

**PAK OMAN INVESTMENT  
COMPANY LIMITED**

**CONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL INFORMATION  
(UN-AUDITED)**

**FOR THE HALF YEAR  
ENDED 30 JUNE 2017**

Pak Oman Investment Company Limited  
 Consolidated Condensed Interim Statement of Financial Position  
 As at 30 June 2017

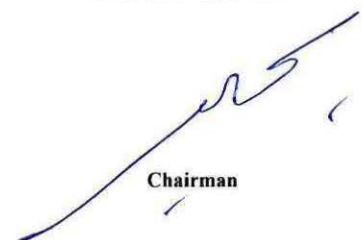
(Unaudited) 30 June 2017 ----(US Dollars in '000)----	(Audited) 31 December 2016		(Unaudited) 30 June 2017 ----- (Rupees in '000) -----	(Audited) 31 December 2016
		Note		
<b>ASSETS</b>				
917	848		96,114	88,909
12,183	16,065		1,277,405	1,684,442
6,194	8,925		649,486	935,826
482,149	198,949		50,555,264	20,860,575
189,247	141,506	7	19,843,262	14,837,460
1,166	919	8	122,305	96,337
4,238	3,741	9	444,365	392,221
14,937	9,093	10	1,566,367	953,536
711,031	380,046		74,554,568	39,849,306
<b>LIABILITIES</b>				
-	-		-	-
540,845	239,866	11	56,709,771	25,150,898
79,366	50,956	12	8,321,833	5,342,975
-	-		-	-
14	16		1,512	1,671
-	-		-	-
13,535	8,305		1,419,181	870,853
633,760	299,143		66,452,297	31,366,397
77,271	80,903		8,102,271	8,482,909
<b>NET ASSETS</b>				
<b>REPRESENTED BY</b>				
58,653	58,653	13	6,150,000	6,150,000
9,928	9,389		1,041,034	984,427
6,399	9,386		671,012	984,139
74,980	77,428		7,862,046	8,118,566
85	92		8,947	9,664
75,065	77,520		7,870,993	8,128,230
2,206	3,383	14	231,278	354,679
77,271	80,903		8,102,271	8,482,909
<b>CONTINGENCIES AND COMMITMENTS</b>				

The annexed notes from 1 to 23 form an integral part of this consolidated condensed interim financial information.

  
 Chief Financial Officer

  
 Managing Director  
 and Chief Executive

  
 Managing Director  
 and Chief Executive

  
 Chairman

Pak Oman Investment Company Limited  
 Consolidated Condensed Interim Profit and Loss Account (Un-Audited)  
 For the half year ended 30 June 2017

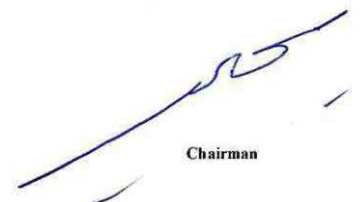
Half year ended			Quarter ended		Half year ended	
30 June 2017	30 June 2016		30 June 2017	30 June 2016	30 June 2017	30 June 2016
----- (US Dollars in '000) -----			----- (Rupees in '000) -----			
17,430	10,755	Mark-up/return/interest earned	1,079,847	537,174	1,827,581	1,127,734
13,359	6,468	Mark-up/return/interest expensed	857,632	332,651	1,400,770	678,160
4,071	4,287	Net mark-up/ interest income	222,215	204,523	426,811	449,574
(873)	(1,002)	(Reversal) of provision against non - performing advances	(78,078)	(23,655)	(91,495)	(105,074)
3	190	Provision for diminution in the value of investments	334	18,853	334	19,945
-	-	Bad debts written off directly	-	-	-	-
(870)	(812)		(77,744)	(4,802)	(91,161)	(85,129)
4,941	5,099	Net mark-up/ interest income after provisions	299,959	209,325	517,972	534,703
<b>NON MARK-UP/INTEREST INCOME</b>						
583	451	Fee, commission and brokerage income	40,945	28,771	61,158	47,277
170	216	Dividend income	10,280	8,616	17,850	22,639
-	-	Income from dealing in foreign currency	-	-	-	-
1,630	3,744	Gain on sale of securities	70,622	243,897	170,901	392,611
(102)	93	Unrealised (loss) / gain on revaluation of investments classified as 'held-for-trading' securities	(7,908)	(22,470)	(10,746)	9,737
9	17	Other income	876	1,756	930	1,823
2,290	4,521	Total non -mark up/interest income	114,815	260,570	240,093	474,087
7,231	9,620		414,774	469,895	758,065	1,008,790
<b>NON MARK-UP/INTEREST EXPENSES</b>						
2,943	2,932	Administrative expenses	154,179	171,851	308,548	307,443
-	-	Other write offs / provisions	-	-	-	-
252	102	Other charges	14,193	4,979	26,374	10,683
3,195	3,034	Total non-mark up/interest expenses	168,372	176,830	334,922	318,126
4,036	6,586		246,402	293,065	423,143	690,664
(62)	455	Share of results of associates - net of tax	(11,501)	25,431	(6,474)	47,661
-	-	Extra ordinary /unusual items	-	-	-	-
3,974	7,041	PROFIT BEFORE TAXATION	234,901	318,496	416,669	738,325
1,546	1,990	Taxation - current	80,716	117,998	162,061	208,705
371	370	- prior	38,904	38,746	38,904	38,746
(168)	346	- deferred	12,151	(8,264)	(17,575)	36,247
1,749	2,706		131,771	148,480	183,390	283,698
2,225	4,335	PROFIT AFTER TAXATION	103,130	170,016	233,279	454,627
<b>PROFIT ATTRIBUTABLE TO:</b>						
2,232	4,340	Shareholders of the holding company	103,475	170,428	233,996	455,112
(7)	(5)	Non-controlling interest	(345)	(412)	(717)	(485)
2,225	4,335		103,130	170,016	233,279	454,627
----- US Dollar -----			----- Rupee -----			
0.0036	0.0070	Basic and diluted earnings per share	0.17	0.28	0.38	0.74

The annexed notes from 1 to 23 form an integral part of this consolidated condensed interim financial information.

  
 Chief Financial Officer

  
 Managing Director  
 and Chief Executive

  
 Managing Director  
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 Chairman

Pak Oman Investment Company Limited  
 Consolidated Condensed Interim Statement of Comprehensive Income (Un-Audited)  
 For the half year ended 30 June 2017

Half year ended			Quarter ended		Half year ended	
30 June	30 June		30 June	30 June	30 June	30 June
2017	2016		2017	2016	2017	2016
----- (US Dollars in '000) -----			----- (Rupees in '000) -----			
2,225	4,335	<b>Profit after taxation</b>	103,130	170,016	233,279	454,627
		<b>Other comprehensive income</b>				
		Items that will not be reclassified subsequently to profit and loss account				
<u>2,225</u>	<u>4,335</u>		<u>103,130</u>	<u>170,016</u>	<u>233,279</u>	<u>454,627</u>
		<b>Comprehensive income transferred to equity attributable to:</b>				
2,232	4,340	Shareholders of the holding company	103,475	170,428	233,996	455,112
(7)	(5)	Non-controlling interest	(345)	(412)	(717)	(485)
<u>2,225</u>	<u>4,335</u>	<b>Comprehensive income transferred to equity</b>	<u>103,130</u>	<u>170,016</u>	<u>233,279</u>	<u>454,627</u>
		<b>Component of comprehensive income not transferred to equity</b>				
		(Deficit) / surplus on revaluation of 'available for sale' investments	(76,420)	(83,032)	(156,487)	10,125
330	(7)	Related tax impact	17,771	30,238	34,569	(705)
<u>(1,162)</u>	<u>90</u>		<u>(58,649)</u>	<u>(52,794)</u>	<u>(121,918)</u>	<u>9,420</u>
<u>1,063</u>	<u>4,425</u>	<b>Total comprehensive income</b>	<u>44,481</u>	<u>117,222</u>	<u>111,361</u>	<u>464,047</u>

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 Chief Financial Officer

  
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Pak Oman Investment Company Limited  
 Consolidated Condensed Interim Cash Flow Statement (Un-Audited)  
 For the half year ended 30 June 2017

30 June 2017	30 June 2016		Note	30 June 2017	30 June 2016
----- (US Dollars in '000) -----				----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
3,974	7,041	Profit before taxation		416,669	738,325
170	216	Less: Dividend income		17,850	22,639
<u>3,804</u>	<u>6,825</u>			<u>398,819</u>	<u>715,686</u>
<b>Adjustments for non-cash charges</b>					
234	142	Depreciation		24,536	14,911
3	-	Amortisation of intangible assets		263	41
102	(93)	Unrealised loss / (gain) on revaluation of investments classified as 'held-for-trading'		10,746	(9,737)
(5)	(16)	(Gain) on sale of fixed assets		(574)	(1,694)
62	(455)	Share of gain from associates - net of tax		6,474	(47,661)
(873)	(1,002)	(Reversal) of provision against non-performing advances		(91,495)	(105,074)
3	190	Provision for diminution in the value of investments		334	19,945
(474)	(1,234)			(49,716)	(129,269)
<u>3,330</u>	<u>5,591</u>			<u>349,103</u>	<u>586,417</u>
<b>(Increase) / decrease in operating assets</b>					
2,731	(4,169)	Lendings to financial institutions		286,340	(437,176)
(205,869)	(34,217)	Net investments in held-for-trading securities		(21,586,202)	(3,587,824)
(46,868)	(41,311)	Advances		(4,914,307)	(4,331,646)
(6,879)	972	Other assets		(721,157)	101,869
(256,885)	(78,725)			(26,935,326)	(8,254,777)
<b>Increase / (decrease) in operating liabilities</b>					
300,979	49,361	Borrowings		31,558,873	5,175,707
28,410	14,474	Deposits and other accounts		2,978,858	1,517,636
4,976	82	Other liabilities		521,848	8,641
<u>334,365</u>	<u>63,917</u>			<u>35,059,579</u>	<u>6,701,984</u>
<u>80,810</u>	<u>(9,217)</u>			<u>8,473,356</u>	<u>(966,376)</u>
(632)	(1,749)	Income tax paid		(66,299)	(183,344)
<u>80,178</u>	<u>(10,966)</u>	Net cash from / (used in) operating activities		<u>8,407,057</u>	<u>(1,149,720)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
(78,189)	6,489	Net proceeds from available-for-sale securities		(8,198,384)	680,400
(802)	(2,487)	Investments in associates		(84,144)	(260,794)
72	205	Dividend received		7,541	21,472
(390)	(267)	Investments in operating fixed assets		(40,854)	(27,973)
11	21	Sale proceeds of property and equipment disposed-off		1,111	2,170
(79,298)	3,961	Net cash (used in) / from investing activities		(8,314,730)	415,275
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
(2)	(1)	Payment of lease obligation		(159)	(148)
(4,692)	(3,519)	Dividend paid		(492,000)	(369,000)
(4,694)	(3,520)			(492,159)	(369,148)
(3,814)	(10,525)	(Decrease) in cash and cash equivalents		(399,832)	(1,103,593)
16,913	17,457	Cash and cash equivalents at the beginning of the period		1,773,351	1,830,420
<u>13,099</u>	<u>6,932</u>	Cash and cash equivalents at the end of the period	19	<u>1,373,519</u>	<u>726,827</u>

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Pak Oman Investment Company Limited  
 Consolidated Condensed Interim Statement of Changes in Equity (Un-Audited)  
 For the half year ended 30 June 2017

	Issued, subscribed and paid up capital	Reserves		Unappropriated profit	Sub Total	Non controlling Interest	Total
		Statutory reserve	General reserve				
(Rupees in '000)							
Balance as at 01 January 2016	6,150,000	831,674	11,630	713,763	7,707,067	10,119	7,717,186
<b>Total Comprehensive income</b>							
Net profit after tax for the half year ended 30 June 2016	-	-	-	455,112	455,112	(485)	454,627
Other comprehensive income - net of tax	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	455,112	455,112	(485)	454,627
<b>Transfers</b>							
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	149	149	-	149
Transfer to statutory reserve	-	92,431	-	(92,431)	-	-	-
<b>Transactions with owners recognised directly in equity</b>							
Dividend for the year ended 31 December 2015 (Re 0.60 per share)	-	-	-	(369,000)	(369,000)	-	(369,000)
Balance as at 30 June 2016	6,150,000	924,105	11,630	707,593	7,793,328	9,634	7,802,962
Balance as at 01 January 2017	6,150,000	972,797	11,630	984,139	8,118,566	9,664	8,128,230
<b>Total Comprehensive income</b>							
Net profit after tax for the half year ended 30 June 2017	-	-	-	233,996	233,996	(717)	233,279
Other comprehensive income - net of tax	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	233,996	233,996	(717)	233,279
<b>Transfers</b>							
Transfer from surplus on revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	1,484	1,484	-	1,484
Transfer to statutory reserve	-	56,607	-	(56,607)	-	-	-
<b>Transaction with owners recognised directly in equity</b>							
Dividend for the year ended 31 December 2016 (Re 0.80 per share)	-	-	-	(492,000)	(492,000)	-	(492,000)
Balance as at 30 June 2017	6,150,000	1,029,404	11,630	671,012	7,862,046	8,947	7,870,993

The annexed notes from 1 to 23 form an integral part of this consolidated condensed interim financial information.

  
 Chief Financial Officer

  
 Managing Director  
 and Chief Executive

  
 Managing Director  
 and Chief Executive

  
 Chairman

**Pak Oman Investment Company Limited**  
**Notes to the Consolidated Condensed Interim Financial Information (Un-Audited)**  
*For the half year ended 30 June 2017*

**1. LEGAL STATUS AND NATURE OF BUSINESS**

The Group is principally engaged in promotion of the economic growth of Pakistan and Oman through industrial development and agro-based industries on commercial basis and to carry on the business of finance and/or investment bank, asset management and investment advisory services. Brief profile of the holding company and its subsidiary is as follows:

**1.1 Holding Company**

Pak Oman Investment Company Limited (the "holding company" or "POICL" or "parent") was incorporated as a private limited company on July 23, 2001. Subsequently, on March 17, 2004 the holding company was converted into a public limited company. It is a joint venture between the Government of Pakistan and the Government of the Sultanate of Oman. The objectives of the holding company include promotion of the economic growth of Pakistan and Oman through industrial development and agro-based industries on commercial basis and to carry on the business of finance and/or investment bank. Its registered office is situated at 1st Floor, Tower A, Finance and Trade Centre, Shahrah-e-Faisal, Karachi, Pakistan. The holding company operates a branch at Lahore and other representative offices at Islamabad, Gwadar and Muscat. The holding company is designated as a development financial institution (DFI) under the BPD Circular No. 35 dated October 28, 2003 issued by the State Bank of Pakistan (SBP).

**1.2 Subsidiary Company**

Pak Oman Asset Management Company Limited (the "subsidiary company" or "POAMCL") was incorporated in Pakistan under the Companies Ordinance, 1984 on July 28, 2006 as an unlisted public limited company having its registered office at 1st Floor, Tower A, Finance and Trade Centre, Shahrah-e-Faisal, Karachi, Pakistan. POAMCL obtained certificate of commencement of business on October 31, 2006. The principal activities of the company include investment advisory and asset management services.

During the period POAMCL acquired entire 100% shareholding (33,500,000 ordinary shares) of Askari Bank Limited (AKBL) in Askari Investment Management Limited (AIML). Merger of AIML with and into POAMCL is in process.

**1.3 The Group's Associates are as follows:**

Entity	Country of incorporation	Nature of business	Holding %	
			30 June 2017	31 December 2016
Pak Oman Microfinance Bank Limited	Pakistan	Incorporated under the Companies Ordinance, 1984 and is engaged in providing microfinance services to the poor and underserved segment of the society.	16.70	33.40
Pak Oman Advantage Islamic Income Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	51.64	43.34
Pak Oman Islamic Asset Allocation fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	42.97	38.50
Pak Oman Advantage Asset Allocation Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	63.54	60.25
Pak Oman Government Securities Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	61.83	66.91
Japan Power Generation Limited	Pakistan	Incorporated under the Companies Ordinance, 1984 and is engaged in generation of power and its supply to WAPDA.	11.29	11.29
Askari Asset Allocation Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	3.28	-
Askari High Yield Scheme	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	2.08	-
Askari Islamic Assets Allocation Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	2.45	-
Askari Sovereign Yield Enhancer	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	3.59	-

## 2. BASIS OF PRESENTATION AND CONSOLIDATION

### 2.1 Basis of presentation

**2.1.1** This consolidated condensed interim financial information has been prepared from the information available in the unaudited unconsolidated condensed interim financial information of the holding company for the half year ended 30 June 2017 and the unaudited consolidated financial statements of POAMCL for the half year 30 June 2017. The accounting policies used by POAMCL and associates in preparation of their respective financial statements are consistent with that of the holding company except for the accounting policy for investments.

**2.1.2** The associates have been accounted for in this consolidated condensed interim financial information under the equity method of accounting on the respective basis as follows:

<b>Entity</b>	<b>Source of information</b>
Japan Power Generation Limited (JPGL)	Unaudited financial statements for the nine months ended 31 March 2017
Pak Oman Microfinance Bank Limited (POMFBL)	Unaudited financial statements for the half year ended 30 June 2017
Pak Oman Advantage Islamic Income Fund	Unaudited financial statements for the half year ended 30 June 2017
Pak Oman Islamic Asset Allocation Fund	Unaudited financial statements for the half year ended 30 June 2017
Pak Oman Advantage Asset Allocation fund	Unaudited financial statements for the half year ended 30 June 2017
Pak Oman Government Securities Fund	Unaudited financial statements for the half year ended 30 June 2017
Askari Asset Allocation Fund	Unaudited financial statements for the half year ended 30 June 2017
Askari High Yield Scheme	Unaudited financial statements for the half year ended 30 June 2017
Askari Islamic Assets Allocation Fund	Unaudited financial statements for the half year ended 30 June 2017
Askari Sovereign Yield Enhancer	Unaudited financial statements for the half year ended 30 June 2017

**2.1.3** The disclosures made in this condensed interim consolidated financial information have been limited based on the format prescribed by the SBP vide BSD Circular Letter No. 2, dated May 12, 2004 and International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and do not include all the information required in the annual financial statements. Accordingly, this consolidated condensed interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2016.

**2.1.4** The US dollar amounts shown in the consolidated condensed interim statement of financial position, consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income and consolidated condensed interim cash flow statement are stated solely for information purposes. For this purpose the amounts in Pakistan rupees have been converted into US Dollars at a rate of Rs 104.8540 = 1 US dollar for the half year ended 30 June 2017 and the corresponding period.

**2.1.5** The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the SECP under Circular No.07 dated 20 July 2017, these consolidated condensed interim financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

### **3. STATEMENT OF COMPLIANCE**

This consolidated condensed interim financial information of the group have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 – Interim Financial Reporting, provisions of the Companies Ordinance, 1984 and directives issued by Securities and Exchange Commission of Pakistan (SECP) and the SBP. In case where requirements differ, the provisions of the Companies Ordinance, 1984 and the said directives shall prevail.

The SBP has deferred the applicability of IAS 39, 'Financial Instruments: Recognition and Measurement' and IAS 40, 'Investment Property' for Non Banking Financial Institutions in Pakistan vide BSD Circular Letter number 11 dated September 11, 2002, till further instructions. Further, according to the notification of SECP dated April 28, 2008, the IFRS - 7 "Financial Instruments: Disclosures" has not been made applicable for banks and NBFCs. Therefore, it is also not applicable on the Company as it follows the same format of reporting as made applicable on banks by the SBP and accordingly, the requirements of this standard have not been considered in the preparation of this consolidated condensed interim financial information. However, investments have been classified and valued in accordance with the requirements of various circulars issued by SBP.

The SECP through a notification no. SRO 56(1)/2016 dated 28 January 2016, directed that the requirements of consolidation under section 237 of the Companies Ordinance, 1984 and IFRS 10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under Trust Structure. Accordingly, the aforesaid requirements have not been considered in the preparation of these consolidated financial statements.

### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the annual consolidated financial statements of the Group for the year ended 31 December 2016.

## 5. ACCOUNTING ESTIMATES AND JUDGEMENTS

The estimates / judgments and associated assumptions used in the preparation of this consolidated condensed interim financial information are consistent with those applied in the preparation of the annual consolidated financial statements of the Group for the year ended 31 December 2016.

### Property and Equipment

During the period, the group has changed its depreciation rate for leasehold improvements from 20% to 10% to reflect the pattern in which the asset's future economic benefits are expected to be consumed. The management has incorporated the effect of change in accounting estimate in accordance with IAS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors" in the financial statements. The effect of these changes on actual and expected depreciation expense are recognised in profit and loss account as follows:

	2017	2018	2019	2020	2021	Later
	-----Rupees-----					
Increase / (decrease) in depreciation expense	(2,668,540)	(2,757,138)	(2,596,735)	(2,108,672)	(1,454,861)	11,585,946

## 6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements of the Group for the year ended 31 December 2016.

## 7. INVESTMENTS - net

Note	30 June 2017 (Un-audited)			31 December 2016 (Audited)		
	Held by the Group	Given as collateral	Total	Held by the Group	Given as collateral	Total
	----- (Rupees in '000) -----					

### 7.1 Investments by types

#### Held-for-trading securities

Pakistan investment bonds	588,893	8,982,405	9,571,298	602,866	1,036,725	1,639,591
Market treasury bills (T-Bills)	2,076,129	13,192,311	15,268,440	430,275	1,370,506	1,800,781
Listed ordinary shares	177,953	-	177,953	41,106	-	41,106
Term finance certificates (TFCs)	116,929	-	116,929	66,943	-	66,943
	2,959,904	22,174,716	25,134,620	1,141,190	2,407,231	3,548,421

#### Available-for-sale securities

Pakistan investment bonds	7.2	199,292	5,899,778	6,099,070	183,630	2,423,324	2,606,954
Market treasury bills (T-Bills)	7.2	248,140	14,331,085	14,579,225	194,832	9,733,012	9,927,844
Listed ordinary shares		728,571	-	728,571	653,703	-	653,703
Unlisted ordinary shares		121,333	226,000	347,333	121,333	226,000	347,333
Sukuk certificates		949,583	-	949,583	1,146,159	-	1,146,159
Term finance certificates (TFCs)	7.3	1,899,384	-	1,899,384	1,723,926	-	1,723,926
		4,146,303	20,456,863	24,603,166	4,023,583	12,382,336	16,405,919

#### Associates

Japan Power Generation Limited		-	-	-	-	-	-
Pak Oman Advantage Islamic Income Fund		171,338	-	171,338	176,216	-	176,216
Pak Oman Islamic Asset Allocation Fund		175,994	-	175,994	161,201	-	161,201
Pak Oman Advantage Asset Allocation Fund		224,695	-	224,695	247,788	-	247,788
Pak Oman Government Securities Fund		251,188	-	251,188	334,813	-	334,813
Pak Oman Microfinance Bank Limited		356,929	-	356,929	358,338	-	358,338
Askari Asset Allocation Fund		8,270	-	8,270	-	-	-
Askari High Yield Scheme		111,270	-	111,270	-	-	-
Askari Islamic Assets Allocation Fund		3,478	-	3,478	-	-	-
Askari Sovereign Yield Enhancer		52,614	-	52,614	-	-	-
		1,355,776	-	1,355,776	1,278,356	-	1,278,356

#### Investments at cost

		8,461,983	42,631,579	51,093,562	6,443,129	14,789,567	21,232,696
Less: Provision for diminution in the value of investments		777,231	-	777,231	778,034	-	778,034
<b>Investments - net of provisions</b>		<b>7,684,752</b>	<b>42,631,579</b>	<b>50,316,331</b>	<b>5,665,095</b>	<b>14,789,567</b>	<b>20,454,662</b>

(Loss) / gain on revaluation of held-for-trading securities

		(18,468)	4,007	(14,461)	(1,985)	(1,733)	(3,718)
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Surplus on revaluation of available-for-sale securities

	14	11,666	241,728	253,394	117,230	292,401	409,631
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#### Total investments at carrying value

		<b>7,677,950</b>	<b>42,877,314</b>	<b>50,555,264</b>	<b>5,780,340</b>	<b>15,080,235</b>	<b>20,860,575</b>
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7.2 Investments include PIB and T-Bills having face value amounting to Rs. 626 million which have been collateralized against a loan sanctioned to Pak Oman Asset Management Company Limited from Habib Bank Limited for the acquisition of Askari Investment Management Limited (AIML).

7.3 As per the terms of the Share Transfer and Debt Swap Agreement, Agritech Limited shares shall be held by the respective trustees for the TFC issues in their names for and on behalf of the TFC Holders who shall be the beneficial owners of the subject shares in proportion to their holdings. The Trustees for the TFC issue are authorised pursuant to shareholders investors agreement to hold the said ordinary shares for and on behalf of TFC holders for a period of five years from the date of transfer.

	(Un-audited) 30 June 2017	(Audited) 31 December 2016
	----- (Rupees in '000) -----	
<b>8. ADVANCES - net</b>		
Loans in Pakistan	17,444,495	13,171,976
Margin trading	1,610,178	841,195
Net investment in finance lease in Pakistan	1,762,372	1,889,567
<b>Advances - gross</b>	<b>20,817,045</b>	<b>15,902,738</b>
Less: Provision for non-performing advances - Specific	(973,648)	(1,065,205)
Provision for non-performing advances - General	(135)	(73)
	<b>(973,783)</b>	<b>(1,065,278)</b>
<b>Advances - net of provision</b>	<b>19,843,262</b>	<b>14,837,460</b>

8.1 Advances include amount aggregating Rs. 1,074.097 million (31 December 2016: Rs. 1,218.843 million), which have been placed under the non-performing status as detailed below:

Category of classification	30 June 2017 (Un-audited)			Provision required	Provision held
	Domestic	Overseas	Total		
	----- (Rupees in '000) -----				
Substandard	-	-	-	-	-
Doubtful	219,605	-	219,605	130,938	130,938
Loss	854,492	-	854,492	842,710	842,710
	<b>1,074,097</b>	<b>-</b>	<b>1,074,097</b>	<b>973,648</b>	<b>973,648</b>

Category of classification	31 December 2016 (Audited)			Provision required	Provision held
	Domestic	Overseas	Total		
	----- (Rupees in '000) -----				
Substandard	11,877	-	11,877	2,969	2,969
Doubtful	252,878	-	252,878	125,000	125,000
Loss	954,088	-	954,088	937,236	937,236
	<b>1,218,843</b>	<b>-</b>	<b>1,218,843</b>	<b>1,065,205</b>	<b>1,065,205</b>

## 8.2 Particulars of provision against non-performing advances

	Half year ended 30 June 2017 (Unaudited)			Year ended 31 December 2016 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	1,065,205	73	1,065,278	914,462	-	914,462
Charge during the period / year	2,969	62	3,031	308,796	73	308,869
Reversal during the period / year	(94,526)	-	(94,526)	(140,690)	-	(140,690)
Net (Reversal) / charge	(91,557)	62	(91,495)	168,106	73	168,179
Less: Amounts written off during the period / year	-	-	-	(17,363)	-	(17,363)
Closing balance	<b>973,648</b>	<b>135</b>	<b>973,783</b>	<b>1,065,205</b>	<b>73</b>	<b>1,065,278</b>

	(Un-audited) 30 June 2017	(Audited) 31 December 2016
	----- (Rupees in '000) -----	
<b>9. OPERATING FIXED ASSETS</b>		
Capital work-in-progress	4,498	-
Property and equipment	114,991	94,971
Intangible assets	2,816	1,366
	<b>122,305</b>	<b>96,337</b>

<b>(Un-Audited)</b>	
<b>Half year ended</b>	
<b>30 June 2017</b>	<b>30 June 2016</b>
------(Rupees in '000)-----	

During the period additions to operating fixed assets were as follows:

**Owned**

Improvements	23,220	-
Office equipment	3,236	683
Computer equipment	1,360	397
Furniture and fixture	3,151	474
Vehicles	3,715	22,048
Intangibles	1,674	-
Capital work in progress	4,498	4,371
	<b>40,854</b>	<b>27,973</b>

During the period disposals from operating fixed assets were as follows:

**Owned**

Improvement	-	254
Office equipment	-	6
Furniture and fixture	116	216
Vehicles	421	-
	<b>537</b>	<b>476</b>

<b>(Un-Audited)</b>	<b>(Audited)</b>
<b>30 June 2017</b>	<b>31 December 2016</b>
------(Rupees in '000)-----	

**10. DEFERRED TAX ASSETS - net**

**Deferred tax assets arising in respect of:**

Provision for diminution in the value of investments	194,932	201,620
Amortisation of premium on federal government securities	14,927	9,128
Assets subject to finance leases	49	38
Accelerated tax depreciation allowances	(713)	1,274
Revaluation on investments classified as held-for-trading	1,674	1,066
Provision against non-performing loans and advances	292,135	319,583
	<b>503,004</b>	<b>532,709</b>

**Less: Deferred tax liabilities arising in respect of:**

Revaluation on investments classified as available-for-sale	(78,962)	(113,531)
Revaluation of non-banking assets	(20,261)	(23,395)
Dividend receivable	(3,018)	(212)
Net investment in finance leases	43,602	(3,350)
	<b>(58,639)</b>	<b>(140,488)</b>
	<b>444,365</b>	<b>392,221</b>

**10.1** Represents super tax at 3% on taxable income for tax year 2017 and 2016 for rehabilitation of temporarily displaced persons imposed through Finance Act.

(Un-Audited) (Audited)  
**30 June 2017** 31 December 2016  
 -----(Rupees in '000)-----

## 11. BORROWINGS

### Secured

Borrowings from the State Bank of Pakistan:			
- Long term financing facility (LTFF)	11.1	<b>1,546,256</b>	1,229,176
- Financing facility for storage of agricultural produce (FFSAP)	11.1	<b>5,015</b>	6,687
Repurchase agreement borrowings	11.2	<b>23,839,779</b>	5,351,991
Long term borrowings	11.3	<b>6,880,347</b>	4,546,640
Short term borrowing	11.3	<b>251,000</b>	-
Short term running finance	11.4	<b>702,681</b>	480,389
Bai Muajjal	11.5	<b>18,114,693</b>	9,851,015
		<b>51,339,771</b>	21,465,898
<b>Unsecured</b>			
Placements	11.6	<b>920,000</b>	685,000
Murabaha financing	11.7	<b>4,450,000</b>	3,000,000
		<b>56,709,771</b>	25,150,898

- 11.1** The holding company has entered into agreements for financing with the SBP of long term finance for export oriented projects to customers. According to the terms of the respective agreements, the SBP has the right to receive the outstanding amount from the Company at the date of maturity of the finances by directly debiting the current account maintained by the Company with the SBP. The rate of return ranges from 2 to 8.20 percent per annum (2016: 2 to 10.10 percent per annum). These are repayable within 10 years (2016: 10 years).
- 11.2** The rate of return on these repurchase agreement borrowings, maturing in July 2017 (2016: January 2017), ranges between 5.81 to 6.25 (2016: 5.70 to 5.93) percent per annum. Securities having cost of Rs 23,404.378 million (2016: Rs 5,172.066 million) have been pledged against these borrowings.
- 11.3** The rate of return on these long-term borrowings & Short term borrowing ranges from 6.43 to 6.76 (2016: 6.32 to 6.56) percent per annum. The above facilities are secured against loan, advances receivables and Government securities. This also includes Rs 551 million loan availed by POAMCL from Habib Bank Limited.
- 11.4** The rate of return on these short-term running finance facilities is three month KIBOR + 0.25% (2016: three month KIBOR + 0.25%). The above facilities are secured against loan and advances receivables.
- 11.5** These Bai Muajjal secured against government securities, maturing in July 2017 to February 2018 (2016: January 2017 to October 2017) and carrying rate of return ranges between 5.65 to 5.84 (2016: 5.65 to 5.87) percent per annum.
- 11.6** The rates of return on these placements, maturing in July 2017 to November 2017 (2016: January 2017 to February 2017) ranges between 6.05 to 6.25 (2016: 5.85 to 6.30) percent per annum.
- 11.7** The rates of return on these murabaha financing, maturing in July 2017 to December 2017 (2016: January 2017 to June 2017) ranges between 6.00 to 6.25 (2016: 6.15 to 6.25) percent per annum.

(Un-Audited) (Audited)  
**30 June 2017** 31 December 2016  
 -----(Rupees in '000)-----

## 12. DEPOSITS AND OTHER ACCOUNTS

Certificate of investments - remunerative (in local currency)			
Financial institutions		<b>1,718,700</b>	252,700
Others		<b>6,603,133</b>	5,090,275
		<b>8,321,833</b>	5,342,975

- 12.1** The rate of return on deposits maturing between July 2017 to June 2018 (2016: January 2017 to May 2018) is 6 to 6.5 (2016: 6 to 12) percent per annum.

### 13. SHARE CAPITAL

#### 13.1 Authorized capital

(Un-Audited) 30 June 2017 ------(Number of shares)-----	(Audited) 31 December 2016	(Un-Audited) 30 June 2017 ------(Rupees in '000)-----	(Audited) 31 December 2016
<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>

#### 13.2 Issued, subscribed and paid - up capital

<u>615,000,000</u>	<u>615,000,000</u>	<u>6,150,000</u>	<u>6,150,000</u>
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13.3 The Ministry of Finance on behalf of the Government of Pakistan and the Sultanate of Oman through its Ministry of Finance each holds 307,495,900 (2016: 307,495,900) ordinary shares of the Company, while 4,100 (2016: 4,100) ordinary shares each are held by the Secretary - Economic Affairs Division, Government of Pakistan and Ministry of Commerce and Industry, Sultanate of Oman.

### 14. SURPLUS ON REVALUATION OF ASSETS - net of deferred tax

#### 14.1 Surplus / (deficit) on revaluation of available-for-sale securities - net of deferred tax

Federal Government Securities		
- Pakistan investment bonds	251,004	334,258
- Treasury bills (T-Bills)	(8,337)	(8,204)
	<u>242,667</u>	<u>326,054</u>
Shares-listed	(19,623)	62,390
Term Finance Certificates		
- Listed	15,893	12,134
- Unlisted	4,361	1,249
	<u>20,254</u>	<u>13,383</u>
Sukuk certificates	10,096	7,804
	<u>253,394</u>	<u>409,631</u>
Deferred tax asset recognized	(78,962)	(113,531)
	<u>174,432</u>	<u>296,100</u>
Associate's share of surplus of revaluation of available-for-sale securities	(17)	233

#### 14.2 Surplus on revaluation of non-banking assets acquired in satisfaction of claims

Revaluation of fixed assets / non-banking assets during the period / year	84,766	84,766
Transferred to unappropriated profit in respect of incremental depreciation charged during the period	(3,533)	(1,414)
	<u>81,233</u>	<u>83,352</u>
Less: Related deferred tax liability on:		
- Revaluation of fixed assets / non-banking assets during the period / year	(25,430)	(25,430)
- Incremental depreciation charged during the period / year	1,060	424
	<u>(24,370)</u>	<u>(25,006)</u>
	<u>56,863</u>	<u>58,346</u>
	<u>231,278</u>	<u>354,679</u>

14.2.1 Surplus on revaluation of non-banking assets arising on the property located in Lahore having a market value of RS 374.538 million on valuation report Sep 08, 2016 and property located in Karachi having a market value of Rs 43.424 million on valuation report April 07, 2016. The factors taken include the nature, physical condition of building & civil structure, location, market feedback, the property buying and selling activity, buyers' purchasing power, prevailing market conditions, return on investment, adverse factors, threats and opportunities of real estate industry, etc.

(Un-Audited)                      (Audited)  
**30 June 2017**                      31 December 2016  
 -----(Rupees in '000)-----

**15. CONTINGENCIES AND COMMITMENTS**

Pledge of shares on behalf of Japan Power Generation Limited - note 15.1	<b>70,726</b>	70,726
Pledge of shares on behalf of Orient Power Company (Private) Limited - note 15.2	<b>226,000</b>	226,000
Commitments for:		
Sale of government securities	<b>253,605</b>	219,782
Commitments for loans, advances and net investment in finance leases		
	<b>4,608,470</b>	3,393,784
Commitments for sale of non-banking assets	<b>46,000</b>	46,000

**15.1** Shares in Japan Power Generation Limited (an associate) aggregating 17,622,878 (31 December 2016: 17,622,878) having a cost of Rs. 70.726 million (31 December 2015: Rs. 70.726 million) have been pledged as security on behalf of that associated company against a syndicate finance facility obtained by it.

**15.2** Shares in Orient Power Company (Private) Limited (related party) aggregating 22,600,000 (31 December 2016: 22,600,000) having a cost of Rs.226 million (31 December 2015: Rs. 226 million) are pledged as security on behalf of Orient Power Company (Private) Limited (related party) against a syndicate finance facility obtained by Orient Power Company (Private) Limited (related party).

**15.3** The Income tax Department has amended the deemed assessment orders for the tax years 2004, 2009, 2010, 2011, 2012, 2013, 2014, 2015 and 2016, wherein major issues raised by the authorities were related to applicability of Workers Welfare Fund (WWF), disallowance of allocation of common expenses and disallowance of losses claimed on early termination of leased assets. The holding Company's appeals are pending at various appellate forums. For the tax year 2005 and 2008, the Commissioner Inland Revenue (Appeals) [CIR(A)] has adjudicated that the proceeding initiated by the department under section 122(5A) for respective tax years were barred in time, thereby, the amended assessment order has been annulled. Thereafter, the department being aggravated by the CIR(A) decision, filed appeal before the Appellate Tribunal Inland Revenue for the respective tax years. Further, for the matter of WWF, Supreme Court (SC) in its recent decision has annulled the amendments made through Finance Act 2006 and 2008. However, Federal Board of Revenue (FBR) has now filed review petition in the SC against the SC decision in the matter of WWF. Management estimates that sufficient provisions have been made and no further provision is required.

**16. BASIC AND DILUTED EARNINGS PER SHARE (Un-Audited)**

	Quarter ended		Half year ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
Profit attributable to shareholders (Rupees in '000)	<b>103,475</b>	170,428	<b>233,996</b>	455,112
Weighted average number of ordinary shares (in '000)	<b>615,000</b>	615,000	<b>615,000</b>	615,000
Basic and diluted earnings per share (Rupee)	<b>0.17</b>	0.28	<b>0.38</b>	0.74

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

On balance sheet financial instruments

		30 June 2017 (Un-audited)											
Note	HFT	Available for sale	HTM	Loans and receivables	Other financial assets	Other financial liabilities	Total	Fair value			Total		
								Level 1	Level 2	Level 3			
----- (Rupees in '000) -----													
<b>Financial assets measured at fair value</b>													
- Investments													
	Government Securities	24,843,466	20,920,962	-	-	-	45,764,428	-	45,764,428	-	45,764,428		
	Listed Term Finance Certificates	25,055	687,251	-	-	-	712,306	-	712,306	-	712,306		
	Unlisted Term Finance Certificates	92,300	815,012	-	-	-	907,312	-	907,312	-	907,312		
	Sukuk Certificates	-	798,634	-	-	-	798,634	-	798,634	-	798,634		
	Listed shares	159,338	631,470	-	-	-	790,808	790,808	-	-	790,808		
- Associates													
	Listed shares	-	-	-	-	-	-	76,131	-	-	76,131		
	Mutual funds	-	-	-	-	998,847	998,847	998,847	-	-	998,847		
							-				-		
<b>Financial assets not measured at fair value</b>													
	- Cash and bank balances with treasury banks	17.1	-	-	96,114	-	96,114	-	-	-	-		
	- Balances with other banks	17.1	-	-	1,277,405	-	1,277,405	-	-	-	-		
	- Lendings to financial institutions	17.1	-	-	649,486	-	649,486	-	-	-	-		
	- Unlisted shares	17.1	-	226,000	-	-	226,000	-	-	-	-		
	- Associates - unlisted shares	17.1	-	-	-	356,929	356,929	-	-	-	-		
	- Advances	17.1	-	-	19,843,262	-	19,843,262	-	-	-	-		
	- Other assets	17.1	-	-	-	1,131,609	1,131,609	-	-	-	-		
			25,120,159	24,079,329	-	21,866,267	2,487,385	-	73,553,140	1,865,786	48,182,680	-	50,048,466
<b>Financial liabilities not measured at fair value</b>													
	- Borrowings from financial institutions	17.1	-	-	-	-	56,709,771	56,709,771	-	-	-	-	
	- Deposits and other accounts	17.1	-	-	-	-	8,321,833	8,321,833	-	-	-	-	
	- Liabilities against assets subject to finance lease	17.1	-	-	-	-	1,512	1,512	-	-	-	-	
	- Other liabilities	17.1	-	-	-	-	1,354,173	1,354,173	-	-	-	-	
			-	-	-	-	66,387,289	66,387,289	-	-	-	-	
			25,120,159	24,079,329	-	21,866,267	2,487,385	(66,387,289)	7,165,851	1,865,786	48,182,680	-	50,048,466

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

**On balance sheet financial instruments**

		31 December 2016 (Audited)						Fair value					
Note	HFT	Available for sale	HTM	Loans and receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total		
----- (Rupees in '000) -----													
<b>Financial assets measured at fair value</b>													
- Investments													
	Government Securities	3,437,225	12,860,852	-	-	-	16,298,077	-	16,298,077	-	16,298,077		
	Listed Term Finance Certificates	25,187	683,612	-	-	-	708,799	-	708,799	-	708,799		
	Unlisted Term Finance Certificates	-	678,322	-	-	-	678,322	-	678,322	-	678,322		
	Sukuk Certificates	-	970,626	-	-	-	970,626	-	970,626	-	970,626		
	Listed shares	40,291	660,104	-	-	-	700,395	700,395	-	-	700,395		
- Associates													
	Listed shares	-	-	-	-	-	-	98,512	-	-	98,512		
	Mutual funds	-	-	-	-	920,018	920,018	920,018	-	-	920,018		
		-	-	-	-	-	-	-	-	-	-		
<b>Financial assets not measured at fair value</b>													
	- Cash and bank balances with treasury banks	17.1	-	-	88,909	-	88,909	-	-	-	-		
	- Balances with other banks	17.1	-	-	1,684,442	-	1,684,442	-	-	-	-		
	- Lendings to financial institutions	17.1	-	-	935,826	-	935,826	-	-	-	-		
	- Unlisted shares	17.1	-	226,000	-	-	226,000	-	-	-	-		
	- Associates - unlisted shares	17.1	-	-	-	358,338	358,338	-	-	-	-		
	- Advances	17.1	-	-	14,837,460	-	14,837,460	-	-	-	-		
	- Other assets	17.1	-	-	-	399,021	399,021	-	-	-	-		
			3,502,703	16,079,516	-	17,546,637	1,677,377	-	38,806,233	1,718,925	18,655,824	-	20,374,749
<b>Financial liabilities not measured at fair value</b>													
	- Borrowings from financial institutions	17.1	-	-	-	-	25,150,898	25,150,898	-	-	-	-	
	- Deposits and other accounts	17.1	-	-	-	-	5,342,975	5,342,975	-	-	-	-	
	- Liabilities against assets subject to finance lease	17.1	-	-	-	-	1,671	1,671	-	-	-	-	
	- Other liabilities	17.1	-	-	-	-	870,853	870,853	-	-	-	-	
			-	-	-	-	31,366,397	31,366,397	-	-	-	-	
			3,502,703	16,079,516	-	17,546,637	1,677,377	(31,366,397)	7,439,836	1,718,925	18,655,824	-	20,374,749

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).

**17.1** The Company has not disclosed the fair values for these financial assets and liabilities, as these are for short term or reprice over short term. Therefore their carrying amounts are reasonable approximation of fair value.

**18. SEGMENT ANALYSIS WITH RESPECT TO BUSINESS ACTIVITIES (Un-Audited)**

18.1 The segment analysis with respect to business activities are as follows:

	Corporate Finance	Trading & Sales	Commercial Banking	Asset Management	Total
------(Rupees in '000)'-----					
<b>Half year ended 30 June 2017 (Un-Audited)</b>					
Total income	7,625	1,320,628	709,082	23,865	2,061,200
Total expense	48,664	1,050,689	500,528	44,650	1,644,531
Net income	(41,039)	269,939	208,554	(20,785)	416,669

**Half year ended 30 June 2017 (Un-Audited)**

Segment assets -net	-	53,145,539	20,474,923	934,106	74,554,568
Segment Liabilities	-	46,473,196	19,339,035	640,066	66,452,297
Segment non performing loans	-	-	1,074,097	-	1,074,097
Investments provided for	-	928,913	-	-	928,913
Segment provision required	-	777,231	973,783	-	1,751,014
Segment return on net assets (%)	-	8.09%	36.72%	-14.1%	-
Segment return on assets (ROA) %	-	1.02%	2.04%	-4.5%	-
Segment cost of funds (%)	-	5.24%	5.00%	-	-

**Half year ended 30 June 2016 (Un-Audited)**

Total income	9,057	1,082,032	536,337	22,056	1,649,482
Total expense	45,828	520,828	309,376	35,125	911,157
Net income	(36,771)	561,204	226,961	(13,069)	738,325

**Half year ended 30 June 2016 (Un-Audited)**

Segment assets -net	-	19,427,974	14,261,071	313,094	34,002,139
Segment Liabilities	-	14,781,501	11,008,355	(3,549)	25,786,307
Segment non performing loans	-	-	1,075,839	-	1,075,839
Investments provided for	-	1,268,808	-	-	1,268,808
Segment provision required	-	1,002,466	809,388	-	1,811,854
Segment return on net assets (%)	-	24.16%	13.96%	-8.25%	-
Segment return on assets (ROA) %	-	5.78%	3.18%	-8.35%	-
Segment cost of funds (%)	-	4.79%	4.84%	-	-

(Un-Audited)	
Half year ended	
30 June 2017	30 June 2016
----- (Rupees in '000) -----	
Cash and balances with treasury banks	96,114
Balances with other banks	62,571
<b>1,277,405</b>	664,256
<b>1,373,519</b>	726,827

**19. CASH AND CASH EQUIVALENTS**

**20. RELATED PARTY TRANSACTIONS**

20.1 The Group has related party relationship with its associates, employee benefit plans, its key management personnel (including their associates). The details of investments in associates are stated in note 7 to this consolidated condensed interim financial information.

Contributions to the accounts in respect of staff retirement benefits are made in accordance with actuarial valuation /terms of the contribution plan. Remuneration of the key management personnel are in accordance with the terms of their employment. Advances are given to employees as per the Company's Policy. Transactions with other related parties are carried out on commercial terms and as per market rates.

Related parties of the Group comprises :

**Associates**

- Japan Power Generation Limited
- Pak Oman Microfinance Bank Limited
- Pak Oman Advantage Islamic Income Fund
- Pak Oman Islamic Asset Allocation Fund
- Pak Oman Advantage Asset Allocation Fund
- Pak Oman Government Securities Fund
- Askari Asset Allocation Fund
- Askari High Yield Scheme
- Askari Islamic Assets Allocation Fund
- Askari Sovereign Yield Enhancer

**Key management Personnel**

- All head of departments
- Directors

**Retirement benefit fund**

- Defined benefit plan
- Defined contribution plan

**Other related party**

- Orient Power Company (Private) Limited



**21. CREDIT RATING**

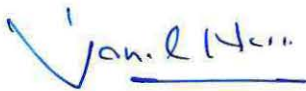
The JCR VIS Credit Rating Company Limited has maintained the company's rating of AA+ (Double AA Plus) in the long term and A-1+ (A One Plus) for the short term.

**22. GENERAL**

Amounts in this financial information have been rounded off to the nearest rupee in thousand except stated otherwise.

**23. DATE OF AUTHORISATION FOR ISSUE**

This consolidated condensed interim financial information was authorised on August 25, 2017 by the board of directors of the holding Company.




**Chief Financial Officer**



**Managing Director  
and Chief Executive**



**Managing Director  
and Chief Executive**



**Chairman**