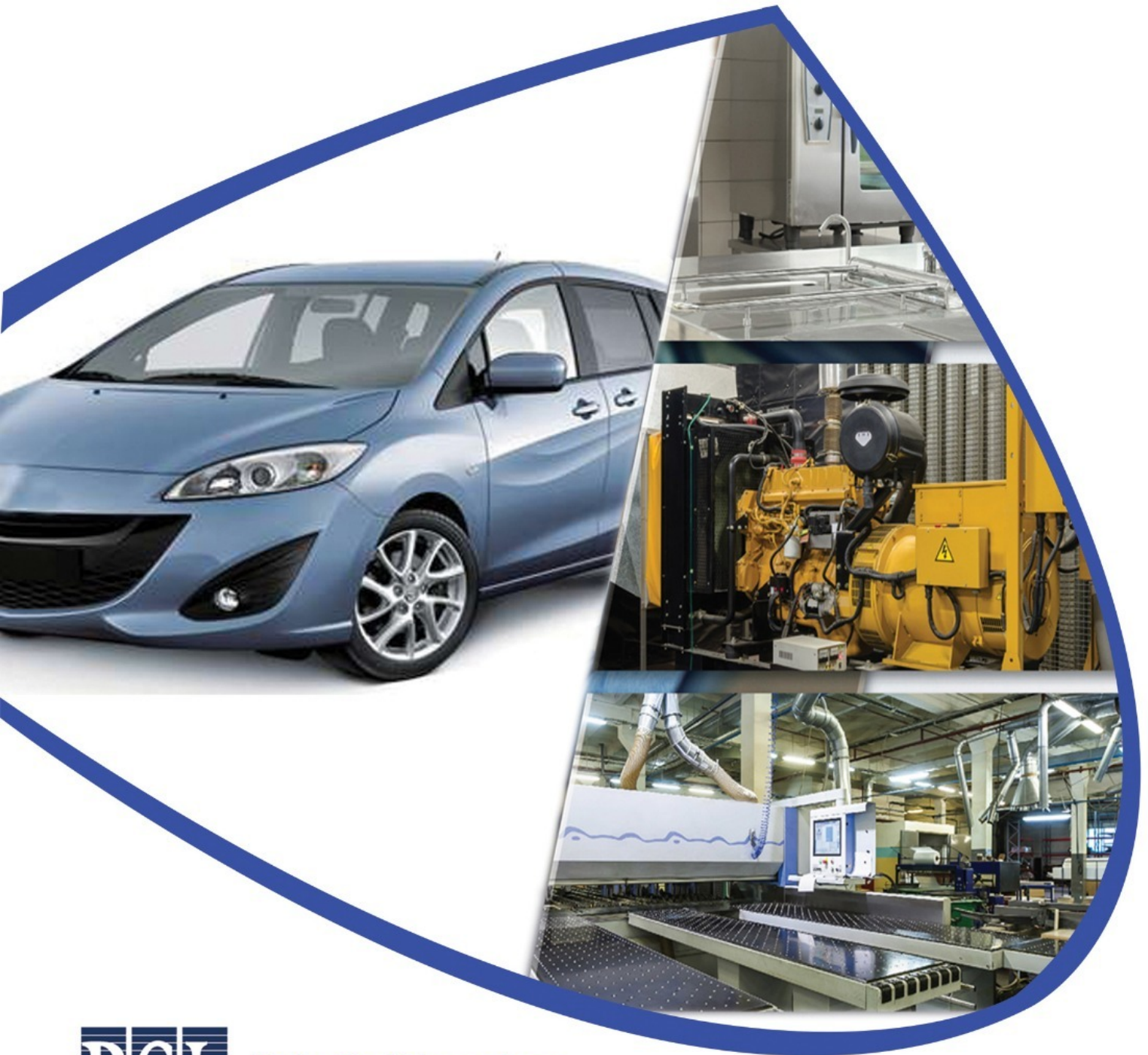
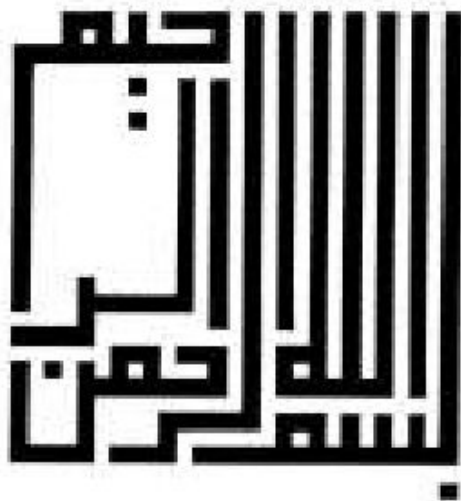


Condensed Interim
Financial Statements
(Un-audited)
For the three months period
ended 30 September 2023



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
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 are pleased to present before you the unaudited condensed interim financial Statements of your Company for the three months period ended on September 30, 2023 of the current financial year (FY 2023-24).

Financial Highlights and Business Review

Your Company earned a Total Revenue of Rs. 67.62 million, for the 1st Quarter of the FY 2023-24 which ended on September 30, 2023 as compared to the Total Revenue of Rs. 65.92 million posted, in the three months period ended September 30, 2022. Administrative expenses for the three months period ended September 30, 2023 decreased by Rs. 0.9 million when compared to the same for the three months period ended September 30, 2022, while due to increase in KIBOR finance cost for this comparative period showed an increase of Rs. 3 million. During the three months ended September 30, 2023 the Company made additional provision of Rs. 3.6 million for potential lease and loan losses based on IFRS 9 while reversal of Rs. 1.3 million for recorded during the period of provision held against lease receivables held under litigation, due to recovery.

The Company's Profit before Taxation for the three months period ended September 30, 2023 slightly increased to Rs. 25.12 million which stood at Rs. 24.25 million in the corresponding period of the last Financial Year FY 2022-23. Net Profit after Tax for the three months period ended September 30, 2023 has increased to Rs. 20.21 million as compared to Rs. 16.12 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. 757.685 million, as at September 30, 2023 while Earnings per Share has also increased to Rs. 0.41 as compared with the EPS (re-stated) of Rs. 0.33 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 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 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
October 26, 2023

ڈائریکٹرز رپورٹ

محترم شیئرز ہولڈرز (حصص یافتگان)

آپ کے ڈائریکٹرز انتہائی مسرت کے ساتھ آپ کے سامنے موجودہ مالی سال (2023-24) کی 30 ستمبر 2023 کو ختم ہونے والی سہ ماہی کے لیے آپ کی کمپنی کے مالیاتی گوشوارے پیش کر رہے ہیں۔

آپ کی کمپنی کی پہلی سہ ماہی کی کل آمدنی 67.62 ملین روپے رہی جو کہ سال 2022-23 کی پہلی سہ ماہی کی کل آمدنی 65.92 ملین روپے سے زیادہ ہے۔ 30 ستمبر 2023 کو ختم ہونے والی سہ ماہی کے انتظامی اخراجات میں گزشتہ سال 30 ستمبر 2022 کو ختم ہونے والی سہ ماہی کے مقابلے میں 0.9 ملین روپے کمی ہوئی۔ جبکہ تقابلی مدت کیلئے KIBOR مالیاتی لاگت میں اضافے کی وجہ سے 3 ملین روپے کا اضافہ دیکھا گیا۔ 30 ستمبر 2022 کو ختم ہونے والی سہ ماہی کے دوران کمپنی نے IFRS-9 کے تحت ممکنہ لیز اور قرض کے نقصانات کیلئے 3.6 ملین روپے کا ایک عارضی پروویژن مختص کیا جبکہ اس دورانیہ میں قانونی چارہ جوئی کے تحت لیز کی وصولی کیلئے رکھے گئے کھاتہ کی مد میں وصول ہوجانے کی وجہ سے 1.3 ملین روپے کی واپسی ریکارڈ کی گئی۔

سہ ماہی 30 ستمبر 2023 میں کمپنی کا منافع قبل از ٹیکس بڑھ کر 25.12 ملین روپے رہا جو کہ گزشتہ سال سہ ماہی 30 ستمبر 2022 کو 24.25 ملین روپے تھا۔ سہ ماہی 30 ستمبر 2023 کو کمپنی کا منافع بعد از ٹیکس بڑھ کر 20.21 ملین روپے رہا جو کہ پچھلے سال 16.12 ملین روپے تھا۔

آپ کے کمپنی کے شیر ہولڈرز کی ایکویٹی 30 جون 2023 کو 737.475 ملین روپے تھی جو کہ 30 ستمبر 2023 کو بڑھ کر 757.685 ملین ہو گئی ہے۔ جبکہ 30 ستمبر 2023 کو ختم ہونے والے سہ ماہی کے لئے فی شیر آمدنی 0.41 روپے فی حصص ہے جو کہ پچھلے سال 2022-23 میں 0.33 روپے 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 آزمائش 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 (SECP)، پاکستان انسٹی ٹیوٹ 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 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 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۔

چیف ایگزیکٹو آفیسر

چیزمین

26 اکتوبر 2023

کراچی

PAK-GULF LEASING COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
ASSETS		-----Rupees-----	
CURRENT ASSETS			
Cash and bank balances	6	81,846,681	205,090,460
Short term investments	7	99,816,847	55,575,097
Other receivables	8	58,458,408	59,503,860
Advance to employees		101,605	96,929
Prepayments		1,561,971	485,670
Current portion of net investment in finance lease	9	758,828,200	769,028,755
Current portion of long-term loans	10	75,060,748	83,085,527
		<u>1,075,674,460</u>	<u>1,172,866,298</u>
NON-CURRENT ASSETS			
Net investment in finance lease	9	1,025,213,823	1,140,097,764
Long-term loans	10	44,577,006	48,244,628
Long-term security deposits		118,500	118,500
Investment property		164,736,000	164,736,000
Property and equipment	11	2,377,358	2,637,826
Right to use assets		19,042,336	147,563
		<u>1,256,065,023</u>	<u>1,355,982,281</u>
TOTAL ASSETS		<u>2,331,739,483</u>	<u>2,528,848,579</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		69,723,738	81,418,746
Taxation - net		38,138,055	33,603,085
Unclaimed dividend		3,507,719	3,507,719
Accrued mark-up		36,926,792	21,191,306
Short term borrowings	12	-	186,974,518
Current portion of certificates of investment	13	1,118,750	833,121
Current portion of long-term loan	14	66,666,672	66,666,672
Current portion of lease liabilities	15	5,627,392	636,978
Current portion of long-term deposits	16	298,125,076	287,844,766
		<u>519,834,194</u>	<u>682,676,911</u>
NON-CURRENT LIABILITIES			
Certificates of investment	13	340,754,129	340,590,008
Long-term loan	14	16,666,656	37,499,989
Lease liabilities	15	10,760,420	-
Long-term deposits	16	487,358,911	520,381,058
Deferred taxation - net	17	106,447,229	118,166,931
		<u>961,987,345</u>	<u>1,016,637,986</u>
TOTAL LIABILITIES		<u>1,481,821,539</u>	<u>1,699,314,897</u>
NET ASSETS		<u>849,917,944</u>	<u>829,533,682</u>
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		157,767,708	153,725,579
Surplus on revaluation of property and equipment		90,504,204	90,504,204
Surplus on revaluation of FVOCI investments		1,728,226	1,554,609
		<u>250,000,138</u>	<u>245,784,392</u>
Revenue reserve			
Unappropriated profit		<u>105,206,706</u>	<u>89,038,190</u>
		<u>849,917,944</u>	<u>829,533,682</u>
CONTINGENCIES AND COMMITMENTS	18		

The annexed notes from 1 to 23 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

	Three months period ended	
	September 30,	
	2023	2022
	------(Rupees)-----	
INCOME		
Income from financing operations	57,876,138	60,796,922
OTHER OPERATING INCOME		
Return on investments	6,449,992	2,224,252
Other income	3,292,380	2,896,521
	<u>9,742,372</u>	<u>5,120,773</u>
	67,618,510	65,917,695
Administrative and operating expenses	14,046,396	14,953,264
Finance cost	26,114,170	23,113,061
	<u>40,160,566</u>	<u>38,066,325</u>
Operating profit before provision	27,457,944	27,851,370
Provision for potential lease losses - net	(3,638,353)	(3,602,233)
Reversal for lease receivables held under litigation - net	1,304,956	-
	<u>(2,333,397)</u>	<u>(3,602,233)</u>
Profit before taxation	25,124,547	24,249,137
Taxation		
Current	(16,633,603)	(23,014,413)
Deferred	11,719,701	14,881,334
	<u>(4,913,902)</u>	<u>(8,133,079)</u>
Net Profit after taxation	<u>20,210,645</u>	<u>16,116,058</u>
Earnings per share - basic and diluted	<u>0.41</u>	(Restated) <u>0.33</u>

The annexed notes from 1 to 23 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

	Three months period ended	
	September 30,	
	2023	2022
	------(Rupees)-----	
Net Profit after taxation	20,210,645	16,116,058
Other comprehensive income / (loss) for the period		
<i>Items that may not be reclassified statement of profit or loss in subsequent periods:</i>		
Gain / (loss) on revaluation of FVOCI investments	173,617	(274,358)
Total comprehensive income for the period	<u>20,384,262</u>	<u>15,841,700</u>

The annexed notes from 1 to 23 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

	Reserves						Total reserves	Total equity
	Capital			Revenue				
	Statutory reserve	Reserve for issue of bonus shares of bonus shares	Surplus on revaluation of property and equipment	Surplus on revaluation of FVOCI investments	Unappropriated profit	Revenue		
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	887,842,560
Net profit after taxation	-	-	-	-	-	16,116,058	16,116,058	16,116,058
Other comprehensive loss	-	-	-	(274,358)	(274,358)	-	(274,358)	(274,358)
Total comprehensive income/(loss) for the period	-	-	-	(274,358)	(274,358)	-	15,841,700	15,841,700
Transfer to statutory reserve	-	3,223,212	-	-	-	(3,223,212)	-	-
Balance as at September 30, 2022	253,698,000	145,621,654	4,402,000	90,504,204	2,060,542	407,397,686	649,986,086	903,684,260
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
Net profit after taxation	-	-	-	-	-	20,210,645	20,210,645	20,210,645
Other comprehensive income / (loss)	-	-	-	-	173,617	-	173,617	173,617
Total comprehensive income/(loss) for the period	-	-	-	-	173,617	-	20,384,262	20,384,262
Transfer to statutory reserve	-	4,042,129	-	-	-	(4,042,129)	-	-
Balance as at September 30, 2023	494,711,100	157,767,708	-	90,504,204	1,728,226	105,206,706	355,206,844	849,917,944

The annexed notes from 1 to 23 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

	September 30, 2023	September 30, 2022
Note	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	25,124,547	24,249,137
Adjustments for:		
Depreciation	1,466,382	257,291
Finance cost	26,114,170	23,113,061
Reversal of provision for lease receivables held under litigation - net	(1,304,956)	-
Provision for potential lease losses - net	3,638,353	3,602,233
	<u>29,913,949</u>	<u>26,972,585</u>
Operating profit before working capital changes	55,038,496	51,221,722
Movement in working capital		
Decrease / (increase) in current assets		
Other receivables	2,350,408	-
Advance to employees	(4,676)	1
Prepayments	(1,076,301)	(638,292)
	1,269,431	(638,291)
Decrease in current liabilities		
Trade and other payables	(11,695,008)	(25,361,945)
Cash generated from operating activities	<u>44,612,919</u>	<u>25,221,486</u>
Finance cost paid	(10,378,684)	(25,782,369)
Tax paid - net	(12,098,633)	(165,392)
Net investment in finance lease	120,879,226	292,365,296
Long-term loans	12,259,318	15,026,851
Deposits received from lessees - net	(22,741,837)	(149,659,482)
Net cash generated from operating activities	<u>132,532,309</u>	<u>157,006,390</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment	-	-
Short term investments - net	(44,068,133)	(9,839,322)
Net cash used in investing activities	<u>(44,068,133)</u>	<u>(9,839,322)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from certificates of investment - net	449,750	9,083,814
Lease liabilities	(4,349,854)	(984,091)
Long-term loan - net	(20,833,333)	33,333,333
Net cash (used in) / generated from financing activities	<u>(24,733,437)</u>	<u>41,433,056</u>
Net increase in cash and cash equivalents	63,730,739	188,600,124
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>81,846,681</u></u>	<u><u>(36,985,263)</u></u>

The annexed notes from 1 to 23 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 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 on September 16, 1996. The Company is principally engaged in the business of leasing and is listed on Pakistan Stock Exchange Limited.
- 1.2** Regulation 4 of Non-Banking Finance Companies and Notified Entities Regulations, 2008 requires an existing deposit taking leasing company to maintain, at all times, minimum equity of Rs. 500 million. The equity of the Company as at September 30, 2023 is Rs. 757.685 million which is Rs. 257.685 million in excess of the minimum equity requirement.
- 1.3** VIS Credit Rating Company Limited has re-affirmed long term credit rating, A- and short term credit rating, A-2; of the Company on September 21, 2023.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is located at UNIBRO House, Ground and Mezzanine Floor, Plot No. 114, 9th East Street, Phase-1, Defense 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.

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the 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 IAS-34 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.

- 3.2** 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.

3.3 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 fair value through OCI.

3.4 Functional and presentation currency

These financial statements are presented in Pakistani Rupee which is the Company's functional and presentation currency.

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

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.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
-----Rupees-----			
6. CASH AND BANK BALANCES			
Cash in hand		165,000	155,510
Balances with banks:			
- in current accounts		72,797,091	42,842,868
- in saving accounts	6.1	8,884,590	162,092,082
		<u>81,846,681</u>	<u>205,090,460</u>

6.1 These carry mark-up rates ranging from 20.50% to 21.00% (June 30, 2023 : 20.50% to 21.00%) per annum.

	(Un-audited) September 30, 2023	(Audited) June 30, 2023
-----Rupees-----		
7. SHORT TERM INVESTMENTS		
<i>FVOCI:</i>		
54,300 units of National Investment Unit Trust	2,748,809	3,529,100
Remeasurement gain / (loss) on revaluation at fair value	173,617	(780,291)
	<u>2,922,426</u>	<u>2,748,809</u>
<i>Amortised Cost:</i>		
Government securities - Market Treasury Bills	96,894,421	52,826,288
	<u>99,816,847</u>	<u>55,575,097</u>

8. OTHER RECEIVABLES - net

Considered good

Insurance premium and other receivables

12,208,408

13,253,860

Considered doubtful

Lease receivables held under litigation

101,186,117

102,491,073

Insurance premium and other receivables

2,592,451

2,592,451

Diminishing musharakah receivable

18,788,999

18,788,999

122,567,567

123,872,523

Provision

Provision against lease receivables held under litigation

(42,256,218)

(43,561,174)

Provision against insurance premium and other receivables

(2,592,451)

(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)

(76,317,567)

(77,622,523)

58,458,408

59,503,860

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

9. NET INVESTMENT IN FINANCE LEASE - secured

	September 30, 2023 (Un-audited)		June 30, 2023 (Audited)		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Not later than one year	Later than one year and less than five years	Total	Not later than one year		
Net investment in finance lease	762,987,278	661,985,741	1,424,973,019	790,956,474	769,937,994	1,560,894,468
Less: Current portion	298,125,076	487,358,911	785,483,987	287,844,766	520,381,058	808,225,824
	1,061,112,354	1,149,344,652	2,210,457,006	1,078,801,240	1,290,319,052	2,369,120,292
	(184,924,672)	(124,130,829)	(309,055,501)	(196,618,273)	(150,221,288)	(346,839,561)
	876,187,682	1,025,213,823	1,901,401,505	882,182,967	1,140,097,764	2,022,280,731
	(117,359,482)	-	(117,359,482)	(113,154,212)	-	(113,154,212)
	758,828,200	1,025,213,823	1,784,042,023	769,028,755	1,140,097,764	1,909,126,519

Note ----- (Rupees) -----

9.1 Allowance for potential lease losses

	(Un-audited) September 30, 2023	(Audited) June 30, 2023
Balance at beginning of the period / year	113,154,212	64,012,402
Charge for the period / year - net	4,205,270	49,141,810
Balance at end of the period / year	117,359,482	113,154,212

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		-----Rupees-----	
10. LONG-TERM LOANS - secured	Note		
Auto-finance loan		121,223,329	133,482,647
Less: Current portion		(75,060,748)	(83,085,527)
Less: Allowance for potential loan losses	10.1	(1,585,575)	(2,152,492)
		<u>44,577,006</u>	<u>48,244,628</u>
10.1 Allowance for potential loan losses			
Balance as at July 01,		2,152,492	4,086,612
Charge for the period/year - net		(566,917)	(1,934,120)
		<u>1,585,575</u>	<u>2,152,492</u>
11. PROPERTY AND EQUIPMENT			
Operating fixed assets - Own use		<u>2,377,358</u>	<u>2,637,826</u>
		<u>2,377,358</u>	<u>2,637,826</u>
12. 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% to 3 months KIBOR plus 2.5% per annum and are secured by hypothecation charge over leased assets and lease rentals receivable.			
13. CERTIFICATES OF INVESTMENT - unsecured			
Certificates of investment		341,872,879	341,423,129
less: Current portion		(1,118,750)	(833,121)
		<u>340,754,129</u>	<u>340,590,008</u>
14. LONG-TERM LOAN - secured			
Long-term loan		83,333,328	104,166,661
Less: Current portion		(66,666,672)	(66,666,672)
		<u>16,666,656</u>	<u>37,499,989</u>

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

	(Un-audited) September 30, 2023	(Audited) June 30, 2023
15. LEASE LIABILITIES		
Lease liabilities	16,387,812	636,978
Less: Current portion	(5,627,392)	(636,978)
	<u>10,760,420</u>	<u>-</u>
16. LONG-TERM DEPOSITS		
Deposit held against finance lease	785,483,987	808,225,824
Less: Current portion	(298,125,076)	(287,844,766)
	<u>487,358,911</u>	<u>520,381,058</u>
17. DEFERRED TAXATION		
Taxable temporary difference arising in respect of:		
Surplus on revaluation of property and equipment	36,966,506	36,966,507
Un-realised gain on revaluation of investment property	8,957,520	8,957,520
Accelerated tax depreciation	980,950	920,723
Net investment in finance lease	111,574,328	123,424,907
	<u>158,479,304</u>	<u>170,269,657</u>
Deductible temporary difference arising in respect of:		
Provision against potential lease losses	(34,034,250)	(32,814,721)
Provision against diminishing musharakah receivable	(5,448,810)	(5,448,810)
Provision against other receivables	(13,006,114)	(13,384,551)
RoU assets and lease liabilities- net	769,812	(141,930)
Provision for leave encashment	(312,713)	(312,713)
	<u>(52,032,075)</u>	<u>(52,102,725)</u>
	<u>106,447,229</u>	<u>118,166,932</u>
18. CONTINGENCIES AND COMMITMENTS		
18.1 Contingencies		
The aggregate amount of tax contingencies amounted to Rs. 3.915 million as at September 30, 2023. There were no changes in the status of contingencies during the period.		
18.2 Commitments		
Finance lease committed but not executed	10,145,000	-
Vehicle finance loan committed but not executed	-	-

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

19. 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.

20. FAIR VALUES OF ASSETS AND LIABILITIES

The carrying values of all financial assets and liabilities are estimated to approximate their fair values. There were no transfers amongst levels during the period.

21. 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:

21.1 Transactions during the period

Nature of transaction	Relationship	----- (Un-audited) -----	
		Three months ended September 30, 2023	Three months ended September 30, 2022
----- (Rupees) -----			
<u>Certificates of investment</u>			
Issued/rolled over during the period	Board of Directors and their relatives	-	345,033,255
Repaid during the period	Board of Directors and their relatives	-	336,341,436
Finance cost	Board of Directors and their relatives	18,655,671	10,570,026
<u>Retirement benefit fund</u>			
Contribution for the period	Provident fund	171,749	148,403
<u>Remuneration and other benefits</u>			
Directors' fee	Board of Directors	140,000	280,000
Salary and allowances	Key management personnel	1,546,923	1,519,117

21.2 Balances at period/year end

	Relationship	(Un-audited)	(Audited)
		September 30, 2023	June 30, 2023
----- (Rupees) -----			
Certificates of investment (CoI)	Board of Directors and their relatives	340,296,013	340,296,013
Accrued mark-up on Certificates of investment (CoI)	Board of Directors and their relatives	33,799,051	15,143,380

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

22. 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".

	September 30, 2023 (Un-audited)			
	(Rupees)			
	Lease finance	Vehicle finance	Others	Total
Segment revenue	51,894,717	5,981,421	9,742,372	67,618,510
Administrative and operating expenses	6,332,747	729,917	2,394,782	9,457,446
Segment result	45,561,970	5,251,504	7,347,590	58,161,064
Provision for Workers' Welfare Fund				(613,766)
Reversal / (provision) for doubtful debts and litigation receivable				(2,333,397)
Unallocated expenses				(3,975,184)
Result from operating activities				51,238,717
Finance cost				(26,114,170)
Provision for taxation				(4,913,902)
Profit for the year				20,210,645
Other Information				
Segment assets	1,842,500,431	119,637,754	367,937,722	2,330,075,907
Unallocated assets				1,663,576
Total assets				2,331,739,483
Segment liabilities	852,813,905	-	18,781,632	871,595,537
Unallocated liabilities				610,226,002
Total liabilities				1,481,821,539
Capital expenditure	-	-	-	-
Depreciation	-	-	1,205,914	1,205,914
Unallocated capital expenditure				-
Unallocated depreciation				260,468

PAK-GULF LEASING COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

	September 30, 2022 (Un-audited)			
	(Rupees)			
	Lease finance	Vehicle finance	Others	Total
Segment revenue	51,753,033	9,043,889	5,120,773	65,917,695
Administrative and operating expenses	12,103,919	1,131,129	640,460	13,875,508
Segment result	39,649,114	7,912,760	4,480,313	52,042,187
Provision for Workers' Welfare Fund				
Unallocated expenses				(4,679,989)
Result from operating activities				47,362,198
Finance cost				(23,113,061)
Provision for taxation				(8,133,079)
Profit for the year				16,116,058
	June 30, 2023 (Audited)			
	(Rupees)			
Other Information				
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
	September 30, 2022 (Un-audited)			
	(Rupees)			
Depreciation	257,291	-	-	257,291
Unallocated capital expenditure				-
Unallocated depreciation				-

23. GENERAL

These condensed interim financial statements were authorised for issue on October 26, 2023 by the Board of Directors of the Company.

Chief Executive Officer

Director

Chief Financial Officer