 31, 2024.		
The Group uses Standardised approach for calculations of Credit and Market Risk Weighted Assets while Basic Indicator approach is used to calculate Operational Risk Weighted assets.		
	March 31 2024	Audited December 31 2023
	----- Rupees in '000 -----	
Notional minimum capital requirements prescribed by SBP		
CET1 minimum ratio	6.00%	6.00%
Tier 1 minimum ratio	7.50%	7.50%
Total capital minimum ratio	11.50%	11.50%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	8,797,584	9,441,917
Total Exposures	209,307,925	156,629,925
Leverage Ratio	4.20%	6.03%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	32,440,317	17,914,626
Total Net Cash Outflow	34,483,289	17,581,217
Liquidity Coverage Ratio	94.08%	101.90%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	23,865,661	24,490,814
Total Required Stable Funding	18,908,986	18,812,749
Net Stable Funding Ratio	126.21%	130.18%

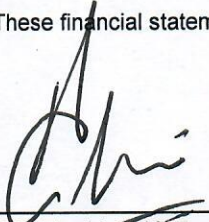

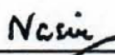


36 GENERAL

36.1 Figures in these consolidated 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 consolidated financial statements, wherever necessary, to facilitate comparison and better presentation.

37 DATE OF AUTHORISATION

These financial statements were authorised for issue on April 15, 2024 by the Board of Directors of the Holding Company.

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