



PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

(Un-Audited)

For three months period ended March 31, 2024

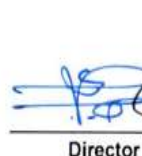
PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
Note -----(Rupees in '000)-----		
ASSETS		
Cash and balances with treasury banks	6 682,460	631,063
Balances with other banks	7 349,179	145,825
Lendings to financial institutions	-	-
Investments	8 1,067,317,252	1,045,809,083
Advances	9 54,504,654	53,845,272
Property and equipment	10 1,192,938	1,074,903
Right-of-use assets	-	-
Intangible assets	11 16,995	13,211
Deferred tax assets	-	-
Other assets	12 38,671,403	37,930,628
Total assets	1,162,734,881	1,139,449,985
LIABILITIES		
Bills payable	-	-
Borrowings	13 1,048,285,152	1,026,530,216
Deposits and other accounts	14 24,394,876	19,270,777
Lease liabilities	-	-
Subordinated debt	-	-
Deferred tax liabilities	15 9,252,947	12,535,675
Other liabilities	16 5,474,779	3,636,453
Total liabilities	1,087,407,754	1,061,973,121
NET ASSETS	75,327,127	77,476,864
REPRESENTED BY		
Share capital	16,000,000	16,000,000
Reserves	14,935,338	14,935,338
Surplus on revaluation of assets	17 2,114,288	5,354,271
Unappropriated profit	42,028,358	40,897,186
Total equity attributable to the equity holders of the Holding Company	75,077,984	77,186,795
Non-controlling interest	18 249,143	290,069
	75,327,127	77,476,864
CONTINGENCIES AND COMMITMENTS	19	

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


 Chief Executive


 Chief Financial Officer


 Director


 Director


 Director


PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Note	Three months period ended	
		March 31, 2024	March 31, 2023
		-----Rupees in '000-----	
			(Restated)
Mark-up / return / interest earned	20	52,116,446	28,909,088
Mark-up / return / interest expensed	21	56,145,046	28,386,450
Net mark-up / interest (loss) / income		(4,028,600)	522,638
NON MARK-UP / INTEREST INCOME			
Fee and commission income	22	94,970	39,896
Dividend income		63,064	81,516
Foreign exchange income		-	-
Income / (loss) from derivatives		-	-
Loss on securities	23	(71,793)	(893)
Net gains / (loss) on derecognition of financial assets measured at amortised cost		-	-
Share in results of associates - net	24	7,772,253	4,698,199
Other income	25	19,731	48,591
Total non-markup / interest income		7,878,225	4,867,309
Total income		3,849,625	5,389,947
NON MARK-UP / INTEREST EXPENSES			
Operating expenses	26	542,066	480,059
Workers Welfare Fund		2,461	36,668
Other charges	27	6,395	-
Total non-markup / interest expenses		550,922	516,727
Profit before credit loss allowance / provisions		3,298,703	4,873,220
(Reversal of provision) / credit loss allowance / provisions and write-offs - net	28	(4,910)	27,736
Other income / expense items		-	-
PROFIT BEFORE TAXATION		3,303,613	4,845,484
Taxation	29	732,900	1,059,770
PROFIT AFTER TAXATION		2,570,713	3,785,714
Attributable to:			
Equity holders of the Holding Company		2,611,639	3,785,714
Non-controlling interest		(40,926)	-
		2,570,713	3,785,714
		-----Rupees-----	
Basic earnings per share (on share of Rs. 25,000 each)	30	4,081	5,915

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


Chief Executive


Chief Financial Officer


Director


Director


Director

PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED
CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THREE MONTHS PERIOD ENDED MARCH 31, 2024

	<u>Three months period ended</u>	
	<u>March 31,</u> <u>2024</u>	<u>March 31,</u> <u>2023</u>
	----- <u>(Rupees in '000)</u> -----	
		(Restated)
Profit after taxation for the period	2,570,713	3,785,714
Other comprehensive (loss) / income		
Items that may be reclassified to the profit and loss account in subsequent periods:		
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	7,042	(8,753)
Movement in (deficit) / surplus on revaluation of government securities through FVOCI - net of tax	(3,218,805)	387,434
Movement in deficit on revaluation of FVOCI securities of associates - net of tax	(399,435)	(781,283)
	(3,611,198)	(402,602)
Items that will not be reclassified to the profit and loss account in subsequent periods:		
Movement in deficit on revaluation of equity investments - net of tax	(158,153)	(269,619)
Gain / (loss) on sale of equity shares - FVOCI	294,458	(49,639)
Share of realised gain on securities classified as FVOCI assets of associates - net of tax	13,798	-
	150,103	(319,258)
Total comprehensive (loss) / income	<u>(890,382)</u>	<u>3,063,854</u>
Attributable to:		
Equity holders of the Holding Company	(849,456)	3,063,854
Non-controlling interest	(40,926)	-
	<u>(890,382)</u>	<u>3,063,854</u>

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


 Chief Executive


 Chief Financial Officer


 Director


 Director


 Director

PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Capital reserve			Surplus / (deficit) on revaluation of			Revenue reserve	Subtotal	Non controlling interest	Total	
	Share Capital	Non-Distributable reserve	Statutory reserve	Capital Market Equalization reserve	Investments	Non banking assets of associates	Property and equipment				Unappropriated profit
(Rupees in '000)											
Balance as at January 01, 2023	16,000,000	935,264	11,999,846	1,659,468	(3,147,384)	1,389	-	22,492,648	49,941,231	-	49,941,231
Impact of adoption of IFRS - 9	-	-	-	-	2,474,598	-	-	(197,099)	2,277,499	-	2,277,499
Profit after taxation for three months period ended March 31, 2023	-	-	-	-	-	-	-	3,785,714	3,785,714	-	3,785,714
Other comprehensive income / (loss) - net of tax											
Movement in deficit on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	(8,753)	-	-	-	(8,753)	-	(8,753)
Movement in surplus on revaluation of Government securities through FVOCI - net of tax	-	-	-	-	387,434	-	-	-	387,434	-	387,434
Movement in deficit on revaluation of FVOCI securities of associates - net of tax	-	-	-	-	(781,283)	-	-	-	(781,283)	-	(781,283)
Movement in deficit on revaluation of equity investments - net of tax	-	-	-	-	(269,619)	-	-	-	(269,619)	-	(269,619)
Loss on sale of equity shares - FVTOCI	-	-	-	-	-	-	-	(49,639)	(49,639)	-	(49,639)
Total other comprehensive loss	-	-	-	-	(672,221)	-	-	(49,639)	(721,860)	-	(721,860)
Share of movement in other reserve of associate - net of tax	-	-	-	-	-	-	-	21,768	21,768	-	21,768
Transactions with owners recorded directly in equity											
Final dividend for the year ended December 31, 2022 @ Rs. 1,890.625 per share	-	-	-	-	-	-	-	(1,210,000)	(1,210,000)	-	(1,210,000)
Opening Balance as at April 01, 2023 (Restated)	16,000,000	935,264	11,999,846	1,659,468	(1,345,007)	1,389	-	24,843,392	54,094,352	-	54,094,352
Share of NCI in subsidiary	-	-	-	-	-	-	-	-	-	408,655	408,655
Profit after taxation for the nine months period ended December 31, 2023	-	-	-	-	-	-	-	16,628,443	16,628,443	(118,586)	16,509,857
Other comprehensive income / (loss) - net of tax											
Movement in surplus on revaluation of debt investments through FVOCI - net of tax	-	-	-	-	7,607	-	-	-	7,607	-	7,607
Movement in surplus on revaluation of Government securities through FVOCI - net of tax	-	-	-	-	1,316,437	-	-	-	1,316,437	-	1,316,437
Movement in surplus on revaluation of property and equipment of associates - net of tax	-	-	-	-	-	-	556,591	-	556,591	-	556,591
Movement in surplus on revaluation of FVOCI securities of associates - net of tax	-	-	-	-	3,385,157	-	-	-	3,385,157	-	3,385,157
Remeasurement loss on defined benefit obligation - net of tax	-	-	-	-	-	-	-	(34,274)	(34,274)	-	(34,274)
Movement in surplus on revaluation of equity investments - net of tax	-	-	-	-	1,432,698	-	-	-	1,432,698	-	1,432,698
Loss on sale of equity shares - FVOCI	-	-	-	-	-	-	-	(201,098)	(201,098)	-	(201,098)
Share of deficit on revaluation of non - banking assets of associates - net of tax	-	-	-	-	-	(601)	-	-	(601)	-	(601)
Share of remeasurement loss of defined benefit obligation of associates - net of tax	-	-	-	-	-	-	-	(38,168)	(38,168)	-	(38,168)
Total other comprehensive (loss) / income	-	-	-	-	6,141,899	(601)	556,591	(273,540)	6,424,349	-	6,424,349
Transfer to statutory reserve	-	-	2,000,228	-	-	-	-	(2,000,228)	-	-	-
Transfer to capital market equalization reserve	-	-	-	(1,659,468)	-	-	-	1,659,468	-	-	-
Share of movement in other reserve of associate - net of tax	-	-	-	-	-	-	-	39,651	39,651	-	39,651
Opening Balance as at January 1, 2024	16,000,000	935,264	14,000,074	-	4,796,892	788	556,591	40,897,186	77,186,795	290,069	77,476,864
Effect of Implementation of IFRS 9 by associate	-	-	-	-	529,368	-	-	(482,187)	47,181	-	47,181
Profit after taxation for the three months ended March 31, 2024	-	-	-	-	-	-	-	2,611,639	2,611,639	(40,926)	2,570,713
Other comprehensive income / (loss) - net of tax											
Movement in surplus on revaluation of debt investments at FVOCI - net of tax	-	-	-	-	7,042	-	-	-	7,042	-	7,042
Movement in deficit on revaluation of government securities at FVOCI - net of tax	-	-	-	-	(3,218,805)	-	-	-	(3,218,805)	-	(3,218,805)
Movement in deficit on revaluation of FVOCI securities of associates - net of tax	-	-	-	-	(399,435)	-	-	-	(399,435)	-	(399,435)
Movement in deficit on revaluation of equity investments - net of tax	-	-	-	-	(158,153)	-	-	-	(158,153)	-	(158,153)
Gain on sale of equity shares - FVOCI	-	-	-	-	-	-	-	294,458	294,458	-	294,458
Share of realised gain on securities classified as FVOCI of associates - net of tax	-	-	-	-	-	-	-	13,798	13,798	-	13,798
Total other comprehensive loss	-	-	-	-	(3,769,351)	-	-	308,256	(3,461,095)	-	(3,461,095)
Share of movement in other reserve of associate- net of tax	-	-	-	-	-	-	-	24,464	24,464	-	24,464
Transactions with owners recorded directly in equity											
Final dividend for the year ended December 31, 2023 @ Rs.2,079.68 per share	-	-	-	-	-	-	-	(1,331,000)	(1,331,000)	-	(1,331,000)
Closing Balance as at March 31, 2024 (un-audited)	16,000,000	935,264	14,000,074	-	1,556,909	788	556,591	42,028,358	75,077,984	249,143	75,327,127

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


Chief Executive


Chief Financial Officer


Director


Director


Director

PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Three months period ended	
	March 31, 2024	March 31, 2023
Note	(Rupees in '000)	
	(Restated)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,303,613	4,845,484
Less: Dividend income	(63,064)	(81,516)
	<u>3,240,549</u>	<u>4,763,968</u>
Adjustments :		
Net mark-up / interest income	4,070,602	(522,638)
Depreciation	52,899	21,828
Amortisation	1,399	2,016
(Reversal of provision) / credit loss allowance / provisions and write-offs - net	(4,910)	27,736
Gain on sale of property and equipment	(47)	(14)
Unrealised loss on revaluation of FVTPL	1,488	61
Share in results of associates - net	(7,772,253)	(4,698,199)
	<u>(3,650,822)</u>	<u>(5,169,210)</u>
	(410,273)	(405,242)
(Increase) / decrease in operating assets		
Lendings to financial institutions	-	803,891
Securities classified as FVTPL	143,531	65,178
Advances	(668,043)	(41,410)
Others assets (excluding advance taxation)	(4,871)	(145,082)
	<u>(529,383)</u>	<u>682,577</u>
Increase / (decrease) in operating liabilities		
Borrowings from financial institutions	21,754,936	154,524,987
Deposits	5,124,099	(6,229,625)
Other liabilities (excluding current taxation)	(319,109)	(260,840)
	<u>26,559,926</u>	<u>148,034,522</u>
	25,620,270	148,311,857
Payments against off-balance sheet obligations		
Mark-up / interest received	54,380,018	24,002,671
Mark-up / interest paid	(55,262,975)	(28,962,441)
Income tax paid	(591,827)	(3,196,265)
	<u>(1,474,784)</u>	<u>(8,156,035)</u>
Net cash flow from / (used in) operating activities	<u>24,145,486</u>	<u>140,155,822</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Investments in securities classified as FVOCI	(24,206,628)	(140,159,545)
Dividends received	207,364	141,018
Investments in property and equipment	(176,367)	(206,982)
Disposal of property and equipment	255	90
Net cash used in investing activities	<u>(24,175,376)</u>	<u>(140,225,419)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	-
Net cash flow from financing activities	<u>-</u>	<u>-</u>
Increase / (Decrease) in cash and cash equivalents	<u>(29,890)</u>	<u>(69,597)</u>
Credit loss on cash and cash equivalent	(44)	(8)
Cash and cash equivalents at beginning of the period	1,776,888	708,682
Cash and cash equivalents at end of the period	<u>1,746,954</u>	<u>639,077</u>

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


Chief Executive


Chief Financial Officer


Director


Director


Director

PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED
NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THREE MONTHS PERIOD ENDED MARCH 31, 2024

1 STATUS AND NATURE OF BUSINESS

1.1 The "Group" consists of:

- (i) Pakistan Kuwait Investment Company (Private) Limited - Holding Company
- (ii) Raqami Islamic Digital Bank Limited - Subsidiary Company

1.1.1 Holding Company - Pakistan Kuwait Investment Company (Private) Limited

Pakistan Kuwait Investment Company (Private) Limited (the Company / Holding Company) was incorporated in Pakistan as a Private Limited Company on March 17, 1979. The registered office of the Company is situated at 4th Floor, Block 'C', Finance and Trade Centre, Shahrah-e-Faisal, Karachi, Pakistan. The Company has a representative office in Lahore. The Company is a 50:50 joint venture between the Government of Pakistan (GoP) and the Government of Kuwait (GoK). The objective of the Company is to profitably promote industrial investments in Pakistan. The 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 (SBP)

The Pakistan Credit Rating Agency (PACRA) has maintained for the Company, the long-term entity rating at AAA (Triple A) and the short term rating at A1+(A one plus), the highest level.

The State Bank of Pakistan has granted approval to the Holding Company for commencement of shariah compliant business and operations. The Holding Company commenced its shariah compliant business and operations from February 2024.

1.1.2 Subsidiary Company - Raqami Islamic Digital Bank Limited (RIDBL) Percentage of holding

Raqami Islamic Digital Bank Limited - Subsidiary 72.94%

Raqami Islamic Digital Bank Limited (RIDBL) (the Subsidiary Company) was incorporated in Pakistan on July 10, 2023 as an unlisted public limited company under the Companies Act, 2017. The principal line of business of the Subsidiary Company is to carry on the business of banking as a Shariah Compliant Digital bank and undertake financial transactions as permitted under the applicable laws of Pakistan including, but not limited to the Banking Companies Ordinance, 1962, the Companies Act 2017, and all other applicable laws, rules and regulations and the rules, directions and circulars of the State Bank of Pakistan (SBP) as in force from time to time.

2 BASIS OF PREPARATION

These financial statements have been prepared based on the format prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular Letter No. 02 dated February 09, 2023 and IAS 34 'Interim Financial Reporting'.

Key financial figures of the Islamic Finance Division of the Company are disclosed in note 36 to these consolidated condensed interim financial statements.

2.1 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards IFRS issued by the International Accounting Standards Board (IASB) as 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).

Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the provisions of and directives issued under the Banking Companies Ordinance (BCO), 1962, the Companies Act, 2017;

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

The consolidated condensed interim financial statements do not include all the information and disclosures required in the audited annual consolidated financial statements, and should be read in conjunction with the audited annual financial statements for the year ended 31 December 2023.

The SBP vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I) / 2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures has not been made applicable for Company. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.

The Companies Ordinance, 1984 was repealed by enactment of the Companies Act, 2017 on May 30, 2017. The SECP vide its Circular No. 17 of 2017 and Circular No. 23 of 2017 has clarified that all those companies whose financial year, closes on or before December 31, 2017 can prepare financial statements in accordance with provisions of the repealed Companies Ordinance, 1984.

2.2 Standards, interpretations of and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current period:

There are certain new and amended standards that become effective during the period (enumerated in note 2.5 to the annual consolidated financial statements of the Company) for the year ended December 31, 2023. However, such standards did not have any significant effect on these condensed interim consolidated 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 new and amended standards that become effective on or after January 1, 2024. However, such standards did not have any significant effect on these consolidated condensed interim financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in preparation of annual audited financial statements of the Company for the year ended December 31, 2023.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of this condensed interim consolidated financial information is the same as that applied in the preparation of the financial statements for the year ended December 31, 2023.

5 FINANCIAL RISK MANAGEMENT

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

	Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
----- (Rupees in '000) -----			
6 CASH AND BALANCES WITH TREASURY BANKS			
in hand			
local currency		155	150
With State Bank of Pakistan in			
- local currency current account	6.1	516,678	629,800
- local currency current account - Islamic Banking	6.2	165,000	-
With National Bank of Pakistan in			
- local currency current account		627	1,113
		<u>682,460</u>	<u>631,063</u>
Less: Credit loss allowance held against cash and balances with treasury banks		-	-
Cash and balances with treasury banks - net of credit loss allowance		<u>682,460</u>	<u>631,063</u>

6.1 This includes Rs. 515.500 million (December 31, 2023: Rs. 600.500 million) held as minimum cash reserve required to be maintained with the SBP in accordance with requirement of BSD Circular No. 04 dated May 22, 2004.

6.2 This represents the minimum cash reserve required to be maintained with the SBP by the Islamic Finance Division of the Group Company.

	Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
----- (Rupees in '000) -----			
7 BALANCES WITH OTHER BANKS			
In Pakistan			
- current accounts		3,968	96,216
- deposit accounts	7.1	345,255	49,625
		<u>349,223</u>	<u>145,841</u>
Less: Credit loss allowance held against balances with other banks		(44)	(16)
Balances with other banks - net of credit loss allowance		<u>349,179</u>	<u>145,825</u>

7.1 This represents balance maintained in saving accounts with banks which includes balance with Meezan bank (a related party) amounting Rs. 310.781 million (December 31, 2023: Rs. 44.207 million). The profit rates on these accounts ranges between 11.01% to 20.50% (December 31, 2023: 11.01% to 20.50%).

8 INVESTMENTS

8.1 Investments by type:

Note	March 31, 2024 (Un-audited)				December 31, 2023 (Audited)			
	Fair value / Amortised cost	Credit loss allowance	Surplus / (Deficit)	Carrying value	Fair value / Amortised cost	Credit Loss allowance / Provision	Surplus / (Deficit)	Carrying value
	------(Rupees in '000)-----							
- Debt Instruments								
Classified / Measured at amortised cost								
Federal government securities	27,889,877	-	-	27,889,877	27,864,892	-	-	27,864,892
Non government debt securities	715,316	-	-	715,316	2,000,000	(135)	-	1,999,865
	28,605,193	-	-	28,605,193	29,864,892	(135)	-	29,864,757
Classified / Measured at FVOCI								
Federal government securities	968,434,196	-	(2,509,506)	965,924,690	941,843,063	-	2,767,316	944,610,379
Non government debt securities	2,075,156	(33,950)	29,163	2,070,369	2,524,307	(34,010)	17,618	2,507,915
	970,509,352	(33,950)	(2,480,343)	967,995,059	944,367,370	(34,010)	2,784,934	947,118,294
Classified / Measured at FVPL								
Non government debt securities	4,438,872	-	(11,712)	4,427,160	4,339,068	-	(10,223)	4,328,845
- Equity Instruments								
Classified / Measured at FVPL								
Shares								
Listed companies	-	-	-	-	143,531	-	(2,492)	141,039
Classified / Measured at FVOCI (Non-Reclassifiable)								
Shares								
Listed companies	1,855,913	-	639,414	2,495,327	2,634,745	-	839,509	3,474,254
Unlisted companies	104,026	(103,226)	-	800	104,026	(103,225)	-	801
	1,959,939	(103,226)	639,414	2,496,127	2,738,771	(103,225)	839,509	3,475,055
Associates (restated)								
Meezan Bank Limited	59,344,556	-	-	59,344,556	56,440,847	-	-	56,440,847
Gandhara Tyre and Rubber Company Limited	1,845,325	-	-	1,845,325	1,845,325	-	-	1,845,325
AI Meezan Mutual Funds	429,165	-	-	429,165	408,971	-	-	408,971
AI Meezan Investment Management Ltd.	1,314,709	-	-	1,314,709	1,328,518	-	-	1,328,518
National Clearing Company of Pakistan Ltd.	361,472	-	-	361,472	354,792	-	-	354,792
Eclear Services Limited	68,890	-	-	68,890	67,182	-	-	67,182
Planet N (Private) Limited	429,596	-	-	429,596	435,458	-	-	435,458
	63,793,713	-	-	63,793,713	60,881,093	-	-	60,881,093
Total Investments	1,069,307,069	(137,176)	(1,852,641)	1,067,317,252	1,042,334,725	(137,370)	3,611,728	1,045,809,083

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

8.1.1 Movement in investments in associates

Investments at beginning of the period / year	60,881,093	38,580,355
Reversal of provision on associates	-	11,299
Share in (deficit) / surplus on revaluation of FVOCI securities of associates	(532,582)	3,471,833
Share in surplus on revaluation of property and equipment of associates	-	742,121
Share of deficit on revaluation of non - banking assets of associates	-	(801)
Share of remeasurement of defined benefit plans of associates	-	(51,624)
Share of profit from associates recognised in the consolidated profit and loss account	7,772,253	26,331,208
Share of employee share option compensation reserve of associates	-	67,993
Share of effect of changes in opening reserve due to implementation of IFRS - 9 by associate	62,908	-
Share of movement in other reserve of associates	32,619	13,899
Share of realized gain on sale of FVOCI securities of associates	18,397	-
Dividend received from associates	(4,440,975)	(8,285,190)
Investments at end of the period / year	<u>63,793,713</u>	<u>60,881,093</u>

The cost of investments in associates as at March 31, 2024 amounted to Rs. 3,371 million (December 31, 2022: Rs. 3,371 million). Share in results of associates recorded under equity method of accounting, net of dividend, capital gain and income taxes amounted to Rs. 2,500 million (March 31, 2023: Rs. 2,560 million).

8.1.2 Summary of financial position and performance of associates

Associate	March 31, 2024						
	Country of Incorporation	Percentage Holding	Assets	Liabilities	Revenue	Profit / (loss)	Total Comprehensive income
	------(Rupees in '000)-----						
Meezan Bank Limited	Pakistan	29.97	3,049,145,504	2,849,451,083	67,556,325	25,544,290	23,828,393
Gandhara Tyre and Rubber Company Limited	Pakistan	30	-	-	-	-	-
AI Meezan Mutual Funds	Pakistan	8.49	5,297,131	358,979	285,145	237,837	237,837
AI Meezan Investment Management Ltd.	Pakistan	30	6,157,135	1,775,707	984,686	353,970	353,970
National Clearing Company of Pakistan Limited	Pakistan	15	-	-	-	-	-
Eclear Services Limited	Pakistan	20	1,248,216	913,039	11,526	8,540	8,540
Planet N (Private) Limited	Pakistan	9.93	-	-	-	-	-

Financial Statements for the quarter ended March 31, 2024 of Gandhara Tyre and Rubber Company and Planet N (Private) Limited are not available on the reporting date.

Associate	December 31, 2023						
	Country of Incorporation	Percentage Holding	Assets	Liabilities	Revenue	Profit / (loss)	Total Comprehensive income
	(Rupees in '000)						
Meezan Bank Limited	Pakistan	29.97	3,012,108,757	2,827,201,240	226,428,822	84,475,642	95,936,404
Ghandhara Tyre and Rubber Company Limited	Pakistan	30	19,627,728	13,714,644	2,834,440	(56,050)	(53,607)
AI Meezan Mutual Funds	Pakistan	9.2	4,501,792	171,965	1,654,281	1,506,866	1,506,866
AI Meezan Investment Management Ltd.	Pakistan	30	5,999,759	1,572,302	2,535,916	1,693,104	1,686,366
National Clearing Company of Pakistan Limited	Pakistan	15	33,773,084	31,376,926	1,606,238	364,401	351,684
Eclear Services Limited	Pakistan	20	1,386,788	1,060,152	33,529	23,459	23,459
Planet N (Private) Limited	Pakistan	9.93	564,822	80,294	157,425	289,570	289,570

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

8.1.3 Investments given as collateral

Pakistan Investment Bonds	449,745,269	462,402,786
Market Treasury Bills	520,604,700	498,552,619
	<u>970,349,969</u>	<u>960,955,405</u>

8.2 Credit loss allowance / provision for diminution in value of investments

8.2.1 Opening balance	137,370	409,006
Reversal for the previous years provision due to IFRS 9 implementation	-	(272,142)
ECL charge on opening investment portfolio	-	519
Charge / (reversals)		
ECL charge for the period / year	-	718
Reversal of ECL on disposal for the period / year	(194)	(731)
	(194)	(13)
Closing balance	<u>137,176</u>	<u>137,370</u>

8.2.2 Particulars of credit loss allowance / provision against debt securities

Category of classification	March 31, 2024 (Un-audited)		December 31, 2023 (Audited)	
	Outstanding amount	Credit loss allowance / provision held	Outstanding amount	Credit loss allowance / provision held
	(Rupees in '000)			
Domestic				
Performing	2,756,834	312	4,490,669	506
Underperforming	-	-	-	-
Non-performing	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	33,638	33,638	33,638	33,638
	<u>33,638</u>	<u>33,638</u>	<u>33,638</u>	<u>33,638</u>
Total	<u>2,790,472</u>	<u>33,950</u>	<u>4,524,307</u>	<u>34,144</u>

9 ADVANCES

Note	Performing		Non performing		Total	
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees in '000)					
Loans, cash credits, running finances, etc.	43,815,210	54,970,539	822,715	822,969	44,637,925	55,793,508
Islamic financing and related assets	11,811,298	-	-	-	11,811,298	-
Advances - gross	55,626,508	54,970,539	822,715	822,969	56,449,223	55,793,508
Provision against advances						
- Specific	-	-	-	-	-	-
- General	(1,100,000)	(1,100,000)	-	-	(1,100,000)	(1,100,000)
	(1,100,000)	(1,100,000)	-	-	(1,100,000)	(1,100,000)
Credit loss allowance against advances						
-Stage 1	(19,419)	(22,710)	-	-	(19,419)	(22,710)
-Stage 2	(16,247)	(16,369)	-	-	(16,247)	(16,369)
-Stage 3	-	-	(808,903)	(809,157)	(808,903)	(809,157)
	(35,666)	(39,079)	(808,903)	(809,157)	(844,569)	(848,236)
Advances - net of credit loss allowance / provision	<u>54,490,842</u>	<u>53,831,460</u>	<u>13,812</u>	<u>13,812</u>	<u>54,504,654</u>	<u>53,845,272</u>

9.1 Information related to Islamic financing and related assets is given in note 35 to these consolidated financial statements

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

9.2 Particulars of advances (Gross)

In local currency	<u>56,449,223</u>	<u>55,793,508</u>
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9.3 Advances include Rs. 822.715 million (December 31, 2023: Rs 822.969 million) which have been placed under non-performing / stage 3 status as detailed below:

Category of classification in stage 3	March 31, 2024 (Un-audited)		December 31, 2023 (Audited)	
	Non performing loans	Credit loss allowance	Non performing loans	Credit loss allowance
(Rupees in '000)				
Domestic				
Other Assets Especially Mentioned (OAEM)	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
Stage 3	822,715	808,903	822,969	809,157
Total	822,715	808,903	822,969	809,157

Provision is recorded net of security deposit of Rs. 13.812 million (December 31, 2023: Rs. 13.812 million).

9.4 Particulars of credit loss allowance / provisions against advances

	March 31, 2024 (Un-audited)					December 31, 2023 (Audited)					
	Stage 3	Stage 2	Stage 1	General	Total	Stage 3	Stage 2	Stage 1	Specific	General	Total
(Rupees in '000)											
Opening balance	809,157	16,369	22,710	1,100,000	1,948,236	-	-	-	985,518	1,100,000	2,085,518
IFRS 9 implementation	-	-	-	-	-	985,518	-	22,091	(985,518)	-	22,091
Charge for the period / year	-	5,118	1,667	-	6,785	-	16,369	9,595	-	-	25,964
Reversals for the period / year	(254)	(5,240)	(4,958)	-	(10,452)	(176,361)	-	(8,976)	-	-	(185,337)
Closing balance	<u>808,903</u>	<u>16,247</u>	<u>19,419</u>	<u>1,100,000</u>	<u>1,944,569</u>	<u>809,157</u>	<u>16,369</u>	<u>22,710</u>	<u>-</u>	<u>1,100,000</u>	<u>1,948,236</u>

9.4.1 Particulars of credit loss allowance / provisions against advances

	March 31, 2024 (Un-audited)					December 31, 2023 (Audited)					
	Stage 3	Stage 2	Stage 1	General	Total	Stage 3	Stage 2	Stage 1	Specific	General	Total
(Rupees in '000)											
In local currency	808,903	16,247	19,419	1,100,000	1,944,569	809,157	16,369	22,710	-	1,100,000	1,948,236

9.5 Advances - Particulars of credit loss allowance

	March 31, 2024 (Un-audited)				December 31, 2023 (Audited)				
	Stage 1	Stage 2	Stage 3	General Provision	Stage 1	Stage 2	Stage 3	Specific Provision	General Provision
(Rupees in '000)									
9.5.1 Opening balance	22,710	16,369	809,157	1,100,000	-	-	-	985,518	1,100,000
IFRS 9 implementation	-	-	-	-	22,091	-	985,518	(985,518)	-
New advances	575	4,912	-	-	6,608	3,979	-	-	-
Advances derecognised or repaid	(2,869)	(5,240)	(254)	-	(3,060)	-	(176,361)	-	-
Transfer to stage 1	-	-	-	-	-	-	-	-	-
Transfer to stage 2	-	-	-	-	(990)	990	-	-	-
Transfer to stage 3	-	-	-	-	-	-	-	-	-
	(2,294)	(328)	(254)	-	2,558	4,969	(176,361)	-	-
Changes in risk parameters (PDs/LGDs/EADs)	(997)	206	-	-	(1,939)	11,400	-	-	-
Closing balance	<u>19,419</u>	<u>16,247</u>	<u>808,903</u>	<u>1,100,000</u>	<u>22,710</u>	<u>16,369</u>	<u>809,157</u>	<u>-</u>	<u>1,100,000</u>

9.5.2 Advances - Category of classification

Domestic	March 31, 2024 (Un-audited)		December 31, 2023 (Audited)	
	Outstanding amount	Credit loss allowance / Provision	Outstanding amount	Credit loss allowance / Provision
(Rupees in '000)				
Performing	52,634,952	1,119,420	52,662,385	1,122,710
Underperforming	2,991,556	16,247	2,308,154	16,369
Non-Performing	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	822,715	808,903	822,969	809,157
	822,715	808,903	822,969	809,157
Total	56,449,223	1,944,570	55,793,508	1,948,236

	Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
----- (Rupees in '000) -----			
10 PROPERTY AND EQUIPMENT			
Capital work-in-progress	10.1	117,547	29,325
Property and equipment		1,075,391	1,045,578
		<u>1,192,938</u>	<u>1,074,903</u>
10.1 Capital work-in-progress			
Advance to suppliers		<u>117,547</u>	<u>29,325</u>
11 INTANGIBLE ASSETS			
Intangible assets - computer software		<u>16,995</u>	<u>13,211</u>
12 OTHER ASSETS			
Income / mark-up accrued in local currency		27,649,541	25,666,119
Advances, deposits, advance rent and other prepayments		88,869	43,759
Advance taxation		10,783,612	12,010,944
Other receivable		72,160	57,871
Non-current asset 'held for sale'		-	83,119
Prepaid Staff Cost		124,512	140,618
		<u>38,718,694</u>	<u>38,002,430</u>
Less: provision held against other assets	12.1	(46,259)	(70,243)
Less: credit loss allowance held against other assets	12.2	(1,032)	(1,559)
Other assets (net of credit loss allowance)		<u>38,671,403</u>	<u>37,930,628</u>
12.1 Provision held against other assets			
Non-current asset held-for-sale		-	23,984
Other receivables		46,259	46,259
		<u>46,259</u>	<u>70,243</u>
12.1.1 Movement in provision held against other assets			
Opening balance		70,243	46,259
Charge for the period / year		-	23,984
Reversals for the period / year		(23,984)	-
Closing balance		<u>46,259</u>	<u>70,243</u>
12.2 Credit loss allowance held against other assets			
Income / mark-up accrued in local currency		<u>1,032</u>	<u>1,559</u>
12.2.1 Movement in credit loss allowance held against other assets			
Opening balance		1,559	21
Charge for the period / year		58	1,538
Reversals for the period / year		(585)	-
Closing balance		<u>1,032</u>	<u>1,559</u>
13 BORROWINGS			
Secured			
Borrowings from State Bank of Pakistan			
Under Long Term Finance Facility (LTFF)	13.1	6,231,750	6,462,975
Under Financing Scheme for Renewable Energy	13.2	2,729,785	2,729,785
Under Temporary Economic Refinance Facility (TERF)	13.3	2,246,726	2,264,917
		<u>11,208,261</u>	<u>11,457,677</u>
Bai Muajjal	13.4	32,670,124	30,996,916
Repurchase agreement borrowings	13.5	952,945,767	940,325,623
Term Finance Facility	13.6	36,625,000	39,250,000
Total secured		<u>1,033,449,152</u>	<u>1,022,030,216</u>
Unsecured			
Letter of Placement		-	4,500,000
Musharakah	13.7	14,836,000	-
Total unsecured		<u>14,836,000</u>	<u>4,500,000</u>
		<u>#####</u>	<u>1,026,530,216</u>
13.1 Borrowings from SBP under LTFF			

These represent borrowings from SBP under scheme for long term financing facility (LTFF). The mark-up rate on these facilities is payable at maximum of 7% per annum (December 31, 2023: maximum of 7% per annum) payable on quarterly basis with maturities within a maximum period of 10 years (December 31, 2023: maximum period of 10 years). As per the term of the agreements, the Company has granted the SBP a right to recover the outstanding amounts from the Company at the respective date of maturity of finance by directly debiting the current account of the Company maintained with the SBP. The Company has given demand promissory notes executed in favour of the SBP as a collateral.

13.2 Borrowing from SBP under Financing Scheme for Renewable Energy

These represent long term finance facility on this concessional rates to support in addressing dual challenge of energy shortage and climate change through promotion of renewable energy. The mark-up rates on these facilities is payable at maximum of 3% per annum (December 31, 2023: maximum of 3% per annum) payable on quarterly basis with maturities within a maximum period of 12 years (December 31, 2023: maximum period of 12 years). As per the term of the agreements, the Company has granted the SBP a right to recover the outstanding amounts from the Company at the respective date of maturity of finance by directly debiting the current account of the Company maintained with the SBP. The Company has given demand promissory notes executed in favour of the SBP as a collateral.

13.3 Borrowing from SBP under Temporary Economic Refinance Facility

These represent long term finance facilities on concessional rates to support sustainable economic growth especially in the backdrop of challenges being faced by the industry in post pandemic scenario. The mark-up rate on these facilities is payable at maximum of 1% per annum (December 31, 2023: maximum of 1% per annum) payable on quarterly basis with maturities within a maximum period of 10 years (December 31, 2023: maximum period of 10 years). As per the term of the agreements, the Company has granted the SBP a right to recover the outstanding amounts from the Company at the respective date of maturity of finance by directly debiting the current account of the Company maintained with the SRP. The Company has given demand promissory notes executed in favour of the SRP as a collateral.

13.4 Bai Muajjal

This represents borrowings from financial institutions at mark-up rates between 21.01% and 22.07% per annum (December 31, 2023: 21.01% and 22.07% per annum) and having maturities on May 02, 2024 (December 31, 2023: May 02, 2024).

13.5 Repurchase agreement borrowings

The Company has arranged borrowing from financial institutions against sale and repurchase of government securities. The mark-up rates on these borrowings are between 22.05% and 23.00% per annum (December 31, 2023: 22.04% and 23.00% per annum) with maturities between one and nineteen days (December 31, 2023: two days to nineteen days).

13.6 Term Finance Facility

The Company has availed long term borrowings from commercial banks. The interest rates on these facilities are between 21.45% and 22.79% per annum (December 31, 2023: 8.63% and 23.04% per annum) and have maturities between July 06, 2026 and December 28, 2028 (December 31, 2023: March 14, 2024 and December 28, 2028).

13.7 Musharakah Borrowing

The interest rates on these Musharakah borrowings are between 21.00% and 21.10% per annum (December 31, 2023: Nil). These Musharakah borrowings have maturity dates between April 05, 2024 and April 30, 2024 (December 31, 2023: Nil).

14 DEPOSITS AND OTHER ACCOUNTS

	March 31, 2024 (Un-audited)			December 31, 2023 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	(Rupees in '000)					
Customers						
Certificate of Investment (COI)	23,376,910	-	23,376,910	18,091,307	-	18,091,307
Financial Institutions						
Certificate of Investment (COI)	1,017,966	-	1,017,966	1,179,470	-	1,179,470
	<u>24,394,876</u>	<u>-</u>	<u>24,394,876</u>	<u>19,270,777</u>	<u>-</u>	<u>19,270,777</u>

14.1 The profit rates on these Certificate of Investments (COI) are between 20.00% and 23.65% per annum (December 31, 2023: 17.50% and 23.65% per annum). These COIs have maturities between April 01, 2024 and March 31, 2025 (December 31, 2023: January 02, 2024 and November 29, 2024).

15 DEFERRED TAX LIABILITIES

	March 31, 2024 (Un-audited)				At March 31, 2024
	At January 1, 2024	Recognised in P&L A/C	Recognised in OCI	Recognised in SOCIE	
	(Rupees in 000)				
Deductible temporary differences on					
- Post retirement employee benefits	77,974	6,592	-	-	84,566
- Deficit on revaluation of investments	(1,276,297)	3,945	2,095,453	-	823,101
- Credit loss allowance / provision against advances, off balance sheet etc.	789,438	(30,167)	-	-	759,271
- Tax losses carried forward	-	1,291,583	-	-	1,291,583
- Provision for taxation	2,355,887	649,773	-	-	3,005,660
	<u>1,947,002</u>	<u>1,921,726</u>	<u>2,095,453</u>	<u>-</u>	<u>5,964,181</u>
Taxable temporary differences on					
- Accelerated tax depreciation	3,395	(27,595)	-	-	(24,200)
- Finance lease arrangements	(135,822)	19,716	-	-	(116,106)
- Share of profits from associates	(14,350,250)	(831,240)	128,548	(23,880)	(15,076,822)
	<u>(14,482,677)</u>	<u>(839,119)</u>	<u>128,548</u>	<u>(23,880)</u>	<u>(15,217,128)</u>
	<u>(12,535,675)</u>	<u>1,082,607</u>	<u>2,224,001</u>	<u>(23,880)</u>	<u>(9,252,947)</u>

	December 31, 2023 (Audited)				At December 31, 2023
	At January 1, 2023	Recognised in P&L A/C	Recognised in OCI	Recognised in SOCIE	
	(Rupees in 000)				
Deductible temporary differences on					
- Post retirement employee benefits	50,256	5,805	21,913	-	77,974
- Accelerated tax depreciation	(33,139)	36,534	-	-	3,395
- Credit loss allowance / provision against advances, off balance sheet etc.	688,221	93,088	-	8,129	789,438
- Provision for taxation	133,450	2,222,437	-	-	2,355,887
	<u>838,788</u>	<u>2,357,864</u>	<u>21,913</u>	<u>8,129</u>	<u>3,226,694</u>
Taxable temporary differences on					
- Surplus on revaluation of investments	1,433,481	(4,678)	(1,352,228)	(1,352,872)	(1,276,297)
- Finance lease arrangements	(237,920)	102,098	-	-	(135,822)
- Share of profits from associates	(5,350,457)	(7,939,485)	(1,039,833)	(20,475)	(14,350,250)
	<u>(4,154,896)</u>	<u>(7,842,065)</u>	<u>(2,392,061)</u>	<u>(1,373,347)</u>	<u>(15,762,369)</u>
	<u>(3,316,108)</u>	<u>(5,484,201)</u>	<u>(2,370,148)</u>	<u>(1,365,218)</u>	<u>(12,535,675)</u>

	Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
----- (Rupees in '000) -----			
16 OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		2,638,617	1,756,546
Accrued expenses		1,044,758	816,399
Dividends payable		1,331,000	-
Payable to defined benefit plan		190,829	153,410
Payable to defined contribution plan		-	8,968
Security deposits against lease		55,747	55,747
Payable against employees' compensated absences		46,742	46,742
Payable to share brokers on account of purchase of marketable securities		-	169
Unearned Income		-	5,612
WWF Liability		-	756,240
Others		166,189	35,174
Credit loss allowance against off-balance sheet obligations	16.1	897	1,446
		<u>5,474,779</u>	<u>3,636,453</u>
16.1 Credit loss allowance against off-balance sheet obligations			
Opening balance		1,446	-
Impact due to IFRS Implementation		-	1,994
Charge for the period		-	-
Reversals for the period		549	548
		(549)	(548)
Closing balance		<u>897</u>	<u>1,446</u>
17 SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - NET			
(Deficit) / surplus on revaluation of:			
- Securities measured at FVOCI-debt	8.1	29,163	17,618
- Securities measured at FVOCI-equity	8.1	639,414	839,509
- Securities measured at FVOCI-government securities	8.1	(2,509,506)	2,767,316
- FVOCI securities of associates		4,151,776	3,978,536
		<u>2,310,847</u>	<u>7,602,979</u>
Deferred tax on surplus / (deficit) on revaluation of:			
- Securities measured at FVOCI-debt		(11,373)	(6,871)
- Securities measured at FVOCI-equity		(144,870)	(186,809)
- Securities measured at FVOCI-government securities		978,765	(1,079,254)
- FVOCI securities of associates		(1,019,081)	(975,774)
		<u>(196,559)</u>	<u>(2,248,708)</u>
		<u>2,114,288</u>	<u>5,354,271</u>
18 NON-CONTROLLING INTEREST			
Opening balance		290,069	408,655
Share of loss for the period / year		(40,926)	(118,586)
Closing balance		<u>249,143</u>	<u>290,069</u>
19 CONTINGENCIES AND COMMITMENTS			
-Guarantees	19.1	2,359,683	2,481,045
-Commitments	19.2	14,991,147	15,755,781
		<u>17,350,830</u>	<u>18,236,826</u>
19.1 Guarantees:			
Financial guarantees		<u>2,359,683</u>	<u>2,481,045</u>
19.2 Commitments			
Undisbursed sanctions against:			
- Loans and advances		13,591,147	15,109,204
- TFC & sukuks		1,400,000	-
Commitment for acquisition of:			
- Fixed Assets		-	10,498
- intangible assets		-	636,079
		<u>14,991,147</u>	<u>15,755,781</u>
19.3 Tax Contingencies - Holding Company			
The status of the tax contingencies remain unchanged as disclosed in note 22.3 of the annual audited consolidated financial statements for the year ended December 31, 2023.			
20 MARK-UP / RETURN / INTEREST EARNED			
Loans and advances		2,537,522	1,758,323
Investments		49,543,370	27,087,966
Lendings to financial institutions		31,377	61,062
Balances with banks		4,177	1,737
		<u>52,116,446</u>	<u>28,909,088</u>

Three months period ended

March 31, 2024	March 31, 2023
----- (Un-audited) -----	
----- (Rupees in '000) -----	

20 MARK-UP / RETURN / INTEREST EARNED

Loans and advances	2,537,522	1,758,323
Investments	49,543,370	27,087,966
Lendings to financial institutions	31,377	61,062
Balances with banks	4,177	1,737
	<u>52,116,446</u>	<u>28,909,088</u>

Note	Three months period ended	
	March 31, 2024	March 31, 2023
	----- (Un-audited) ----- ----- (Rupees in '000) -----	
20.1 Interest income (calculated using effective interest rate method) recognised on:		
Financial assets measured at amortised cost;	706,675	2,706,281
Financial assets measured at fair value through OCI.	51,409,771	25,842,051
	<u>52,116,446</u>	<u>28,548,332</u>
21 MARK-UP / RETURN / INTEREST EXPENSED		
Deposits	979,774	413,829
Borrowings	4,805,891	6,769,090
Securities sold under repurchase agreements - government securities	50,359,381	21,203,531
	<u>56,145,046</u>	<u>28,386,450</u>
21.1 Interest expense calculated using effective interest rate method	<u>56,145,046</u>	<u>28,386,450</u>
22 FEE AND COMMISSION INCOME		
Participation fee	83,734	9,600
Commitment fee	337	1,798
Commission on guarantees	5,162	4,060
Commission on letter of comfort	22	593
Arrangement fee	4,965	23,845
Advisory income	750	-
	<u>94,970</u>	<u>39,896</u>
23 LOSS ON SECURITIES		
Realised loss	(70,305)	(832)
Unrealised loss - measured at FVTPL	(1,488)	(61)
	<u>(71,793)</u>	<u>(893)</u>
23.1 Realised loss on:		
Shares	(8,746)	(832)
Federal government securities	(61,559)	-
	<u>(70,305)</u>	<u>(832)</u>
23.2 Net gain / loss on financial assets / liabilities measured at FVTPL		
Designated upon initial recognition	<u>(10,234)</u>	<u>(893)</u>
Net loss on financial assets (debt instruments) measured at FVOCI	<u>(61,559)</u>	<u>-</u>
	<u>(71,793)</u>	<u>(893)</u>
24 SHARE IN RESULTS OF ASSOCIATES - NET		
Quoted associates	7,637,659	4,622,395
Un-quoted associates	134,594	75,804
	<u>7,772,253</u>	<u>4,698,199</u>
25 OTHER INCOME		
Nominee directors fee	3,965	3,975
Rent on property	12,764	11,126
Gain on sale of property and equipment - net	47	14
Late payment charges	2,803	27,464
Early encashment charges	152	6,012
	<u>19,731</u>	<u>48,591</u>

	Note	Three months period ended	
		March 31, 2024	March 31, 2023
		----- (Un-audited) ----- ----- (Rupees in '000) -----	
26 OPERATING EXPENSES			
Total compensation expense		338,797	382,143
Property expense			
Rent and taxes		12,403	2,639
Insurance		1,119	817
Utilities cost		4,763	2,617
Security expense		24	-
Repairs and maintenance		11,199	8,583
Depreciation		2,335	2,313
		31,843	16,969
Information technology expenses			
Software maintenance		2,786	376
Hardware maintenance		59	-
Depreciation		7,044	3,659
Amortisation		1,399	2,016
Network charges		1,574	1,851
		12,862	7,902
Other operating expenses			
Directors' fees and allowances		6,175	1,150
Fees and allowances to Shariah Board		178	-
Legal and professional charges		22,624	3,732
Outsourced services costs		11,958	10,169
Travelling and conveyance		4,870	6,698
Depreciation		43,519	15,856
Training and development		1,095	606
Postage and courier charges		259	245
Communication		3,546	840
Stationery and printing		7,344	3,114
Marketing, advertisement and publicity		5,317	347
Auditors' remuneration		14,776	4,057
Newspaper, periodicals and subscription dues		3,827	5,390
Repairs and maintenance (others)		1,972	1,871
Bank charges		53	109
Entertainment expense		3,144	5,070
Motor vehicle running expense		16,530	-
Others		11,377	13,791
		158,564	73,045
		542,066	480,059
27 OTHER CHARGES			
Penalty imposed by State Bank of Pakistan		6,395	-
28 CREDIT LOSS ALLOWANCE / PROVISION & WRITE OFFS - NET			
Credit loss allowance against cash and balances with banks including accrued interest		27	8
Credit loss allowance against lending to financial institutions		-	857
(Reversal) / Credit loss allowance for diminution in value of investments including accrued interest		(199)	1,053
Reversal against loans and advances - net		(254)	-
(Reversal) / Credit loss allowance against loans and advances including accrued interest		(3,935)	24,039
Reversal of credit loss allowance against contingencies and commitments including accrued interest	16.1	(549)	1,779
		(4,910)	27,736
29 TAXATION			
Current		1,815,507	740,440
Deferred		(1,082,607)	319,330
		732,900	1,059,770
30 BASIC / DILUTED EARNINGS PER SHARE			
Profit for the period		2,611,639	3,785,714
		(Numbers in '000)	
Weighted average number of ordinary shares		640	640
		----- Rupees ----- (Restated)	
Basic / diluted earnings per share		4,081	5,915
30.1 Diluted Earning per share			
Diluted earnings per share has not been presented separately as the Company does not have any convertible instruments in issue.			
31 CASH AND CASH EQUIVALENTS			
		March 31, 2024	December 31, 2023
		(Un-audited)	(Audited)
		----- (Rupees in '000) -----	
Cash and balance with treasury banks	6	682,460	631,063
Balance with other banks	7	349,179	145,825
Investment in Islamic Investment Certificates		715,315	1,000,000
		1,746,954	1,776,888

32 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified under amortised cost, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortised 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 certain un-quoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowing can not 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.

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 asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

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

32.1 On balance sheet financial instruments

	March 31, 2024 (Un-audited)			
	Fair Value			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
On balance sheet financial instruments				
Financial assets - measured at fair value Investments				
- Market treasury bills	520,604,700	-	520,604,700	-
- Pakistan investment bonds	442,904,870	-	442,904,870	-
- GoP Ijarah Sukuks	2,415,120	-	2,415,120	-
- Shares of listed companies	2,495,327	2,495,327	-	-
- Listed sukuk / term finance certificates	4,021,180	-	4,021,180	-
- Unlisted sukuk / term finance certificates	2,476,349	-	2,476,349	-
Financial assets - disclosed but not measured at fair value				
Cash and balances with treasury banks	682,455	-	-	-
Balances with other banks	324,171	-	-	-
Investments				
- Pakistan investment bonds	27,889,877	-	27,889,877	-
- Unlisted shares	800	-	-	800
- Unlisted sukuk / term finance certificates	715,316	-	-	715,316

	December 31, 2023 (Audited)			
	Fair Value			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
On balance sheet financial instruments				
Financial assets - measured at fair value Investments				
- Market treasury bills	498,552,619	-	498,552,619	-
- Pakistan investment bonds	446,057,760	-	446,057,760	-
- Shares of listed companies	3,615,293	3,615,293	-	-
- Listed preference shares	-	-	-	-
- Listed sukuk / term finance certificates	4,371,338	-	4,371,338	-
- Unlisted sukuk / term finance certificates	2,465,423	-	2,465,423	-
Financial assets - disclosed but not measured at fair value				
Cash and balances with treasury banks	631,063	-	-	-
Balances with other banks	147,925	-	-	-
Lendings to Financial Institutions	-	-	-	-
Investments				
- Pakistan investment bonds	27,864,892	-	27,864,892	-
- Unlisted shares	801	-	-	801
- Unlisted sukuk / term finance certificates	999,865	-	-	999,865
Fair Value of non-financial assets				
- Non-current asset 'Held For Sale'	59,182	-	-	59,182

The fair value of financial assets and liabilities not carried at fair value are not significantly different from their carrying values since assets and liabilities are either short term in nature or in case of loans are frequently repriced.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates.

Valuation techniques used in determination of fair values

Listed securities	The valuation has been determined through closing rates of Pakistan Stock Exchange.
Pakistan investment bonds	The fair value of Pakistan investment bonds are derived using PKFRV rates. The PKFRV rates are announced by FMA (Financial Market Association) through Reuters. The rates announced are simple average of quotes received from eight different predefined/approved dealers / brokers.
Market Treasury Bills	The fair value of Market treasury bills are derived using PKRV rates. The PKRV rates are announced by FMA (Financial Market Association) through Reuters.
Listed sukuk / term finance certificates	The valuation has been determined through the valuation of debt securities published by the MUFAP.
Unlisted sukuk / term finance certificates	Since these are unquoted sukuks therefore for the valuation perpetuity formula was used for the purpose of valuation
Non-current asset 'held for sale'	Non Current Assets held for sale are valued by professionally qualified valuers as per the accounting policy disclosed in these unconsolidated financial statements.

The valuation of non-current assets held for sale, mentioned above, is conducted by the valuation expert appointed by the Company. The valuation expert use a market based approach to arrive at the fair value of the non-current asset. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable or similar properties. This value is adjusted to reflect the current condition of the asset. The effect of changes in the unobservable inputs used in the valuation cannot be determined with certainty, accordingly a quantitative disclosure of sensitivity has not been presented in these unconsolidated uncondensed financial statements.

The Company's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred.

There were no transfers between levels 1 and 2 during the year.

33 SEGMENT INFORMATION

33.1 Segment Details with respect to Business Activities

The segment analysis with respect to business activities is as follows:

March 31, 2024 (Un-audited)						
Corporate Finance	Treasury	Investment Banking	Capital Markets	Islamic Finance Division	Others	Total

(Rupees in '000)

Consolidated Profit & loss account

Net mark-up / return / (loss) / profit	(421,782)	(3,650,100)	42,002	-	(5,664)	6,944	(4,028,600)
Non mark-up / return / interest income / (loss)	94,334	(61,558)	4,252,072	3,577,749	(1,300)	16,928	7,878,225
Total Income	(327,448)	(3,711,658)	4,294,074	3,577,749	(6,964)	23,872	3,849,625
Segment direct expenses	(24,393)	(16,805)	(199,795)	(1,792)	(5,302)	(186,595)	(434,682)
Segment indirect expenses	(21,408)	(5,352)	(4,014)	(2,676)	-	(82,790)	(116,240)
Total expenses	(45,801)	(22,157)	(203,809)	(4,468)	(5,302)	(269,385)	(550,922)
Credit loss allowance (charge) / reversal	7,269	(27)	-	-	(2,346)	14	4,910
Profit before tax	(365,980)	(3,733,842)	4,090,265	3,573,281	(14,612)	(245,499)	3,303,613

March 31, 2024 (Un-audited)						
Corporate Finance	Treasury	Investment Banking	Capital Markets	Islamic Finance Division	Others	Total

(Rupees in '000)

Consolidated Statement of financial position

Cash & bank balances	-	747,677	25,018	-	258,794	150	1,031,639
Investments	251,279	995,366,608	64,509,827	2,495,329	4,694,209	-	1,067,317,252
Net inter segment lending	-	-	-	-	-	-	-
Lendings to financial institutions	-	-	-	-	-	-	-
Advances - performing	42,440,758	-	41,890	-	11,809,263	198,931	54,490,842
Advances - non-performing	13,812	-	-	-	-	-	13,812
Others	1,446,759	21,532,218	4,571,860	1,577	460,678	11,868,244	39,881,336
Total assets	44,152,608	1,017,646,503	69,148,595	2,496,906	17,222,944	12,067,325	1,162,734,881
Borrowings	47,833,261	985,615,891	-	-	14,836,000	-	1,048,285,152
Subordinated debt	-	-	-	-	-	-	-
Deposits & other accounts	24,394,876	-	-	-	-	-	24,394,876
Deferred tax liability	(609,602)	(126,957)	7,417,948	(29,213)	-	2,600,771	9,252,947
Others	2,557,765	(31)	85,584	388	141,692	2,689,381	5,474,779
Total liabilities	74,176,300	985,488,903	7,503,532	(28,825)	14,977,692	5,290,152	1,087,407,754
Equity	(30,023,692)	32,157,600	61,645,063	2,525,731	2,245,252	6,777,173	75,327,127
Total equity & liabilities	44,152,608	1,017,646,503	69,148,595	2,496,906	17,222,944	12,067,325	1,162,734,881
Contingencies & commitments	8,265,717	-	-	-	9,085,113	-	17,350,830

Three months period ended March 31, 2023 (Un-audited)					
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total

(Rupees in '000)

Profit & loss account (Restated)

Net mark-up / return / (loss) / profit	(1,869,470)	2,388,740	-	-	3,368	522,638
Non mark-up / return / interest income	42,437	-	3,861,704	919,619	43,549	4,867,309
Total Income	(1,827,033)	2,388,740	3,861,704	919,619	46,917	5,389,947
Segment direct expenses	(36,779)	(14,327)	(7,921)	(5,483)	(117,151)	(181,661)
Segment indirect expenses	(73,551)	(16,345)	(12,259)	(8,172)	(224,739)	(335,066)
Total expenses	(110,330)	(30,672)	(20,180)	(13,655)	(341,890)	(516,727)
Provisions	(26,839)	(865)	-	-	(32)	(27,736)
Profit before tax	(1,964,202)	2,357,203	3,841,524	905,964	(295,005)	4,845,484

As at December 31, 2023 (Audited)					
Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total

(Rupees in '000)

Consolidated Statement of financial position

Cash & bank balances	-	748,331	-	-	28,557	776,888
Investments	3,507,781	976,804,116	60,881,893	3,615,293	1,000,000	1,045,809,083
Lendings to financial institutions	-	-	-	-	-	-
Advances - performing	53,618,093	-	-	-	213,367	53,831,460
Advances - non-performing	13,812	-	-	-	-	13,812
Others	906,766	23,045,886	-	-	15,066,090	39,018,742
Total assets	58,046,452	1,000,598,333	60,881,893	3,615,293	16,308,014	1,139,449,985
Borrowings	55,207,678	971,322,538	-	-	-	1,026,530,216
Deposits & other accounts	-	19,270,777	-	-	-	19,270,777
Deferred tax liability	(619,349)	(1,079,253)	14,350,246	(186,186)	70,217	12,535,675
Others	1,280,980	536,945	-	1,498	1,817,030	3,636,453
Total liabilities	55,869,309	990,051,007	14,350,246	(184,688)	1,887,247	1,061,973,121
Equity	1,107,085	6,679,085	2,015	942,535	68,746,143	77,476,864
Total equity & liabilities	56,976,394	996,730,092	14,352,261	757,847	70,633,390	1,139,449,985
Contingencies & commitments	18,236,826	-	-	-	-	18,236,826

33.2 Segment details with respect to geographical locations

All the Holding Company's business segments operate in Pakistan only.

34 RELATED PARTY TRANSACTIONS

The Group has related party relationship with its subsidiary, associates, associated undertaking, employee benefit plans, key management personnel and its directors.

The Group enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

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

	March 31, 2024 (Un-audited)				December 31, 2023 (Audited)			
	Directors	Key management personnel	Associates	Other related parties	Directors	Key management personnel	Associates	Other related parties
(Rupees in '000)								
Balances with other banks								
In saving accounts			310,781				7,623	
Investments								
Opening balance	-	-	60,881,093	500	-	-	38,580,355	500
Investment made during the year	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the year	-	-	-	-	-	-	-	-
Equity method accounting adjustments	-	-	2,912,620	-	-	-	22,300,738	-
Closing balance	-	-	63,793,713	500	-	-	60,881,093	500
Advances								
Opening balance	-	129,957	-	18,653	-	174,572	-	23,511
Addition during the year	-	3,559	-	-	-	12,746	-	-
Repaid during the year	-	(15,665)	-	(1,398)	-	(57,361)	-	(4,858)
Closing balance	-	117,851	-	17,255	-	129,957	-	18,653
Other Assets								
Interest / mark-up accrued	-	-	1,541	-	-	-	2,046	-
Credit loss allowance against other assets	-	-	(208)	-	-	-	(276)	-
	-	-	1,333	-	-	-	1,770	-
Borrowings								
Opening balance	-	-	30,996,916	-	-	-	30,657,267	12,648,747
Borrowings during the year	-	-	-	-	-	-	11,855,548	-
Settled during the year	-	-	-	-	-	-	(25,323,882)	(12,648,747)
Transfer in / (out) - net	-	-	1,673,208	-	-	-	13,807,983	-
Closing balance	-	-	34,343,332	-	-	-	30,996,916	-
Deposits and other accounts								
Opening balance	-	-	-	679,469	-	-	-	886,721
Received during the year	-	-	-	1,060,966	-	-	-	3,798,797
Withdrawn during the year	-	-	-	(919,469)	-	-	-	(4,006,049)
Closing balance	-	-	-	820,966	-	-	-	679,469
Other Liabilities								
Interest / mark-up payable	-	-	-	29,172	-	-	-	32,628
Payable to staff gratuity fund	-	-	-	170,093	-	-	-	153,191
Payable to National Clearing Company of Pakistan Limited	-	-	52	-	-	-	108	-
Payable to FTC Management Company (Private) Limited	-	-	-	1,500	-	-	-	1,206
Payable to TCC Management Company	-	-	-	320	-	-	-	-
Payable to Planet - N (Private) Limited	-	-	16,941	-	-	-	11,828	-
	-	-	16,993	201,085	-	-	11,936	187,025
(Rupees in '000)								
	March 31, 2024 (Un-audited)				March 31, 2023 (Un-audited)			
	Directors	Key management personnel	Associates	Other related parties	Directors	Key management personnel	Associates	Other related parties
Income								
Mark-up / return / interest earned	-	1,167	2,910	657	-	1,718	1,461	-
Dividend income	-	-	4,440,975	-	-	-	1,686,138	-
Share in results of associates net of dividend income	-	-	3,331,278	-	-	-	3,012,061	-
Other income								
- Nominee director fee	-	-	4,850	65	-	-	5,050	125
- Gain on Disposal of an Associate	-	-	-	-	-	-	-	-
Expense								
Mark-up / return / interest paid / accrued	-	-	1,673,208	42,843	-	-	1,123,347	488,847
Operating expenses								
- Directors fee	6,175	-	-	-	1,150	-	-	-
- Remuneration to key management personnel (including retirement benefits)	-	367,163	-	-	-	441,951	-	-
- Nominee director fee payment	-	-	-	950	-	-	-	1,200
- NCCPL charges	-	-	609	-	-	-	461	-
- FMCL office maintenance charges	-	-	-	13,176	-	-	-	8,913
- Contribution made to staff provident fund	-	-	-	13,638	-	-	-	10,290
- Contribution made to staff gratuity fund	-	-	-	16,902	-	-	-	12,381

	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	----- (Rupees in '000) -----	
Minimum capital requirement (MCR):		
Paid-up capital	16,000,000	16,000,000
Capital adequacy ratio (CAR): **		
Eligible common equity tier 1 (CET 1) capital	-	14,496,225
Eligible Additional Tier 1 (ADT 1) Capital	-	1,348
Total Eligible Tier 1 Capital	-	14,497,573
Eligible tier 2 capital	-	5,317,621
Total eligible capital (tier 1 + tier 2)	-	19,815,194
Risk weighted assets (RWAs):		
Credit risk	-	68,933,727
Market risk	-	7,866,710
Operational risk	-	38,795,180
Total	-	115,595,617
Common equity tier 1 capital adequacy ratio	-	12.54%
Tier 1 capital adequacy ratio	-	12.54%
Total capital adequacy ratio	-	17.14%
Leverage ratio (LR): **		
Eligible tier-1 capital	-	14,497,573
Total exposures	-	1,064,441,355
Leverage ratio	-	1.36%
Liquidity coverage ratio (LCR):		
Total high quality liquid assets	24,056,829	22,486,560
Total net cash outflow	27,147,104	25,688,304
Liquidity coverage ratio	89%	88%
Net stable funding ratio (NSFR):		
Total available stable funding	135,926,359	136,366,155
Total required stable funding	131,416,980	129,193,619
Net stable funding ratio	103%	106%

* The SBP has given relaxation to the company to maintain leverage ratio of 1% till March 31,2024 against the requirement of 3%.

** The company has applied for extension in timelines to SBP for submission of Group level Capital Adequacy Ratio and Leverage ratio for the quarter ended March,31,20:

36 **ISLAMIC FINANCE DIVISION**

The Holding Company operates an Islamic Finance Division as at March 31, 2024. Summerrized financial statements of Holding Company's Islamic Finance Division is presented below,

STATEMENT OF FINANCIAL POSITION		March 31, 2024 (Un-audited) Rupees in '000
	Notes	
ASSETS		
Cash and balances with treasury banks		165,000
Balances with other MFBs / Banks / NBFIs		93,794
Due from financial institutions		-
Investments	36.1	4,694,209
Islamic financing and related assets - net	36.2	11,809,263
Property and equipment		16,659
Right-of-use assets		-
Intangible assets		-
Due from head office		76,792
Other assets		367,227
Total assets		17,222,944
LIABILITIES		
Bills payable		-
Due to financial institutions		14,836,000
Deposits and other accounts		-
Due to head office		-
Lease liabilities		-
Subordinated debt		-
Other liabilities		141,692
		<u>14,977,692</u>
NET ASSETS		<u>2,245,252</u>
REPRESENTED BY		
Islamic banking fund		2,232,089
Reserves		-
Surplus on revaluation of assets		27,775
Unappropriated / Unremitted Loss	36.3	<u>(14,612)</u>
		<u><u>2,245,252</u></u>
CONTINGENCIES AND COMMITMENTS		
	36.4	

PROFIT & LOSS STATEMENT		March 31, 2024 (Un-audited) Rupees in '000
Profit / Return earned	36.5	159,096
Profit / Return expensed	36.6	164,760
Net Loss		<u>(5,664)</u>
Other income / loss		
Fee and commission income		-
Dividend income		-
Foreign exchange income		-
Loss on securities		(1,300)
Other income		-
Total other loss		<u>(1,300)</u>
Total loss		<u>(6,964)</u>
Other expenses		
Operating expenses		5,302
Workers welfare fund		-
Other charges		-
Total other expenses		<u>5,302</u>
Loss before credit loss allowance		<u>(12,266)</u>
Credit loss allowance and write offs - net		2,346
Loss before taxation		<u>(14,612)</u>
Taxation		-
Loss after taxation		<u>(14,612)</u>

36.1 Investments by segments:

March 31, 2024 (Un-audited)			
Cost / Amortised cost	Credit loss allowance for diminution	Surplus / (Deficit)	Carrying Value
Rupees in '000			
Classified / Measured at FVOCI			
Federal Government securities			
-Ijarah Sukuks	-	145	2,415,120
Non Government debt securities	(255)	27,826	1,819,089
	(255)	27,971	4,234,209
Classified / Measured at FVPL			
Non Government debt securities			
460,000	-	-	460,000
460,000	-	-	460,000
Total investments			
4,666,493	(255)	27,971	4,694,209

36.1.1 Particlurs of credit loss allowance

March 31, 2024 (Un-audited)			
Stage 1	Stage 2	Stage 3	Total
Rupees in '000			
Non Government debt securities			
255	-	-	255

36.2 Islamic financing and related assets

March 31, 2024 (Un-audited)	
Rupees in '000	
Musharaka	1,116,667
Diminishing Musharaka	8,885,493
Istisna	361,507
Tijarah	262,797
Advances for Diminishing Musharaka	953,835
Advances for Tijarah	50,087
Inventories against Tijarah	180,912
Gross Islamic financing and related assets	11,811,298
Less: Credit loss allowance against Islamic financings	
Stage 1	(2,035)
Stage 2	-
Stage 3	-
	(2,035)
Islamic financing and related assets - net of credit loss allowance	11,809,263

36.3 Islamic finance division unappropriated profit

Opening balance	-
Add: Islamic banking profit for the period	(14,612)
Less: Taxation	-
Less: Reserves	-
Less: Transferred / Remitted to head office	-
Closing balance	(14,612)

36.4 Contingencies and commitments

-Guarantees	750,000
-Commitments	8,335,113
	9,085,113

36.5 Profit/Return earned of financing, investments and placement

Profit earned on:	
Financing	106,344
Investments	52,752
	159,096

36.6 Profit on deposits and other dues expensed

Due to financial institutions	164,760
	164,760

36.7 Pool management

The Pools, their key features & risk and rewards characteristics:

Currently holding Company's Islamic Finance Division (IFD) operates the following two pools:

36.7.1 Equity Pool:

Equity pool is being managed for those assets which are currently not generating income and are in either at advance or inventory stages. Once the nature of advance changes to financing stage, those assets would be transferred to another income generating pool for the benefit of depositor / FI.

The risk of generating income at later stage due to nature of Islamic Financing assets and risk of staff related financing are borne by equity holders.

36.7.2 Musharaka Pool:

Musharaka pool is being managed through the principles of Sharika (Musharaka). In Musharaka, two or more partners contribute their capital (mainly in cash) into the pool where different income generating assets are tagged. Income generated through those assets are distributed between the partners as per agreed upon Profit-sharing ratio.

Risk of loss is shared between partners as per the ratio of investment.

The assets, liabilities, equities, income and expenses are segregated for each pool.

36.7.3 Avenues / Sectors where Mudaraba / Musharaka based FI Funds / deposits have been deployed:

	March 31, 2024 (Un-audited) Rupees in '000
Construction	953,835
Fertilizers	1,312,500
Food	425,000
Pharmaceuticals	1,167,603
Power (Electricity)	2,591,002
Sugar	789,019
Telecommunication	1,339,082
Textile	493,796
Transport	2,125,000
Others	614,461
Total Gross Islamic Financing and Related Assets	11,811,298
Total Gross Investments (at cost)	4,666,493
Total Invested Funds	16,477,791

36.7.4 Parameters used for allocation of profit, charging expenses and credit loss allowance etc. along with a brief description of their major allowance:

Holding Company's IFD is currently accepting funds through Financial Institutions under Musharaka arrangements, wherein PKIC-IFD and other Financial Institutions are considered as partners. Funds received from FI is transferred in the pool where PKIC-IFD also contributes its capital. Before accepting funds, PKIC-IFD and FI set profit sharing ratio in line with the expected profit to be earned against FI funds.

The funds so generated are invested by PKIC-IFD in Shariah compliant modes of financing and investments such as Murabaha, Istisna, Diminishing Musharakah, Tijarah, Running Musharakah, and Sukuks etc.

PKIC-IFD calculates the profit of the pool at the end of every month. Profit is distributed at the net income level. Net income is calculated after deducting direct costs (if any).

The net income / (loss) is being allocated between the PKIC-IFD's fund and FI's fund in proportion to their profit-sharing ratio.

The PKIC-IFD's profit sharing ratio during the period was 5% of net income and the FI's profit sharing ratio was 95% of net income.

After the allocation of income between the equity holder and FI, the profit is distributed among the different FIs on the basis of pre-determined

ECL provisioning shall not be considered in the income calculation of pool. However, write-offs of financings and loss on sale of investments shall be charged to the pool along with other direct expenses.

36.7.5 Mudarib/ Musharik Share (in amount and percentage of distributable income)

Currently, PKIC-IFD does not have Mudarabah based pool. Therefore, Mudarib share is not applicable.

However, Musharaka share of PKIC-IFD is Rupees 7.86 million having percentage of 4.99%.

36.7.6 Amount and percentage of Mudarib / Musharik share transferred to the depositors through Hiba

PKIC-IFD has given general Hiba of Rupees 18,484 (0.01%) to FI.

36.7.7 Profit rate earned Vs. Profit rate distributed to the depositors during the period

Profit Rate Earned	22.95%
Profit Rate Distributed	20.80%

37 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue in the Board of Directors' meeting held on April 25, 2024.

38 GENERAL

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

39 CORRESPONDING FIGURES

The corresponding figures have been restated / reclassified / rearranged wherever necessary.



Chief Executive



Chief Financial Officer



Director



Director



Director