



Vision

To be the global leader in providing business process outsourcing services.

Mission

We aim to be the most efficient provider of business process outsourcing services by setting the industry standards for cost and quality of services.

We will grow through acquisition of other business process outsourcing companies that can benefit from our expertise, as well as through organic growth resulting from the strength of our franchise. Our long term success will be driven by our relentless focus on recruiting and developing the most talented pool of human capital in our industry.



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Corporate Information

Board of Directors

Waleed Tariq Saigol

Chairman

Hasnain Aslam

CEO

Zafar Iqbal Sobani

Khaldoon Bin Lateef

John Leone

Farrukh Imdad

Doina Popescu

Suleman Lalani

Asad Nasir

Abid Hussain

Audit Committee

Zafar Iqbal Sobani - Chairman

Doina Popescu

Suleman Lalani

Asad Nasir

HR Recruitment & Remuneration Committee

Khaldoon Bin Lateef - Chairman

Hasnain Aslam

John Leone

Abid Hussain

Chief Financial Officer & Company Secretary

Rahat Lateef

Legal Advisor

Lexium - Attorneys at Law

Auditors

KPMG Taseer Hadi & Co. Chartered Accountants

Shares Registrar

THK Associates (Pvt.) Ltd. Share Department,

Plot No. 32-C, Jami Commercial Street 2. D.H.A. Phase VII.

Karachi-75500, Pakistan.

Phone: +92 (021) 111-000-322

FAX: +92 (021) 34168271

Registered Office

24th Floor, Sky Tower West Wing, Dolmen, HC-3, Block-4,

Marine Drive, Clifton,

Karachi-75600, Pakistan.

UAN: (021)111-874-874

E---- (021) 2F104042

Fax: (021) 35184042

Report of the Directors

For the six months period ended December 31, 2021

Your Directors are pleased to present the condensed interim financial information of TRG Pakistan Limited (the Company) for the six-month period ended December 31, 2021.

Key Developments:

The first half of FY22 has been a period of consolidation for the Company. We successfully completed the sale of our e-TeleQuote business in July 2021. The Company's pro-rated share of the proceeds was approximately Rs. 21 billion, which makes this one of our most profitable investments since inception. A significant portion of these proceeds are in the process of being returned to the Company's shareholders in an efficient manner.

Our portfolio company Ibex Limited (IBEX) has been investing in additional capacity in response to additional demand for its services. IBEX has been successful in transforming its business over the last 5 years, with a shift towards high-growth, emerging technology and new economy sectors, resulting in increased client diversification and higher growth from new brands that has more than offset the decline from mature, legacy top 3 clients. We expect IBEX stock price on NASDAQ to reflect this growth, as the company delivers on performance in 2H FY22. Ibex's stock price has already shown material recovery after the announcement of better-than-expected fiscal 2Q results.

Our portfolio company that provides Artificial Intelligence Enterprise Software (AI Software Business) has had historical revenue growth averaging over 50% during the last 8 years. In recent years, this growth has been lumpy with flat revenue during FY20 followed by revenue growth of nearly 300% during FY21. In light of recent events, the plan for FY22 is to consolidate the FY21 growth and target additional enterprise deals which would result in further growth in FY23.

Results of Portfolio Companies under TRG International Limited (Associated Company)

The Resource Group International Limited (TRGIL) and its portfolio companies continued their growth trajectory during the first half of FY22.

IBEX revenues for the six months ended December 31, 2021 were \$240.8 million compared to \$226.0 million for the same period last year, whereas, the adjusted EBITDA* and Net Income during this period were \$29.3 million and \$11.5 million compared to \$33.7 million and \$(0.9) million, respectively, for the same period last year. The strong topline growth was a result of revenue generated from newer clients as IBEX continued to diversify its client base. The adjusted EBITDA was essentially flat year over year primarily due to costs associated with ramping new business, which includes agent training and investments in overhead. We expect the overall margins to improve in the second half of the fiscal year as the ramp costs stabilize.

^{*}Adjusted EBITDA is Earnings before Interest, Taxes, Depreciation and Amortization, adjusted for any one-time / non-recurring items

Revenues at our Al Software Business during 1H FY22 grew slightly compared to corresponding revenues in 1H FY21. During 2H FY21, the Al Software Business significantly increased its cost structure to prepare for future growth, resulting in a substantial decline in adjusted EBITDA. The Al Software Business is now in the process of rationalizing its cost base to restore the company to breakeven adjusted EBITDA while retaining its growth focus. During the remainder of FY22, the Al Software Business is seeking to consolidate its recent revenue growth and target the resumption of its growth trajectory from FY23 onwards. revenue growth and target the resumption of its growth trajectory from FY23 onwards.

TRG Pakistan Limited Financial Review:

The most significant item on our balance sheet is the value of the Company's share in TRGIL, our sole operating asset. As of December 31, 2021, the value of our share in TRGIL is Rupees 40.2 billion, representing a decrease of Rupees 9.4 billion compared to Rupees 49.6 billion on June 30, 2021. This decrease is primarily related to two drivers: (1) a decrease in the share price of IBEX between June 30, 2021 and December 31, 2021 and (2) a partial redemption of certain TRGIL shareholders in December 2021 that resulted in a finance charge. In addition to the Company's stake in TRGIL, it also has other assets of Rupees 0.1 billion and liabilities of Rupees 6.8 billion (primarily relating to deferred taxes) resulting in net assets of Rupees 33.5 billion.

Our income statement is primarily driven by the changes in value of our share in TRGIL. Our share of the net loss in equity accounted investee (i.e. TRGIL) was Rupees 14.8 billion. Out of this loss from associate, Rupees 6.8 billion was on account of a mark-to-market loss booked on IBEX shares held by TRGIL. IBEX's share price on NASDAQ declined by almost 34% during the period under review. The remaining loss was primarily on account of the redemption of certain preference shares in December 2021. These preference shares were originally classified as debt owed to their holders at the amount of their original investment, as the investors had the ability to have their preference shares purchased back at the higher of the original issue price or their pro-rated share of the underlying net assets, including their share of a preference amount. As the redemption value of these preference shares was more than the original issue price because of the high value of the underlying monetization, the difference between the redemption amount and the original issue price was reflected as a one-time finance charge.

The Company recognized interest income of Rupees 7.1 million in its income statement, whereas it incurred expenses of Rupees 16.8 million. Deferred tax amounting to Rupees 2.2 billion was reversed during the period. Overall, the Company posted net loss of Rupees 12.6 billion for the period ended December 31, 2021 as a result of these factors.

Loss per share

The loss per share of the Company was Rupees 23.06 per share.

Outlook

We remain focused on enhancing the value of our remaining portfolio assets and then monetizing them in due course to maximize value and liquidity to shareholders of the Company.

*Adjusted EBITDA is Earnings before Interest, Taxes, Depreciation and Amortization, adjusted for any one-time / non-recurring items

Acknowledgments

Your Directors close this report by thanking you of your continued confidence in the Company, and for the opportunity to serve you as your fiduciaries in the management of your Company.

For and on Behalf of the Board of Directors

Waleed Tariq Saigol Chairman

Karachi

February 28, 2022

Hasnain Aslam Chief Executive کمپنی نے اپنی آمدنی کے بیانے میں اے ملین روپے ظاہر کیے ، جبکہ اس پر ۸۔۱۲ ملین روپے کے اخراجات ہوئے۔اس عرصے کے دوران ۲-۲ بلین روپے کے موخر ٹیکس کوالٹ دیا گیا۔ مجموعی طور پر ، کمپنی نے ان عوامل کے نتیجے میں ساد سمبر ۲۰۲۱ کو ختم ہونے والی مدت کے لیے ۲-۲۲ بلین روپے کا خالص نقصان پہنچایا۔

فى حصص نقصان

تمینی نے فی حصص ۴ • ۲۳ رویے کا نقصان حاصل کیا۔

متواقع امكانات

ہم اپنے بقیہ پورٹ فولیواٹاثوں کی قدر کو بڑھانے اور پھر سمپنی کے شیئر ہولڈرز کو زیادہ سے زیادہ قدر اور لیکویڈیٹ فراہم کرنے کے لیے مناسب وقت میں ان سے رقم کمانے پر توجہ مر کوزر کھے ہوئے ہیں۔

اظهارتشكر

اس رپورٹ کے اختتام پر ڈائر کیٹر ز آپ کے مستقل اعماد اور کمپنی کی انتظامیہ کوامین کے طور پر خدمات کامو قع دینے پر آپ کے تہد دل سے مشکور ہیں۔

بور ڈ آف ڈائر کیٹرز کی جانب سے

وليرطارق سهگل حسنين اسلم چيز مين چيف ايکزيکو

کراچی تاریخ: ۲۸فروری ۲۰۲۲ مضبوط ٹاپ لائن مین اضافہ نئے کلائنٹس سے حاصل ہونے والی آمدنی کا متیجہ تھی کیونکہ آئیببیکس نے اپنے کلائنٹ ہیں کو پھیلانا جاری رکھا۔ ایڈ جسٹ ایبیٹا بنیادی طور پر سال بہ سال مستکلم تھا جس کی بنیادی وجہ نئے کار وبار کو بڑھانے سے منسلک اخراجات تھے، جس میں ایجنٹ کی تربیت اور اور ہیڈ میں سرمایہ کاری شامل ہے۔ م توقع کرتے ہیں کہ مالی سال کی دوسری ششاہی میں مجموعی مار جن میں بہتری آئے گی کیونکہ ریمپ کی قیمتیں مستکلم ہوں گی۔

مالی سال کی پہلی ششاہ می کے دوران ہمارے اے آئی ساف و میڑ کے کاروبار میں آمدنی پیچلے مالی سال کی پہلی ششاہ میں میں اس آمدنی کے مقابلے میں قدرے بڑھی۔ مالی سال کی دوسر می ششاہ می کے دوران اے آئی ساف و میڑ کاروبار نے متعقبل کی ترقی کی تیار می کے اپنی لاگت کے دُھانچے میں نمایاں اضافہ کیا، جس کے نتیجے میں ایسیٹامیں کافی کی واقع ہوئی۔ اے آئی ساف و میڑ کاروباراب اپنی لاگت کی بنیاد کو معقول بنانے کے عمل میں ہے تاکہ عمینی کو اپنی ترقی کی توجہ کو بر قرار رکھتے ہوئے ایسیٹا کو بریک ایون ایڈ جسٹ کیا جاسکے۔ مالی سال ۲۰۲۲ کے بقیہ جھے کے دوران ، اے آئی ساف و میڑ کاروبار اپنی حالیہ آمدنی میں اضافے کو مستقلم کرنے اور مالی سال ۲۰۲۳ کے بعد سے اپنی ترقی کی رفتار کو دوبارہ شروع کرنے کا ہدف دکھتا ہے۔

في آرجي بإكستان لميثثه مالي جائزه

ہماری بیلنس شیٹ پرسب سے اہم چیز ٹی آرجی آئی ایل میں کمپنی کے حصہ کی قیمت ہے، جو ہمار اواحد آپر ٹینگ اثاثہ ہے۔ اساد سمبر ۲۰۲۱ تک، ٹی آرجی آئی ایل میں ہمارے حصہ کی مالیت ۲-۴ ہلین روپ ہے، جو کہ ۳۰جون ۲۰۴۱ کو ۲-۴ ہلین روپ کے مقابلے میں سم۔ ہم بلین روپ کی کو ظاہر کرتی ہے، یہ کمی بنیاد می طور پر دوڈرائیوروں سے متعلق ہے، (۱) ۴۰ جون ۲۰۲۱ اور ۱۳۱ سمبر ۲۰۲۱ کے در میان آئیسیکس کے حصص کی قیمت میں کی اور (۲) دسمبر ۲۰۲۱ میں کچھ ٹی آرجی آئی ایل شیئر ہولڈرز کا جزوی اخراج جس کے نتیج میں فنانس چارج کی لاگت گی۔ ٹی آرجی آئی ایل میں کمپنی کے حصص کے علاوہ اس کے پاس ا۔ بلین روپ کے دیگر اثاثے اور ۲۰۲۸ بلین روپ کے واجبات (بنیادی طور پر موٹر شیکسوں سے متعلق کہیں جس کے نتیج میں ۵۔۳۳ بلین روپ کے خالص اثاثے ہیں۔

ہماری آمدنی کا بیان بنیادی طور پر ٹی آرجی آئی ایل میں ہمارے تھے کی قدر میں ہونے والی تبدیلیوں سے جاتا ہے۔ ایکو پی اگاؤنٹڈ انویسٹی (ایعنی ٹی آرجی آئی ایل) میں خالص نقصان میں ہمارا حصہ ۸۔ ۱۳ ہلین روپے تھا۔ ایسو تی ایٹ کے اس نقصان میں سے، ۸۔ ۲ ہلین روپے ٹی آرجی آئی ایل کے پاس موجود آئیدیکس حصص پر مارک ٹومار کیٹ نقصان کی وجہ سے تھے۔ زیر جائزہ مدست کے دوران نیز ڈیک پر آئیدیکس کے حصص کی ایل کے پاس موجود آئیدیکس حصص پر مارک ٹومار کیٹ نقصان بنیادی طور پر در ہم ہر ۲۰۲۱ میں پچھ ترجیجی تھے میں کا وبہ سے تھا۔ ان ترجیجی تعصص کو اصل میں ان کے ہولڈرز پر ان کی اصل سرمایہ کاری کی واجب الادا قرض کے طور پر درجہ بندی کیا گیا تھا، کیو نکہ سرمایہ کاروں کے پاس اپنے ترجیجی تھے خور پر درجہ بندی کیا گیا تھا، کیو نکہ سرمایہ کاروں کے پاس اپنے ترجیجی تھے خور پر درجہ بندی کیا گیا تھا، کیو در پاپ کی ان کے پروریٹیڈ شیئر پر واپس، کے پاس اپنے ترجیجی تھے خور پر درجہ بندی کیا گیا تھا، کیو نکہ بنیادی منیٹ کرنے شن کی جور پھی کیو نکہ بنیادی منیٹ کرنے شن کی جوریٹ کے طور پر فائس بیاری کے طور پر فائم کیا گیا تھا۔ در میان فرق کو ایک بار فنائس بیاری کے طور پر ظاہر کیا گیا تھا۔

*ایمیٹامن فع، ٹیکس، فرسود گی اور امور ڈائزیشن، ایک بار اور بار بار نہ ہونے والی اسٹیاءے ہونے والی آمدنی ہے۔

ڈائریکٹرز کی رپورٹ

برائے دورانیہ اس دسمبر ۲۰۲۱ کے اختیام پر (ششاهی رپورٹ)

آپ کے ڈائر کیٹر زانتہائی مسرت کے ساتھ ٹی آرجی پاکستان لمیٹٹر (کمپنی) کے ۱۳دسمبر ۲۰۲۱ کوانفتام پذیر ہونے والی ششاھی کے معاشی بیانیے پیش کرتے ہیں۔

الهم پیشرفت:

مالی سال ۲۰۲۲ کی پہلی ششاہی کمپنی کے لیے استحکام کی مدت رہی ہے۔ ہم نے جولائی ۲۰۲۱ میں اپنے ای-ٹیلی کوٹ کاروبار کی فروخت کامیابی کے ساتھ مکمل کی۔ 21 بلین، جواسے ہمارے قیام کے بعد سے سب سے زیادہ منافع بخش سرمایہ کاری بناتا ہے۔اس آمدنی کا ایک اہم حصہ کمپنی کے شیئر ہولڈرز کوموثرانداز میں واپس کرنے پر عملدرامد جاری ہے۔

جاری پورٹ فولیو کمپنی، آئیسیکس لیمیٹد اپنی خدمات کی اضافی مانگ کے جواب میں اضافی صلاحیت میں سرمایہ کاری کر رہی ہے۔ آئیسیکس پچھلے پانچ سالوں میں اپنے کاروبار کو تبدیل کرنے میں کامیاب رہاہے، اعلی ترقی، ابھرتی ہوئی ٹیکنالوجی اور نئی معیشت کے شعبول کی طرف تبدیلی کے ساتھ، جس کے نتیجے میں کلائٹ کے بھیلاو میں اضافہ ہوا ہے اور نئے برانڈز سے زیادہ ترقی ہوئی ہے جو ۱۱ پھے گاھک کی کی کو پورا کرنے سے کہیں زیادہ ہے۔ ہم تو قع کرتے ہیں کہ نیڈؤ یک پر آئیسیکس اسٹاک کی قیمت اس نموکی عکامی کرے گی، جیسا کہ کمپنی مالی سال ۲۰۲۲ کی بہتر نمائی سال کی دوسری سے ماہی کے متوقع سے بہتر نمائی کی بہتر نمائی کی کی بہتر نمائی کے اعلان کے بعدمادی بحالی کو ظاہر کیا ہے۔

ہماری پورٹ فولیو سمپنی جو آر شیفیشل انٹیلی جنس انٹر پر ائز سافٹ ویئر (اے آئی سافٹ ویئر بزنس) فراہم کرتی ہے گزشتہ آٹھ سالوں کے دوران اس کی آمد نی میں پچپاس فیصد سے زیادہ تاریخی اضافہ ہوا ہے۔ حالیہ برسوں میں، یہ آمد نی مختلف سطچ پر رہی جبمہ مالی سال ۲۰۲۰ میں تقریباً لیک ہی سطح اور مالی سال ۲۰۲۱ میں اس آمد نی میں تقریباً تین سوفیصد تک اضافہ ہوا۔ حالیہ واقعات کی روشنی میں، مالی سال ۲۰۲۲ کا منصوبہ مالی سال ۲۰۲۱ میں ہونے والی ترقی کو مستحکم اور اضافی انٹر پر ائز سودوں کو ہدف بنانا ہے جس کے نتیجے میں مالی سال ۲۰۲۳ میں مزید ترقی ہوگی۔

ٹی آرجی ائٹر نیشنل لمیٹٹر (ایسوس ایٹر سمینی) کی ذیلی پورٹ فولیو کمپنیوں کے نتائج

مالی سال ۲۲ کی پہلی ششقاہی کے دوران داریسور س گروپانٹر نیشنل (ٹی آر جی آئی ایل)اوراس کی پورٹ فولیو کمپینیوں نے اپنی نشوو نما کو جاری رکھا۔

۳۱ دسمبر ۲۰۲۱ کوختم ہونے والے چھ مہینوں میں آئیبیکس کی آمدنی گزشتہ سال کی ای مدت میں ہونے والی ۲۲۲۰ ملین ڈالرر ہی مقابلے مقابلے ۲۲۰۰ ملین تقی، جبکہ اس مدت کے دوران ایڈ جسٹ ایمیٹااور خالص آمدنی سے۲۹ ملین ڈالر اور ۱۵-۱۱ ملین ڈالرر ہی جو پچھلے سال اس عرصے کے دوران ۷-۳ ملین ڈالر اور (۱۹-۷) ملین ڈالر تقی۔

*ایمیٹامن فع، شکس، فرسود گی اور امور ڈائزیشن، ایک بار اور بار بار نہ ہونے والی اسٹیاءے ہونے والی آمدنی ہے۔



HALF YEARLY REPORT DECEMBER 31, 2021



Independent Auditor's Review Report To the members of TRG Pakistan Limited Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **TRG Pakistan Limited** ("the Company") as at 31 December 2021 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-months period then ended (here-in-after referred to 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 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 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures for the three months ended 31 December 2021 in the interim financial statements have not been reviewed and we do not express a conclusion on them.

The engagement partner on the engagement resulting in this independent auditors' report is Zeeshan Rashid.

Date: 28 February 2022

KPMG Taseer Hadi & Co.
Chartered Accountants

Karachi

UDIN: AR202110188HoS06un9j

Condensed Interim Statement of Financial Position

As at December 31, 2021

ASSETS	Note	December 31, June 30, 2021 2021 (Un-audited) (Audited) (Rupees in '000)	
Non-current assets Operating fixed assets		-	17
Long term investment Long term deposit	4	40,184,532 75	49,620,244
Current assets		40,184,607	49,620,336
Accrued Interest Prepayments Cash and bank balances	5	1,076 783 63,955	10,828
Total assets	J	65,814	598,429 609,257 50,229,593
EQUITY AND LIABILITIES		40,230,421	30,227,373
Share capital and reserves Authorized share capital		7,330,000	7,330,000
Share capital		7,330,000	7,550,000
Issued, subscribed and paid-up capital	6	5,453,907	5,453,907
Revenue reserves Foreign currency translation reserve		3,729,339	(815,095)
Unappropriated Profit		24,295,361 33,478,607	36,869,797 41,508,609
Non-current liabilities Deferred tax liabilities - net		6,690,060	8,105,417
Current liabilities			
Accrued and other liabilities Payable to related party	7	3,458 30,592	322,217 27,265
Dividend Payable Taxation - net		25,136 22,568	92,885 173,200
Total equity and liabilities		81,754 40,250,421	615,567 50,229,593
Contingencies and commitments	8		

Director	Chief Financial Officer	Director

Condensed Interim Statement of Profit or Loss Account and Other **Comprehensive Income (Un-audited)**For the six months period ended December 31, 2021

		Six months period ended		Three months	period ended
	Note	December 31, 2021	December 31, 2020	December 31, 2021 n '000)	December 31, 2020
			(,	
Interest Income	9	7,077	81,638	3,245	22,043
Administrative and other expenses		(16,725)	(25,299)	(6,872)	(20,379)
Operating (loss) / profit		(9,648)	56,339	(3,627)	1,664
Share of (loss) / profit in equity accounted investee	4.3	(16,444,373)	5,158,029	(16,488,627)	4,240,984
Dilution gain on equity accounted investee	4.2	1,662,269	-	1,662,269	,2 .0,70 .
(Loss) / Profit before taxation		(14,791,752)	5,214,368	(14,829,985)	4,242,648
±		2217217	(700 517)	2 222 254	((24241)
Taxation		2,217,316	(789,517)	2,223,954	(634,261)
(Loss) / Profit after taxation		(12,574,436)	4,424,851	(12,606,031)	3,608,387
Other comprehensive income					
Items that may be reclassified to statement of profit or loss in subsequent periods					
Effect of translation of net investment in foreign associate - net of tax		4,544,434	(1,012,151)	860,529	(747,399)
Total comprehensive (loss) / income		(8,030,002)	3,412,700	(11,745,502)	2,860,988
		(Rupe	ees)	(Rupe	ees)
(Loss) / Earnings per share - basic and diluted		(23.06)	8.11	(23.11)	6.62

Director	Chief Financial Officer	Director

Condensed Interim Statement of Changes in Equity (Un-aduited)

For the six months period ended December 31, 2021

	Issued,	Revenu	e Reserves	Total
	subscribed and paid-up capital	Foreign currency translation reserve	Unappropriated profit	
		(Rupe	es in '000)	
Balance as at July 1, 2020	5,453,907	533,376	13,417,089	19,404,372
Total comprehensive income				
Profit after tax for the six months period ended December 31, 2020	-	-	4,424,851	4,424,851
Foreign currency translation difference - net of tax	_	(1,012,151)	_	(1,012,151)
	-	(1,012,151)	4,424,851	3,412,700
Balance as at December 31, 2020	5,453,907	(478,775)	17,841,940	22,817,072
Total comprehensive income				
Profit after tax for the six months period ended June 30, 2021	-	-	21,427,576	21,427,576
Foreign currency translation difference - net of tax	_	(336,320)	_	(336,320)
difference free of tax	-	(336,320)	21,427,576	21,091,256
Transactions with owners, recorded directly in equity				
Interim dividend at Rs. 4.4 per share		-	(2,399,719)	(2,399,719)
Balance as at June 30, 2021	5,453,907	(815,095)	36,869,797	41,508,609
Total comprehensive income				
Loss after tax for the six months period ended December 31, 2021	-	-	(12,574,436)	(12,574,436)
Foreign currency translation difference - net of tax	_	4,544,434	_	4,544,434
	-	4,544,434	(12,574,436)	(8,030,002)
Balance as at December 31, 2021	5,453,907	3,729,339	24,295,361	33,478,607

Director	Chief Financial Officer	Director

Condensed Interim Statement of Cash Flows (Un-audited)

For the six months period ended December 31, 2021

CASH FLOW FROM OPERATING ACTIVITIES	Note	December 31, December 31, 2021 2020 (Rupees in '000)	
Net cash used in operations	10	(400,672)	(6,812)
Interest income received Income tax paid		16,829 (150,631)	77,752 (451)
Net cash flows (used in) / generated from operating activities		(534,474)	70,489
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from repayment of related party loan		-	1,579,646
Net cash from investing activities		-	1,579,646
Net (decrease) / increase in cash and cash equivalents during the period		(534,474)	1,650,135
Cash and cash equivalents at beginning of the period		598,429	3,308
Cash and cash equivalents at end of the period		63,955	1,653,443

Director	Chief Financial Officer	Directo

Notes to the Condensed Interim Financial Statements (Un-audited)

For the six months period ended December 31, 2021

I. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 TRG Pakistan Limited ("the Company") was incorporated in Pakistan as a public limited company on December 2, 2002 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 24th Floor, Sky Tower West Wing, Dolmen, HC-3, Block-4, Marine Drive, Clifton, Karachi, Pakistan. On May 14, 2003 the Company obtained a license from the Securities and Exchange Commission of Pakistan ("SECP") to undertake venture capital investment as a Non-Banking Finance Company in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). On January 18, 2012 the Company exited from NBFC regime and continues to operate as a listed company.
- 1.2 The principal activity of the Company, through its associate, The Resource Group International Limited (TRGIL) is to invest in portfolio of investments primarily in the Technology and IT Enabled Services sectors.

2. BASIS OF PREPARATION

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

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

Where the provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all of the information required for full financial statements and should therefore be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2021.

These condensed interim financial statements comprises the condensed interim statement of financial position as at December 31, 2021, condensed interim statement of profit or loss account and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes thereto for the six months period then ended.

The comparative condensed interim statement of financial position, presented in these condensed interim financial statements as at June 30, 2021 has been extracted from the annual audited financial statements of the Company for the year then ended, whereas the comparative condensed interim statement of profit or loss account and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from the unaudited condensed interim financial statements for the six months period ended December 31, 2020.

2.1 Judgments and estimates

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying accounting polices and the key sources of estimation and uncertainty were the same as those that were applied to annual audited financial statements of the Company for the year ended June 30, 2021.

2.2 Risk management

Risk management policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2021.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the Company's annual audited financial statements for the year ended June 30, 2021.

			(Un-audited)	(Audited)
		Note	2021	2021
4.	LONG TERM INVESTMENT		December 31,	June 30,

The Resource Group International Limited (TRGIL) Unquoted 60,450,000 (June 30, 2020: 60,450,000) Series B Preferred Shares

- Equity accounted investee 4.2 & 4.3 40,184,532 49,620,244 49,620,244 49,620,244

- 4.1 This represents investment in TRGIL, an associate incorporated in Bermuda having par value and additional paid up share capital of US\$0.01 and US\$ 0.99 per share respectively. The percentage of the Company's holding in TRGIL's shares is 66.3% (June 30, 2021:56.9%) with voting power of 45.3% (June 30, 2021:45.9%). The percentage of holding on a fully diluted basis, after taking into account all the classes of shares that will potentially participate in equity distribution, is 58.6% (June 30, 2021:45.3%). The registered office of TRGIL is situated at Crawford House 50, Cedar Avenue, Hamilton HM II, Bermuda.
- 4.2 In December 2021, certain TRGIL shareholders partially redeemed their shares in exchange for a combination of cash and shares of a portfolio company that were held by TRGIL. As a result of this, the holding percentage of the remaining shareholders, including the Company, in TRGIL has increased. This redemption hasn't impacted the voting power of the Company in TRGIL.

4.3	Reconciliation of carrying amount of investment	Note	December 31, 2021	June 30, 2021
		7.000	(Un-audited) (Rupees	(Audited)
	Opening balance		49,620,244	21,778,686
	Share of (loss) / profit		(16,444,373)	30,312,643
	Distribution received		-	(884,647)
	Dilution gain on equity accounted investee	4.2	1,662,269	-
	Exchange translation impact		5,346,392	(1,586,438)
	Closing balance		40,184,532	49,620,244

5. CASH AND BANK BALANCES

Balance with bank in		
- Current accounts	20,259	77,094
- Savings account	43,559	521,331
	63,818	598,425
Cash in hand	137	4
	63,955	598,429

6. **SHARE CAPITAL** December 31, 2021 June 30, 2021 (Un-audited) (Audited) (Rupees in '000) (Rupees in '000) Number Number of of shares shares Authorized share capital 7,200,000 - Ordinary class 'A' shares of Rs.10 each 720,000,000 720.000.000 7,200,000 - Ordinary class 'B' shares of Rs.10 each 13,000,000 13,000,000 130,000 130,000 7,330,000 733,000,000 7,330,000 733,000,000 Issued, subscribed and paid-up capital Ordinary class 'A' shares of Rs. 10 each 535,765,687 - allotted for consideration paid in cash 535,765,687 5,357,657 5.357.657 - allotted for consideration other 96,250 than cash (note 6.1) 9,624,978 9,624,978 96,250 5,453,907 545,390,665 5,453,907 545,390,665

6.1 These shares were issued in exchange of 1,636,000 shares of The Resource Group International Limited of US\$1 each in 2003.

7. PAYABLE TO RELATED PARTIES - current account - unsecured

This represents payable to TRGIL, associate of the Company relating to activties for carrying out routine operations.

8. CONTINGENCIES AND COMMITMENTS

There is no change in contingencies and commitments as reported in note 14 to the annual audited financial statements for the year ended June 30, 2021.

9.	INTEREST INCOME		December 31, 2021	2020
		Note	(Un-audited) (Rupees in '000)	
	B 111		` '	,
	- Bank balances - Loan to related party	9.1	7,077 -	66 81,572
	. ,		7,077	81,638

9.1 Interest income is earned from bank deposits.

10. NET CASH USED IN OPERATIONS

Net (loss) / profit before taxation	(14,791,752)	5,214,368
Adjustments for :		
Depreciation	17	21
Interest income on return on bank balances	(7,077)	(81,638)
Exchange gain difference	-	(200)
Share of loss / (profit) in equity accounted investee	16,444,373	(5,158,029)
Dilution gain on equity accounted investee	(1,662,269)	-
Effect on cash flows of working capital changes 10.1	(383,964)	18,666
	14,391,080	(5,221,180)
	(400,672)	(6,812)

December 31,	December 31,			
2021	2020			
(Un-audited)				
(Rupees in '000)				

10.1 Working capital changes

(Increase) / decrease in current assets: Prepayments Increase / (decrease) in current liabilities: Accrued and other liabilities Payable to related party

(783)	-
(386,508)	(1,261)
3,327	19,927
(383,181)	18,666
(383,964)	18,666

11. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. As the accompanying financial statements are prepared under the historical cost method, differences may arise between the book values and the fair value estimates. Management believes that fair values of the Company's financial assets and liabilities are not materially different from their carrying values since all of the financial instruments of the Company are classified as amortized cost or are repriced frequently.

12. RELATED PARTY DISCLOSURES

Related parties comprise of associates, subsidiaries, directors and their close family members, staff retirement benefit fund and key management personnel of the Company. Transactions with related parties are carried out on agreed basis and are settled in ordinary course of business. Remuneration and benefits to executives of the Company are in accordance with the terms of the employment while contribution to the provident fund is in accordance with staff service rules.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, Non-Executive Directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

Related party transactions and balances are disclosed elsewhere in these condensed interim financial statements and accordingly not reproduced in this note.

12.1 The investments out of provident fund of the Company have been made in accordance with the provisions of the Section 218 of the Companies Act, 2017 and rules formulated for this purpose. The contribution made to the provident fund during the period ended December 31, 2021 was Rs. 72,066.

13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 28, 2022 by the board of directors of the Company.

Director	Chief Financial Officer	 Director



TRG PAKISTAN LTD.

24TH FLOOR, SKY TOWER WEST WING, DOLMEN, HC-3, BLOCK-4, MARINE DRIVE, CLIFTON, KARACHI-75600, PAKISTAN. UAN # +92.21.111.TRG.TRG FAX: 021-35184042

http://trgpcorp.com