



SAUDI PAK LEASING COMPANY LIMITED

FINANCIAL STATEMENTS (UN-AUDITED)

(1st QUARTER)

FOR THE PERIOD ENDED

SEPTEMBER 30, 2024

The Directors of Saudi Pak Leasing Company Limited are pleased to present the Condensed Interim Financial Information (unaudited) of the Company for the 1st Quarter ended September 30, 2024.

Operating and Financial Results

	September 30, 2024	September 30, 2023
	<u>Rupees</u>	
Income from finance and operating leases	4,178,263	701,968
Other operating income	10,302,223	55,427,797
Total income	14,480,486	56,129,765
Administrative and other operating expenses	(12,305,845)	(10,193,559)
Operating (loss) / profit before provisions	(8,398,742)	33,231,413
Reversal / (provision) against leases, loans, receivables	17,858,000	398.880
(Loss) / Profit before taxation	9,459,258	33,630,294
(Loss) / Earnings per share - basic	0.21	0.74

The total income for the quarter ending September 30, 2024, showed a decline of Rs. 24.171 million as compared to the corresponding period last year.

This decline is primarily due to delays in finalizing liabilities settlement agreements with certain banks, DFIs, and depositors. We anticipate concluding these settlement agreements by the second quarter of this fiscal year. The effect of the waiver/haircut will be reflected in the half-yearly accounts ending December 31, 2024.

I am pleased to inform our esteemed shareholders that, by changing the business line of the company and based on the Company's strong performance for the financial year ending June 30, 2024, the Securities & Exchange Commission of Pakistan (SECP) has withdrawn the show cause notice under sections 301(k) and 304(b) for the liquidation of the Company.

We have been allowed to continue operations under a new name and transition into a consultancy line of business. The process to complete the necessary statutory formalities is underway, and we expect to finalize these within a short period, ushering in a new era for the Company as we enter the consultancy sector without the need for licensing.

The management, under the guidance of the Board of Directors, remains fully committed to safeguarding the interests of all shareholders, who have shown tremendous patience over the past decade.

Finally, I extend my heartfelt gratitude to our esteemed regulator, the SECP, as well as PSX, CDC, our Board of Directors, and the dedicated management team for their invaluable support in breathing new life into the Company.

For & On Behalf of the Board,



Niaz Ahmed Khan
Chief Executive Officer/Managing Director
29-Oct-24

	Note	September 30, 2024 Rupees (Un-audited)	June 30, 2024 Rupees (Audited)
ASSETS			
Current assets			
Cash and bank balances	5	123,709,179	108,824,297
Short term loans	6	75,800,300	75,800,300
Short term investments	7	44,970,003	39,175,000
Trade deposits and short term prepayments		1,892,631	1,500,736
Other receivables	8	65,000	-
Current maturity of non-current assets	9	389,669,445	384,889,439
Taxation - net		(9,637,814)	7,352,333
Total current assets		626,468,744	617,542,105
Non-current assets			
Long-term loans	10	-	-
Net investment in finance leases	11	-	-
Investment properties	12	36,270,057	36,624,691
Property, plant and equipment	13	79,366,928	80,444,629
Total non-current assets		115,636,985	117,069,320
Total Assets		742,105,729	734,611,425
LIABILITIES			
Current liabilities			
Borrowings from financial institutions	14	137,500,000	137,500,000
Certificates of investment	15	43,000,000	43,000,000
Accrued mark-up	16	518,718,007	526,016,420
Accrued expenses and other payables	17	5,566,571	5,973,152
Current maturity of non-current liabilities	18	458,445,649	458,445,648
Income tax payable		21,751,574	21,751,574
Unclaimed dividend		1,661,291	1,661,291
Total current liabilities		1,186,643,092	1,194,348,085
Non-current liabilities			
Certificates of investment		-	-
Deferred tax liability - net		-	-
Long term finances	19	-	-
Security Deposits against Finance Leases	20	-	-
Total non-current liabilities		-	-
Total liabilities		1,186,643,092	1,194,348,085
NET ASSETS		(444,537,362)	(459,736,663)
FINANCED BY			
Authorized Share Capital			
100,000,000 (June 30, 2020: 100,000,000) ordinary shares of Rs. 10/-each		1,000,000,000	1,000,000,000
100,000,000 (June 30, 2020: 100,000,000) preference shares of Rs. 10/-each		1,000,000,000	1,000,000,000
		2,000,000,000	2,000,000,000
Issued, subscribed and paid-up share capital - ordinary shares		451,605,000	451,605,000
Issued, subscribed and paid-up share capital - preference shares		528,208,500	528,208,500
Statutory reserves		179,549,025	179,549,025
Accumulated loss		(1,659,988,591)	(1,669,447,849)
Surplus on revaluation of property, plant and equipment - net of tax	21	42,870,361	42,870,365
Unrealised gain/(loss) on re-measurement as at fair value through other comprehensive income		14,218,005	8,477,962
Accumulated actuarial (loss) / gain on defined benefit plan-net of tax		(999,666)	(999,666)
		(444,537,362)	(459,736,663)
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.


Chief Executive Officer


Director


Chief Financial Officer

Saudi Pak Leasing Company Limited
Condensed Interim Profit and Loss Account (Un-audited)
For the quarter ended September 30, 2024



	Note	Quarter ended	
		September 30, 2024	September 30, 2023
		(Rupees)	
Revenue			
Income from:			
Finance leases	23	4,178,263	701,968
Other operating income	25	10,302,223	55,427,797
TOTAL INCOME		14,480,486	56,129,765
Expenses			
Finance cost	26	10,573,383	12,704,792
Administrative and operating expenses	27	10,795,890	8,673,963
Depreciation	28	1,509,955	1,519,596
		22,879,228	22,898,351
Operating Profit / (Loss) before provisions		(8,398,742)	33,231,413
Reversals / (Provisions) for doubtful leases, loans and other receivables - net		17,858,000	398,880
Increase / (Decrease) in fair value of investment		-	-
		17,858,000	398,880
Profit / (Loss) before taxation		9,459,258	33,630,294
Taxation			
- Current		-	-
- Deferred		-	-
		-	-
Profit / (Loss) for the period		9,459,258	33,630,294
Earnings / (Loss) per share - basic	31	0.21	0.74

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.


Chief Executive Officer


Director


Chief Financial Officer

Saudi Pak Leasing Company Limited
Statement of Comprehensive Income (Un-audited)
For the quarter ended September 30, 2024



	Quarter Ended	
	September 30, 2024	September 30, 2023
Profit / (Loss) after taxation	9,459,258	33,630,294
<i>Other comprehensive income</i>		
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Unrealised gain / (loss) on re-measurement of investments as at fair value through other comprehensive income	5,740,043	(1,718)
Total comprehensive income for the year	15,199,301	33,628,576

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.


Chief Executive Officer

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Director


Chief Financial Officer

Saudi Pak Leasing Company Limited
Condensed Interim Statement of Changes in Equity (Un-audited)
For the quarter ended September 30, 2024



	Issued, subscribed and paid-up share capital			Reserves					Surplus on revaluation of property, plant and equipment - net	Total
	Ordinary Shares	Non-redeemable Preference shares	Statutory reserves	Unrealised gain on re-measurement of investment as at fair value through other comprehensive income	Accumulated actuarial gain / loss on defined benefit plan- net of tax	Accumulated loss				
Balance as at July 1, 2023	451,605,000	528,208,500	179,549,025	44,999,229	(999,666)	(1,804,651,714)	32,834,773	(568,454,853)		
Profit for the period	-	-	-	-	-	33,630,294	-	33,630,294		
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	-	(506,470)	-	506,470	(2,435,792)	(2,435,792)		
Decrease in deferred tax liability on surplus on revaluation of fixed assets due to change in tax rate	-	-	-	-	-	-	-	-		
Unrealized loss on remeasurement of available for sale investments	-	-	-	-	-	-	-	-		
Balance as at September 30, 2023	451,605,000	528,208,500	179,549,025	(506,470)	(999,666)	34,136,764	(2,435,792)	31,194,502		
Balance as at July 1, 2024	451,605,000	528,208,500	179,549,025	44,492,759	(999,666)	(1,770,514,950)	30,418,981	(537,260,351)		
Total comprehensive income for the quarter ended	451,605,000	528,208,500	179,549,025	8,477,962	(999,666)	(1,669,447,849)	42,870,365	(459,736,663)		
Profit for the period	-	-	-	-	-	-	-	9,459,258		
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	-	-	-	-	-	-		
Decrease in deferred tax liability on surplus on revaluation of fixed assets due to change in tax rate	-	-	-	-	-	-	-	-		
Unrealised (loss) / gain on re-measurement of available-for-sale investments	-	-	-	5,740,043	-	-	-	5,740,043		
Balance as at 30 September 2024	451,605,000	528,208,500	179,549,025	5,740,043	(999,666)	9,459,258	42,870,365	15,199,301		
				14,218,005	(1,659,988,591)	(444,537,862)				

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.

Chief Executive Officer

Chief Financial Officer

Saudi Pak Leasing Company Limited
Condensed Interim Cash Flow Statement (Un-audited)
For the quarter ended September 30, 2024



	Note	Quarter Ended	
		September 30, 2024	September 30, 2023
		(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Cash used in operation	29	(29,518,692)	22,438,447
Finance cost paid		(13,796)	(12,751)
Taxes paid		16,990,147	(407,070)
Finance lease rental received		13,858,743	-
Interest receivable from Govt. Securities - T-Bills		-	62,532
Decrease in net investment in finance leases		(3,410,050)	873,619
		27,425,044	516,330
<i>Net cash flows from operating activities</i>		(2,093,648)	22,954,777
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(54,200)	-
Short term investments - net		(5,795,003)	10,207,753
Proceeds from disposal of short term investments		-	-
Proceeds from sale of property, plant and equipment		-	-
Repayment of long term loans		-	-
Dividend received		4,969,734	3,464
<i>Net cash (used in) / from investing activities</i>		(879,469)	10,211,217
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of certificates of investment		-	(44,000,000)
Reversal of COI Markup		17,858,000	-
<i>Net cash generated/(used) in financing activities</i>		17,858,000	(44,000,000)
Net decrease in cash and cash equivalents during the period		14,884,883	(10,834,006)
Cash and cash equivalents at beginning of the period		108,824,297	27,576,426
Cash and cash equivalents at end of the period		123,709,179	16,742,419

The annexed notes from 1 to 34 form an integral part of this condensed interim financial information.


Chief Executive Officer


Director


Chief Financial Officer

1. LEGAL STATUS AND OPERATIONS

- 1.1 Saudi Pak Leasing Company Limited (the Company) was incorporated in Pakistan on January 08, 1991 under the Companies Ordinance, 1984 and is listed on Pakistan Stock Exchanges Limited. The registered office of the Company is situated at 6th Floor, Lakson Square Building No.1, Sarwar Shaheed Road, Saddar, Karachi and branch office is located at 337/338, 4th Floor, JEFF Heights, Main Boulevard, Gulberg-III, Lahore. The main business activity of the Company is leasing of assets. The Company's license to carry out the business of leasing had expired on May 18, 2010 and subsequently has been cancelled on June 30, 2021. The company has not been able to obtain renewal thereof from SECP as the legal requirements laid down in this respect could not be met by the company, despite all out efforts under force majeure circumstances.

Saudi Pak Industrial & Agricultural Investment Company Limited (SAPICO) is the major shareholder and as of 30 September 2024 holds 35.06% (30 June 2024: 35.06%) of issued ordinary share capital of the Company and 63% (30 June 2024: 63%) of issued preference share capital of the Company.

- 1.2 Since 2010, the Company has not extended any lease facility to its customers owing to expiry of its leasing license. However, it continued its activities with a barely sufficient number of employees required for managing its recoveries from customers and for handling its financial obligations to lenders.

- Despite the existence of the foregoing material uncertainties, these financial statements have been prepared using the going concern assumption primarily due to the reason that a number of recovery suits filed by the Company against its customers are expected to be disposed off in due course of time as the management is actively seeking out-of-court settlement of such suits and by way of auction of collateralized assets and to effect recoveries through negotiated settlements. A reasonable number of cases have been decreed in the favour of the Company. It is expected to materially improve the recoveries of overdue lease rentals which are limited in numbers and term loans from customers which, in turn, would enable the Company to settle its long outstanding financial liabilities to lenders in order to make the Company a feasible investment avenue for a resourceful investor.
- In a major development BOD, with the consent of major share holders convened EOGM on 24-04-2024 and avoided liquidation moved and passed two resolutions for change of line of business from Leasing to Consultancy Services, simultaneously change of name of the company from SAUDI PAK LEASING COMPANY LTD to SAUDI PAK CONSULTANCY COMPANY LTD. Sole purpose of this move is to avoid liquidation of the Company and to start trading of its shares at Pakistan Stock Exchange. Necessary formalities for this purpose has been completed and submitted to SECP for permission to start consultancy business
- I am pleased to inform our esteemed shareholders that, by changing the business line of the company and based on the Company's strong performance for the financial year ending June 30, 2024, the Securities & Exchange Commission of Pakistan (SECP) has withdrawn the show cause notice under sections 301(k) and 304(b) for the liquidation of the Company.

2. BASIS OF PREPERATION

2.1 Statement of Compliance

This condensed interim financial information of the Company for the three months ended 30 September 2024 has been prepared in accordance with the requirements of the International Accounting Standard 34 (IAS 34), "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008. In case requirements differ, the provisions or directives issued under the Companies Act, 2017, NBFC Rules, 2003 and NBFC Regulations, 2008 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for plant and machinery which are stated at revalued amounts, investments carried at fair value through other comprehensive income and obligations in respect of gratuity which are measured at present value of defined benefit obligations less fair value of plan assets.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency and has been rounded-off to the nearest Pak Rupee.

2.4 Use of estimates and judgments

The preparation of the condensed Interim Financial statement require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management and the key sources of estimating uncertainty in preparation of these condensed interim financial statements were same as of those applied to the annual financial statements for the period ended 30 June 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND JUDGMENTS

The accounting policies and basis for accounting estimates adopted for the preparation of this condensed interim financial information (un-audited) are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2024.

4. FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company as at and for the year ended 30 June 2024.

Saudi Pak Leasing Company Limited
Selected Notes to the Financial Information (Un-audited)
For the quarter ended September 30, 2024



7.2.1 This represents investment in Government Market Treasury Bill having maturity on 14 November 2024 and carries effective mark-up at a rate of 17.46% (30 June 2024 20.69%) per annum.

7.3 The Company has been holding membership cards of ACACIA Golf Club. These membership cards had been acquired by the Company in 2010. Further, since the said golf club was not operational, a provision for impairment there-against had also been recognized in the financial statements of the Company.

8. OTHER RECEIVABLES		Sept 30,2024	June 30,2024
	Receivable from finance leases	65,588,380	65,913,380
	Receivable on conversion of SPI shares into UNIC	16,609,559	16,609,559
	Receivables from against short term loan client	-	-
	Receivable from Provident Fund	2,880,000	2,880,000
	Others	3,158,901	3,093,901
		<u>88,236,840</u>	<u>88,496,840</u>
	Provision against doubtful receivables	(88,171,840)	(88,496,840)
		<u>65,000</u>	<u>-</u>
9. CURRENT MATURITY OF NON - CURRENT ASSETS		Sept 30,2024	June 30,2024
	Current portion of:		
	Long term loans	10 52,723,785	52,723,626
	Net investment in finance leases	11 336,945,660	332,165,813
		<u>389,669,445</u>	<u>384,889,439</u>
10. LONG TERM LOANS - secured		Sept 30,2024	June 30,2024
	Related party		
	Due from employees - considered good	244,802	244,642
	Other than related party		
	Term loan to customers		
	- Considered doubtful	10.1 100,064,029	100,064,030
		<u>100,308,831</u>	<u>100,308,672</u>
	Provision for non-performing loans	(47,585,046)	(47,585,046)
		<u>52,723,785</u>	<u>52,723,626</u>
	Current maturity of long term loans	9 (52,723,785)	(52,723,626)
		<u>-</u>	<u>-</u>
10.1	Term loans due from customers are secured against assets. The rate of return on these loans ranges from 16.00% to 22.66% (30 June 2023: 16.00% to 22.66%) per annum.		
11. NET INVESTMENT IN FINANCE LEASES		Sept 30,2024	June 30,2024
	Minimum lease payments receivable	1,058,010,111	1,054,600,061
	Add: Residual value of leased assets	263,092,633	263,092,633
	Gross investment in finance leases	<u>1,321,102,744</u>	<u>1,317,692,694</u>
	Less: Unearned lease income	-	-
	Mark-up held in suspense	171,464,989	(172,834,677)
		<u>171,464,989</u>	<u>(172,834,677)</u>
		<u>1,149,637,755</u>	<u>1,144,858,017</u>
	Less: Provision for potential lease losses	812,692,097	(812,692,204)
	Net investment in finance leases	<u>336,945,658</u>	<u>332,165,813</u>
	Less: Current portion of net investment in finance leases	9 (336,945,658)	(332,165,813)
		<u>-</u>	<u>-</u>

12. INVESTMENT PROPERTIES	<u>Rupees</u>
As at July 01, 2023	
Cost	66,160,092
Accumulated depreciation	(21,311,089)
Accumulated impairment	(6,805,696)
Net book value	<u>38,043,307</u>
Movement during the period ended September 30,2023	
Opening net book value	39,107,290
Depreciation charge	(1,536,854)
Closing net book value	<u>37,570,436</u>
As at July 01, 2024	
Cost	66,160,092
Accumulated depreciation	(22,729,705)
Accumulated impairment	(6,805,696)
Net book value	<u>36,624,691</u>
Movement during the period ended September 30,2024	
Opening net book value	36,624,691
Depreciation charge	(354,634)
Closing net book value	<u>36,270,057</u>
As at September 30, 2024	
Cost	66,160,092
Accumulated depreciation	(23,084,339)
Accumulated impairment	(6,805,696)
Net book value	<u>36,270,057</u>
Rate of depreciation	<u>2.22% to 5%</u>

Saudi Pak Leasing Company Limited
 Selected Notes to the Financial Information (Un-audited)
 For the quarter ended September 30, 2024



		September 30, 2024 Rupees (Un-audited)	June 30, 2024 Rupees (Audited)
13. PROPERTY, PLANT AND EQUIPMENT	Note		
Property, plant and equipment - own use		79,366,928	80,444,629
Property, plant and equipment - operating lease		-	-
		<u>79,366,928</u>	<u>80,444,629</u>
Additions - Cost			
<i>Owned assets</i>			
Office Vehicle		-	5,033,500
Office equipment		54,200	281,500
Total additions		<u>54,200</u>	<u>5,315,000</u>
Disposals - WDV			103,632
<i>Owned assets</i>			
Vehicles		-	-
Office equipment		-	103,632
Total Disposals		<u>-</u>	<u>103,632</u>
14. BORROWINGS FROM FINANCIAL INSTITUTIONS	Note	September 30, 2024 Rupees (Un-audited)	June 30, 2024 Rupees (Audited)
Letter of placements - Unsecured			
National Bank of Pakistan	14.1	77,500,000	77,500,000
Innovative Investment Bank Limited	14.2	60,000,000	60,000,000
KASB Asset Allocation Fund		-	-
		<u>137,500,000</u>	<u>137,500,000</u>

14.1 This represents finance of Rs. 77.50 million obtained from National Bank of Pakistan on 01 April 2010 through a letter of placement carrying mark-up at a rate of 11.20% per annum for a period of 40 days. The Company has not paid any amount in respect of this finance. As of 30 September 2024, the Company has accrued a mark-up of Rs. 108.583 million.

14.2 This represents finance of Rs. 63 million obtained from Innovative Investment Bank Limited on 3 December 2010 through a letter of placement carrying mark-up at a rate of 8% per annum for a period of 90 days. The facility was rolled over for a further period of 184 days on 14 March 2011. Since the disbursement of facility, the Company has paid an amount of Rs. 3 million on account of principal repayment. As of 30 September 2024, the Company has accrued a mark-up of Rs. 60.458 million.

Saudi Pak Leasing Company Limited
Selected Notes to the Financial Information (Un-audited)
For the quarter ended September 30, 2024



		September 30, 2024 Rupees (Un-audited)	June 30, 2024 Rupees (Audited)
15. CERTIFICATE OF INVESTMENT	Note	<u>43,000,000</u>	<u>43,000,000</u>
16. ACCRUED MARK-UP		September 30, 2024	June 30, 2024
Mark-up on:			
Certificates of investment		60,402,990	77,502,305
Long term finances		26,737,222	26,737,222
Term finance certificates		262,675,607	252,874,705
Short term borrowings from financial institutions		168,902,188	168,902,188
		<u>518,718,007</u>	<u>526,016,420</u>
17. ACCRUED EXPENSES AND OTHER PAYABLES		September 30, 2024	June 30, 2024
Accrued expenses		3,721,397	4,224,701
Tax deducted at source		1,412,952	1,251,873
Others		432,222	496,578
		<u>5,566,571</u>	<u>5,973,152</u>
18. CURRENT MATURITY OF NON- CURRENT LIABILITIES		September 30, 2024	June 30, 2024
Current portion of:			
Certificate of investment		1,249,000	1,249,000
Long term finances	19	213,537,777	213,537,776
Security deposits against finance leases	20	243,658,873	243,658,873
		<u>458,445,649</u>	<u>458,445,648</u>
		September 30, 2024 Rupees (Un-audited)	June 30, 2024 Rupees (Audited)
19. LONG TERM FINANCES	Note		
Long term finances - secured	19.1	12,500,000	87,561,505
Long term finances - unsecured		<u>5,703,696</u>	<u>5,703,696</u>
	19.2	18,203,696	93,265,201
Term finance certificates - secured	19.3	<u>195,334,081</u>	<u>201,229,246</u>
		213,537,777	294,494,447
Current maturity of long term finances	18	<u>(213,537,777)</u>	<u>(294,494,447)</u>
		<u>-</u>	<u>-</u>
19.2 Long term finances		September 30, 2024	June 30, 2024
Secured			
National Bank of Pakistan - II	19.2.1	12,500,000	12,500,000
First Women Bank Limited	19.2.2	-	75,061,505
Un-secured			
Silk Bank Limited	19.2.3	<u>5,703,696</u>	<u>5,703,696</u>
		<u>18,203,696</u>	<u>93,265,201</u>

19.1 The above are secured by way of hypothecation of specific leased assets and associated lease rentals. These facilities were utilized mainly for lease financing activities.

19.2.1 This represents finance of Rs. 100 million obtained from National Bank of Pakistan on 17 March 2005 mainly for lease financing activities. As per the agreement, loan was payable in semi-annual installments of Rs. 12.5 million each from 17 September 2005 to 17 March 2009. The agreement was amended with the maturity date to March 2010. As of 30 September 2020, all installments were paid except for the last installment which was due on 17 March 2009 and is still outstanding. As per agreement the finance carries mark-up at 6 month KIBOR + 1.5%, payable semi-annually. As of 30 September 2023, the Company has accrued mark up of Rs. 18.218 million.

19.2.2 This represents a finance of Rs. 150 million obtained from First Women Bank Limited (FWBL) through a Letter of Placement dated October 06, 2008 having a tenor of 1 day. Subsequently, the finance was rolled over several times during the period from October 07, 2008 to December 18, 2008. During this period, the Company managed to partially repay the principal and markup amount. Afterwards, the finance was restructured by way of a settlement agreement dated December 31, 2008 whereby the entire principal was converted into 12-month Money Market Finance facility on markup basis. Since the Company failed to make repayment as per agreed terms, the finance was, once again, restructured by way of a settlement agreement dated March 01, 2010. As per the revised rescheduled terms, the entire principal was payable in unequal monthly installments up to December 31, 2012. The Company paid the installments up to December 31, 2010 since when no further repayments have been made. Further, as per the revised agreement, the finance carries mark-up at 12% per annum, payable monthly. Principal amount has been paid and account has been settled by recording of Rs.24.054 million as waiver of markup to profit & loss account in March 2024.

19.2.3 This represents a finance of Rs. 15.7 million obtained from Silk Bank Limited (SBL) on April 27, 2009 against issuance of irrevocable letter of comfort for opening a letter of credit in favour of Uni-Link International. Up to March 31, 2011, the Company could repay Rs. 4 million and defaulted thereafter. Hence, on September 12, 2012, a settlement agreement was entered into with SBL whereby the finance was restructured and the outstanding loan was agreed to be settled as follows:

- Down payment of Rs. 0.707 million; and
- 54 monthly instalments of Rs. 0.204 million each.

Up to November 2014, the Company repaid 26 monthly installments of Rs. 0.204 million each and defaulted thereafter. As of 30 September 2024, the Company had accrued a markup of Rs. 8.520 million.

- 19.3 This represents third issue of registered and listed term finance certificates (TFCs) issued by the Company to banking companies and financial institutions, trusts and general public. These are secured by way of a first exclusive charge on specific leases including lease rentals and receivables against lease with 25% margin available at all times to the TFCs holders on total outstanding amount of the issue. The total issue comprises of 150,000 certificates of Rs. 5,000 each.

The issue was first restructured by way of "Supplemental Declaration of Trust" dated 13 September 2010 and was further restructured by way of "Second Supplemental Declaration of Trust" dated 13 January 2012. To make the second proposed restructuring terms of Supplemental Declaration of Trust effective, an extra ordinary resolution has been passed by at least by 75% of the aggregate amount outstanding to TFC holders. The trustee obtained necessary approval of TFC holders. The revised terms and conditions of the issue after rescheduling are as follows:

Principal redemption

The principal redemption of TFCs is structured to be in 63 un-equal monthly instalments starting from 13 January 2012 as follows:

- Rs. 3 million per month starting from January 2012 to December 2012
- Rs. 4 million per month starting from January 2013 to December 2013
- Rs. 6 million per month starting from January 2014 to December 2014
- Rs. 13 million per month starting from January 2015 to February 2017
- Rs. 20.854 million in March 2017

Mark-up on TFCs

- The issue carries return at 6% per annum for first 36 months (from 13 January 2012 to 13 December 2014).
- One month's KIBOR per annum for remaining 27 months (from 13 January 2015 to 13 March 2017).
- Mark-up shall be paid on monthly basis starting from 25th month till the maturity of the TFC.
- Mark-up payments on TFCs for first 24 months is deferred till 13 December 2013. Deferred mark-up is the sum of deferred mark-up payments for the first 24 months and the outstanding deferred mark-up (relating to first restructuring as of 13 December 2013) and amounts to Rs. 25.368 million.
- Mark-up on TFCs is deferred till 13 December 2013 and is payable in 3 equal instalments in December 2014, 2015 and 2016.

Trustee

In order to protect the interests of TFC holders, First Dawood Investment Bank Limited has been appointed as trustee under a trust deed with power to enforce the Company's obligations in case of default and to distribute the proceeds of any such enforcement, in accordance with the terms of the Declaration of Trust. However, First Dawood Investment Bank Limited may not act as trustee till its licence is not renewed.

The Company defaulted in making payments to TFC holders in 2014 due to liquidity issues faced by the Company.

Saudi Pak Leasing Company Limited
 Selected Notes to the Financial Information (Un-audited)
 For the quarter ended September 30, 2024



		September 30, 2024	June 30, 2024
	Note	Rupees (Un-audited)	Rupees (Audited)
20. LONG TERM SECURITY DEPOSITS			
AGAINST FINANCE LEASES			
Security deposits against finance leases	20.1	243,658,873	262,595,351
Current maturity of deposits against			
finance leases	18	<u>(243,658,873)</u>	<u>(262,595,351)</u>
		<u>-</u>	<u>-</u>

20.1 This represents security deposits received from lessees under lease contracts and are adjustable on expiry of the respective lease periods.

		June 30,2024	June 30,2023
21. SURPLUS ON REVALUATION OF ASSETS			
Surplus on revaluation of property, plant and equipment	21.1	42,870,365	42,870,365
		<u>42,870,365</u>	<u>42,870,365</u>

21.1 The property, plant and equipment of the Company were revalued as at September 28, 2008, June 27, 2012, June 30, 2012, June 30, 2015, July 16, 2019, December 16, 2019 and December 31, 2022. The revaluation was carried out by independent valuers, on the basis of professional assessment of present market values and resulted in surplus of Rs.33,769,445, Rs.41,486,216, Rs. 51,594,507, Rs. 64,926,000 and Rs. 79,332,000 respectively over the written down values.

22. CONTINGENCIES AND COMMITMENTS

22.1 The Company is defending various counter suits filed against it by defaulting customers against whom recovery suits were filed by the company between the year 2009 to 2018. The counter suits are mainly for rendition of accounts and damages and or injunction against the company. These suits are proceeding in the High Court or Banking Court and, in the opinion of the legal counsel, the Company is not likely to suffer any loss or liability on account of these counter suits. The amount claimed in these counter suits as of 30th September 2022 amounted to Rs.178.904 million (2023: 178.904 million).

22.2 The Company has been issued with a notice under section 14 of the Federal Excise Act, 2005. In the notice, it has been alleged that the Company has not paid Federal Excise Duty (FED) in terms of section 3 (read with Entry 8 of Table-II of the First Schedule) to the Federal Excise Act, 2005 for the financial years 2007-08, 2008-09 and 2009-10 on services provided including both funded and non-funded services. Accordingly, Rs. 126.205 million has been alleged to be recoverable. The above amount of FED has been imposed on all the incomes of the Company for the said three years including mark-up income earned on finance lease contracts.

According to the Company's tax advisor, FED is applicable in respect of document fee, front end fee and syndicate lease income. These represent services rendered by leasing companies in respect of finance lease which are funded services. However, these services for the periods 2007-08 and 2008-09 are not chargeable to FED because of the reason that, for those years, FED was chargeable on services which were non-funded. However, for the period 2009-10, due to amendment in Entry 8, the said services are chargeable to FED as provisions of the Federal Excise Act, 2005.

The Company filed an appeal before the Commissioner Inland Revenue (Appeals) CIR (A) against the said order. The CIR(A) vide through Appellate Order no 97 of 2012 dated April 30, 2012 constituted that the duty so charged is legally and constitutionally valid under the Federal Excise Act, 2005. However, it also mentioned that the notice issued is barred by time for the period from July 2007 to September 2008 and, accordingly, deleted the levy of FED for the said tax period. Accordingly, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the above CIR(A) order which decided the case in favour of the Company.

In 2014, a reference application was filed by CIR Zone-I against the Company in High Court which is pending for adjudication. In the opinion of legal counsel of the Company, there is no likelihood of any outcome adverse to the Company's interest. The Company, hence, has not recognized any provision against the above notice.

22.3 In the year 2016, M/s. First Women Bank Limited (FWBL) filed, before the Honourable High Court of Sindh, a recovery suit against the Company wherein besides the outstanding principal of Rs. 75.062 million and accrued markup of Rs. 24.054 million (refer note 21.2.2), a demand has been raised in respect of cost of funds. However, since principal amount has been paid to FWBL so recovery suit against SPLC has been withdrawn from SHC

Saudi Pak Leasing Company Limited
Selected Notes to the Financial Information (Un-audited)
For the quarter ended September 30, 2024



		September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
23. INCOME FROM FINANCE LEASES	Note	(Rupees)	
Income from finance lease contracts		1,369,688	1,120
Gain on termination of finance lease contracts		2,808,575	700,848
		<u>4,178,263</u>	<u>701,968</u>
24. CAPITAL MANAGEMENT POLICIES AND PROCEDURES			
<p>Capital requirements applicable to the Company are set out and regulated by the Securities and Exchange Commission of Pakistan (SECP). These requirements are put in place to ensure sufficient solvency margins. SECP extended the minimum equity requirement as per NBFC Regulations, 2008 vide SRO 764(I) / 2009 dated 2 September 2009 wherein the Company is required to meet the minimum equity requirements of Rs. 350 million, Rs. 500 million and Rs. 700 million by 30 June 2011, 30 June 2012, 30 June 2014 and 30 June 2015 respectively. As per revised regulations, leasing company has to meet minimum capital requirement of Rs. 500 million to qualify as deposit taking entity and Rs. 50 million for non-deposit taking entity. Saudi Pak Leasing Company intends to operate in future as non-deposit taking entity.</p>			
25. OTHER OPERATING INCOME		September 30, 2024	September 30, 2023
Income from financial assets:			
- Dividend income		4,969,734	3,464
- Capital gain on sale of investments		-	121,895
- Interest income from government securities		344,775	703,918
- Interest income on term loans		(1,396)	-
- Interest income from savings accounts		4,989,110	1,542,201
		<u>10,302,223</u>	<u>2,371,478</u>
Income from non-financial assets:			
- Gain on sale of property, plant and equipment		-	-
- Waiver on settlement of certificate of investments		-	53,056,320
- Others		-	-
		<u>-</u>	<u>53,056,320</u>
		<u>10,302,223</u>	<u>55,427,797</u>
26. FINANCE COST		September 30, 2024	September 30, 2023
Mark-up on:			
- Long term finances		-	-
- Term finance certificates		9,800,902	11,406,612
- Short term borrowings		-	-
Return on certificates of investment		758,685	1,285,429
Bank charges		13,796	12,751
		<u>10,573,383</u>	<u>12,704,792</u>

Saudi Pak Leasing Company Limited
Selected Notes to the Financial Information (Un-audited)
For the quarter ended September 30, 2024



	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
	(Rupees)	
27. ADMINISTRATIVE AND OPERATING EXPENSES	Note	
Salaries, Allowances and Benefits	6,309,085	4,036,228
Directors' Fee	812,500	900,000
Rent	161,968	154,880
Repairs and maintenance	718,635	598,826
Insurance	82,289	26,322
Utilities	293,888	388,943
Vehicle running expenses	434,289	483,290
Printing and stationery	114,326	35,520
Telephone and postage	207,301	164,213
Travelling and conveyance - Directors	709,741	33,000
Fee and subscriptions	286,515	7,470
Legal and professional charges	280,000	1,526,166
Advertising and entertainment	34,500	68,675
Miscellaneous	350,853	250,430
	10,795,890	8,673,963
28. DEPRECIATION		
Depreciation on owned assets	1,155,301	1,164,942
Depreciation on investment properties	354,654	354,654
	1,509,955	1,519,596
29. CASH GENERATED FROM OPERATIONS		
Profit / (Loss) for the period before taxation	9,459,258	33,630,294
Adjustment for non cash charges and other items :		
Depreciation - owned assets	1,155,301	1,164,942
Depreciation - investment properties	354,654	354,654
Income on finance lease contracts	(1,369,688)	(1,120)
Financial and other charges	10,573,383	12,704,792
Provision / (reversals) for doubtful leases, loans and other receivables	(17,858,000)	(398,880)
Dividend income	(4,969,734)	(3,464)
Interest income from government securities	(344,775)	(703,916)
Gain on sale of investments	-	(121,895)
Amount written off directly against loans, lease receivables and investments	-	-
Gain on settlement	(20,666,505)	(42,276,707)
Other Income	(4,989,110)	(1,542,201)
Impairment on available for sale investments	-	-
	(38,114,474)	(30,823,795)
(Loss)/profit before working capital changes	(28,655,216)	2,806,499
Working capital changes		
Short term loans / Investments	-	20,000,000
Trade deposits and short term prepayments / other receivables other Recievable	(391,895)	(194,091)
	(65,000)	
Accrued and other payables	(406,581)	(173,962)
	(863,476)	19,631,947
Cash (used in) / generated from operations after working capital changes	(29,518,692)	22,438,446

30. TRANSACTIONS WITH RELATED PARTIES AND ASSOCIATED UNDERTAKINGS

Aggregate transactions with related parties and associated undertakings which are not disclosed in respective notes are as follows:

Note	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
	(Rupees)	
Directors fee		
Fee	812,500	900,000
Key management personnel		
Remuneration to key management personnel	1,755,559	1,890,000
Other related parties		
Payments to provident fund	213,204	154,275

31. EARNINGS / (LOSS) PER SHARE - BASIC

Profit / (Loss) after taxation attributable to ordinary shareholders	<u>9,459,258</u>	<u>33,630,294</u>
	(Number)	
Weighted average number of ordinary shares	<u>45,160,500</u>	<u>45,160,500</u>
	(Rupees)	
Earnings / (Loss) per share - Basic	<u>0.21</u>	<u>0.74</u>

32. COMPARATIVE FIGURES

Corresponding figures have been rearranged and reclassified, if necessary, to reflect more appropriate presentation of events and transactions for the purposes of comparisons.

33. DATE OF AUTHORIZATION

This condensed interim financial information (un-audited) was authorized for issue on October 29, 2024 by the Board of Directors.

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.


 Chief Executive Officer


 Director


 Chief Financial Officer