

Condensed Interim  
Financial Statements  
(Un-audited)  
For the six months period  
ended 31 December 2023



Pak-Gulf Leasing  
Company Limited

#### Board of Directors

Mr. Sohail Inam Ellahi	Chairman
Mr. Pervez Inam	Director
Mr. Fawad Salim Malik	Director
Brig. Naveed Nasar Khan (Retd)	Director
Mr. Ismail H. Ahmed	Director
Mr. Jan Ali Khan Junejo	Director
Mr. Naeem Ali Muhammad Munshi	Director
Ms. Naureen Ahmed	Director
Brig. Haris Nawaz (Retd)	Director
Mr. Mahfuz-ur-Rahman Pasha	Chief Executive Officer

#### Company Secretary

Ms. Mehreen Usama

#### Audit Committee

Mr. Ismail H. Ahmed	Chairman
Mr. Pervez Inam	Member
Brig. Naveed Nasar Khan (Retd)	Member
Mr. Naeem Ali Muhammad Munshi	Member
Ms. Naureen Ahmed	Member
Ms. Farah Farooq	Secretary

#### Human Resource and Remuneration Committee

Mr. Jan Ali Khan Junejo	Chairman
Mr. Sohail Inam Ellahi	Member
Mr. Pervez Inam	Member
Mr. Ismail H. Ahmed	Member
Ms. Naureen Ahmed	Member
Mr. Mahfuz-ur-Rahman Pasha	Member
Ms. Mehreen Usama	Secretary

#### Risk Management Committee

Mr. Jan Ali Khan Junejo	Chairman
Mr. Sohail Inam Ellahi	Member
Mr. Fawad Salim Malik	Member
Mr. Ismail H. Ahmed	Member
Mr. Naeem Ali Muhammad Munshi	Member
Ms. Naureen Ahmed	Member

#### Senior Management

Mr. Mahfuz-ur-Rahman Pasha	Chief Executive Officer
Lt. Col. Saleem Ahmed Zafar (Retd)	Chief Operating Officer
Ms. Mehreen Usama	Chief Financial Officer
Lt. Col. Farhat Parvez Kayani (Retd)	General Manager Punjab
Ms. Farah Farooq	Head of Audit

#### Credit Rating Agency

VIS Credit Rating Co. Ltd.

#### Entity Rating:

- A- (Single A Minus) for Medium to Long term
- A-2 (A -Two) for Short term
- Outlook - Stable

## Company Information

#### Auditors

M/s. BDO Ebrahim & Co.  
Chartered Accountants  
2nd Floor, Block C Lakson Square Building No. 1  
Sarwar Shaheed Road  
Karachi-74200.

#### Legal Advisor

M/s. Mohsin Tayebaly & Company  
2nd Floor, Dime Centre  
BC-4, Block # 9, Kehkashan, Clifton  
Karachi-75600  
Tel # : (92-21) 111-682-529

#### Shariah Advisor

M/S Alhamd Shariah Advisory Services (Pvt) Ltd.

#### Bankers

##### Islamic banks

Albaraka Bank (Pakistan) Limited  
MCB Islamic Bank

##### Conventional banks

Allied Bank Limited  
Askari Commercial Bank Limited  
Bank Al-Falah Limited  
Bank Al Habib Limited  
Bank of Punjab  
Habib Bank Limited  
JS Bank Limited  
MCB Bank Limited  
National Bank of Pakistan  
Silkbank Limited  
Soneri Bank Limited

#### Registered Office

UNIBRO House  
Ground and Mezzanine Floor,  
Plot No. 114, 9th East Street, Phase I DHA  
Karachi-75500. P.O. Box # 12215  
Tel # : (92-21) 35820301, 35820966  
35824401, 35375986-7  
Fax # : (92-21) 35820302, 35375985  
E-mail : [pgl@pakgulfleasing.com](mailto:pgl@pakgulfleasing.com)  
Website : [www.pakgulfleasing.com](http://www.pakgulfleasing.com)

#### Branch Office

202, 2nd Floor, Divine Mega II,  
Opp. Honda Point, New Airport Road, Lahore  
Tel # : (92-42) 35700010  
Fax # : (92-42) 35700011

#### Registrar/Share Transfer Office

THK Associate (Pvt.) Limited  
Plot No. C-32, Jami Commercial Street2  
DHA Phase VII, Karachi  
Tel # : 92 (21) 111-000-322  
Fax # : 92 (21) 34168271

## **DIRECTORS' REPORT**

Dear Shareholders

The Directors of your Company are pleased to present before you the unaudited condensed interim financial Statements of your Company for the six months period ended on December 31, 2023 of the current financial year (FY 2023-24).

### **Financial Highlights and Business Review**

Your Company earned a Total Revenue of Rs. 148.78 million, for the half year of the FY 2023-24 which ended on December 31, 2023 as compared to the Total Revenue of Rs. 125 million posted, in the six months period ended December 31, 2022. Administrative expenses for the six months period ended December 31, 2023 increased by Rs. 1.67 million when compared to the same for the six months period ended December 31, 2022, while due to increase in KIBOR finance cost for this comparative period showed an increase of Rs. 3.63 million. During the six months ended December 31, 2023 the Company made additional provision of Rs. 4.66 million for potential lease and loan losses based on IFRS 9 while net reversal of Rs. 0.73 million was recorded, due to recovery against lease receivables held under litigation during the period held under provision.

The Company's Profit before Taxation for the six months period ended December 31, 2023 increased to Rs. 71 million which stood at Rs. 49.58 million in the corresponding period of the last Financial Year FY 2022-23. Net Profit after Tax for the six months period ended December 31, 2023 has increased to Rs. 58.82 million as compared to Rs. 13.71 million for the corresponding period of the last Financial Year 2022-23.

The Shareholders Equity of your Company has risen from Rs. 737.475 million, as at June 30, 2023, to Rs. 795.929 million, as at December 31, 2023 while Earning per Share (EPS) has also increased to Rs. 1.19 as compared with the EPS (re-stated) of Rs. 0.28 for the corresponding period in FY-2022-23.

In September 2023, VIS Credit Rating Company Limited had re-affirmed the Medium to Long-term Entity Rating for your Company at A- (Single A Minus), and the Short-term Rating at A-2. The Outlook for your Company was graded as "Stable".

Your Directors, in their capacity as your representatives for overseeing the performance of your Company, would like to place on record their appreciation for the services rendered and the dedicated efforts made by the Management Team and all the staff members of your Company, towards obtaining the positive results placed before you, notwithstanding the trying and testing market conditions. We expect the management and staff of PGL, not only to maintain, but to further enhance their professional and marketing skills in the face of challenging business environment and make all-out effort towards improving upon the quality of their services to your Company's clients so as to project a positive image of your Company in the leasing sector of Pakistan.

The Directors also take the opportunity to acknowledge, with thanks, the co-operation and guidance extended to your Company by the Securities and Exchange Commission of Pakistan (SECP), State Bank of Pakistan (SBP), NBFIs and Modaraba Association of Pakistan and other regulatory authorities, for the resolution of their genuine issues. Their role is critical in developing the leasing sector and it is hoped that these agencies would continue to strengthen the leasing sector, by taking appropriate measures for its betterment.

In the end, we would like to thank you, our valued Shareholders, as well as the Company's customers, investors and bankers, for the valuable support given by them to the Company. We look forward to reinforcing and building further a mutually beneficial and cordial relationship between the Company and all its stakeholders.

**Chairman**

**Chief Executive Officer**

Karachi  
February 22, 2024

محترم شیئر ہولڈرز (حصص یافتگان)

آپ کے ڈائریکٹرز انتہائی مسرت کے ساتھ آپ کے سامنے موجودہ مالی سال (2023-24) کی 31 دسمبر 2023 کو ختم ہونے والی ششماہی کے لیے آپ کی کمپنی کے مالیاتی گوشوارے پیش کر رہے ہیں۔

مالی سال 2023-24 کی پہلی ششماہی میں آپ کی کمپنی کی کل آمدنی 148.78 ملین روپے رہی جو کہ مالی سال 2022-23 کی ششماہی میں 125 ملین روپے تھی۔ 31 دسمبر 2023 کو ختم ہونے والی ششماہی کے انتظامی اخراجات میں گزشتہ سال 31 دسمبر 2022 کو ختم ہونے والی ششماہی کے مقابلے میں 1.67 ملین روپے کا اضافہ ہوا۔ جبکہ تقابلی مدت کے لیے KIBOR کی وجہ سے مالیاتی لاگت میں موجودہ مالی سال کی ششماہی میں 3.63 ملین روپے کا اضافہ دیکھا گیا۔ 31 دسمبر 2023 کے کو ختم ہونے والی ششماہی کے دوران کمپنی نے IFRS-9 کے تحت مکمل لیز اور قرض کے نقصانات کیلئے 4.66 ملین روپے کا ایک عارضی پروویژن مختص کیا جبکہ اس دوران یہ میں قانونی چارہ جوئی کے تحت لیز کی وصولی کیلئے رکھے گئے کھاتے کی مد میں وصول ہو جانے کی وجہ سے 0.73 ملین روپے کی واپسی ریکارڈ کی گئی۔

ششماہی 31 دسمبر 2023 میں کمپنی کا منافع قبل از ٹیکس 71 ملین روپے رہا جو کہ گزشتہ سال ششماہی 31 دسمبر 2022 میں 49.58 ملین روپے تھا۔ ششماہی 31 دسمبر 2023 کو کمپنی کا منافع بعد از ٹیکس 58.82 ملین روپے رہا جو کہ پچھلے سال کی ششماہی میں 13.71 ملین روپے تھا۔

آپ کی کمپنی کے شیئر ہولڈرز کی ایکویٹی جو کہ 30 جون 2023 کو 737.475 ملین روپے تھی 31 دسمبر 2023 کو بڑھ کر 795.929 ملین ہو گئی ہے۔ جبکہ 31 دسمبر 2023 کو ختم ہونے والے ششماہی کے لئے فی شیئر آمدنی 1.19 روپے فی حصص ہے جو کہ پچھلے سال 2022-23 میں 0.28 روپے (دو بارہ بیان کردہ) فی حصص تھی۔

ستمبر 2023 میں VIS کریڈٹ ریٹنگ ایجنسی نے کمپنی کی تشخیصی ریٹنگ کا اعادہ کرتے ہوئے درمیانی سے طویل المیعاد کے مدت لئے A- ریٹنگ، اور مختصر مدت کیلئے A-2 ریٹنگ مقرر کی اور کمپنی کے آئندہ امکانات کو مستحکم قرار دیا گیا۔

آپ کے ڈائریکٹرز، مارکیٹ کے آزمائشی اور مشکل حالات کے باوجود آپ کی کمپنی کی کارکردگی کی نگرانی کرنے کے لیے آپ کے نمائندے کی حیثیت سے اپنی خدمات ریکارڈ پر لانا چاہیں گے اور انتظامی ٹیم اور آپ کی کمپنی کے تمام عملے کے اراکین کی طرف سے کی جانے والی مخلصانہ کوششوں کو خراج تحسین پیش کرتے ہیں۔ ہم PGL کی انتظامیہ اور عملہ سے توقع کرتے ہیں کہ وہ اپنی کاروباری مہارتوں کو نہ صرف برقرار رکھیں گے بلکہ مزید نکھاریں گے اور آپ کی کمپنی کے کلائنٹس کے لیے اپنی خدمات کے معیار کو بہتر سے بہتر بنانے کی ہر ممکن کوشش کریں گے تاکہ پاکستان کے لیزنگ سیکٹر میں آپ کی کمپنی کا مثبت امیج ابھارا جاسکے۔

ڈائریکٹرز اس موقع سے فائدہ اٹھاتے ہوئے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECPC)، بینک دولت پاکستان (SBP)، اینڈ اینڈ مضرابہ ایسوسی ایشن اور دیگر ریگولیٹری اتھارٹیز کی جانب سے آپ کی کمپنی کو فراہم کیے گئے تعاون اور رہنمائی کا شکریہ کے ساتھ اعتراف کرتے ہیں۔ لیزنگ سیکٹر کی ترقی میں ان اداروں کا کردار اہم ہے اور امید کی جاتی ہے کہ یہ ایجنسیاں لیزنگ سیکٹر کی بہتری کے لیے مناسب اقدامات سے اسے مزید مضبوط بنانے کا سلسلہ جاری رکھیں گی۔

آخر میں، ہم PGL کو ان کی طرف سے فراہم کی گئی قابل قدر معاونت کے لیے ہمارے قابل قدر شیئر ہولڈرز کے ساتھ ساتھ PGL کے صارفین اور بینکرز سے اظہار تشکر کرتے ہیں۔ ہم PGL اور اس کے تمام اسٹیک ہولڈرز کے درمیان باہم فائدہ مند اور خوشگوار تعلقات کو تقویت دینے اور مزید استوار کرنے کے خواہش مند ہیں۔

چیف ایگزیکٹو آفیسر

چیرمین

22 فروری 2024

کراچی



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Pakistan

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PAK-GULF LEASING COMPANY LIMITED

### Report on review of condensed interim financial statements

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Pak-Gulf Leasing Company Limited ("the Company") as at December 31, 2023 and the related condensed interim statement of profit or loss, the condensed interim statement of comprehensive income, the condensed interim statement of cash flows, the condensed interim statement of changes in equity and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for condensed interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

#### Scope of review

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

#### Conclusion

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

#### Other matter

The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarters ended December 31, 2023 and December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2023.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 22 FEB 2024

UDIN:RR202310166FqmI61xEK

BDO Ebrahim & Co. Chartered Accountants

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BDO EBRAHIM & CO.  
CHARTERED ACCOUNTANTS

**PAK-GULF LEASING COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

		(Un-Audited) December 31 2023 Rupees	(Audited) June 30 2023 Rupees
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and bank balances	5	133,447,631	205,090,460
Short term investments	6	39,059,550	55,575,097
Other receivables - net	7	53,772,400	59,503,860
Advance to employees		32,122	96,929
Prepayments		1,459,517	485,670
Current portion of net investment in finance lease	8	765,900,895	769,028,755
Current portion of long-term loans	9	70,976,622	83,085,527
		1,064,648,737	1,172,866,298
<b>NON-CURRENT ASSETS</b>			
Net investment in finance lease	8	902,508,173	1,140,097,764
Long-term loans	9	29,307,714	48,244,628
Long term deposits		118,500	118,500
Investment property	10	164,736,000	164,736,000
Property and equipment	11	3,930,697	2,637,826
Right of use of assets		17,907,844	147,563
Intangible asset		361,375	-
		1,118,870,303	1,355,982,281
<b>TOTAL ASSETS</b>		<b>2,183,519,040</b>	<b>2,528,848,579</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	63,989,774	81,418,746
Taxation - net		29,646,814	33,603,085
Unclaimed dividend		3,507,719	3,507,719
Accrued mark-up	13	36,556,517	21,191,306
Current portion of certificates of investment	14	1,531,556	833,121
Short term borrowings	15	-	186,974,518
Current portion of long-term loan	16	49,999,996	66,666,672
Current portion lease liabilities	17	2,000,847	636,978
Current portion of long-term deposits	18	315,467,200	287,844,766
		502,700,423	682,676,911
<b>NON-CURRENT LIABILITIES</b>			
Long-term deposits	18	445,941,056	520,381,058
Long-term loan	16	12,499,994	37,499,989
Certificates of investment	14	225,475,007	340,590,008
Lease liabilities	17	15,012,420	-
Deferred taxation - net	19	92,167,194	118,166,931
		791,095,671	1,016,637,986
<b>TOTAL LIABILITIES</b>		<b>1,293,796,094</b>	<b>1,699,314,897</b>
<b>NET ASSETS</b>		<b>889,722,946</b>	<b>829,533,682</b>
<b>FINANCED BY:</b>			
Share capital		494,711,100	494,711,100
<b>Capital reserves</b>			
Statutory reserve		165,488,674	153,725,579
Surplus on revaluation of property and equipment - net		90,504,204	90,504,204
Surplus on revaluation of investments classified as fair value through other comprehensive income		2,928,399	1,554,609
		258,921,277	245,784,392
<b>Revenue reserve</b>		136,090,569	89,038,190
Unappropriated profit		889,722,946	829,533,682
<b>CONTINGENCIES AND COMMITMENTS</b>	20		

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**

**CHIEF FINANCIAL OFFICER**

**PAK-GULF LEASING COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2023**

	Note	Six months ended December 31		Three months ended December 31	
		2023	2022	2023	2022
<b>INCOME</b>					
Income from financing operations	21	126,644,725	113,324,472	68,768,587	52,527,550
Other operating income					
Return on investments		15,336,779	5,597,069	8,886,787	3,372,816
Other income		6,797,172	6,082,695	3,504,792	3,186,174
		22,133,951	11,679,764	12,391,579	6,558,990
		148,778,676	125,004,236	81,160,166	59,086,540
<b>OPERATING EXPENSES</b>					
Administrative and operating expenses	22	28,654,337	26,983,260	14,607,941	12,029,999
Finance cost	23	45,191,041	41,559,720	19,076,381	18,446,659
		73,845,378	68,542,980	33,684,322	30,476,658
Operating profit before provisions		74,933,298	56,461,256	47,475,844	28,609,882
Provision for potential lease losses - net	8.2 & 9.1	(4,663,149)	(10,582,630)	(1,024,796)	(6,980,397)
Write back of provision against litigation receivable - net	7	731,706	3,700,000	(573,250)	3,700,000
Profit before taxation		71,001,855	49,578,626	45,877,798	25,329,485
Taxation-current		(38,186,117)	(58,304,358)	(21,552,514)	(35,289,945)
-deferred		25,999,736	22,435,599	14,280,035	7,554,265
Profit/(loss) for the period		58,815,474	13,709,867	38,605,319	(2,406,195)
			(Re-stated)		(Re-stated)
Earnings/(loss) per share - basic and diluted		1.19	0.28	0.78	(0.05)

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**

**CHIEF FINANCIAL OFFICER**

**PAK-GULF LEASING COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2023**

	<b>Six month ended</b>		<b>Three months ended</b>	
	<b>December 31</b>		<b>December 31</b>	
<b>Note</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Profit / (loss) for the period	58,815,474	13,709,867	38,605,319	(2,406,195)
Other comprehensive income / (loss) for the period				
Items that will not be reclassified to statement of profit or loss in subsequent periods:				
Gain / (loss) on revaluation of investments classified as fair value through other comprehensive income	6	1,373,790	(389,474)	900,837
other comprehensive income		(862,427)		(862,427)
Total comprehensive income / (loss) for the period	<u>60,189,264</u>	<u>13,320,393</u>	<u>39,506,156</u>	<u>(3,268,622)</u>

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**

**CHIEF FINANCIAL OFFICER**

**PAK-GULF LEASING COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023**

	<b>December 31 2023</b>	<b>December 31 2022</b>
<b>Note</b>	<b>(Rupees)</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	71,001,855	49,578,626
Adjustment for:		
Depreciation	22 2,575,535	2,640,767
Amortisation	22 6,125	-
Finance cost	23 45,191,041	41,559,720
Provision for potential lease losses - net	4,663,149	10,582,630
(Write back) / provision against litigation receivable - net	(731,706)	(3,700,000)
	<u>51,704,144</u>	<u>51,083,117</u>
Operating profit before working capital changes	122,705,999	100,661,743
Movement in working capital		
Decrease / (increase) in current assets		
Advance to employees	64,807	-
Other receivables - net	6,463,166	3,174,175
Prepayments	(973,847)	(309,342)
	<u>5,554,126</u>	<u>2,864,833</u>
(Decrease) / increase in current liabilities		
Trade and other payables	(17,428,972)	(31,304,202)
Unclaimed dividend	-	496,469
	<u>(17,428,972)</u>	<u>(30,807,733)</u>
Cash generated from operations	110,831,153	72,718,843
Finance cost paid	(29,825,830)	(57,512,000)
Tax paid - net	(42,142,435)	(58,277,744)
Long-term loans	30,674,264	35,992,151
Long-term deposits	(46,817,568)	(156,360,768)
Increase in net investment in finance lease - net	236,425,857	384,677,507
	<u>148,314,288</u>	<u>148,519,146</u>
Net cash generated from operating activities	259,145,441	221,237,989
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions in property and equipment	11.1 (1,528,000)	(44,000)
Addition in intangible asset	(367,500)	-
Short-term investment in Market Treasury Bills - net	17,889,337	(51,032,800)
Net cash generated from / (used in) investing activities	15,993,837	(51,076,800)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from certificates of investment - net	(114,416,566)	21,559,826
Dividend paid	-	(25,369,800)
Lease payments	(3,724,352)	(4,893,504)
Long-term loan - net	(41,666,671)	12,500,000
Net cash (used in) / generated from financing activities	<u>(159,807,589)</u>	<u>3,796,522</u>
Net increase in cash and cash equivalents	115,331,689	173,957,711
Cash and cash equivalents at the beginning of the period	18,115,942	(225,585,387)
Cash and cash equivalents at the end of the period	24 <u>133,447,631</u>	<u>(51,627,676)</u>

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**

**CHIEF FINANCIAL OFFICER**

**PAK-GULF LEASING COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023**

	Reserves							Total equity
	Capital				Revenue			
	Share capital	Statutory reserve	Reserve for issue of bonus shares	Surplus on revaluation of property and equipment - net of tax	Surplus on revaluation of investments classified as fair value through other comprehensive income	Unappropriated profit	Total reserves	
<b>Balance as at July 1, 2022</b>	253,698,000	142,398,443	4,402,000	90,504,204	2,334,900	394,504,840	634,144,387	887,842,387
Transaction with owners								
Final dividend for the year ended June 30, 2022 at Rs.1 per share	-	-	-	-	-	(25,369,800)	(25,369,800)	(25,369,800)
Total comprehensive income								
Profit for the period	-	-	-	-	-	13,709,867	13,709,867	13,709,867
Other comprehensive income	-	-	-	-	(389,474)	-	(389,474)	(389,474)
Loss on revaluation of investments classified as fair value through other comprehensive income	-	-	-	-	(389,474)	-	(389,474)	(389,474)
Transfer to statutory reserve	-	2,741,973	-	-	-	(2,741,973)	-	-
<b>Balance as at December 31, 2022</b>	<u>253,698,000</u>	<u>145,140,417</u>	<u>4,402,000</u>	<u>90,504,204</u>	<u>1,945,426</u>	<u>380,102,933</u>	<u>622,094,980</u>	<u>875,792,980</u>
<b>Balance as at July 1, 2023</b>	494,711,100	153,725,579	-	90,504,204	1,554,609	89,038,190	334,822,582	829,533,682
Transaction with owners								
Total comprehensive income								
Profit for the period	-	-	-	-	-	58,815,474	58,815,474	58,815,474
Other comprehensive income	-	-	-	-	1,373,790	-	1,373,790	1,373,790
Gain on revaluation of investments classified as fair value through other comprehensive income	-	-	-	-	1,373,790	-	1,373,790	1,373,790
Transfer to statutory reserve	-	11,763,095	-	-	-	(11,763,095)	-	-
<b>Balance as at December 31, 2023</b>	<u>494,711,100</u>	<u>165,488,674</u>	<u>-</u>	<u>90,504,204</u>	<u>2,928,399</u>	<u>136,090,569</u>	<u>395,011,846</u>	<u>889,722,946</u>

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**PAK-GULF LEASING COMPANY LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023**

**1 STATUS AND NATURE OF BUSINESS**

1.1 Pak-Gulf Leasing Company Limited ("the Company") was incorporated in Pakistan on December 27, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and commenced its operations from September 16, 1996. The Company is principally engaged in the business of leasing and is listed on Pakistan Stock Exchange Limited.

The registered office of the company is located at UNIBRO House, Ground and Mezzanine Floor, Plot No. 114, 9th East Street, Phase 1, Defence Housing Authority, Karachi and a branch office is located at Office No. 202, 2nd Floor, Divine Mega II, Opp. Honda Point, New Airport Road, Lahore.

1.2 VIS Credit Rating Company Limited (VIS) has re-affirmed A- and A-2 ratings to the Company for medium to long term and short term, respectively on September 21, 2023.

1.3 Regulation 4 of Non-Banking Finance Companies and Notified Entities Regulations, 2008 vide SRO 1002(I)/2015 dated October 15, 2015, requires an existing deposit taking leasing company to maintain, at all times, minimum equity of Rs. 500 million by November 25, 2016. The equity of the Company as at December 31, 2023 is Rs. 795.929 million which is Rs. 295.929 million in excess of the minimum equity requirement.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

2.1.1 These condensed financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim reporting comprising of:

- International Accounting Standards (IAS) 34 "Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act,
- Islamic Financial Accounting Standard - 2 Ijarah (IFAS) issued by the Institute of Chartered Accountants of Pakistan;
- Provisions of and directives issued under the Companies Act, 2017 along with Part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards and IFAS, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules and the NBFC Regulations have been followed.

- 2.1.2 The disclosures in these condensed interim financial statements are presented in accordance with IAS 34 and do not contain all the information required for full annual financial statements. Consequently, this condensed interim financial statements should be read in conjunction with the financial statements of the Company for the year ended June 30, 2023.

The comparative statement of financial position presented in these condensed interim financial statements as at December 31, 2023 have been extracted from the annual financial statements of the Company for the year ended June 30, 2023, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been extracted from the condensed interim financial statements for the period ended December 31, 2022. Further, the figures in the condensed interim financial statements for the three months period ended December 31, 2022 and December 31, 2023 have not been reviewed by the auditors.

## **2.2 Basis of measurement**

These condensed interim financial statements have been prepared under the historical cost convention, unless otherwise stated.

## **2.3 Functional and presentation currency**

These condensed interim financial statements are presented in Pakistani ("Rs." or "Rupees") which is the functional and presentation currency of the Company. All financial information presented in Rupees has been rounded off to the nearest rupee unless otherwise stated.

## **2.4 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted for the presentation of these condensed interim financial statements are the same as those applied in the preparation of annual financial statements for the year ended June 30, 2023.

## **2.5 USE OF ACCOUNTING ESTIMATES AND JUDGEMENTS**

The significant estimates and judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual financial statements for the year ended June 30, 2023.

### 3 INITIAL APPLICATION OF STANDARDS, AMENDMENTS OR AN INTERPRETATION TO EXISTING STANDARDS

#### 3.1 Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2023, but are considered not to be relevant or expected to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

#### 3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

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

### 4 RISK MANAGEMENT POLICIES

The financial risk management objectives and policies are consistent with those disclosed in the annual audited published financial statements of the Company for the year ended June 30, 2023.

		(Un-Audited) December 31 2023	(Audited) June 30 2023
	Note	(Rupees)	
<b>5 CASH AND BANK BALANCES</b>			
Cash in hand		130,000	155,510
Balances with banks:			
- in current accounts		7,498,663	42,842,868
- in savings accounts	5.1	125,818,968	162,092,082
		<u>133,447,631</u>	<u>205,090,460</u>

#### 5.1 Return on these savings accounts at rates ranging from 20.50% to 21.00% (June 30, 2023: 20.50% to 21.00%) per annum.

		(Un-Audited) December 31 2023	(Audited) June 30 2023
	Note	(Rupees)	
<b>6</b>	<b>SHORT TERM INVESTMENTS</b>		
	At fair value through other comprehensive income (FVOCI):		
	54,300 (June 30, 2023: 54,300) units of National Investment (Unit) Trust	2,748,809	3,529,100
	Re-measurement gain / (loss)	1,373,790	(780,291)
		<u>4,122,599</u>	<u>2,748,809</u>
	At amortised cost:		
	Government Securities - Market Treasury Bills	6.1 34,936,951	52,826,288
		<u>39,059,550</u>	<u>55,575,097</u>
<b>6.1</b>	These represent market treasury bills having cost of Rs. 34.696 million (June 30, 2023: Rs. 52.385 million) and interest accrued thereon of Rs. 0.241 million (June 30, 2023: Rs. 0.441 million). These Market Treasury Bills (MTB) carries interest rate of 21.10% per annum (June 30, 2023: 21.95% per annum) and will mature latest by February 23, 2024.		
<b>7</b>	<b>OTHER RECEIVABLES - net</b>		
	<b>Considered good</b>		
	Insurance premium and other receivables	7,522,400	13,253,860
	<b>Considered doubtful</b>		
	Lease receivables held under litigation	101,686,117	102,491,073
	Insurance premium and other receivables	2,665,701	2,592,451
	Diminishing musharakah receivable	18,788,999	18,788,999
		123,140,817	123,872,523
	<b>Provision</b>		
	Provision against lease receivable held under litigation	7.1 (42,756,218)	(43,561,174)
	Provision against insurance premium and other receivables	(2,665,701)	(2,592,451)
	Mark-up held in suspense against lease receivables held under litigation	(12,679,899)	(12,679,899)
	Diminishing musharakah receivable	(18,788,999)	(18,788,999)
		<u>(76,890,817)</u>	<u>(77,622,523)</u>
		<u>53,772,400</u>	<u>59,503,860</u>

		(Un-Audited) December 31 2023	(Audited) June 30 2023
	Note	(Rupees)	
<b>7.1 Movement of provision against lease receivable held under litigation</b>			
Opening balance		43,561,174	49,895,239
Write back for the period/year - net		(804,956)	(6,334,065)
Closing balance		<u>42,756,218</u>	<u>43,561,174</u>
<b>8 NET INVESTMENT IN FINANCE LEASE (Secured)</b>			
Net investment in finance lease	8.1	1,668,409,068	1,909,126,519
Current portion shown under current assets		(765,900,895)	(769,028,755)
		<u>902,508,173</u>	<u>1,140,097,764</u>
<b>8.1 Net investment in finance lease</b>			

Note	December 31, 2023 (Un-audited)			June 30, 2023 (Audited)		
	Not later than one year	Later than one year and less than five years	Total	Not later than one year	Later than one year and less than five years	Total
	(Rupees)					
Minimum lease payments	735,324,794	559,008,023	1,294,332,817	790,956,474	769,937,994	1,560,894,468
Add: Residual value of leased assets	315,467,200	445,941,056	761,408,256	287,844,766	520,381,058	808,225,824
Gross investment in finance lease	1,050,791,994	1,004,949,079	2,055,741,073	1,078,801,240	1,290,319,052	2,369,120,292
Unearned lease income	(167,445,293)	(102,440,906)	(269,886,199)	(196,618,273)	(150,221,288)	(346,839,561)
	883,346,701	902,508,173	1,785,854,874	882,182,967	1,140,097,764	2,022,280,731
Provision for potential lease losses	(117,445,806)	-	(117,445,806)	(113,154,212)	-	(113,154,212)
Net investment in finance lease	<u>765,900,895</u>	<u>902,508,173</u>	<u>1,668,409,068</u>	<u>769,028,755</u>	<u>1,140,097,764</u>	<u>1,909,126,519</u>

		(Un-Audited) December 31 2023	(Audited) June 30 2023
		(Rupees)	
<b>8.2 Allowance for potential lease losses</b>			
Opening balance		113,154,212	64,012,402
Charge for the period/year - net		4,291,594	49,141,810
Closing balance		<u>117,445,806</u>	<u>113,154,212</u>
<b>8.3</b>	This includes accumulated suspended income as at December 31, 2023 amounting to Rs. 49.72 million (June 30, 2023: Rs. 47.44 million).		

		<b>(Un-Audited)</b> <b>December 31</b> <b>2023</b>	<b>(Audited)</b> <b>June 30</b> <b>2023</b>
	<b>Note</b>	<b>(Rupees)</b>	
<b>9 LONG TERM LOANS</b>			
<b>(Secured)</b>			
Auto-finance loan		102,808,383	133,482,647
Current portion shown under current assets		(70,976,622)	(83,085,527)
Expected credit loss allowance	9.1	<u>(2,524,047)</u>	<u>(2,152,492)</u>
		<u>29,307,714</u>	<u>48,244,628</u>
<b>9.1 Expected credit loss allowance - auto-finance loan</b>			
Opening balance		2,152,492	4,086,612
Charge / (reversal) for the period/year-net		<u>371,555</u>	<u>(1,934,120)</u>
Closing balance		<u>2,524,047</u>	<u>2,152,492</u>
<b>10 INVESTMENT PROPERTY</b>			
Office premises	10.1	<u>164,736,000</u>	<u>164,736,000</u>
10.1	An independent valuation was carried out by the management through an independent professional valuer as at June 30, 2023. As at reporting date, there is no material change in the aforementioned fair value of investment properties and accordingly no adjustment has been incorporated in these condensed interim financial statements.		
<b>11 PROPERTY AND EQUIPMENT</b>			
Fixed assets - own use	11.1	<u>3,930,697</u>	<u>2,637,826</u>
<b>11.1 Fixed Assets - Own Use</b>			
Opening net book value		2,637,826	3,505,151
Add: Additions during the period/year		1,528,000	176,120
Less: Depreciation charge for the period/year		<u>(235,129)</u>	<u>(1,043,445)</u>
Closing net book value		<u>3,930,697</u>	<u>2,637,826</u>

		<b>(Un-Audited)</b>	<b>(Audited)</b>
		<b>December 31</b>	<b>June 30</b>
		<b>2023</b>	<b>2023</b>
	<b>Note</b>	<b>(Rupees)</b>	
<b>12</b>	<b>TRADE AND OTHER PAYABLES</b>		
	Accrued liabilities for expenses	1,326,187	1,282,589
	Sundry creditors - Lease	52,732,683	52,559,181
	Security deposit	2,393,820	2,393,820
	Other liabilities	7,537,084	12,287,751
	Tax deducted on dividend	-	12,895,405
		<u>63,989,774</u>	<u>81,418,746</u>
<b>13</b>	<b>ACCRUED MARK-UP</b>		
	Accrued mark-up on:		
	Certificates of investment	35,142,289	15,312,591
	Short term borrowings	80,902	3,556,782
	Long-term loan	1,333,326	2,321,933
		<u>36,556,517</u>	<u>21,191,306</u>
<b>14</b>	<b>CERTIFICATES OF INVESTMENT</b>		
	<b>(Un-secured)</b>		
	Certificates of Investment	14.1 227,006,563	341,423,129
	Current portion shown under current liabilities	(1,531,556)	(833,121)
		<u>225,475,007</u>	<u>340,590,008</u>
14.1	These represent certificates of investment issued by the Company for periods ranging from 6 to 36 months (June 30 2023: 12 to 36 months) and carry mark-up rates ranging from 14.75% to 21.75% per annum (June 30 2023: 13.5% to 21.75% per annum).		
<b>15</b>	<b>SHORT TERM BORROWINGS</b>		
	From banking companies - <b>(Secured)</b>		
	Running finances under mark-up arrangements	15.1 <u>-</u>	<u>186,974,518</u>
15.1	The Company has arranged short-term running finance facilities from various bank amounting to Rs. 450 million (June 30, 2023: Rs. 450 million). These carry mark-up at the rate ranging from 3 months KIBOR plus 1.0% to 3 months KIBOR plus 2.5% per annum and are secured by hypothecation charge over leased assets and lease rentals receivable.		

		<b>(Un-Audited)</b> <b>December 31</b> <b>2023</b>	<b>(Audited)</b> <b>June 30</b> <b>2023</b>
	<b>Note</b>	<b>(Rupees)</b>	
<b>16 LONG-TERM LOAN</b>			
<b>(Secured)</b>			
Long-term loan	16.1	62,499,990	104,166,661
Current portion shown under current liabilities		<u>(49,999,996)</u>	<u>(66,666,672)</u>
		<u>12,499,994</u>	<u>37,499,989</u>

16.1 The Company has arranged long term finance facilities from Allied Bank Limited amounting to Rs. 350 million (June 30, 2023: Rs. 350 million) for a tenure of three years which is repayable in quarterly instalments. The final maturity date of the facilities is on November 25, 2024. The facilities carry mark-up at the rate of 3 month KIBOR plus 1% per annum and are secured by hypothecation charge over specific leased assets and lease rentals receivable.

#### **17 LEASE LIABILITIES**

Opening balance		636,978	5,819,078
Addition during the period		20,100,641	-
Finance cost incurred during the period / year		1,474,527	71,552
Lease payments during the period / year		<u>(5,198,879)</u>	<u>(5,253,652)</u>
Closing balance		17,013,267	636,978
Current portion shown under current liabilities		<u>(2,000,847)</u>	<u>(636,978)</u>
		<u>15,012,420</u>	<u>-</u>

#### **18 LONG-TERM DEPOSITS**

Long-term deposits	18.1	761,408,256	808,225,824
Current portion shown under current liabilities		<u>(315,467,200)</u>	<u>(287,844,766)</u>
		<u>445,941,056</u>	<u>520,381,058</u>

18.1 These represent interest free security deposits received against lease contracts and are adjustable at the expiry / termination of the respective leases.

**(Un-Audited)**      **(Audited)**  
**December 31**      **June 30**  
**2023**                      **2023**  
**(Rupees)**

**19 DEFERRED TAXATION - NET**

**19.1 Taxable temporary difference arising in respect of:**

Surplus on revaluation of property and equipment	36,966,506	36,966,506
Unrealised gain on revaluation of investment property	8,957,520	8,957,520
Accelerated tax depreciation	1,133,620	920,723
Net investment in finance lease	97,822,042	123,424,907
	144,879,688	170,269,656

**Deductible temporary difference arising in respect of:**

Provision against potential lease losses	(34,059,284)	(32,814,721)
Provision against diminishing musharakah receivable	(5,448,810)	(5,448,810)
Provision against other receivables	(12,399,303)	(13,384,551)
Provision for leave encashment	(312,713)	(312,713)
Right of use assets and liabilities-net	(492,384)	(141,930)
	<u>(52,712,494)</u>	<u>(52,102,725)</u>
	<u>92,167,194</u>	<u>118,166,931</u>

**20 CONTINGENCIES AND COMMITMENTS**

**20.1 Contingencies**

The aggregate amount of tax contingencies amounted to Rs. 3.951 million as at June 30, 2023. There were no changes in the status of contingencies during the period.

**20.2 Commitments**

Finance lease committed but not executed	2,945,000	-
Vehicle finance loan committed but not executed	<u>-</u>	<u>-</u>

		(Un-audited)				
21	INCOME FROM FINANCING OPERATIONS	Note	Six month ended December 31,		Three month ended December 31,	
			2023	2022	2023	2022
		(Rupees)				
	Finance income	21.1	109,885,113	109,529,668	53,609,041	50,651,116
	Gain on lease termination		11,196,585	1,069,958	12,068,481	504,968
	Late payment charges		5,308,877	2,329,900	2,985,092	1,288,295
	Processing fees and documentation charges		254,150	394,946	105,973	83,171
			<u>126,644,725</u>	<u>113,324,472</u>	<u>68,768,587</u>	<u>52,527,550</u>
<b>21.1</b>	<b>Finance Income</b>					
	Net investment in finance lease		97,575,995	90,832,842	47,295,674	41,360,326
	Auto-finance loan		12,309,118	18,696,826	6,313,367	9,290,790
			<u>109,885,113</u>	<u>109,529,668</u>	<u>53,609,041</u>	<u>50,651,116</u>

## 22 ADMINISTRATIVE AND OPERATING EXPENSES

Salaries, allowances and benefits	16,619,265	16,221,589	8,897,729	6,593,634
Directors' fee	280,000	550,000	15,002	270,000
Depreciation	2,575,535	2,640,767	1,109,153	1,319,943
Amortisation	6,125	-	6,125	-
Office utilities	1,656,588	1,239,130	798,067	527,699
Legal and professional charges	1,429,979	725,384	768,071	426,014
Auditors' remuneration	288,340	262,500	157,090	131,250
Postage, subscription, printing and stationary	1,225,579	1,186,635	691,768	765,515
Vehicle running and maintenance	1,339,747	1,298,366	704,409	588,060
Office repair and general maintenance	383,108	434,688	191,403	185,496
Workers' Welfare Fund	904,658	991,572	290,892	326,776
Insurance	645,902	709,983	425,528	444,226
Advertisement	361,800	135,000	234,900	135,000
Travelling and conveyance	24,790	63,640	14,000	17,890
Miscellaneous	912,921	524,006	303,804	298,496
	<u>28,654,337</u>	<u>26,983,260</u>	<u>14,607,941</u>	<u>12,029,999</u>

## 23 FINANCE COST

Mark-up on:				
Short term borrowings	1,084,583	7,416,425	80,906	886,748
Certificate of investment	32,466,016	21,329,329	13,769,317	10,832,082
Long-term loan	10,113,904	12,597,049	4,441,120	6,695,718
Lease Liabilities	1,474,527	71,552	769,755	11,126
Bank charges	43,167	80,921	6,439	15,144
CIB reports charges	8,844	64,444	8,844	5,841
	<u>45,191,041</u>	<u>41,559,720</u>	<u>19,076,381</u>	<u>18,446,659</u>

	(Un-audited) December 31 2023	(Un-audited) December 31 2022
<b>24 CASH AND CASH EQUIVALENT</b>		(Rupees)
Cash and bank balances	133,447,631	26,436,731
Short term borrowings	-	(78,064,407)
	<u>133,447,631</u>	<u>(51,627,676)</u>

## 25 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company as at June 30, 2023.

## 26 FAIR VALUES OF ASSETS AND LIABILITIES

The assets carried at fair value are categorised as follows:

Level 1: Quoted market price.

Level 2: Valuation techniques (market observable)

Level 3: Valuation techniques (non-market observables)

The Company held the following assets measured at fair value at reporting date. There were no transfers amongst level of fair value analysis of assets during the period.

	Level 2	Level 3	Total
	----- (Rupees) -----		
<b>December 31, 2023 (Un-audited)</b>			
Non-financial assets	-	164,736,000	164,736,000
Financial assets	4,122,599	-	4,122,599
	<u>4,122,599</u>	<u>164,736,000</u>	<u>168,858,599</u>
<b>June 30, 2023 (Audited)</b>			
Non-financial assets	-	164,736,000	164,736,000
Financial assets	2,748,809	-	2,748,809
	<u>2,748,809</u>	<u>164,736,000</u>	<u>167,484,809</u>

## 27 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated companies where directors hold common directorship, key management personnel, directors and their close family members and staff retirement benefit funds. Transactions and balances with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

27.1 Transactions during the period		----- (Un-audited) -----	
		Six months ended	
Nature of transaction	Relationship	December 31 2023	December 31 2022
----- (Rupees) -----			
<b><u>Certificates of investment</u></b>			
Issued/rolled over during the period			
Board of Directors and their relatives	Director	7,000,000	357,509,267
Repaid during the period			
Board of Directors and their relatives	Director	115,555,001	1,549,695
Finance cost			
Board of Directors and their relatives	Director	32,344,770	21,290,250
<b><u>Office rent</u></b>			
Rent paid during the period			
Unibro Industries Limited	Associated undertaking	4,910,279	4,676,452
<b><u>Dividend paid during the period</u></b>			
Board of Directors and their relatives	Director	-	14,373,419
Unibro Industries Limited	Associated undertaking	-	1,274,817
Mid-East Agencies (Private) Limited	Associated undertaking	-	1,093,945
<b><u>Retirement benefit fund</u></b>			
Contribution paid for the period	Provident fund	117,546	282,215
<b><u>Remuneration and other benefits</u></b>			
Director fee	Board of Directors	280,000	590,000
Chairman fee	Board of Directors	249,996	291,662
		<b>(Un-audited)</b>	<b>(Audited)</b>
27.2 Balances at period / year end		<b>December 31</b>	<b>June 30</b>
		<b>2023</b>	<b>2023</b>
Certificates of investment		224,741,012	340,296,013
Accrued mark-up on certificates of investment		35,009,250	15,143,380
Accrued chairman fee		541,658	291,662

27.3 All transactions with related parties are entered into at agreed terms as duly approved by the Board of Directors of the Company.

## 28 SEGMENT INFORMATION

The Company has two primary reporting segments namely, "Finance lease" and "Vehicle finance". Other operations, which are not deemed by management to be sufficiently significant to disclose as separate items and do not fall into the above segment categories, are reported under "Others".

	<b>December 31, 2023 (Un- Audited)</b>			
	<b>(Rupees)</b>			
	<b>Finance lease</b>	<b>Vehicle finance</b>	<b>Others</b>	<b>Total</b>
<b><u>Segment Transactions</u></b>				
Segment revenue	114,188,300	12,456,425	22,133,951	148,778,676
Administrative and operating expenses	12,315,666	1,553,609	5,134,022	19,003,297
Segment result	101,872,634	10,902,816	16,999,929	129,775,379
Provision for Workers' Welfare Fund				(904,658)
Reversal / Provision for doubtful debts				(3,931,443)
Unallocated expenses				(8,746,382)
Result from operating activities				116,192,896
Finance cost				(45,191,041)
Provision for taxation				(12,186,381)
Profit for the period				58,815,474
<b><u>Segment Assets and Liabilities</u></b>				
Segment assets	1,722,181,468	102,808,383	355,151,025	2,180,140,876
Unallocated assets				3,378,164
Total assets				2,183,519,040
Segment liabilities	761,408,256	-	19,407,087	780,815,343
Unallocated liabilities				512,980,751
Total liabilities				1,293,796,094
<b><u>Other Information</u></b>				
Depreciation	-	-	2,340,360	2,340,360
Unallocated capital expenditure				1,528,000
Unallocated depreciation				241,300
<b><u>December 31 2022 (Un- Audited)</u></b>				
<b>(Rupees)</b>				
	<b>Finance lease</b>	<b>Vehicle finance</b>	<b>Others</b>	<b>Total</b>
<b><u>Segment Transactions</u></b>				
Segment revenue	100,224,714	18,696,826	6,082,695	125,004,235
Administrative and operating expenses	26,034,387	2,426,256	789,341	29,249,984
Segment result	74,190,327	16,270,570	5,293,354	95,754,251
Provision for Workers' Welfare Fund				-
Reversal / Provision for doubtful debts				(6,882,630)
Unallocated expenses				(4,615,906)
Result from operating activities				91,138,346
Finance cost				(41,559,720)
Provision for taxation				(35,868,759)
Profit for the period				13,709,867
<b><u>June 30, 2023 (Audited)</u></b>				
<b>(Rupees)</b>				
<b><u>Segment Assets and Liabilities</u></b>				
Segment assets	1,966,047,918	131,330,155	428,131,581	2,525,509,654
Unallocated assets				3,338,925
Total assets				2,528,848,579
Segment liabilities	860,785,005	-	3,030,798	863,815,803
Unallocated liabilities				835,499,094
Total liabilities				1,699,314,897

	December 31, 2022 (Un-audited)		
	------(Rupees)-----		
<b>Other Information</b>			
Depreciation	2,640,767	-	2,640,767
Unallocated capital expenditure			44,000
Unallocated depreciation			-

## 29 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on 22 February 2024 by the Board of Directors of the Company.

## 30 GENERAL

30.1 Corresponding figures have been rearranged wherever necessary; however, there are no material reclassifications to report during the reporting period.

30.2 Figures have been rounded off to the nearest rupee in thousand, unless otherwise stated.

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**

**CHIEF FINANCIAL OFFICER**