



**UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS OF
PAK OMAN INVESTMENT COMPANY LIMITED
FOR THE HALF YEAR ENDED
JUNE 30, 2024**



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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS OF PAK OMAN INVESTMENT COMPANY LIMITED

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of PAK OMAN INVESTMENT COMPANY LIMITED ("the Company") as at June 30, 2024, the unconsolidated condensed interim profit and loss account, the unconsolidated condensed interim statement of comprehensive income, the unconsolidated condensed interim cash flow statement and the unconsolidated condensed interim statement of changes in equity, and notes to the unconsolidated condensed interim financial statements for the half year ended June 30, 2024 (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

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

Other Matter

The figures of the unconsolidated condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended June 30, 2024 and June 30, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2024.

The engagement partner on the review resulting in this independent auditor's review report is Zulfikar Ali Causer.

KARACHI

DATE: 27 AUG 2024

UDIN: RR202410067gMYr60CQP

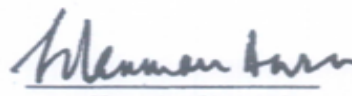
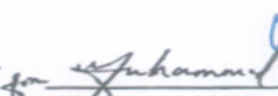
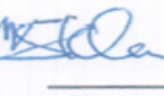
BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

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

(Un-audited) June 30, 2024 (US Dollar in '000)	(Audited) December 31, 2023		(Un-audited) June 30, 2024 (Rupees in '000)	(Audited) December 31, 2023
		Note		
ASSETS				
1,978	1,914		550,650	532,767
456	471	6	126,905	131,113
-	-	7	-	-
1,375,420	1,206,203	8	382,835,929	335,736,123
46,408	58,130	9	12,917,194	16,179,969
3,553	3,041	10	988,841	846,505
741	313	11	206,186	87,089
17	-	12	4,787	-
8,747	5,017	13	2,434,717	1,396,492
49,805	43,447	14	13,862,773	12,092,961
-	-	15	-	-
1,487,125	1,318,536		413,927,982	367,003,019
LIABILITIES				
-	-		-	-
1,392,563	1,224,724	16	387,607,655	340,891,244
46,778	43,897	17	13,020,171	12,218,415
6	8	18	1,799	2,267
-	-		-	-
-	-		-	-
20,370	18,509	19	5,669,455	5,151,620
1,459,717	1,287,138		406,299,080	358,263,546
27,408	31,398		7,628,902	8,739,473
NET ASSETS				
REPRESENTED BY				
22,095	22,095	20	6,150,000	6,150,000
6,293	6,293		1,751,681	1,751,681
(219)	1,464	21	(61,002)	407,448
(761)	1,546		(211,777)	430,344
27,408	31,398		7,628,902	8,739,473

CONTINGENCIES AND COMMITMENT 22

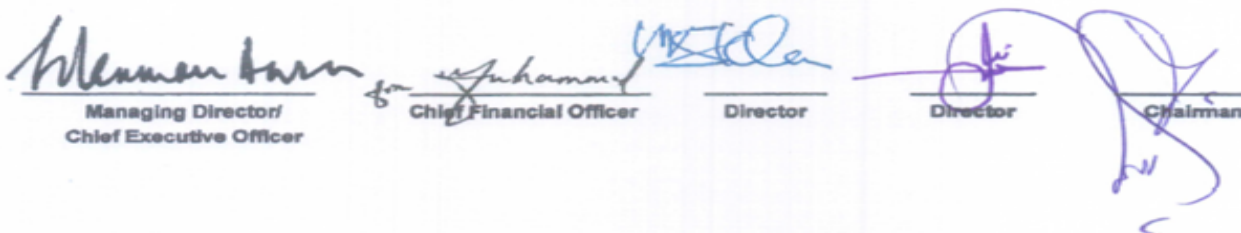
The annexed notes from 1 to 40 form an integral part of these unconsolidated condensed interim financial statements.

 Managing Director/ Chief Executive Officer	 Chief Financial Officer	 Director	 Chairman
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Pak Oman Investment Company Limited
Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)
For the half year ended June 30, 2024

Half Year ended		Note	Quarter ended		Half Year ended	
June 30, 2024	June 30, 2023		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
(US Dollar in '000)			(Rupees in '000)			
140,562	88,863	23	20,672,529	18,069,062	39,124,308	24,734,220
145,577	84,741	24	21,870,263	17,303,062	40,520,164	23,586,838
(5,015)	4,122		(1,197,734)	766,000	(1,395,856)	1,147,382
Net mark-up / return / interest income						
NON MARK-UP / INTEREST INCOME						
131	96	25	21,620	17,573	36,591	26,852
177	279		42,891	77,565	49,204	77,565
-	-		-	-	-	-
-	-		-	-	-	-
2,540	105	26	508,848	36,204	707,016	29,184
-	-		-	-	-	-
17	56	27	2,413	8,153	4,826	15,678
2,865	536		575,772	139,495	797,637	149,279
(2,150)	4,658		(621,962)	905,495	(598,219)	1,296,661
Total income						
NON MARK-UP / INTEREST EXPENSES						
1,501	1,408	28	246,108	206,255	417,677	391,858
-	-		-	-	-	-
96	134	29	12,553	26,321	26,662	37,231
1,597	1,542		258,661	232,576	444,339	429,089
(3,747)	3,116		(880,623)	672,919	(1,042,558)	867,572
1,755	(51)	30	301,953	(162,613)	488,480	(14,291)
-	-		-	-	-	-
(1,992)	3,065		(578,670)	510,306	(554,078)	853,281
(1,759)	-	3	-	-	(489,511)	-
(3,751)	3,065		(578,670)	510,306	(1,043,589)	853,281
2,633	(773)	31	245,983	(102,445)	732,905	(215,218)
(1,118)	2,292		(332,687)	407,861	(310,684)	638,063
(LOSS) / PROFIT AFTER TAXATION						
(US \$)			(Rupees)			
(0.0018)	0.0037	32	(0.54)	0.66	(0.51)	1.04
Basic and diluted (loss) / earnings per share						

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 half year ended June 30, 2024

<u>Half Year ended</u>			<u>Quarter ended</u>		<u>Half Year ended</u>	
<u>June 30,</u>	<u>June 30,</u>		<u>June 30,</u>	<u>June 30,</u>	<u>June 30,</u>	<u>June 30,</u>
<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
(US Dollar in '000)			(Rupees in '000)			
(1,118)	2,292	(Loss) / profit after taxation for the period	(332,687)	407,861	(310,684)	638,063
		Other comprehensive income				
		Items that may be reclassified to profit and loss account in subsequent periods :				
(2,275)	(2,656)	Movements in (deficit) / surplus on revaluation of debt investments through FVOCI- net of tax	581,793	(118,673)	(633,199)	(739,310)
		Items that will not be reclassified to profit and loss account in subsequent periods :				
		Movement in surplus on revaluation of property and equipment - net of tax	(3,407)	(32,902)	(6,813)	(36,641)
616	-	Movement in surplus on revaluation of non-banking assets- net of tax	171,562	-	171,562	-
594	(131)		168,155	(32,902)	164,749	(36,641)
<u>(2,799)</u>	<u>(495)</u>	Total comprehensive income / (loss)	<u>417,261</u>	<u>256,286</u>	<u>(779,134)</u>	<u>(137,888)</u>

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

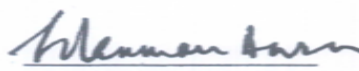
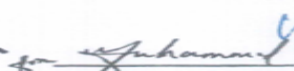
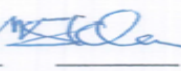


Director


Chairman

Pak Oman Investment Company Limited
Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited)
For the half year ended June 30, 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 January 01, 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	-	-	-	-	-	638,063	638,063
Other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	(739,310)	-	-	(739,310)
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	-	-	-	-	(36,641)	-	(36,641)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-
Total comprehensive income - net of tax	-	-	-	(739,310)	(36,641)	-	(775,951)
Transfer from general reserve	-	-	(311,630)	-	-	311,630	-
Transfer to statutory reserve	-	127,613	-	-	-	(127,613)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	5,056	5,056
Transaction with owners recorded directly in equity							
Final cash dividend - December 31, 2022 declared subsequent to the year end (Rs. 0.50 per share)	-	-	-	-	-	(307,500)	(307,500)
Opening balance as at July 01, 2023	6,150,000	1,738,272	-	(923,842)	296,413	377,608	7,638,451
Profit after taxation	-	-	-	-	-	67,048	67,048
Other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	1,039,856	-	-	1,039,856
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	-	-	-	-	(6,811)	-	(6,811)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	-	-	-
Total comprehensive income - net of tax	-	-	-	1,041,688	(6,811)	(7,714)	1,027,163
Transfer to statutory reserve	-	13,409	-	-	-	(13,409)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	6,811	6,811
Opening balance as at January 01, 2024	6,150,000	1,751,681	-	117,846	289,602	430,344	8,739,473
Loss after taxation	-	-	-	-	-	(310,684)	(310,684)
Other comprehensive income / (loss) - net of tax	-	-	-	-	-	-	-
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	(633,199)	-	-	(633,199)
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	-	-	-	-	(6,813)	-	(6,813)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	-	-	171,562	-	171,562
Total comprehensive income - net of tax	-	-	-	(633,199)	164,749	-	(468,450)
Transfer to statutory reserve	-	-	-	-	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	6,813	6,813
Transaction with owners recorded directly in equity							
Final cash dividend - December 31, 2023 declared subsequent to the year end (Rs. 0.55 per share)	-	-	-	-	-	(338,250)	(338,250)
Closing balance as at June 30, 2024	6,150,000	1,751,681	-	(515,353)	454,351	(211,777)	7,628,902

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 half year ended June 30, 2024

June 30, 2024 (US Dollar in '000)	June 30, 2023	Note	June 30, 2024 (Rupees in '000)	June 30, 2023
CASH FLOW FROM OPERATING ACTIVITIES				
(1,992)	3,065		(554,078)	853,281
(177)	(279)		(49,204)	(77,565)
<u>(2,169)</u>	<u>2,786</u>		<u>(603,282)</u>	<u>775,716</u>
Adjustments:				
160	106		44,597	29,477
62	38		17,241	10,649
1	-		282	-
(1,772)	51	30	(493,137)	14,291
-	(16)		-	(4,571)
53	23		14,703	6,442
2	2		533	496
(187)	42		(52,057)	11,644
<u>(1,681)</u>	<u>246</u>		<u>(467,838)</u>	<u>68,428</u>
<u>(3,850)</u>	<u>3,032</u>		<u>(1,071,120)</u>	<u>844,144</u>
(Increase) / Decrease in operating assets				
-	17,369		-	4,834,588
106,539	32,901		29,654,243	9,157,816
13,622	(3,936)		3,791,439	(1,095,660)
(5,634)	9,180		(1,568,488)	2,555,043
<u>114,527</u>	<u>55,514</u>		<u>31,877,194</u>	<u>15,451,787</u>
Increase / (decrease) in operating liabilities				
-	-		-	-
167,839	1,411,929		46,716,411	392,997,977
2,880	(695)		801,756	(193,575)
1,322	(7,796)		367,849	(2,169,799)
<u>172,041</u>	<u>1,403,438</u>		<u>47,886,016</u>	<u>390,634,603</u>
<u>282,718</u>	<u>1,461,984</u>		<u>78,692,090</u>	<u>406,930,534</u>
<u>(1,395)</u>	<u>(5,012)</u>		<u>(388,183)</u>	<u>(1,395,033)</u>
<u>281,323</u>	<u>1,456,972</u>		<u>78,303,907</u>	<u>405,535,501</u>
CASH FLOW FROM INVESTING ACTIVITIES				
(278,991)	(1,461,754)		(77,654,595)	(406,866,248)
-	-		-	-
(389)	57		(108,340)	15,889
-	-		-	-
100	-		27,802	-
(698)	(454)		(194,294)	(126,449)
2	34		634	9,537
<u>(279,976)</u>	<u>(1,462,117)</u>		<u>(77,928,793)</u>	<u>(406,967,271)</u>
CASH FLOW FROM FINANCING ACTIVITIES				
(4)	(3)		(1,001)	(915)
(81)	(82)		(22,625)	(22,857)
(1,215)	(552)		(338,250)	(153,750)
<u>(1,300)</u>	<u>(637)</u>		<u>(361,876)</u>	<u>(177,522)</u>
47	(5,782)		13,238	(1,609,292)
2,390	7,081		665,107	1,970,858
<u>2,437</u>	<u>1,299</u>	33	<u>678,345</u>	<u>361,566</u>

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	 Chairman
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Pak Oman Investment Company Limited
Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the half year ended June 30, 2024

1 STATUS AND NATURE OF BUSINESS

Pak Oman Investment Company Limited (the Company) was incorporated as a private limited company on July 23, 2001. Subsequently, on March 17, 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. The registered office of the Company is situated at 1st Floor, Block A, Finance and Trade Centre, Shahrah-e-Faisal, 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 October 28, 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 February 09, 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 December 31, 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 August 26, 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.278.3412 = 1 US dollar for the half year ended June 30, 2024 and the corresponding period.

2.2 Standards, interpretations of and amendments to published approved accounting

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 POLICIES

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 JUDGMENTS

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 December 31, 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) June 30, 2024	(Audited) December 31, 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	549,738	532,146
With National Bank of Pakistan in			
Local currency current account		394	98
Less: Credit loss allowance held against cash and balances with treasury banks		-	-
		<u>550,650</u>	<u>532,767</u>
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		75,536	111,059
In deposit accounts		37,366	2,563
		<u>112,902</u>	<u>113,622</u>
Outside Pakistan:			
In current accounts		14,793	18,718
Less: Credit loss allowance held against balances with other banks		(790)	(1,227)
		<u>126,905</u>	<u>131,113</u>
8			
LENDINGS TO FINANCIAL INSTITUTIONS			
Placements		-	-
Repurchase agreement lendings (Reverse Repo)		-	-
Less: Credit loss allowance held against lending to financial institutions		-	-
		<u>-</u>	<u>-</u>

9 INVESTMENTS

	(Un-audited)				(Audited)			
	June 30, 2024				December 31, 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	20,092,725	-	(11,451)	20,081,274	50,204,251	-	(12,403)	50,191,848
Shares	457,283	-	51,105	508,388	-	-	-	-
	-	-	-	-	-	-	-	-
	20,550,008	-	39,654	20,589,662	50,204,251	-	(12,403)	50,191,848
FVOCI								
Federal Government securities	358,305,210	-	(1,183,205)	357,122,005	280,759,955	-	(78,846)	280,681,109
Shares	498,777	(111,717)	295,564	682,624	468,385	(111,717)	251,228	607,896
Non-Government debt securities	3,743,325	(450,064)	32,323	3,325,584	3,664,377	(437,328)	20,507	3,247,556
	362,547,312	(561,781)	(855,318)	361,130,213	284,892,717	(549,045)	192,889	284,536,561
Associates	791,407	(70,726)	-	720,681	683,067	(70,726)	-	612,341
Subsidiary	681,995	(286,622)	-	395,373	681,995	(286,622)	-	395,373
Total Investments	384,570,722	(919,129)	(815,664)	382,835,929	336,462,030	(906,393)	180,486	335,736,123

9.1.1 Investments given as collateral

	(Un-audited)				(Audited)			
	June 30, 2024				December 31, 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	204,361,098	-	(659,598)	203,701,500	144,428,963	-	108,584	144,537,547
- Ijara Sukuk	-	-	-	-	-	-	-	-
	<u>147,452,201</u>	-	<u>(495,433)</u>	<u>146,956,768</u>	<u>160,747,511</u>	-	<u>(177,656)</u>	<u>160,569,855</u>
	351,813,299	-	(1,155,031)	350,658,268	305,176,474	-	(69,072)	305,107,402
Shares								
- Listed companies	-	-	-	-	-	-	-	-
- Unlisted companies	-	-	-	-	-	-	-	-
Associates								
- Japan Power Generation Limited	70,726	(70,726)	-	-	70,726	(70,726)	-	-
Total investments	<u>351,884,025</u>	<u>(70,726)</u>	<u>(1,155,031)</u>	<u>350,658,268</u>	<u>305,247,200</u>	<u>(70,726)</u>	<u>(69,072)</u>	<u>305,107,402</u>

	(Un-audited)		(Audited)	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
	(Rupees in '000)			
9.2 Credit loss allowances for diminution in value of investments				
9.2.1 Opening balance		906,393		868,319
Impact of adopting IFRS 9		-		20,072
Charge / (reversal)				
Charge for the period / year		12,817		32,018
Reversals for the period / year		(81)		(14,016)
Transfers - net		12,736		18,002
Closing balance		<u>919,129</u>		<u>906,393</u>

Category of classification	(Un-audited)		(Audited)	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
	(Rupees in '000)			
Domestic				
Performing	3,022,553	2,999,855	12,348	4,118
Underperforming	276,100	219,850	13,492	8,986
Non-performing	-	-	-	-
Other assets especially mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	444,672	444,672	424,224	424,224
Total	<u>3,743,325</u>	<u>3,664,377</u>	<u>450,064</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

Loans, cash credits, running finances, etc.
Margin trading
Advances - Gross

Credit loss allowance against advances

Stage 1
Stage 2
Stage 3

Advances - net of credit loss allowance

	Performing		Non-performing		Total	
	(Un-audited) June 30, 2024	(Audited) December 31, 2023	(Un-audited) June 30, 2024	(Audited) December 31, 2023	(Un-audited) June 30, 2024	(Audited) December 31, 2023
	----- (Rupees in '000) -----					
	12,462,413	15,044,600	2,516,015	2,535,945	14,978,428	17,580,545
	448,355	1,637,677	-	-	448,355	1,637,677
	<u>12,910,768</u>	<u>16,682,277</u>	<u>2,516,015</u>	<u>2,535,945</u>	<u>15,426,783</u>	<u>19,218,222</u>
	36,997	10,443	-	-	36,997	10,443
	159,327	676,586	-	-	159,327	676,586
	-	-	2,313,265	2,351,224	2,313,265	2,351,224
	<u>196,324</u>	<u>687,029</u>	<u>2,313,265</u>	<u>2,351,224</u>	<u>2,509,589</u>	<u>3,038,253</u>
	<u>12,714,444</u>	<u>15,995,248</u>	<u>202,750</u>	<u>184,721</u>	<u>12,917,194</u>	<u>16,179,969</u>
					(Un-audited) June 30, 2024	(Audited) December 31, 2023
					----- (Rupees in '000) -----	

10.1 Particulars of advances (Gross)

In local currency
In foreign currencies

10.2 Advances include Rs. 2,516 million (2023: Rs 2,536 million) which have been placed under the non-performing / Stage 3 status as detailed below:

Category of Classification

Domestic

Other Assets Especially Mentioned
Substandard
Doubtful
Loss

Stage 3

	(Un-audited)		(Audited)	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
	----- (Rupees in '000) -----			
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
	-	-	188,425	150,740
	-	-	-	-
	160,588	128,471	465,205	372,165
	<u>2,355,427</u>	<u>2,184,794</u>	<u>1,882,315</u>	<u>1,828,319</u>
	<u>2,516,015</u>	<u>2,313,265</u>	<u>2,535,945</u>	<u>2,351,224</u>

	(Un-audited)				(Audited)			
	June 30, 2024				December 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
(Rupees in '000)								
10.3 Particulars of credit loss allowance against advances								
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	27,197	50,626	140,687	218,510	2,570	442,721	798,314	1,243,605
Reversals	(643)	(567,885)	(173,989)	(742,517)	(17,892)	(74,926)	(117,592)	(210,410)
Amounts written off	26,554	(517,259)	(33,302)	(524,007)	(15,322)	367,795	680,722	1,033,195
Closing balance	36,997	159,327	2,313,265	2,509,589	10,443	676,586	2,351,224	3,038,253
10.4 Advances - Particulars of credit loss allowance								
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	1,627	-	-	1,627	477	-	-	477
Advances derecognised or repaid	19,435	(547,329)	(173,989)	(701,883)	(17,418)	367,795	308,557	658,934
Transfer to stage 1	5,492	-	-	5,492	1,619	-	-	1,619
Transfer to stage 2	-	30,070	-	30,070	-	-	-	-
Transfer to stage 3	-	-	140,687	140,687	-	-	372,165	372,165
Amounts written off / charged off	26,554	(517,259)	(33,302)	(524,007)	(15,322)	367,795	680,722	1,033,195
Changes in risk parameters	-	-	(4,657)	(4,657)	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Closing balance	36,997	159,327	2,313,265	2,509,589	10,443	676,586	2,351,224	3,038,253
10.5 Category of Classification								
(Rupees in '000)								
	(Un-audited)		(Audited)					
	June 30, 2024		December 31, 2023					
	Outstanding Amount	Credit loss allowance	Outstanding Amount	Credit loss allowance				
Domestic								
Performing			Stage 1		11,546,671	36,997	13,489,847	10,443
Underperforming			Stage 2		1,364,097	159,327	3,192,430	676,586
Non-performing			Stage 3		-	-	188,425	150,740
Other Assets Especially Mentioned					-	-	-	-
Substandard					160,588	128,471	465,205	372,165
Doubtful					2,355,427	2,184,794	1,882,315	1,828,319
Loss					15,426,783	2,509,589	19,218,222	3,038,253

	(Un-audited) June 30, 2024	(Audited) December 31, 2023
	(Rupees in '000)	
11 PROPERTY AND EQUIPMENT		
Capital work-in-progress	117,163	-
Office premises	651,837	670,640
Vehicles, equipment & furniture and fixtures	219,841	175,865
	<u>988,841</u>	<u>846,505</u>

	(Un-audited) June 30, 2024	(Un-audited) June 30, 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	117,163	10,740
Vehicles, equipment & furniture and fixtures		
Improvements	-	-
Office equipments	3,699	120
Computer equipments	26,402	-
Furniture and fixture	1,037	850
Vehicles	40,924	10,648
	<u>72,062</u>	<u>11,618</u>
Total	<u>189,225</u>	<u>22,358</u>

11.2 Disposal of fixed assets

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

Computer equipments	405	
Furniture and fixture	229	-
Office equipment	-	-
Improvements	-	-
Vehicles	-	-
Total	<u>634</u>	<u>-</u>

	(Un-audited) June 30, 2024	(Audited) December 31, 2023
	(Rupees in '000)	
12 RIGHT-OF-USE-ASSETS		
As at January 01, 2024		
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>(15,583)</u>	<u>(14,693)</u>
Net carrying amount	<u><u>206,186</u></u>	<u><u>87,089</u></u>
	(Un-audited) June 30, 2024	(Audited) December 31, 2023
	(Rupees in '000)	

13 INTANGIBLE ASSETS

Computer software	<u>4,787</u>	<u>-</u>
	<u><u>4,787</u></u>	<u><u>-</u></u>
	(Un-audited) June 30, 2024	(Un-audited) June 30, 2023
	(Rupees in '000)	

13.1 Additions to intangible assets

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

Developed internally	-	-
Directly purchased	5,069	-
Through business combinations	-	-
Total	<u><u>5,069</u></u>	<u><u>-</u></u>

(Un-audited) **(Audited)**
June 30, **December 31,**
2024 **2023**
(Rupees in '000)

14 DEFERRED TAX ASSETS

Deductible Temporary Differences on

Credit loss allowance against investments and others
Amortisation of premium on
Federal Government Securities
Credit loss allowance against advances
Accelerated tax depreciation allowances
Revaluation on investments classified as FVTOCI
Revaluation on investments classified as FVTPL
Difference of Corporate tax &
Minimum Tax
Net investment in finance leases

340,899	327,044
2,060	2,777
978,740	1,184,919
36,013	29,745
339,965	(75,043)
(8,310)	4,837
949,211	-
61,794	76,532
2,700,372	1,550,811

Taxable Temporary Differences on

Assets subject to finance leases
Revaluation on non-banking assets
Revaluation on fixed assets
Dividend receivable

(27)	(64)
(109,688)	-
(148,592)	(152,258)
(7,348)	(1,997)
(265,655)	(154,319)
2,434,717	1,396,492

15 OTHER ASSETS

Income / mark-up accrued in local currency -
net of provision

Dividend income receivable
Mark-up / profit receivable on purchase of securities
Security deposits
Prepayments
Taxation
Receivables against sale of investments
Non-banking assets acquired in satisfaction of claims
Defined contribution plan
Defined benefit plan
Others

7,550,106	6,231,061
29,391	7,989
2,302,394	2,393,703
14,924	4,824
64,430	35,533
3,064,869	3,166,197
9,522	215,768
543,750	-
-	-
-	-
2,137	37,886
13,581,523	12,092,961

Less: Credit loss allowance against other assets

Other assets (net of provisions)
Surplus on revaluation of non-banking assets acquired in
satisfaction of claims

-	-
13,581,523	12,092,961
281,250	-
13,862,773	12,092,961

(Un-audited) (Audited)
June 30, **December 31,**
2024 **2023**
(Rupees in '000)

16 BORROWINGS

Secured

Borrowings from the State Bank of Pakistan:

- Long term financing facility (LTFF)	1,829,145	2,084,778
- Financing Power Plants Using Renewable Energy (REF)	214,592	235,204
- Financing Facility for Storage of Agricultural Produce (FFSAP)	25,000	28,846
- Temporary Economic Refinance Facility (TERF)	177,664	195,946

Repurchase agreement borrowings

Long term borrowings	345,307,151	292,639,130
Short term borrowing	2,495,833	3,950,000
Bai Muajjal	10,066,558	15,000,000
	-	-

Total secured

	360,115,943	314,133,904
--	-------------	-------------

Unsecured

Placements	-	4,220,000
Murabaha financing	27,491,712	22,537,340
Total unsecured	27,491,712	26,757,340
	387,607,655	340,891,244

17 DEPOSITS AND OTHER ACCOUNTS

	(Un-audited)		(Audited)	
	30 June, 2024		December 31, 2023	
	In local currency	Total	In local currency	Total
	----- (Rupees in '000) -----			
Certificates of investment				
Financial institutions	191,500	191,500	705,500	705,500
Others	12,828,671	12,828,671	11,512,915	11,512,915
	13,020,171	13,020,171	12,218,415	12,218,415
	13,020,171	13,020,171	12,218,415	12,218,415

18 LEASE LIABILITIES

Outstanding amount at the start of the period / year	2,267	3,139
Lease payments including interest	(1,001)	(1,937)
Interest expense	533	1,065
Outstanding amount	1,799	2,267
	1,799	2,267

(Un-audited) (Audited)
June 30, December 31,
2024 2023
(Rupees in '000)

18.1 Liabilities outstanding

Not later than one year	1,000	955
Later than one year and upto five years	799	1,312
	1,799	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.

19 OTHER LIABILITIES

Mark-up / return / interest payable in local currency	4,929,713	4,422,998
Accrued expenses	303,515	429,745
Dividend payable	-	-
Staff gratuity	-	15,062
Security deposits against investment in finance leases	79,787	109,855
Taxation	-	-
Lease liability against right-of-use assets	243,511	116,203
Withholding tax and sales tax payable	14,699	10,957
Payable against purchase of shares	4,532	-
Credit loss allowances against off-balance sheet obligations	24,907	1,679
Others	68,791	45,121
	5,669,455	5,151,620

19.1 Credit loss allowance against off-balance sheet obligations

Opening balance	1,679	-
Exchange adjustment		-
Charge for the period / year	23,228	1,679
Reversals	-	-
	23,228	1,679
Amount written off	-	-
Closing balance	24,907	1,679

20 SHARE CAPITAL

20.1 Authorized Capital

(Unaudited) June 30, 2024 (Number of shares)	(Audited) December 31, 2023	Ordinary shares of Rs.10 each	(Unaudited) June 30, 2024 (Rupees in '000)	(Audited) December 31, 2023
1,000,000,000	1,000,000,000		10,000,000	10,000,000

20.2 Issued, subscribed and paid-up

(Unaudited) June 30, 2024 (Number of shares)	(Audited) December 31, 2023	Ordinary shares of Rs.10 each	(Unaudited) June 30, 2024 (Rupees in '000)	(Audited) December 31, 2023
600,000,000	600,000,000	-Fully paid in cash	6,000,000	6,000,000
15,000,000	15,000,000	-Issued as bonus shares	150,000	150,000
<u>615,000,000</u>	<u>615,000,000</u>		<u>6,150,000</u>	<u>6,150,000</u>

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.

21 (DEFICIT) / SURPLUS ON REVALUATION OF ASSETS

(Deficit) / surplus on revaluation of

- Securities measured at FVOCI-Debt	(1,150,882)	(58,339)
- Securities measured at FVOCI-Equity	295,564	251,228
- Property and equipment	463,588	474,758
- Non-banking assets acquired in satisfaction of claims	281,250	-
	(110,480)	667,647

Deferred tax asset / liability on surplus on revaluation of:

- Securities measured at FVOCI-Debt	448,844	22,752
- Securities measured at FVOCI-Equity	(108,879)	(97,795)
- Property and equipment	(180,799)	(185,156)
- Non-banking assets acquired in satisfaction of claims	(109,688)	-
	49,478	(260,199)
	<u>(61,002)</u>	<u>407,448</u>

		(Un-audited)	
		Half year ended	
Note		June 30, 2024	June 30, 2023
		(Rupees in '000)	
22	CONTINGENCIES AND COMMITMENTS		
	Guarantees		
	Financial guarantees	895,090	988,645
	Performance guarantees	3,066,250	-
		<u>3,961,340</u>	<u>988,645</u>
	Pledge of shares on behalf of Japan Power Generation Limited	70,726	70,726
	Commitments for:		
	Purchase of Government securities	3,064,639	5,087,589
	Sale of Government securities	-	450,282
	Purchase of Term finance certificates (TFCs)	-	-
	Commitments for advances and net investment in finance leases	862,081	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).		
23	MARK-UP / RETURN / INTEREST EARNED		
	On:		
	a) Loans and advances	1,373,447	1,592,199
	b) Investments	37,399,912	22,259,970
	c) Lendings to financial institutions	346,201	810,941
	d) Balances with banks	4,748	71,110
		<u>39,124,308</u>	<u>24,734,220</u>
24	MARK-UP / RETURN / INTEREST EXPENSED		
	On:		
	a) Deposits	1,434,167	1,064,791
	b) Borrowings	39,071,294	22,515,605
	c) Lease liability against right-of-use assets	14,703	6,442
		<u>40,520,164</u>	<u>23,586,838</u>

		(Un-audited)	
		Half year ended	
Note		June 30, 2024	June 30, 2023
		(Rupees in '000)	
25	FEE AND COMMISSION INCOME		
	Credit related fees	16,330	14,468
	Investment banking fees	12,596	10,874
	Commission on guarantees	7,665	1,510
	Underwriting commission of Government securities auction	-	-
		<u>36,591</u>	<u>26,852</u>
26	GAIN ON SECURITIES		
	Realised	26.1 654,959	40,828
	Unrealised - FVTPL	9.1 52,057	(11,644)
		<u>707,016</u>	<u>29,184</u>
26.1	Realised gain on:		
	Federal Government securities	537,786	37,747
	Non Government debt securities	-	1,599
	Associates	109,026	1,482
	Shares	8,147	-
		<u>654,959</u>	<u>40,828</u>
26.2	Net gain on financial assets / liabilities measured at FVPL:		
	Designated upon initial recognition	-	-
	Mandatorily measured at FVPL	288,979	64,607
		288,979	64,607
	Net gain / (loss) on financial assets / liabilities measured at amortised cost	-	-
	Net gain / (loss) on financial assets measured at FVOCI	256,954	(25,261)
	Net gain / (loss) on investments in equity instruments designated at FVOCI	-	-
		<u>256,954</u>	<u>(25,261)</u>
		<u>545,933</u>	<u>39,346</u>

		(Un-audited) Half year ended	
		June 30, 2024	June 30, 2023
		(Rupees in '000)	
27	OTHER INCOME		
	Gain on sale of property and equipment - net	-	4,571
	Rent on property	4,826	11,107
		<u>4,826</u>	<u>15,678</u>
28	OPERATING EXPENSES		
	Total compensation expense	265,736	294,907
	Property expense		
		5,536	3,981
	Security (including guards)	645	518
	Repair & maintenance (including janitorial charges)	16,406	6,233
	Depreciation on right-of-use assets & improvements	17,241	10,649
	Depreciation	9,403	9,403
		49,231	30,784
	Information technology expenses		
	Software maintenance	487	693
	Hardware maintenance	-	677
	Depreciation	4,192	1,537
	Amortisation	282	-
	Network charges	2,170	1,386
	Others	2,030	483
		9,161	4,776
	Other operating expenses		
	Directors' fees and allowances	12,675	13,050
	Legal & professional charges	15,630	6,438
	Travelling & conveyance	6,597	4,090
	Depreciation	31,002	18,537
	Training & development	1,654	399
	Postage & courier charges	271	294
	Communication	6,466	5,044
	Stationery & printing	660	753
	Marketing, advertisement & publicity	2,099	1,016
	Donations	-	30
	Auditors' remuneration	2,436	1,550
	Membership and subscriptions	2,825	1,435
	Transportation	3,410	2,210
	Insurance	1,980	1,352
	Finance charges on leased assets	533	496
	Entertainment and canteen expenses	2,086	2,027
	Others	3,225	2,670
		93,549	61,391
	Total operating expenses	<u>417,677</u>	<u>391,858</u>

		(Un-audited)	
		Half year ended	
		June 30,	June 30,
		2024	2023
		(Rupees in '000)	
29	OTHER CHARGES		
	Penalties imposed by State Bank of Pakistan	-	-
	Fee, commission and others	26,662	37,231
		<u>26,662</u>	<u>37,231</u>
30	CREDIT LOSS ALLOWANCE AND WRITE OFFS - NET		
	Credit (loss) / reversal allowance for diminution in value of investments	(12,736)	(4,279)
	Credit (loss)/ reversal allowance against loans & advances	524,007	(9,957)
	Credit (loss) / reversal allowance against balances with other banks	437	115
	Credit (loss) / reversal allowance against lendings to FIs	-	-
	Credit (loss) / reversal allowance against off-balance sheet items	(23,228)	(170)
		<u>488,480</u>	<u>(14,291)</u>
31	TAXATION		
	Current	-	332,408
	Prior years	-	71,080
	Deferred	(732,905)	(188,270)
		<u>(732,905)</u>	<u>215,218</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)	
Half year ended	
June 30,	June 30,
2024	2023
(Rupees in '000)	

32 BASIC AND DILUTED (LOSS) / EARNINGS PER SHARE

(Loss) / profit after taxation	Rupees in '000	<u>(310,684)</u>	<u>638,063</u>
Weighted average number of ordinary shares issued	Numbers in '000	<u>615,000</u>	<u>615,000</u>
Basic and diluted (loss)/earnings per share	Rupees	<u>(0.51)</u>	<u>1.04</u>

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

33 CASH AND CASH EQUIVALENTS

Cash and balances with treasury banks	550,650	339,944
Balances with other banks	<u>127,695</u>	<u>21,622</u>
	<u>678,345</u>	<u>361,566</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 June 30, 2024				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal Government securities	-	377,203,279	-	377,203,279
Shares	706,553	-	-	706,553
Non-Government debt securities	-	3,325,584	-	3,325,584
Mutual funds	-	720,681	-	720,681
Financial assets - disclosed but not measured at fair value				
Investments	-	-	879,832	879,832
(Audited)				
As at December 31, 2023				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----				
On balance sheet financial instruments				
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)			
	Half year ended June 30, 2024			
	Corporate Banking	Investment Banking	Treasury	Total
	----- (Rupees in '000) -----			
Profit & loss account				
Net mark-up / return / profit	33,192	(132,115)	(1,296,933)	(1,395,856)
Non mark-up / return / interest income	23,995	155,917	617,725	797,637
Total income	57,187	23,802	(679,208)	(598,219)
	226,848	25,254	192,237	444,339
(Provisions) / Reversals	500,779	-	(12,299)	488,480
Profit / (loss) before taxation and minimum tax differential.	331,118	(1,452)	(883,744)	(554,078)

	(Un-audited)			
	As at June 30, 2024			
	Corporate Banking	Investment Banking	Treasury	Total
	----- (Rupees in '000) -----			
Statement of financial position				
Cash & Bank balances	-	-	677,555	677,555
Investments	-	1,600,513	381,235,416	382,835,929
Lendings to financial institutions	-	-	-	-
Advances - performing	12,266,089	-	448,355	12,714,444
non- performing	202,750	-	-	202,750
Others	2,583,067	71,058	14,843,179	17,497,304
Total assets	15,051,906	1,671,571	397,204,505	413,927,982
Borrowings	14,233,203	1,564,701	371,809,751	387,607,655
Subordinated debt	-	-	-	-
Deposits & other accounts	473,460	52,580	12,494,131	13,020,171
Others	283,113	22,580	5,365,561	5,671,254
Total liabilities	14,989,776	1,639,861	389,669,443	406,299,080
Equity	62,130	31,710	7,535,062	7,628,902
Total equity & liabilities	15,051,906	1,671,571	397,204,505	413,927,982
Contingencies & commitments	5,367,171	70,726	3,064,639	8,502,536

	(Un-audited)			
	Half year ended June 30, 2023			
	Corporate Banking	Investment Banking	Treasury	Total
	----- (Rupees in '000) -----			
Profit & loss account				
Net mark-up / return / profit	510,676	(91,468)	728,174	1,147,382
Non mark-up / return / interest income	15,978	101,028	32,273	149,279
Total income	526,654	9,560	760,447	1,296,661
Segment direct expenses	229,935	29,858	169,296	429,089
Reversals	(10,127)	-	(4,164)	(14,291)
Profit / (loss) before taxation and minimum tax differential.	286,592	(20,298)	586,987	853,281

	(Audited)			
	As at December 31, 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

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

	As at June 30, 2024 (Un-audited)						As at December 31, 2023 (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)											
Balances with other banks												
In current accounts	-	-	-	-	-	-	-	-	-	-	-	-
In deposit accounts	-	-	-	-	-	-	-	-	-	-	-	-
Investments												
Investment made during the year	-	-	681,995	683,067	-	226,000	-	-	601,995	699,347	-	226,000
Investment redeemed / disposed off during the year	-	-	-	729,359	-	-	-	-	80,000	163,978	-	-
Transfer in / (out) - net	-	-	-	(621,019)	-	-	-	-	-	(180,258)	-	-
Closing balance	-	-	681,995	791,407	-	226,000	-	-	681,995	683,067	-	226,000
Provision for diminution in value of investments	-	-	286,622	70,726	-	-	-	-	286,622	70,726	-	-
Advances												
Opening balance	-	62,503	-	68,200	-	-	-	43,028	-	68,200	-	-
Addition during the year	-	42,609	-	-	-	-	-	52,473	-	-	-	-
Repaid during the year	-	(14,910)	-	-	-	-	-	(32,998)	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	-	90,202	-	68,200	-	-	-	62,503	-	68,200	-	-
Provision held against advances	-	-	-	68,200	-	-	-	-	-	68,200	-	-
	(Rupees in '000)											
Other Assets												
Interest / mark-up accrued	-	-	-	-	-	-	-	-	-	-	-	-
Receivable from staff retirement fund	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid fee for services	-	-	20,250	-	-	-	-	-	20,250	-	-	-
Other receivable	-	-	-	29,391	-	-	-	-	-	7,989	-	-
	-	-	20,250	29,391	-	-	-	-	20,250	7,989	-	-
Provision against other assets	-	-	-	-	-	-	-	-	-	-	-	-
Deposits and other accounts												
Opening balance	-	40,872	-	-	-	-	-	20,600	-	-	-	-
Received during the year	-	141,324	-	-	-	-	-	220,957	-	-	-	-
Withdrawn during the year	-	(148,586)	-	-	-	-	-	(200,685)	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	-	33,610	-	-	-	-	-	40,872	-	-	-	-
Other Liabilities												
Interest / mark-up payable	-	1,170	-	-	-	-	-	741	-	-	-	-
Payable to staff retirement fund	-	-	-	-	-	-	-	-	-	15,062	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-
	-	1,170	-	-	-	-	-	741	-	15,062	-	-
Outright sale of Securities	-	-	-	237,686	6,852,785	-	-	-	-	-	12,052,441	-
Outright purchase of Securities	-	-	-	-	6,674,453	-	-	-	-	-	12,063,180	-
Contingencies and Commitments												
Other contingencies	-	-	-	70,726	-	-	-	-	-	70,726	-	-

36.2 Related party transactions

	Half year ended June 30, 2024 (Un-audited)						Half year ended June 30, 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	-	1,540	-	-	-	-	-	521	-	-	-	-
Fee and commission income	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	29,468	-	-	-	-	-	-	-	-
Net gain on sale of securities	-	-	-	109,190	1,109	-	-	-	-	1,080	13	-
Other income	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Expense												
Mark-up / return / interest paid	-	4,333	-	-	-	-	-	733	-	-	-	-
Operating expenses	-	-	-	-	-	-	-	-	-	-	-	-
Non- Executive Directors' fees and allowances	12,675	-	-	-	-	-	6,675	-	-	-	-	-
Compensation expenses	-	177,491	-	-	-	-	-	77,583	-	-	-	-
Contribution to defined contribution plan	-	-	-	-	13,106	-	-	-	-	-	4,546	-
Charge for defined benefit plan	-	-	-	-	12,680	-	-	-	-	-	4,550	-

(Un-audited) (Audited)
June 30, December 31,
2024 2023
(Rupees in '000)

37 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)	6,150,000	6,150,000
---------------------------------	-----------	-----------

Capital Adequacy Ratio (CAR):

	3,946,068	6,366,217
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	3,946,068	6,366,217
Eligible Tier 2 Capital	-	-
Total Eligible Capital (Tier 1 + Tier 2)	3,946,068	6,366,217

Risk Weighted Assets (RWAs):

Credit Risk	15,843,368	18,295,884
Market Risk	4,553,361	19,048,355
Operational Risk	3,745,576	3,745,856
Total	24,142,305	41,090,095
Common Equity Tier 1 Capital Adequacy ratio	16.35%	15.49%
Tier 1 Capital Adequacy Ratio	16.35%	15.49%
Total Capital Adequacy Ratio	16.35%	15.49%

Leverage Ratio (LR):

Eligible Tier-1 Capital	3,946,068	6,366,217
Total Exposures	394,095,306	349,762,349
Leverage Ratio	1.00%	1.82%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	43,033,520	20,542,211
Total Net Cash Outflow	38,589,719	27,286,996
Liquidity Coverage Ratio	111.52%	75.28%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	19,193,353	22,861,964
Total Required Stable Funding	18,597,153	22,191,193
Net Stable Funding Ratio	103.21%	103.02%

38 CREDIT RATING

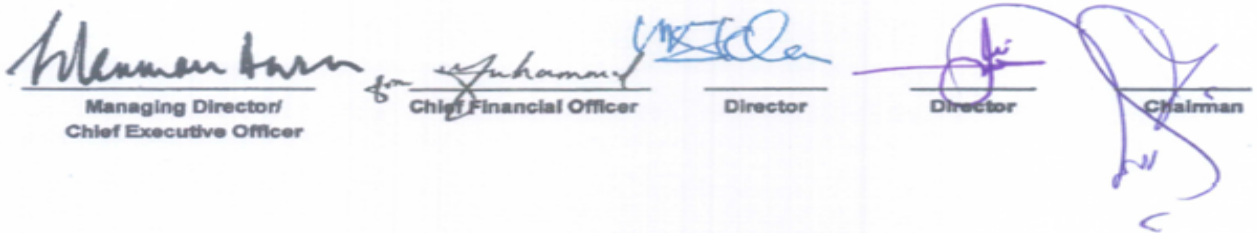
The VIS Credit Rating Company Limited has maintained the Company's rating of AA+ (Double A Plus) in the long term and A-1+ (A One Plus) for the short term.

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 12 August 2024 by the Board of Directors of the Company.



The image shows five handwritten signatures in blue ink, each placed above a horizontal line. Below the lines are the following titles: "Managing Director/ Chief Executive Officer", "Chief Financial Officer", "Director", "Director", and "Chairman".