

PAK CHINA INVESTMENT COMPANY LIMITED

FINANCIAL STATEMENTS

**FOR THE HALF YEAR ENDED
JUNE 30, 2022**



DIRECTORS REVIEW ON CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2022

We are pleased to present on behalf of the Board of Directors, the unaudited condensed interim financial statements of Pak China Investment Company Limited (PCICL) for the half year ended 30 June 2022 together with the Directors' Review thereon.

Profit after tax of PCICL was Rs. 613 million for the half year ended 30 June 2022 as compared to Rs. 397 million in the first half of prior year, showing an increase of 54.5%. Resultantly, earning per share has increased from Re. 0.41 during last year's first half to Re. 0.63 in current year's first half. Operating profit (profit before provisions and tax) during the current half year has touched Rs. 1,101 million as compared to Rs. 622 million during the first half of last year.

Later in last year, SBP gradually started increasing the policy rate from 7.00% and culminated at 13.75% as of 30 June 2022 in line with the macroeconomic indicators. Upward repricing of majority of the portfolio in current half year coupled with the increased volume of portfolio resulted in increase of Net Interest Income by Rs. 167 million i.e. 20.5%. Fee & Commission income has slightly increased by Rs. 1.6 million during current half year as compared to first six months of last year. During the first six months of 2021, PKR appreciated against USD, thus gave an exchange loss on revaluation of Rs. 27 million, while on the other hand this half year witnessed a sharp depreciation of PKR against USD and exchange gain on revaluation to the tune of 377 million has been booked. Stock market remained largely in pressure in the current half year which has given an unrealized loss of Rs. 39 million on revaluation of shares.

Operating expenses increased by Rs. 48 million majorly due to increased travel cost & regular annual increments in salaries of employees. Provisions and write-offs – net has increased from Rs. 66 million in last year's first half to Rs. 106 million during current half year. Increase is due to specific provision of Rs. 132 million of existing NPL clients, reversal of specific provision of Rs. 47 million upon recovery and further creation of general provision of Rs. 20 million. Effective tax rate has also increased due to charge of super tax for current and previous tax years and withdrawal of a relevant reduced tax rates provision.

Total assets have increased by Rs. 17 billion as of 30 June 2022 as compared to the balance as at 31 December 2021, majorly due to investment in market treasury bills being funded by short term borrowings, thus earning a fine spread. As per PCICL's mandate, the Company showed its commitment towards development and progress of industry by supporting CPEC projects, and Power and Textile sectors specifically, further PCICL also utilized SBP refinance schemes to the fullest available limits in this half year.

The Company has adjusted the figures for the previous years regarding certain investments and restated the balances of prior years. The impact of this restatement is detailed in Note 35 of these condensed interim financial statements attached herewith.

During the period ended 30 June 2022, VIS Credit Rating Company has reaffirmed the entity ratings of the Company as long term AAA and short term A-1+, highest in both categories. The medium to long term rating of AAA denotes highest credit quality, with negligible risk factors, being only slightly more than risk-free debt of Government of Pakistan. The outlook on the assigned rating is Stable.



Finally, on behalf of the Board, I would like to express our gratitude to our shareholders, Ministry of Finance, Government of Pakistan and China Development Bank for their support and State Bank of Pakistan for professional guidance. The Board also wishes to place on record its appreciation of the hard work and dedication of the Management and staff of the Company.

On behalf of the Board of Directors

A handwritten signature in blue ink, appearing to read "Hassan Raza".

Hassan Raza
Managing Director
Pak China Investment Co. Ltd.

A handwritten signature in blue ink, appearing to read "Wang Baojun".

Wang Baojun
Chairman Board of Directors
Pak China Investment Co. Ltd.

23 July 2024
Islamabad

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Pak China Investment Company Limited
Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Pak China Investment Company Limited (the Company) as at June 30, 2022 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity and the notes to the financial statements for the half year ended (here-in-after referred to as the 'interim financial statements'). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months ended June 30, 2022 and June 30, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2022.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

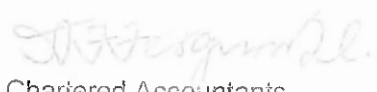
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The financial statements of Pak China Investment Company Limited for the year ended December 31, 2021 were audited by another auditor, whose report dated October 30, 2023 expressed an unmodified opinion thereon.

The condensed interim financial statements of the Pak China Investment Company Limited for the half year ended June 30, 2021, were reviewed by another auditor who expressed an unmodified conclusion on those statements on September 14, 2021.

The engagement partner on the audit resulting in this independent auditor's report is JehanZeb Amin.


Chartered Accountants
Islamabad

Date: July 23, 2024

UDIN: RR20221003J3O5b1nzN

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT JUNE 30, 2022

	Note	June 30,	-----Restated-----	
		2022 (Unaudited)	December 31, 2021 (Audited)	January 1, 2021 (Audited)
		-----Rupees-----		
ASSETS				
Cash and balances with treasury banks	6	2,124,338,877	2,067,463,832	2,223,116,872
Balances with other banks	7	4,984,880,716	6,546,094,679	35,230,054
Lendings to financial institutions		-	-	1,149,985,152
Investments	8	29,424,715,490	12,587,332,924	15,463,517,937
Advances	9	16,876,146,659	15,841,552,779	11,550,098,344
Fixed assets	10	229,465,115	195,131,273	233,362,516
Intangible assets	11	95,982	217,988	494,736
Deferred tax assets	12	44,142,780	63,444,294	121,454,603
Other assets	13	550,607,326	441,250,303	453,464,171
		54,234,392,945	37,742,488,072	31,230,724,385
LIABILITIES				
Bills payable		-	-	-
Borrowings	14	34,454,151,661	14,694,377,694	12,902,913,838
Deposits and other accounts	15	-	4,750,000,000	512,400,000
Liabilities against assets subject to finance lease		-	-	-
Subordinated debt		-	-	-
Deferred tax liabilities	14	-	-	-
Other liabilities	16	1,172,456,050	251,125,550	511,476,256
		35,626,607,711	19,695,503,244	13,926,790,094
NET ASSETS		18,607,785,234	18,046,984,828	17,303,934,291
REPRESENTED BY				
Share capital		9,696,637,540	9,696,637,540	9,696,637,540
Advance against issue of shares	17	109,881,237	9,881,237	9,881,237
Statutory reserve		1,749,435,599	1,626,807,563	1,485,179,524
Surplus on revaluation of assets	18	53,088,545	206,109,426	170,118,599
Unappropriated profit		6,998,742,313	6,507,549,062	5,942,117,390
		18,607,785,234	18,046,984,828	17,303,934,291
CONTINGENCIES AND COMMITMENTS	19			

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.

Wazir



MANAGING DIRECTOR



CHIEF FINANCIAL OFFICER



CHAIRMAN



DIRECTOR



DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2022

	Note	For the quarter ended		For the half year ended	
		Restated		Restated	
		June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
		Rupees		Rupees	
MARK-UP / RETURN / INTEREST EARNED	20	1,446,776,600	896,811,355	2,446,258,063	1,343,155,618
MARK-UP / RETURN / INTEREST EXPENSED	21	(912,161,921)	(369,836,526)	(1,464,847,258)	(528,749,995)
Net mark-up / interest income		534,614,679	526,974,829	981,410,805	814,405,623
NON MARK-UP / INTEREST INCOME					
Fee and commission income	22	41,070,222	14,245,961	59,096,910	57,423,851
Dividend income		5,258,329	7,437,500	16,508,329	7,437,500
Foreign exchange income / (loss)		294,490,338	66,024,994	376,910,950	(26,762,209)
Income / (loss) from derivatives		-	-	-	-
(Loss) / gain on securities - net	23	(8,835,363)	37,731,598	(39,202,200)	16,595,290
Other income	24	3,432,139	3,244,617	7,008,372	6,489,234
Total non-markup / interest income		335,415,665	128,684,670	420,322,361	61,183,666
Total income		870,030,344	655,659,499	1,401,733,166	875,589,289
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	25	173,105,581	135,516,064	301,056,465	253,219,124
Workers welfare fund		-	-	-	-
Other charges	26	-	-	-	4,692
Total non-markup / interest expenses		173,105,581	135,516,064	301,056,465	253,223,816
Profit before provisions		696,924,763	520,143,435	1,100,676,701	622,365,473
Provisions and write offs - net	27	44,556,504	68,625,077	105,560,620	66,236,361
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		652,368,259	451,518,358	995,116,081	556,129,112
Taxation	28	279,768,957	126,025,386	381,975,902	159,173,999
PROFIT AFTER TAXATION		372,599,302	325,492,972	613,140,179	396,955,113
Basic and diluted earnings per share	29	0.38	0.34	0.63	0.41

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.

S.A. 7/20


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER


CHAIRMAN


DIRECTOR


DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
 FOR THE SIX MONTHS ENDED JUNE 30, 2022

	For the quarter ended		For the half year ended	
	June 30, 2022	Restated June 30, 2021	June 30, 2022	Restated June 30, 2021
	-----Rupees-----		-----Rupees-----	
Profit after taxation for the period	372,599,302	325,492,972	613,140,179	396,955,113
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Net change in fair value of available-for-sale securities - net of tax	(168,938,216)	311,676,418	(153,020,881)	312,483,048
Items that will not be reclassified to profit and loss account in subsequent periods:				
Effect of change in tax rate on: Defined benefit obligation	681,108	-	681,108	-
TOTAL COMPREHENSIVE INCOME	<u>204,342,194</u>	<u>637,169,390</u>	<u>460,800,406</u>	<u>709,438,161</u>

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.

سید محمد



 MANAGING DIRECTOR



 CHIEF FINANCIAL OFFICER



 CHAIRMAN



 DIRECTOR



 DIRECTOR

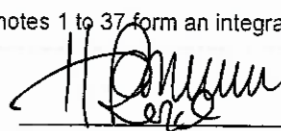
PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2022

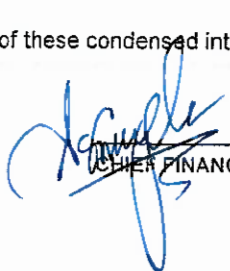
	Share capital	Advance against issue of shares	Statutory reserve	Surplus on revaluation of investments	Unappropriated profit	Total
----- Rupees -----						
Balance as at January 1, 2021 - previously reported	9,696,637,540	9,881,237	1,538,966,655	83,193,433	6,153,575,746	17,482,254,611
Effect of restatement			(53,787,131)	86,925,166	(211,458,356)	(178,320,321)
Balance as at January 1, 2021 (Restated)	9,696,637,540	9,881,237	1,485,179,524	170,118,599	5,942,117,390	17,303,934,290
Profit after taxation (Restated)	-	-	-	-	396,955,113	396,955,113
Other comprehensive income	-	-	-	312,483,048	-	312,483,048
Total comprehensive income (Restated)	-	-	-	312,483,048	396,955,113	709,438,161
Transfer to statutory reserve	-	-	79,391,023	-	(79,391,023)	-
Balance as at July 1, 2021 (Restated)	9,696,637,540	9,881,237	1,564,570,547	482,601,647	6,259,681,480	18,013,372,451
Profit after taxation	-	-	-	-	311,185,081	311,185,081
Other comprehensive income	-	-	-	(276,492,221)	(1,080,483)	(277,572,704)
Total comprehensive income (Restated)	-	-	-	(276,492,221)	310,104,598	33,612,377
Transfer to statutory reserve	-	-	62,237,016	-	(62,237,016)	-
Balance as at December 31, 2021 (Restated)	9,696,637,540	9,881,237	1,626,807,563	206,109,426	6,507,549,062	18,046,984,828
Profit after taxation	-	-	-	-	613,140,179	613,140,179
Other comprehensive income	-	-	-	(153,020,881)	681,108	(152,339,773)
Total comprehensive income	-	-	-	(153,020,881)	613,821,287	460,800,406
Transfer to statutory reserve	-	-	122,628,036	-	(122,628,036)	-
Transaction with owners recognized directly in equity						
Advance against issue of shares	-	100,000,000	-	-	-	100,000,000
Balance as at June 30, 2022	9,696,637,540	109,881,237	1,749,435,599	53,088,545	6,998,742,313	18,607,785,234

According to BPD Circular No. 15, dated May 31, 2004, issued by the SBP, an amount not less than 20% of the after tax profits shall be transferred to create a reserve fund, till such time the reserve fund equals the amount of the paid-up capital of the Company, and after that a sum not less than 5% of the profit after tax shall be credited to the said reserve.

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.

2022


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER


CHAIRMAN


DIRECTOR

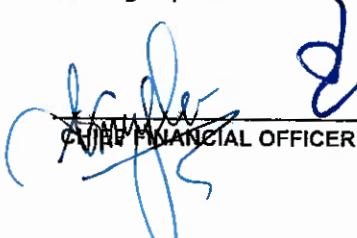

DIRECTOR

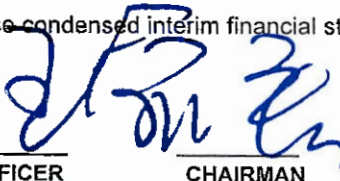
PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2022

	For the half year ended	
	June 30, 2022	Restated June 30, 2021
Note	-----Rupees-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	995,116,081	556,129,112
Less:		
Dividend income	<u>(16,508,329)</u>	<u>(7,437,500)</u>
	978,607,752	548,691,612
Adjustments for:		
Depreciation	25 23,811,709	21,520,858
Amortization	25 122,006	143,893
Provision for gratuity	9,234,036	8,495,623
Provision against non-performing loans and advances - net	27 105,560,620	71,317,657
Reversal of provision for diminution in value of investments	27 -	(5,081,296)
Loss on sale of fixed assets	25 563,485	-
Unrealized loss on held for trading securities	23 39,202,200	15,145,720
Interest expense on lease liability	21 1,196,628	1,474,235
Exchange (gain) / loss	<u>(376,910,950)</u>	<u>26,762,209</u>
	<u>(197,220,266)</u>	<u>139,778,899</u>
	781,387,486	688,470,511
Decrease / (Increase) in operating assets		
Lendings to financial institutions	-	1,149,985,152
Advances	<u>(1,140,154,500)</u>	<u>(1,897,160,526)</u>
Others assets (excluding advance taxation)	<u>(201,142,887)</u>	<u>(102,031,237)</u>
	<u>(1,341,297,387)</u>	<u>(849,206,611)</u>
Increase / (Decrease) in operating liabilities		
Borrowings from financial institutions	<u>19,759,773,967</u>	<u>21,214,493,212</u>
Deposits	<u>(4,750,000,000)</u>	<u>(512,400,000)</u>
Others liabilities (excluding current taxation)	<u>867,726,214</u>	<u>(51,481,268)</u>
	<u>15,877,500,181</u>	<u>20,650,611,944</u>
Contribution to plan assets	<u>(7,004,251)</u>	<u>(89,600)</u>
Income tax paid	<u>(206,843,402)</u>	<u>(129,390,974)</u>
Net cash flow from operating activities	<u>15,103,742,627</u>	<u>20,360,395,270</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Investment (made) / realized during the period - net	<u>(17,493,590,635)</u>	<u>(18,162,543,088)</u>
Dividend received	16,508,329	7,437,500
Capital expenditure	<u>(9,535,138)</u>	<u>(568,100)</u>
Proceeds from sale of fixed assets	867,286	-
Net cash flow from investing activities	<u>(17,485,750,158)</u>	<u>(18,155,673,688)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Advance for issue of share	100,000,000	-
Lease payments	<u>(16,800,000)</u>	<u>(14,833,032)</u>
Net cash flow used in financing activities	<u>83,200,000</u>	<u>(14,833,032)</u>
Effects of exchange rate changes on cash and cash equivalents	<u>376,910,950</u>	<u>(26,762,209)</u>
(Decrease) / Increase in cash and cash equivalents	<u>(1,921,896,581)</u>	<u>2,163,126,341</u>
Cash and cash equivalents at beginning of the period	<u>6,154,451,490</u>	<u>2,258,346,926</u>
Cash and cash equivalents at end of the period	30 <u>4,232,554,909</u>	<u>4,421,473,267</u>

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER


CHAIRMAN


DIRECTOR


DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2022

1 STATUS AND NATURE OF BUSINESS

Pak China Investment Company Limited (the Company) was incorporated in Pakistan as a public limited company on July 27, 2007. The registered office of the Company is situated at 13th Floor, Saudi Pak Tower, Blue Area, Islamabad. The Company is a 50:50 joint venture between the 'Government of People's Republic of China' and 'Government of Islamic Republic of Pakistan' through China Development Bank and Ministry of Finance, respectively. The Company's objectives include, inter alia, investment and financing in infrastructure projects, and in industrial, manufacturing, non-manufacturing and financial sectors.

The Company commenced business after obtaining the Certificate of Commencement of Business from the Securities and Exchange Commission of Pakistan (SECP) on November 02, 2007, and the permission to commence business from the State Bank of Pakistan (SBP) on January 10, 2008.

2 BASIS OF PRESENTATION

These condensed interim financial statements have been presented in accordance with the format prescribed by SBP's BPRD Circular No. 5 dated March 22, 2019.

2.1 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives under the Banking Companies Ordinance, 1962 and the Companies Act, 2017;
- Directives issued by the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan.

Wherever the requirements of the Banking Companies Ordinance 1962, and the Companies Act, 2017 or the directives issued by the State Bank of Pakistan and the SECP differ with the requirements of IFRS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The State Bank of Pakistan has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' (refer to note 2.3 for discussion on adaption of IFRS 9 which will replace IAS 39 financial instrument) and IAS 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS-7 "Financial Instruments: Disclosures" on banks through S.R.O 411(1)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

IFRS 8, 'Operating Segments' is effective for the company's accounting period beginning on or after January 01, 2009. All banking companies in Pakistan are required to prepare their condensed interim financial statements in line with the format prescribed under BPRD Circular No. 5 dated March 22, 2019. "Format of Interim Financial Statements effective" from the accounting year started from January 01, 2019. The management of the Company has assessed that as SBP has defined the segment categorization in the above mentioned circular, its requirements will prevail over the requirements specified in IFRS 8. Accordingly, segment information disclosed in these condensed interim financial statements is based on the requirements laid down by the SBP.

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The condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended December 31, 2021 except for the restatement as referred to in note 35.

2.2 Amendments to existing accounting and reporting standards that have become effective in the current period

The accounting policies adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2021, except for the adoption of new standards effective as of January 01, 2022 and the matter triggering restatement which is explained in note 35. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2022, but do not have an impact on the condensed interim financial statements of the Company:

	Effective date (periods beginning on or after)
- IAS 16 Property, Plant and Equipment (Amendments)	January 01, 2022
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets	January 01, 2022
- Amendments to IFRS 3 - Reference to the Conceptual Framework	January 01, 2022
- Annual improvements to IFRS Standards 2018 - 2020	January 01, 2022

2.3 Standards, interpretations of and amendments to published accounting standards that are not yet effective

The following amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment:

	Effective date (periods beginning on or after)
- Amendments to IAS 1 - Classification of liabilities as current or non-current	January 01, 2023
- Amendments to IAS 8 - Definition of Accounting Estimates	January 01, 2023
- Amendments to IAS 1 (and IFRS Practice Statement 2) - Disclosure of Accounting Policies	January 01, 2023
- Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 01, 2023

The above mentioned amendments are not likely to have a material impact on the Company's condensed interim financial statements.

- IFRS 9 'Financial Instruments', the effective date of the standard has been extended to annual periods beginning on or after January 01, 2023 vide SBP BPRD Circular no. 3 dated July 05, 2022. Certain requirements of this standard will be applicable from January 01, 2024. IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new Expected Credit Loss (ECL) model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The impact of the application of IFRS 9 on the Company's financial statements is being assessed, in light of implementation guidance issued by SBP.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the audited annual financial statements for the year ended December 31, 2021.

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4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of this condensed interim financial information is the same as that applied in the preparation of the financial statements for the year ended December 31, 2021.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the financial statements for the year ended December 31, 2021.

		(Unaudited) June 30, 2022	(Audited) December 31, 2021
		-----Rupees-----	
6	CASH AND BALANCES WITH TREASURY BANKS		
	In hand		
	Local currency	7,425	13,885
	With State Bank of Pakistan in		
	Local currency current account	122,234,890	67,181,336
	With National Bank of Pakistan in		
	Local currency current account	1,871,213	72,886
	Local currency deposit account	2,000,000,000	2,000,000,000
	Foreign currency current account	225,349	195,725
		<u>2,124,338,877</u>	<u>2,067,463,832</u>

6.1 This mainly represents the minimum cash reserve required to be maintained with SBP, in accordance with the requirements of DMMD Circular No. 21 dated October 05, 2012.

6.2 This represents local currency term deposit of Rs.2,000 million (2021: Rs. 2,000 million) carrying mark-up at the rate of 15.70% per annum (2021: 12%) and will mature on July 13, 2022 (2021: January 24, 2022)

		(Unaudited) June 30, 2022	(Audited) December 31, 2021
		-----Rupees-----	
7	BALANCES WITH OTHER BANKS		
	In Pakistan		
	In deposit account - Local currency	2,107,807,132	4,086,334,535
	In current account - Local currency	16,244	304,449
	In deposit account - Foreign currency	2,876,664,684	2,459,107,021
	In current account - Foreign currency	392,656	348,674
		<u>4,984,880,716</u>	<u>6,546,094,679</u>

7.1 This mainly represents a local currency term deposits of Rs. 2,000 million (2021: Rs. 4,000 million) carrying mark-up rate of Rs. 15.65 % per annum (2021: 12% to 12.5%) and will mature on July 13, 2022 (2021: January 21, 2022 & January 24, 2022).The local currency deposit accounts other than mentioned above, carry interest rates ranging from 4.5% to 12.25% (2021: 4% to 7.25%) per annum.

7.2 This mainly represents a foreign currency term deposit of USD 14,084,000 (2021: 13,861,000) carrying mark-up rate of 9.50% (2021: 3.75%) per annum and will mature on June 22, 2023.

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8 INVESTMENTS

8.1 Investments by type	Note	(Unaudited) June 30, 2022				(Audited) December 31, 2021 (Restated)			
		Cost / Amortized cost	Provision for diminution	(Deficit) / Surplus	Carrying Value	Cost / Amortized cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
		-----Rupees-----				-----Rupees-----			
Held-for-trading securities									
Shares		255,530,666	-	(101,339,929)	154,190,737	255,530,666	-	(62,137,729)	193,392,937
Available-for-sale securities									
Federal Government Securities		20,837,585,855	-	(161,049,855)	20,676,536,000	4,496,780,170	-	(1,006,170)	4,495,774,000
Shares		1,470,200,522	(571,052,077)	78,005,493	977,153,938	1,470,200,522	(571,052,077)	170,600,100	1,069,748,544
Non Government Debt Securities		7,006,768,305	(339,793,303)	124,733,798	6,791,708,800	6,261,908,305	(339,793,303)	77,843,713	5,999,958,715
Preference shares		315,000,000	-	42,525,000	357,525,000	315,000,000	-	36,225,000	351,225,000
		29,629,554,682	(910,845,380)	84,214,436	28,802,923,738	12,543,888,997	(910,845,380)	283,662,643	11,916,706,259
Held to maturity securities									
Commercial Paper	8.3	467,601,015	-	-	467,601,015	477,233,728	-	-	477,233,728
Total Investments		30,352,686,363	(910,845,380)	(17,125,493)	29,424,715,490	13,276,653,391	(910,845,380)	221,524,914	12,587,332,924

	(Unaudited) June 30, 2022	(Audited) December 31, 2021 Restated
----- Rupees -----		
8.1.1 Investments given as collateral		
Market Treasury Bills	11,150,726,500	965,817,625
8.2 Provision for diminution in value of investments		
8.2.1 Opening balance	910,845,380	897,607,141
Charge for the year	-	42,878,998
Reversal during the period	-	(5,081,296)
Transfer to specific provision against advances	-	(24,559,463)
Closing Balance	910,845,380	910,845,380

8.2.2 Particulars of provision against debt securities Category of classification	(Unaudited) June 30, 2022		(Audited) December 31, 2021	
	-----Rupees-----			
	NPI	Provision	NPI	Provision
Domestic				
Other assets especially mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
Total	448,548,303	339,793,303	448,548,303	339,793,303
	448,548,303	339,793,303	448,548,303	339,793,303

* Investments classified as "loss" includes zero-rated Term Finance Certificates (TFCs), amounting to Rs. 108.76 million, received pursuant to a court settlement, against overdue mark-up on a classified Non Government Debt Security. Under Prudential Regulations, issued by State Bank of Pakistan, the markup remains suspended/ deferred (refer to note 16.1).

8.3 This represents commercial papers carrying markp rate of 14.05% (2021:9.62%) and will mature in November 2022.

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9	ADVANCES	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
		Performing		Non performing		Total	
		June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
		Rupees					
	Loans, cash credits, running finances, etc.	13,984,869,720	12,634,699,029	1,312,856,348	1,359,523,014	15,297,726,068	13,994,222,043
	Islamic Financing and related assets	2,470,857,104	2,629,433,359	267,719,937	272,493,207	2,738,577,041	2,901,926,566
	Advances - gross	<u>16,455,726,824</u>	<u>15,264,132,388</u>	<u>1,580,576,285</u>	<u>1,632,016,221</u>	<u>18,036,303,109</u>	<u>16,896,148,609</u>
	Provision against advances						
	- Specific	-	-	931,786,374	846,230,182	931,786,374	846,230,182
	- General	<u>228,370,076</u>	<u>208,365,648</u>	-	-	<u>228,370,076</u>	<u>208,365,648</u>
	Advances - net of provision	<u>16,227,356,748</u>	<u>15,055,766,740</u>	<u>648,789,911</u>	<u>785,786,039</u>	<u>16,876,146,659</u>	<u>15,841,552,779</u>

9.1	Particulars of advances (Gross)	(Unaudited)	(Audited)
		June 30, 2022	December 31, 2021
	In local currency	Rupees	
		<u>18,036,303,109</u>	<u>16,896,148,609</u>

9.2 Advances include Rs.1,580.6 million (2021: Rs.1,632 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Unaudited) June 30, 2022		(Audited) December 31, 2021	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	Rupees			
Domestic				
Other Assets Especially Mentioned	267,719,937	-	272,493,207	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	1,312,856,348	931,786,374	1,359,523,014	846,230,182
	<u>1,580,576,285</u>	<u>931,786,374</u>	<u>1,632,016,221</u>	<u>846,230,182</u>

9.2.1	Particulars of provision against advances	(Unaudited) June 30, 2022			(Audited) December 31, 2021		
		Specific	General (Note 9.2.2)	Total	Specific	General	Total
		Rupees					
	Opening balance	846,230,182	208,365,648	1,054,595,830	668,201,172	136,440,631	804,641,803
	Charge for the period	<u>132,222,858</u>	<u>20,004,428</u>	<u>152,227,286</u>	<u>213,469,547</u>	<u>71,925,017</u>	<u>285,394,564</u>
	Reversals	<u>(46,666,666)</u>	-	<u>(46,666,666)</u>	<u>(60,000,000)</u>	-	<u>(60,000,000)</u>
		85,556,192	20,004,428	105,560,620	153,469,547	71,925,017	225,394,564
	Transfer from provision for diminution in value of investments	-	-	-	24,559,463	-	24,559,463
	Closing balance	<u>931,786,374</u>	<u>228,370,076</u>	<u>1,160,156,450</u>	<u>846,230,182</u>	<u>208,365,648</u>	<u>1,054,595,830</u>

2020.

9.2.2 General provision is being maintained at the rate of 1.5% (2021: 1.5%) of the performing portfolio of advances other than staff loans and Government of Pakistan guaranteed loan.

9.2.3 **Details and impact of Forced Sale Value (FSV) benefit**

The net availed FSV benefit reduced during the period by Rs. 132.2 million (2021: increased by Rs. 251.3 million), which has resulted in increased charge for the period by the same amount. Had the availed FSV benefit not reduced, before and after tax profit would have been higher by Rs. 132.2 million (2021: lower by Rs. 251.3 million) and Rs. 88.6 million (2021: lower by Rs. 178.5 million), respectively. Accumulated availed FSV benefit as of June 30, 2022 was Rs. 381.1 million (December 31, 2021: Rs. 513.3 million). Unappropriated profit to that extent is not available for distribution by way of cash or stock dividend.

	(Unaudited) June 30, 2022	(Audited) December 31, 2021
	-----Rupees-----	
10	FIXED ASSETS	
	5,607,400	8,590,000
	223,857,715	186,541,273
	<u>229,465,115</u>	<u>195,131,273</u>
10.1	Capital work-in-progress	
	5,607,400	8,590,000

	(Unaudited) For the six months ended	
	June 30, 2022	June 30, 2021
	-----Rupees-----	
10.2	Additions to fixed assets	

The following additions have been made to fixed assets during the period:

Capital work-in-progress	8,000	540,600
Property and equipment		
Building on freehold land - Lift	2,450,000	-
Right of use assets (leased building)	50,041,181	-
Furniture and fixture	367,498	-
Electrical office and computer equipment	9,700,240	27,500
Total	<u>62,566,919</u>	<u>568,100</u>

10.3 **Disposal of fixed assets**

The net book value of fixed assets disposed off during the period is as follows:

Building on freehold land - Lift	1,358,076	-
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	(Unaudited) June 30, 2022	(Audited) December 31, 2021
	-----Rupees-----	
11	INTANGIBLE ASSETS	
Computer Software	95,982	217,988

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Restated
(Audited)
December 31, 2021

(Unaudited)
June 30, 2022

12 DEFERRED TAX LIABILITIES / ASSETS	Note	-----Rupees-----	
Deductible Temporary Differences on			
- Post retirement employee benefits		5,050,751	3,791,901
- Provision for diminution in the value of available-for-sale investments		112,131,790	98,540,058
- Provision against advances, off balance sheet etc.		299,190,526	218,779,095
- Lease liability against right-of-use assets		11,364,477	-
- Revaluation of investments - AFS		-	-
- Revaluation of investments - HFT		12,667,491	7,767,216
- Impairment loss on available for sale		114,379,372	114,379,372
		554,784,407	443,257,642
Taxable Temporary Differences on			
- Accelerated tax depreciation		(13,561,852)	(1,419,456)
- Accrued Interest on T- Bills		-	(670,226)
- Revaluation of investments - AFS		(31,125,892)	(77,553,217)
- Unrealized exchange gain		(465,953,883)	(300,170,449)
		(510,641,627)	(379,813,348)
		44,142,780	63,444,294
		(Unaudited)	(Audited)
		June 30, 2022	December 31, 2021
		-----Rupees-----	
13 OTHER ASSETS	Note		
Income / mark-up accrued in local currency		483,474,810	298,351,450
Income / mark-up accrued in foreign currency		5,313,825	2,049,118
Advances, deposits, advance rent and other prepayments		18,439,743	9,006,107
Pre-IPO Investment		-	-
Receivable against fee, commission and advisory services		39,480,554	32,080,498
Advance taxation (payments less provisions)		-	91,785,864
Receivable from provident fund		3,881,480	7,973,522
Receivable against disposal of shares		-	-
Others		16,914	3,744
		550,607,326	441,250,303
14 BORROWINGS			
Secured			
Borrowings from State Bank of Pakistan			
Renewable Energy Power Projects (REPP)	14.1	48,316,421	59,053,401
Long Term Finance Facility (LTFF)	14.2	2,153,087,527	806,527,000
Temporary Economic Relief Facility (TERF)	14.3	1,148,533,936	915,722,556
Repurchase agreement borrowings	14.4	3,297,502,148	965,532,750
Borrowing from financial institutions	14.5	7,533,390,168	-
Other borrowings	14.6	8,301,500,000	7,455,500,000
Total secured		22,482,330,200	10,202,335,707
Unsecured			
Borrowing from financial institutions	14.7	11,971,821,461	4,492,041,987
Total unsecured		11,971,821,461	4,492,041,987
		34,454,151,661	14,694,377,694

14.1 This represents Long Term Facility on concessional rates to support in addressing dual challenges of energy shortage and climate change through promotion of renewable energy. The markup on these facilities is payable at a concessional SBP service rate of 2.00% (2021: 2.00%) per annum with maturities within maximum period of 10 years (2021: 10 years) with an inclusive grace period of maximum of 2 years (2021: 2 years). As per the terms of the agreements, the Company has granted SBP a right to recover the outstanding amounts from the Company at the respective date of maturity of finance by directly debiting the current account of the Company maintained with SBP.

Signature

- 14.2** These represent borrowings from SBP under scheme for long term financing facility (LTFF). The markup on these facilities is payable at a concessional SBP mark-up rate of 2.00% to 4.50% (2021: 2.00%) per annum with maturities within a maximum period of 10 years (2021: 10 years) with an inclusive grace period of maximum of 2 years (2021: 2 years). As per the terms of the agreements, the Company has granted SBP a right to recover the outstanding amounts from the Company at the respective date of maturity of finance by directly debiting the current account of the Company maintained with SBP.
- 14.3** This represents SBP Refinance Facility under Temporary Economic Refinance Facility (TERF) for imported and local manufactured plant and machinery during COVID-19 pandemic. The markup on these facilities is payable at a concessional SBP mark-up rate of 1.00% (2021: 1.00%) per annum with maturities within a maximum of 10 years (2021: 10 years) with an inclusive grace period of maximum of 2 years (2021: 2 years). As per the terms of the agreements, the Company has granted SBP a right to recover the outstanding amounts from the Company at the respective date of maturity of finance by directly debiting the current account of the Company maintained with SBP.
- 14.4** The Company has arranged borrowing from financial institutions against sale and repurchase of government securities. The markup rates on these borrowings are between 13.80% to 14.00% (2021 : 10.70%) per annum with maturities between 4 days to 63 days (2021: 4 days) and will mature between July 04, 2022 to August 19, 2022. These are secured against pledge of Government securities.
- 14.5** This is secured against pledge of Government securities having maturity upto 175 to 178 days and will mature between July 07, 2022 to October 03, 2022. (2021: Nil) This carry mark-up at the rate of 11.26% to 13.00% (2021 : Nil) per annum.
- 14.6** This represents secured long term & short term finance facilities from commercial banks. The principal term & conditions of each facility are given below.
- 14.6.1** A term loan facility having outstanding principal balance of Rs. 500 million from a commercial bank payable in maximum of 4 years with an inclusive grace period of 2 years. Mark-up is payable on quarterly basis at the rate of 3MK + 0.15% per annum. The bank has first pari passu charge over all present and future loans, advances (including leases), investments and book debts / receivables of the Company for Rs. 2,667 million inclusive of 25% margin.
- 14.6.2** A drawdown of Rs. 1,551.5 million from term loan facility of Rs. 2 billion from a commercial bank, payable in a maximum of 4 years with an inclusive grace period of maximum of 2 years. Mark-up is payable on quarterly basis at the rate of 3MK + 0.20% per annum. The bank has first pari passu charge over all present and future loans, advances (including leases), investments and book debts / receivables of the Company for Rs. 2,667 million inclusive of 25% margin.
- 14.6.3** The long term loan facility of Rs. 2 billion from a commercial bank, payable in a maximum of 4 years with an inclusive grace period of maximum of 2 years. Mark-up is payable on quarterly basis at the rate of 3MK + 0.15% per annum. The bank has first pari passu charge over all present and future loans, advances (including leases), investments and book debts / receivables of the Company for Rs. 2,667 million inclusive of 25% margin.
- 14.6.4** The long term loan facility of Rs. 2 billion from a commercial bank , payable in maximum of 5 years with an inclusive grace period of 2 years. Mark-up is payable on quarterly basis at the rate of 3MK + 0.20% per annum. The bank has first pari passu charge over all present and future loans, advances (including leases), investments and book debts / receivables of the Company for Rs. 2,667 million inclusive of 25% margin.
- 14.6.5** A drawdown of Rs.2,250 million from term loan facility of Rs. 5 billion from a commercial bank, payable in maximum of 5 years with an inclusive grace period of 1 year. Mark-up is payable on quarterly basis at the rate of 3MK + 0.15% per annum. The bank has first pari passu charge over all present and future assets of the company (excluding land & building) for Rs. 6,667 million inclusive of 25% margin.
- 14.7** This represent un-secured borrowings from financial institutions carrying mark-up rate of 11.15% to 13.09% (2021: 11.15% to 11.32%) per annum having maturity up to 182 to 364 days (2021: 356 to 364 days)

14.8 Particulars of borrowings with respect to Currencies

(Unaudited)	(Audited)
June 30, 2022	December 31, 2021

-----Rupees-----

In local currency

34,454,151,661	14,694,377,694
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15 DEPOSITS AND OTHER ACCOUNTS

	(Unaudited) June 30, 2022			(Audited) December 31, 2021		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
----- Rupees -----						
Customers						
Current deposits	-	-	-	-	-	-
Savings deposits	-	-	-	-	-	-
Term deposits	-	-	-	4,750,000,000	-	4,750,000,000
Others	-	-	-	-	-	-
	-	-	-	4,750,000,000	-	4,750,000,000
Financial Institutions						
Current deposits	-	-	-	-	-	-
Savings deposits	-	-	-	-	-	-
Term deposits	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	4,750,000,000	-	4,750,000,000

16 OTHER LIABILITIES

	(Unaudited) June 30, 2022	(Audited) December 31, 2021
	----- Rupees -----	
Mark-up / return / interest payable in local currency		946,553,561
Suspended markup	16.1	108,755,000
Accrued expenses		34,758,666
Unearned commission / fee		2,377,780
Current taxation (provisions less payments)		16,936,692
Withholding tax / sales tax payable		5,692,180
Payable to defined benefit plan		15,305,307
Lease liability against right-of-use assets	16.2	34,437,809
Others		7,639,055
		<u>1,172,456,050</u>
		<u>251,125,550</u>

16.1 This represents suspended / deferred mark-up, in the form of zero-rated TFCs, on classified non government debt security.

16.2 Lease liability against right-of-use assets

	(Unaudited) June 30, 2022			(Audited) December 31, 2021		
	Minimum lease payments	Financial charges for future periods	Principal outstanding	Minimum lease payments	Financial charges for future periods	Principal outstanding
----- Rupees -----						
Not later than one year	18,480,000	2,913,174	15,566,826	-	-	-
Later than one year and up to five years	20,328,000	1,457,017	18,870,983	-	-	-
	<u>38,808,000</u>	<u>4,370,191</u>	<u>34,437,809</u>	-	-	-

17 ADVANCE AGAINST ISSUE OF SHARES

This represents difference between amount received from MOF in June 2019 of Rs. 300,000,000 and shares issued to MOF amounting to Rs. 290,118,770. The shares were issued in the ratio of 50:50 to both the sponsors. As approved by the BOD meeting held on September 27, 2019, this amount will be adjusted against next tranche of equity injection. Furthermore, Rs. 100,000,000 has also been received from MOF on May 20, 2022.

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18	SURPLUS ON REVALUATION OF ASSETS	Note	June 30, 2022	Restated December 31, 2021
			-----Rupees-----	
	Surplus on revaluation of			
	- Available for sale securities	8.1	84,214,436	283,662,643
	Deferred tax on surplus on revaluation of:			
	- Available for sale securities	14	(31,125,892)	(77,553,217)
			<u>53,088,545</u>	<u>206,109,426</u>
	Company's share of equity-accounted investees' OCI:			
	- Change in fair value of available-for-sale financial assets - net of tax		-	-
			<u>53,088,545</u>	<u>206,109,426</u>

19	CONTINGENCIES AND COMMITMENTS	Note	June 30, 2022	December 31, 2021
			-----Rupees-----	
	Guarantees	19.1	2,559,391,593	2,853,258,592
	Commitments	19.2	14,075,251,223	2,617,343,126
	Other contingent liability	19.3	168,100,000	168,100,000
			<u>16,802,742,816</u>	<u>5,638,701,718</u>

19.1	Guarantees			
	Financial guarantees		<u>2,559,391,593</u>	<u>2,853,258,592</u>

19.2	Commitments			
	Documentary credits and short term trade related transactions			
	Letters of credit		395,131,354	182,924,810
	Commitments in respect of:			
	Forward government securities transactions - Purchase		11,150,726,500	965,817,625
	Commitments to extend credits	19.2.1	2,524,363,769	1,457,179,274
	Commitment for acquisition of fixed assets		5,029,600	11,421,417
			<u>14,075,251,223</u>	<u>2,617,343,126</u>

19.2.1 Commitments to extend credits

The Company makes commitments to extend credit in the normal course of its business, but these being revocable commitments, normally do not attract any significant penalty or expense if the facility is unilaterally withdrawn. As at reporting date, however, the Company's outstanding irrevocable commitments amounts to Rs. 2,524.4 million (2021: Rs. 1,457.2 million).

19.3 Other contingent liability

19.3.1 An ex-employee of the company has lodged a claim of Rs.168.1 million against the Company in 2009. The case has been decided in favor of the Company and the complainant has filed an appeal before the High Court against decision of the Civil Judge in 2019. Based on internal assessment and legal advice, management is confident that the case will be decided in the favor of the Company and possibility of any adverse outcome is remote. Accordingly, no provision has been made in these condensed interim financial statements.

19.3.2 For tax related contingencies, please refer note 28.2 of these financial statements.

20	MARK-UP / RETURN / INTEREST EARNED	(Unaudited)	
		June 30, 2022	June 30, 2021
		----- Rupees -----	
	On loans and advances	856,161,365	669,332,194
	On investments	1,299,488,603	641,281,337
	On lending's to financial institutions	14,228,818	202,740
	On deposits with banks	137,829,281	23,818,876
	On securities purchased under resale agreement	138,549,996	8,520,471
		<u>2,446,258,063</u>	<u>1,343,155,618</u>

Signature

(Unaudited)
For the half year ended

June 30, 2022 June 30, 2021

	Note	----- Rupees -----	
21 MARK-UP / RETURN / INTEREST EXPENSED			
On deposits		158,315,416	15,507,262
On borrowings		1,274,515,084	338,891,611
On securities sold under repurchase agreements		30,820,130	172,876,887
Interest expense on lease liability		1,196,628	1,474,235
		<u>1,464,847,258</u>	<u>528,749,995</u>
22 FEE AND COMMISSION INCOME			
Credit related fee		21,273,679	19,021,882
Commission on trade		1,226,171	446,970
Commission on guarantees		9,872,108	7,440,488
Investment banking fees		26,724,952	30,514,511
		<u>59,096,910</u>	<u>57,423,851</u>
23 (LOSS) / GAIN ON SECURITIES			
Realized - net	23.1	-	31,741,010
Unrealized - held for trading	23.2	(39,202,200)	(15,145,720)
		<u>(39,202,200)</u>	<u>16,595,290</u>
23.1 Realized gain / (loss) on:			
Federal Government Securities		-	(529,421)
Non Government Debt Securities		-	4,759,727
Shares		-	27,510,704
		-	<u>31,741,010</u>
23.2 Unrealized (loss) on:			
Shares		<u>(39,202,200)</u>	<u>(15,145,720)</u>
24 OTHER INCOME			
Rent on property		<u>7,008,372</u>	<u>6,489,234</u>
25 OPERATING EXPENSES			
Total Compensation expenses		229,161,346	195,031,442
Property expense			
Rent and taxes		820,789	772,950
Insurance		36,960	36,960
Utilities cost		3,106,556	2,183,969
Security		2,720,136	2,493,804
Repair and maintenance		1,900,795	1,278,778
Depreciation		18,188,467	16,819,159
		<u>26,773,703</u>	<u>23,585,620</u>
Information technology expenses			
Software maintenance		1,048,578	993,292
Hardware maintenance		347,640	221,564
Amortization		122,006	143,893
Depreciation		1,535,832	971,314
Network charges		394,155	550,560
		<u>3,448,211</u>	<u>2,880,623</u>

SJSL

(Unaudited)
For the half year ended
June 30, 2022 June 30, 2021

Note	----- Rupees -----	
Other operating expenses		
Directors' fees and allowances	-	2,000,000
Legal and professional charges	3,173,724	3,179,300
Outsourced services costs	3,439,919	3,327,853
Travelling and conveyance	14,177,481	7,678,539
Insurance	2,171,632	2,160,641
Repair and maintenance	1,241,462	133,877
Depreciation	4,087,410	3,730,385
Training and development	187,655	440,190
Communication	1,868,681	1,602,512
Stationery and printing	1,645,006	1,044,150
Marketing, advertisement and publicity	1,775,566	946,179
Auditors remuneration	1,755,850	1,838,603
Bank charges	205,454	241,895
Entertainment	2,733,743	1,137,170
Loss on sale of fixed assets	563,485	-
Miscellaneous	2,646,137	2,260,145
	41,673,205	31,721,439
	301,056,465	253,219,124

26 OTHER CHARGES

Penalties imposed by State Bank of Pakistan - 4,692

27 PROVISIONS AND WRITE OFFS - NET

Reversal of provision for diminution in value of investments 8.2 - (5,081,296)
Provisions against loans and advances **105,560,620** 71,317,657
105,560,620 66,236,361

28 TAXATION

For the Period

Current 28.1 268,738,488 196,585,390
Deferred 66,409,944 (37,411,391)

For the prior period

Current 46,827,470 -
381,975,902 159,173,999

28.1 This includes proportionate super tax on high earning persons of Rs. 32.848 million super tax for rehabilitation of temporarily displaced persons.

28.2 Tax status

28.2.1 For the Tax Year 2011, a tax demand of Rs. 109.22 million was raised by Assistant Commissioner Inland Revenue (the "ACIR") by disallowing provision for bad debts, provision against non-performing loan and advances, credit for an instalment of advance tax and Worker's Welfare Fund. Subsequently, the assessment was rectified. The Company had paid Rs. 15.11 million in protest on the issue of disallowing "provision against non-performing loan and advances" and submitted appeal before CIR(A). The appeal was decided in favor of the Company and the tax of Rs 15.11 million deposited under protest became refundable. However, the department has filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against appellate order of CIR(A). The final hearing in this case was held on March 07, 2022, wherein ATIR has disposed of the appeal and the case has been remanded back. The Company then filed tax reference before the High Court against the ATIR order which is yet to be fixed for hearing.

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- 28.2.2** For the Tax Year 2013, a tax demand of Rs. 95.01 million was raised by the Taxation Officer by disallowing provision for non performing loans, profit on debt, other provisions and charging Workers Welfare Fund. The CIR(A) upheld the orders of the assessing officer. The Company filed appeal before ATIR against the order of CIR(A) and ATIR upheld the contentions of the appellate orders of the CIR(A). Returned refund of Rs. 15 million pertaining to tax year 2011 was adjusted against the instant demand and the Company paid balance amount of Rs. 49 million under protest. The Company filed writ petition before High Court, which is yet to be fixed for hearing.
- 28.2.3** For the Tax Year 2014 & 2015, assessment was amended by the ACIR in terms of Section 122 of the Income tax ordinance, creating an aggregate tax demand amounting to Rs. 128 million on provisions, apportionment, super tax and default surcharge. The Company submitted appeal before the CIR(A) on the amended assessment order which has been disposed of in favor of tax department. Later the Company attained stay form ATIR for 40 days or till the disposal of main appeal subject of deposit of 30% of the total amount. As per directions of the ATIR, payment of Rs. 38.5 million was made to tax department as a cumulative payment for all the pending issues pertaining to tax year 2014 and 2015. The Company filed writ petition for interim relief before Islamabad High Court. The High Court has granted stay for recovery of outstanding demand and also restrained the tax department to take extreme measures until decision of the appeal. The final hearing in this case was held on March 07, 2022, wherein ATIR has disposed of the appeal and the case has been remanded back. Both The Company and tax department filed cross tax references before the High Court against the ATIR order which is yet to be fixed for hearing.
- 28.2.4** For the Tax Year 2016, a tax demand of Rs. 82.54 million has been raised by the Taxation Officer mainly by disallowing provision against non-performing loans, suspended mark-up, disallowance of expenses attributable to capital gain, contending short payment of super tax and claim of tax credit. The CIR(A) has disposed of the appeal and major portion of the demand has been confirmed while disallowance of the tax credits was remanded back. Hearing in respect of remand back proceedings was held and an appeal effect order under Section 124/129 of the Ordinance was passed by the ACIR. The Company filed appeal before CIR(A) against appeal effect order which is yet to be fixed for hearing.
- 28.2.5** For the Tax Year 2017, a show cause notice was issued to the Company by ACIR. The said notice proposed to levy additional super tax under Section 4B of the Ordinance. The notice was duly replied and the order is still awaited.
- 28.2.6** On the basis of opinion of its tax advisor and appellate history, the Company's management is confident of a favorable resolution of these matters and hence no provision has been made in these financial statements.

		(Unaudited)	
		For the half year ended	
Note		June 30, 2022	June 30, 2021 Restated
		----- Rupees -----	
29	BASIC AND DILUTED EARNINGS PER SHARE		
	Profit for the period - Rupees	<u>613,140,179</u>	<u>396,955,113</u>
	Weighted average number of ordinary shares - Numbers	<u>969,663,754</u>	<u>969,663,754</u>
	Basic earnings per share - Rs	<u>0.63</u>	<u>0.41</u>
		(Unaudited)	
		For the half year ended	
Note		June 30, 2022	June 30, 2021
30	CASH AND CASH EQUIVALENTS		
	Cash and balance with treasury banks	<u>2,124,338,877</u>	<u>379,862,653</u>
	Balance with other banks	<u>2,108,216,032</u>	<u>4,041,610,614</u>
		<u>4,232,554,909</u>	<u>4,421,473,267</u>

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31 FAIR VALUE MEASUREMENTS

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 (if any), 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, cash & bank balances and borrowings can not be calculated with sufficient reliability due to the absence of current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

31.1 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).

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

31.2 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 categorized:

Carrying value	June 30, 2022 (Unaudited)			
	Level 1	Level 2	Level 3	Total
----- Rupees -----				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	20,676,536,000	-	20,676,536,000
Shares	642,834,360	-	-	642,834,360
Preference Shares	357,525,000	-	-	357,525,000
Non-Government Debt Securities	-	3,309,288,800	-	3,309,288,800
24,986,184,160	1,000,359,360	23,985,824,800	-	24,986,184,160
Financial assets - disclosed but not measured at fair value				
Commercial Paper	-	-	-	-
Non-Government Debt Securities	-	-	-	-
4,438,531,330	-	-	-	-
29,424,715,490	1,000,359,360	23,985,824,800	-	24,986,184,160
Off-balance sheet financial instruments - measured at fair value				
Forward government securities transactions - purchase	-	-	11,150,726,500	11,150,726,500
11,150,726,500	-	-	11,150,726,500	11,150,726,500

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December 31, 2021 (Audited) (Restated)

Carrying value	-----Rupees-----			Total	
	Level 1	Level 2	Level 3		
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	4,495,774,000	-	4,495,774,000	-	4,495,774,000
Shares	789,254,530	789,254,530	-	-	789,254,530
Preference Shares	351,225,000	351,225,000	-	-	351,225,000
Non-Government Debt Securities	3,410,038,715	-	3,410,038,715	-	3,410,038,715
	9,046,292,245	1,140,479,530	7,905,812,715	-	9,046,292,245
Financial assets - disclosed but not measured at fair value					
Commercial Paper	477,233,728	-	-	-	-
Non-Government Debt Securities	3,063,806,951	-	-	-	-
	3,541,040,679	-	-	-	-
	<u>12,587,332,924</u>	<u>1,140,479,530</u>	<u>7,905,812,715</u>	<u>-</u>	<u>9,046,292,245</u>
Off-balance sheet financial instruments - measured at fair value					
Forward government securities transactions - purchase	<u>965,817,625</u>	<u>-</u>	<u>-</u>	<u>965,817,625</u>	<u>965,817,625</u>

31.3 Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties in an arms length transaction. Fair value of the financial instrument is based on:

Federal Government Securities
Listed Securities
Non-Government Debt Securities

PKRV rates (Reuters page)
Market Prices
MUFAP

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32 SEGMENT INFORMATION

32.1 Segment Details with respect to Business Activities

	June 30, 2022 (Unaudited)				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
Profit & Loss	-----Rupees-----				
Net mark-up / return / profit	840,331,133	4,329,032	81,164,024	55,586,616	981,410,805
Inter segment revenue - net	(800,856,000)	(27,455,000)	(57,737,000)	886,048,000	-
Non mark-up income	25,296,958	7,975,529	-	387,049,874	420,322,361
Total Income	64,772,091	(15,150,439)	23,427,024	1,328,684,490	1,401,733,166
Segment direct expenses	(29,486,540)	(35,260,424)	(13,897,730)	(222,411,771)	(301,056,465)
Provisions	(105,560,620)	-	-	-	(105,560,620)
Profit before tax	(70,275,069)	(50,410,863)	9,529,294	1,106,272,719	995,116,081
	-----Rupees-----				
	June 30, 2022 (Unaudited)				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
Balance Sheet	-----Rupees-----				
Cash & Bank balances	-	-	4,000,000,000	3,109,219,593	7,109,219,593
Investments	7,276,833,155	572,880,739	20,676,536,000	898,465,596	29,424,715,490
Advances					
Performing	16,106,951,735	200,000,000	-	148,775,089	16,455,726,824
General provision	(228,370,076)	-	-	-	(228,370,076)
	15,878,581,659	200,000,000	-	148,775,089	16,227,356,748
Non-performing	1,579,912,721	-	-	663,564	1,580,576,285
Specific provision	(931,122,810)	-	-	(663,564)	(931,786,374)
	648,789,911	-	-	-	648,789,911
Others	449,549,301	50,556,962	25,144,768	299,060,172	824,311,203
Total Assets	24,253,754,026	823,437,701	24,701,680,768	4,455,520,450	54,234,392,945
Borrowings	11,251,109,884	400,328,000	22,802,713,777	-	34,454,151,661
Deposits	-	-	-	-	-
Others	94,304,004	13,120,603	846,724,022	218,307,421	1,172,456,050
Total liabilities	11,345,413,888	413,448,603	23,649,437,799	218,307,421	35,626,607,711
Equity	-	-	-	18,607,785,234	18,607,785,234
Total Equity & liabilities	11,345,413,888	413,448,603	23,649,437,799	18,826,092,655	54,234,392,945
Contingencies & Commitments	5,478,886,716	-	11,150,726,500	173,129,600	16,802,742,816

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June 30, 2021 (Un-audited)-Restated

	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
-----Rupees-----					
Profit & Loss					
Net mark-up / return / profit	706,135,829	992,580	100,680,897	6,596,317	814,405,623
Inter segment revenue - net	(392,641,000)	(4,263,000)	(82,789,000)	479,693,000	-
Non mark-up income	31,329,067	50,316,995	(529,421)	(19,932,975)	61,183,666
Total Income	344,823,896	47,046,575	17,362,476	466,356,342	875,589,289
Segment direct expenses	(19,957,068)	(24,230,142)	(11,749,814)	(197,286,792)	(253,223,816)
Provisions	(66,236,361)	-	-	-	(66,236,361)
Profit before tax	258,630,467	22,816,433	5,612,662	269,069,550	556,129,112

December 31, 2021 (Audited)-Restated

	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
-----Rupees-----					
Balance Sheet					
Cash & Bank balances	4,000,000,000	-	2,000,000,000	2,613,558,511	8,613,558,511
Investments	6,460,873,872	1,079,669,890	4,495,774,000	551,015,162	12,587,332,924
Advances					
Performing	15,118,549,942	-	-	145,582,446	15,264,132,388
General provision	(208,365,648)	-	-	-	(208,365,648)
	14,910,184,294	-	-	145,582,446	15,055,766,740
Non-Performing	1,631,352,657	-	-	663,564	1,632,016,221
Specific provision	(845,566,618)	-	-	(663,564)	(846,230,182)
	785,786,039	-	-	-	785,786,039
Others	297,147,400	33,973,960	1,369,863	367,552,635	700,043,858
Total Assets	26,453,991,605	1,113,643,850	6,497,143,863	3,677,708,754	37,742,488,072
Borrowings	8,712,372,685	501,664,000	5,480,341,009	-	14,694,377,694
Deposits	4,750,000,000	-	-	-	4,750,000,000
Others	45,404,647	10,201,560	10,016,019	185,503,324	251,125,550
Total liabilities	13,507,777,332	511,865,560	5,490,357,028	185,503,324	19,695,503,244
Equity	-	-	-	18,046,984,828	18,046,984,828
Total Equity & liabilities	13,507,777,332	511,865,560	5,490,357,028	18,232,488,152	37,742,488,072
Contingencies & Commitments	4,493,362,676	-	965,817,625	179,521,417	5,638,701,718

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33 RELATED PARTY TRANSACTIONS

The Company has related party relationships with shareholders and entities in which its shareholders have any interest, key management personnel, directors and employees' funds. The Government of Pakistan (Ministry of Finance) is a related party of the Company; therefore all government authorities, agencies, affiliates and other organizations ("state-controlled entities") are related parties of the Company. Significant transactions with these state-controlled entities have been separately disclosed, in aggregate. Other entities which for its business acquisition or provision of services relies / depends to a greater extent on the Company / DFI i.e. major portion (50% or more) of its business (upstream or downstream) is also a related party.

Banking transactions with the related parties are executed substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than normal risk (i.e. under the comparable uncontrolled price method) other than those under

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements are as follows:

	June 30, 2022 (Unaudited)			December 31, 2021 (Audited) (Restated)		
	Directors	Key management	Other related parties	Directors	Key management personnel	Other related parties
Lendings to financial institutions						
----- Rupees -----						
Opening balance	-	-	-	-	-	-
Addition during the period	-	-	65,306,685,009	-	-	59,913,740,069
Repaid during the period	-	-	(65,306,685,009)	-	-	(59,913,740,069)
Closing balance	-	-	-	-	-	-
Investments						
Opening balance	-	-	898,465,596	-	-	1,024,902,113
Investment made during the period	-	-	-	-	-	-
Closing balance	-	-	898,465,596	-	-	1,024,902,113
Advances						
Opening balance	-	79,400,676	500,000,000	-	43,372,843	101,050,930
Addition during the period	-	1,391,000	-	-	42,253,529	398,949,070
Repaid during the period	-	(3,150,951)	(52,631,579)	-	(6,225,697)	-
Closing balance	-	77,640,725	447,368,421	-	79,400,676	500,000,000
Other Assets						
Interest / mark-up accrued	-	-	4,968,363	-	-	4,332,192
Receivable from staff retirement fund	-	-	3,881,480	-	-	7,973,522
Other receivable	1,486,000	476,900	1,697,850	-	-	1,697,850
	<u>1,486,000</u>	<u>476,900</u>	<u>10,547,693</u>	-	-	<u>14,003,564</u>
Borrowings						
Opening balance	-	-	-	-	-	-
Borrowings during the period	-	-	1,258,963,852	-	-	9,853,727,607
Settled during the period	-	-	(1,258,963,852)	-	-	(9,853,727,607)
Closing balance	-	-	-	-	-	-

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	June 30, 2022 (Unaudited)			June 30, 2021 (Unaudited) (Restated)		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
----- Rupees -----						
Other Liabilities						
Payable to staff retirement fund	-	-	15,305,307	-	-	13,075,522
Other liabilities	-	6,701,334	364,160	-	6,135,277	167,958
	-	6,701,334	15,669,467	-	6,135,277	13,243,480
Income						
Mark-up / return / interest earned	-	1,509,971	66,653,615	-	990,761	6,398,485
Fee and commission income	-	-	200,000	-	-	-
Dividend Received			11,250,000			7,437,500
Expense						
Mark-up / return / interest paid	398,876	-	397,698	33,663	-	3,842,262
Operating expenses						
Charge for defined benefit plan	91,632	3,196,200	5,946,204	622,644	3,453,636	4,419,343
Charge for contribution plan	842,918	2,327,571	3,085,427	784,315	1,868,965	3,008,862
Salaries	14,260,179	40,818,933	-	12,941,188	30,877,085	-
Bonus expense	4,779,687	21,060,738	-	5,862,640	11,648,373	-
Overseas allowances	3,727,484	-	-	-	-	-
Leave fair assistance & Encashment	-	3,852,586	-	2,135,626	2,783,978	-
Tax borne by employer	10,728,894	5,214,449	-	7,058,063	3,335,345	-
Others	7,433,109	14,788,200	1,819,197	3,783,703	10,307,092	1,280,169
Depreciation expense on lease hold building	2,511,892	-	9,885,766	876,338	-	9,885,767
CDC Charges paid	-	-	473,075	-	-	483,937

The Federal Government through Ministry of Finance holds controlling interest (50% shareholding) in the Company and therefore entities which are owned and / or controlled by the Federal Government, or where the Federal Government may exercise significant influence, are related parties of the Company. The Company in the ordinary course of business enters into transaction with Government related entities. Such transactions include deposits to, investments, lendings, loan and advances and provision of other banking services. As at reporting date the deposits, loans and advances, investments, lendings and borrowings relating to Government related entities amounted to Rs. 2,002.2 million (2021: 4,459.4 million), Rs. 1,350 million (2021: 1,500 million), Rs. 619.7 million (2021: 762.2 million) Rs. nil (2021: 965.5 million) respectively, and income earned on deposits, advances, investment and lendings and interest expense on borrowings amounted to Rs. 77.4 million (2021: 10.98 million) Rs. 93.1 million (2021: 66.2 million), Rs. 45.8 million (2021: 37.5 million), Rs. 20.0 million (2021: 2.6 million) and Rs. 5.2 million (2021: 42.1 million) respectively.

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	(Unaudited) June 30, 2022	Restated (Audited) December 31, 2021
-----Rupees-----		
34 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
34.1 Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>9,696,637,540</u>	<u>9,696,637,540</u>
34.2 Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	15,854,053,098	16,342,016,392
Eligible Tier 2 Capital	-	-
Total Eligible Capital (Tier 1 + Tier 2)	<u>15,854,053,098</u>	<u>16,342,016,392</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>17,004,861,229</u>	<u>16,150,300,257</u>
Market Risk	<u>7,109,889,996</u>	<u>6,508,493,581</u>
Operational Risk	<u>3,483,706,240</u>	<u>3,512,078,143</u>
Total	<u>27,598,457,465</u>	<u>26,170,871,981</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>57.45%</u>	<u>62.44%</u>
Tier 1 Capital Adequacy Ratio	<u>57.45%</u>	<u>62.44%</u>
Total Capital Adequacy Ratio	<u>57.45%</u>	<u>62.44%</u>
34.3 Other information:		
National minimum capital requirements prescribed by the SBP		
CET1 minimum ratio (%)	<u>6.00%</u>	<u>6.00%</u>
Tier 1 minimum ratio (%)	<u>7.50%</u>	<u>7.50%</u>
Total capital minimum ratio (%)	<u>10.00%</u>	<u>10.00%</u>
Capital Conservation Buffer (CCB)	<u>1.50%</u>	<u>1.50%</u>
Total capital plus CCB minimum ratio (%)	<u>11.50%</u>	<u>11.50%</u>
34.4 Leverage Ratio (LR):		
Eligible Tier-1 Capital	15,854,053,098	16,342,016,392
Total Exposures	<u>56,886,627,519</u>	<u>38,620,983,862</u>
Leverage Ratio	<u>27.87%</u>	<u>42.31%</u>
Minimum Requirement	<u>3.00%</u>	<u>3.00%</u>
34.5 Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	18,180,690,701	8,559,407,876
Total Net Cash Outflow	<u>3,172,197,278</u>	<u>3,479,580,092</u>
Liquidity Coverage Ratio	<u>573.13%</u>	<u>245.99%</u>
34.6 Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	31,465,705,552	29,955,737,533
Total Required Stable Funding	<u>21,901,932,388</u>	<u>20,415,145,418</u>
Net Stable Funding Ratio	<u>143.67%</u>	<u>146.73%</u>
Minimum Requirement	<u>100.00%</u>	<u>100.00%</u>

The SBP, vide BPRD Circular No.08 dated June 23, 2016 has set the minimum Net Stable Funding Ratio Requirement (NSFR) for Banks / DFIs at 100%.

The link to the full disclosure is available at <https://pakchinainvest.com/uploads/files/capital-adequacy/car-2022/car-june-2022.pdf>

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35 Restatement

The Company's Investments in Central Depository Company of Pakistan Limited, Pakistan Stock Exchange Limited and Deli-JW Glassware Company Limited have been classified, accounted and presented by the management as "Associate" in the prior year whereas in facts and circumstances, the Company did not demonstrate significant influence as to attract recognition, accounting and presentation of the aforesaid entities as associates under the financial reporting framework applicable to the Company for the preparation of its statutory financial statements. The said adjustments resulted in restatement of financial statements retrospectively. The significant impact of the restatements is summarized below:

	January 01, 2021 As previously reported Rupees	Effect of Restatement Rupees	January 01, 2021 Restated Rupees
As at January 01, 2021			
Investments	15,657,891,369	(194,373,432)	15,463,517,937
Deferred tax asset	105,401,492	16,053,111	121,454,603
Impact on net assets		<u>(178,320,321)</u>	
Statutory reserve	1,538,966,656	(53,787,132)	1,485,179,524
Surplus on revaluation of assets	83,193,433	86,925,166	170,118,599
Unappropriated profit	6,153,575,746	(211,458,356)	5,942,117,390
Impact on equity		<u>(178,320,321)</u>	
	December 31, 2021 As previously reported Rupees	Effect of Restatement Rupees	December 31, 2021 Restated Rupees
As at December 31, 2021			
Investments	12,842,681,679	(255,663,755)	12,587,017,924
Deferred tax asset	36,208,892	27,235,402	63,444,294
Impact on net assets		<u>(228,428,353)</u>	
Statutory reserve	1,693,599,200	(66,791,637)	1,626,807,563
Surplus on revaluation of assets	104,092,310	102,017,116	206,109,426
Unappropriated profit	6,770,887,894	(263,338,832)	6,507,549,062
Impact on equity		<u>(228,113,353)</u>	
	June 30, 2021 As previously reported Rupees	Effect of Restatement Rupees	June 30, 2021 Restated Rupees
Condensed interim Profit and Loss Account For the Period ended June 30, 2021			
Dividend income	-	7,437,500	7,437,500
Share in profit of associated companies	4,508,524	(4,508,524)	-
Taxation	170,119,763	(10,945,764)	159,173,999
Impact on profit		<u>(8,016,788)</u>	
	June 30, 2021 As previously reported Rupees	Effect of Restatement Rupees	June 30, 2021 Restated Rupees
Condensed interim Statement of Comprehensive Income For the Period ended June 30, 2021			
Net change in fair value of available-for-sale securities - net of tax	30,255,700	282,227,348	312,483,048
Share of other comprehensive profit from associate	(82,466)	82,466	-
Impact on other comprehensive income		<u>282,227,348</u>	
Impact on basic and diluted earning per share	<u>0.33</u>	<u>0.08</u>	<u>0.41</u>

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36 GENERAL

36.1 Events after the reporting date

There are no adjusting events after the date of statement of financial position that may have an impact on the financial statements.

36.2 Captions, as prescribed by BPRD Circular No. 5 dated March 22, 2019, issued by the SBP, for which there are no amounts, have not been reproduced in these financial statements except for the statement of financial position and profit and loss account.

36.3 Figures have been rounded off to the nearest Rupee, unless otherwise stated.


37 DATE OF AUTHORIZATION

These financial statements were authorized for issue in the Board of Directors meeting held on

23 JUL 2024
A.A.Z.L.



MANAGING DIRECTOR



CHIEF FINANCIAL OFFICER



CHAIRMAN



DIRECTOR



DIRECTOR