

**PAK OMAN INVESTMENT
COMPANY LIMITED**

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

**FOR THE NINE MONTHS
ENDED 30 SEPTEMBER 2024**

Pak Oman Investment Company Limited
Unconsolidated Condensed Interim Statement of Financial Position
As at 30 September 2024

(Un-audited) 30 September 2024 (US Dollar in '000)	(Audited) 31 December 2023		(Un-audited) 30 September 2024 (Rupees in '000)	(Audited) 31 December 2023
		ASSETS	Note	
1,935	1,918	Cash and balances with treasury banks	6	537,416
539	472	Balances with other banks	7	149,823
5,131	-	Lendings to financial institutions	8	1,425,000
1,154,665	1,208,932	Investments	9	320,665,628
44,533	58,261	Advances	10	12,367,291
3,665	3,048	Property and equipment	11	1,017,784
702	314	Right-of-use assets	12	195,027
16	-	Intangible assets	13	4,365
1,510	5,029	Deferred tax assets	14	419,459
100,596	43,545	Other assets	15	27,936,959
-	-	Assets held-for-sale		-
1,313,292	1,321,519			364,718,752
		LIABILITIES		
-	-	Bills payable		-
1,215,331	1,227,494	Borrowings	16	337,513,300
49,933	43,997	Deposits and other accounts	17	13,867,024
6	8	Lease liabilities	18	1,559
-	-	Subordinated debt		-
-	-	Deferred tax liabilities		-
11,449	18,550	Other liabilities	19	3,180,206
1,276,719	1,290,049			354,562,089
36,573	31,470	NET ASSETS		10,156,663
		REPRESENTED BY		
22,145	22,145	Share capital	20	6,150,000
6,361	6,308	Reserves		1,766,615
7,483	1,467	Surplus on revaluation of assets	21	2,078,000
584	1,550	Unappropriated profit		162,048
36,573	31,470			10,156,663
		CONTINGENCIES AND COMMITMENTS	22	

The annexed notes from 1 to 40 form an integral part of these unconsolidated condensed interim financial statements.

Managing Director/
Chief Executive Officer

Chief Financial Officer

Director

Director

Chairman

Pak Oman Investment Company Limited
Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)
For the nine months ended 30 September 2024

Nine months ended			Quarter ended		Nine months ended	
30 September	30 September		30 September	30 September	30 September	30 September
2024	2023		2024	2023	2024	2023
(US Dollar in '000)			(Rupees in '000)			
209,574	181,806	Mark-up / return / interest earned	19,077,143	25,755,594	58,201,451	50,489,814
212,176	173,537	Mark-up / return / interest expensed	18,403,782	24,606,587	58,923,946	48,193,425
(2,602)	8,269	Net mark-up / return / interest income	673,361	1,149,007	(722,495)	2,296,389
NON MARK-UP / INTEREST INCOME						
223	127	Fee and commission income	25,417	8,422	62,008	35,274
501	353	Dividend income	89,840	20,373	139,044	97,938
-	-	Foreign exchange income	-	-	-	-
-	-	Income / (loss) from derivatives	-	-	-	-
3,221	370	Gain on securities	187,411	73,479	894,427	102,663
-	-	Net gains/(loss) on derecognition of financial assets measured at amortised cost	-	-	-	-
29	68	Other income	3,142	3,311	7,968	18,989
3,974	918	Total non mark-up / interest income	305,810	105,585	1,103,447	254,864
1,372	9,187	Total income	979,171	1,254,592	380,952	2,551,253
NON MARK-UP / INTEREST EXPENSES						
2,409	2,241	Operating expenses	251,322	230,538	668,999	622,396
-	-	Workers Welfare Fund	-	-	-	-
157	237	Other charges	16,817	28,535	43,479	65,766
2,566	2,478	Total non mark-up / interest expenses	268,139	259,073	712,478	688,162
(1,194)	6,709	(Loss) / profit before provisions	711,032	995,519	(331,526)	1,863,091
1,618	(858)	Credit (loss) / reversal allowance and write offs - net	(39,118)	(224,014)	449,362	(238,305)
-	-	Extra ordinary / unusual items	-	-	-	-
424	5,851	PROFIT BEFORE TAXATION AND MINIMUM TAX DIFFERENTIAL	671,914	771,505	117,836	1,624,786
(361)	-	Minimum tax differential	389,305	-	(100,206)	-
63	5,851	PROFIT BEFORE TAXATION	1,061,219	771,505	17,630	1,624,786
205	(1,862)	Taxation	(675,865)	(301,783)	57,040	(517,001)
268	3,989	PROFIT AFTER TAXATION	385,354	469,722	74,670	1,107,785
(US \$)			(Rupees)			
0.0004	0.0065	Basic and diluted earnings per share	0.63	0.76	0.12	1.80

The annexed notes from 1 to 40 form an integral part of these unconsolidated condensed interim financial statements.

Managing Director/
Chief Executive Officer

Chief Financial Officer

Director

Director

Chairman

Pak Oman Investment Company Limited
Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)
For the nine months ended 30 September 2024

Nine months ended			Quarter ended		Nine months ended	
30 September	30 September		30 September	30 September	30 September	30 September
2024	2023		2024	2023	2024	2023
(US Dollar in '000)			(Rupees in '000)			
268	3,989	Profit after taxation for the period	385,354	469,722	74,670	1,107,785
		Other comprehensive income				
		Items that may be reclassified to profit and loss account in subsequent periods :				
5,434	(623)	Movements in (deficit) / surplus on revaluation of debt investments through FVOCI- net of tax	2,142,407	566,424	1,509,208	(172,886)
		Items that will not be reclassified to profit and loss account in subsequent periods :				
(37)	(144)	Movement in surplus on revaluation of property and equipment - net of tax	(3,405)	(3,404)	(10,218)	(40,045)
618	-	Movement in surplus on revaluation of non-banking assets- net of tax	-	-	171,562	-
581	(144)		(3,405)	(3,404)	161,344	(40,045)
6,283	3,222	Total comprehensive income / (loss)	2,524,356	1,032,742	1,745,222	894,854

The annexed notes from 1 to 40 form an integral part of these unconsolidated condensed interim financial statements.

**Managing Director/
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman

Pak Oman Investment Company Limited
Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)
For the nine months ended 30 September 2024

	Share capital	Statutory reserve	General reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Total
				Investments	Property and equipment / Non banking assets		
(Rupees in '000)							
Opening balance as at 01 January 2023	6,150,000	1,610,659	311,630	(351,972)	333,054	646,307	8,699,678
Impact of adopting IFRS 9 - Note 3	-	-	-	167,440	-	(788,335)	(620,895)
Profit after taxation	-	-	-	-	-	1,107,785	1,107,785
Other comprehensive income / (loss) - net of tax							-
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	(172,886)	-	-	(172,886)
Debt investments at FVOCI – reclassified to profit or loss	-	-	-	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	-	-
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	(40,045)	-	(40,045)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-
Total comprehensive income - net of tax	-	-	-	(172,886)	(40,045)	-	(212,931)
Transfer from general reserve	-	-	(311,630)	-	-	311,630	-
Transfer to statutory reserve	-	221,557	-	-	-	(221,557)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	8,460	8,460
Transaction with owners recorded directly in equity							
Final cash dividend - 31 December 2022 declared subsequent to the year end (Rs. 0.50 per share)	-	-	-	-	-	(307,500)	(307,500)
Opening balance as at 01 October 2023	6,150,000	1,832,216	-	(357,418)	293,009	756,790	8,674,597
Profit after taxation	-	-	-	-	-	(402,674)	(402,674)
Other comprehensive income / (loss) - net of tax							
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	473,432	-	-	473,432
Debt investments at FVOCI – reclassified to profit or loss	-	-	-	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	1,832	-	-	1,832
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	(7,714)	(7,714)
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	(3,407)	-	(3,407)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-
Total comprehensive income - net of tax	-	-	-	475,264	(3,407)	(7,714)	464,143
Transfer to statutory reserve	-	(80,535)	-	-	-	80,535	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	3,407	3,407

	Share capital	Statutory reserve	General reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Total
				Investments	Property and equipment / Non-banking assets		
(Rupees in '000)							
Opening balance as at 01 January 2024	6,150,000	1,751,681	-	117,846	289,602	430,344	8,739,473
Profit after taxation	-	-	-	-	-	74,670	74,670
Other comprehensive income / (loss) - net of tax							
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	1,509,208	-	-	1,509,208
Debt investments at FVOCI – reclassified to profit or loss	-	-	-	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	-	-	-	-
Remeasurement gain / (loss) on defined benefit obligations - net of tax	-	-	-	-	-	-	-
Movement in surplus on revaluation of property and equipment - net of tax	-	-	-	-	(10,218)	-	(10,218)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	171,562	-	171,562
Total comprehensive income - net of tax	-	-	-	1,509,208	161,344	-	1,670,552
Transfer to statutory reserve	-	14,934	-	-	-	(14,934)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	10,218	10,218
Transaction with owners recorded directly in equity							
Final cash dividend - 31 December 2023 declared subsequent to the year end (Rs. 0.55 per share)	-	-	-	-	-	(338,250)	(338,250)
Closing balance as at 30 September 2024	6,150,000	1,766,615	-	1,627,054	450,946	162,048	10,156,663

The annexed notes from 1 to 40 form an integral part of these unconsolidated condensed interim financial statements.

**Managing Director/
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman

Pak Oman Investment Company Limited
Unconsolidated Condensed Interim Cash Flow Statement (Un-audited)
For the nine months ended 30 September 2024

30 September 2024	30 September 2023		30 September 2024	30 September 2023
(US Dollar in '000)			Note	(Rupees in '000)
CASH FLOW FROM OPERATING ACTIVITIES				
63	5,851	Profit before taxation and minimum tax differential	17,630	1,624,786
(501)	(353)	Less: Dividend income	(139,044)	(97,938)
(438)	5,498		(121,414)	1,526,848
Adjustments:				
255	175	Depreciation	70,702	48,582
105	58	Depreciation on right-of-use assets	29,228	16,243
3	-	Amortization	704	-
(1,635)	858	Credit (reversal) / loss allowance and write offs - net	(454,019)	238,305
(3)	(16)	(Gain) on sale of property and equipment - net	(729)	(4,568)
93	35	Mark-up / return / profit / interest expensed on lease liability against right-of-use assets	25,774	9,660
3	3	Finance charges on leased assets	785	787
(512)	(165)	Unrealised (gain) on revaluation of investments classified as held-for-trading	(142,153)	(45,738)
(1,691)	948		(469,708)	263,271
(2,129)	6,446		(591,122)	1,790,119
(Increase) / Decrease in operating assets				
(5,131)	17,428	Lendings to financial institutions	(1,425,000)	4,840,054
55,749	(188,128)	Securities classified as FVPL	15,482,342	(52,245,557)
15,522	(136)	Advances	4,310,737	(37,714)
(54,881)	9,145	Other assets (excluding advance taxation)	(15,241,512)	2,539,582
11,259	(161,691)		3,126,567	(44,903,635)
Increase / (decrease) in operating liabilities				
-	-	Bills payable	-	-
(12,163)	843,364	Borrowings	(3,377,944)	234,213,139
5,936	(3,786)	Deposits	1,648,609	(1,051,506)
(7,666)	(7,235)	Other liabilities (excluding current taxation)	(2,128,846)	(2,009,230)
(13,893)	832,343		(3,858,181)	231,152,403
(4,763)	677,098		(1,322,736)	188,038,887
(1,284)	(7,086)	Income tax paid	(356,630)	(1,967,797)
(6,047)	670,012	Net cash flow (used in) / from operating activities	(1,679,366)	186,071,090
CASH FLOW FROM INVESTING ACTIVITIES				
8,192	(674,186)	Net Investments in securities classified as FVOCI	2,275,159	(187,230,351)
(390)	57	Investments in associates	(108,340)	15,916
-	(288)	Investment in subsidiary	-	(80,000)
529	303	Dividend received	147,033	84,129
(925)	(498)	Investments in property and equipment	(256,855)	(138,263)
29	35	Proceeds from sale of property and equipment	8,048	9,625
7,435	(674,577)	Net cash flow from / (used in) investing activities	2,065,045	(187,338,944)
CASH FLOW FROM FINANCING ACTIVITIES				
(5)	(5)	Payments of lease obligations	(1,493)	(1,427)
(81)	(89)	Payments of lease obligation against right-of-use assets	(22,625)	(24,736)
(1,218)	(554)	Dividend paid	(338,250)	(153,750)
(1,304)	(648)	Net cash flow (used in) financing activities	(362,368)	(179,913)
84	(5,213)	Increase / (decrease) in cash and cash equivalents	23,311	(1,447,767)
2,395	7,097	Cash and cash equivalents at beginning of the period	665,107	1,970,858
2,479	1,884	Cash and cash equivalents at end of the period	688,418	523,091

The annexed notes from 1 to 40 form an integral part of these unconsolidated condensed interim financial statements.

Managing Director/
Chief Executive Officer

Chief Financial Officer

Director

Director

Chairman

Pak Oman Investment Company Limited
Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the nine months ended 30 September 2024

1 STATUS AND NATURE OF BUSINESS

Pak Oman Investment Company Limited (the Company) was incorporated as a private limited company on 23 July 2001. Subsequently, on 17 March 2004 the Company was converted into a public company. The Company is a joint venture between the Government of Pakistan and the Government of the Sultanate of Oman. The Company's objectives inter alia 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 company. With effect from October 01, 2024, the registered office of the Company is Office No.35-B, 35th Floor, Sky Tower-West Wing, Dolmen City, Block-4, Clifton, Karachi, Pakistan. The Company operates a branch at Lahore and other representative offices at Islamabad, Gwadar and Muscat. The Company is designated as a Development Financial Institution (DFI) under the BPD Circular No. 35 dated 28 October 2003 issued by the State Bank of Pakistan.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan 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; and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the SBP and the SECP differ with the requirements of IAS 34 or IFAS the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

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

These unconsolidated condensed interim financial statements are separate financial statements of the Company in which the investments in subsidiary and associates are stated at cost and have not been accounted for on the basis of reported results and net assets of the investees (equity method) which is incorporated in the consolidated financial statements of the Company.

SBP has deferred the applicability of International Accounting Standards IAS 40, 'Investment Property' for Banking Companies in Pakistan through BSD Circular Letter No. 10 dated 26 August 2002 till further instructions.

These unconsolidated condensed interim financial statements have been presented in Pakistani Rupees, which is the Company's functional and presentation currency.

The US dollar amounts shown in the unconsolidated condensed interim statement of financial position, unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income and unconsolidated 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.277.7131 = 1 US dollar for the nine months ended 30 September 2024 and the corresponding period.

2.2 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period:

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2024 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these unconsolidated interim financial statements.

2.3 Standards, interpretations of and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2024, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are therefore, not detailed in these unconsolidated interim financial statements.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard

IFRS 1 – First time adoption of IFRSs

IFRS 17 – Insurance Contracts

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied by the Company are the same as those applied in annual unconsolidated audited financial statements for the year ended December 31, 2023 except for change in accounting policy of recognizing the portion of income tax paid or payable for the period under the Income Tax Ordinance, 2001, not based on the taxable profits of the Company, as a Levy under IFRIC-21 / IAS-37 instead of the current income tax for the period under IAS-12.

The management believes that the new policy provides reliable and more relevant information to the user of the unconsolidated condensed interim financial statements.

The change in accounting policy has been accounted for retrospectively in accordance with the International Accounting Standard 8: "Accounting Policies, Changes in Accounting Estimates and Errors." There is, however, no material impact on the unconsolidated condensed interim financial statements of the prior years.

Taxation - Current

Current tax is the expected tax payable on the taxable income for the year based on taxable profits, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the period in Profit & loss account. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the period, is then recognized as a levy.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these unconsolidated condensed interim financial statements is the same as that applied in the preparation of the audited annual unconsolidated financial statements for the year ended 31 December 2023.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the company are consistent with those disclosed in the audited annual unconsolidated financial statements for the year ended December 31, 2023.

	Note	(Un-audited) 30 September 2024	(Audited) 31 December 2023
(Rupees in '000)			
6 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
local currency		120	120
foreign currency		398	403
		518	523
With State Bank of Pakistan in			
Local currency current account	6.1	536,758	532,146
With National Bank of Pakistan in			
Local currency current account		140	98
Less: Credit loss allowance held against cash and balances with treasury banks		-	-
		537,416	532,767
6.1 This represent the amount required to be maintained by the Company in accordance with the SBP's Regulations.			
7 BALANCES WITH OTHER BANKS			
In Pakistan:			
In current accounts		97,900	111,059
In deposit accounts		31,087	2,563
		128,987	113,622
Outside Pakistan:			
In current accounts		22,015	18,718
Less: Credit loss allowance held against balances with other banks		(1,179)	(1,227)
		149,823	131,113
8 LENDINGS TO FINANCIAL INSTITUTIONS			
Placements		-	-
Repurchase agreement lendings (Reverse Repo)		1,425,000	-
Less: Credit loss allowance held against lending to financial institutions		-	-
		1,425,000	-

9 INVESTMENTS

(Un-audited)				(Audited)			
30 September 2024				31 December 2023			
Cost / Amortised Cost	Credit loss allowances	Surplus / (deficit)	Carrying Value	Cost / Amortised Cost	Credit loss allowances	Surplus / (deficit)	Carrying Value
----- (Rupees in '000) -----							

9.1 Investments by types

FVTPL

Federal Government securities	34,263,647	-	62,199	34,325,846	50,204,251	-	(12,403)	50,191,848
Shares	458,262	-	67,551	525,813	-	-	-	-
Non-Government debt securities	-	-	-	-	-	-	-	-
	34,721,909	-	129,750	34,851,659	50,204,251	-	(12,403)	50,191,848

FVOCI

Federal Government securities	278,407,401	-	2,318,975	280,726,376	280,759,955	-	(78,846)	280,681,109
Shares	498,777	(111,717)	308,364	695,424	468,385	(111,717)	251,228	607,896
Non-Government debt securities	3,711,380	(461,813)	26,548	3,276,115	3,664,377	(437,328)	20,507	3,247,556
	282,617,558	(573,530)	2,653,887	284,697,915	284,892,717	(549,045)	192,889	284,536,561

Associates

791,407	(70,726)	-	720,681	683,067	(70,726)	-	612,341
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Subsidiary

681,995	(286,622)	-	395,373	681,995	(286,622)	-	395,373
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Total Investments

318,812,869	(930,878)	2,783,637	320,665,628	336,462,030	(906,393)	180,486	335,736,123
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9.1.1 Investments given as collateral

	(Un-audited)				(Audited)			
	30 September 2024				31 December 2023			
	Cost / Amortised Cost	Credit loss allowances	Surplus / (deficit)	Carrying Value	Cost / Amortised Cost	Credit loss allowances	Surplus / (deficit)	Carrying Value
(Rupees in '000)								
Federal Government Securities								
- Pakistan Investment Bonds	296,879,095	-	2,295,392	299,174,487	144,428,963	-	108,584	144,537,547
- Ijara Sukuk	-	-	-	-	-	-	-	-
- Market Treasury Bills	-	-	-	-	160,747,511	-	(177,656)	160,569,855
	<u>296,879,095</u>	<u>-</u>	<u>2,295,392</u>	<u>299,174,487</u>	<u>305,176,474</u>	<u>-</u>	<u>(69,072)</u>	<u>305,107,402</u>
Shares								
- Listed companies	-	-	-	-	-	-	-	-
- Unlisted companies	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Associates								
Japan Power Generation Limited	70,726	(70,726)	-	-	70,726	(70,726)	-	-
Total investments	<u>296,949,821</u>	<u>(70,726)</u>	<u>2,295,392</u>	<u>299,174,487</u>	<u>305,247,200</u>	<u>(70,726)</u>	<u>(69,072)</u>	<u>305,107,402</u>

9.2 Credit loss allowances for diminution in value of investments

9.2.1 Opening balance

Impact of adopting IFRS 9

Charge / (reversal)

Charge for the period / year
Reversals for the period / year

Transfers - net

Closing balance

9.2.2 Particulars of credit loss allowances against debt securities

Category of classification

Domestic

Performing Stage 1
Underperforming Stage 2
Non-performing Stage 3
Other assets especially mentioned
Substandard
Doubtful
Loss
Total

	(Un-audited)		(Audited)	
	30 September 2024	Credit loss allowance held	31 December 2023	Credit loss allowance held
(Rupees in '000)				
	2,990,608	14,463	2,999,855	4,118
	276,100	13,126	219,850	8,986
	-	-	-	-
	-	-	-	-
	-	-	-	-
	444,672	434,224	444,672	424,224
	<u>3,711,380</u>	<u>461,813</u>	<u>3,664,377</u>	<u>437,328</u>

This does not include investment in Government securities as it is exempt from ECL.

9.2.3 The Company does not hold overseas classified debt securities.

* NPI stands for Non-performing investments.

10 ADVANCES

	Performing		Non-performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	30 September 2024	31 December 2023	30 September 2024	31 December 2023	30 September 2024	31 December 2023
	----- (Rupees in '000) -----					
Loans, cash credits, running finances, etc.	11,987,762	15,044,600	2,547,306	2,535,945	14,535,068	17,580,545
Margin trading	372,417	1,637,677	-	-	372,417	1,637,677
Advances - Gross	<u>12,360,179</u>	<u>16,682,277</u>	<u>2,547,306</u>	<u>2,535,945</u>	<u>14,907,485</u>	<u>19,218,222</u>
Credit loss allowance against advances						
Stage 1	42,954	10,443	-	-	42,954	10,443
Stage 2	170,599	676,586	-	-	170,599	676,586
Stage 3	-	-	2,326,641	2,351,224	2,326,641	2,351,224
	<u>213,553</u>	<u>687,029</u>	<u>2,326,641</u>	<u>2,351,224</u>	<u>2,540,194</u>	<u>3,038,253</u>
Advances - net of credit loss allowance	<u>12,146,626</u>	<u>15,995,248</u>	<u>220,665</u>	<u>184,721</u>	<u>12,367,291</u>	<u>16,179,969</u>
					(Un-audited) 30 September 2024	(Audited) 31 December 2023
					----- (Rupees in '000) -----	

10.1 Particulars of advances (Gross)

In local currency
In foreign currencies

14,907,485	19,218,222
-	-
<u>14,907,485</u>	<u>19,218,222</u>

10.2 Advances include Rs. 2,547 million (2023: Rs 2,536 million) which have been placed under the non-performing / Stage 3 status as detailed below:

Category of Classification	(Un-audited)		(Audited)	
	30 September 2024		31 December 2023	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
	----- (Rupees in '000) -----			
Domestic				
Other Assets Especially Mentioned	-	-	188,425	150,740
Substandard	100,000	70,344	-	-
Doubtful	128,856	103,085	465,205	372,165
Loss	2,318,450	2,153,212	1,882,315	1,828,319
	<u>2,547,306</u>	<u>2,326,641</u>	<u>2,535,945</u>	<u>2,351,224</u>

10.3 Particulars of credit loss allowance against advances

	(Un-audited)				(Audited)			
	30 September 2024				31 December 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----							
Opening balance	10,443	676,586	2,351,224	3,038,253	-	-	854,440	854,440
Impact of adopting IFRS 9	-	-	-	-	25,765	308,791	816,062	1,150,618
Charge for the year	34,098	61,651	211,030	306,779	2,570	442,721	798,314	1,243,605
Reversals	(1,587)	(567,638)	(230,956)	(800,181)	(17,892)	(74,926)	(117,592)	(210,410)
	<u>32,511</u>	<u>(505,987)</u>	<u>(19,926)</u>	<u>(493,402)</u>	<u>(15,322)</u>	<u>367,795</u>	<u>680,722</u>	<u>1,033,195</u>
Amounts written off	-	-	(4,657)	(4,657)	-	-	-	-
Closing balance	<u>42,954</u>	<u>170,599</u>	<u>2,326,641</u>	<u>2,540,194</u>	<u>10,443</u>	<u>676,586</u>	<u>2,351,224</u>	<u>3,038,253</u>

10.4 Advances - Particulars of credit loss allowance

	(Un-audited)				(Audited)			
	30 September 2024				31 December 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	----- (Rupees in '000) -----							
Opening balance	10,443	676,586	2,351,224	3,038,253	-	-	854,440	854,440
Impact of adopting IFRS 9	-	-	-	-	25,765	308,791	816,062	1,150,618
New Advances	5,105	-	-	5,105	477	-	-	477
Advances derecognised or repaid	21,593	(535,192)	(230,957)	(744,556)	(17,418)	367,795	308,557	658,934
Transfer to stage 1	5,813	-	-	5,813	1,619	-	-	1,619
Transfer to stage 2	-	29,205	-	29,205	-	-	-	-
Transfer to stage 3	-	-	211,031	211,031	-	-	372,165	372,165
	32,511	(505,987)	(19,926)	(493,402)	(15,322)	367,795	680,722	1,033,195
Amounts written off / charged off	-	-	(4,657)	(4,657)	-	-	-	-
Changes in risk parameters	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Closing balance	42,954	170,599	2,326,641	2,540,194	10,443	676,586	2,351,224	3,038,253

10.5 Category of Classification

	(Un-audited)		(Audited)	
	30 September 2024		31 December 2023	
	Outstanding Amount	Credit loss allowance	Outstanding Amount	Credit loss allowance
	----- (Rupees in '000) -----			
Domestic				
Performing				
Underperforming				
Non-performing				
Other Assets Especially Mentioned			188,425	150,740
Substandard	100,000	70,344	-	-
Doubtful	128,856	103,085	465,205	372,165
Loss	2,318,450	2,153,212	1,882,315	1,828,319
	14,907,485	2,540,194	19,218,222	3,038,253

	(Un-audited) 30 September 2024	(Audited) 31 December 2023
	(Rupees in '000)	
11 PROPERTY AND EQUIPMENT		
Capital work-in-progress	138,328	-
Office premises	642,436	670,640
Vehicles, equipment & furniture and fixtures	237,020	175,865
	<u>1,017,784</u>	<u>846,505</u>
	(Un-audited) 30 September 2024	(Un-audited) 30 September 2023
	(Rupees in '000)	
11.1 Additions to fixed assets		
The following additions have been made to fixed assets during the period:		
Capital work-in-progress - Advances to suppliers	138,328	8,932
Vehicles, equipment & furniture and fixtures		
Vehicles, equipment & furniture and fixtures		
Improvements	-	3,801
Office equipments	3,699	1,839
Computer equipments	36,642	2,601
Furniture and fixture	15,029	1,700
Vehicles	58,088	119,390
	<u>113,458</u>	<u>129,331</u>
Total	<u>251,786</u>	<u>138,263</u>
11.2 Disposal of fixed assets		
The net book value of fixed assets disposed off during the period is as follows:		
Computer equipments	817	-
Furniture and fixture	231	80
Office equipment	-	-
Improvements	-	3,046
Vehicles	6,271	1,931
Total	<u>7,319</u>	<u>5,057</u>
	(Un-audited) 30 September 2024	(Audited) 31 December 2023
	(Rupees in '000)	
12 RIGHT-OF-USE-ASSETS		
As at January 01,		
Cost	160,286	156,112
Accumulated depreciation	<u>(73,197)</u>	<u>(61,176)</u>
Net carrying amount	87,089	94,936
Additions during the period / year	134,680	14,440
Deletions during the period / year	-	(7,594)
Depreciation charge for the period / year	<u>(26,742)</u>	<u>(14,693)</u>
Net carrying amount	<u>195,027</u>	<u>87,089</u>

Note	(Un-audited) 30 September 2024	(Audited) 31 December 2023
	(Rupees in '000)	
13 INTANGIBLE ASSETS		
Computer software	4,365	-
	<u>4,365</u>	<u>-</u>
	(Un-audited) 30 September 2024	(Un-audited) 30 September 2023
	(Rupees in '000)	
13.1 Additions to intangible assets		
The following additions have been made to intangible assets during the period:		
Directly purchased	5,069	-
Total	<u>5,069</u>	<u>-</u>
	(Un-audited) 30 September 2024	(Audited) 31 December 2023
	(Rupees in '000)	
14 DEFERRED TAX ASSETS		
Deductible Temporary Differences on		
Credit loss allowance against investments and others	344,219	327,044
Amortisation of premium on Federal Government Securities	1,169	2,777
Credit loss allowance against advances	990,676	1,184,919
Accelerated tax depreciation allowances	40,799	29,745
Revaluation on investments classified as FVTOCI	(1,026,833)	(75,043)
Revaluation on investments classified as FVTPL	(41,146)	4,837
Difference of Corporate tax & Minimum Tax	304,733	-
Net investment in finance leases	62,301	76,532
	<u>675,918</u>	<u>1,550,811</u>
Taxable Temporary Differences on		
Assets subject to finance leases	(12)	(64)
Revaluation on non-banking assets	(109,688)	-
Revaluation on fixed assets	(146,759)	(152,258)
Dividend receivable	-	(1,997)
	<u>(256,459)</u>	<u>(154,319)</u>
	<u>419,459</u>	<u>1,396,492</u>
15 OTHER ASSETS		
Income / mark-up accrued in local currency - net of provision	13,177,538	6,231,061
Dividend income receivable	-	7,989
Mark-up / profit receivable on purchase of securities	10,351,445	2,393,703
Security deposits	14,924	4,824
Prepayments	66,968	35,533
Taxation	3,495,422	3,166,197
Receivables against sale of investments	-	215,768
Non-banking assets acquired in satisfaction of claims	543,750	-
Defined contribution plan	-	-
Defined benefit plan	-	-
Others	5,662	37,886
	<u>27,655,709</u>	<u>12,092,961</u>
Less: Provision held against other assets	-	-
Other assets (net of provisions)	<u>27,655,709</u>	<u>12,092,961</u>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	281,250	-
	<u>27,936,959</u>	<u>12,092,961</u>

	(Un-audited) 30 September 2024	(Audited) 31 December 2023
	(Rupees in '000)	
16 BORROWINGS		
Secured		
Borrowings from the State Bank of Pakistan:		
- Long term financing facility (LTFF)	1,683,943	2,084,778
- Financing Power Plants Using Renewable Energy (REF)	200,720	235,204
- Financing Facility for Storage of Agricultural Produce (FFSAP)	23,077	28,846
- Temporary Economic Refinance Facility (TERF)	168,542	195,946
Repurchase agreement borrowings	264,600,863	292,639,130
Long term borrowings	2,833,333	3,950,000
Short term borrowing	25,039,007	15,000,000
Bai Muajjal	17,287,547	-
Total secured	311,837,032	314,133,904
Unsecured		
Placements	9,000,000	4,220,000
Murabaha financing	16,676,268	22,537,340
Total unsecured	25,676,268	26,757,340
	337,513,300	340,891,244

17 DEPOSITS AND OTHER ACCOUNTS

	(Un-audited)		(Audited)	
	30 September 2024		31 December 2023	
	In local currency	Total	In local currency	Total
	----- (Rupees in '000) -----			
Certificates of investment				
Financial institutions	185,500	185,500	705,500	705,500
Others	13,681,524	13,681,524	11,512,915	11,512,915
	13,867,024	13,867,024	12,218,415	12,218,415

	(Un-audited) 30 September 2024	(Audited) 31 December 2023
	(Rupees in '000)	
18 LEASE LIABILITIES		
Outstanding amount at the start of the period / year	2,267	3,139
Lease payments including interest	(1,493)	(1,937)
Interest expense	785	1,065
Outstanding amount	1,559	2,267
18.1 Liabilities outstanding		
Not later than one year	1,024	955
Later than one year and upto five years	535	1,312
	1,559	2,267

The Company has entered into lease agreement with a financial institution for lease of vehicle. Lease rentals are payable in monthly installments. Financial charges included in lease rentals are determined on the basis of discount factors applied at the rate of 9.17% (2023: 9.17%) per annum implicit in the lease. At the end of lease term, the Company has option to acquire the assets, subject to adjustment of security deposit.

	Note	(Un-audited) 30 September 2024	(Audited) 31 December 2023
		(Rupees in '000)	
19	OTHER LIABILITIES		
	Mark-up / return / interest payable in local currency	2,280,883	4,422,998
	Accrued expenses	328,370	429,745
	Dividend payable	-	-
	Staff gratuity	-	15,062
	Security deposits against investment in finance leases	80,411	109,855
	Taxation	-	-
	Lease liability against right-of-use assets	241,740	116,203
	Withholding tax and sales tax payable	16,483	10,957
	Payable against purchase of shares	143	-
	Credit loss allowances against off-balance sheet obligations	21,282	1,679
	Others	210,894	45,121
		3,180,206	5,151,620
19.1	Credit loss allowance against off-balance sheet obligations		
	Opening balance	1,679	-
	Exchange adjustment		-
	Charge for the period / year	19,603	1,679
	Reversals	-	-
		19,603	1,679
	Amount written off	-	-
	Closing balance	21,282	1,679
20	SHARE CAPITAL		
20.1	Authorized Capital		
		(Unaudited) 30 September 2024	(Audited) 31 December 2023
		(Number of shares)	(Rupees in '000)
		1,000,000,000	1,000,000,000
	Ordinary shares of Rs.10 each		10,000,000
20.2	Issued, subscribed and paid-up		
		30 September 2024	31 December 2023
		600,000,000	600,000,000
	Ordinary shares of Rs. 10 each		
	- Fully paid in cash	6,000,000	6,000,000
	- Issued as bonus shares	15,000,000	150,000
		615,000,000	615,000,000
20.3	The Ministry of Finance on behalf of the Government of Pakistan and Sultanate of Oman through Oman Investment Authority each holds 307,495,900 (2023: 307,495,900) ordinary shares of the Company, while 4,100 (2023: 4,100) ordinary shares each are held by Secretary – Economic Affairs Division, Government of Pakistan and Ministry of Commerce and Industry, Sultanate of Oman.		

(Unaudited) 30 September 2024	(Audited) 31 December 2023
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(Rupees in '000)

21 (DEFICIT) / SURPLUS ON REVALUATION OF ASSETS

Surplus on revaluation of

- Securities measured at FVOCI-Debt
- Securities measured at FVOCI-Equity
- Property and equipment
- Non-banking assets acquired in satisfaction of claims

2,345,523	(58,339)
308,364	251,228
458,006	474,758
281,250	-
3,393,143	667,647

Deferred tax on surplus on revaluation of:

- Securities measured at FVOCI-Debt
- Securities measured at FVOCI-Equity
- Property and equipment
- Non-banking assets acquired in satisfaction of claims

(914,754)	22,752
(112,078)	(97,795)
(178,623)	(185,156)
(109,688)	-
(1,315,143)	(260,199)

2,078,000	407,448
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22 CONTINGENCIES AND COMMITMENTS

Guarantees

Financial guarantees
Performance guarantees

865,241	988,645
3,066,250	-
3,931,491	988,645

Pledge of shares on behalf of Japan Power
Generation Limited

22.1 **70,726** **70,726**

Commitments for:

Purchase of Government securities

2,051,680 5,087,589

Sale of Government securities

9,878,820 450,282

Commitments for advances and
net investment in finance leases

1,358,623 600,698

Sale of Non-banking assets

543,750 -

- 22.1** Shares in Japan Power Generation Limited (JPGL) (an associate) aggregating 17,622,878 having a cost of Rs. 70.726 million (2023: Rs. 70.726 million) are pledged as security on behalf of that associate company against a syndicate finance facility obtained by it (the associate company).

		(Un-audited)	
		Nine month ended	
Note		30 September 2024	30 September 2023
(Rupees in '000)			
23	MARK-UP / RETURN / INTEREST EARNED		
	On:		
	a) Loans and advances	1,955,795	2,549,045
	b) Investments	55,621,392	46,643,880
	c) Lendings to financial institutions	616,462	1,225,252
	d) Balances with banks	7,802	71,637
		<u>58,201,451</u>	<u>50,489,814</u>
24	MARK-UP / RETURN / INTEREST EXPENSED		
	On:		
	a) Deposits	2,114,723	1,714,660
	b) Borrowings	56,783,449	46,469,105
	c) Lease liability against right-of-use assets	25,774	9,660
		<u>58,923,946</u>	<u>48,193,425</u>
25	FEE AND COMMISSION INCOME		
	Credit related fees	21,571	16,743
	Investment banking fees	25,106	16,224
	Commission on guarantees	15,331	2,307
	Underwriting commission of Government securities auction	-	-
		<u>62,008</u>	<u>35,274</u>
26	GAIN ON SECURITIES		
	Realised	752,274	56,925
	Unrealised - FVTPL	142,153	45,738
		<u>894,427</u>	<u>102,663</u>
26.1	Realised gain on:		
	Federal Government securities	626,541	53,765
	Non Government debt securities	-	1,678
	Associates	109,026	1,482
	Shares	16,707	-
		<u>752,274</u>	<u>56,925</u>
26.2	Net gain on financial assets / liabilities measured at FVPL:		
	Designated upon initial recognition	-	-
	Mandatorily measured at FVPL	596,114	191,301
		596,114	191,301
	Net gain / (loss) on financial assets / liabilities measured at amortised cost	-	-
	Net gain / (loss) on financial assets measured at FVOCI	47,134	(135,858)
	Net gain / (loss) on investments in equity instruments designated at FVOCI	-	-
		<u>47,134</u>	<u>(135,858)</u>
		<u>643,248</u>	<u>55,443</u>
27	OTHER INCOME		
	Gain on sale of property and equipment - net	729	4,568
	Rent on property	7,239	14,421
		<u>7,968</u>	<u>18,989</u>

28 OPERATING EXPENSES	(Un-audited)	
	Nine months ended	
	30 September 2024	30 September 2023
	(Rupees in '000)	
Total compensation expense	431,075	454,252
Property expense		
Utilities cost	10,078	7,681
Security (including guards)	968	777
Repair & maintenance (including janitorial charges)	28,577	10,542
Depreciation on right-of-use assets & improvements	29,228	16,243
Depreciation	28,204	28,204
	97,055	63,447
Information technology expenses		
Software maintenance	765	971
Hardware maintenance	-	677
Depreciation	8,057	2,449
Amortisation	704	-
Network charges	3,176	2,111
Others	3,627	695
	16,329	6,903
Other operating expenses		
Directors' fees and allowances	18,525	20,250
Legal & professional charges	22,564	13,146
Travelling & conveyance	4,471	14,686
Depreciation	34,441	17,929
Training & development	1,708	855
Postage & courier charges	350	366
Communication	11,423	7,890
Stationery & printing	2,447	1,157
Marketing, advertisement & publicity	2,590	1,135
Donations	-	30
Auditors' remuneration	3,230	2,416
Membership and subscriptions	4,332	2,157
Transportation	5,055	3,392
Insurance	3,454	2,782
Finance charges on leased assets	785	787
Entertainment and canteen expenses	3,496	3,303
Others	5,669	5,513
	124,540	97,794
Total operating expenses	668,999	622,396

		(Un-audited) Nine months ended	
		30 September 2024	30 September 2023
		(Rupees in '000)	
29	OTHER CHARGES		
	Penalties imposed by State Bank of Pakistan	-	-
	Fee, commission and others	43,479	65,766
		<u>43,479</u>	<u>65,766</u>
30	CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET		
	Credit (loss) / reversal allowance for diminution in value of investments	(24,485)	(5,882)
	Credit (loss)/ reversal allowance against loans & advances	493,402	(232,149)
	Credit (loss) / reversal allowance against balances with other banks	48	(128)
	Credit (loss) / reversal allowance against lendings to FIs	-	-
	Credit (loss) / reversal allowance against off-balance sheet items	(19,603)	(146)
		<u>449,362</u>	<u>(238,305)</u>
31	TAXATION		
	Current	27,405	732,755
	Prior years	-	71,080
	Deferred	(84,445)	(286,834)
		<u>(57,040)</u>	<u>517,001</u>

31.1 Tax contingencies

The Income tax Department has amended the deemed assessment orders for the tax years 2004, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017 and 2018, 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 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 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 and no provision is required.

		(Un-audited) Nine months ended	
		30 September 2024	30 September 2023
		(Rupees in '000)	
32	BASIC AND DILUTED EARNINGS PER SHARE		
	Profit after taxation	Rupees in '000 <u>74,670</u>	<u>1,107,785</u>
	Weighted average number of ordinary shares issued	Numbers in '000 <u>615,000</u>	<u>615,000</u>
	Basic and diluted earnings per share	Rupees <u>0.12</u>	<u>1.80</u>

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

		(Un-audited) Nine months ended	
		30 September 2024	30 September 2023
		(Rupees in '000)	
33	CASH AND CASH EQUIVALENTS		
	Cash and balances with treasury banks	537,416	488,587
	Balances with other banks	151,002	34,504
		<u>688,418</u>	<u>523,091</u>

34 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, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

Office premises and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these condensed interim unconsolidated financial statement

34.1 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).

In the opinion of management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are either short-term in nature or in the case of customer loans and deposits are frequently repriced.

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:

(Un-audited)				
As at 30 September 2024				
On balance sheet financial instruments	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets - measured at fair value				
Investments				
Federal Government securities	-	315,052,222	-	315,052,222
Shares	736,778	-	-	736,778
Non-Government debt securities	-	3,276,115	-	3,276,115
Mutual funds	-	720,681	-	720,681
Financial assets - disclosed but not measured at fair value				
Investments	-	-	879,832	879,832
(Audited)				
As at 31 December 2023				
On balance sheet financial instruments	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets - measured at fair value				
Investments				
Federal Government securities	-	330,872,957	-	330,872,957
Provincial Government Securities	-	-	-	-
Shares	123,437	-	-	123,437
Non-Government debt securities	-	3,247,556	-	3,247,556
Foreign Securities	-	-	-	-
Others (to be specified)	-	-	-	-
Mutual funds	-	612,341	-	612,341
Financial assets - disclosed but not measured at fair value				
Investments	-	-	879,832	879,832

35 SEGMENT DETAIL WITH RESPECT TO BUSINESS ACTIVITIES

	(Un-audited)			
	Nine months ended 30 September 2024			
	Corporate Banking	Investment Banking	Treasury	Total
	----- (Rupees in '000) -----			
Profit & loss account				
Net mark-up / return / profit	53,664	(193,871)	(582,288)	(722,495)
Non mark-up / return / interest income	36,902	249,940	816,605	1,103,447
Total income	90,566	56,069	234,317	380,952
Segment direct expenses	350,176	53,386	308,916	712,478
(Provisions) / Reversals	473,799	-	(24,437)	449,362
Profit before taxation and minimum tax differential	214,189	2,683	(99,036)	117,836
	(Un-audited)			
	As at 30 September 2024			
	Corporate Banking	Investment Banking	Treasury	Total
	----- (Rupees in '000) -----			
Statement of financial position				
Cash & Bank balances	-	-	687,239	687,239
Investments	-	1,600,513	319,065,115	320,665,628
Lendings to financial institutions	-	-	1,425,000	1,425,000
Advances - performing	11,774,209	-	372,417	12,146,626
non- performing	220,665	-	-	220,665
Others	2,621,568	94,561	26,857,465	29,573,594
Total assets	14,616,442	1,695,074	348,407,236	364,718,752
Borrowings	13,675,679	1,567,909	322,269,712	337,513,300
Subordinated debt	-	-	-	-
Deposits & other accounts	555,734	64,449	13,246,841	13,867,024
Others	204,701	14,414	2,962,650	3,181,765
Total liabilities	14,436,114	1,646,772	338,479,203	354,562,089
Equity	180,328	48,302	9,928,033	10,156,663
Total equity & liabilities	14,616,442	1,695,074	348,407,236	364,718,752
Contingencies & commitments	5,833,864	70,726	11,930,500	17,835,090
	(Un-audited)			
	Nine months ended 30 September 2023			
	Corporate Banking	Investment Banking	Treasury	Total
	----- (Rupees in '000) -----			
Profit & loss account				
Net mark-up / return / profit	169,311	(156,956)	2,284,034	2,296,389
Non mark-up / return / interest income	19,050	130,065	105,749	254,864
Total income	188,361	(26,891)	2,389,783	2,551,253
Segment direct expenses	369,351	46,774	272,037	688,162
Reversals	(232,295)	-	(6,010)	(238,305)
Profit before taxation and minimum tax differential	(413,285)	(73,665)	2,111,736	1,624,786
	(Audited)			
	As at 31 December 2023			
	Corporate Banking	Investment Banking	Treasury	Total
	----- (Rupees in '000) -----			
Statement of financial position				
Cash & Bank balances	-	-	663,880	663,880
Investments	-	1,615,610	334,120,513	335,736,123
Lendings to financial institutions	-	-	-	-
Advances - performing	14,357,571	-	1,637,677	15,995,248
- non-performing	184,721	-	-	184,721
Others	2,020,088	73,909	12,329,050	14,423,047
Total assets	16,562,380	1,689,519	348,751,120	367,003,019
Borrowings	15,558,082	1,568,473	323,764,689	340,891,244
Subordinated debt	-	-	-	-
Deposits & other accounts	551,402	56,248	11,610,765	12,218,415
Others	337,486	23,220	4,793,181	5,153,887
Total liabilities	16,446,970	1,647,941	340,168,635	358,263,546
Equity	115,410	41,578	8,582,485	8,739,473
Total equity & liabilities	16,562,380	1,689,519	348,751,120	367,003,019
Contingencies & commitments	1,589,343	70,726	5,537,871	7,197,940

36 RELATED PARTY TRANSACTIONS

The Company has related party relationship with various parties, including its directors, key management personnel (including their associates), associates, subsidiary company, employee benefit plans, and company having common directors.

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 Policy. Transactions with other related parties are carried out on commercial terms and as per market rates.

The nature of the relationships and transactions with related parties, other than those which have been specifically disclosed elsewhere in the unconsolidated financial statements are as follows:

Subsidiary

Pak Oman Asset Management Company Limited

Associates

Japan Power Generation Limited
Pak Oman Advantage Islamic Income Fund
Pak Oman Islamic Asset Allocation Fund
Pak Oman Advantage Asset Allocation Fund
Askari High Yield Scheme
Askari Cash Fund
Pak Oman Daily Dividend Fund
Pak Oman Government Securities Fund

Retirement benefit fund

Defined benefit plan
Defined contribution plan

Other related party

Orient Power Company (Private) Limited

36.2 Related party transactions

	Nine months ended 30 September 2024 (Un-audited)					Nine months ended 30 September 2023 (Un-audited)						
	Directors	Key management personnel	Subsidiaries	Associates	Retirement benefit funds	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Retirement benefit funds	Other related parties
----- (Rupees in '000) -----												
Income												
Mark-up / return / interest earned	-	2,727	-	-	-	-	-	1,728	-	-	-	-
Fee and commission income	-	-	-	-	-	-	-	-	-	-	-	-
Dividend income	-	-	-	29,469	-	79,100	-	-	-	95,480	-	-
Net gain on sale of securities	-	-	-	109,190	1,109	-	-	-	-	1,482	725	-
Other income	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Expense												
Mark-up / return / interest paid	-	5,661	-	-	-	-	-	2,967	-	-	-	-
Operating expenses	-	-	-	-	-	-	-	-	-	-	-	-
Non- Executive Directors' fees and allowances	18,525	-	-	-	-	-	20,250	-	-	-	-	-
Compensation expenses	-	236,113	-	-	-	-	-	174,032	-	-	-	-
Contribution to defined contribution plan	-	-	-	-	19,693	-	-	-	-	-	14,835	-
Charge for defined benefit plan	-	-	-	-	19,021	-	-	-	-	-	13,640	-

37 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) 30 September 2024	(Audited) 31 December 2023
	(Rupees in '000)	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	6,150,000	6,150,000
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	7,605,551	6,366,217
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	7,605,551	6,366,217
Eligible Tier 2 Capital	545,478	-
Total Eligible Capital (Tier 1 + Tier 2)	8,151,029	6,366,217
Risk Weighted Assets (RWAs):		
Credit Risk	15,362,135	18,295,884
Market Risk	4,106,759	19,048,355
Operational Risk	3,745,576	3,745,856
Total	23,214,471	41,090,095
Common Equity Tier 1 Capital Adequacy ratio	32.76%	15.49%
Tier 1 Capital Adequacy Ratio	32.76%	15.49%
Total Capital Adequacy Ratio	35.11%	15.49%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	7,605,551	6,366,217
Total Exposures	393,488,544	349,762,349
Leverage Ratio	1.93%	1.82%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	40,911,408	20,542,211
Total Net Cash Outflow	44,063,610	27,286,996
Liquidity Coverage Ratio	92.85%	75.28%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	22,033,051	22,861,964
Total Required Stable Funding	15,948,361	22,191,193
Net Stable Funding Ratio	138.15%	103.02%

38 CREDIT RATING

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

39 GENERAL

39.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

39.2 The comparative figures have been re-arranged for comparison purposes.

40 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were authorised for issue on 28 October 2024 by the Board of Directors of the Company.

**Managing Director/
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman