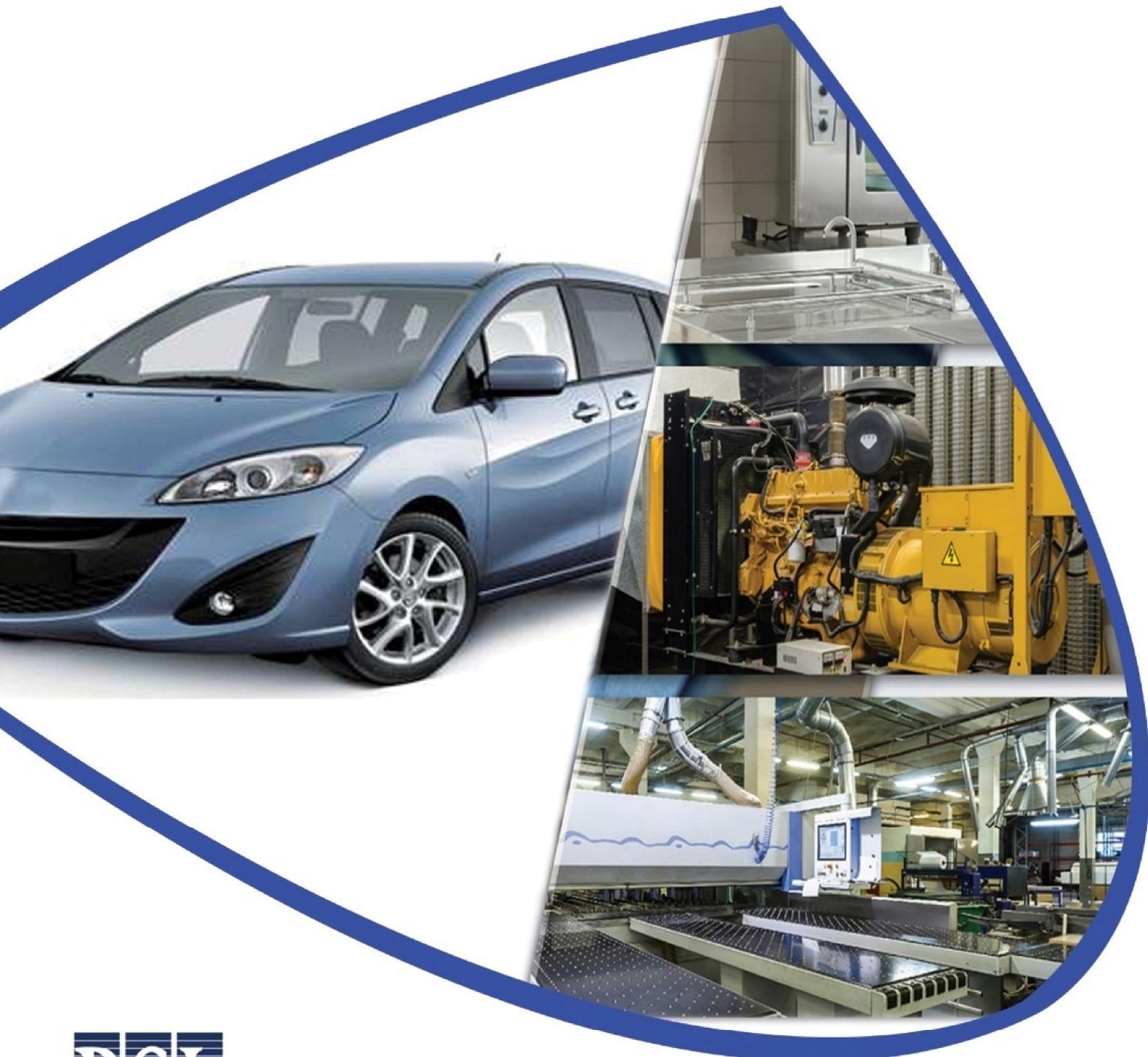


Condensed Interim
Financial Statements
(Un-audited)
For the nine months period
ended 31 March 2024



Pak-Gulf Leasing
Company Limited

Company Information

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

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

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
Website : 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 takes this opportunity to present before you the unaudited condensed interim financial Statements of your Company for the nine months period ended on March 31, 2024 of the current financial year (FY 2023-24).

Financial Highlights and Business Review

Your Company earned a Total Revenue of Rs. 213.54 million, for the nine months period ended on March 31, 2024 as compared to the Total Revenue of Rs. 191.52 million posted, in the nine months period ended March 31, 2023. Administrative expenses for the nine months period ended on March 31, 2024 increased by Rs. 3.39 million when compared to the nine months period ended on March 31, 2023, while finance cost for the comparative periods almost remained the same to around Rs. 62 million. During the nine months period ended on March 31, 2024, the Company based on IFRS 9 (ECL) made additional provision of Rs. 7.99 million for potential lease and loan losses while net reversal of Rs. 0.81 million was recorded, due to recovery against lease receivables held under litigation during the period under provision.

The Company's Profit before Taxation for the nine months period ended on March 31, 2024 increased to Rs. 101.3 million which stood at Rs. 32.48 million in the corresponding period of the last Financial Year FY 2022-23. Net Profit after Tax for the nine months period ended on March 31, 2024 has increased to Rs. 76.55 million as compared to Rs. 56.92 million for the corresponding period of the last Financial Year 2022-23.

During the period of 9 months of the Financial Year FY 2023-24, the disbursements of Rs. 35.9 million were made by the Company compared to disbursements of Rs. 139.31 million during the same period of the preceding financial year. The decrease in disbursements was solely due to the high borrowing rate which made leasing / financing a non-viable option to a considerable extent for the prospective lessors / clients.

The Shareholders Equity of your Company has risen from Rs. 737.475 million, as at June 30, 2023, to Rs. 813.685 million, as at March 31, 2024 while Earning per Share (EPS) has also increased to Rs. 1.55 as compared with the EPS (re-stated) of Rs. 1.15 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, acknowledge that the management team and all the staff members of your Company despite the high KIBOR rate were able to make disbursements of Rs. 35.9 million. Your Directors expect that the management and staff of PGL, taking a cautious approach because of high KIBOR would try to maintain and enhance their professional and marketing skills in the face of challenging business environment and make all-out effort towards improving upon the business volume and 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

Karachi
April 25, 2024

Chief Executive Officer

ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز (حصص یافتگان)

آپ کے ڈائریکٹرز آپ کے سامنے موجودہ مالی سال (2023-24) کی 31 مارچ 2024 کو ختم ہونے والی نو (9) مہینے کی مدت کے لیے آپ کی کمپنی کے مالیاتی گوشوارے پیش کر رہے ہیں۔

مالی سال 2023-24 کی 31 مارچ 2024 کو ختم ہونے والی نو (9) مہینے کی مدت میں آپ کی کمپنی کی کل آمدنی 213.54 ملین روپے رہی جو کہ مالی سال 2022-23 کی اسی مدت میں 191.52 ملین روپے تھی۔ 31 مارچ 2024 کو ختم ہونے والی نو (9) مہینے کی مدت کے انتظامی اخراجات میں گزشتہ سال 31 مارچ 2023 کو ختم ہونے والی اسی مدت کے مقابلے میں 3.39 ملین روپے کا اضافہ ہوا۔ جبکہ مالیاتی لاگت موجودہ اور گزشتہ مالی سال کی اس مدت میں 62 ملین روپے کے قریب تھی۔ 31 مارچ 2024 کو ختم ہونے والی نو (9) مہینے کی مدت کے دوران کمپنی نے IFRS-9 کے تحت ممکنہ لیز اور قرض کے نقصانات کیلئے 7.99 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 0.81 ملین روپے کی واپسی ریکارڈ کی گئی۔

مالی سال 2023-24 کی 31 مارچ 2024 کو ختم ہونے والی نو (9) مہینے کی مدت میں کمپنی کا منافع قبل از ٹیکس 101.3 ملین روپے رہا جو کہ گزشتہ سال کی اسی مدت میں 32.48 ملین روپے تھا۔ 31 مارچ 2024 کو ختم ہونے والی نو (9) مہینے کی مدت میں کمپنی کا منافع بعد از ٹیکس 76.55 ملین روپے رہا جو کہ پچھلے سال کی اسی مدت میں 56.92 ملین روپے تھا۔

مالی سال 2023-24 کی 31 مارچ 2024 کو ختم ہونے والی نو (9) مہینے کی مدت کے دوران، کمپنی کی طرف سے 35.9 ملین روپے کے لیزز/فنانس کی تقسیم کی گئی جبکہ اس کے مقابلے میں مالی سال 2022-23 کی اسی مدت میں 139.31 ملین روپے کی مالیاتی تقسیم کی گئی۔ یہی بنیادی طور پر KIBOR کی بلند شرح کی وجہ سے ہوئی جس نے ممکنہ لیزز/فنانس کے لیے کافی حد تک لیزنگ/فنانسنگ کو غیر قابل عمل آپشن بنا دیا ہے۔

آپ کے کمپنی کے شیئر ہولڈرز کی ایکویٹی جو کہ 30 جون 2023 کو 737.475 ملین روپے تھی 31 مارچ 2024 کو بڑھ کر 813.685 ملین ہو گئی ہے۔ جبکہ 31 مارچ 2024 کو ختم ہونے والے نو (9) مہینے کی لئے فی شیئر آمدنی 1.55 روپے فی حصص ہے جو کہ پچھلے سال 2022-23 کی اسی مدت میں 1.15 روپے (دوبارہ 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 انتظامیہ اور عملے کی خدمات ریکارڈ پر لانا چاہیں گے کہ وہ KIBOR کی بلند شرح ہونے کے باوجود مالی سال 2023-24 کی 31 مارچ 2024 کو ختم ہونے والی نو (9) مہینے کی مدت میں 35.9 ملین روپے کی لیزز/فنانس کی تقسیم کر سکے۔ اور PGL کی انتظامیہ اور عملے 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 (SECP)، بینک دولت پاکستان (SBP)، اینڈ مضاربہ 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 اظہارِ 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

چیئر مین

25 اپریل 2024

کراچی

PAK-GULF LEASING COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

		(Un-audited) March 31, 2024	(Audited) June 30, 2023
		-----Rupees-----	
ASSETS	Note		
CURRENT ASSETS			
Cash and bank balances	6	253,523,311	205,090,460
Short term investments	7	39,327,346	55,575,097
Other receivables	8	77,495,996	59,503,860
Advance to employees		12,438	96,929
Prepayments		1,023,957	485,670
Current portion of net investment in finance lease	9	667,164,082	769,028,755
Current portion of long-term loans	10	65,496,934	83,085,527
		<u>1,104,044,064</u>	<u>1,172,866,298</u>
NON-CURRENT ASSETS			
Net investment in finance lease	9	714,806,107	1,140,097,764
Long-term loans	10	29,081,440	48,244,628
Long-term security deposits		118,500	118,500
Investment property	11	164,736,000	164,736,000
Property and equipment	12	8,135,546	2,637,826
Right of use assets		18,714,487	147,563
Intangible assets		343,000	-
		<u>935,935,080</u>	<u>1,355,982,281</u>
TOTAL ASSETS		<u>2,039,979,144</u>	<u>2,528,848,579</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		66,363,318	81,418,746
Taxation - net		33,979,945	33,603,085
Unclaimed dividend		3,235,057	3,507,719
Accrued mark-up		48,447,576	21,191,306
Short term borrowings	13	-	186,974,518
Current portion of certificates of investment	14	1,602,139	833,121
Current portion of long-term loan	15	41,666,663	66,666,672
Current portion lease liabilities	16	2,000,847	636,978
Current portion of long-term deposits	17	327,261,362	287,844,766
		<u>524,556,907</u>	<u>682,676,911</u>
NON-CURRENT LIABILITIES			
Certificates of investment	14	225,475,007	340,590,008
Long-term loan	15	8,333,327	37,499,989
Lease liabilities	16	17,787,306	-
Long-term deposits	17	264,619,077	520,381,058
Deferred taxation - net	18	91,633,619	118,166,931
		<u>607,848,336</u>	<u>1,016,637,986</u>
TOTAL LIABILITIES		<u>1,132,405,243</u>	<u>1,699,314,897</u>
NET ASSETS		<u>907,573,901</u>	<u>829,533,682</u>
NET ASSETS FINANCED BY:			
Authorised share capital		<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid-up capital		494,711,100	494,711,100
Capital reserves			
Statutory reserve		169,036,276	153,725,579
Surplus on revaluation of property and equipment		90,504,204	90,504,204
Surplus on revaluation of FVOCI		3,041,343	1,554,609
		<u>262,581,823</u>	<u>245,784,392</u>
Revenue reserve			
Unappropriated profit		150,280,978	89,038,190
		<u>907,573,901</u>	<u>829,533,682</u>

CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 24 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 NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Nine months ended		Three months ended	
	March 31,		March 31,	
	2024	2023	2024	2023
------(Rupees)-----				
INCOME				
Income from financing operations	176,999,275	172,279,543	50,354,550	58,955,071
OTHER OPERATING INCOME				
Return on investments	26,242,775	9,968,371	10,905,996	4,371,303
Other income	10,301,964	9,268,869	3,504,792	3,186,174
	36,544,739	19,237,240	14,410,788	7,557,477
	213,544,014	191,516,783	64,765,338	66,512,548
OPERATING EXPENSES				
Administrative and operating expenses	43,334,446	39,940,398	14,680,109	12,957,135
Finance cost	61,718,813	62,179,757	16,527,772	20,620,037
	105,053,259	102,120,155	31,207,881	33,577,172
Operating profit before provision	108,490,755	89,396,628	33,557,457	32,935,376
Provision for potential lease and loan losses - net	(7,993,561)	(60,615,081)	(3,330,412)	(50,032,451)
Reversal of provision against lease receivables held under litigation - net	804,956	3,700,000	73,250	-
	(7,188,605)	(56,915,081)	(3,257,162)	(50,032,451)
Profit / (loss) before taxation	101,302,150	32,481,547	30,300,295	(17,097,075)
Taxation				
Current	(51,281,976)	(57,378,996)	(13,095,859)	925,361
Deferred	26,533,311	81,815,005	533,575	59,379,405
	(24,748,665)	24,436,009	(12,562,284)	60,304,766
Profit after taxation	76,553,485	56,917,556	17,738,011	43,207,691
Earnings per share - basic and diluted	1.55	(Re-stated) 1.15	0.36	(Re-stated) 0.87

The annexed notes from 1 to 24 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 NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Nine months ended		Three months ended	
	March 31,		March 31,	
	2024	2023	2024	2023
------(Rupees)-----				
Profit for the period	76,553,485	56,917,556	17,738,011	43,207,691
Other comprehensive income / (loss) for the period				
<i>Items that may be reclassified to statement of profit or loss in subsequent periods:</i>				
Surplus/(loss) on revaluation of FVOCI investments	1,486,734	(719,618)	112,944	(330,144)
Total comprehensive income for the period	78,040,219	56,197,938	17,850,955	42,877,547

The annexed notes from 1 to 24 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 NINE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	101,302,150	32,481,547
Adjustments for:		
Depreciation	3,989,700	3,960,190
Amortisation of intangible assets	24,500	-
Finance cost	61,718,813	62,179,757
Reversal of provision against lease receivables held under litigation - net	(804,956)	(3,700,000)
Provision for potential lease and loan losses - net	7,993,561	60,615,081
	<u>72,921,618</u>	<u>123,055,028</u>
Operating profit before working capital changes	174,223,768	155,536,575
Movement in working capital		
(Increase) / decrease in current assets		
Other receivables	(17,992,136)	9,648,099
Advance to employees	84,491	1
Prepayments	(538,287)	(124,322)
	<u>(18,445,932)</u>	<u>9,523,778</u>
(Decrease) / increase in current liabilities		
Trade and other payables	(15,055,428)	(35,793,165)
Unclaimed dividend	(272,662)	412,627
	<u>(15,328,090)</u>	<u>(35,380,538)</u>
Cash generated from operating activities	140,449,746	129,679,815
Finance cost paid	(34,462,543)	(67,418,804)
Tax paid - net	(50,941,351)	(72,037,915)
Net investment in finance lease	519,636,463	581,216,870
Long-term loans	36,751,781	51,348,160
Long term deposits	(216,345,385)	(309,873,762)
Net cash generated from operations	395,088,711	312,914,364
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in property and equipment	(5,568,983)	(44,000)
Additions in intangible assets	(367,500)	-
Short term investments - net	17,734,485	(146,152,768)
Net cash generated from / (used in) investing activities	11,798,002	(146,196,768)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from certificates of investment - net	(114,345,983)	(6,658,294)
Dividend paid	-	(25,369,800)
Lease payments	(2,966,690)	(5,037,804)
Long-term loan - net	(54,166,671)	(8,333,330)
Net cash used in financing activities	<u>(171,479,344)</u>	<u>(45,399,228)</u>
Net increase in cash and cash equivalents	235,407,369	121,318,368
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	<u><u>253,523,311</u></u>	<u><u>(104,267,019)</u></u>

The annexed notes from 1 to 24 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 NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Reserves					Total reserves	Total equity	
	Capital				Revenue			
	Statutory reserve	Reserve for issue of bonus shares	Surplus on revaluation of property and equipment	Surplus / (deficit) on revaluation of FVOCI	Unappropriated profit			
	------(Rupees)-----							
Balance as at July 1, 2022	253,698,000	142,398,442	4,402,000	90,504,204	2,334,900	394,504,840	634,144,386	887,842,386
Final dividend for the year ended June 30, 2022 @ Rs. 1.0 per share per share	-	-	-	-	-	(25,369,800)	(25,369,800)	(25,369,800)
Profit after taxation	-	-	-	-	-	56,917,556	56,917,556	56,917,556
Other comprehensive income	-	-	-	-	(719,618)	-	(719,618)	(719,618)
Total comprehensive income/(loss) for the period	-	-	-	-	(719,618)	56,917,556	56,197,938	56,197,938
Transfer to statutory reserve	-	11,383,511	-	-	-	(11,383,511)	-	-
Balance as at March 31, 2023	<u>253,698,000</u>	<u>153,781,953</u>	<u>4,402,000</u>	<u>90,504,204</u>	<u>1,615,282</u>	<u>414,669,085</u>	<u>664,972,524</u>	<u>918,670,524</u>
Balance as at July 1, 2023	494,711,100	153,725,579	-	90,504,204	1,554,609	89,038,190	334,822,582	829,533,682
Profit after taxation	-	-	-	-	-	76,553,485	76,553,485	76,553,485
Other comprehensive income	-	-	-	-	1,486,734	-	1,486,734	1,486,734
Total comprehensive income for the period	-	-	-	-	1,486,734	76,553,485	78,040,219	78,040,219
Transfer to statutory reserve	-	15,310,697	-	-	-	(15,310,697)	-	-
Balance as at March 31, 2024	<u>494,711,100</u>	<u>169,036,276</u>	<u>-</u>	<u>90,504,204</u>	<u>3,041,343</u>	<u>150,280,978</u>	<u>412,862,801</u>	<u>907,573,901</u>

The annexed notes from 1 to 24 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 NINE MONTHS PERIOD ENDED MARCH 31, 2024

1. LEGAL 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 on 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 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 March 31, 2024 is Rs. 813.685 million which is Rs. 313.685 million in excess of the minimum equity requirement.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as

- 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 Companies Act, 2017 along with Part VIII A of the repealed Companies Ordinance, 1984;
- Islamic Financial Accounting Standard - 2 Ijarah (IFAS-2) issued by the Institute of Chartered Accountants of Pakistan; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards and IFAS-2, the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

3. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention, except that investment property is stated at fair value and certain investments which have been classified as 'available for sale' are marked to market and carried at fair value.

4. ACCOUNTING POLICIES

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

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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 audited financial statements for the year ended June 30, 2023.

		(Un-audited)	(Audited)
		March 31,	June 30,
		2024	2023
		-----Rupees-----	
6. CASH AND BANK BALANCES	Note		
Cash in hand		130,000	155,510
Balances with banks:			
- in current accounts		5,891,976	42,842,868
- in saving accounts	6.1	247,501,335	162,092,082
		<u>253,523,311</u>	<u>205,090,460</u>

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

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

		(Un-audited)	(Audited)
		March 31,	June 30,
		2024	2023
	Note	-----Rupees-----	
7. SHORT TERM INVESTMENTS			
FVOCI:			
54,300 units of National Investment (Unit) Trust		2,748,809	3,529,100
Remeasurement gain/(loss)		<u>1,486,734</u>	<u>(780,291)</u>
		4,235,543	2,748,809
At amortised cost			
Government securities - Market Treasury Bills	7.1	<u>35,091,803</u>	<u>52,826,288</u>
		<u><u>39,327,346</u></u>	<u><u>55,575,097</u></u>
7.1	These represent market treasury bills having cost of Rs. 34.48 million (June 30, 2023: Rs 52.385 million) and interest accrued thereon of Rs. 0.612 million (June 30, 2023: Rs 0.441 million). These Market Treasury Bills (MTB) carries interest rate of 20.90% per annum (June 30 2023, 21.95% per annum) and will mature latest by May 16, 2024.		
8. OTHER RECEIVABLES - net			
Considered good			
Insurance premium and other receivables		31,245,996	13,253,860
Considered doubtful			
Lease receivables held under litigation		<u>101,686,117</u>	102,491,073
Insurance premium and other receivables		<u>2,665,701</u>	2,592,451
Diminishing musharakah receivable		<u>18,788,999</u>	18,788,999
		123,140,817	123,872,523
Provision			
Provision against lease receivable held under litigation	8.1	<u>(42,756,218)</u>	<u>(43,561,174)</u>
Provision against insurance premium and other receivables		<u>(2,665,701)</u>	<u>(2,592,451)</u>
Mark-up held in suspense against lease receivables held under litigation		<u>(12,679,899)</u>	<u>(12,679,899)</u>
Diminishing musharakah receivable		<u>(18,788,999)</u>	<u>(18,788,999)</u>
		<u>(76,890,817)</u>	<u>(77,622,523)</u>
		<u><u>77,495,996</u></u>	<u><u>59,503,860</u></u>
8.1 PROVISION AGAINST LEASE RECEIVABLE HELD UNDER LITIGATION			
Balance as at Jul 01		43,561,174	49,895,239
(Reversal)/charge for the period/year - net		<u>(804,956)</u>	<u>(6,334,065)</u>
Balance as at June 30		<u><u>42,756,218</u></u>	<u><u>43,561,174</u></u>

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	(Un-audited) March 31, 2024	(Audited) June 30, 2023
9. NET INVESTMENT IN FINANCE LEASE - Secured	-----Rupees-----	
Net investment in finance lease	1,381,970,189	1,909,126,519
Less: Current portion	<u>(667,164,082)</u>	<u>(769,028,755)</u>
	<u>714,806,107</u>	<u>1,140,097,764</u>

	March 31, 2024 (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
Note	----- (Rupees) -----					
Minimum lease payments	612,585,032	576,043,308	1,188,628,340	790,956,474	769,937,994	1,560,894,468
Add: Residual value of Leased Assets	327,261,362	264,619,077	591,880,439	287,844,766	520,381,058	808,225,824
Gross investment in finance lease	939,846,394	840,662,385	1,780,508,779	1,078,801,240	1,290,319,052	2,369,120,292
Unearned lease income	<u>(102,007,701)</u>	<u>(125,856,278)</u>	<u>(227,863,979)</u>	<u>(196,618,273)</u>	<u>(150,221,288)</u>	<u>(346,839,561)</u>
Mark-up held in suspense	<u>(50,000,532)</u>	-	<u>(50,000,532)</u>	-	-	-
	<u>(152,008,233)</u>	<u>(125,856,278)</u>	<u>(277,864,511)</u>	<u>(196,618,273)</u>	<u>(150,221,288)</u>	<u>(346,839,561)</u>
	787,838,161	714,806,107	1,502,644,268	882,182,967	1,140,097,764	2,022,280,731
Allowance for potential lease losses	<u>(120,674,079)</u>	-	<u>(120,674,079)</u>	<u>(113,154,212)</u>	-	<u>(113,154,212)</u>
Net investment in finance lease	<u>667,164,082</u>	<u>714,806,107</u>	<u>1,381,970,189</u>	<u>769,028,755</u>	<u>1,140,097,764</u>	<u>1,909,126,519</u>

	(Un-audited) March 31, 2024	(Audited) June 30, 2023
9.1 Allowance for potential lease losses	-----Rupees-----	
Balance at beginning of the period / year	113,154,212	64,012,402
Charge for the period / year - net	7,519,867	49,141,810
Balance at end of the period / year	<u>120,674,079</u>	<u>113,154,212</u>

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

		(Un-audited) March 31, 2024	(Audited) June 30, 2023
		-----Rupees-----	
10. LONG TERM LOANS - Secured	Note		
Auto-finance loan		97,204,560	133,482,647
Less: Current portion		(65,496,934)	(83,085,527)
Less: Expected credit loss allowance	10.1	(2,626,186)	(2,152,492)
		<u>29,081,440</u>	<u>48,244,628</u>
10.1 EXPECTED CREDIT LOSS ALLOWANCE			
Balance as at beginning of the period/year		2,152,492	4,086,612
Charge / (reversal) for the period / year - net		473,694	(1,934,120)
		<u>2,626,186</u>	<u>2,152,492</u>
11 INVESTMENT PROPERTY			
Office premises	11.1	<u>164,736,000</u>	<u>164,736,000</u>
11.1	The carrying value of investment property is the fair value of the property as determined by an independent professional valuer, M/s. Akbani and Javed Associates as on June 30, 2023.		
12. PROPERTY AND EQUIPMENT			
Operating fixed assets - Own use		<u>8,135,546</u>	<u>2,637,826</u>
13. SHORT TERM BORROWINGS - Secured			
The Company has arranged short-term running finance facilities from various commercial banks 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.			
14. CERTIFICATES OF INVESTMENT - Un-secured			
Certificates of investment		227,077,146	341,423,129
Less: Current portion		(1,602,139)	(833,121)
		<u>225,475,007</u>	<u>340,590,008</u>
15. LONG-TERM LOAN - Secured			
Long-term loan	15.1	49,999,990	104,166,661
Less: Current portion		(41,666,663)	(66,666,672)
		<u>8,333,327</u>	<u>37,499,989</u>
15.1	The Company has arranged long term finance facilities from Allied Bank Limited amounting to Rs. 350 million (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 August 31, 2025. 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.		

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	(Un-audited) March 31, 2024	(Audited) June 30, 2023
16. LEASE LIABILITIES	-----Rupees-----	
Opening balance	636,978	5,819,078
Addition during the period	22,117,865	-
Payments made during the year	(5,453,807)	(5,253,652)
Finance cost incurred during the year	2,487,117	71,552
Closing balance	19,788,153	636,978
Less: Current portion	(2,000,847)	(636,978)
	<u>17,787,306</u>	<u>-</u>
17. LONG-TERM DEPOSITS		
Deposit held against finance lease	591,880,439	808,225,824
Less: Current portion	(327,261,362)	(287,844,766)
	<u>264,619,077</u>	<u>520,381,058</u>
18. DEFERRED TAXATION		
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	1,354,933	920,723
Net investment in finance lease	98,595,385	123,424,907
	145,874,344	170,269,656
Deductible temporary difference arising in respect of:		
Provision against potential lease losses	(34,995,483)	(32,814,721)
Provision against diminishing musharakah receivable	(5,448,810)	(5,448,810)
Provision against other receivables	(12,399,303)	(13,384,551)
RoU assets and lease liabilities- net	(1,084,416)	(141,930)
Provision for leave encashment	(312,713)	(312,713)
	(54,240,725)	(52,102,725)
	<u>91,633,619</u>	<u>118,166,931</u>
19. CONTINGENCIES AND COMMITMENTS		
19.1 Contingencies		
The aggregate amount of tax contingencies amounted to Rs. 3.915 million as at June 30, 2023. There were no changes in the status of contingencies during the period.		
19.2 Commitments		
Finance lease committed but not executed	4,500,000	-
Vehicle finance loan committed but not executed	-	-

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

20. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

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.

21. 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)-----		
March 31, 2024 (Un-audited)			
Non-financial assets	-	164,736,000	164,736,000
Financial assets	4,235,543	-	4,235,543
	<u>4,235,543</u>	<u>164,736,000</u>	<u>168,971,543</u>
June 30, 2023 (Audited)			
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>

22. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise associated companies, staff retirement funds, Directors and key management personnel. Transactions with related parties are as under:

22.1 Transactions during the period

Nature of transaction	Relationship	------(Un-audited)-----	
		Nine months period ended March 31, 2024	Nine months period ended March 31, 2023
		------(Rupees)-----	
<u>Certificates of investment</u>			
Issued/rolled over during the period			
Board of Directors and their relatives	Director	7,000,000	117,452,395
Repaid during the period			
Board of Directors and their relatives	Director	115,555,001	30,000,000
Finance cost			
Board of Directors and their relatives	Director	44,531,574	34,883,442
<u>Office rent</u>			
Rent paid during the period			
Unibro Industries Limited	Associated undertaking (Common directorship)	4,910,279	4,676,452
<u>Dividend paid during the period</u>			
Board of Directors and their relatives	Director	-	14,373,419
Unibro Industries Limited	Associated undertaking (Common directorship)	-	1,274,817
Mid-East Agencies (Private) Limited	Associated undertaking (Common directorship)	-	1,093,945
<u>Retirement benefit fund</u>			
Charge for the period	Provident fund	192,624	367,320
Contribution paid for the period	Provident fund	192,624	367,320
<u>Remuneration and other benefits</u>			
Directors Fee	Director	600,000	730,000
Chairman Fee	Director	499,895	416,661

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

22.2 Balances at period/year end	(Un-audited) March 31, 2024	(Audited) June 30, 2023
	------(Rupees)-----	
Certificates of investment	224,741,012	340,296,013
Accrued mark-up on Certificates of investment	47,196,054	15,143,380
Accrued Chairman fee	791,657	291,662

23. SEGMENT INFORMATION

The Company has two primary reporting segments namely, "Lease finance" 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".

March 31, 2024 (Un-audited)				
------(Rupees)-----				
	Lease finance	Vehicle finance	Others	Total
Segment transactions				
Segment revenue	186,069,779	17,172,271	10,301,964	213,544,014
Administrative and operating expenses	14,134,545	1,304,469	4,333,516	19,772,530
Segment results	171,935,234	15,867,802	5,968,448	193,771,484
Provision for WWF				(2,041,254)
Reversal / (Provision) for doubtful debts				(7,188,605)
Unallocated expenses				(21,520,662)
Result from operating activities				163,020,963
Finance cost				(61,718,813)
Provision for taxation				(24,748,665)
Profit for the period				76,553,485
Segment assets and liabilities				
Segment assets	1,712,987,696	97,204,560	222,779,633	2,032,971,889
Unallocated assets				7,007,255
Total assets				2,039,979,144
Segment liabilities	591,880,439	-	296,865,289	888,745,728
Unallocated liabilities				243,659,515
Total liabilities				1,132,405,243

Other Information

Depreciation	-	3,989,700	3,989,700
Unallocated capital expenditure			(5,936,483)

March 31, 2023 (Un-audited)				
------(Rupees)-----				
	Lease finance	Vehicle finance	Others	Total
Segment transactions				
Segment revenue	154,719,489	27,528,425	9,268,869	191,516,783
Administrative and operating expenses	35,173,383	2,331,674	785,079	38,290,136
Segment results	119,546,106	25,196,751	8,483,790	153,226,647
Provision for ww f				(1,650,262)
Reversal / Provision for doubtful debts				(56,915,081)
Unallocated expenses				-
Result from operating activities				94,661,304
Finance cost				(62,179,757)
Provision for taxation				24,436,009
Profit for the period				56,917,556

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	June 30, 2023 (Audited)			
	------(Rupees)-----			
Segment assets and liabilities				
Segment assets	1,966,047,918	131,330,155	428,131,581	2,525,509,654
Unallocated assets				3,338,925
Total assets				<u>2,528,848,579</u>
Segment liabilities	860,785,005	-	3,030,798	863,815,803
Unallocated liabilities				835,499,094
Total liabilities				<u>1,699,314,897</u>

Other Information

	March 31, 2023 (Un-audited)			
	------(Rupees)-----			
Depreciation	-	-	3,960,190	3,960,190
Unallocated capital expenditure				<u>44,000</u>

24. GENERAL

These condensed interim financial statements was authorised for issue on April 25, 2024 by the Board of Directors of the Company.

Chief Executive Officer

Director

Chief Financial Officer