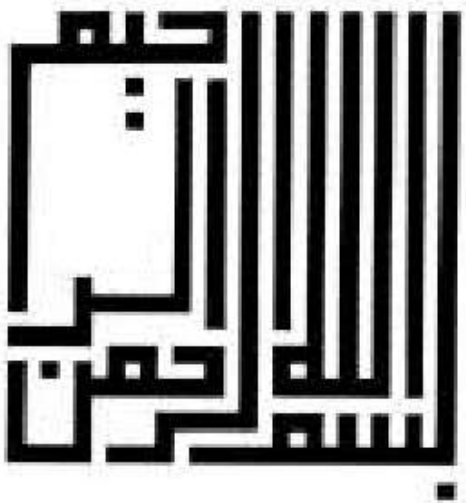


Condensed Interim
Financial Statements
(Un-audited)
For the six months period
ended 31 December 2021



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. Naeem Ahmed	Director
Mr. Mahfuz-ur-Rehman Pasha	Chief Executive Officer

Company Secretary

Mr. Suleman Chhagla

Audit Committee

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

Human Resource & Remuneration Committee

Mr. Jan Ali Khan Junejo	Chairman
Mr. Sohail Inam Ellahi	Member
Mr. Pervez Inam	Member
Mr. Ismail H. Ahmed	Member
Ms. Naeem Ahmed	Member
Mr. Mahfuz-ur-Rahman Pasha	Member
Mr. Suleman Chhagla	Secretary

Senior Management

Mr. Mahfuz-ur-Rahman Pasha	Chief Executive Officer
Lt. Col. Saleem Ahmed Zafar (Retd.)	Chief Operating Officer
Lt. Col. Farhat Pervez Kayani (Retd.)	General Manager Punjab
Mr. Suleman Chhagla	Chief Financial Officer
Ms. Farah Farooq	Head of Audit
Major Arifullah Lodhi (Retd.)	Manager HR & Administration

Credit Rating Agency

VIS Credit Rating Company Limited

Entity Rating

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

Auditors

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

Legal Advisors

M/s. Mohsin Tayebaly & Company
2nd Floor, Dime Centre,
BC-4, Block # 9, Kehkashan, Clifton,
Karachi.
Tel #: (92-21) 111-682-529
Fax #: (92-21) 35870240

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
Silk bank Limited
Soneri Bank Limited

Registered Office

UNIBRO HOUSE
Ground and Mezzanine Floor,
Plot No. 114, 9th East Street, Phase I, DHA
Karachi, P.O.Box # 12215, Karachi-75600.
Tel #: (92-21) 35820301, 35820966
35824401, 35375986-7
Fax #: (92-21) 35820302
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 Associates (Pvt) Limited
Plot No. C-32 Jami Commercial Street 2
DHA, Phase-VII, Karachi.
Tel #: (92-21) 111-000-322
Fax #: (92-21) 35310190

Mission Statement

The Company will:

- Aim to gain the confidence of all its stakeholders by earning a credible reputation for being an innovative enterprise that is prepared to change in the best interests of its stakeholders.
- Continually monitor structural changes in the various sectors of the economy, and accordingly alter the Company's business strategy to benefit from the emerging opportunities.
- Focus on changing customer needs and strive to improve tangible and intangible returns to its customers by providing service and satisfaction at par with the best in the industry, which would be reflected in prompt risk evaluation and facility disbursement procedures and practices.
- Consciously share, and remain part of all initiatives by the leasing industry to play a positive role in the evolution of small and medium size enterprises to expand the country's industrial base and support economic growth, higher employment and a better future for all.

DIRECTORS' REPORT

Dear Shareholders

The Directors of your Company are pleased to present before you the Financial Statements of your Company for the half year ended on December 31, 2021 of the current financial year. They are equally pleased to share with you the fact that the economic and business conditions in the last six months have been encouraging and overall performance of your Company have remained satisfactory during this period. We would like to apprise you that during the first six months, the leases written and finance provided by the Company was Rs 921 million, highest ever in the first six month period, since the inception of the Company.

Total Revenue earned of Rs. 109.32 million by your Company for the half year ended on December 31, 2020 was lower than the total Revenue of Rs. 135.69 million, earned by your Company in the first half of the Financial Year 2020-21. Other Operating income for the period was Rs 7.56 million compared to Rs 7.67 million in the previous period. Administrative expense increased from Rs 29.86 million to Rs 31.75 million, mainly due restatement of salaries at pre-covid levels and impact of Workers' Welfare Fund due to higher pre-tax profitability. Finance Cost increased slightly to Rs 25.68 million compared to Rs 24.73 million, due to policy rate change in the previous quarter, and increased utilization in borrowings. Further during the half year ended December 31, 2021 the Company reversed provisions of Rs. 18.48 million, and Rs. 17.96 million for potential lease losses, and leases held under litigation, respectively. The reversals were due to continuous effort on part of the Company to recover monies from non-performing lessees which were provided earlier and entering into out of court settlement agreements with lessees. Due to the above the Company's Profit after Taxation for the half year ended December 31, 2021 amounted to Rs. 72.69 million as compared to Rs. 15.32 million, for the corresponding period of the last Financial Year 2020-21.

The Shareholders Equity of your Company amounts to Rs. 748.15 million, as at December 31, 2021 while Earnings per Share for the half year ended December 31, 2021 stands at Rs. 2.87 per share.

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 testing market conditions. We expect the management and staff of PGL, not only to maintain, but to further enhance their marketing skills 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 cooperation and guidance extended to your Company by the Securities and Exchange Commission of Pakistan (SECP), Pakistan Institute of Corporate Governance (PICG) and other regulatory authorities. 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.

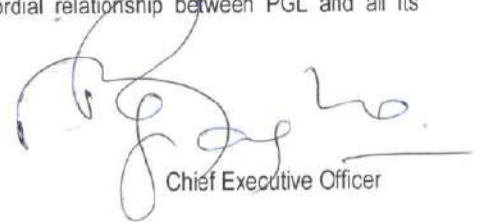
In the end, we would like to thank you, our valued Shareholders, as well as PGL's customers and bankers, for the valuable support given by them to PGL. We look forward to reinforcing and building further a mutually beneficial and cordial relationship between PGL and all its stakeholders.

Chairman



Karachi,
February 28, 2022

Chief Executive Officer



ڈائریکٹرز رپورٹ

پیارے شیئرز ہولڈرز (حصص یافتگان)

آپ کے ڈائریکٹرز انتہائی مسرت کے ساتھ آپ کے سامنے موجودہ مالی سال کی 31 دسمبر 2021 کو ختم ہونے والی ششماہی کے لیے آپ کی کمپنی کے مالیاتی گوشوارے پیش کر رہے ہیں۔

ہمیں آپ کو یہ حقیقت بتاتے ہوئے بھی اتنی ہی خوشی ہو رہی ہے کہ گزشتہ چھ ماہ میں معاشی اور کاروباری حالات حوصلہ افزا رہے ہیں اور اس عرصے کے دوران آپ کی کمپنی کی مجموعی کارکردگی تسلی بخش رہی ہے۔ ہم آپ کو بتانا چاہتے ہیں کہ پہلے چھ مہینوں کے دوران، کمپنی کی طرف سے لکھی گئی لیز اور فراہم کیے گئے فنانس کی مالیت 921 ملین روپے رہی، جو کمپنی کے قیام کے بعد سے آج تک پہلے چھ ماہ کی مدت میں سب سے زیادہ ہے۔

31 دسمبر 2020 کو ختم ہونے والے ششماہی کے لیے آپ کی کمپنی نے 109.32 ملین روپے کی کل آمدنی حاصل کی تھی جو آپ کی کمپنی کی طرف سے مالی سال 2020-2021 کی پہلی ششماہی میں حاصل کردہ 135.69 ملین روپے آمدنی سے کم تھی۔ اس مدت کے لیے دیگر آپریٹنگ آمدنی گزشتہ مدت کے 7.67 ملین روپے کے مقابلے میں 7.56 ملین روپے رہی۔ انتظامی اخراجات 29.86 ملین روپے سے بڑھ کر 31.75 ملین روپے ہو گئے، جس کی بنیادی وجہ کوویڈ سے پہلے کی سطح پر تنخواہوں کی بحالی اور زیادہ قبل از ٹیکس منافع کی وجہ سے ورکرز ویلفیئر فنڈ کا اثر ہے۔ گھجلی سہ ماہی میں پالیسی ریٹ میں تبدیلی اور قرضوں کے استعمال میں اضافے کی وجہ سے مالیاتی لاگت 24.73 ملین روپے کے مقابلے میں قدرے بڑھ کر 25.68 ملین روپے ہو گئی۔ مزید برآں، کمپنی نے 31 دسمبر 2021 کو ختم ہونے والی ششماہی کے دوران لیز کے ممکنہ خساروں اور قانونی چارہ جوئی کے تحت زیر توجہ لیز کے لیے مختص بالترتیب 18.48 ملین روپے 17.96 ملین روپے کمپنی نے واپس وصول کر لیے، یہ واپسی کمپنی کی جانب سے پہلے فراہم کردہ غیر فعال لیزوں سے رقوم کی وصولی کی مسلسل کوششوں اور لیز لینے والوں سے عدالت سے باہر تصفیہ کے معاہدوں کا نتیجہ ہے۔ مذکورہ بالا کی وجہ سے 31 دسمبر 2021 کو ختم ہونے والے ششماہی کے لیے کمپنی کے بعد از ٹیکس منافع کی مالیت گزشتہ مالی سال 2020-2021 کی اسی مدت کے لیے 15.32 ملین روپے کے مقابلے میں 31 دسمبر 2021 کو ختم ہونے والی ششماہی کے لیے 72.69 ملین روپے ہو گئی۔

بمطابق 31 دسمبر 2021، آپ کی کمپنی کے شیئرز ہولڈرز کی ایکویٹی 748.15 ملین روپے ہے جبکہ 31 دسمبر 2021 کو ختم ہونے والے ششماہی کے لیے فی شیئر آمدنی 2.87 روپے فی شیئر ہے۔

آپ کے ڈائریکٹرز، مارکیٹ کے آزمائش سے بھرپور 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 عملے سے توقع کرتے ہیں کہ وہ اپنی مارکیٹنگ کی 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 بنانے کی ہر ممکن کوشش کریں گے تاکہ پاکستان کے لیزنگ سیکٹر میں آپ کی کمپنی کا مثبت ایجنڈا بھارا جاسکے۔

ڈائریکٹرز اس موقع سے فائدہ اٹھاتے ہوئے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP)، پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس (PICG) 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 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 شیئرز 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۔

چیئرمین

چیف ایگزیکٹو آفیسر

کراچی

28 فروری، 2022

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **PAK-GULF LEASING COMPANY LIMITED** ("the Company") as at December 31, 2021 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 half year then ended (here-in-after referred as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

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

Conclusion

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

Other matters

The figures for the quarter ended December 31, 2021 and December 31, 2020 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The financial statements of the Company for the year ended June 30, 2021 were audited and the condensed interim financial information for the half year ended December 31, 2020 were reviewed by another audit firm, who through their reports dated November 03, 2021 and February 16, 2021 expressed unmodified opinion and unmodified conclusion thereon, respectively.

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

KARACHI**DATED:****UDIN # RR202110067dJUV9BAsi****BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS**

PAK-GULF LEASING COMPANY LIMITED
 CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2021

	Note	(Un-Audited) December 31 2021 Rupees	(Audited) June 30 2021 Rupees
ASSETS			
CURRENT ASSETS			
Cash and bank balances	4	28,753,716	35,972,488
Short term investments	5	39,154,069	34,002,899
Other receivables - net	6	95,788,163	90,727,035
Ijarah rental receivables		-	278,062
Advance to employees		-	84,669
Prepayments		997,398	862,378
Current portion of net investment in finance lease	7	755,436,186	623,493,104
Current portion of long-term loan	8	72,763,518	36,309,466
TOTAL CURRENT ASSETS		992,893,050	821,730,101
NON-CURRENT ASSETS			
Net investment in finance lease	7	1,554,076,736	1,349,584,136
Long term loan	8	149,216,323	81,892,476
Long term deposits		309,000	118,500
Investment property	9	154,440,000	154,440,000
Property and equipment	10	3,832,974	4,256,389
Right of use of assets		6,565,637	8,676,875
Intangible assets		18,149	39,928
TOTAL NON-CURRENT ASSETS		1,868,458,819	1,599,008,304
TOTAL ASSETS		2,861,351,869	2,420,738,405
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	90,121,403	29,875,067
Taxation - net		33,336,744	16,647,758
Unclaimed dividend		1,474,330	1,474,330
Accrued mark-up	12	11,048,076	16,403,208
Current portion of certificates of investment	13	63,415,510	23,297,675
Short term borrowings	14	280,759,897	353,831,937
Current portion of long-term loan	15	66,666,672	45,833,325
Short term loan - related party		120,000,000	-
Current portion lease liabilities	16	5,625,450	4,357,851
Current portion of long-term deposits	17	195,109,241	143,885,047
TOTAL CURRENT LIABILITIES		867,557,323	635,606,198
NON-CURRENT LIABILITIES			
Long term deposits	17	701,158,087	610,638,604
Long term loan	15	104,166,655	50,000,004
Certificates of investment	13	167,826,029	167,826,029
Lease liabilities	16	2,084,556	7,434,418
Deferred taxation - net	18	177,308,618	180,357,130
TOTAL NON-CURRENT LIABILITIES		1,152,543,945	1,016,256,185
TOTAL LIABILITIES		2,020,101,268	1,651,862,383
NET ASSETS		841,250,601	768,876,022
FINANCED BY:			
Share capital		253,698,000	253,698,000
Capital reserves			
Statutory reserve		127,541,301	113,002,637
Reserve for issue of bonus shares		4,402,000	4,402,000
Surplus on revaluation of property, plant and equipment - net of deferred tax		90,504,204	90,504,204
Surplus on revaluation of investments classified as fair value through other comprehensive income		2,577,621	2,896,362
Revenue reserve		225,025,126	210,805,203
Unappropriated profit		362,527,475	304,372,819
		841,250,601	768,876,022

CONTINGENCIES AND COMMITMENTS

19

The annexed notes from 1 to 28 form an integral part of these financial statements.


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 CHIEF FINANCIAL OFFICER

PAK-GULF LEASING COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2021

	Note	Six months ended December 31,		Three months ended December 31,	
		2021	2020	2021	2020
(Rupees)					
INCOME					
Income from financing operations	20	101,752,053	128,013,915	56,443,883	49,712,822
Other operating income					
Return on investments		2,120,956	2,704,397	1,509,075	1,351,878
Other income		5,441,950	4,967,266	2,808,748	2,573,446
		7,562,906	7,671,663	4,317,823	3,925,324
		109,314,959	135,685,578	60,761,706	53,638,146
OPERATING EXPENSES					
Administrative and operating expenses	21	31,750,155	29,861,086	16,462,194	15,512,221
Finance cost	22	25,678,582	24,725,541	13,462,031	8,183,865
		57,428,737	54,586,627	29,924,225	23,696,086
Operating profit before provisions		51,886,222	81,098,951	30,837,481	29,942,060
Write back of / (provision for) potential lease losses - net	7.2	18,480,279	(2,082,372)	37,804,199	(3,461,921)
Write back of / (provision against) litigation receivable - net		17,958,182	(39,769,217)	10,890,653	(1,286,499)
Provision against insurance premium and other receivable	6.1	-	(113,000)	-	(113,000)
Profit before taxation		88,324,683	39,134,362	79,532,333	25,080,640
Taxation-current	23	(18,679,875)	(71,179,654)	10,996,915	(42,272,118)
-deferred		3,048,512	47,367,766	(20,245,500)	10,018,309
Profit for the year		72,693,320	15,322,474	70,283,748	(7,173,169)
Earnings per share - basic and diluted		2.87	0.60	2.77	(0.28)

The annexed notes from 1 to 28 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER

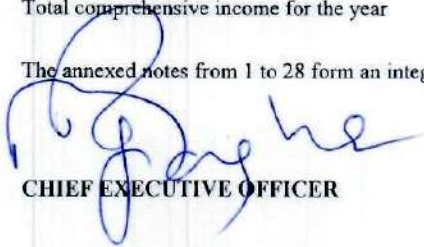

DIRECTOR


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, 2021

	Six month ended December 31, 2021		Three months ended December 31, 2021	
	2021	2020	2021	2020
Profit for the year	72,693,320	15,322,474	70,220,901	(7,173,169)
Other comprehensive income for the year				
Items that will not be reclassified to profit and loss account in subsequent periods:				
Deficit on revaluation of investments classified as fair value through other comprehensive income	(318,741)	717,303	(791,694)	244,350
Total comprehensive income for the year	72,374,579	16,039,777	69,429,207	(6,928,819)

The annexed notes from 1 to 28 form an integral part of these 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, 2021

	December 31 2021	December 31 2020
(Rupees)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	88,324,683	39,134,362
Adjustment for:		
Depreciation	2,668,749	5,050,698
Amortisation	21,779	21,779
Finance cost	25,678,582	24,725,541
Provision for intangible assets	-	1,440,217
Write back of / (provision for) potential lease losses - net	(18,480,279)	2,082,372
Write back of / (provision against) litigation receivable - net	(17,958,182)	39,769,217
Provision against insurance premium and other receivable	-	113,000
	(8,069,351)	73,202,824
Operating profit before working capital changes	80,255,332	112,337,186
Movement in working capital		
Decrease / (increase) in current assets		
Advance to employees	84,669	(12,000)
Other receivables - net	12,897,054	(164,717,360)
Ijarah rental receivables	278,062	-
Long-term deposits	(190,500)	-
Prepayments	(135,020)	(404,765)
	12,934,265	(165,134,125)
Increase / (decrease) in current liabilities		
Trade and other payables	60,246,336	(10,482,854)
Unclaimed dividend	-	313,711
	60,246,336	(10,169,143)
Cash generated / (used in) from operations	153,435,933	(62,966,082)
Finance cost paid	(31,033,714)	(74,900,163)
Tax paid - net	(1,990,985)	(1,541,472)
Long-term loan	(103,777,899)	(8,831,971)
Long term deposits	141,743,677	(197,524,198)
Advance Ijarah rental received from lessees	-	(543,366)
Increase in net investment in finance lease - net	(317,955,403)	655,223,512
	(313,014,324)	371,882,342
Net cash (used in) / generated from operating activities	(159,578,391)	308,916,260
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in property and equipment	(134,000)	(140,000)
Short-term investment in Market Treasury Bills - net	(5,469,911)	21,751,621
Net cash (used in) / generated from investing activities	(5,603,911)	21,611,621
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from certificates of investment - net	40,117,835	(215,071,853)
Dividend paid	-	(6,342,450)
Short term loan	120,000,000	-
Lease payments	(4,082,263)	(4,491,432)
Long-term loan - net	74,999,998	91,666,666
Net cash generated from / (used in) financing activities	231,035,570	(134,239,069)
Net increase in cash and cash equivalents	65,853,268	196,288,812
Cash and cash equivalents at the beginning of the year	(317,859,449)	(229,779,974)
Cash and cash equivalents at the end of the year	(252,006,181)	(33,491,162)

The annexed notes from 1 to 28 form an integral part of these 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, 2021

	Reserves					Total reserves	Total equity	
	Share capital	Capital			Reserves			
		Statutory reserve	Reserve for issue of bonus shares	Surplus on revaluation of property, plant and equipment - net of tax	Surplus on revaluation of investments classified as fair value through other comprehensive income			Unappropriated profit
	(Rupees)							
Balance as at July 1, 2020	253,698,000	108,089,370	4,402,000	90,504,204	1,858,646	29,106,199	495,916,419	749,514,419
Transaction with owners								
Final dividend for the year ended June 30, 2020 @ Rs. 0.25 per share	-	-	-	-	-	(6,342,450)	(6,342,450)	(6,342,450)
Total comprehensive income								
Profit for the period	-	-	-	-	-	15,322,474	15,322,474	15,322,474
Other comprehensive income	-	-	-	-	717,303	-	717,303	717,303
Effect of change in tax rate on surplus on revaluation of property and equipment	-	-	-	-	717,303	15,322,474	16,039,777	16,039,777
Transfer to statutory reserve	-	1,064,495	-	-	-	(3,064,495)	-	-
Balance as at December 31, 2020	253,698,000	111,153,865	4,402,000	90,504,204	2,575,949	296,977,728	505,613,746	759,311,746
Balance as at July 1, 2021	253,698,000	113,002,637	4,402,000	90,504,204	2,896,362	304,372,819	515,178,022	768,976,022
Transaction with owners								
Final dividend for the year ended June 30, 2021	-	-	-	-	-	-	-	-
Total comprehensive income								
Profit for the period	-	-	-	-	-	72,693,320	72,693,320	72,693,320
Other comprehensive income	-	-	-	-	-	-	-	-
Deficit on revaluation of investments classified as fair value through other comprehensive income	-	-	-	-	(318,741)	-	(318,741)	(318,741)
Transfer to statutory reserve	-	14,538,664	-	-	(318,741)	72,693,320	72,374,579	72,374,579
Balance as at December 31, 2021	253,698,000	127,541,301	4,402,000	90,504,204	2,577,621	362,527,473	587,552,601	841,259,601

The approved notes from 1 to 28 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

Ahmed
 DIRECTOR

Chahid
 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, 2021

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 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 ,9 Street, Defence Housing Authority , Karachi and a branch office is located at Office No.202, 2nd Floor , Divine Mega II,OP 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 1, 2021.

- 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, 2021 is Rs. 748.15 million which is Rs. 248.15 million in excess of the minimum equity requirement.

- 1.4 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.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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, 2017;
- Islamic Financial Accounting Standard - 2 Ijarah (IFAS) issued by the Institute of Chartered Accountants of Pakistan; and
- Provisions of and directives issued under the Companies Act, 2017 along with Part VIIIA of the repealed Companies Ordinance, 1984;

- 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, 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.

- 2.2 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, 2021.

The comparative statement of financial position presented in these condensed interim financial statements as at December 31, 2021 has been extracted from the audited financial statements of the Company for the year ended June 30, 2021, 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, 2020. Further, the figures in the condensed interim financial statements for the three months period ended December 31, 2020 and December 31, 2021 have not been reviewed by the auditors.

2.3 **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.

2.4 **Functional and presentation currency**

These financial statements are presented in Pak Rupees which is the functional and presentation currency of the Company. All financial information presented in Pakistani Rupees has been rounded off to the nearest rupee unless otherwise stated.

3 **NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS**

- 3.1 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 audited financial statements for the year ended June 30, 2021.

3.2 **Standards, amendments and interpretations to the published standards that are notified by the Securities and Exchange Commission of Pakistan (SECP)**

Following new standard have been issued by the International Accounting Standards Board (IASB) which are notified by the SECP for the purpose of applicability in Pakistan.

Standard or Interpretation

Financial Instruments - IFRS 9

June 30, 2022

The SECP has issued S.R.O. 800(I)/2021 and has extended the effective date for applicability of International Financial Reporting Standard - Financial Instruments (IFRS-9) in place of International Accounting Standard (IAS-39) (Financial Instruments: Recognition and Measurement) for Non-Banking Finance Companies from reporting period/year ending on or after June 30, 2022.

An extensive assessment is required to be made, because the actual impact of adopting IFRS 9 on or after June 30, 2022 may results in changes as:

- IFRS 9 requires the Company to revise its accounting processes and internal controls and these changes are not yet complete including consequential changes to its governance framework;
- The company is refining and finalizing its models for ECL calculations mainly for finance lease receivables and finances loans; and

IFRS 9 requires the Company to revise its accounting processes and internal controls and these changes are not yet complete;

- The company is refining and finalizing its models for ECL calculations mainly for finance lease receivables and finances loans; and
- The new accounting policies, assumptions, judgements and estimation techniques employed are subject to change until the Company finalizes its financial statements for the year ending June 30, 2022.

IFRS 9 contains requirements in the following areas:

- **Classification and Measurement:** Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments.
- **Impairment:** IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized.

The Company anticipates that classification and measurement of debt instruments will be driven by the entity's business model for managing the financial asset and contractual cash flows of financial assets. A debt instrument is measured at amortized cost if the objective of the business model to hold the financial assets for the collection of contractual cash flows and the contractual cash flows under the instrument solely represent the payments of principal and interest (SPPI). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold financial statements both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognized at fair value through profit or loss. The Company anticipates that majority of financial assets and liabilities would be classified at amortized cost.

The application of the expected credit loss model of IFRS 9 may result in recognition of credit losses for the respective financial assets and finance lease receivables and may increase the amount of loss allowance for these items. The Company anticipates transition impact analysis as financial assets and finance lease receivables under IFRS 9 indicate that the expected credit loss as per IFRS 9 to be in line with the cumulative loss allowance as per the current regulatory requirements for impairment as at December 31, 2021. However, the transaction impact will be reported in the subsequent reporting period.

		(Un-Audited) December 31 2021	(Audited) June 30 2021
	Note	(Rupees)	
4 CASH AND BANK BALANCES			
Cash in hand		130,000	100,633
Balances with banks:			
- in current accounts		12,655,718	21,348,338
- in savings accounts	4.1	15,967,998	14,523,517
		<u>28,753,716</u>	<u>35,972,488</u>
4.1	Return on these savings accounts is earned at rates ranging from 7.25 to 8.25% (June 30, 2021 : 5.50% to 6.50%) per annum.		
5 SHORT TERM INVESTMENTS			
Available for sale			
National Investment Unit Trust	5.1	3,771,821	4,090,562
At amortised cost			
Government Securities - Market Treasury Bills	5.2	35,382,248	29,912,337
		<u>39,154,069</u>	<u>34,002,899</u>
5.1	National Investment Unit Trust is carried at Fair Value through other comprehensive income.		
5.2	These represent market treasury bills having cost of Rs.35.24 million (June 30, 2021: Rs 29.544m) and interest accrued thereon of Rs.1.37 million (June 30, 2021: Rs 0.368m). These Market Treasury Bills (MTB) carries interest rate of 10.25% per annum (June 30 2021, 7.22% per annum) and will mature latest by March 24, 2022.		
6 OTHER RECEIVABLES - NET			
Lease receivable held under litigation		195,676,530	214,454,564
Insurance premium and other receivable		14,630,613	9,579,285
		<u>210,307,143</u>	<u>224,033,849</u>

		(Un-Audited) December 31 2021	(Audited) June 30 2020
	Note	(Rupees)	
Provision against lease receivable held under litigation	6.1	(88,395,739)	(106,353,921)
Mark-up held in suspense against lease receivable held under litigation		(23,530,790)	(24,360,442)
Provision against insurance premium and other receivable	6.2	(2,592,451)	(2,592,451)
		<u>(114,518,980)</u>	<u>(133,306,814)</u>
		<u>95,788,163</u>	<u>90,727,035</u>
6.1 Movement of provision against lease receivable held under litigation			
Opening balance		106,353,921	49,636,528
Charge for the period/year		-	78,549,749
Reversal for the period/year		(17,958,182)	-
Write off for the period/year		-	(21,832,356)
Closing balance		<u>88,395,739</u>	<u>106,353,921</u>
6.2 Movement of provision against insurance premium and other receivable			
Opening balance		2,592,451	2,479,451
Charge for the period/year		-	113,000
Closing balance		<u>2,592,451</u>	<u>2,592,451</u>
7 NET INVESTMENT IN FINANCE LEASE			
Net investment in finance lease	7.1	2,309,512,922	1,973,077,240
Current portion shown under current assets	7.1	(755,436,186)	(623,493,104)
		<u>1,554,076,736</u>	<u>1,349,584,136</u>
7.1 Net investment in finance lease			

	December 31, 2021				June 30, 2021			
	Not later than one year	Later than one year and less than five years	Later than five years	Total	Not later than one year	Later than one year and less than five years	Later than five years	Total
	(Rupees)							
Minimum lease payments	730,787,052	1,010,589,736	-	1,741,376,788	651,033,449	843,535,926	-	1,494,569,375
Add: Residual value of leased assets	195,109,241	701,158,087	-	896,267,328	143,885,047	610,638,604	-	754,523,651
Gross investment in finance lease	925,896,293	1,711,747,823	-	2,637,644,116	794,918,496	1,454,174,530	-	2,249,093,026
Unearned lease income	(153,184,184)	(157,671,087)	-	(310,855,271)	(128,950,546)	(104,590,394)	-	(233,540,940)
Mark-up held in suspense	(5,915,744)	-	-	(5,915,744)	(12,634,388)	-	-	(12,634,388)
	<u>(159,099,928)</u>	<u>(157,671,087)</u>	<u>-</u>	<u>(316,771,015)</u>	<u>(141,584,934)</u>	<u>(104,590,394)</u>	<u>-</u>	<u>(246,175,328)</u>
	766,796,365	1,554,076,736	-	2,320,873,101	653,333,562	1,349,584,136	-	2,002,917,698
Provision for potential lease losses	(11,360,179)	-	-	(11,360,179)	(29,840,458)	-	-	(29,840,458)
Net investment in finance lease	<u>755,436,186</u>	<u>1,554,076,736</u>	<u>-</u>	<u>2,309,512,922</u>	<u>623,493,104</u>	<u>1,349,584,136</u>	<u>-</u>	<u>1,973,077,240</u>

		(Un-Audited) December 31 2021	(Audited) June 30 2020
	Note	(Rupees)	
7.2 Provision for potential lease losses			
Opening balance		29,840,458	33,466,159
Reversal for the period/year		<u>(18,480,279)</u>	<u>(3,625,701)</u>
Closing balance		<u><u>11,360,179</u></u>	<u><u>29,840,458</u></u>
8 LONG TERM LOAN - Secured			
Auto-finance loan		221,979,841	118,201,942
Current portion shown under current assets		<u>(72,763,518)</u>	<u>(36,309,466)</u>
		<u><u>149,216,323</u></u>	<u><u>81,892,476</u></u>
9 INVESTMENT PROPERTY			
Office premises		<u>154,440,000</u>	<u>154,440,000</u>
	9.1	<u><u>154,440,000</u></u>	<u><u>154,440,000</u></u>
9.1	An independent valuation was carried out by the management through an independent professional valuer (M/S. Akbani and Javed Associates) as of June 30, 2021. As of reporting date, the management expects no material change in the aforementioned fair value of investment properties and accordingly no adjustment has been incorporated in these condensed interim financial statements		
10 PROPERTY AND EQUIPMENT			
Fixed assets - own use	10.1	<u>3,832,974</u>	<u>4,256,389</u>
10.1 Fixed Assets - Own Use			
Opening net book value		4,256,389	5,493,474
Add: Additions during the period/year		134,000	254,995
Less: Depreciation for the period/year		<u>(557,415)</u>	<u>(1,492,080)</u>
Closing net book value		<u><u>3,832,974</u></u>	<u><u>4,256,389</u></u>

		(Un-Audited) December 31 2021	(Audited) June 30 2021
	Note	(Rupees)	
11	TRADE AND OTHER PAYABLES		
	Accrued liabilities for expenses	8,718,853	3,043,736
	Sundry creditors - Lease	69,309,227	20,252,921
	Security deposit	2,393,820	2,393,820
	Unearned rental income	3,862,030	-
	Advance Rental - Ijara (SD)	181,000	-
	Other liabilities	5,656,473	4,184,590
		<u>90,121,403</u>	<u>29,875,067</u>
12	ACCRUED MARK-UP		
	Accrued mark-up on:		
	Certificates of investment	4,366,767	12,882,374
	Short term borrowings	4,862,932	2,586,792
	Long-term loan	1,818,377	934,042
		<u>11,048,076</u>	<u>16,403,208</u>
13	CERTIFICATES OF INVESTMENT		
	Un-secured		
	Certificates of Investment	231,241,539	191,123,704
	Current portion shown under current liabilities	(63,415,510)	(23,297,675)
		<u>167,826,029</u>	<u>167,826,029</u>
13.1	These represent certificates of investment issued by the Company for periods ranging from 6 to 36 months (June 30 2021: 6 to 36 months) and carry mark-up rates ranging from per annum 7.5% to 9% (June 30 2021: 7.5% to 9% per annum).		
14	SHORT TERM BORROWINGS		
	From banking companies - secured		
	Running finances under mark-up arrangements	280,759,897	353,831,937
14.1	The Company has arranged short-term running finance facilities from various commercial banks amounting to Rs. 450 million (June 30, 2021: Rs. 500 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.		

	Note	(Un-Audited) December 31 2021	(Audited) June 30 2021
15 LONG-TERM LOAN			
(Secured)			
Long-term loan	15.1	170,833,327	95,833,329
Current portion shown under current liabilities	15.1	(66,666,672)	(45,833,325)
		<u>104,166,655</u>	<u>50,000,004</u>

15.1 The Company has arranged long term finance facilities from Allied Bank Limited. The facilities carry mark-up at the rate of 3 months KIBOR plus 1% to 1.5% per annum and is secured by hypothecation charge over specific leased assets and lease rentals receivable.

16 Lease Liabilities

Opening balance		7,710,006	11,792,269
Current portion shown under current liabilities		(5,625,450)	(4,357,851)
Closing balance		<u>2,084,556</u>	<u>7,434,418</u>

17 LONG-TERM DEPOSITS

Long-term deposits	17.1	896,267,328	754,523,651
Current portion shown under current liabilities	17.1	(195,109,241)	(143,885,047)
		<u>701,158,087</u>	<u>610,638,604</u>

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

18 DEFERRED TAXATION - NET

18.1 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	5,971,680	5,971,680
Investment in finance lease and tax book value of assets given on finance lease	169,541,699	183,657,734
Long-term investments	-	-
	<u>212,479,885</u>	<u>226,595,920</u>

(Un-Audited) (Audited)
December 31 June 30
2021 2021
(Rupees)

Deductible temporary difference arising in respect of:

Provisions	(35,645,905)	(46,213,049)
Accelerated tax depreciation	806,505	877,723
Right of use assets and liabilities-net	(331,867)	(903,464)
	<u>(35,171,267)</u>	<u>(46,238,790)</u>
	<u>177,308,618</u>	<u>180,357,130</u>

19 CONTINGENCIES AND COMMITMENTS

19.1 Contingencies

The aggregate amount of tax contingencies amounted to Rs. 55.968 million as at June 30, 2021. There were no changes in the status of contingencies during the period.

19.2 Commitments

The commitments against finance lease amounted to Rs 1.168 (June 30, 2021 30.89) million and vehicle finance loan committed but not executed amounted to Rs 39.81 million (June 30, 2021: nil).

20 **INCOME FROM FINANCING OPERATIONS**

Finance income
Gain on lease termination
Late payment charges
Income from Ijarah Operations
Other income on leases
Income on long term loan

(Un-audited)			
Six month ended December 31,		Three month ended December 31,	
2021	2020	2021	2020
(Rupees)			
84,714,403	90,287,212	44,563,596	41,074,096
3,530,860	13,758,207	3,646,346	3,716,222
839,535	17,624,677	484,352	1,176,814
-	2,797,922	-	1,528,730
2,091,725	632,100	1,310,025	379,200
10,575,530	2,913,797	6,439,564	1,837,760
<u>101,752,053</u>	<u>128,013,915</u>	<u>56,443,883</u>	<u>49,712,822</u>

21 **ADMINISTRATIVE AND OPERATING EXPENSES**

Directors' fee
Salaries, allowances and benefits
Depreciation
Amortisation
Intangible - written off
Office utilities
Legal and professional charges
Auditors' remuneration
Postage, subscription, printing and stationary
Vehicle running and maintenance
Office repair and general maintenance
Workers' Welfare Fund
Insurance
Advertisement
Travelling and conveyance
Miscellaneous
Total

(Un-audited)			
Six month ended December 31,		Three month ended December 31,	
2021	2020	2021	2020
(Rupees)			
1,219,999	800,000	729,999	560,000
17,801,322	14,786,140	8,454,617	7,672,103
2,668,749	5,050,698	1,337,592	2,480,032
21,779	21,779	10,889	10,890
-	1,440,217	-	1,440,217
1,233,637	903,624	660,020	441,547
1,932,791	1,507,165	878,790	(153,614)
262,500	332,300	131,250	201,050
984,930	1,404,894	596,541	914,418
1,092,402	936,004	672,407	580,935
420,852	509,113	215,410	256,968
1,802,544	800,000	1,802,544	512,000
638,218	680,000	273,769	313,022
83,012	204,000	82,300	(26,830)
36,590	48,230	19,680	30,105
1,550,830	436,922	596,388	279,378
<u>31,750,155</u>	<u>29,861,086</u>	<u>16,462,196</u>	<u>15,512,221</u>

22 **FINANCE COST**

Mark-up on
- Short term borrowings
- Certificate of investment
- Long-term loan
- Lease Liabilities
Bank charges

(Un-audited)			
Six month ended December 31,		Three month ended December 31,	
2021	2020	2021	2020
(Rupees)			
9,733,413	8,217,910	4,862,932	2,944,449
10,517,742	13,570,624	5,277,048	3,325,980
4,740,818	2,046,363	2,819,476	1,438,140
595,260	713,741	297,630	309,672
91,349	176,903	34,007	165,624
<u>25,678,582</u>	<u>24,725,541</u>	<u>13,291,093</u>	<u>8,183,865</u>

23 **TAXATION**

Current
Prior year

37,372,035	71,179,654	29,689,075	42,272,118
(18,692,160)	-	(18,692,160)	-
<u>18,679,875</u>	<u>71,179,654</u>	<u>10,996,915</u>	<u>42,272,118</u>

24 **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, 2021.

25 **FAIR VALUES OF ASSETS AND LIABILITIES**

The carrying values of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair values. Fair value is the amount 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.

26 **TRANSACTIONS WITH RELATED PARTIES**

The carrying values of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair values. Fair value is the amount 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.

26.1 **Transactions during the period**

Nature of transaction	Relationship	------(Un-audited)-----	
		Six month ended December 31, 2021	Six month ended December 31, 2020
		------(Rupees)-----	
<u>Certificates of investment</u>			
Issued/rolled over during the period			
Board of Directors and their relatives	Director	100,000,000	167,100,000
Repaid during the period			
Board of Directors and their relatives	Director	50,000,000	260,067,860
Finance cost			
Board of Directors and their relatives	Director	10,097,748	12,509,473
<u>Net investment in finance lease</u>			
Rental received			
MACPAC Films Limited	Associated undertaking (Common directorship)	15,155,346	15,155,346
<u>Office rent</u>			
Rent paid during the period			
Unibro Industries Limited	Associated undertaking	4,858,656	4,241,688
<u>Dividend paid during the period</u>			
Board of Directors and their relatives	Director	-	3,766,202
Unibro Industries Limited	Associated undertaking (Common directorship)	-	374,946
Mid-East Agencies (Private) Limited	Associated undertaking (Common directorship)	-	321,749
<u>Retirement benefit fund</u>			
Charge for the period	Provident fund	315,124	313,483
Contribution paid for the period	Provident fund	315,124	313,483
<u>Short Term Borrowing</u>			
Unibro Industries Limited	Associated undertaking (Common directorship)	120,000,000	-
		(Un-audited)	(Audited)
		December 31,	June 30,
		2021	2021
26.2 Balances at period/year end			
Certificates of investment		217,100,000	167,100,000
Short term borrowing		120,000,000	-
Accrued mark-up on Certificates of investment		19,135,428	2,493,688
Net investment in finance lease		4,961,066	32,334,667
Security deposit (in respect of finance lease)		9,830,000	9,830,000
Security deposit (in respect of rented office premises)		245,000	245,000

27 SEGMENT INFORMATION

The Company has two primary reporting segments namely, "Finance lease" and "Islamic 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".

<u>Segment Transactions</u>	December 31, 2021 (Un- Audited)			
	(Rupees)			
	Finance lease	Islamic finance	Others	Total
Segment revenue	103,873,009	-	5,441,950	109,314,959
Administrative and operating expenses	18,089,844	-	5,120,822	23,210,666
Segment result	85,783,165	-	321,128	86,104,293
Unallocated expenses	-	-	-	27,898,970
Result from operating activities	-	-	-	114,003,263
Finance cost	-	-	-	(25,678,582)
Provision for taxation	-	-	-	(15,631,361)
Profit for the year	-	-	-	72,693,320
<u>Segment Assets and Liabilities</u>				
Segment assets	2,631,372,385	1,277,836	228,701,648	2,861,351,869
Total assets	-	-	-	2,861,351,869
Segment liabilities	915,195,269	2,303,116	690,544,769	1,608,043,154
Unallocated liabilities	-	-	-	412,058,114
Total liabilities	-	-	-	2,020,101,268
<u>Other Information</u>				
Capital expenditure	-	-	-	-
Depreciation	2,668,749	-	-	2,668,749
Unallocated capital expenditure	-	-	-	134,000
Unallocated depreciation	-	-	-	2,668,749

<u>Segment Transactions</u>	December 31 2020 (Un- Audited)			
	(Rupees)			
	Finance lease	Islamic finance	Others	Total
Segment revenue	124,215,993	2,898,481	7,571,104	135,685,578
Administrative and operating expenses	55,491,138	3,103,072	3,318,278	61,912,488
Segment result	68,724,855	(204,591)	4,252,826	73,773,090
Unallocated expenses	-	-	-	(9,913,187)
Result from operating activities	-	-	-	63,859,903
Finance cost	-	-	-	(24,725,541)
Provision for taxation	-	-	-	(23,811,888)
Profit for the year	-	-	-	15,322,474

June 30, 2021 (Audited)			
(Rupees)			
Finance lease	Islamic finance	Others	Total
2,181,761,217	659,339	232,955,985	2,415,376,541
-	-	-	5,361,864
-	-	-	2,420,738,405
774,776,572	-	14,168,089	788,962,661
-	-	-	862,899,722
-	-	-	1,651,862,383

December 31, 2020 (Un- Audited)			
(Rupees)			
-	-	-	-
-	2,137,117	2,127,066	4,264,183
-	-	-	140,000
-	-	-	786,515

Segment Assets and Liabilities

Segment assets	2,181,761,217	659,339	232,955,985	2,415,376,541
Unallocated assets	-	-	-	5,361,864
Total assets	-	-	-	2,420,738,405
Segment liabilities	774,776,572	-	14,168,089	788,962,661
Unallocated liabilities	-	-	-	862,899,722
Total liabilities	-	-	-	1,651,862,383

Other Information

Capital expenditure	-	-	-	-
Depreciation	-	2,137,117	2,127,066	4,264,183
Unallocated capital expenditure	-	-	-	140,000
Unallocated depreciation	-	-	-	786,515

28 DATE OF AUTHORIZATION

These financial statements were authorised for issue on **28 FEB 2022** by the Board of Directors of the Company.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER