SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION [UN-AUDITED]
AS AT SEPTEMBER 30, 2020

	Note	(Unaudited) September 30, 2020	(Audited) December 31, 2019
		----------Rupees----------	
ASSETS			
Cash and balances with treasury banks	6	**196,223,912**	36,408,879
Balances with other banks	7	**88,441,340**	126,036,504
Lendings to financial institutions	8	**-**	80,000,000
Investments	9	**34,379,600,517**	23,903,994,963
Advances	10	**7,408,999,563**	7,869,204,539
Fixed assets	11	**2,986,900,125**	3,054,741,640
Intangible assets	12	**5,621,626**	8,488,075
Deferred tax assets		**-**	-
Other assets	13	**1,456,376,506**	2,005,708,818
		46,522,163,589	37,084,583,418
LIABILITIES			
Bills payable		**-**	-
Borrowings	14	**31,229,784,750**	22,759,019,394
Deposits and other accounts	15	**1,945,000,000**	510,000,000
Liabilities against assets subject to finance lease		**-**	-
Subordinated debt		**-**	-
Deferred tax liabilities	16	**78,290,513**	299,466,049
Other liabilities	17	**400,630,098**	512,722,650
		33,653,705,361	24,081,208,093
NET ASSETS		**12,868,458,228**	13,003,375,325
REPRESENTED BY			
Share capital		**6,600,000,000**	6,600,000,000
Statutory reserve		**1,061,615,726**	1,061,615,726
Revenue reserve		**358,662,940**	358,662,940
Surplus on revaluation of assets	18	**1,463,590,712**	2,187,318,205
Unappropriated / unremitted profit		**3,384,588,850**	2,795,778,454
		12,868,458,228	13,003,375,325
CONTINGENCIES AND COMMITMENTS	19		

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chief Financial Officer	GM/Chief Executive	Director	Director/ Deputy. Chairman	Director/ Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2020

	Note	Quarter Ended		Period Ended	
		September 30, 2020	September 30, 2019	**September 30, 2020**	September 30, 2019
		(Rupees)			
Mark-up / Return / Interest Earned	20	**947,919,956**	604,479,926	**2,914,560,411**	1,525,683,967
Mark-up / Return / Interest Expensed	21	**633,983,231**	426,132,555	**2,118,178,197**	953,960,176
Net Mark-up / Interest Income		**313,936,725**	178,347,371	**796,382,214**	571,723,791
NON MARK-UP / INTEREST INCOME					
Fee and Commission Income	22	**2,790,000**	8,194,000	**2,456,724**	13,376,164
Dividend Income		**27,756,623**	43,126,985	**100,411,098**	122,808,754
Foreign Exchange Income / (Loss)		**(622,418)**	(1,263,909)	**1,111,086**	2,007,666
Income / (Loss) from Derivatives		**-**	-	**-**	-
Gain / (Loss) on Securities	23	**69,202,977**	2,627,339	**217,752,953**	(29,768,495)
Other Income	24	**57,002,650**	48,332,570	**167,330,206**	156,304,022
Total Non-markup / Interest Income		**156,129,832**	101,016,985	**489,062,067**	264,728,111
Total Income		**470,066,557**	279,364,356	**1,285,444,281**	836,451,902
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	25	**113,587,552**	105,487,214	**314,626,863**	315,902,128
Workers Welfare Fund		**-**	-	**-**	-
Other charges	26	**-**	2,353,000	**-**	2,353,000
Total Non-markup / Interest Expenses		**113,587,552**	107,840,214	**314,626,863**	318,255,128
PROFIT BEFORE PROVISIONS		**356,479,005**	171,524,142	**970,817,418**	518,196,774
Provisions and write offs - net	27	**(22,476,899)**	103,146,465	**260,942,763**	330,553,719
Extra ordinary / unusual items		**-**	-	**-**	-
PROFIT BEFORE TAXATION		**378,955,904**	68,377,677	**709,874,655**	187,643,055
Taxation	28	**74,748,504**	9,369,066	**170,524,587**	26,883,712
PROFIT AFTER TAXATION		**304,207,400**	59,008,611	**539,350,068**	160,759,343
		(Rupee)			
Basic Earnings per share	29	**0.461**	0.089	**0.817**	0.244
Diluted Earnings per share	30	**0.461**	0.089	**0.817**	0.244

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chief Financial Officer	GM/Chief Executive	Director	Director/ Deputy Chairman	Director/ Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2020

	Quarter Ended		Period Ended	
	September 30, 2020	September 30, 2019	**September 30, 2020**	September 30, 2019
	(Rupees)			
Profit after taxation for the period	**304,207,400**	59,008,611	**539,350,068**	160,759,343
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in (deficit) / surplus on revaluation of investments - net of tax	**(318,339,922)**	79,068,178	**(674,267,165)**	(62,708,192)
	(318,339,922)	79,068,178	**(674,267,165)**	(62,708,192)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Effect of change in rate	-	-	-	-
	-	-	-	-
Total comprehensive income	**(14,132,522)**	138,076,789	**(134,917,097)**	98,051,151

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chief Financial Officer GM/Chief Executive Director Director/ Deputy Chairman Director/ Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2020

	Share capital	Statutory reserve	Revenue reserve	Surplus/(Deficit) on revaluation of Investments	Surplus/(Deficit) on revaluation of Fixed / Non Banking Assets	Unappropriated/ Unremitted profit	Total
	Rupees						
Balance as at January 1, 2019	6,600,000,000	1,008,201,270	358,662,940	(192,084,618)	2,030,632,636	2,843,304,042	12,648,716,270
Profit after taxation for the period ended September 30, 2019	-	-	-	-	-	160,759,343	160,759,343
Other comprehensive income - net of tax	-	-	-	(62,708,192)	-	-	(62,708,192)
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	(51,720,795)	51,720,795	-
Transactions with owners, recorded directly in equity							
Final dividend 2018: Re 0.5 per ordinary share	-	-	-	-	-	(330,000,000)	(330,000,000)
Balance as at September 30, 2019	**6,600,000,000**	**1,008,201,270**	**358,662,940**	**(254,792,810)**	**1,978,911,841**	**2,725,784,180**	**12,416,767,421**
Profit after taxation for the year ended December 31, 2019	-	-	-	-	-	106,312,938	106,312,938
Other comprehensive income - net of tax	-	-	-	465,181,618	14,477,555	635,793	480,294,966
Transfer to statutory reserve	-	53,414,456	-	-	-	(53,414,456)	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	(16,459,999)	16,459,999	-
Transactions with owners, recorded directly in equity							
Final dividend 2018: Re 0.5 per ordinary share	-	-	-	-	-	-	-
Balance as at December 31, 2019	**6,600,000,000**	**1,061,615,726**	**358,662,940**	**210,388,808**	**1,976,929,397**	**2,795,778,454**	**13,003,375,325**
Profit after taxation for the period ended September 30, 2020	-	-	-	-	-	539,350,068	539,350,068
Other comprehensive income - net of tax	-	-	-	(674,267,165)	-	-	(674,267,165)
Transfer to statutory reserve	-	-	-	-	-	-	-
Transfer from surplus on revaluation of assets to unappropriated profit - net of tax	-	-	-	-	(49,460,328)	49,460,328	-
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-
Balance as at September 30, 2020	**6,600,000,000**	**1,061,615,726**	**358,662,940**	**(463,878,357)**	**1,927,469,069**	**3,384,588,850**	**12,868,458,228**

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chief Financial Officer | GM/Chief Executive | Director | Director/ Deputy Chairman | Director/ Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2020

	Note	September 30, 2020	September 30, 2019
		---Rupees---	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		**709,874,655**	187,643,055
Less: Dividend income		**(100,411,098)**	(122,808,754)
		609,463,557	64,834,301
Adjustments:			
Depreciation		**113,827,440**	102,495,917
Amortization		**3,088,023**	1,838,625
Provision and write-offs	27	**260,942,763**	330,553,719
(Gain) / Loss on sale of fixed assets		**(1,982,974)**	(11,319,132)
Finance charges on leased assets		**2,666,842**	-
Charge for defined benefit plan		**8,681,013**	5,429,538
Unrealized loss/ (gain) - held for trading investments		**-**	-
		387,223,107	428,998,667
		996,686,664	493,832,968
(Increase) / decrease in operating assets			
Lendings to financial institutions		**80,000,000**	2,818,407,389
Held-for-trading securities		**-**	-
Advances		**217,153,547**	(211,653,601)
Others assets (excluding advance taxation)		**752,756,344**	(223,988,794)
		1,049,909,891	2,382,764,994
Increase/ (decrease) in operating liabilities			
Borrowings from financial institutions		**8,470,765,356**	10,249,171,283
Deposits		**1,435,000,000**	502,500,000
Other liabilities (excluding current taxation)		**(115,673,083)**	(69,497,394)
		9,790,092,273	10,682,173,889
Payments against off-balance sheet obligations		**-**	-
Payment to defined benefit plan		**(7,767,324)**	(11,780,306)
Income tax paid		**(494,045,045)**	(277,769,847)
Net cash flow generated from operating activities		**11,334,876,459**	13,269,221,698
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in available-for-sale securities		**(11,286,870,374)**	(12,422,848,416)
Net investments in held-to-maturity securities		**118,000**	(599,513,295)
Dividends received		**115,630,048**	80,365,770
Investments in operating fixed assets		**(45,087,153)**	(44,948,490)
Proceeds from sale of fixed assets		**3,552,889**	24,688,725
Net cash flow (used in) investing activities		**(11,212,656,590)**	(12,962,255,706)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		**-**	(330,000,000)
Net cash flow generated from / (used in) financing activities		**-**	(330,000,000)
Effects of exchange rate changes on cash and cash equivalents		**-**	-
Increase / (Decrease) in cash and cash equivalents		**122,219,869**	(23,034,008)
Cash and cash equivalents at beginning of the period		**162,445,383**	381,235,120
Cash and cash equivalents at end of the period	31	**284,665,252**	358,201,112

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

Chief Financial Officer	GM/Chief Executive	Director	Director/ Deputy Chairman	Director/ Chairman

SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION [UN-AUDITED]
FOR THE PERIOD ENDED SEPTEMBER 30, 2020

1. STATUS AND NATURE OF BUSINESS

Saudi Pak Industrial and Agricultural Investment Company Limited (the Company) was incorporated in Pakistan as a private limited company on December 23, 1981 and subsequently converted to public limited company on April 30, 2008. The Company is jointly sponsored by the Government of Kingdom of Saudi Arabia (KSA) and the Government of the Islamic Republic of Pakistan. The Company is a Development Financial Institution (DFI) and principally engaged in lendings and investments in the industrial and agro-based industrial companies in Pakistan on commercial basis. The Company was initially setup for a period of fifty years and upon mutual consent of the Government of Kingdom of Saudi Arabia (KSA) and Government of Pakistan the duration of Company has been further extended for another period of fifty years.

The registered office of the Company is situated at Saudi Pak Tower, Jinnah Avenue, Islamabad. The Company is also operating through its offices in Lahore and Karachi.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

2.2 This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of the following:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017

- Provisions of and directives issued under the Banking Companies Ordinance, 1962, the Companies Act, 2017; and

- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

2.3 The disclosures made in these condensed interim unconsolidated financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and IAS 34. These condensed interim unconsolidated financial statements do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2019.

2.4 Amendments to existing accounting and reporting standards that have become effective in the current period.

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Company for accounting periods beginning on or after January 1, 2020 but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these financial statements.

2.5 Standards, interpretations of and amendments to existing accounting standards that are not yet effective

As per the SBP's BPRD Circular Letter no. 4 dated October 23, 2019, the applicability of IFRS 9 to banks/DFIs in Pakistan has been deferred to accounting periods beginning on or after January 1, 2021.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those applied in the preparation of the audited annual financial statements of the Company for the year ended December 31, 2019.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of this condensed interim unconsolidated financial information is the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31, 2019.

5 FINANCIAL RISK MANAGEMENT

5.1 The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2019. These risk management policies continue to remain robust and the Company is reviewing its portfolio regularly and conducts rapid portfolio reviews in line with the emerging risks.

5.2 The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The State Bank of Pakistan (SBP) has also responded to the crisis by cutting the Policy Rate by 625 basis points since the beginning of the year to 7% in June 2020. Other regulatory measures to provide an impetus to economic activity include the following:

- Reduction in the capital conservation buffer by 100 basis points to 1.5%;
- Increasing the regulatory limit on extension of credit to SMEs to Rs 180 million;
- Relaxing the debt burden ratio for consumer loans from 50% to 60%;
- Allowing banks/DFIs to defer principle loan payments by one year;
- Relaxing regulatory criteria for restructured/rescheduled loans for borrowers who require relief of principle repayment exceeding one year and/ or markup; and
- Introduction of refinancing scheme for the payment of wages and salaries.
- Relaxation in booking of impairment loss in phased manner equally on quarterly basis during calendar year ending December 31, 2020
- Declared dividend for March 31, 2020 should suspend for distribution of cash dividend for next two quarters

COVID-19 will impact banks/DFIs in Pakistan on a number of fronts including increase in overall credit risk pertaining to the loans and advances portfolio, reduced fee income due to overall slowdown in economic activity, continuity of business operations.

		Unaudited September 30, 2020	Audited December 31, 2019
		Rupees	
6	**CASH AND BALANCES WITH TREASURY BANKS**		
	In hand		
	Local currency	**327,800**	223,815
	With State Bank of Pakistan in		
	Local currency current account	**195,896,112**	36,185,064
		196,223,912	36,408,879
7	**BALANCES WITH OTHER BANKS**		
	In Pakistan		
	In current accounts	**6,391,729**	5,979,002
	In deposit accounts	**82,049,611**	120,057,502
		88,441,340	126,036,504
8	**LENDINGS TO FINANCIAL INSTITUTIONS**		
	Repurchase agreement lendings (Reverse Repo)	**-**	80,000,000
	Letter based placement	**-**	-
		-	80,000,000
	Less: Provision held against Lending to Financial Institutions	**-**	-
	Lendings to Financial Institutions - net of provision	**-**	80,000,000

9 INVESTMENTS

9.1 **Investments by type:**

	September 30, 2020 (Unaudited)				December 31, 2019(Audited)			
	Cost / Amortised cost	**Provision for diminution**	**Surplus / (Deficit)**	**Carrying Value**	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
	----Rupees----				----Rupees----			
Held-for-trading securities								
Quoted shares	-	-	-	-	-	-	-	-
Available-for-sale securities								
Federal Government Securities								
-Pakistan Investment Bonds (PIBs)	**29,643,421,358**	-	**(665,038,358)**	**28,978,383,000**	17,354,461,746	-	91,880,254	17,446,342,000
-Market Treasury Bills	-	-	-	-	907,736,468	-	3,808,532	911,545,000
	29,643,421,358	-	**(665,038,358)**	**28,978,383,000**	18,262,198,214	-	95,688,786	18,357,887,000
Shares- Quoted securities	**2,363,834,739**	**(756,781,247)**	**109,599,114**	**1,716,652,606**	2,627,466,026	(704,469,976)	133,678,081	2,056,674,131
Non Government Debt Securities								
-Term Finance Certificates (TFCs) / Sukuk	**1,171,612,766**	**(82,227,345)**	**9,700,000**	**1,099,085,421**	1,171,612,766	(82,227,345)	3,600,000	1,092,985,421
-Commercial paper	**32,802,482**	-	-	**32,802,482**	92,729,028	-	-	92,729,028
Open end mutual fund	-	-	-	-	70,794,937	(34,419,937)	14,549,375	50,924,375
Un-quoted securities	**1,086,333,048**	**(273,833,040)**	-	**812,500,008**	786,333,048	(273,833,040)	-	512,500,008
	34,298,004,393	**(1,112,841,632)**	**(545,739,244)**	**32,639,423,517**	23,011,134,019	(1,094,950,298)	247,516,242	22,163,699,963
Held-to-maturity securities								
Non Government Debt Securities								
-Term Finance Certificates (TFCs) / Sukuk	**1,642,668,710**	**(402,491,710)**	-	**1,240,177,000**	1,642,786,710	(402,491,710)	-	1,240,295,000
Associates								
Saudi Pak Leasing Company Limited								
- Investment in shares	**243,467,574**	**(243,467,574)**	-	-	243,467,574	(243,467,574)	-	-
- Investment in preference shares	**333,208,501**	**(333,208,501)**	-	-	333,208,501	(333,208,501)	-	-
	576,676,075	**(576,676,075)**	-	-	576,676,075	(576,676,075)	-	
Subsidiaries								
Saudi Pak Real Estate Company Limited	**500,000,000**	-	-	**500,000,000**	500,000,000	-	-	500,000,000
Total Investments	**37,017,349,178**	**(2,092,009,417)**	**(545,739,244)**	**34,379,600,517**	25,730,596,804	(2,074,118,083)	247,516,242	23,903,994,963

	Unaudited September 30, 2020	Audited December 31, 2019
9.1.1 Investments given as collateral	----------Rupees----------	
Treasury Bills (T-Bills)	-	-
Pakistan Investment Bonds (PIBs)	**24,776,709,800**	15,980,206,280
	24,776,709,800	15,980,206,280

9.2 Provision for diminution in value of investments

	Unaudited September 30, 2020	Audited December 31, 2019
9.2.1 Opening balance	**2,074,118,083**	1,822,939,631
Charge / reversals		
Charge for the period / year	**206,399,036**	375,917,236
Reversals for the period / year	**-**	(977,225)
Reversal on disposals	**(188,507,702)**	(123,761,559)
	17,891,334	251,178,452
Amounts written off	**-**	-
Closing Balance	**2,092,009,417**	2,074,118,083

9.2.2 Particulars of provision against debt securities

Category of classification	Unaudited September 30, 2020		Audited December 31, 2019	
	NPI	**Provision**	NPI	Provision
	----Rupees----		----Rupees----	
Domestic				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	**535,344,055**	**484,719,055**	535,344,055	484,719,055
	535,344,055	**484,719,055**	535,344,055	484,719,055
Overseas	-	-	-	-
Total	**535,344,055**	**484,719,055**	535,344,055	484,719,055

9.3 The market value of listed TFCs classified as held-to-maturity as at September 30, 2020 and December 31, 2019 are not available and these are carried at amortised cost.

10 ADVANCES

	Performing		Non Performing		Total	
	Unaudited September 30, 2020	Audited December 31, 2019	**Unaudited September 30, 2020**	Audited December 31, 2019	**Unaudited September 30, 2020**	Audited December 31, 2019
	------	------	------	Rupees	------	------
Loans, leases, running finances- gross	**5,954,244,326**	6,040,351,497	**3,937,967,508**	4,069,013,884	**9,892,211,834**	10,109,365,381
Provision against advances						
- Specific	**-**	-	**(2,483,212,271)**	(2,240,160,842)	**(2,483,212,271)**	(2,240,160,842)
- General	**-**	-	**-**	-	**-**	-
	-	-	**(2,483,212,271)**	(2,240,160,842)	**(2,483,212,271)**	(2,240,160,842)
Advances - net of provision	**5,954,244,326**	6,040,351,497	**1,454,755,237**	1,828,853,042	**7,408,999,563**	7,869,204,539

	Unaudited September 30, 2020	Audited December 31, 2019
10.1 Particulars of advances (Gross)	------Rupees	------
In local currency	**9,876,295,781**	10,093,449,328
In foreign currencies	**15,916,053**	15,916,053
	9,892,211,834	10,109,365,381

10.2 Advances include Rs. 3,937,967,508 (December 31, 2019: Rs. 4,069,013,884) which have been placed under non-performing status as detailed below:-

	Unaudited September 30, 2020		Audited December 31, 2019	
Category of Classification	**Non Performing Loans**	**Provision**	Non Performing Loans	Provision
	------Rupees	------	------Rupees	------
Domestic				
Substandard	**-**	**-**	317,313,987	79,328,497
Doubtful	**311,970,937**	**155,985,468**	750,000,000	-
Loss	**3,625,996,571**	**2,327,226,803**	3,001,699,897	2,160,832,345
	3,937,967,508	**2,483,212,271**	4,069,013,884	2,240,160,842
Overseas	**-**	**-**	-	-
Total	**3,937,967,508**	**2,483,212,271**	4,069,013,884	2,240,160,842

	Unaudited September 30, 2020			Audited December 31, 2019		
	Specific	**General**	**Total**	Specific	General	Total
	Rupees			Rupees		
10.3 Particulars of provision against advances						
Opening balance	**2,240,160,842**	**-**	**2,240,160,842**	2,162,852,622	-	2,162,852,622
Charge for the year	**373,095,031**	**-**	**373,095,031**	199,619,330	-	199,619,330
Reversals	**(130,043,602)**	**-**	**(130,043,602)**	(122,311,110)	-	(122,311,110)
	243,051,429	**-**	**243,051,429**	77,308,220	-	77,308,220
Amounts written off	**-**	**-**	**-**	-	-	-
Closing balance	**2,483,212,271**	**-**	**2,483,212,271**	2,240,160,842	-	2,240,160,842

10.3.1 The net FSV benefit already availed has been increased by Rs. 82.902 million, which has resulted in decreased charge for specific provision for the year by the same amount. Had the FSV benefit not increased, before and after tax profit for the year would have been lower by Rs. 82.902 million (2019: Rs. 781.681 million) and Rs. 58.860 million (2019: lower by Rs. 554.994 million) respectively. Further, at September 30, 2020, cumulative net of tax benefit availed for Forced Sale Value (FSV) was Rs. 922.127 million (2019: Rs. 863.266 million) under BSD circular No. 1 of 2011 dated October 21, 2011. Reserves and un-appropriated profit to that extent are not available for distribution by way of cash or stock dividend.

		Unaudited September 30, 2020	Audited December 31, 2019
11 FIXED ASSETS	Note	----Rupees----	
Capital work-in-progress		**21,347,907**	7,059,370
Property and equipment		**2,938,610,846**	3,010,401,637
Right of use assets under IFRS-16 Leases		**26,941,372**	37,280,633
		2,986,900,125	3,054,741,640

	Unaudited For the nine months ended September 30, 2020	Unaudited For the nine months ended September 30, 2019
11.1 Additions to fixed assets	----Rupees----	
The following additions have been made to fixed assets during the period:		
Capital work-in-progress	**14,288,537**	-
Property and equipment		
Building on freehold land	-	596,000
Furniture and fixture	**141,804**	172,800
Office equipment	**1,906,859**	5,077,635
Vehicles	**26,412,682**	7,438,388
Heating & air conditioning	-	3,050,000
Elevators	**1,090,798**	-
Electrical fitting, fire fighting equipment and others	**1,024,898**	28,212,518
	30,577,041	44,547,341
Total	**44,865,578**	44,547,341
11.2 Disposal of fixed assets		
The net book value of fixed assets disposed off during the period is as follows:		
Freehold land	-	8,088,120
Building on leasehold land (fences, glass sheets and others)	-	2,549,386
Furniture and fixture	-	157
Office equipment	**79,539**	3
Vehicles	**1,490,376**	2,052,755
Heating & air conditioning	-	15
Security systems	-	181,995
Electrical fitting, fire fighting equipment and others	-	497,162
Total	**1,569,915**	13,369,593

	Unaudited September 30, 2020	Audited December 31, 2019
12 INTANGIBLE ASSETS	----Rupees----	
Computer Software	**5,621,626**	8,488,075
	5,621,626	8,488,075

	Unaudited For the nine months ended September 30, 2020	Unaudited For the nine months ended September 30, 2019
12.1 Additions to intangible assets	----Rupees----	
The following additions have been made to intangible assets during the period:		
Directly purchased	**221,574**	401,150

		Note	Unaudited September 30, 2020	Audited December 31, 2019
			Rupees	
13	**OTHER ASSETS**			
	Income/ Mark-up accrued in local currency - net of provision			
	On investments		**339,899,726**	955,893,071
	On advances		**102,448,892**	149,289,077
	On lending to financial institutions		**-**	28,603
			442,348,618	1,105,210,751
	Advances, deposits, advance rent and other prepayments		**14,896,489**	106,473,809
	Advance taxation		**706,774,635**	485,441,392
	Excise duty		**78,817,895**	78,817,895
	Non-banking assets acquired in satisfaction of claims		**140,075,387**	142,373,910
	Dividend receivable		**41,903,598**	57,122,548
	Other receivables		**7,765,753**	6,082,643
			1,432,582,375	1,981,522,948
	Less: Provision held against other assets	13.1	**(256,792)**	(256,792)
	Other Assets (Net of Provision)		**1,432,325,583**	1,981,266,156
	Surplus on revaluation of non-banking assets acquired in satisfaction of claims		**24,050,923**	24,442,662
	Other Assets - total		**1,456,376,506**	2,005,708,818
13.1	**Provision held against other assets**			
	Advances, deposits, advance rent & other prepayments		**256,792**	256,792
			256,792	256,792
14	**BORROWINGS**			
	Secured			
	State Bank of Pakistan (SBP) refinance scheme			
	Long term financing facility (LTFF)		**862,232,081**	736,913,986
	Repurchase agreement borrowings		**24,663,386,000**	15,855,438,740
	Against book debts/receivables		**4,004,166,669**	6,166,666,668
	Total secured		**29,529,784,750**	22,759,019,394
	Unsecured			
	Call borrowings		**1,700,000,000**	-
	Total unsecured		**1,700,000,000**	-
			31,229,784,750	22,759,019,394
15	**DEPOSITS AND OTHER ACCOUNTS**			
	Customers			
	- Term deposits (local currency)	15.1	**1,945,000,000**	510,000,000
15.1	**Composition of deposits**			
	- Public Sector Entities	15.1.1	**1,935,000,000**	500,000,000
	- Non-Banking Financial Institutions	15.1.2	**10,000,000**	10,000,000
			1,945,000,000	510,000,000

15.1.1 These represent Certificate of Investments (COIs) issued to Port Qasim Authority for Rs. 1,935 million (2019: Rs. 500 million). These COIs carry mark up at the rate ranging from 7.43% to 7.50% (2019: 13.66%) per annum and is repayable in October & November 2020 (2019: February 2020).

15.1.2 These represent Certificate of Investments (COIs) issued to Saudi Pak Employees Contributory Provident Fund for Rs. 10 million (2019: Rs. 10 million). These COIs carry mark up at the rate of 7.30% (2019: 13.93%) per annum and is repayable in March 2021 (2019: March 2020).

15.2 All deposits are in local currency.

		Note	**Unaudited September 30, 2020**	Audited December 31, 2019
			Rupees	
16	**DEFERRED TAX LIABILITIES**			
	Deductible Temporary Differences on			
	Actuarial loss on defined benefit plan		**(4,710,781)**	(4,710,781)
	(Deficit) / Surplus on revaluation of securities - AFS		**(81,860,885)**	37,127,436
	Provision on non-performing loans		**(578,272,000)**	(507,787,000)
	Impairment loss on available for sale quoted securities		**(91,328,546)**	(88,542,914)
			(756,172,212)	(563,913,259)
	Taxable Temporary Differences on			
	Accelerated tax depreciation		**26,722,080**	24,545,468
	Dividend receivable		**6,285,539**	8,568,382
	Net investment in leases		**24,002,626**	32,770,878
	Surplus on revaluation of operating fixed assets		**777,452,480**	797,494,580
			834,462,725	863,379,308
			78,290,513	299,466,049
17	**OTHER LIABILITIES**			
	Mark-up/ Return/ Interest payable in local currency		**218,751,783**	269,614,014
	Accrued expenses		**955,000**	35,299,651
	Advance rental income		**74,722,330**	128,147,027
	Security deposits against rented properties		**28,639,862**	29,469,122
	Payable to defined benefit plan		**5,276,440**	6,343,905
	Provision for compensated absences		**9,852,608**	7,871,454
	Directors' remuneration		**3,731,918**	5,267,290
	Payable to stock brokers - net		**19,324,951**	529,004
	Lease liability against ROU assets as per IFRS - 16 Leases		**27,352,011**	24,685,169
	Others		**12,023,195**	5,496,014
			400,630,098	512,722,650
18	**SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS**			
	Surplus / (deficit) on revaluation of			
	- Available for sale securities	9.1	**(545,739,242)**	247,516,244
	- Fixed Assets		**2,680,870,626**	2,749,981,314
	- Non-banking assets acquired in satisfaction of claims		**24,050,923**	24,442,663
			2,159,182,307	3,021,940,221
	Deferred tax on surplus / (deficit) on revaluation of:			
	- Available for sale securities		**81,860,885**	(37,127,436)
	- Fixed Assets		**(777,452,480)**	(797,494,580)
			(695,591,595)	(834,622,016)
			1,463,590,712	2,187,318,205

			Unaudited September 30, 2020	Audited December 31, 2019
19	**CONTINGENCIES AND COMMITMENTS**			
	-Commitments	19.1	**2,642,563,975**	2,471,038,827

19.1 Commitments:

	Unaudited September 30, 2020	Audited December 31, 2019
Documentary credits and short-term trade-related transactions		
- Letters of Credit	**36,111,975**	176,670,000
Commitments for acquisition of:		
- Operating Fixed Assets	**-**	5,384,107
- Intangible assets	**452,000**	2,984,720
	452,000	8,368,827
Non disbursed commitment for term and working capital finance	**2,606,000,000**	2,286,000,000
	2,642,563,975	2,471,038,827

19.2 Other contingent liabilities

19.2.1 Except for the matter outlined in note 19.2.2 and 19.2.3 there is no significant / material change in the status of contingencies and commitments of the Company from the status given in the preceding audited annual financial statements for the year ended December 31, 2019 including the contingencies relating to pending tax litigations before the Honourable High Court Islamabad where in Company is pleading its stance in respect of multiple proceedings relating to various tax years.

19.2.2 Tax contingencies

For the tax year 2016, the assessing officer had amended the Company's assessment vide Order No 2/13 dated December 4, 2019 under section 122(5A) and had created a demand of Rs 143.354 million. The Company preferred appeal before Commissioner Inland Revenue-Appeals(CIR-A). The CIR(A) vide order 208/2020 dated January 28, 2020 upheld the contention of assesing officer over the issue of actuarial loss and remanded back the issues including provision on non performing loans, reversal of impairment on quoted securities, super tax and tax credit whereas deleted the issue of apportionment of common expenses. The Company has filed appeal before Appellate Tribunal Inland Revenue (ATIR) in this respect which is pending adjudication.

19.2.3 Other contingencies

Hira Terry Mills Limited (HTL) availed Long Term Finance Facility (LTFF) of Rs. 331.235 million from the Company which was disbursed on various dates in 2017 but HTL defaulted after partial payments despite allowing rescheduling. The Company filed a recovery suit on February 14, 2020 before Lahore High Court, Lahore for recovery of Rs.342 million against the HTL and its directors/guarantors for which proceedings are ongoing. In the meanwhile HTL and its guarantors/directors have filed a suit before Lahore High Court, Lahore for recovery & damages of Rs. 550 million against the Company alleging that (i) Rs. 300.00 million was not disbursed by the Company out of the sanctioned Finance Facility of Rs. 350 million due to which the customer suffered business losses of Rs 250 million (ii) customer has overpaid Rs. 11.216 million to the Company on different dates. According to the Company's legal counsel, the suit of the Customer is a counter move to the Company's initial litigation. The management believes that case is being defended by the Company on merits and there is no substance in the allegations, therefore it will be dismissed after due process of law.

		Note	Unaudited For the nine months ended September 30, 2020	September 30, 2019
			--------Rupees--------	
20	**MARK-UP/RETURN/INTEREST EARNED**			
	On:			
	Loans and advances		**570,459,456**	646,998,055
	Investments		**2,329,434,469**	828,488,321
	Lendings to financial institutions		**11,422,951**	42,772,003
	Balances with banks		**3,243,535**	7,425,588
			2,914,560,411	1,525,683,967
21	**MARK-UP/RETURN/INTEREST EXPENSED**			
	On:			
	Deposits	21.1	**88,828,811**	22,699,664
	Borrowings			
	Securities purchased under repurchase agreements		**1,335,497,153**	375,085,687
	Other short term borrowings		**268,463,177**	130,325,147
	SBP refinance scheme - LTFF		**11,981,792**	9,133,467
	Long term borrowings		**402,550,865**	414,292,084
			2,018,492,987	928,836,385
	Interest expense on lease liability against ROU assets		**2,666,842**	-
	Brokerage fee relating to borrowings		**8,189,557**	2,424,127
			2,118,178,197	953,960,176

21.1 The markup expensed amounting to Rs. 949,499 (2019: Rs. 660,669) relates to Saudi Pak Employees Contributory Provident Fund.

		Note	Unaudited For the nine months ended September 30, 2020	September 30, 2019
			--------Rupees--------	
22	**FEE & COMMISSION INCOME**			
	Credit related fees		**(128,276)**	13,275,812
	Commission on guarantees		-	100,352
	Others		**2,585,000**	-
			2,456,724	13,376,164
23	**GAIN / (LOSS) ON SECURITIES**			
	Realised	23.1	**217,752,953**	(29,768,495)
	Unrealised - held for trading		-	-
			217,752,953	(29,768,495)
23.1	**Realised gain / (loss) on:**			
	Federal Government Securities		**79,638,252**	5,177,347
	Mutual funds		**(1,962,812)**	578,000
	Shares- listed		**140,077,513**	(35,523,842)
			217,752,953	(29,768,495)
24	**OTHER INCOME**			
	Rent on property- net	24.1	**164,003,370**	144,049,613
	Gain / (loss) on sale of fixed assets-net		**1,982,974**	11,319,132
	Others		**1,343,862**	935,277
			167,330,206	156,304,022

	Unaudited For the nine months ended September 30, 2020	Unaudited For the nine months ended September 30, 2019
	----------Rupees----------	
24.1 Rent on property - net		
Rental income	**309,762,906**	281,307,887
Less: Property expense		
Salaries, allowances and employee benefits	**20,258,992**	20,217,258
Depreciation	**73,934,051**	72,625,219
Other expenses	**51,566,493**	44,415,797
	145,759,536	137,258,274
	164,003,370	144,049,613
25 OPERATING EXPENSES		
Total compensation expense	**169,286,160**	156,639,628
Property expense		
Rent and taxes	**562,493**	14,905,712
Insurance	**236,865**	234,026
Utilities cost	**11,261,506**	7,381,638
Security (including guards)	**3,151,006**	3,068,532
Repair & maintenance (including janitorial charges)	**2,737,367**	1,932,964
Depreciation on ROU assets	**10,339,261**	-
Depreciation	**10,562,007**	10,375,031
	38,850,505	37,897,903
Information technology expenses		
Software maintenance	**3,463,790**	3,633,478
Hardware maintenance	**668,820**	1,031,427
Amortisation	**3,088,023**	1,838,625
Network charges	**2,004,476**	2,636,775
	9,225,109	9,140,305
Other operating expenses		
Shareholders' fee	**3,731,918**	4,216,217
Directors' fees and allowances	**11,413,313**	14,321,288
Legal and professional charges	**4,043,008**	4,178,390
Consultancy, custodial and rating services	**5,287,799**	3,606,001
Outsourced services costs	**26,094,055**	23,442,934
Travelling and conveyance	**5,120,645**	15,273,581
Depreciation	**18,992,121**	19,495,667
Training and development	**1,415,140**	2,138,463
Postage and courier charges	**372,317**	631,608
Communication	**2,362,965**	2,514,555
Stationery and printing	**4,294,953**	4,650,507
Marketing, advertisement and publicity	**1,129,830**	808,341
Donations	**-**	1,000,000
Auditors remuneration	**2,588,955**	3,396,282
Repair and maintenance	**1,913,211**	3,076,505
Insurance	**1,364,358**	1,619,091
Office and general expenses	**6,957,788**	7,478,720
Bank charges	**182,713**	376,142
	97,265,089	112,224,292
	314,626,863	315,902,128

	Note	Unaudited For the nine months ended September 30, 2020	September 30, 2019
		----------Rupees	----------
26 OTHER CHARGES			
Penalties imposed by State Bank of Pakistan		-	2,353,000
		-	2,353,000
27 PROVISIONS AND WRITE OFFS - NET			
Provisions for diminution in value of investments- net	9.2.1	**17,891,334**	287,891,098
Provisions / (reversals) against loans and advances- net	10.3	**243,051,429**	42,662,621
		260,942,763	330,553,719
28 TAXATION			
-Current		**272,711,802**	131,224,331
-Prior years		**-**	-
-Deferred tax		**(102,187,215)**	(104,340,619)
		170,524,587	26,883,712
29 BASIC EARNINGS PER SHARE			
Profit for the period - Rupees		**539,350,068**	160,759,343
Weighted average number of ordinary shares		**660,000,000**	660,000,000
Basic earnings per share - Rupee		**0.817**	0.244

30 DILUTED EARNINGS/ (LOSS) PER SHARE

There are no dilutive instruments, hence basic and diluted earnings are same.

31 CASH AND CASH EQUIVALENTS

	September 30, 2020	September 30, 2019
Cash and Balance with Treasury Banks	**196,223,912**	36,530,370
Balance with other banks	**88,441,340**	321,670,742
	284,665,252	358,201,112

32. FAIR VALUE MEASUREMENTS

The fair value of traded investments is based on quoted market prices, except for securities classified by the Company as 'held to maturity'. Securities classified as held to maturity are carried at amortized cost. Fair value of unquoted equity investments, other than subsidiary and associates, is determined on the basis of break up value of these investments as per the latest available audited financial statements. Further, financial statements of several unquoted equity investments are not available whether due to liquidation or litigation, hence, breakup value of these investments can not be determined.

Fair value of unquoted debt securities, fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to the absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Company's accounting policy.

Fair value of remaining financial assets and liabilities except fixed term loans, staff loans, non-performing advances and fixed term deposits is not significantly different from the carrying amounts since assets and liabilities are either short term in nature or are frequently repriced in the case of customer loans and deposits.

32.1 Fair value of financial assets

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets (Pakistan Stock Exchange) for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) available at MUFAP, Reuters page, redemption prices determined by valuers on the panel of Pakistan Bank's Association .

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

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Company has adopted revaluation model (as per IAS 16) in respect of leasehold land, building and non-banking assets acquired in satisfaction of claims.

	September 30, 2020 (Unaudited)			
	Level 1	**Level 2**	**Level 3**	**Total**
On balance sheet financial instruments	---------- Rupees ----------			
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	**28,978,383,000**	-	**28,978,383,000**
Shares	**1,716,652,606**	-	-	**1,716,652,606**
Open end Mutual Fund	-	-	-	-
Non-Government Debt Securities	-	**1,131,887,903**	-	**1,131,887,903**
Financial assets - disclosed but not measured at fair value				
Investments				
Non-Government Debt Securities	-	-	**1,240,177,000**	**1,240,177,000**
Unquoted Securities	-	-	**812,500,008**	**812,500,008**
Off-balance sheet financial instruments - measured at fair value	-	-	-	-

	December 31, 2019 (Audited)			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments	---------- Rupees ----------			
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	18,357,887,000	-	18,357,887,000
Shares	2,056,674,131	-	-	2,056,674,131
Open end Mutual Fund	-	50,924,375	-	50,924,375
Non-Government Debt Securities	-	1,185,714,449	-	1,185,714,449
Financial assets - disclosed but not measured at fair value				
Investments				
Non-Government Debt Securities	-	-	1,240,295,000	1,240,295,000
Unquoted Securities	-	-	512,500,008	512,500,008
Off-balance sheet financial instruments - measured at fair value	-	-	-	-

Valuation techniques used in determination of fair valuation of financial instruments within level 2 and level 3

Items	**Valuation approach and input used**
Federal Government securities	The fair values of Federal Government securities are determined on the basis of PKRV rates / prices sourced from Mutual Funds Association of Pakistan (MUFAP) and these securities are classified under level 2.
Debentures and corporate debt instruments	Market rates of these securities are not available on MUFAP, therefore, these securities are classified level 3.
Unquoted Investment	There are no observable inputs in respect of fair market valuation of unquoted investment, hence these securities are valued at lower of cost or breakup value. These securities are classified under level 3.

32.2 The Company's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date of the event or change in circumstances that caused such transfer. There were no transfers between levels 1 and 2 during the year.

32.3 Fair value of non-financial assets

32.4 The property and equipment of the Company were recently revalued by independent professional valuer as at December 31, 2018. The revaluation was carried out by M/s Impulse (Pvt) Limited on the basis of professional assessment of present market values.

The non-banking assets acquired from DJM AR Securities were last revalued by independent professional valuer in February 2019. The revaluation was carried out by M/s Surval on the basis of professional assessment of recent market values. The non banking assets acquired from Irfan Textile were last revalued by independent professional valuer in November 2018. The revaluation was carried out by M/s Amir Evaluators and consultants on the basis of professional assessment of recent market values.

	September 30, 2020 (Unaudited)			
	Level 1	**Level 2**	**Level 3**	**Total**
		Rupees		
Non-financial assets				
Operating fixed assets				
Property and equipment (lease hold land, building & others)	-	-	**2,877,716,755**	**2,877,716,755**
Other assets				
Non banking assets acquired in satisfaction of claims	-	-	**164,126,310**	**164,126,310**

	December 31, 2019 (Audited)			
	Level 1	Level 2	Level 3	Total
		Rupees		
Non-financial assets				
Operating fixed assets				
Property and equipment (lease hold land, building & others)	-	-	2,961,100,848	2,961,100,848
Other assets				
Non banking assets acquired in satisfaction of claims	-	-	166,816,572	166,816,572

Valuation techniques used in determination of fair valuation of financial instruments within level 2 and level 3

Items	**Valuation approach and input used**
Operating fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and other fixed assets and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these unconsolidated financial statements.

33. Segment Details with respect to Business Activities

	September 30, 2020 (Unaudited)			
	Corporate Finance	Trading and sales	Building rental services	Total
	Rupees			
Profit & Loss				
Net mark-up/return/profit	235,009,917	561,372,297	-	796,382,214
Non mark-up / return / interest income	2,456,724	321,258,111	165,347,232	489,062,067
Total Income	237,466,641	882,630,408	165,347,232	1,285,444,281
Segment direct expenses	66,702,599	247,924,264	-	314,626,863
Total expenses	66,702,599	247,924,264	-	314,626,863
Provisions	243,051,429	17,891,334	-	260,942,763
Profit before tax	(72,287,387)	616,814,810	165,347,232	709,874,655
Balance Sheet				
Cash & Bank balances	-	284,665,252	-	284,665,252
Investments	1,240,177,000	33,139,423,517	-	34,379,600,517
Lendings to financial institutions	-	-	-	-
Advances - performing	5,954,244,326	-	-	5,954,244,326
- non-performing net of provision	1,454,755,237	-	-	1,454,755,237
Others	433,690,851	1,282,798,392	2,732,409,014	4,448,898,257
Total Assets	9,082,867,414	34,706,887,161	2,732,409,014	46,522,163,589
Borrowings	7,781,288,892	23,448,495,858	-	31,229,784,750
Deposits & other accounts	484,620,916	1,460,379,084	-	1,945,000,000
Others	(477,233,458)	87,726,285	868,427,785	478,920,611
Total liabilities	7,788,676,350	24,996,601,227	868,427,785	33,653,705,361
Equity	-	-	-	12,868,458,228
Total Equity & liabilities	7,788,676,350	24,996,601,227	868,427,785	46,522,163,589
Contingencies & Commitments	2,642,111,975	452,000	655,200	2,643,219,175

	September 30, 2019 (Unaudited)			
	Corporate Finance	Trading and sales	Building rental services	Total
	Rupees			
Profit & Loss				
Net mark-up/return/profit	294,032,171	277,691,620	-	571,723,791
Non mark-up / return / interest income	13,376,164	106,367,057	144,984,890	264,728,111
Total Income	307,408,335	384,058,677	144,984,890	836,451,902
Segment direct expenses	141,487,992	176,767,136	-	318,255,128
Total expenses	141,487,992	176,767,136	-	318,255,128
Provisions	58,560,396	271,993,323	-	330,553,719
Profit before tax	107,359,947	(64,701,782)	144,984,890	187,643,055

	December 31, 2019 (Audited)			
	Corporate Finance	Trading and sales	Building rental services	Total
	Rupees			
Balance Sheet				
Cash & Bank balances	-	162,445,383	-	162,445,383
Investments	1,240,295,000	22,663,699,963	-	23,903,994,963
Lendings to financial institutions	-	80,000,000	-	80,000,000
Advances - performing	6,040,351,497	-	-	6,040,351,497
- non-performing net of provision	1,828,853,042	-	-	1,828,853,042
Others	613,722,664	1,647,364,520	2,807,851,349	5,068,938,533
Total Assets	9,723,222,203	24,553,509,866	2,807,851,349	37,084,583,418
Borrowings	7,341,209,900	15,417,809,494	-	22,759,019,394
Deposits & other accounts	164,506,958	345,493,042	-	510,000,000
Others	(353,569,728)	213,938,878	951,819,549	812,188,699
Total liabilities	7,152,147,130	15,977,241,414	951,819,549	24,081,208,093
Equity	-	-	-	13,003,375,325
Total Equity & liabilities	7,152,147,130	15,977,241,414	951,819,549	37,084,583,418
Contingencies & Commitments	2,462,785,980	2,842,579	5,410,268	2,471,038,827

34 RELATED PARTY TRANSACTIONS

The Governments of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan each own 50% shares of the Company. Therefore, all entities owned by and controlled by these Governments are related parties of the Company. Other related parties comprise of entities over which the Company has control (subsidiaries), entities over which the directors are able to exercise significant influence (associated undertakings), entities with common directors, major shareholders, directors, key management personnel and employees' funds. The Company in normal course of business pays for electricity, gas and telephone to entities controlled by Government of Pakistan. The Company has not extended any financing facilities to entities owned by the Governments of Kingdom of Saudi Arabia and the Islamic Republic of Pakistan.

Transactions which are made under the terms of employment with related parties mainly comprise of loans and advances, deposits etc.

Advances for the house building, conveyance and personal use have also been provided to staff and executives in accordance with the employment and pay policy. Facility of group life insurance and hospitalization facility is also provided to staff and executives. In addition to this, majority of executives of the Company have been provided with Company maintained car.

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

	September 30, 2020 (Unaudited)					December 31, 2020 (Audited)				
	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	Rupees					Rupees				
Investments										
Opening balance	-	-	500,000,000	576,676,075	-	-	-	500,000,000	576,676,075	-
Investment made during the year	-	-	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the year	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	500,000,000	576,676,075	-	-	-	500,000,000	576,676,075	-
Provision for diminution in value of investments	-	-	-	576,676,075	-	-	-	-	576,676,075	-
Advances										
Opening balance	-	21,788,773	-	-	-	-	26,296,411	-	-	-
Addition during the year	-	9,330,480	-	-	-	-	2,165,000	-	-	-
Repaid during the year	-	(10,042,487)	-	-	-	-	(6,672,638)	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-
Closing balance	-	21,076,766	-	-	-	-	21,788,773	-	-	-
Provision held against advances	-	-	-	-	-	-	-	-	-	-
Other Assets										
Security deposit	-	-	2,278,800	-	-	-	-	2,278,800	-	-
Provision against other assets	-	-	-	-	-	-	-	-	-	-
Deposits and other accounts										
Opening balance	-	-	-	-	10,000,000	-	-	-	-	7,500,000
Received during the year	-	-	-	-	20,000,000	-	-	-	-	25,000,000
Withdrawn during the year	-	-	-	-	(20,000,000)	-	-	-	-	(22,500,000)
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	10,000,000	-	-	-	-	10,000,000
Other Liabilities										
Interest / mark-up payable	-	-	-	-	26,000	-	-	-	-	400,726
Payable to defined benefit plan	-	-	-	-	5,276,440	-	-	-	-	6,343,905
Security deposit	-	-	401,960	-	-	-	-	401,960	-	-
Rent received in advance	-	-	1,248,318	-	-	-	-	1,161,278	-	-

	September 30, 2020 (Unaudited)					September 30, 2019 (Unaudited)				
	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	Rupees					Rupees				
Income										
Mark-up / return / interest earned	-	604,938	-	-	-	-	750,843	-	-	-
Rental income	-	-	4,302,456	-	-	-	-	3,987,305	-	-
Expense										
Mark-up / return / interest expensed	-	-	-	-	949,499	-	-	-	-	660,669
Contribution to employees' funds	-	-	-	-	6,810,610	-	-	-	-	6,183,342
Directors' fees and allowances	11,413,313	-	-	-	-	14,321,288	-	-	-	-
Shareholders' fee	-	-	-	-	3,731,918	-	-	-	-	4,216,217
Operating expenses	-	88,771,379	-	252,610	-	-	83,462,591	9,684,900	241,693	-

	Unaudited September 30, 2020	Audited December 31, 2019
	Rs '000'	

35 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	Unaudited September 30, 2020	Audited December 31, 2019
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	6,600,000	6,600,000
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	10,851,404	10,372,802
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	10,851,404	10,372,802
Eligible Tier 2 Capital	1,183,685	1,925,620
Total Eligible Capital (Tier 1 + Tier 2)	12,035,089	12,298,422
Risk Weighted Assets (RWAs):		
Credit Risk	19,442,371	20,905,239
Market Risk	7,025,754	4,353,038
Operational Risk	2,374,050	2,374,050
Total	28,842,175	27,632,327
Common Equity Tier 1 Capital Adequacy ratio	37.62%	37.54%
Tier 1 Capital Adequacy Ratio	37.62%	37.54%
Total Capital Adequacy Ratio	41.73%	44.51%

As of September 30, 2020, the Company must meet a Tier 1 to RWA ratio and CAR, including CCB, of 7.5% and 11.5% respectively.

Standardized Approach is used for calculating the Capital Adequacy for Market and Credit Risk while Basic Indicator Approach (BIA) is used for Operational Risk.

	Unaudited September 30, 2020	Audited December 31, 2019
	Rs '000'	
Leverage Ratio (LR):		
Eligible Tier-1 Capital	10,851,404	10,372,802
Total Exposures	49,164,727	39,555,622
Leverage Ratio	22.07%	26.22%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	5,908,872	4,411,147
Total Net Cash Outflow	3,003,874	1,688,471
Liquidity Coverage Ratio	196.71%	261.25%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	31,115,226	26,727,578
Total Required Stable Funding	17,006,815	17,359,770
Net Stable Funding Ratio	182.96%	153.96%

36 DATE OF AUTHORIZATION

These unconsolidated financial statements were authorized for issue by the Board of Directors of the Company on 24 OCT 2020.

Chief Financial Officer	GM/Chief Executive	Director	Director/ Deputy Chairman	Director/ Chairman