HALF YEARLY REPORT
DECEMBER 31, 2021

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TRG PAKISTAN
LIMITED

TRG PAKISTAN LIMITED

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.

TRG PAKISTAN
LIMITED

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TRG PAKISTAN LIMITED

Corporate Information

Board of Directors

Waleed Tariq Saigol
Chairman
Hasnain Aslam
CEO
Zafar Iqbal Sobani
Khaldoon Bin Latif
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 Latif - 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
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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 AI Software Business during 1H FY22 grew slightly compared to corresponding revenues in 1H FY21. During 2H FY21, the AI Software Business significantly increased its cost structure to prepare for future growth, resulting in a substantial decline in adjusted EBITDA. The AI 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 AI Software Business is seeking to consolidate its recent 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

Hasnain Aslam
Chief Executive

Karachi
February 28, 2022

کمپنی نے اپنی آمدنی کے بیانئے میں ۱۔۷ ملین روپے ظاہر کیے، جبکہ اس پر ۸۔۱٦ 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 ۳۱ دسمبر ۲۰۲۱ کو ختم ہونے والی مدت کے لیے ٦۔۱۲ بلین روپے کا خالص نقصان پہنچایا۔

فی حصص نقصان

کمپنی نے فی حصص ۰٦۔۲۳ روپے کا نقصان حاصل کیا۔

متوقع امکانات

ہم اپنے بقیہ پورٹ فولیو اثاثوں کی قدر کو بڑھانے اور پھر کمپنی کے شیئر ہولڈرز کو زیادہ سے زیادہ قدر اور لیکویڈیٹی فراہم کرنے کے لیے مناسب وقت میں ان سے رقم کمانے پر توجہ مرکوز رکھے ہوئے ہیں۔

اظہار تشکر

اس رپورٹ کے اختتام پر ڈائریکٹرز آپ کے مستقل اعتماد اور کمپنی کی انتظامیہ کو امین کے طور پر خدمات کا موقع دینے پر آپ کے تہہ دل سے مشکور ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

ولید طارق سہگل
چیئرمین

حسنین اسلم
چیف ایکزیکٹو

کراچی
تاریخ: ۲۸ فروری ۲۰۲۲

مضبوط ٹاپ لائن مین اضافہ نئے کلائنٹس سے حاصل ہونے والی آمدنی کا نتیجہ تھی کیونکہ آئیبیکس نے اپنے کلائنٹ بیس کو پھیلانا جاری رکھا۔ ایڈجسٹ ایبیٹا بنیادی طور پر سال بہ سال مستحکم تھا جس کی بنیادی وجہ نئے کاروبار کو بڑھانے سے منسلک اخراجات تھے، جس میں ایجنٹ کی تربیت اور اوورہیڈ میں سرمایہ کاری شامل ہے۔ م توقع کرتے ہیں کہ مالی سال کی دوسری ششماہی میں مجموعی مارجن میں بہتری آئے گی کیونکہ ریمپ کی قیمتیں مستحکم ہوں گی۔

مالی سال کی پہلی ششماہی کے دوران ہمارے اے آئی سافٹ ویئر کے کاروبار میں آمدنی پچھلے مالی سال کی پہلی ششماہی میں اسی آمدنی کے مقابلے میں قدرے بڑھی۔ مالی سال کی دوسری ششماہی کے دوران اے آئی سافٹ ویئر کاروبار نے مستقبل کی ترقی کی تیاری کے لیے اپنی لاگت کے ڈھانچے میں نمایاں اضافہ کیا، جس کے نتیجے میں ایبیٹا میں کافی کمی واقع ہوئی۔ اے آئی سافٹ ویئر کاروبار اب اپنی لاگت کی بنیاد کو معقول بنانے کے عمل میں ہے تاکہ کمپنی کو اپنی ترقی کی توجہ کو برقرار رکھتے ہوئے ایبیٹا کو بریک ایون ایڈجسٹ کیا جا سکے۔ مالی سال ۲۰۲۲ کے بقیہ حصے کے دوران، اے آئی سافٹ ویئر کاروبار اپنی حالیہ آمدنی میں اضافے کو مستحکم کرنے اور مالی سال ۲۰۲۳ کے بعد سے اپنی ترقی کی رفتار کو دوبارہ شروع کرنے کا ہدف رکھتا ہے۔

ٹی آر جی پاکستان لمیٹڈ مالی جائزہ

ہماری بیلنس شیٹ پر سب سے اہم چیز ٹی آر جی آئی ایل میں کمپنی کے حصہ کی قیمت ہے، جو ہمارا واحد آپریٹنگ اثاثہ ہے۔ ۳۱ دسمبر ۲۰۲۱ تک، ٹی آر جی آئی ایل میں ہمارے حصہ کی مالیت ۲۔۴۰ بلین روپے ہے، جو کہ ۳۰ جون ۲۰۲۱ کو ۶۔۴۹ بلین روپے کے مقابلے میں ۴۔۹ بلین روپے کی کمی کو ظاہر کرتی ہے، یہ کمی بنیادی طور پر دو ڈرائیوروں سے متعلق ہے، (۱) ۳۰ جون ۲۰۲۱ اور ۳۱ دسمبر ۲۰۲۱ کے درمیان آئیبیکس کے حصص کی قیمت میں کمی اور (۲) دسمبر ۲۰۲۱ میں کچھ ٹی آر جی آئی ایل شیئر ہولڈرز کا جزوی اخراج جس کے نتیجے میں فنانس چارج کی لاگت لگی۔ ٹی آر جی آئی ایل میں کمپنی کے حصص کے علاوہ، اس کے پاس ۱۔۰ بلین روپے کے دیگر اثاثے اور ۸۔۶ بلین روپے کے واجبات (بنیادی طور پر موخر ٹیکسوں سے متعلق) ہیں جس کے نتیجے میں ۵۔۳۳ بلین روپے کے خالص اثاثے ہیں۔

ہماری آمدنی کا بیان بنیادی طور پر ٹی آر جی آئی ایل میں ہمارے حصص کی قدر میں ہونے والی تبدیلیوں سے چلتا ہے۔ ایکویٹی اکاؤنٹڈ انویسٹی (یعنی ٹی آر جی آئی ایل) میں خالص نقصان میں ہمارا حصہ ۸۔۱۴ بلین روپے تھا۔ ایسوسی ایٹ کے اس نقصان میں سے، ۸۔۶ بلین روپے ٹی آر جی آئی ایل کے پاس موجود آئیبیکس حصص پر مارک ٹو مارکیٹ نقصان کی وجہ سے تھے۔ زیر جائزہ مدت کے دوران نیزڈیک پر آئیبیکس کے حصص کی قیمت میں تقریباً ۳۴ فیصد کی کمی واقع ہوئی۔ بقیہ نقصان بنیادی طور پر دسمبر ۲۰۲۱ میں کچھ ترجیحی حصص کی واپسی کی وجہ سے تھا۔ ان ترجیحی حصص کو اصل میں ان کے ہولڈرز پر ان کی اصل سرمایہ کاری کی رقم پر واجب الادا قرض کے طور پر درجہ بندی کیا گیا تھا، کیونکہ سرمایہ کاروں کے پاس اپنے ترجیحی حصص خریدنے کی اہلیت تھی۔ اصل ایشو کی قیمت سے زیادہ یا بنیادی خالص اثاثوں کے ان کے پرو ریٹیڈ شیئر پر واپس، بشمول ترجیحی رقم میں ان کا حصہ۔ چونکہ ان ترجیحی حصص کے اخراج کی قیمت اصل ایشو کی قیمت سے زیادہ تھی کیونکہ بنیادی منیٹائزیشن کی زیادہ قیمت کی وجہ سے، اخراج کی رقم اور اصل ایشو کی قیمت کے درمیان فرق کو ایک بار فنانس چارج کے طور پر ظاہر کیا گیا تھا۔

*ایبیٹا منافع، ٹیکس، فرسودگی اور امورٹائزیشن، ایک بار اور بار بار نہ ہونے والی اشیاء سے ہونے والی آمدنی ہے۔

ڈائریکٹرز کی رپورٹ

برائے دورانیہ ۳۱ دسمبر ۲۰۲۱ کے اختتام پر (ششماھی رپورٹ)

آپ کے ڈائریکٹرز انتہائی مسرت کے ساتھ ٹی آر جی پاکستان لمیٹڈ (کمپنی) کے ۳۱ دسمبر ۲۰۲۱ کو اختتام پذیر ہونے والی ششماھی کے معاشی بیانیے پیش کرتے ہیں۔

اہم پیشرفت:

مالی سال ۲۰۲۲ کی پہلی ششماہی 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، جو اسے ہمارے قیام کے بعد سے سب سے زیادہ منافع بخش سرمایہ کاری بناتا ہے۔ اس آمدنی کا ایک اہم حصہ کمپنی کے شیئر ہولڈرز کو موثر انداز میں واپس کرنے پر عملدرامد جاری ہے۔

ہماری پورٹ فولیو کمپنی، آئیبیکس لیمیٹڈ اپنی خدمات کی اضافی مانگ کے جواب میں اضافی صلاحیت میں سرمایہ کاری کر رہی ہے۔ آئیبیکس پچھلے پانچ سالوں میں اپنے کاروبار کو تبدیل کرنے میں کامیاب رہا ہے، اعلی ترقی، ابھرتی ہوئی ٹیکنالوجی اور نئی معیشت کے شعبوں کی طرف تبدیلی کے ساتھ، جس کے نتیجے میں کلائنٹ کے پھیلاو میں اضافہ ہوا ہے اور نئے برانڈز سے زیادہ ترقی ہوئی ہے جو ۱۳ بچھے گاھک کی کمی کو پورا کرنے سے کہیں زیادہ ہے۔ ہم توقع کرتے ہیں کہ نیزڈیک پر آئیبیکس اسٹاک کی قیمت اس نمو کی عکاسی کرے گی، جیسا کہ کمپنی مالی سال ۲۰۲۲ کی پہلی ششماہی میں کارکردگی پیش کی ہے۔ آئیبیکس کے اسٹاک کی قیمت نے پہلے ہی مالیاتی سال کی دوسری سہ ماہی کے متوقع سے بہتر نتائج کے اعلان کے بعد مادی بحالی کو ظاہر کیا ہے۔

ہماری پورٹ فولیو کمپنی جو آرٹیفیشل انٹیلی جنس انٹرپرائز سافٹ ویئر (اے آئی سافٹ ویئر بزنس) فراہم کرتی ہے گزشتہ آٹھ سالوں کے دوران اس کی آمدنی میں پچاس فیصد سے زیادہ تاریخی اضافہ ہوا ہے۔ حالیہ برسوں میں، یہ آمدنی مختلف سطح پر رہی جبکہ مالی سال ۲۰۲۰ میں تقریباً ایک ہی سطح اور مالی سال ۲۰۲۱ میں اس آمدنی میں تقریباً تین سو فیصد تک اضافہ ہوا۔ حالیہ واقعات کی روشنی میں، مالی سال ۲۰۲۲ کا منصوبہ مالی سال ۲۰۲۱ میں ہونے والی ترقی کو مستحکم اور اضافی انٹرپرائز سودوں کو ہدف بنانا ہے جس کے نتیجے میں مالی سال ۲۰۲۳ میں مزید ترقی ہو گی۔

ٹی آر جی انٹرنیشنل لمیٹڈ (ایسوسی ایٹڈ کمپنی) کی ذیلی پورٹ فولیو کمپنیوں کے نتائج

مالی سال ۲۲ کی پہلی ششماہی کے دوران دار یسورس گروپ انٹرنیشنل (ٹی آر جی آئی ایل) اور اس کی پورٹ فولیو کمپنیوں نے اپنی نشوونما کو جاری رکھا۔

۳۱ دسمبر ۲۰۲۱ کو ختم ہونے والے چھ مہینوں میں آئیبیکس کی آمدنی گزشتہ سال کی اسی مدت میں ہونے والی ۰۔۲۲۶ ملین ڈالر کے مقابلے ۸۔۲۴۰ ملین تھی، جبکہ اسی مدت کے دوران ایڈجسٹ ایبیٹا اور خالص آمدنی ۳۔۲۹ ملین ڈالر اور ۵۔۱۱ ملین ڈالر رہی جو پچھلے سال اسی عرصے کے دوران ۷۔۳۳ ملین ڈالر اور (۹۔۰) ملین ڈالر تھی۔

*ایبیٹا منافع، ٹکس، فرسودگی اور امورٹائزیشن، ایک بار اور بار بار نہ ہونے والی اشیاء سے ہونے والی آمدنی ہے۔

Condensed Interim Financial Statements

For the six months period ended

December 31, 2021

HALF YEARLY REPORT
DECEMBER 31, 2021

TRG PAKISTAN
LIMITED

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.

KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 28 February 2022

Karachi

UDIN: AR202110188HoS06un9j

Condensed Interim Statement of Financial Position

As at December 31, 2021

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

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

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

	Note	Six months period ended		Three months period ended	
		December 31, 2021	December 31, 2020	**December 31, 2021**	December 31, 2020
		(Rupees in '000)			
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**	-
(Loss) / Profit before taxation		**(14,791,752)**	5,214,368	**(14,829,985)**	4,242,648
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
		(Rupees)		(Rupees)	
(Loss) / Earnings per share - basic and diluted		**(23.06)**	8.11	**(23.11)**	6.62

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Director **Chief Financial Officer** **Director**

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

For the six months period ended December 31, 2021

	Issued, subscribed and paid-up capital	Revenue Reserves		Total
		Foreign currency translation reserve	Unappropriated profit	
	---------------------------------- (Rupees 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)
	-	(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**

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Director **Chief Financial Officer** **Director**

Condensed Interim Statement of Cash Flows (Un-audited)

For the six months period ended December 31, 2021

	Note	December 31, 2021	December 31, 2020
		------ (Rupees in '000) ------	
CASH FLOW FROM OPERATING ACTIVITIES			
Net cash used in operations	10	**(400,672)**	(6,812)
Interest income received		**16,829**	77,752
Income tax paid		**(150,631)**	(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

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Director	**Chief Financial Officer**	**Director**

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

For the six months period ended December 31, 2021

1. 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.

4. LONG TERM INVESTMENT

	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
		----- (Rupees in '000) -----	
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
		40,184,532	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 11, 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 (Un-audited)	June 30, 2021 (Audited)
		----- (Rupees in '000) -----	
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 (Un-audited)		June 30, 2021 (Audited)	
	Number of shares	**(Rupees in '000)**	Number of shares	(Rupees in '000)
Authorized share capital				
- Ordinary class 'A' shares of Rs.10 each	**720,000,000**	**7,200,000**	720,000,000	7,200,000
- Ordinary class 'B' shares of Rs.10 each	**13,000,000**	**130,000**	13,000,000	130,000
	733,000,000	**7,330,000**	733,000,000	7,330,000
Issued, subscribed and paid-up capital				
Ordinary class 'A' shares of Rs. 10 each				
- allotted for consideration paid in cash	**535,765,687**	**5,357,657**	535,765,687	5,357,657
- allotted for consideration other than cash (note 6.1)	**9,624,978**	**96,250**	9,624,978	96,250
	545,390,665	**5,453,907**	545,390,665	5,453,907

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

	Note	December 31, 2021	December 31, 2020
		--------- (Un-audited) ---------	
		--------- (Rupees in '000) ---------	
- Bank balances	*9.1*	**7,077**	66
- Loan to related party		**-**	81,572
		7,077	81,638

9.1 Interest income is earned from bank deposits.

10. NET CASH USED IN OPERATIONS

	Note	December 31, 2021	December 31, 2020
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, 2021	December 31, 2020
	--------- (Un-audited) ---------	
	--------- (Rupees in '000) ---------	
10.1 Working capital changes		
(Increase) / decrease in current assets:		
Prepayments	**(783)**	-
Increase / (decrease) in current liabilities:		
Accrued and other liabilities	**(386,508)**	(1,261)
Payable to related party	**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

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