



**PAK BRUNEI INVESTMENT COMPANY LTD.**

**FINANCIAL STATEMENTS  
(UN-AUDITED)**

**FOR THE PERIOD ENDED SEPTEMBER 30, 2016**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2016**

September 30, 2016 (Un-audited) ----- (US \$ in '000') -----	December 31, 2015 (Audited)		September 30, 2016 (Un-audited) ----- (Rupees in '000') -----	December 31, 2015 (Audited)
<b>ASSETS</b>				
424	977	Cash and balances with treasury banks	44,451	102,301
5,534	4,534	Balances with other banks	579,720	474,913
-	-	Lendings to financial institutions	-	-
174,793	160,864	Investments - net	18,309,609	16,850,466
105,199	97,731	Advances - net	11,019,566	10,237,341
266	302	Operating fixed assets	27,894	31,666
861	620	Deferred tax assets-net	90,164	64,945
30,588	12,922	Other assets	3,204,115	1,353,570
<b>317,666</b>	<b>277,949</b>		<b>33,275,519</b>	<b>29,115,202</b>
<b>LIABILITIES</b>				
-	-	Bills payable	-	-
186,335	138,841	Borrowings	19,518,574	14,543,592
28,480	40,270	Deposits and other accounts	2,983,289	4,218,289
-	-	Sub-ordinated loans	-	-
-	-	Liabilities against assets subject to finance lease	-	-
-	-	Deferred tax liabilities-net	-	-
5,309	6,387	Other liabilities	556,130	669,020
<b>220,124</b>	<b>185,498</b>		<b>23,057,993</b>	<b>19,430,901</b>
<b>97,542</b>	<b>92,452</b>	<b>NET ASSETS</b>	<b>10,217,526</b>	<b>9,684,301</b>
<b>REPRESENTED BY</b>				
57,279	57,279	Share capital	6,000,000	6,000,000
11,539	10,171	Reserves	1,208,671	1,065,388
28,947	25,385	Unappropriated profit	3,032,164	2,659,034
<b>97,765</b>	<b>92,835</b>		<b>10,240,835</b>	<b>9,724,422</b>
(223)	(383)	Deficit on revaluation of assets - net of tax	(23,309)	(40,121)
<b>97,542</b>	<b>92,452</b>		<b>10,217,526</b>	<b>9,684,301</b>
<b>CONTINGENCIES AND COMMITMENTS</b>				
9				

The annexed notes 1 to 13 form an integral part of these unconsolidated financial statements.

Chief Executive

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - (UN-AUDITED)**  
**FOR THE QUARTER AND PERIOD ENDED SEPTEMBER 30, 2016**

Period Ended September 30, 2016 ----- (US \$ in '000') -----	Period Ended September 30, 2015		Note	Quarter Ended September 30, 2016	Period Ended September 30, 2016	Quarter Ended September 30, 2015	Period Ended September 30, 2015
				----- (Rupees in '000') -----			
11,067	14,033	Mark-up / Return / Interest earned		325,125	1,159,278	406,263	1,469,966
7,421	9,662	Mark-up / Return / Interest expensed		222,855	777,358	262,653	1,012,146
3,646	4,371	Net mark-up / Interest income		102,270	381,920	143,610	457,820
795	1,416	(Reversal)/Provision against non-performing loans and advances		36,219	83,269	77,894	148,349
(157)	1	Provision for diminution in the value of investments		(45,033)	(16,446)	281	90
-	-	Bad debts written off directly		-	-	-	-
638	1,417			(8,814)	66,823	78,175	148,439
3,008	2,954	Net mark-up / interest income after provisions		111,084	315,097	65,435	309,381
<b>NON MARK-UP/ INTEREST INCOME</b>							
770	154	Fee, commission and brokerage income		26,727	80,686	7,418	16,133
1,902	1,231	Dividend income		150,345	199,231	14,732	128,981
6,269	9,856	Gain on sale of securities		149	656,730	277,649	1,032,446
-	-	Unrealized gain / (loss) on revaluation of					
(23)	(179)	investments classified as held for trading		(1,608)	(2,425)	(5,051)	(18,791)
10	0	Other income		-	998	1	52
8,928	11,063	Total non-mark-up / interest income		175,613	935,220	294,749	1,158,821
11,936	14,016			286,697	1,250,317	360,184	1,468,202
<b>NON MARK-UP/ INTEREST EXPENSES</b>							
2,131	2,168	Administrative expenses		70,789	223,173	68,179	227,059
-	-	Other provisions / write offs - net		-	-	-	-
-	-	Other charges		-	-	-	-
2,131	2,168	Total non-mark-up / interest expenses		70,789	223,173	68,179	227,059
9,806	11,849			215,908	1,027,144	292,005	1,241,143
-	-	Extra ordinary/unusual items		-	-	-	-
9,806	11,849	<b>PROFIT BEFORE TAXATION</b>		215,908	1,027,144	292,005	1,241,143
2,783	4,276	Taxation - Current		45,995	291,546	176,969	447,926
464	227	- Prior years		11,720	48,605	(466)	23,782
(281)	(842)	- Deferred		-	(29,420)	-	(88,198)
2,966	3,661			57,715	310,731	176,503	383,510
6,839	8,187	<b>PROFIT AFTER TAXATION</b>		158,193	716,413	115,502	857,633
25,385	20,149	Unappropriated profit brought forward		3,217,254	2,659,034	2,852,758	2,110,627
32,224	28,337	<b>Profit available for appropriation</b>		3,375,447	3,375,447	2,968,260	2,968,260
0.0114	0.0136	<b>Earnings per share - Basic and diluted (in Rupees)</b>	10	0.26	1.19	0.19	1.43

The annexed notes 1 to 13 form an integral part of these unconsolidated financial statements.

Chief Executive

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER AND PERIOD ENDED SEPTEMBER 30, 2016**

<b>Period Ended September 30, 2016</b> ----- (US \$ in '000') -----	<b>Period Ended September 30, 2015</b>		<b>Quarter Ended September 30, 2016</b>	<b>Period Ended September 30, 2016</b>	<b>Quarter Ended September 30, 2015</b>	<b>Period Ended September 30, 2015</b>
			----- (Rupees in '000) -----			
<b>6,839</b>	8,187	<b>Profit after taxation for the period</b>	<b>158,193</b>	<b>716,413</b>	115,502	857,633
		<b>Other comprehensive income - net</b>				
-	-	Items that are not to be reclassified to profit or loss in subsequent periods	-	-	-	-
-	-	Items that may be reclassified to profit or loss in subsequent periods	-	-	-	-
<b>6,839</b>	8,187	<b>Comprehensive income transferred to equity</b>	<b>158,193</b>	<b>716,413</b>	115,502	857,633
		<b>Components of comprehensive income not reflected in equity</b>				
(59)	(434)	Surplus / (deficit) on revaluation of 'available-for-sale securities' - net of tax*	(51,232)	(6,226)	(203,202)	(45,444)
<b>6,780</b>	<b>7,754</b>	<b>Total comprehensive income for the period</b>	<b>106,961</b>	<b>710,187</b>	(87,700)	812,189

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

The annexed notes 1 to 13 form an integral part of these unconsolidated financial statements.

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

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

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

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

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2016**

Period Ended September 30, 2016 ----- (US \$ in '000') -----	Period Ended September 30, 2015		Period Ended September 30, 2016 ----- (Rupees in '000) -----	Period Ended September 30, 2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
9,806	11,849	Profit before taxation	1,027,144	1,241,143
1,902	1,231	Less: Dividend Income	199,231	128,981
7,904	10,617		827,913	1,112,162
Adjustments				
118	108	Depreciation	12,412	11,318
9	8	Amortization	920	812
795	1,416	(Reversal)/Provision against Non Performing Loans & Advances	83,269	148,349
(157)	1	Provision for diminution in value of investments	(16,446)	90
-	-	Provision against other assets	-	-
-	-	Transfer from fixed assets to staff loans	-	-
(9,53)	(0.15)	Loss/(Gain) on sale of fixed assets	(998)	(16)
23	179	Unrealized loss/(Gain) on revaluation of investments-HFT	2,425	18,791
779	1,712		81,582	179,344
8,683	12,329		909,495	1,291,506
(Increase) / decrease in operating assets				
-	-	Lendings to financial institutions	-	-
1,219	(552)	Held -for-trading securities	127,719	(57,833)
(8,262)	(1,802)	Advances	(865,494)	(188,755)
(17,312)	(1,866)	Other assets (excluding current taxation)	(1,813,468)	(195,489)
(24,356)	(4,220)		(2,551,243)	(442,077)
Increase in operating liabilities				
47,494	(58,627)	Borrowings	4,974,982	(6,141,146)
(11,790)	(2,494)	Deposits and other accounts	(1,235,000)	(261,200)
(1,078)	1,491	Other liabilities (excluding current taxation)	(112,890)	156,144
34,626	(59,630)		3,627,092	(6,246,202)
18,953	(51,521)		1,985,344	(5,396,773)
-	-	Financial charges paid	-	-
(3,080)	(3,493)	Income tax paid	(322,661)	(365,920)
15,873	(55,014)	Net cash from operating activities	1,662,683	(5,762,693)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
(46,679)	66,321	Net investments in available-for-sale securities	(4,889,612)	6,947,165
1,812	-	Net investments in held-to-maturity securities	189,811	-
-	-	Investment in associates	-	-
29,575	(7,292)	Investment in subsidiary	3,097,975	(763,802)
1,858	1,159	Dividend income received	194,662	121,439
(93)	(157)	Investments in operating fixed assets	(9,724)	(16,487)
11	17	Proceeds from disposal of fixed assets	1,162	1,754
(13,515)	60,048	Net cash used in investing activities	(1,415,726)	6,290,069
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
-	-	Payments of lease obligations	-	-
(1,909)	(1,909)	Payment of dividend	(200,000)	(200,000)
-	-	Proceeds from issue of share capital	-	-
(1,909)	(1,909)	Net cash flows from financing activities	(200,000)	(200,000)
448	3,125	<b>Increase/(Decrease) in cash and cash equivalents</b>	46,957	327,376
5,510	1,908	Cash and cash equivalents at beginning of the period	577,214	199,910
5,958	5,034	Cash and cash equivalents at the end of the period	624,171	527,286

The annexed notes 1 to 13 form an integral part of these unconsolidated financial statements.

Chief Executive

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2016**

	Share capital	Statutory reserve	Unappropriated profit	Total
	----- (Rupees in '000) -----			
Balance as at January 01, 2015	6,000,000	878,000	2,110,627	8,988,627
<b>Comprehensive income:</b>				
Profit after taxation for the period ended September 30, 2015	-	-	857,633	857,633
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	857,633	857,633
Transfer to statutory reserve		171,527	(171,527)	-
Final cash dividend for the year ended December 31, 2014 declared subsequent to the year end at Rs. 0.33 per share			(200,000)	(200,000)
<b>Balance as at September 30, 2015</b>	<b>6,000,000</b>	<b>1,049,527</b>	<b>2,596,733</b>	<b>9,646,260</b>
Balance as at October 01, 2015	6,000,000	1,049,527	2,596,733	9,646,260
<b>Comprehensive income:</b>				
Profit after taxation for the period ended December 31, 2015	-	-	79,300	79,300
Other comprehensive income	-	-	(1,138)	(1,138)
Total comprehensive income for the period	-	-	78,162	78,162
Transfer to statutory reserve	-	15,861	(15,861)	-
<b>Balance as at December 31, 2015</b>	<b>6,000,000</b>	<b>1,065,388</b>	<b>2,659,034</b>	<b>9,724,422</b>
Balance as at January 01, 2016	6,000,000	1,065,388	2,659,034	9,724,422
<b>Comprehensive income:</b>				
Profit after taxation for the period ended September 30, 2016	-	-	716,413	716,413
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	716,413	716,413
Transfer to statutory reserve		143,283	(143,283)	-
Final cash dividend for the year ended December 31, 2015 declared subsequent to the year end at Rs.0.33 per share			(200,000)	(200,000)
<b>Balance as at September 30, 2016</b>	<b>6,000,000</b>	<b>1,208,671</b>	<b>3,032,164</b>	<b>10,240,835</b>

The annexed notes 1 to 13 form an integral part of these unconsolidated financial statements.

Chief Executive

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER/PERIOD ENDED SEPTEMBER 30, 2016**

**1. STATUS AND NATURE OF BUSINESS**

Pak Brunei Investment Company Limited (the Company) is a Development Finance Institution (DFI) incorporated in Pakistan as an un-listed public limited company under the Companies Ordinance 1984. The State Bank of Pakistan (SBP) granted the approval for commencement of business with effect from August 20, 2007. The Company is a joint venture between the Government of Pakistan and the Brunei Investment Agency. The Company's objectives inter alia includes making investments in the industrial and agri based industrial fields in Pakistan on commercial basis through carrying out of industrial and agri 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 has been assigned credit rating of 'AA+' (Double A plus) in the medium to long term and A1+ (A One Plus) in the short-term by The Pakistan Credit Rating Agency Limited (PACRA) in June 2016. Outlook on the assigned rating is "Stable".

**2. STATEMENT OF COMPLIANCE**

- 2.1** These unconsolidated condensed interim financial statements of the Company have been prepared in accordance with the requirements of International Accounting Standard 34, Interim Financial Reporting, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the SBP. In case requirements differ, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the said directives have been followed.
- 2.2** The SBP vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement and International Accounting Standard 40, Investment Property for banking companies till further instructions. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7 Financial Instruments: Disclosures has not been made applicable for banks / DFIs. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.
- 2.3** The disclosures made in these unconsolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BSD Circular Letter No. 2 dated May 12, 2004 and International Accounting Standard 34, Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these unconsolidated condensed interim financial statements should be read in conjunction with the unconsolidated annual financial statements of the Company for the year ended December 31, 2015.
- 2.4** These unconsolidated condensed interim financial statements represent the separate condensed interim financial statements of the Company in which investment in subsidiaries and associates is stated at cost. The consolidated condensed interim financial statements of the Company and its subsidiaries are presented separately.
- 2.5** IFRS 10 "Consolidated Financial Statements" was made applicable from periods beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by Securities and Exchange Commission of Pakistan (SECP). However, vide S.R.O 56(I) /2016 dated January 28, 2016, SECP has directed that the requirements of consolidation under section 237 of the Companies Ordinance 1984 and IFRS-10 "Consolidated Financial Statements" are not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of this standard have not been considered in the preparation of the unconsolidated condensed interim financial information.

### **3. BASIS OF MEASUREMENT**

These condensed interim financial statements have been prepared under the historical cost convention, except for investments which are carried at fair value.

The US dollar amounts shown in the condensed interim balance sheet, condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim statement of cash flows are stated as additional information solely for the convenience of the readers and are not audited. For the purpose of conversion to US Dollar, the rate of Rs.104.75 to US dollars has been used for both 2016 and 2015 as it was the prevalent rate on September 30, 2016.

### **4. FINANCIAL RISK MANAGEMENT**

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2015.

### **5. ACCOUNTING ESTIMATES AND JUDGMENTS**

The estimates / judgments and associated assumptions used in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2015.



## 6. INVESTMENTS

		Held by Bank .....Rupees in '000'.....	Given as collateral	Total
Current period (September 30, 2016) - Un-audited	6.1	<u>8,793,361</u>	<u>9,516,248</u>	<u>18,309,609</u>
Prior year - Audited (December 31, 2015)	6.1	<u>11,477,623</u>	<u>5,372,843</u>	<u>16,850,466</u>
Prior year corresponding period - Un-Audited (September 30, 2015)		<u>11,725,306</u>	<u>6,104,207</u>	<u>17,829,513</u>

September 30, 2016 (Un-audited)			December 31, 2015 (Audited)		
Held by the Company ----- (Rupees in '000) -----	Given as collateral	Total	Held by the Company	Given as collateral	Total

### 6.1 Investments by type:

#### Held-for-trading securities

Market Treasury Bills	-	-	-	-	-	-
Pakistan Investment Bonds	-	-	-	-	-	-
Ordinary shares of listed companies	32,365	-	32,365	168,067	-	168,067
	<b>32,365</b>	<b>-</b>	<b>32,365</b>	168,067	-	168,067

#### Available- for- sale securities

Market Treasury Bills	1,916,039	9,517,703	11,433,742	737,760	480,243	1,218,003
Pakistan Investment Bonds	978,084	-	978,084	877,849	4,808,752	5,686,601
Ordinary shares of listed companies	1,222,275	-	1,222,275	854,393	-	854,393
Ordinary shares of unlisted companies	40,581	-	40,581	146,001	-	146,001
Term Finance Certificates and SUKUK	1,582,177	-	1,582,177	2,461,249	-	2,461,249
Mutual funds	-	-	-	1,000	-	1,000
Preference shares	67,260	-	67,260	67,260	-	67,260
	<b>5,806,416</b>	<b>9,517,703</b>	<b>15,324,119</b>	5,145,512	5,288,995	10,434,507

#### Held- to- maturity securities

Commercial paper	-	-	-	189,811	-	189,811
------------------	---	---	---	---------	---	---------

#### Investment in related parties 6.2

	3,253,298	-	3,253,298	6,351,273	-	6,351,273
--	-----------	---	-----------	-----------	---	-----------

#### Investment at cost

#### Less: Provision for diminution in

value of Investments	(292,319)	-	(292,319)	(258,766)	-	(258,766)
----------------------	-----------	---	-----------	-----------	---	-----------

#### Investments (net of provisions)

	8,799,760	9,517,703	18,317,463	11,595,897	5,288,995	16,884,892
Surplus/(Deficit) on revaluation of held-for-trading securities	(1,628)	-	(1,628)	(7,186)	-	(7,186)

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

	(4,771)	(1,455)	(6,226)	(111,088)	83,848	(27,240)
--	---------	---------	---------	-----------	--------	----------

#### Total investments (Net of Provision)

	<u>8,793,361</u>	<u>9,516,248</u>	<u>18,309,609</u>	11,477,623	5,372,843	16,850,466
--	------------------	------------------	-------------------	------------	-----------	------------

## 6.2 Investment in related parties

Name of Investee Company / Fund	Note	% of holding		Cost as at	
		2016	2015	September 30, 2016	December 31, 2015
<b>Unlisted public companies - strategic investment</b>					
Primus Investment Management Limited		100.00	100.00	250,000	250,000
Awwal Modaraba Management Limited		100.00	100.00	105,000	105,000
				<b>355,000</b>	<b>355,000</b>
<b>Open-end mutual funds - listed</b>					
PIML Income Fund		48.94	49.21	150,782	2,634,000
PIML Daily Reserve Fund		11.04	78.44	50,812	2,470,961
PIML Strategic Multi Asset Fund		80.27	80.39	258,000	241,000
PIML Islamic Equity Fund		70.13	75.98	159,441	133,000
PIML Islamic Income Fund (IMF Previously)		72.77	98.85	239,164	404,312
PIML Value Equity Fund		62.65	68.48	149,289	113,000
PIML Asset Allocation Fund		71.92	-	992,770	-
				<b>2,000,258</b>	<b>5,996,273</b>
<b>Listed Modaraba</b>					
Awwal Modaraba		89.80	-	898,040	-
				<b>3,253,298</b>	<b>6,351,273</b>

September 30, December 31,  
2016 2015  
(Un-audited) (Audited)  
----- (Rupees in '000) -----

**7. ADVANCES**

Loans, cash credits, running finances, etc. in Pakistan	<b>7,089,782</b>	8,082,603
Borrowings from State Bank of Pakistan under:	-	
- Long-Term Finance Facility (LTFF) Scheme	<b>2,310,823</b>	951,045
- Power Plants Using Renewable Energy (PPRE) Scheme	<b>126,778</b>	172,582
- Financing for Storage of Agriculture Produce (FFSAP) Scheme	<b>414,254</b>	17,672
Net investment in finance lease - inPakistan	<b>1,317,571</b>	1,169,812
	<b>11,259,208</b>	10,393,714
Advances - gross		
Less: Provision for non-performing advances - specific	<b>238,868</b>	155,854
Provision for non-performing advances - general	<b>774</b>	519
	<b>239,642</b>	156,373
Advances - net of provision	<b>11,019,566</b>	10,237,341

**7.1** Advances include Rs. 458.426 million (December 31, 2015 : Rs. 311.707 million) which have been placed under non-performing status as detailed below:

Category of Classification	Domestic	Overseas	Total	Provision Required	Provision Held
	----- (Rupees in '000) -----				
OAEM	1,987		1,987	199	199
Substandard	19,118	-	19,118	4,780	4,780
Doubtful	125,614	-	125,614	3,332	62,807
Loss	311,707	-	311,707	30,457	171,082
	<b>458,426</b>	<b>-</b>	<b>458,426</b>	<b>38,768</b>	<b>238,868</b>

**7.2 Movement of Provision**

	September 30, 2016			December 31, 2015		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	155,854	519	156,373	2,537	327	2,864
Charge for the period	83,014	255	83,269	155,854	192	156,046
Reversals	-	-	-	(2,537)	-	(2,537)
Closing Balance	<b>238,868</b>	<b>774</b>	<b>239,642</b>	155,854	519	156,373

September 30, December 31,  
**2016** 2015  
(Un-audited) (Audited)  
----- (Rupees in '000) -----

**9. CONTINGENCIES AND COMMITMENTS**

There has been no change in the disclosure of contingencies and commitments as disclosed in last annual audited financial statements for the year ended December 31, 2015, except as follows:

<b>9.1</b>	<b>Transaction-related Contingent liability</b>	<b>471,805</b>	849,964
<b>9.2</b>	<b>Commitments to extend credit</b>	<b>6,633,388</b>	3,468,396
<b>9.3</b>	<b>Commitments for trading in government securities</b>		
	purchases	-	-
	sale (repo)	<b>9,519,604</b>	5,183,360
<b>9.4</b>	<b>Other commitments</b>		
	sale of shares	-	169,891
	purchase of modaraba certificates	-	250,000

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

	Quarter Ended September 30, 2016 (Un-audited)	Period Ended September 30, 2016 (Un-audited)	Quarter Ended September 30, 2015 (Un-audited)	Period Ended September 30, 2015 (Un-audited)
Profit after taxation for the period attributable to ordinary shareholders (Rupees in '000)	<b>158,193</b>	<b>716,413</b>	115,502	857,633
Weighted average number of ordinary shares outstanding during the period (in '000)	<b>600,000</b>	<b>600,000</b>	600,000	600,000
Basic and diluted earnings per share (Rupees)	<b>0.26</b>	<b>1.19</b>	0.19	1.43

## 11. TRANSACTIONS WITH RELATED PARTIES / ASSOCIATED UNDERTAKINGS

The Company has related party relationship with:

- the subsidiary companies, (Primus Investment Management Limited and Awwal Modaraba Management Limited)
- the associates (collective investment schemes of Primus Investment Management Limited) and modaraba fund managed by Awwal Modaraba
- its employyes defined benefit and contribution plan;
- its key management personnel;
- state controlled entities i.e.. the entities which are owned and / or controlled by the Government of Pakistan and the Government of Brunei or where these governments may exercise significant influence;
- other related parties include Omer Jibran Engineering Industries Ltd., Haq Bahu Sugar Mills (Pvt) Limited and Maple Leaf Cement Factory Limited.

All transactions between the Company and its related parties / associated undertakings are carried out under normal course of business except employee staff loans that are as per terms of employment.

Details of transactions with related parties during the period are as follows:

	For the period ended September 30, 2016 (Un-audited)					For the year ended December 31, 2015 (Audited)				
	Key management personnel	Other related parties	State controlled entities	Subsidiary companies	Associates	Key management personnel	Other related parties	State controlled entities	Subsidiary	Associates
	----- (Rupees in '000) -----									
<b>Advances</b>										
At beginning of the period / year	61,644	540,232	53,466	-	-	41,922	566,259	160,825	-	-
Advances made	4,035	284,976	62,454	-	-	20,979	105,981	9,514	-	-
Transferred from other related party	(22,422)	22,422	-	-	-	6,991	(6,991)	-	-	-
Deleted from Related party (Deletion of Director Ship)	-	(400,200)	-	-	-	-	-	-	-	-
Repaid during the period / year	(7,171)	(63,950)	(22,043)	-	-	(8,248)	(125,017)	(116,873)	-	-
At end of the period / year	<u>36,086</u>	<u>383,480</u>	<u>93,877</u>	<u>-</u>	<u>-</u>	<u>61,644</u>	<u>540,232</u>	<u>53,466</u>	<u>-</u>	<u>-</u>
<b>Investments</b>										
At beginning of the period / year	-	187,309	7,063,565	355,000	5,996,273	-	338,989	15,508,620	355,000	4,704,764
Addition/Investments made during the period / year	-	268,782	53,692,794	-	15,059,433	-	734,186	44,042,066	-	25,384,045
Redemption during the period / year	-	(362,038)	(48,154,393)	-	(18,157,408)	-	(885,866)	(52,487,121)	-	(24,092,536)
At end of the period / year	<u>-</u>	<u>94,053</u>	<u>12,601,966</u>	<u>355,000</u>	<u>2,898,298</u>	<u>-</u>	<u>187,309</u>	<u>7,063,565</u>	<u>355,000</u>	<u>5,996,273</u>
<b>Placements</b>										
At beginning of the period / year	-	-	-	-	-	-	-	-	-	-
Placements made during the period / year	-	-	48,047	-	-	-	-	19,307,119	-	-
Placements matured during the period / year	-	-	(48,047)	-	-	-	-	(19,307,119)	-	-
At end of the period / year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Borrowing</b>										
At beginning of the period / year	-	-	6,605,818	-	630,000	-	-	15,880,124	-	690,000
Add: Received during the year	-	-	201,144,966	-	1,100,000	-	-	207,469,362	-	2,645,000
Less: Paid during the year	-	-	(202,235,512)	-	(1,580,000)	-	-	(216,743,668)	-	(2,705,000)
<b>Closing Balance</b>	<u>-</u>	<u>-</u>	<u>5,515,272</u>	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>6,605,818</u>	<u>-</u>	<u>630,000</u>

	For the period ended September 30, 2016 (Un-audited)					For the period ended September 30, 2015 (Un-audited)				
	Key management personnel	Other related parties	State controlled entities	Subsidiary	Associates	Key management personnel	Other related parties	State controlled entities	Subsidiary	Associates
	----- (Rupees in '000) -----									
Mark-up / return / interest earned	<u>1,889</u>	<u>11,538</u>	<u>413,203</u>	<u>-</u>	<u>-</u>	<u>1,550</u>	<u>40,028</u>	<u>693,580</u>	<u>-</u>	<u>-</u>
Mark-up / return / interest expensed	<u>-</u>	<u>-</u>	<u>155,632</u>	<u>-</u>	<u>22,875</u>	<u>-</u>	<u>-</u>	<u>312,529</u>	<u>35,369</u>	<u>-</u>
Gain on sale of securities-net	<u>-</u>	<u>12,732</u>	<u>489,521</u>	<u>-</u>	<u>143,806</u>	<u>-</u>	<u>16,639</u>	<u>613,395</u>	<u>313,155</u>	<u>-</u>
Dividend income	<u>-</u>	<u>-</u>	<u>4,970</u>	<u>-</u>	<u>175,898</u>	<u>-</u>	<u>899</u>	<u>9,997</u>	<u>87,543</u>	<u>-</u>
Salaries and other benefits	<u>57,382</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,769</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution to Provident Fund	<u>2,519</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution to Gratuity Fund	<u>2,141</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,391</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reimbursement of expenses	<u>3,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,583</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**12. GENERAL**

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

**13. DATE OF AUTHORIZATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorized for issue on **03-December-2016** by Board of Directors of the Company.

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

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

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

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