

**PAK OMAN INVESTMENT
COMPANY LIMITED**

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

**FOR THE FIRST QUARTER
ENDED 31 MARCH 2022**

Pak Oman Investment Company Limited
Consolidated Condensed Interim Statement of Financial Position
As at 31 March 2022

(Unaudited) 31 March 2022 (US Dollar in '000)	(Audited) 31 December 2021		(Unaudited) 31 March 2022 (Rupees in '000)	(Audited) 31 December 2021
		<i>Note</i>		
ASSETS				
1,810	1,016		308,968	173,463
7,480	8,736	6	1,276,536	1,490,942
-	11,447	7	-	1,953,578
570,869	594,421	8	97,423,069	101,442,517
115,533	115,556	9	19,716,543	19,720,493
1,243	1,282	10	212,159	218,795
566	567	11	96,659	96,692
2,031	2,165	12	346,674	369,393
15,934	13,424	13	2,719,342	2,290,984
-	2,064	14	-	352,163
715,466	750,678		122,099,950	128,109,020
LIABILITIES				
-	-		-	-
582,134	609,517	15	99,345,522	104,018,650
76,284	84,108	16	13,018,515	14,353,682
22	23	17	3,737	3,935
-	-		-	-
-	-		-	-
8,808	7,440	18	1,503,466	1,269,874
667,248	701,088		113,871,240	119,646,141
48,218	49,590		8,228,710	8,462,879
NET ASSETS				
REPRESENTED BY				
36,037	36,037	19	6,150,000	6,150,000
10,992	10,873		1,875,889	1,855,525
9	(6)	20	1,562	(1,050)
1,169	2,675		199,428	456,490
48,207	49,579		8,226,879	8,460,965
11	11		1,831	1,914
48,218	49,590		8,228,710	8,462,879
CONTINGENCIES AND COMMITMENTS				
		21		

The annexed notes from 1 to 39 form an integral part of these consolidated condensed interim financial statements.

Bahauddin Khan	Mohammad Jamal Nasir	Ayham Abdul Aziz Qadar Al Ghassani	Omar Hamid Khan	Sayyid Juland Jaifar Salim Al Said
Managing Director/ Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

Pak Oman Investment Company Limited
Consolidated Condensed Interim Profit and Loss Account (Un-Audited)
For the first quarter ended 31 March 2022

31 March 2022	31 March 2021		31 March 2022	31 March 2021
(US Dollar in '000)			(Rupees in '000)	
19,124	9,668	Mark-up / Return / Interest Earned	22	3,263,706
17,593	7,511	Mark-up / Return / Interest Expensed	23	3,002,360
<u>1,531</u>	<u>2,157</u>	Net mark-up / interest income		<u>261,346</u>
NON MARK-UP / INTEREST INCOME				
154	208	Fee and commission income	24	26,308
8	-	Dividend income		1,310
-	-	Foreign exchange income		-
-	-	Income / (loss) from derivatives		-
24	75	Gain on securities	25	4,020
383	49	Share of profit from associates - net of tax		65,424
13	4	Other income	26	2,274
<u>582</u>	<u>336</u>	Total non mark-up / interest income		<u>99,336</u>
<u>2,113</u>	<u>2,493</u>	Total Income		<u>360,682</u>
NON MARK-UP / INTEREST EXPENSES				
1,134	1,020	Operating expenses	27	193,455
17	33	Workers Welfare Fund		2,968
45	66	Other charges	28	7,601
<u>1,196</u>	<u>1,119</u>	Total non mark-up / interest expenses		<u>204,024</u>
917	1,374	Profit Before Provisions		<u>156,658</u>
110	292	Reversals / (Provisions) and write offs - net	29	18,857
-	-	Extra ordinary / unusual items		-
<u>1,027</u>	<u>1,666</u>	PROFIT BEFORE TAXATION		<u>175,515</u>
<u>(258)</u>	<u>(475)</u>	Taxation	30	(43,962)
<u><u>769</u></u>	<u><u>1,191</u></u>	PROFIT AFTER TAXATION		<u><u>131,553</u></u>
ATTRIBUTABLE TO:				
769	1,191	Shareholders of the holding company		131,636
-	-	Non-controlling interest		(83)
<u><u>769</u></u>	<u><u>1,191</u></u>			<u><u>131,553</u></u>
(US \$)			(Rupees)	
<u><u>0.0013</u></u>	<u><u>0.0019</u></u>	Basic and diluted earnings per share attributable to shareholders of the holding company	31	<u><u>0.21</u></u>
				<u><u>0.33</u></u>

The annexed notes from 1 to 39 form an integral part of these consolidated condensed interim financial statements.

Bahauddin Khan

**Managing Director/
Chief Executive Officer**

Mohammad Jamal Nasir

Chief Financial Officer

Ayham Abdul Aziz
Qadar Al Ghassani

Director

Omar Hamid
Khan

Director

Sayyid Juland
Jaifar Salim Al
Said

Chairman

Pak Oman Investment Company Limited
Consolidated Condensed Interim Statement of Comprehensive Income (Un-Audited)
For the first quarter ended 31 March 2022

31 March 2022	31 March 2021		31 March 2022	31 March 2021
(US Dollar in '000)			(Rupees in '000)	
769	1,191	Profit after taxation for the period	131,553	203,076
		Other comprehensive income		
		Items that may be reclassified to profit and loss account in subsequent periods:		
19	(685)	Movements in (deficit) / surplus on revaluation of investments - net of tax	3,278	(116,848)
		Items that will not be reclassified to profit and loss account in subsequent periods:		
		Movement in deficit on revaluation of non-banking assets- net of tax		
(4)	(4)		(666)	(665)
<u>784</u>	<u>502</u>	Total comprehensive income	<u>134,165</u>	<u>85,563</u>
		ATTRIBUTABLE TO:		
784	502	Shareholders of the holding company	134,248	85,569
-	-	Non-controlling interest	(83)	(6)
<u>784</u>	<u>502</u>		<u>134,165</u>	<u>85,563</u>

The annexed notes from 1 to 39 form an integral part of these consolidated condensed interim financial statements.

Bahauddin Khan	Mohammad Jamal Nasir	Ayham Abdul Aziz Qadar Al Ghassani	Omar Hamid Khan	Sayyid Juland Jaifar Salim Al Said
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Managing Director/ Chief Executive Officer	Chief Financial Officer	Director	Director	Chairman

Pak Oman Investment Company Limited
Consolidated Condensed Interim Statement of Changes in Equity (Un-Audited)
For the first quarter ended 31 March 2022

	Share capital	Statutory reserve	General reserve	Surplus / (deficit) on revaluation of		Unappropriated profit	Sub total	Non-controlling interest	Total
				Investments	Non-banking assets				
(Rupees in '000)									
Opening balance as at 01 January 2021	6,150,000	1,448,355	311,630	249,897	98,601	636,372	8,894,855	6,619	8,901,474
Total comprehensive income									
Profit after taxation	-	-	-	-	-	203,082	203,082	(6)	203,076
Other comprehensive income / (loss) - net of tax	-	-	-	(116,848)	(665)	-	(117,513)	-	(117,513)
Total comprehensive income for the first quarter ended 31 March 2021	-	-	-	(116,848)	(665)	203,082	85,569	(6)	85,563
Transfer to statutory reserve	-	39,685	-	-	-	(39,685)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	665	665	-	665
Transaction with owners recorded directly in equity									
Final cash dividend - 31 December 2020 declared subsequent to the year end (Rs. 0.75 per share)	-	-	-	-	-	(461,250)	(461,250)	-	(461,250)
Opening balance as at 01 April 2021	6,150,000	1,488,040	311,630	133,049	97,936	339,184	8,519,839	6,613	8,526,452
Total comprehensive income									
Profit after taxation	-	-	-	-	-	167,907	167,907	(2,254)	165,653
Other comprehensive income / (loss) - net of tax	-	-	-	(230,041)	(1,994)	3,260	(228,775)	-	(228,775)
Total comprehensive income for the nine months ended 31 December 2021	-	-	-	(230,041)	(1,994)	171,167	(60,868)	(2,254)	(63,122)
Transfer to statutory reserve	-	55,855	-	-	-	(55,855)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	1,994	1,994	-	1,994
Further acquisition in subsidiary	-	-	-	-	-	-	-	(2,445)	(2,445)
Opening balance as at 01 January 2022	6,150,000	1,543,895	311,630	(96,992)	95,942	456,490	8,460,965	1,914	8,462,879
Total comprehensive income									
Profit after taxation	-	-	-	-	-	131,636	131,636	(83)	131,553
Other comprehensive income / (loss) - net of tax	-	-	-	3,278	(666)	-	2,612	-	2,612
Total comprehensive income for the first quarter ended 31 March 2022	-	-	-	3,278	(666)	131,636	134,248	(83)	134,165
Transfer to statutory reserve	-	20,364	-	-	-	(20,364)	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	-	666	666	-	666
Transaction with owners recorded directly in equity									
Final cash dividend - 31 December 2021 declared subsequent to the year end (Rs. 0.60 per share)	-	-	-	-	-	(369,000)	(369,000)	-	(369,000)
Closing balance as at 31 March 2022	6,150,000	1,564,259	311,630	(93,714)	95,276	199,428	8,226,879	1,831	8,228,710

The annexed notes from 1 to 39 form an integral part of these consolidated condensed interim financial statements.

Bahauddin Khan
 Managing Director/
 Chief Executive Officer

Mohammad Jamal Nasir
 Chief Financial Officer

Ayham Abdul Aziz
 Qadar Al Ghassani
 Director

Omar Hamid Khan
 Director

Sayyid Juland Jaifar Salim Al Said
 Chairman

Pak Oman Investment Company Limited
Consolidated Condensed Interim Cash Flow Statement (Un-Audited)
For the first quarter ended 31 March 2022

31 March 2022	31 March 2021		31 March 2022	31 March 2021
(US Dollar in '000)			(Rupees in '000)	
1,027	1,666	CASH FLOW FROM OPERATING ACTIVITIES	175,515	284,154
(8)	-	Profit before taxation	(1,310)	-
1,019	1,666	Less: Dividend income	174,205	284,154
65	68	Adjustments:	11,136	11,670
37	39	Depreciation	6,293	6,638
-	-	Depreciation on right-of-use assets	33	-
(110)	(292)	Amortization	(18,857)	(49,851)
(2)	-	(Reversals) and write offs - net	(359)	(82)
(383)	(49)	Gain on sale of fixed assets	(65,424)	(8,441)
23	24	Share of (profit) from associates - net of tax	3,871	4,180
1	-	Mark-up / return / profit / interest expensed on lease liability against right-of-use assets	117	-
208	(34)	Finance charges on leased assets	35,508	(5,769)
(161)	(244)	Unrealised loss / (gain) on revaluation of investments classified as held-for-trading	(27,682)	(41,655)
858	1,422		146,523	242,499
11,447	15,033	(Increase) / Decrease in operating assets	1,953,578	2,565,497
(137,938)	(141,880)	Lendings to financial institutions	(23,540,132)	(24,212,967)
75	4,768	Held-for-trading securities	12,716	813,636
(2,072)	1,550	Advances	(353,683)	264,483
(128,488)	(120,529)	Other assets (excluding advance taxation)	(21,927,521)	(20,569,351)
-	-	Increase / (decrease) in operating liabilities	-	-
(27,383)	114,545	Bills payable	(4,673,128)	19,547,901
(7,824)	(22,725)	Borrowings	(1,335,167)	(3,878,239)
(804)	(1,722)	Deposits	(137,426)	(293,643)
(36,011)	90,098	Other liabilities (excluding current taxation)	(6,145,721)	15,376,019
(163,641)	(29,009)		(27,926,719)	(4,950,833)
(898)	(725)	Income tax paid	(153,230)	(123,714)
(164,539)	(29,734)	Net cash flow generated / (used in) from operating activities	(28,079,949)	(5,074,547)
160,373	28,850	CASH FLOW FROM INVESTING ACTIVITIES	27,368,872	4,923,550
3,478	869	Net investments in available-for-sale securities	593,567	148,348
273	-	Investments in associates	46,510	-
(36)	(7)	Dividend received	(6,130)	(1,186)
2	-	Investments in operating fixed assets	397	82
164,090	29,712	Proceeds from sale of fixed assets	28,003,216	5,070,794
(2)	(8)	CASH FLOW FROM FINANCING ACTIVITIES	(315)	(1,319)
(11)	(4)	Payments of lease obligations	(1,853)	(705)
-	(2,703)	Payments of lease liability against right-of-use assets	-	(461,250)
(13)	(2,715)	Dividend paid	(2,168)	(463,274)
(462)	(2,737)	Net cash flow (used in) financing activities	(78,901)	(467,027)
9,753	8,989	(Decrease) in cash and cash equivalents	1,664,405	1,534,049
9,291	6,252	Cash and cash equivalents at beginning of the period	1,585,504	1,067,022
		Cash and cash equivalents at end of the period		

The annexed notes from 1 to 39 form an integral part of these consolidated condensed interim financial statements.

Bahauddin Khan

**Managing Director/
Chief Executive Officer**

Mohammad Jamal Nasir

Chief Financial Officer

Ayham Abdul Aziz
Qadar Al Ghassani

Director

Omar Hamid Khan

Director

Sayyid Juland Jaifar Salim
Al Said

Chairman

Pak Oman Investment Company Limited
Notes to the Consolidated Condensed Interim Financial Statements (Un-Audited)
For the first quarter ended 31 March 2022

1. STATUS AND NATURE OF BUSINESS

1.1 The Group comprises of Pak-Oman Investment Company Limited - POICL (the "holding company" or "parent"), a subsidiary, Pak Oman Asset Management Company Limited (POAMCL) and associates. The Group is principally engaged in promotion of the economic growth of Pakistan and Oman through industrial development and agro-based industries on commercial basis and to carry on the business of finance and / or investment bank, asset management and investment advisory services. Brief profile of the holding company and its subsidiary is as follows:

1.1.1 Holding Company

Pak-Oman Investment Company Limited - POICL (the "holding company" or "parent") was incorporated as a private limited company on 23 July 2001. Subsequently, on 17 March 2004 the holding 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 holding company operates a branch at Lahore and other representative offices at Islamabad, Gwadar and Muscat. The holding company is designated as a Development Financial Institution (DFI) under the BPD Circular Letter No. 35 dated 28 October, 2003 issued by the State Bank of Pakistan.

1.1.2 Subsidiary Company

Pak-Oman Asset Management Company Limited (the "subsidiary company" or "POAMCL") was incorporated in Pakistan under the repealed Companies Ordinance, 1984 on 28 July 2006 as an unlisted public limited company having its registered office at Icon House, 83-C, 12th Commercial Street Phase-II Extension, DHA Karachi, Pakistan. POAMCL obtained certificate of commencement of business on 31 October 2006. The principal activities of the subsidiary company includes investment advisory and asset management services.

In 2017, the subsidiary company had purchased 100% shares of Askari Investment Management Limited and accordingly three funds of Askari Investment Management Limited are now under the management of the subsidiary company.

1.2 The Group's associates are as follows:

Entity	Country of Incorporation	Nature of business	Holding %	
			31-Mar-22	31-Dec-21
Pak Oman Advantage Islamic Income Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	11.50	19.47
Pak Oman Islamic Asset Allocation fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	15.09	25.13
Pak Oman Advantage Asset Allocation Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	98.46	98.46
Pak Oman Government Securities Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	18.06	13.99
Askari High Yield Scheme	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	13.89	9.07
Askari Cash Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	8.17	5.32
Pak Oman Microfinance Bank Limited	Pakistan	Incorporated under the repealed Companies Ordinance, 1984 and is engaged in providing micro finance services to the poor and under served segment of the society.	-	16.67
Japan Power Generation Limited	Pakistan	Incorporated under the repealed Companies Ordinance, 1984 and is engaged in generation of power and its supply to WAPDA.	11.29	11.29

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These consolidated 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 consolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 5 dated 22 March 2019 and IAS 34. These consolidated condensed interim financial statements do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2021.

These consolidated financial statements have been prepared from the information available in the unaudited condensed interim financial statements of the holding company for the first quarter ended 31 March 2022 and the unaudited financial statements of the subsidiary (POAMCL) for the first quarter ended 31 March 2022. The consolidated condensed interim financial statements used equity accounting for the associates.

SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and IAS 40, 'Investment Property' for Banking Companies in Pakistan through BSD Circular Letter No. 10 dated 26 August 2002 till further instructions. SECP has deferred the applicability of IFRS 7, 'Financial Instruments: Disclosures' through its notification S.R.O 411 (I) / 2008 dated 28 April 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by SBP through various circulars.

As per State Bank of Pakistan's (SBP) BPRD Circular Letter No. 24 of 2021, IFRS 9 "Financial Instruments" is applicable to banks / DFIs in Pakistan effective January 1, 2022. The aforementioned circular letter required banks / DFIs to submit IFRS 9 compatible pro forma financial statements and perform parallel run of IFRS 9 on quarterly / periodic basis and the Company has been complying with these requirements. SBP has also issued guidelines for the application of IFRS 9 and as part of the consultative process the banking / DFI industry has provided comments and sought clarification on such guidelines which are critical in finalizing the impact of the standard on the Company. The impact of application of IFRS 9 on Company's condensed interim financial information is presently being assessed and the same will conclude subsequent to issuance of final application instruction by SBP.

These consolidated 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 consolidated condensed interim statement of financial position, consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income and consolidated condensed interim cash flow statement are stated solely for information purposes. For this purpose the amounts in Pakistan rupees have been converted into US Dollars at a rate of Rs.183.4782 = 1 US dollar for the first quarter ended 31 March 2022 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 group accounting periods beginning on or after January 1, 2022 but are considered not to be relevant or do not have any significant effect on the group operations and therefore not detailed in these consolidated financial statements.

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

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for the accounting periods as stated below:

- IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies	January 01, 2023
- IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)	Not yet announced

'The above standards, amendments and improvements are not expected to have any material impact on the consolidated financial statements of the Company for the futures periods.

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	IASB Effective date (annual periods beginning on or after)
IFRS 1 – First time adoption of IFRSs	01 January 2004
IFRS 17 – Insurance Contracts	01 January 2023

3. SIGNIFICANT ACCOUNTING POLICIES

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

- 4.1 The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements is the same as that applied in the preparation of the audited annual consolidated financial statements for the year ended December 31, 2021.

5. FINANCIAL RISK MANAGEMENT

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

		(Un-audited) 31 March 2022 (Rupees in '000)	(Audited) 31 December 2021
6. CASH AND BALANCES WITH TREASURY BANKS	<i>Note</i>		
In hand			
local currency		334	301
foreign currency		252	252
		586	553
With State Bank of Pakistan in Local currency current account	6.1	308,030	172,498
With National Bank of Pakistan in Local currency current account		352	412
		308,968	173,463
6.1	This represent the amount required to be maintained by the holding company in accordance with the SBP's Regulations.		
7. BALANCES WITH OTHER BANKS			
In Pakistan:			
In current accounts		16,533	16,196
In deposit accounts	7.1	1,256,924	1,466,759
		1,273,457	1,482,955
Outside Pakistan:			
In current accounts		3,079	7,987
		1,276,536	1,490,942
7.1	These include term deposit receipts (TDRs) of Rs. 1,250 million (2021: Rs. 1,450 million) maturing from April 2022 to June 2022 (2021: January 2022 to March 2022). These carry mark-up rates ranging from 11.75% to 12.50% (2021: 10.50% to 12.50%) per annum.		
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Placements		-	-
Repurchase agreement lendings (Reverse Repo)		-	1,953,578
		-	1,953,578

9 INVESTMENTS

	31 March 2022 (Unaudited)				31 December 2021 (Audited)			
	Cost / Amortised Cost	Provision for diminution	Surplus / (deficit)	Carrying Value	Cost / Amortised Cost	Provision for diminution	Surplus / (deficit)	Carrying Value
----- (Rupees in '000) -----								
9.1 Investments by types								
Held-for-trading securities								
Federal Government securities	36,100,025	-	(32,409)	36,067,616	12,204,646	-	3,099	12,207,745
Shares	-	-	-	-	-	-	-	-
Non-Government debt securities	-	-	-	-	355,247	-	-	355,247
	36,100,025	-	(32,409)	36,067,616	12,559,893	-	3,099	12,562,992
Available-for-sale securities								
Federal Government securities	57,046,212	-	(158,607)	56,887,605	84,909,793	-	(197,316)	84,712,477
Shares	646,174	(111,717)	(30,797)	503,660	346,266	(111,717)	-	234,549
Non-Government debt securities	3,631,875	(385,110)	63,484	3,310,249	3,437,074	(395,201)	60,707	3,102,580
	61,324,261	(496,827)	(125,920)	60,701,514	88,693,133	(506,918)	(136,609)	88,049,606
Associates	653,939	-	-	653,939	829,919	-	-	829,919
Total Investments	98,078,225	(496,827)	(158,329)	97,423,069	102,082,945	(506,918)	(133,510)	101,442,517

9.1.1 Investments given as collateral

	31 March 2022 (Unaudited)				31 December 2021 (Audited)			
	Cost / Amortised Cost	Provision for diminution	Surplus / (deficit)	Carrying Value	Cost / Amortised Cost	Provision for diminution	Surplus / (deficit)	Carrying Value
----- (Rupees in '000) -----								
Federal Government Securities								
- Pakistan Investment Bonds	40,265,437	-	(130,070)	40,135,367	44,863,617	-	(73,372)	44,790,245
- Market treasury bills	47,441,198	-	(61,491)	47,379,707	49,861,839	-	(115,693)	49,746,146
	87,706,635	-	(191,561)	87,515,074	94,725,456	-	(189,065)	94,536,391
Shares								
- Listed companies	-	-	-	-	-	-	-	-
- Unlisted companies	226,000	-	-	226,000	226,000	-	-	226,000
	226,000	-	-	226,000	226,000	-	-	226,000
Total investments	87,932,635	-	(191,561)	87,741,074	94,951,456	-	(189,065)	94,762,391

(Un-audited)
First quarter
31 March
2022

(Audited)
Year ended
31 December
2021

(Rupees in '000)

9.2 Provision for diminution in value of investments

9.2.1 Opening balance

506,918 628,654

Charges / reversals

Charge for the year
Reversals for the year

-	31,979
(10,091)	(153,715)
(10,091)	(121,736)

Transfers - net
Amounts written off
Closing balance

-	-
-	-
496,827	506,918

9.2.2 Particulars of provision against debt securities

Category of classification**Domestic**

Other assets especially mentioned
Substandard
Doubtful
Loss

Total

	31 March 2022		31 December 2021 (Audited)	
	NPI	Provision	NPI	Provision
----- (Rupees in '000) -----				
	-	-	-	-
	-	-	-	-
	-	-	-	-
	444,971	385,110	455,062	395,201
	444,971	385,110	455,062	395,201

9.2.3 In accordance with SBP Prudential Regulations for Corporate / Commercial Banking, Regulation R-8, the holding Company has availed the benefit of FSV against the non-performing investments. As of 31 March 2022, the Company has availed total accumulated FSV benefit amounting to Rs. 39 million (net of tax Rs. 28 million). Accordingly, accumulated profit of Rs 28 million (net of transfer to statutory reserves Rs. 22 million) will not be available for the distribution as cash or stock dividend to the shareholders / bonus to employees of the holding Company as required by the aforementioned SBP directives.

9.2.4 The Group 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)
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
	(Rupees in '000)		(Rupees in '000)		(Rupees in '000)	
Loans, cash credits, running finances, etc.	18,096,803	17,672,076	1,970,828	1,919,000	20,067,631	19,591,076
Margin trading	389,453	878,724	-	-	389,453	878,724
Advances - Gross	18,486,256	18,550,800	1,970,828	1,919,000	20,457,084	20,469,800
Provision against advances						
Specific	-	-	740,331	749,097	740,331	749,097
General	210	210	-	-	210	210
	210	210	740,331	749,097	740,541	749,307
Advances - net of provision	18,486,046	18,550,590	1,230,497	1,169,903	19,716,543	19,720,493

31-Mar-22 31-Dec-21
(Rupees in '000)

10.1 Particulars of advances (Gross)

In local currency	20,457,084	20,469,800
In foreign currencies	-	-
	20,457,084	20,469,800

10.2 Advances include Rs. 1,971 million (2021: Rs 1,919 million) which have been placed under the non-performing status as detailed below:

Category of Classification

	31 March 2022		31 December 2021 (Audited)	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	(Rupees in '000)			
Domestic	204,370	-	204,370	-
Other Assets Especially Mentioned	814,217	48,463	750,000	44,840
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	952,241	691,868	964,630	704,257
	1,970,828	740,331	1,919,000	749,097

10.3 Particulars of provision against advances

	First quarter ended 31 March 2022			Year ended 31 December 2021 (Audited)		
	Specific	General	Total	Specific	General	Total
	(Rupees in '000)					
Opening balance	749,097	210	749,307	651,697	213	651,910
Charge for the year	3,623	-	3,623	124,482	-	124,482
Reversals	(12,389)	-	(12,389)	(27,082)	(3)	(27,085)
	(8,766)	-	(8,766)	97,400	(3)	97,397
Amounts written off	-	-	-	-	-	-
Closing balance	740,331	210	740,541	749,097	210	749,307

10.4 In accordance with BPRD Circular No. 6 dated 26 June 2014 issued by the SBP, the holding Company has availed the benefit of FSV against the non-performing advances. As of 31 March 2022, the Company has availed total accumulated FSV benefit amounting to Rs. 411 million (net of tax Rs. 292 million). Accordingly, accumulated profit of Rs 292 million (net of transfer to statutory reserves Rs. 234 million) will not be available for the distribution as cash or stock dividend to the shareholders / bonus to employees of the holding Company as required by the aforementioned SBP directives.

		(Un-audited) 31 March 2022 ----- (Rupees in '000) -----	(Audited) 31 December 2021
11	FIXED ASSETS		
	Capital work-in-progress	5,100	-
	Property and equipment	88,820	95,111
	Right of use assets	118,239	123,684
		<u>212,159</u>	<u>218,795</u>

		(Un-Audited) 31 March 2022	(Un-Audited) 31 March 2021
		----- (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	5,100	418
Property and equipment		
Computer equipment	830	694
Furniture and fixture	200	174
Vehicles	-	5,508
	<u>1,030</u>	<u>6,376</u>
Total	<u>6,130</u>	<u>6,794</u>

11.2 Disposal of fixed assets

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

Furniture and fixture	38	-
-----------------------	----	---

12 INTANGIBLE ASSETS

Computer Software	355	388
Goodwill	96,304	96,304
	<u>96,659</u>	<u>96,692</u>

	(Un-audited) 31 March 2022	(Audited) 31 December 2021
	----- (Rupees in '000) -----	
13 DEFERRED TAX ASSETS		
Deductible Temporary Differences on		
Provision for diminution in the value of investments	144,080	147,006
Assets subject to finance leases	(190)	(214)
Amortisation of premium on Federal Government Securities	2,878	2,556
Provision against non-performing advances	214,757	217,299
Revaluation on investments classified as available-for-sale	32,206	39,617
Revaluation on investments classified as held-for-trading	9,399	(899)
Net investment in finance leases	(92,716)	(65,829)
Accumulated tax losses - POAMCL	35,886	35,886
	346,300	375,422
Taxable Temporary Differences on		
Accelerated tax depreciation allowances	15,277	13,626
Revaluation on Non-banking assets	(14,903)	(16,265)
Dividend receivable	-	(3,390)
	374	(6,029)
	346,674	369,393
14 OTHER ASSETS		
Income/ Mark-up accrued in local currency - net of provision	1,540,352	1,206,928
Dividend income receivable	-	45,200
Mark-up / profit receivable on purchase of securities	92,395	59,788
Security deposits	4,920	4,920
Prepayments	10,672	10,930
Taxation	630,223	505,647
Non-banking assets acquired in satisfaction of claims	218,300	222,064
Receivable from funds under management and investment advisory clients	80,690	85,994
Staff Gratuity	-	4,900
Others	7,598	9,484
	2,585,150	2,155,855
Less: Provision held against other assets	-	-
Other assets (net of provisions)	2,585,150	2,155,855
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	134,192	135,129
	2,719,342	2,290,984

15	BORROWINGS	(Un-Audited)	(Audited)
		31 March 2022	31 December 2021
		(Rupees in '000)	
	Secured		
	Borrowings from the State Bank of Pakistan:		
	- Long term financing facility (LTFF)	2,467,068	2,499,104
	- Financing Power Plants Using Renewable Energy (REF)	273,752	265,565
	- Financing Facility for Storage of Agricultural Produce (FFSAP)	42,308	44,231
	- Temporary Economic Refinance Facility (TERF)	90,402	87,975
	Repurchase agreement borrowings	83,783,451	90,633,437
	Long term borrowings	3,967,333	3,354,833
	Short term running finance	185,152	153,816
	Bai Muajjal	4,008,737	6,076,567
	Total secured	94,818,203	103,115,528
	Unsecured		
	Placements	2,500,000	500,000
	Murabaha financing	2,027,319	403,122
	Total unsecured	4,527,319	903,122
		99,345,522	104,018,650

16	DEPOSITS AND OTHER ACCOUNTS	31 March 2022 (Unaudited)		31 December 2021 (Audited)	
		In local currency	Total	In local currency	Total
		----- (Rupees in '000) -----			
	Certificates of investment				
	Financial institutions	2,160,000	2,160,000	3,500,000	3,500,000
	Others	10,858,515	10,858,515	10,853,682	10,853,682
		13,018,515	13,018,515	14,353,682	14,353,682

17	LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE	31 March 2022 (Unaudited)			31 December 2021 (Audited)		
		Minimum lease payments	Financial charges for future periods	Principal outstanding	Minimum lease payments	Financial charges for future periods	Principal outstanding
		----- (Rupees in '000) -----					
	Not later than one year	1,124	310	814	1,124	328	796
	Later than one year and upto five years	3,354	431	2,923	3,640	501	3,139
		4,478	741	3,737	4,764	829	3,935

- 17.1 The holding 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% (2021: 9.17%) per annum. At the end of lease term, the holding company has option to acquire the assets, subject to adjustment of security deposit.

			(Un-Audited) 31 March 2022	(Audited) 31 December 2021
18	OTHER LIABILITIES			(Rupees in '000)
	Mark-up/ Return/ Interest payable in local currency		342,058	541,534
	Accrued expenses		249,456	312,471
	Dividend payable		369,000	-
	Security deposits against investment in finance leases		169,696	124,867
	Sales tax and federal excise duty payable		91,955	90,786
	Lease liability against right-of-use assets		149,458	152,322
	Withholding tax and sales tax payable		10,726	5,028
	Others		121,117	42,866
			<u>1,503,466</u>	<u>1,269,874</u>
19	SHARE CAPITAL			
19.1	Authorized Capital			
		(Unaudited) 31-Mar-22 (Number of shares)	(Audited) 31-Dec-21	(Unaudited) 31-Mar-22 (Rupees in '000)
		<u>1,000,000,000</u>	1,000,000,000	<u>10,000,000</u>
				10,000,000
				Ordinary shares of Rs.10 each
19.2	Issued, subscribed and paid-up			
		31-Mar-22	31-Dec-21	31-Mar-22
				31-Dec-21
				Ordinary shares of Rs. 10 each
		600,000,000	600,000,000	6,000,000
		15,000,000	15,000,000	150,000
				- Fully paid in cash
				- Issued as bonus shares
		<u>615,000,000</u>	<u>615,000,000</u>	<u>6,150,000</u>
				6,150,000
19.3	The Ministry of Finance on behalf of the Government of Pakistan and Sultanate of Oman through Oman Investment Authority each holds 307,495,900 (2021: 307,495,900) ordinary shares of the Company, while 4,100 (2021: 4,100) ordinary shares each are held by Secretary – Economic Affairs Division, Government of Pakistan and Ministry of Commerce and Industry, Sultanate of Oman.			
20	SURPLUS ON REVALUATION OF ASSETS			
	Surplus on revaluation of			
	- Available for sale securities		(125,920)	(136,609)
	- Non-banking assets acquired in satisfaction of claims		134,192	135,129
			8,272	(1,480)
	Deferred tax on surplus on revaluation of:			
	- Available for sale securities		32,206	39,617
	- Non-banking assets acquired in satisfaction of claims		(38,916)	(39,187)
			<u>(6,710)</u>	430
			<u>1,562</u>	<u>(1,050)</u>

21	CONTINGENCIES AND COMMITMENTS	<i>Note</i>	(Un-Audited) 31 March 2022	(Audited) 31 December 2021
			(Rupees in '000)	
Transaction related contingent liability:				
	Standby letter of credit		712,318	702,520
	Pledge of shares on behalf of Japan Power Generation Limited	21.1	70,726	70,726
	Pledge of shares on behalf of Orient Power Company (Private) Limited	21.2	226,000	226,000
Commitments for:				
	Commitments for advances and net investment in finance leases		1,197,056	1,226,443
	Securities given as collateral against loan taken by Pak Oman Asset Management Company Limited	21.3	36,000	36,000

21.1 Shares in Japan Power Generation Limited (JPGL) (an associate) aggregating 17,622,878 having a cost of Rs. 70.726 million (2021: 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).

21.2 Investment in unlisted shares in Orient Power Company (Private) Limited (related party) aggregating 22,600,000 having a cost of Rs. 226 million are pledged as security against a syndicate finance facility obtained by Orient Power Company (Private) Limited.

21.3 PIBs having face value amounting to Rs. 36 million (2021: Rs 36 million) which have been collateralized against a loan sanctioned to Pak Oman Asset Management Company Limited from Habib Bank Limited for the acquisition of Askari Investment Management Limited (AIML).

21.4 Pak Oman Asset Management Company Limited

In year 2007, the Pak Oman Asset Management Company Limited ("POAMCL" or "the Company") had launched POBOP Advantage Plus Fund (the Fund) under the capital subscription and fee sharing agreement with The Bank of Punjab (BOP). BOP had subscribed five million core units and ten million non-core units of the aggregate face value of Rs. 250 million and Rs. 500 million respectively. During year 2011 the management rights of the Fund were transferred to another asset management company.

In 2013, BOP filed a suit against the POAMCL before the Honorable High Court of Sindh claiming damages of Rs. 100.4 million in respect of the alleged losses suffered by BOP due to non-honoring of its redemption requests by POAMCL in year 2009 allegedly violating the NBFC regulations and provisions of the trust deed.

The legal advisor of POAMCL has opined that the suit is based on factual inconsistencies and POAMCL has sound defense on legal grounds. During the year ended 31 December 2015, POAMCL had also lodged a counter claim of Rs. 250 million against BOP for damaging the image and reputation of POAMCL.

During the years ended 31 December 2013 and 2014 two former employees of the merged entity served notices to the Company and its former Chief Executive Officer. The employees demanded Rs. 28.5 million for defamation and Rs. 0.723 million against settlement of outstanding dues. Later, the employees also filed cases in the Court of District Judge South at Karachi. The legal advisors of the Company are of the view that although the outcome of the case appears to be favourable, the Company's chances of success cannot currently be determined due to the inherently uncertain nature of the litigation. Furthermore, the management expects that an insignificant amount will be required to settle these cases. Accordingly, provision to the extent of Rs. 0.489 million has been recognised on account of settlement of outstanding dues while no provision has been recognised in respect of defamation claim in the consolidated condensed interim financial statements for the first quarter ended 31 March 2022.

		(Un-Audited)	
		First quarter ended	
		31 March 2022	31 March 2021
		(Rupees in '000)	
22	MARK-UP / RETURN / INTEREST EARNED		
	On:		
	a) On loans and advances	484,541	426,018
	b) On investments	2,614,021	1,168,139
	c) On lendings to financial institutions	122,444	30,615
	d) On balances with banks	42,700	25,071
		3,263,706	1,649,843
23	MARK-UP / RETURN / INTEREST EXPENSED		
	On:		
	a) Deposits	304,947	218,432
	b) Borrowings	2,693,542	1,059,258
	c) Lease liability against right-of-use assets	3,871	4,180
		3,002,360	1,281,870
24	FEE AND COMMISSION INCOME		
	Credit related fees	9,278	17,696
	Investment banking fees	5,675	750
	Commission on guarantees	1,298	838
	Remuneration from funds under management	10,057	15,176
	Fee from investments advisory services	-	982
		26,308	35,442
25	GAIN ON SECURITIES		
	Realised	39,528	6,992
	Unrealised - held for trading	(35,508)	5,769
		4,020	12,761
25.1	Realised gain on:		
	Federal Government Securities	39,388	4,726
	Non Government debt securities	140	2,266
		39,528	6,992
26	OTHER INCOME		
	Gain on sale of fixed assets - net	359	82
	Rent on property	1,915	-
	Utilization of Fixtures	-	525
		2,274	607

27 OPERATING EXPENSES	(Un-Audited)	
	First quarter ended	
	31 March 2022	31 March 2021
	(Rupees in '000)	
Total compensation expense	133,057	122,867
Property expense		
Utilities cost	1,670	1,225
Security (including guards)	301	277
Repair & maintenance (including janitorial charges)	3,011	2,585
Depreciation on right-of-use assets	6,293	6,638
Depreciation	527	527
	11,802	11,252
Information technology expenses		
Software maintenance	211	211
Hardware maintenance	287	16
Depreciation	515	563
Amortisation	33	-
Network charges	882	702
Others	400	357
	2,328	1,849
Other operating expenses		
Directors' fees and allowances	6,750	9,900
Directors' fees and allowances - Subsidiary	1,064	1,105
Legal & professional charges	3,387	1,846
Travelling & conveyance	8,753	638
Depreciation	10,094	10,580
Training & development	116	64
Postage & courier charges	260	240
Communication	2,051	1,832
Stationery & printing	535	575
Marketing, advertisement & publicity	821	45
Donations	130	-
Auditors' remuneration	672	1,007
Membership and subscriptions	888	725
Transportation	3,009	2,593
Insurance	1,496	1,512
Finance charges on leased assets	117	-
Entertainment and canteen expenses	1,724	1,179
Distribution commission	1,322	1,142
Maintenance charges - Non-banking assets	505	1,040
Others	2,574	2,033
	46,268	38,056
Total operating expenses	193,455	174,024

		(Un-Audited)	
		First quarter ended	
		31 March 2022	31 March 2021
		(Rupees in '000)	
28	OTHER CHARGES		
	Penalties imposed by State Bank of Pakistan	-	1,601
	Fees, commission and others	7,601	9,605
		<u>7,601</u>	<u>11,206</u>
29	REVERSAL / (PROVISIONS) & WRITE OFFS - NET		
	Reversals of provisions for diminution in value of investments - net	10,091	49,851
	Reversals of provisions against loans & advances - net	8,766	-
		<u>18,857</u>	<u>49,851</u>
30	TAXATION		
	Current	28,654	67,598
	Deferred	15,308	13,480
		<u>43,962</u>	<u>81,078</u>
30.1	Tax contingencies		
	Pak Oman Investment Company Limited		
	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 that sufficient provisions have been made and no further provision is required.		
	Pak Oman Asset Management Company Limited		
	As per the requirement of Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of Management Company has been applied effective from 13 June 2013. The management is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law. The matter has been taken up collectively by the Mutual Fund Association of Pakistan and the Honorable High Court of Sindh has issued stay order against such levy.		
	During 2016, the Honorable Sindh High Court, in its judgment dated 30 September 2016, on the Constitutional Petition instituted by MUFAP declared that the provisions of the Federal Excise Act, 2005, insofar as they relate to providing or rendering of services, are ultra vires to the 18th amendment of the Constitution with effect from 01 July 2011, the date on which Sindh Sales Tax on Services Act, 2011 came into force. However, the Federal Board of Revenue (FBR) has right to challenge the decision in the Supreme Court of Pakistan within 90 days of the above decision of the Court, and the petition of the Management Company is still pending in the Court; therefore, as a matter of prudence, the Company has maintained the accumulated provision against FED amounting to Rs. 78.345 million as of 30 September 2021.		
	Through Finance Act 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn. Accordingly, no FED has been charged on the remuneration of the Company for period subsequent to 30 June 2016.		
31	BASIC AND DILUTED EARNINGS PER SHARE		
	Profit attributable to shareholders of the holding company	<i>Rupees in '000</i>	<u>131,636</u>
			<u>203,082</u>
	Weighted average number of ordinary shares issued	<i>Numbers in '000</i>	<u>615,000</u>
			<u>615,000</u>
	Basic and diluted earnings per share attributable to shareholders of holding company	<i>Rupees</i>	<u>0.21</u>
			<u>0.33</u>
31.1	Diluted earnings per share has not been presented separately as the Company does not have any convertible instruments in issue.		
32	CASH AND CASH EQUIVALENTS		
	Cash and balances with treasury banks	308,968	165,569
	Balances with other banks	1,276,536	901,453
		<u>1,585,504</u>	<u>1,067,022</u>

33 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.

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 consolidated financial statement.

33.1 Fair Value of financial assets

The Group 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:

	31 March 2022 (Unaudited)			
	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	-	92,955,221	-	92,955,221
Shares	269,111	-	-	269,111
Non-Government Debt Securities	-	3,310,249	-	3,310,249
Mutual funds		653,939	-	653,939
Financial assets - disclosed but not measured at fair value				
Investments	-	-	234,549	234,549
	31 December 2021 (Audited)			
	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	-	96,920,222	-	96,920,222
Non-Government Debt Securities	-	3,457,827	-	3,457,827
Mutual funds	-	829,919	-	829,919
Financial assets - disclosed but not measured at fair value				
Investments	-	-	234,549	234,549

33.2 Fair value of non-financial assets

	(Un-audited)			
	As at 31 March 2022			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Non-banking assets acquired in satisfaction of claims	-	-	375,991	375,991
	(Audited)			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Non-banking assets acquired in satisfaction of claims	-	-	375,991	375,991

34 SEGMENT DETAIL WITH RESPECT TO BUSINESS ACTIVITIES

	First quarter ended 31 March 2022 (Unaudited)				
	Corporate Banking	Investment Banking	Treasury	Asset Management	Total
	----- (Rupees in '000) -----				
Profit & Loss					
Net mark-up/return/profit	136,147	(27,921)	154,299	(1,179)	261,346
Non mark-up / return / interest income	10,935	74,324	4,020	10,057	99,336
Total Income	147,082	46,403	158,319	8,878	360,682
Segment direct expenses	98,548	9,297	81,119	15,060	204,024
Reversals	8,766	-	10,091	-	18,857
Profit before tax	57,300	37,106	87,291	(6,182)	175,515
Balance Sheet					
Cash & Bank balances	-	-	1,585,395	109	1,585,504
Investments	-	888,488	96,534,581	-	97,423,069
Lendings to financial institutions	-	-	-	-	-
Advances - performing	18,096,593	-	389,453	-	18,486,046
non- performing	1,230,497	-	-	-	1,230,497
Others	828,893	378,145	1,881,884	285,912	3,374,834
Total Assets	20,155,983	1,266,633	100,391,313	286,021	122,099,950
Borrowings	15,817,138	1,385,965	82,120,919	21,500	99,345,522
Subordinated debt	-	-	-	-	-
Deposits & other accounts	2,154,113	135,368	10,729,034	-	13,018,515
Others	370,939	12,646	1,002,333	121,285	1,507,203
Total liabilities	18,342,190	1,533,979	93,852,286	142,785	113,871,240
Equity	1,813,793	(267,346)	6,539,027	143,236	8,228,710
Total Equity & liabilities	20,155,983	1,266,633	100,391,313	286,021	122,099,950
Contingencies & Commitments	1,909,374	332,726	-	-	2,242,100

	First quarter ended 31 March 2021 (Unaudited)				
	Corporate Banking	Investment Banking	Treasury	Asset Management	Total
	----- (Rupees in '000) -----				
Profit & Loss					
Net mark-up/return/profit	133,847	(21,588)	256,725	(1,011)	367,973
Non mark-up / return / interest income	18,534	9,191	12,761	16,765	57,251
Total Income	152,381	(12,397)	269,486	15,754	425,224
Segment direct expenses	90,508	11,796	73,232	15,385	190,921
(Reversals) / Provisions	-	-	49,851	-	49,851
Profit before tax	61,873	(24,193)	246,105	369	284,154

	Year ended 31 December 2021				
	Corporate Banking	Investment Banking	Treasury	Asset Management	Total
	----- (Rupees in '000) -----				
Balance Sheet					
Cash & Bank balances	-	-	1,664,151	254	1,664,405
Investments	-	1,064,468	100,378,049	-	101,442,517
Lendings to financial institutions	-	-	1,953,578	-	1,953,578
Advances - performing	17,671,866	-	878,724	-	18,550,590
non-performing	1,169,903	-	-	-	1,169,903
Others	799,159	730,938	1,506,515	291,415	3,328,027
Total Assets	19,640,928	1,795,406	106,381,017	291,669	128,109,020
Borrowings	16,448,123	1,453,053	86,095,974	21,500	104,018,650
Subordinated debt	-	-	-	-	-
Deposits & other accounts	2,204,294	256,502	11,892,886	-	14,353,682
Others	282,370	17,942	853,087	120,410	1,273,809
Total liabilities	18,934,787	1,727,497	98,841,947	141,910	119,646,141
Equity	706,141	67,909	7,539,070	149,759	8,462,879
Total Equity & liabilities	19,640,928	1,795,406	106,381,017	291,669	128,109,020
Contingencies & Commitments	1,928,963	332,726	-	-	2,261,689

35 RELATED PARTY TRANSACTIONS

The Group has related party relationship with various parties, including its directors, key management personnel (including their associates), associates, 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 Group's 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 consolidated financial statements are as follows:

Associates

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

Retirement benefit fund

Defined benefit plan
Defined contribution plan

Other related party

Orient Power Company (Private) Limited

35.2 Related party transactions

	First quarter ended 31 March 2022 (Unaudited)					First quarter ended 31 March 2021 (Unaudited)				
	Directors	Key management personnel	Associates	Retirement benefit funds	Other related parties	Directors	Key management personnel	Associates	Retirement benefit funds	Other related parties
----- (Rupees in '000) -----										
Income										
Mark-up / return / interest earned	-	310	-	-	-	-	372	15	-	16,499
Fee and commission income	-	-	-	-	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-	-	-	-	-
Net gain on sale of securities	-	-	27,579	-	-	-	-	4,069	(106)	-
Other income	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Expense										
Mark-up / return / interest paid	-	57	-	-	-	-	109	-	48	-
Operating expenses	-	-	-	-	-	-	-	-	-	-
Non-Executive Directors' fees and allowances	6,750	-	-	-	-	9,900	-	-	-	-
Compensation expenses	-	145,821	-	-	-	-	185,255	-	-	-
Contribution to defined contribution plan	-	-	-	5,503	-	-	-	-	5,267	-
Charge for defined benefit plan	-	-	-	5,200	-	-	-	-	4,885	-

36 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-Audited) 31 March 2022 (Rupees in '000)	(Audited) 31 December 2021
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>6,150,000</u>	<u>6,150,000</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>6,658,413</u>	6,566,601
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	<u>6,658,413</u>	6,566,601
Eligible Tier 2 Capital	-	-
Total Eligible Capital (Tier 1 + Tier 2)	<u>6,658,413</u>	<u>6,566,601</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>22,906,095</u>	23,565,628
Market Risk	<u>13,458,694</u>	13,901,012
Operational Risk	<u>3,001,190</u>	3,001,190
Total	<u>39,365,979</u>	<u>40,467,830</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>16.91%</u>	16.23%
Tier 1 Capital Adequacy Ratio	<u>16.91%</u>	16.23%
Total Capital Adequacy Ratio	<u>16.91%</u>	16.23%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	<u>6,658,413</u>	6,566,601
Total Exposures	<u>122,151,955</u>	128,183,137
Leverage Ratio	<u>5.45%</u>	5.12%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>5,299,711</u>	10,987,504
Total Net Cash Outflow	<u>9,625,123</u>	16,181,833
Liquidity Coverage Ratio	<u>55.06%</u>	67.90%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>21,250,534</u>	21,726,820
Total Required Stable Funding	<u>20,564,108</u>	20,582,830
Net Stable Funding Ratio	<u>103.34%</u>	105.56%

37 CREDIT RATING

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

The Pakistan Credit Rating Agency Limited (PACRA) has assigned asset management rating of AM3++ (Positive) to the subsidiary company in the medium and long term.

38. GENERAL

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

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

39. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were authorised for issue on 27 April 2022 by the Board of Directors of the holding company.

Bahauddin Khan	Mohammad Jamal Nasir	Ayham Abdul Aziz Qadar Al Ghassani	Omar Hamid Khan	Sayyid Juland Jaifar Salim Al Said
<hr/> Managing Director / Chief Executive Officer	<hr/> Chief Financial Officer	<hr/> Director	<hr/> Director	<hr/> Chairman