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# Company Information

## Board of Directors

**Justice (R) Agha Rafiq Ahmed Khan**  
Chairman - Independent

**Asad Nasir**  
Chief Executive Officer

**Ali Raza Siddiqui**  
Director - Non-Executive

**Lt. Gen. (R) Javed Mahmood Bukhari**  
Director - Independent

**Rehan Hassan \***  
Director - Independent

**Samar Ali Shahid**  
Director - Independent

**Shahid Hussain Jatoi**  
Director - Non-Executive

**Chief Financial Officer**  
Najmul Hoda Khan

**Company Secretary**  
Syed Ali Hasham

## Audit Committee

**Lt. Gen. (R) Javed Mahmood Bukhari**  
Chairman

**Ali Raza Siddiqui**  
Member

**Shahid Hussain Jatoi**  
Member

## Human Resource & Remuneration Committee

**Samar Ali Shahid**  
Chairperson

**Ali Raza Siddiqui**  
Member

**Asad Nasir**  
Member

## Executive Committee

**Ali Raza Siddiqui**  
Chairman

**Asad Nasir**  
Member

**Shahid Hussain Jatoi**  
Member

## External Auditors

**KPMG Taseer Hadi & Co.**  
Chartered Accountants

## Internal Auditors

**Grant Thornton Anjum Rahman**  
Chartered Accountants

## Legal Advisor

Bawaney & Partners

## Share Registrar

**CDC Share Registrar Services Limited**  
CDC House, 99-B, Block-B S.M.C.H.S.  
Main Shahrah-e-Faisal  
Karachi - 74400  
Tel: 0800-23275  
Fax: (92-21) 34326053  
Email: info@cdcsrsl.com  
Website: www.cdcsrsl.com

## Registered Office

20th Floor, The Center  
Plot No. 28, SB - 5  
Abdullah Haroon Road  
Saddar, Karachi- 74400  
Pakistan  
UAN: +92 21 111 574 111  
Fax: (+92-21) 35632575

## Website

[www.js.com](http://www.js.com) 

\* Mr. Rehan Hassan has been appointed on the Board of Directors on July 3, 2023 to fill the casual vacancy



# Directors' Review

## Dear Shareholders

The Board of Directors of Jahangir Siddiqui & Co. Ltd. (the “Company”) has reviewed the performance of the Company for the half year ended June 30, 2023. We are pleased to present the report on the performance of the Company along with consolidated performance of the Company with its subsidiaries for the period under review.

## Financial Performance

The Company has reported a net profit after tax of PKR 470.04 million for the half year ended June 30, 2023. The overall revenues for the period under review increased to PKR 1,157.15 million primarily from dividend income from strategic investment and realized capital gains on investments as compared to the corresponding period last year.

The breakup value per share of the Company as on June 30, 2023, was PKR 33.04.

During the period under review, the Monetary Policy Committee (MPC) of State Bank of Pakistan (SBP) raised Policy Rate by a total of 600 basis points to 22 percent as of June 30, 2023, emphasizing continuation of a contractionary monetary policy stance to anchor inflationary expectations. On July 31, 2023, i.e., subsequent to the period ended June 30, 2023, the MPC adopted a status quo approach and kept Policy Rate unchanged.

Finance Cost of the Company for the half year ended June 30, 2023, decreased to PKR 80.73 million, declining by 38 percent from its corresponding period last year, owing to repayment of long-term borrowings.

The basic Earnings per Share (“EPS”) of the Company for the half year ended June 30, 2023, is PKR 0.51 per share, whereas, the diluted EPS is PKR 0.46 per share.

Subsequent to the period end, the Company, pursuant to the approval of its Shareholders, has subscribed 165,462,245 Right Shares as per its entitlement at par value of Rs. 10/-. Further, the Company, pursuant to the requisite corporate and regulatory approvals, has subscribed further 54,715,645 Right Shares which remained unsubscribed by the general public shareholders of JSBL at same terms.

Further, the update on the transaction for disposal of the Company’s total shareholding in BankIslami Pakistan Limited (“BIPL”) and its accounting treatment is disclosed in the note number 8.1 to the unconsolidated financial statements and note number 8.1 in the consolidated financial statements.

## Consolidated Financial Statements

In its consolidated financial statements, the Group has reported a net profit after tax of PKR 3,385 million for the half year ended June 30, 2023, as compared to a net profit after tax of PKR 942 million for the corresponding period last year.

The basic EPS from continuing and discontinued operations for the half year ended June 30, 2023, is PKR 3.25 per share, whereas, the diluted EPS is PKR 2.82 per share.

## Credit Rating

The Pakistan Credit Rating Agency (“PACRA”) has maintained a long-term credit rating of AA (Double A) and short-term rating of A1+ (A one plus) for the Company. Further, the ratings for the Company’s 10th and 11th (listed on PSX) TFC issues, of PKR 1,500 million each, are also maintained at AA+ (Double A plus) by PACRA.

These ratings denote a very low expectation of credit risk, the strong capacity for timely payment of financial commitments and strong risk absorption capacity.

## Economic Review and Future Outlook

First half of the year 2023 witnessed forceful fiscal and monetary adjustments to ensure completion of International Monetary Fund’s 9th Review of the Extended Fund Facility (IMF-EFF), an imperative on account of the precarious balance of payments position faced by the country. These adjustments included, among others, introduction of a Mini-Budget on February 20, 2023, that levied taxes worth PKR 170 billion, an upward adjustment in energy prices, and exchange rate depreciation.

However, Foreign Exchange Reserves consistently declined throughout the period under review, owing to the absence of IMF disbursement, that was subject to the successful completion of 9th Review of the IMF-EFF, and lack of capital inflows from friendly countries. Resultantly, Pakistani Rupee underwent a massive devaluation of 26.30 percent (PKR 59.53/-) during the period, settling at PKR 285.99/- by the end of the period under review.

Foreign Exchange Reserves of the country stood at USD 9.2 billion as at June 30, 2023, representing a decline of USD 1.7 billion from the end of CY22. Fiscal consolidation measures and currency devaluation, combined, resulted in an elevated inflation reading of 33.04 percent during the period under review. The inflation reading stood at 14.40 percent during the corresponding period of last year.

Even after the presentation of Federal Budget FY2023-24, the Federal Government on June 25, 2023, approved an upward revision of revenue measures by PKR 215 billion and reduced budgeted expenditures by PKR 85 billion, in order to secure IMF disbursements. Furthermore, before the end of June 30, 2023, SBP withdrew its general guidance to the commercial banks on import prioritization. However, all prior fiscal and monetary adjustments proved insufficient towards the successful completion of the IMF-EFF, that expired on June 30, 2023.

Nonetheless, these efforts led towards commencement of a USD 3.0 billion Nine-month Stand-By Agreement with the IMF (IMF-SBA) on June 30, 2023. Along with the approval of IMF-SBA by the Executive Board on July 12, 2023, Pakistan received an initial disbursement of USD 1.2 billion. Following the IMF-SBA, the Country also received USD 3.0 billion from bilateral sources. Resultantly, the country's Foreign Exchange Reserves stood at USD 14.01 billion as at July 14, 2023.

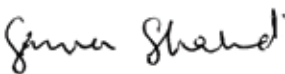
With the current contractionary monetary policy in place, expected materialization of inflationary impacts of fiscal consolidation measures introduced in Federal Budget FY2023-24, limited Foreign Exchange space for any import-led growth, and vulnerability towards international energy and commodity prices, we are led to expect indigenous growth to remain restricted for the remaining of the year ending December 31, 2023, on account of curtailed demand, dampened purchasing power, elevated interest rates, and lack of endogenous economic stimulants.

The Company's investments in banking, insurance, technology, textile, and chemicals are resilient to withstand and successfully navigate through any necessary adjustment period, contributing positively towards Pakistan's economy and shareholders' value.

#### **Acknowledgement**

The Directors greatly value the continued support and patronage of our clients and business partners. We also appreciate our employees and management for their dedication and hard work and to the Securities and Exchange Commission of Pakistan for its efforts to strengthen the financial markets, guidance on good corporate governance and other measures to safeguard investor rights.

For and on behalf of the  
Board of Directors



Director

Karachi: August 24, 2023



Chief Executive Officer




موجودہ سخت اینیڑی پالیسی کے ساتھ، وفاقی بجٹ مالی سال 2023-24 میں متعارف کرائے گئے مالیاتی استحکام کے اقدامات کے افراط زر کے اثرات کی متوقع تکمیل، کسی بھی درآمدی ترقی کے لیے زرمبادلہ کی محدود جگہ، اور بین الاقوامی توانائی اور اجناس کی قیمتوں کے خطرہ کے باعث، ہمیں توقع ہے کہ 31 دسمبر 2023 کو ختم ہونے والے سال کے بقیہ حصے میں طلب میں کمی، قوت خرید، بلند شرح سود، اور معاشی محرکات کی کمی کے باعث ملکی معاشی ترقی محدود رہے گی۔

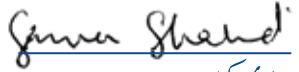
کمپنی کی سرمایہ کاری بینکنگ، انشورنس، ٹیکنالوجی، ٹیکسٹائل اور کیمیکلز میں اتنی لچکدار ہے کہ کسی بھی ضروری ایڈجسٹمنٹ کی مدت کو برداشت کرنے اور کامیابی کے ساتھ نیویگیٹ کرنے کے لیے، پاکستان کی معیشت اور حصص یافتگان کی قدر میں مثبت کردار ادا کرتی ہے۔

### قدرشناسی:

ڈائریکٹرز اپنے کلائنٹس اور کاروباری شراکت داروں کی مسلسل حمایت کی عزت افزائی کرتے ہیں۔ ہم اپنے ملازمین اور انتظامیہ کو ان کی لگن اور سخت محنت اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کو کیپیٹل مارکیٹس کو مستحکم کرنے کیلئے کوششوں، اچھی کارپوریٹ گورننس پر رہنمائی اور سرمایہ کاروں کے حقوق کے تحفظ کیلئے اقدامات کرنے پر داد و تحسین پیش کرتے ہیں۔

برائے و منجانب  
بورڈ آف ڈائریکٹرز

  
چیف ایگزیکٹو آفیسر

  
ڈائریکٹر

کراچی: 24 اگست 2023

30 جون 2023 کو اختتام پذیر ہونے والی ششماہی کے لیے جاری اور منقطع آپریشنز سے فی حصص بنیادی آمدنی 3.25 روپے فی حصص ہے جبکہ Diluted فی حصص آمدنی 2.82 روپے فی حصص رہی۔

### کریڈٹ ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے کمپنی کے لئے طویل مدتی ریٹنگ AA (ڈبل اے) اور مختصر مدتی کریڈٹ ریٹنگ A1+ (اے ون پلس) کو برقرار رکھا ہے۔ مزید یہ کہ PACRA نے کمپنی کے 1,500 ملین روپے کے دسویں اور گیارہویں (جو کہ PSX پر لسٹڈ ہے) TFC کو بھی AA (ڈبل اے پلس) پر برقرار رکھا ہے۔

یہ ریٹنگ کریڈٹ رسک میں انتہائی کم خطرہ کے امکانات، مالیاتی وعدوں کی بروقت ادائیگی اور زیادہ خطرات کو جذب کرنے کی صلاحیت کو ظاہر کرتی ہے۔

### معاشی جائزہ اور مستقبل کے امکانات:

سال 2023 کی پہلی ششماہی میں انٹرنیشنل مانیٹری فنڈ کے ایکسٹینڈڈ فنڈ فیسلٹی (IMF-EFF) کے نوٹس جائزے کی تکمیل کو یقینی بنانے کے لیے زبردست مالی اور مانیٹری ایڈجسٹمنٹ دیکھنے میں آئیں، جو ملک کو درپیش ادائیگیوں کے توازن کی غیر یقینی صورتحال کی وجہ سے ضروری ہے۔ ان ایڈجسٹمنٹ میں، دوسروں کے علاوہ، 20 فروری 2023 کو ایک منی بجٹ کا تعارف، جس میں 170 ملین روپے مالیت کے ٹیکسز، توانائی کی قیمتوں میں اضافہ، اور شرح مبادلہ کی قدر میں کمی شامل تھی۔

تاہم، IMF کی عدم ادائیگی کے باعث، زیر جائزہ مدت کے دوران زر مبادلہ کے ذخائر میں مسلسل کمی واقع ہوئی، جو کہ IMF-EFF کے نوٹس جائزے کی کامیاب تکمیل اور دوست ممالک سے سرمائے کی آمد کی کمی سے مشروط تھا۔ نتیجتاً، دوران مدت پاکستانی روپے کی قدر میں 26.30 فیصد (59.53 روپے) کی زبردست کمی ہوئی جو کہ زیر جائزہ مدت کے اختتام تک 285.99 روپے پر تھا۔

30 جون 2023 تک ملک کے زر مبادلہ کے ذخائر 9.2 بلین امریکی ڈالر تھے، جو کہ سال 2022 کے اختتام سے 1.7 بلین امریکی ڈالر کی کمی کو ظاہر کرتے ہیں۔ زیر جائزہ مدت کے دوران مالی استحکام کے اقدامات اور کرنسی کی قدر میں کمی نے مشترکہ طور پر افراط زر کی شرح میں 33.04 فیصد کا اضافہ کیا۔ گذشتہ سال کی اسی مدت کے دوران افراط زر کی شرح 14.40 فیصد تھی۔

وفاقی بجٹ مالی سال 2023-24 کے پیش کرنے کے بعد بھی وفاقی حکومت نے 25 جون 2023 کو IMF کی ادائیگیوں کو محفوظ بنانے کے لیے محصولات کے اقدامات میں 215 بلین روپے اور بجٹ کے اخراجات میں 85 بلین روپے کی کمی کی منظوری دی۔ مزید برآں، 30 جون 2023 کے اختتام سے قبل، اسٹیٹ بینک نے تجارتی بینکوں سے درآمدی ترجیحات پر اپنی عمومی رہنمائی واپس لے لی۔ تاہم، تمام پیشگی مالی اور مانیٹری ایڈجسٹمنٹ IMF-EFF کی کامیاب تکمیل کے لیے ناکافی ثابت ہوئی، جس کی مبادا 30 جون 2023 کو ختم ہو گئی تھی۔

بہر حال، ان کوششوں کے نتیجے میں 30 جون 2023 کو IMF (IMF-SBA) کے ساتھ 3.0 بلین امریکی ڈالر کے نو ماہ کے اسٹینڈ بائی معاہدہ کا آغاز ہوا۔ 12 جولائی 2023 کو ایگزیکٹو بورڈ کی جانب سے IMF-SBA کی منظوری کے ساتھ پاکستان کو 1.2 بلین امریکی ڈالر کی ابتدائی ادائیگی موصول ہوئی۔ IMF-SBA کے بعد، ملک کو دو طرفہ ذرائع سے 3.0 بلین امریکی ڈالر بھی ملے۔ نتیجتاً، 14 جولائی 2023 تک ملک کے زر مبادلہ کے ذخائر 14.01 بلین امریکی ڈالر تھے۔



## ڈائریکٹرز کا جائزہ

### محترم حصص یافتگان،

جماگیر صدیقی اینڈ کمپنی لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز نے 30 جون 2023 کو اختتام پذیر ہونے والی ششماہی کیلئے کمپنی کی کارکردگی کا جائزہ لیا ہے۔ ہمیں زیر جائزہ مدت کیلئے کمپنی اور اس کے ذیلی اداروں کی مجموعی کارکردگی کی جائزہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

### مالیاتی کارکردگی:

30 جون 2023 کو اختتام پذیر ہونے والی ششماہی کے لیے کمپنی نے بعد از ٹیکس خالص منافع مبلغ 470.04 ملین روپے رپورٹ کیا۔ زیر جائزہ مدت کے دوران گذشتہ سال کی اسی مدت کے مقابلے میں مجموعی آمدنی میں 1,157.15 ملین روپے کا اضافہ ہوا جو کہ بنیادی طور پر اسٹرائیجک سرمایہ کاری سے حاصل ہونے والی ڈیویڈنڈ آمدنی اور سرمایہ کاری پر حاصل ہونے والے سرمایہ جاتی فوائد سے ہوئی۔

30 جون 2023 کو کمپنی کافی حصص بریک اپ ویلیو 33.04 روپے رہا۔

زیر جائزہ مدت کے دوران، اسٹیٹ بینک آف پاکستان (SBP) کی مانیٹری پالیسی کمیٹی (MPC) نے 30 جون 2023 تک پالیسی ریٹ میں مجموعی طور پر 600 بنیادی پوائنٹس کا اضافہ کر کے 22 فیصد کر دیا۔ جس میں افراط زر کے نقطہ نظر کیلئے بلند خطرات پر مبنی مانیٹری پالیسی کے تسلسل کو برقرار رکھنے پر زور دیا گیا۔ مورخہ 31 جولائی 2023 کو، یعنی 30 جون 2023 کو اختتام پذیر ہونے والی مدت کے بعد، MPC نے اسٹیٹس کو کا طریقہ اپنایا اور پالیسی ریٹ میں کوئی تبدیلی نہیں کی۔

30 جون 2023 کو اختتام پذیر ہونے والی ششماہی کیلئے کمپنی کی مالیاتی لاگت کم ہو کر مبلغ 80.73 ملین روپے ہو گئی، یعنی طویل مدتی قرضہ جات کی دوبارہ ادائیگی کے باعث گذشتہ سال کی اسی مدت کے مقابلے میں 38 فیصد کمی ہوئی۔

30 جون 2023 کو اختتام پذیر ہونے والی ششماہی کے لیے کمپنی کی بنیادی آمدنی فی حصص (EPS) مبلغ 0.51 روپے فی حصص ہے، جبکہ Diluted فی حصص آمدنی مبلغ 0.46 روپے فی حصص رہی۔

بعد از اختتامی مدت، کمپنی نے، اپنے حصص داران کی منظوری کے مطابق، 10 روپے کی مساوی قیمت پر اس کے حقوق کے مطابق 165,462,245 رائٹ حصص سبسکرائب کیے ہیں۔ مزید یہ کہ کمپنی نے، مطلوبہ کارپوریٹ اور ریگولیٹری منظوریوں کے مطابق، مزید 54,715,645 رائٹ حصص سبسکرائب کیے ہیں جو بے ایبل ایل کے عام پبلک حصص داران کی طرف سے اسی شرائط پر غیر سبسکرائب کیے گئے ہیں۔

مزید یہ کہ بینک اسلامی پاکستان لمیٹڈ (بی آئی پی ایل) میں کمپنی کے کل شیئرز ہولڈنگ کے تصرف کے لیے لین دین اور اس کے اکاؤنٹنگ ٹریٹمنٹ کو نوٹ نمبر 8.1 میں غیر مجموعی مالیاتی بیانات اور نوٹ نمبر 8.1 میں مجموعی مالی بیانات میں ظاہر کیا گیا ہے۔

### مجموعی مالیاتی بیانات:

گروپ نے اپنے مجموعی مالیاتی بیانات 30 جون 2023 کو اختتام پذیر ہونے والی ششماہی کے لیے بعد از ٹیکس خالص منافع مبلغ 3,385 ملین روپے رپورٹ کیا جبکہ گذشتہ سال کی اسی مدت کیلئے بعد از ٹیکس خالص منافع مبلغ 942 ملین روپے تھا۔



KPMG Taseer Hadi & Co.  
Chartered Accountants  
Sheikh Sultan Trust Building No. 2, Beaumont Road  
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## **INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the members of Jahangir Siddiqui & Co. Ltd.**

**Report on review of Unconsolidated Condensed Interim Financial Information**

### ***Introduction***

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Jahangir Siddiqui & Co. Ltd. ("the Company") as at 30 June 2023 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial information for the six-month period then ended (hereinafter referred to as the "unconsolidated condensed interim financial information"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this unconsolidated condensed interim financial information 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 information 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 unconsolidated condensed interim financial information is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.



KPMG Taseer Hadi & Co.

***Other matters***

The figures for the quarter ended 30 June 2023 in the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion thereon.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Taufiq.

Date: 25 AUG 2023

Karachi

UDIN: RR202310106nHqw5TMZk

KPMG Taseer Hadi & Co.

KPMG Taseer Hadi & Co.  
Chartered Accountants

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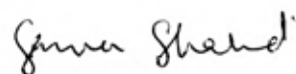


# **UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

		June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
	Note	(Rupees in '000)	
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property and equipment	6	176,046	186,273
Investment property		1,120	1,180
Long term investments	7	21,503,525	25,135,368
Long term loans and advances		13,352	15,799
Long term security deposits		1,282	1,081
		<u>21,695,325</u>	<u>25,339,701</u>
<b>Current Assets</b>			
Short term loans and advances		2,140	1,454
Short term prepayments and other receivables		64,826	176,553
Interest accrued		17,071	11,383
Other financial assets - short term investments	8	8,666,908	6,806,898
Cash and bank balances		1,814,466	137,607
		<u>10,565,411</u>	<u>7,133,895</u>
<b>TOTAL ASSETS</b>		<u><u>32,260,736</u></u>	<u><u>32,473,596</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
<b>Share Capital</b>			
Authorised capital		<u>65,000,000</u>	<u>65,000,000</u>
Issued, subscribed and paid-up capital			
Ordinary shares		9,159,424	9,159,424
Equity component of preference shares		1,326,114	1,326,114
Reserves		<u>19,779,531</u>	<u>19,688,025</u>
		<u>30,265,069</u>	<u>30,173,563</u>
<b>Non-Current Liabilities</b>			
Long term financing	9	-	-
Lease liability	10	82,281	89,081
Deferred tax liability		405,001	375,915
Liability component of preference shares		<u>325,642</u>	<u>408,550</u>
		<u>812,924</u>	<u>873,546</u>
<b>Current Liabilities</b>			
Trade and other payables	11	285,489	310,470
Unclaimed dividend		9,916	9,934
Unpaid dividend		8,121	230
Taxation - net		276,392	36,649
Accrued interest on borrowings		33,456	57,509
Current portion of long term liabilities	12	<u>569,369</u>	<u>1,011,695</u>
		<u>1,182,743</u>	<u>1,426,487</u>
<b>Contingencies and commitments</b>			
	13		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>32,260,736</u></u>	<u><u>32,473,596</u></u>

The annexed notes 1 to 22 form an integral part of this unconsolidated condensed interim financial information.



Director



Chief Executive Officer



Chief Financial Officer

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	Note	Half Year Ended		Quarter Ended	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
(Rupees in '000)					
<b>INCOME</b>					
Return on investments	14	1,094,231	743,300	516,218	216,567
Gain / (loss) on sale of investments - net	15	22,598	(19,941)	19,629	10,510
Income from long term loans and fund placements	16	20,524	68,794	14,200	22,257
Other income		19,093	31,063	4,836	28,077
Gain / (loss) on remeasurement of investments at fair value through profit or loss - net		701	(3,125)	(14,079)	(21,768)
		<u>1,157,147</u>	<u>820,091</u>	<u>540,804</u>	<u>255,643</u>
<b>EXPENDITURE</b>					
Operating and administrative expenses		171,928	139,837	80,221	63,079
Finance cost		80,731	130,887	35,970	66,568
Provision for Sindh Workers' Welfare Fund		18,117	10,995	8,508	2,524
Reversal of impairment		(1,351)	(404)	(792)	(248)
		<u>269,425</u>	<u>281,315</u>	<u>123,907</u>	<u>131,923</u>
<b>PROFIT BEFORE TAXATION</b>		<u>887,722</u>	<u>538,776</u>	<u>416,897</u>	<u>123,720</u>
<b>Taxation</b>					
Current		289,095	309,238	175,688	94,622
Prior		128,812	53,453	128,812	53,453
Deferred		(227)	(410)	(3,793)	146
		<u>417,680</u>	<u>362,281</u>	<u>300,707</u>	<u>148,221</u>
<b>PROFIT / (LOSS) AFTER TAXATION</b>		<u>470,042</u>	<u>176,495</u>	<u>116,190</u>	<u>(24,501)</u>
<b>EARNINGS / (LOSS) PER SHARE</b>					
		(Rupees)			
Basic	17	<u>0.51</u>	<u>0.19</u>	<u>0.13</u>	<u>(0.03)</u>
Diluted		<u>0.46</u>	<u>0.18</u>	<u>0.12</u>	<u>(0.02)</u>

The annexed notes 1 to 22 form an integral part of this unconsolidated condensed interim financial information.

*Govera Shereed*

Director

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Chief Executive Officer

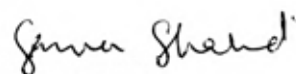
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Chief Financial Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	Half Year Ended		Quarter Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	(Rupees in '000)			
PROFIT / (LOSS) AFTER TAXATION	470,042	176,495	116,190	(24,501)
OTHER COMPREHENSIVE INCOME / (LOSS):				
Items that will not be reclassified subsequently to statement of profit or loss	-	-	-	-
Unrealised gain / (loss) on remeasurement of investments at fair value through OCI during the period - net of deferred tax	171,029	(1,559,484)	1,158,159	(191,950)
Items that may be reclassified subsequently to statement of profit or loss	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>	<b>641,071</b>	<b>(1,382,989)</b>	<b>1,274,349</b>	<b>(216,451)</b>

The annexed notes 1 to 22 form an integral part of this unconsolidated condensed interim financial information.



Director



Chief Executive Officer



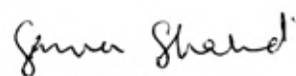
Chief Financial Officer



# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED JUNE 30, 2023

	Issued, subscribed and paid-up capital		Reserves				Sub-total	Total
	Ordinary Shares	Equity component of preference shares	Ordinary share premium	Capital reserves		Revenue reserve		
				Unrealised gain/ (loss) on remeasurement of investments at fair value through OCI	Unappropriated profit			
(Rupees in '000)								
<b>Balance as at December 31, 2021 (Audited)</b>	9,159,424	1,326,114	4,497,894	12,049,480	4,769,249	21,316,623	31,802,161	
Profit after taxation	-	-	-	-	176,495	176,495	176,495	
Other comprehensive loss	-	-	-	(1,559,484)	-	(1,559,484)	(1,559,484)	
Total comprehensive loss	-	-	-	(1,559,484)	176,495	(1,382,989)	(1,382,989)	
Reclassification of net remeasurement gain on equity instruments upon derecognition	-	-	-	(1,384,611)	1,384,611	-	-	
<b>Balance as at June 30, 2022 (Un-audited)</b>	<u>9,159,424</u>	<u>1,326,114</u>	<u>4,497,894</u>	<u>9,105,385</u>	<u>6,330,355</u>	<u>19,933,634</u>	<u>30,419,172</u>	
<b>Balance as at December 31, 2022 (Audited)</b>	9,159,424	1,326,114	4,497,894	8,672,400	6,517,731	19,688,025	30,173,563	
Profit after taxation	-	-	-	-	470,042	470,042	470,042	
Other comprehensive income	-	-	-	171,029	-	171,029	171,029	
Total comprehensive income	-	-	-	171,029	470,042	641,071	641,071	
Reclassification of net remeasurement loss on equity instruments upon derecognition	-	-	-	20,469	(20,469)	-	-	
<b>Transactions with owners</b>								
Interim ordinary dividend @ Rs. 0.60 per ordinary share	-	-	-	-	(549,565)	(549,565)	(549,565)	
<b>Balance as at June 30, 2023 (Un-audited)</b>	<u>9,159,424</u>	<u>1,326,114</u>	<u>4,497,894</u>	<u>8,863,898</u>	<u>6,417,739</u>	<u>19,779,531</u>	<u>30,265,069</u>	

The annexed notes 1 to 22 form an integral part of this unconsolidated condensed interim financial information.



Director



Chief Executive Officer



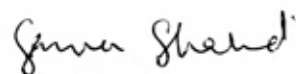
Chief Financial Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	June 30, 2023	June 30, 2022
Note	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	887,722	538,776
<b>Adjustment for non cash charges and other items:</b>		
Depreciation	19,444	17,802
Gain on sale of property and equipment	-	(837)
Interest income	(58,892)	(68,794)
(Gain) / loss on remeasurement of investments at fair value through profit or loss - net	(701)	3,125
Reversal of impairment	(1,351)	(404)
Gain on lease modification	-	(4,408)
Dividend income	(1,055,863)	(635,076)
Gain on remeasurement of derivatives through profit or loss	(8,195)	(17,094)
Finance cost	80,731	130,887
	<u>(1,024,827)</u>	<u>(574,799)</u>
<b>Operating loss before working capital changes</b>	<b>(137,105)</b>	<b>(36,023)</b>
<b>Decrease / (Increase) in current assets:</b>		
Short term loans and advances	(686)	617
Short term prepayments and other receivables	119,922	694,016
Long term loans, advances and security deposits	2,246	2,317
	<u>121,482</u>	<u>696,950</u>
<b>Decrease in trade and other payables</b>	<b>(24,981)</b>	<b>(199,184)</b>
	<u>(40,604)</u>	<u>461,743</u>
Investments - net	1,974,227	1,533,357
Dividend received	1,055,863	635,076
Taxes paid	(178,164)	(244,536)
Interest income received	53,204	67,843
<b>Net cash generated from operating activities</b>	<b>2,864,526</b>	<b>2,453,483</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	(9,157)	(21,194)
Proceeds from sale of property and equipment	-	1,038
<b>Net cash used in investing activities</b>	<b>(9,157)</b>	<b>(20,156)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(651,606)	(51,994)
Repurchase agreement lending	-	(500,672)
Redemption of term finance certificates	(437,500)	(400,000)
Long term loan repaid to bank - net	-	(62,500)
Finance cost paid	(76,906)	(90,531)
Payment against lease liability	(12,498)	(12,105)
<b>Net cash used in financing activities</b>	<b>(1,178,510)</b>	<b>(1,117,802)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,676,859</b>	<b>1,315,525</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>137,607</b>	<b>1,107,601</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>1,814,466</b>	<b>2,423,126</b>

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The annexed notes 1 to 22 form an integral part of this unconsolidated condensed interim financial information.



Director



Chief Executive Officer



Chief Financial Officer



# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

## FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

### 1. THE COMPANY AND ITS OPERATIONS

Jahangir Siddiqui & Co. Ltd. (the Company) was incorporated under the repealed Companies Ordinance, 1984 (the Ordinance) now Companies Act, 2017, on May 04, 1991 as a public unquoted company. The Company is listed on Pakistan Stock Exchange Limited. The registered office and geographical location of the Company is situated at 20th Floor, The Centre, Plot No. 28, SB-5, Saddar, Karachi. The principal activities of the Company are managing strategic investments, trading of securities, consultancy services, etc.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

This unconsolidated condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards 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 (the Act);
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP).

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

2.2 This unconsolidated condensed interim financial information does not include all the information required for annual financial statements and should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2022.

2.3 The comparative unconsolidated condensed interim statement of financial position presented in this unconsolidated condensed interim financial information has been extracted from the audited annual financial statements of the Company for the year ended December 31, 2022 whereas the comparative unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows and unconsolidated condensed interim statement of changes in equity are extracted from the unaudited unconsolidated condensed interim financial information for the half year ended June 30, 2022.

2.4 This unconsolidated condensed interim financial information is un-audited and is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange and section 237 of the Companies Act, 2017.

#### 2.5 Basis of measurement

This unconsolidated condensed interim financial information has been prepared under the historical cost convention, except for certain investments and derivative financial instruments which are stated at fair value.

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

### 2.6 Functional and presentation currency

This unconsolidated condensed interim financial information is presented in Pakistani Rupee, which is also the functional and presentation currency of the Company and rounded off to the nearest to thousand rupee.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this unconsolidated condensed interim financial information are same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2022.

#### 3.1 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Company's annual accounting period beginning on July 1, 2023. However, these do not have any significant impact on the Company's operations and, therefore, have not been detailed in these unconsolidated condensed interim financial information.

#### 3.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Company's annual accounting period beginning on or after July 1, 2023. However, these do not have any significant impact on the Company's operations and, therefore, have not been detailed in these unconsolidated condensed interim financial information.

### 4 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2022.

### 5. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of unconsolidated condensed interim financial information in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the annual audited financial statements for the year ended December 31, 2022.



## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

		June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
<b>6. PROPERTY AND EQUIPMENT</b>			
Operating assets - Owned	6.1	93,234	98,487
Right-of-use asset	6.2	79,085	87,786
Capital work-in-progress		3,727	-
		176,046	186,273
<b>6.1 Operating assets - Owned</b>			
Written down value as at 1 January		98,487	94,300
Additions		5,430	23,824
Disposals		-	(201)
Depreciation charge		(10,683)	(19,436)
<b>Closing balance</b>		93,234	98,487
<b>6.2 Right-of-use asset</b>			
As at 1 January		87,786	111,549
Depreciation charge for the period / year		(8,701)	(17,548)
Adjustment relating to lease modification		-	(6,215)
<b>Closing balance</b>		79,085	87,786
<b>7. LONG TERM INVESTMENTS</b>			
<b>Investments in related parties</b>			
Subsidiaries - at cost	7.1	11,563,391	11,562,040
Associate - 'at fair value through OCI'	7.2	-	3,148,742
Other related parties - 'at fair value through OCI'	7.3	7,832,997	8,042,285
		19,396,388	22,753,067
<b>Other investments</b>	7.4	2,107,137	2,382,301
		21,503,525	25,135,368

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

### 7.1 Subsidiaries - at cost

These shares are ordinary shares of Rs.10/- each, unless stated otherwise.

Number of shares		Note	Activity	Holding		June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
June 30, 2023 (Un-audited)	December 31, 2022 (Audited)			June 30, 2023 (Un-audited) %	December 31, 2022 (Audited) %		
<b>Quoted</b>							
973,307,324 *	973,307,324	7.1.1	Commercial Banking	75.02	75.02	6,127,149	6,127,149
						----- (Rupees in '000) -----	
<b>Un-quoted</b>							
370,000,000	370,000,000		Energy Petroleum & Infrastructure	100.00	100.00	3,700,000	3,700,000
173,736,297	173,736,297		Telecom Media & Technology	100.00	100.00	1,708,490	1,708,490
10,000	10,000		Investment services	100.00	100.00	294,882	294,882
						(294,882)	(294,882)
3,000,000	3,000,000	7.1.2	Renewable Energy	100.00	100.00	30,000	30,000
						(2,248)	(3,599)
						27,752	26,401
						11,563,391	11,562,040

\* These are sponsor shares which are blocked for trading as per the requirements of the State Bank of Pakistan.

**7.1.1** The Board of Directors of JS Bank Limited - subsidiary bank, in their meeting held on April 26, 2023, have approved issue of 17% Right Shares (i.e., in the ratio of 17 Right Shares for every 100 Ordinary Shares of Rs. 10 each held by the shareholders in accordance with the provisions of Section 83 of the Companies Act, 2017, and the Companies (Further Issue of Shares) Regulations, 2020).

Consequently, the Board of Directors of the Company in their meeting held on April 27, 2023, have granted their approval (subject to the approval of the shareholders of the Company by way of special resolution under Section 199 of the Companies Act, 2017) to invest and subscribe its entitlement of such right issue of JSBL. Further, the Board of Directors of the Company also approved to subscribe for any unsubscribed portion of JSBL's right issue, however, that will be subject to the approval of the shareholders of the Company, State Bank of Pakistan and offer and allotment by the Board of JSBL under relevant law.

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

Subsequently, the Shareholders of the Company in their meeting held on May 25, 2023, also approved the investment into and subscription of 165,462,245 Right Shares at par value of Rs. 10/- each (for an aggregate subscription amount of Rs. 1,654,622,450) offered by JSBL to the Company by way of Company's own entitlement in proportion to its existing holding in JSBL.

Further, the shareholders of the Company also approved to invest in and subscribe to a maximum of 55,106,680 further (unsubscribed) shares of JSBL offered to all public shareholders of JSBL as right shares and which subsequently remain unsubscribed at the close of subscription period on the same terms and conditions and for the same consideration on which such Right Shares were offered to the public shareholders.

Subsequent to period, the Company, pursuant to the approval of its Shareholders, has subscribed 165,462,245 Right Shares as per its entitlement at par value of Rs. 10/- on July 04, 2023. Furthermore, the Company has subscribed 54,715,645 right shares of the unsubscribed portion of JSBL at par value of Rs. 10/- on August 10, 2023.

**7.1.2** The net assets of Quality Energy Solutions (Private) Limited mainly comprise of bank deposits and debt securities. Due to interest income on bank deposits and debt securities, net assets value (NAV) increased at the reporting date. Therefore, reversal in provision of impairment of Rs. 1.351 (June 30, 2022: 0.404) million is recognized during the period.

## 7.2 Associate - 'at fair value through OCI'

These shares are ordinary shares of Rs.10/- each, unless stated otherwise.

Number of shares		Quoted	Note	June 30, 2023		December 31, 2022	
June 30, 2023 (Un-audited)	December 31, 2022 (Audited)			(Un-audited)	(Audited)	(Rupees in '000)	
-	235,684,306	BankIslami Pakistan Limited	8.1	-	3,148,742		

## 7.3 Other related parties

### At fair value through OCI

These shares are Ordinary shares of Rs.10 each, unless stated otherwise.

Number of shares		Activity	Holding		June 30, 2023 (Un-audited)	December 31, 2022 (Audited)	
June 30, 2023 (Un-audited)	December 31, 2022 (Audited)		June 30, 2023 (Un-audited) %	December 31, 2022 (Audited) %			
		<b>Quoted</b>					
42,191,152	42,191,152	EFU General Insurance Limited	General Insurance	21.10	21.10	3,628,439	3,902,682
20,047,708	20,047,708	EFU Life Assurance Limited	Life Assurance	20.05	20.05	4,181,150	4,116,195
		<b>Un-quoted</b>					
750,000	750,000	EFU Services (Private) Limited	Investment company	16.67	16.67	23,408	23,408
						<u>7,832,997</u>	<u>8,042,285</u>

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

- 7.3.1 The Company holds more than 20% shareholding in EFU General Insurance Limited and EFU Life Assurance Limited, however, the Company believes that no 'significant influence' of the Company exists over these entities, and there is no representation of the Company on the respective boards of these entities. Hence, these entities are not accounted for as 'associates' under IAS 28 'Investment in Associates and Joint Ventures'. Appeal proceedings are currently pending with the Appellate Bench of the SECP, over an Order dated November 06, 2020, of the SECP, regarding the interpretation of 'significant influence' under IAS 28, in the context of the Company's above referred investments. In view of the pending status of the appeal, the SECP vide its letter dated February 23, 2021, has allowed the Company to continue the existing accounting policy of keeping such investments at 'fair value through other comprehensive income' till the decision of the appeal.
- 7.3.2 Included herein are equity securities having average cost of Rs. 318.74 (December 31, 2022: Rs. 608.70) million and having market value of Rs. 866.69 (December 31, 2022: Rs. 1,746.07) million pledged with trustee of Term Finance Certificates issued by the Company.

		June 30, 2023 (Un-audited) (Rupees in '000)	December 31, 2022 (Audited)
	Note	-----	-----
<b>7.4 Other investments</b>			
<b>Assets at fair value through OCI</b>			
Equity securities	7.4.1	1,757,137	1,932,301
<b>Assets at amortized cost</b>			
Pakistan Intermodal Limited - PPTFC		350,000	450,000
		<u>2,107,137</u>	<u>2,382,301</u>

### 7.4.1 Assets at fair value through OCI

These shares are ordinary shares of Rs.10/- each, unless stated otherwise.

<u>Number of shares</u>			June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
June 30, 2023 (Un-audited)	December 31, 2022 (Audited)		June 30, 2023 (Un-audited) (Rupees in '000)	December 31, 2022 (Audited)
<b><u>Quoted</u></b>				
121,158,363	121,158,363	Azgard Nine Limited	726,950	878,398
2,344,450	2,344,450	Sitara Chemical Industries Limited	528,974	486,872
3,601,800	3,601,800	Hum Network Limited (Ordinary Shares of Re.1 each)	21,034	21,035
<b><u>Un-quoted</u></b>				
2,399,454	2,399,454	Security General Insurance Company Limited	480,179	545,996
			<u>1,757,137</u>	<u>1,932,301</u>





## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

8.	OTHER FINANCIAL ASSETS - SHORT TERM INVESTMENTS	Note	June 30,	December 31,
			2023 (Un-audited) (Rupees in '000)	2022 (Audited)
	Associate - 'at fair value through OCI'	8.1	4,185,753	-
	<b>Assets at fair value through OCI</b>			
	Listed equity securities		1,213,480	597,093
	Listed equity securities - Associated undertaking	8.2	2,482,863	2,921,871
			3,696,343	3,518,964
	<b>Assets at fair value through profit or loss</b>			
	Listed equity securities		16,865	495,713
	Units of mutual funds - Open ended		767,947	2,792,221
			784,812	3,287,934
		8.3	8,666,908	6,806,898

### 8.1 Associates - 'at fair value through OCI'

These shares are ordinary shares of Rs.10/- each, unless stated otherwise.

Number of shares			Note	June 30,	December 31,
June 30, 2023 (Un-audited)	December 31, 2022 (Audited)			2023 (Un-audited)	2022 (Audited)
		<u>Quoted</u>			
235,684,306	-	BankIslami Pakistan Limited	7.2	4,185,753	-

\* These are sponsor shares which are blocked for trading as per the requirements of the State Bank of Pakistan.

Subsequent to the approval of the Board of Directors in its meeting held on February 16, 2023, the Shareholders of the Company in their meeting held on March 16, 2023, also approved (by way of Special Resolution) the disposal of the Company's total shareholding in BankIslami Pakistan Limited (BIPL) against fresh common equity of JS Bank Limited (JSBL) - a subsidiary bank, to be issued other than right and other than cash in the swap ratio of 1.1318. Post completion of these corporate approvals, on March 29, 2023, the Company signed a Share Purchase Agreement (SPA) with JSBL.

The culmination of this transaction is based on two factors, i.e., successful completion of the transaction of takeover of majority control of BIPL by JSBL including public offer and obtention of all requisite regulatory approvals by both JSBL and the Company.

Subsequent to the period end, SBP through its letter dated August 04, 2023, granted its due approval to the Company for sale/transfer of its shareholding in BIPL to JSBL against issuance of JSBL's fresh equity, as aforementioned.

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

The completion of the transaction is, however, hinged to completion of public offer under Securities Act, 2015, by JSBL which is in process. Therefore, investment in BIPL in these separate financial statements shall continue to be accounted for as Associate, at fair value through OCI, under IAS-27. However, the Company expects the transaction to be completed within the next 12 months. Therefore, the Company has disclosed the investment in BIPL in current assets.

- 8.2 During the period, the Company has disposed of its various investments carried at fair value through other comprehensive income having fair value amounting to Rs. 3,539.09 million and has recorded realized loss on these investments amounting to Rs. 20.47 million in this unconsolidated condensed interim financial information through retained earnings in order to meet its working capital requirements.
- 8.3 Included herein are equity securities having average cost of Rs. 148.28 (December 31, 2022: Rs. 148.09) million and having market value of Rs. 130.78 (December 31, 2022: Rs. 133.62) million pledged with a Bank against running Finance Facility obtained by the Company.

			June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
			----- (Rupees in '000) -----	
9.	<b>LONG TERM FINANCING</b>	Note		
	<b>Term Finance Certificates (TFCs)</b>			
	Tenth issue - Privately Placed		187,461	374,564
	Eleventh issue - Listed on Pakistan Stock Exchange Limited		249,903	499,319
		9.1 & 9.2	437,364	873,883
	Less: Current portion shown under current liability		(437,364)	(873,883)
			-	-
9.1	These TFCs are secured against lien over designated accounts with the Central Depository Company of Pakistan Limited. The accounts contain marketable securities having market value aggregating to Rs. 866.69 (December 31, 2022: Rs. 1,530.38) million to secure the outstanding principal with 35% margin.			
9.2	Also included herein, is an amount of Rs. 4 (December 31, 2022: Rs. 8) million payable to related parties.			
10.	<b>LEASE LIABILITY</b>		June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
			----- (Rupees in '000) -----	
	<b>Balance as at 01 January</b>		120,384	143,333
	Interest expense during the period / year		4,802	10,589
	Payments during the period / year		(12,498)	(22,914)
	Adjustment relating to lease modification		-	(10,624)
	<b>Closing balance</b>		112,688	120,384
	Less: Current maturity of lease liability		(30,407)	(31,303)
			82,281	89,081



## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

10.1 This represents lease arrangement with JS Rental REIT Fund, a related party, for office premises at 20th Floor, The Centre, Saddar, Karachi.

### 11. TRADE AND OTHER PAYABLES

This includes payable against Sindh Workers' Welfare Fund (SWWF) amounting to Rs. 202.07 (December 31, 2022: Rs. 184.04) million.

		June 30, 2023 (Un-audited)		December 31, 2022 (Audited)
	Note	----- (Rupees in '000) -----		
<b>12. CURRENT PORTION OF LONG TERM LIABILITIES</b>				
Current portion of long term financing		437,364		873,883
Current maturity of lease liability	10	30,407		31,303
Current portion of liability component of preference shares		<u>101,598</u>		<u>106,509</u>
		<u><u>569,369</u></u>		<u><u>1,011,695</u></u>

### 13. CONTINGENCIES AND COMMITMENTS

#### 13.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual unconsolidated financial statements for the year ended December 31, 2022.

		June 30, 2023 (Un-audited)		December 31, 2022 (Audited)
		----- (Rupees in '000) -----		
<b>13.2 Commitment</b>				
Commitment in respect of future sale transactions of listed equity securities.		<u>16,361</u>		<u>488,669</u>

### 14. RETURN ON INVESTMENTS

This includes dividend income on investments in related parties aggregating to Rs. 991.71 (June 30, 2022: Rs. 558.61) million.

		June 30, 2023 (Un-audited)		June 30, 2022 (Audited)
		----- (Rupees in '000) -----		
<b>15. GAIN / (LOSS) ON SALE OF INVESTMENTS - NET</b>				
<b>Gain / (loss) on sale of investments in financial assets:</b>				
At fair value through profit or loss				
- Equity securities		(13,020)		(21,279)
- Term finance certificates		-		1,338
- Mutual funds		<u>35,618</u>		-
		<u>22,598</u>		<u>(19,941)</u>
At amortized cost		-		-
		<u><u>22,598</u></u>		<u><u>(19,941)</u></u>

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

### 16. INCOME FROM LONG TERM LOANS AND FUND PLACEMENTS

This includes interest of Rs. 18.60 (June 30, 2022: Rs. 59.81) million on bank balances maintained with a related party (JS Bank Limited).

	Half Year Ended		Quarter Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
----- (Un-audited) -----				
----- (Rupees in '000) -----				
<b>17. EARNINGS / (LOSS) PER SHARE</b>				
<b>Earnings / (Loss)</b>				
Profit / (loss) after taxation attributable to ordinary shareholders for basic earnings per share	470,042	176,495	116,190	(24,501)
Effect of dilutive potential ordinary shares:				
Add back: Amortization of liability component of preference shares - net of tax	15,687	19,279	7,521	8,971
Profit / (loss) after taxation attributable to ordinary shareholders for diluted earnings per share	<u>485,729</u>	<u>195,774</u>	<u>123,711</u>	<u>(15,530)</u>
	----- (Numbers in '000) -----			
<b>Number of shares</b>				
Weighted average number of ordinary shares outstanding during the period for basic earnings per share	915,942	915,942	915,942	915,942
Effect of dilutive convertible preference shares	146,551	146,551	146,551	146,551
Weighted average number of ordinary shares outstanding during the period for diluted earnings per share	<u>1,062,493</u>	<u>1,062,493</u>	<u>1,062,493</u>	<u>1,062,493</u>
	----- (Rupees) -----			
Basic earnings / (loss) per share	<u>0.51</u>	<u>0.19</u>	<u>0.13</u>	<u>(0.03)</u>
Diluted earnings / (loss) per share	<u>0.46</u>	<u>0.18</u>	<u>0.12</u>	<u>(0.02)</u>

	June 30, 2023	June 30, 2022
	----- (Un-audited) -----	
----- (Rupees in '000) -----		
<b>18. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	1,814,466	358,822
Government securities	-	2,064,304
	<u>1,814,466</u>	<u>2,423,126</u>



## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

### FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

#### 19. RELATED PARTY TRANSACTIONS

The Company has related party relationship with its subsidiaries, sub-subsidiaries, associates, companies having common directorship, employee benefit plan, sponsor, substantial shareholder and its key management personnel (including their associates).

Contributions to the account in respect of staff retirement benefit are made in accordance with terms of the contribution plan. Remuneration of the key management personnel is in accordance with the terms of their employment. Other transactions are at agreed terms.

	June 30, 2023	June 30, 2022
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
<b>TRANSACTIONS</b>		
<b>Subsidiary and Sub-subsidiary Companies</b>		
Brokerage expense paid	1,906	3,821
Bank charges paid	-	4
Capital gain tax paid for onward submission to NCCPL	-	126,974
Capital gain tax refund through NCCPL	1,099	14,773
Capital gain tax tariff paid	40	60
Principal redemptions made against TFCs issued by the Company	4,000	4,000
Mark-up paid on TFCs issued by the Company	690	709
Rent income received	1,897	2,403
Profit received on deposit accounts	13,586	61,123
Market maker fee paid	-	565
Reimbursement of expenses to the Company	7,707	216
Purchase of government securities	-	3,884,797
Sale of government securities	-	2,100,000
<b>Funds Managed by Sub-subsidiary Company</b>		
Purchase of units	9,541,820	725,000
Dividend received	220,118	18,275
Rental paid against lease liability	12,498	-
Redemption of Units	11,603,938	-
<b>Common Directorship</b>		
Reimbursement of expenses by the Company	21	21
Dividend received	535,911	535,911
Insurance premium paid	5,727	3,750
Insurance claim received	192	23

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

### FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	June 30, 2023	June 30, 2022
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
<b>Common Substantial Shareholder</b>		
Rent income received	2,631	5,437
Reimbursement of expenses to the Company	3,395	1,669
Reimbursement of expenses by the Company	6,936	3,967
Rent paid against lease liability	-	12,105
Security deposit received	2,023	-
<b>Post-employment Benefit Funds</b>		
Contribution to staff provident fund	2,859	4,657
<b>Controlling Person</b>		
Advisory fee paid	3,000	2,000
Royalty paid	10,000	6,667
<b>Other Related Parties</b>		
Reimbursement of expenses to the Company	591	286
Security deposit repaid	-	492
Donation paid	2,000	-
<b>Associate Company</b>		
Dividend received	235,684	-
<b>Key Management Personnel</b>		
Remuneration paid to Chief Executive Officer	20,308	24,986
Fee paid to directors for attending directors / committee meetings	2,100	2,350
Remuneration paid to executives	50,899	26,022
Long term loan disbursed to executives	451	210
Interest received on long term loans to executives	1,169	2,993
Loan and advances repayments from executives	2,012	3,281
Reimbursement of expenses to CEO and executives	3,239	479
Reimbursement of expenses to directors	47	-
	June 30, 2023	December 31, 2022
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
<b>BALANCES</b>		
<b>Subsidiary and Sub-subsidiary Companies</b>		
Mark-up payable on TFCs issued by the Company	286	447
Outstanding principal of TFCs issued by the Company	4,000	8,000



## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	June 30, 2023 (Un-audited) ----- (Rupees in '000) -----	December 31, 2022 (Audited)
Receivable against sale of equity securities	-	139,678
Profit receivable on deposit accounts	6,817	1,799
Receivable against expenses incurred on their behalf	106	5,165
Rent receivable	525	-
Unearned rent	532	532
Cash at bank accounts	1,805,928	128,980
<b>Funds Managed by Sub-subsidiary Company</b>		
Rental payable against lease liability	6,673	1,906
<b>Common Directorship</b>		
Prepaid insurance	2,730	202
Insurance claim receivable	-	191
Receivable against expenses incurred on their behalf	-	1
<b>Common Substantial Shareholder</b>		
Refund of lease liability	-	134
Receivable against expenses incurred on their behalf	221	478
Payable against expenses	-	829
Security deposit - liability	-	1,003
Security deposit - asset	-	2,023
Unearned rent	416	1,219
<b>Other Related Party</b>		
Receivable against expenses incurred on their behalf	6	599
Donation payable	5,000	2,000
<b>Key Management Personnel</b>		
Loans and advances	12,763	52,958

### 20. FAIR VALUE OF FINANCIAL INSTRUMENT

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

In respect of investments in quoted equity securities, fair value is determined by reference to stock exchange quoted market price at the close of business day. For term finance certificates, fair value is determined by reference to average broker rates.

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

**Level 1:** Quoted prices in active markets for identical assets or liabilities.

**Level 2:** Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) and;

**Level 3:** Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	June 30, 2023			
	Level 1	Level 2	Level 3	Total
	(Un-audited)			
	(Rupees in '000)			
<b>Financial Assets</b>				
Associate - 'at fair value through OCI'	4,185,753	-	-	4,185,753
<b>Investments at fair value through OCI</b>				
Listed equity securities	12,782,890	-	-	12,782,890
Unquoted equity securities*	-	-	503,587	503,587
<b>Investments at fair value through profit or loss</b>				
Listed equity securities	16,865	-	-	16,865
Units of mutual fund	767,947	-	-	767,947
	<u>17,753,455</u>	<u>-</u>	<u>503,587</u>	<u>18,257,042</u>
<b>Financial Liability</b>				
Derivative liability	<u>720</u>	<u>-</u>	<u>-</u>	<u>720</u>
	December 31, 2022			
	Level 1	Level 2	Level 3	Total
	(Audited)			
	(Rupees in '000)			
<b>Financial Assets</b>				
<b>Investments at fair value through OCI</b>				
Listed equity securities	16,072,888	-	-	16,072,888
Unquoted equity securities*	-	-	569,404	569,404
<b>Investments at fair value through profit or loss</b>				
Listed equity securities	495,713	-	-	495,713
Units of Mutual Funds	2,792,221	-	-	2,792,221
	<u>19,360,822</u>	<u>-</u>	<u>569,404</u>	<u>19,930,226</u>
<b>Financial Liability</b>				
Derivative liability	<u>8,915</u>	<u>-</u>	<u>-</u>	<u>8,915</u>

\*As at June 30, 2023, the Company's long term investments in unquoted securities of EFU Services (Private) Limited and Security General Insurance Company Limited (see note 7) are carried at fair value. The fair values of these investment are determined by the management after applying appropriate haircut to the carrying values of the net assets of investee companies as the net assets of investee companies mainly comprise of marketable securities and other assets having carrying value approximately equal to their fair value.





## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

### 21. GENERAL

21.1 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these financial information.

21.2 Figures have been rounded off to the nearest thousand rupees.

### 22. DATE OF AUTHORISATION

These unconsolidated condensed interim financial information were authorised for issue by the Board of Directors in their meeting held on August 24, 2023.

Director

Chief Executive Officer

Chief Financial Officer

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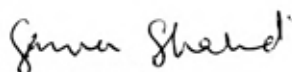
# **CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

## AS AT JUNE 30, 2023

	Note	June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property and equipment	6	10,777,566	10,159,795
Intangible assets	7	2,662,523	2,379,983
Investment property		1,120	1,180
Long term investments	8	144,535,758	104,243,696
Long term loans, advances, prepayments and other receivables		54,205,177	72,147,855
Assets repossessed		4,792,241	3,664,798
Long term deposits		20,669	20,468
Deferred asset - employee benefit		54,544	119,523
Deferred tax asset		827,397	426,538
		217,876,995	193,163,836
<b>Current Assets</b>			
Short term investments	9	131,954,245	224,578,223
Trade debts		1,388,821	932,319
Loans and advances		146,756,303	158,652,589
Accrued markup		16,796,387	12,349,897
Short-term prepayments, deposits, and other receivables		12,993,816	14,702,491
Other financial assets - fund placements		37,117,459	11,351,162
Taxation - net		725,884	1,104,278
Cash and bank balances		43,240,973	26,602,040
		390,973,888	450,272,999
Assets classified as held for sale	10	2,470,747	2,909,204
		<u>611,321,630</u>	<u>646,346,039</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Issued, subscribed and paid-up capital			
Ordinary shares		9,159,424	9,159,424
Equity component of Preference Shares	11	1,326,114	1,326,114
Reserves		29,718,154	28,890,476
Equity attributable to equity holders of the parent		40,203,692	39,376,014
Non-controlling interests		6,532,743	6,301,086
<b>Total equity</b>		<u>46,736,435</u>	<u>45,677,100</u>
<b>Non-Current Liabilities</b>			
Long term financing		10,291,321	7,302,443
Liability component of preference shares		325,642	408,550
Lease liability		2,478,093	2,567,311
Long term deposits and other accounts		136,110,596	23,703,262
Long term borrowings		7,184,362	10,822,020
		156,390,014	44,803,586
<b>Current Liabilities</b>			
Trade and other payables		21,836,498	21,186,753
Unclaimed dividend		22,414	22,432
Unpaid dividend		8,121	230
Short term borrowings		-	291,998
Accrued interest / mark-up on borrowings		4,415,347	4,970,581
Current portion of long term borrowings		45,006,635	86,986,196
Current deposits and current portion of long term liabilities	12	335,546,921	440,553,117
		406,835,936	554,011,307
Liabilities directly associated with assets classified as held for sale	10	1,359,245	1,854,046
		<u>611,321,630</u>	<u>646,346,039</u>
<b>Contingencies and Commitments</b>			
	13		

The annexed notes from 1 to 20 form an integral part of this consolidated condensed interim financial information.



Director



Chief Executive Officer



Chief Financial Officer

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	Half Year Ended		Quarter Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Note ----- (Rupees in '000) -----				
<b>INCOME</b>				
Return on investments	23,046,611	16,693,936	11,267,922	8,968,862
Loss on sale of investments - net	(538,898)	(78,644)	(72,694)	(175,325)
Income from long term loans and fund placements	20,624,459	14,146,721	10,949,102	7,442,648
Fee, commission and brokerage	2,248,163	1,860,389	1,102,683	980,395
Other income	2,684,937	1,088,432	1,027,157	715,867
Gain / (loss) on remeasurement of investments at fair value through profit or loss - net	64,688	(42,482)	34,587	(90,619)
	<u>48,129,960</u>	<u>33,668,352</u>	<u>24,308,757</u>	<u>17,841,828</u>
<b>EXPENDITURE</b>				
Administrative and other expenses	11,787,978	8,737,882	5,826,454	4,605,244
Finance cost	32,123,819	23,313,524	16,154,353	12,802,076
Provision for Sindh Workers' Welfare Fund	84,249	31,277	42,155	8,769
Reversal of impairment on asset classified as held for sale	(5,252)	(129,774)	(20,547)	(21,997)
Provision for / (reversal) of impairment on investments - net	77,800	4,112	(8,250)	13,045
	<u>44,068,594</u>	<u>31,957,021</u>	<u>21,994,165</u>	<u>17,407,137</u>
<b>SHARE OF PROFIT FROM ASSOCIATES</b>	<u>1,462,608</u>	<u>305,676</u>	<u>948,102</u>	<u>189,644</u>
<b>PROFIT BEFORE TAXATION</b>	<u>5,523,974</u>	<u>2,017,007</u>	<u>3,262,694</u>	<u>624,335</u>
<b>Taxation</b>				
- Current	1,700,429	903,800	1,084,360	402,629
- Prior	174,690	67,114	174,690	67,114
- Deferred	367,064	1,229	163,934	1,281
	<u>2,242,183</u>	<u>972,143</u>	<u>1,422,984</u>	<u>471,024</u>
<b>PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS</b>	<u>3,281,791</u>	<u>1,044,864</u>	<u>1,839,710</u>	<u>153,311</u>
<b>DISCONTINUED OPERATIONS</b>				
Gain / (loss) after taxation from discontinued operations	103,467	(103,176)	4,566	(60,920)
<b>PROFIT AFTER TAXATION</b>	<u>3,385,258</u>	<u>941,688</u>	<u>1,844,276</u>	<u>92,391</u>
<b>Attributable to:</b>				
Equity holders of the parent	2,975,619	881,522	1,655,540	124,781
Non-controlling interests	409,640	60,166	188,737	(32,390)
	<u>3,385,259</u>	<u>941,688</u>	<u>1,844,277</u>	<u>92,391</u>
----- (Rupees) -----				
<b>EARNINGS PER SHARE</b>	14			
<b>From continuing operations</b>				
Basic	3.14	1.08	1.81	0.20
Diluted	2.72	0.94	1.56	0.18
<b>From continuing and discontinued operations</b>				
Basic	3.25	0.96	1.81	0.14
Diluted	2.82	0.85	1.57	0.13

The annexed notes from 1 to 20 form an integral part of this consolidated condensed interim financial information.

*Javed Shaukat*

Director

*Ali*

Chief Executive Officer

*H. Shaukat*

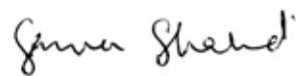
Chief Financial Officer

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	Half Year Ended		Quarter Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	(Rupees in '000)			
<b>PROFIT AFTER TAXATION</b>	3,385,258	941,688	1,844,276	92,391
<b>OTHER COMPREHENSIVE INCOME / (LOSS)</b>				
<b>Items that will not be reclassified subsequently to statement of profit or loss</b>				
Unrealised loss on remeasurement of investments at fair value through OCI during the period - net of deferred tax	(1,220,226)	(2,012,967)	(1,096,787)	15,899
<b>Items that may be reclassified subsequently to statement of profit or loss</b>				
Fair value (loss) / gain on remeasurement of available for sale investments during the period - net of deferred tax	(712,324)	(1,210,603)	338,330	(337,285)
Exchange difference of translation of net assets in foreign branches of a subsidiary	227,126	137,395	11,011	98,161
Share of other comprehensive (loss) / gain from associates accounted for using equity method	(70,933)	21,138	21,898	30,039
	(556,131)	(1,052,070)	371,239	(209,085)
<b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>	<b>1,608,901</b>	<b>(2,123,349)</b>	<b>1,118,728</b>	<b>(100,795)</b>
<b>Attributable to:</b>				
Equity holders of the parent	1,377,244	(1,871,551)	846,087	18,497
Non-controlling interests	231,657	(251,798)	272,641	(119,292)
	<b>1,608,901</b>	<b>(2,123,349)</b>	<b>1,118,728</b>	<b>(100,795)</b>

The annexed notes from 1 to 20 form an integral part of this consolidated condensed interim financial information.



Director



Chief Executive Officer



Chief Financial Officer

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

## FOR THE HALF YEAR ENDED JUNE 30, 2023

	ATTRIBUTABLE TO EQUITY HOLDERS' OF THE PARENT									Non-controlling interests	TOTAL
	Issued, subscribed and paid-up capital		Reserves					Sub-total			
	Ordinary Shares	Equity component of Preference Shares	Ordinary share premium	Foreign exchange translation reserve	Unrealised gain / (loss) on remeasurement of available for sale / fair value through other comprehensive income investments - net	Statutory Reserve	Revenue reserve				
						Unappropriated profit					
	(Rupees in '000)										
Balance as at December 31, 2021 (audited)	9,159,424	1,326,114	4,497,894	193,472	12,431,226	1,532,896	11,419,364	40,560,390	6,486,428	47,046,818	
Profit after taxation	-	-	-	-	-	-	881,522	881,522	60,166	941,688	
Other comprehensive income / (loss)	-	-	-	137,395	(2,890,198)	-	-	(2,752,803)	(311,964)	(3,064,767)	
Total comprehensive income / (loss)	-	-	-	137,395	(2,890,198)	-	881,522	(1,871,281)	(251,798)	(2,123,079)	
Transfer to statutory reserves	-	-	-	-	-	63,850	(63,850)	-	-	-	
Proceeds from issue of Right Shares by sub-subsidiary	-	-	-	-	-	-	-	-	5,880	5,880	
Reclassification of net remeasurement gain on equity instrument upon derecognition	-	-	-	-	(1,316,934)	-	1,316,934	-	-	-	
Balance as at June 30, 2022 (un-audited)	9,159,424	1,326,114	4,497,894	330,867	8,224,094	1,596,746	13,553,970	38,689,109	6,240,510	44,929,619	
Balance as at December 31, 2022 (audited)	9,159,424	1,326,114	4,497,894	456,647	7,553,747	1,677,652	14,704,536	39,376,014	6,301,086	45,677,100	
Profit after taxation	-	-	-	-	-	-	2,975,619	2,975,619	409,640	3,385,259	
Other comprehensive income / (loss)	-	-	-	227,126	(1,825,501)	-	-	(1,598,375)	(177,983)	(1,776,358)	
Total comprehensive income / (loss)	-	-	-	227,126	(1,825,501)	-	2,975,619	1,377,244	231,657	1,608,901	
Transfer to statutory reserve	-	-	-	-	-	226,232	(226,232)	-	-	-	
Reclassification of net remeasurement gain on equity instrument upon derecognition	-	-	-	-	(97,536)	-	97,536	-	-	-	
Appropriations during the period: Interim ordinary dividend @ Rs. 0.60 per Ordinary share	-	-	-	-	-	-	(549,565)	(549,565)	-	(549,565)	
Balance as at June 30, 2023 (un-audited)	9,159,424	1,326,114	4,497,894	683,773	5,630,710	1,903,884	17,001,894	40,203,693	6,532,743	46,736,435	

The annexed notes from 1 to 20 form an integral part of this consolidated condensed interim financial information.

*Javed Shaukat*

Director

*Ali*

Chief Executive Officer

*H. H. H.*

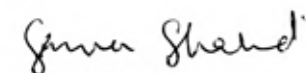
Chief Financial Officer

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

## FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

Note	June 30, 2023	June 30, 2022
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation from continuing operations	5,523,974	2,017,007
Profit / (loss) before taxation from discontinued operations	111,164	(100,822)
	<u>5,635,138</u>	<u>1,916,185</u>
<b>Non-cash adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation	1,105,118	1,026,421
Amortisation on intangible assets	128,364	80,778
Gain on sale of property and equipment	(41,860)	(6,639)
Charge for / (reversal of) defined benefit plan	64,381	(46,615)
Gain / (loss) on remeasurement of investments at fair value through profit or loss - net	(64,688)	42,482
Gain on remeasurement of derivatives at fair value through profit or loss	(118,333)	(31,984)
Share of profit from associates	(1,462,608)	(305,676)
Provision against non-performing loans, advances and other receivables	914,436	180,381
Reversal of provision on assets held for sale	(5,252)	(129,774)
Provision for impairment on investments - net	77,800	4,112
Effect of translation of net investment in foreign branches of a subsidiary	227,126	137,395
Finance cost	32,128,255	23,371,574
	<u>32,952,739</u>	<u>24,322,455</u>
<b>Operating profit before working capital changes</b>	<b>38,587,877</b>	<b>26,238,640</b>
<b>Decrease / (Increase) in operating assets:</b>		
Loans and advances	10,981,850	11,091,308
Trade debts	(456,502)	749,480
Long term loans, advances, prepayments, deposits and other receivables	17,942,477	260,986
Other financial assets - fund placements	(25,766,297)	(15,322,715)
Prepayments, deposits, accrued mark - up and other receivables	(2,794,159)	(7,522,383)
	<u>(92,631)</u>	<u>(10,743,324)</u>
<b>Increase / (Decrease) in operating liabilities:</b>		
Trade and other payables	768,078	1,823,572
Deposits and other accounts	7,995,588	22,842,465
Borrowings	(1,841,929)	(847,886)
<b>Net cash generated from operations</b>	<b>45,416,983</b>	<b>39,313,467</b>
Finance cost paid	(32,492,433)	(22,577,744)
Taxes paid	(1,504,422)	(961,524)
Dividend paid (including non-controlling interests)	(651,606)	(51,994)
<b>Net cash generated from operating activities</b>	<b>10,768,522</b>	<b>15,722,205</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	(1,397,095)	(890,751)
Intangible assets acquired	(410,904)	(203,693)
Proceeds from sale of property and equipment	60,330	133,064
Proceed from acquisition of assets repossessed	(1,127,443)	(39,159)
Proceeds from issuance of right shares by sub-subsidiary company	-	5,880
Investments sold / (purchased) - net	50,942,066	(97,838,658)
<b>Net cash generated from / (used in) investing activities</b>	<b>48,066,954</b>	<b>(98,833,317)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance / (redemption) of term finance certificates / loan	2,551,379	(396,900)
Long term loan repaid to bank	-	(62,500)
Repayment of lease liability	(754,422)	(662,965)
Securities (bought) / sold under repurchase agreements - net	(43,402,114)	84,243,962
<b>Net cash (used in) / generated from financing activities</b>	<b>(41,605,157)</b>	<b>83,121,597</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>17,230,319</b>	<b>10,485</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>25,154,179</b>	<b>34,581,008</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>42,384,498</b>	<b>34,591,493</b>

The annexed notes from 1 to 20 form an integral part of this consolidated condensed interim financial information.



Director



Chief Executive Officer



Chief Financial Officer





# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

## FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

### 1. THE GROUP AND ITS OPERATIONS

1.1 Jahangir Siddiqui & Co. Ltd. (the Holding Company) and its subsidiary companies (together the Group) are involved in managing strategic investments, trading of securities, investment advisory, asset management, agency telecommunication, commercial banking and other businesses. The Group is mainly operating in Pakistan but also provides services in Bahrain and Cayman Islands.

The Holding Company was incorporated under the repealed Companies Ordinance, 1984 (the Ordinance), now Companies Act 2017, on May 4, 1991 as a public unquoted company. The Holding Company is presently listed on Pakistan Stock Exchange Limited. The registered office and geographical location of the Holding Company is situated at 20th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi. The principal activities of the Holding Company are managing strategic investments, trading of securities, consultancy services, etc.

### 1.2 Composition of the Group

The Group comprises of the Holding Company and the following subsidiary companies that have been consolidated in these condensed interim financial information on a line by line basis. All material inter-company balances, transactions and resulting unrealised profits / losses have been eliminated:

Subsidiary Companies	Nature of Business	Date of Acquisition	Effective Holding	
			June 30, 2023	December 31, 2022
JS Bank Limited (JSBL)	Commercial Banking	December 30, 2006	75.02%	75.02%
JS Investments Limited (JSIL) (Sub-subsidiary)	Investment Advisor and Asset Manager	November 1, 2012	63.43%	63.43%
JS Global Capital Limited (Sub-subsidiary)	Brokerage, Advisory and Consultancy Services	December 21, 2011	69.69%	69.69%
JS Infocom Limited	Telecom, Media and Technology	August 25, 2003	100.00%	100.00%
JS International Limited	Investment Advisory Services	July 14, 2005	100.00%	100.00%
Quality Energy Solutions (Private) Limited	Power Generation	May 9, 2016	100.00%	100.00%
Khairpur Solar Power (Private) Limited (Sub-subsidiary)	Power Generation	May 18, 2017	100.00%	100.00%
Energy Infrastructure Holding (Private) Limited	Investment Company in Energy, Petroleum and Infrastructure Sectors	July 07, 2008	100.00%	100.00%
JS Petroleum Limited (Sub-subsidiary)	Oil and Gas Storage	October 9, 2017	51.00%	51.00%
Quality 1 Petroleum (Private) Limited (Sub-subsidiary) - Note 10.1	Oil Marketing	April 01, 2020	100.00%	100.00%
JS Engineering Investments 1 (Private) Limited (Sub-subsidiary)	Engineering Infrastructure	November 23, 2017	100.00%	100.00%

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

This consolidated condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Such standards 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 (the Act);
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP).

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

2.2 This consolidated condensed interim financial information do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the audited annual consolidated financial statements of the Holding Company as at December 31, 2022.

2.3 The comparative consolidated condensed interim statement of financial position presented in this consolidated condensed interim financial information has been extracted from the audited annual financial statements of the Group for the year ended December 31, 2022, whereas the comparative consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity are extracted from the unaudited consolidated condensed interim financial statements for the period ended June 30, 2022.

2.4 This consolidated condensed interim financial information is un-audited and is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange and section 237 of the Companies Act, 2017.

#### 2.5 Basis of measurement

This consolidated condensed interim financial information has been prepared under the historical cost convention, except for certain investments and derivative financial instruments which are stated at fair value.

#### 2.6 Functional and presentation currency

This consolidated condensed interim financial information is presented in Pakistani Rupee, which is also the functional and presentation currency of the Group and rounded off to the nearest thousand rupee.



## **NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

### **FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)**

#### **3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2022.

##### **3.1 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period**

There are certain amendments to the published accounting and reporting standards that are mandatory for the Group's annual accounting period beginning on or after July 1, 2023. However, these do not have any significant impact on the Group's operations and, therefore, have not been detailed in these consolidated condensed interim financial information.

##### **3.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective**

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Group's annual accounting period beginning on or after July 1, 2023. However, these do not have any significant impact on the Group's operations and, therefore, have not been detailed in these consolidated condensed interim financial information.

#### **4. FINANCIAL RISK MANAGEMENT**

The financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements of the Holding Company for the year ended December 31, 2022.

#### **5. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES**

The preparation of consolidated condensed interim financial statements in conformity with approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Holding Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The significant judgments made by the management in applying the Holding Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the consolidated financial statements for the year ended December 31, 2022.

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

		June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
<b>6. PROPERTY AND EQUIPMENT</b>			
Operating assets - owned	6.1	7,675,543	6,477,985
Right-of-use asset	6.2	2,375,210	2,557,493
Capital work-in-progress		726,813	1,124,317
		<u>10,777,566</u>	<u>10,159,795</u>
<b>6.1 Movement in operating assets - owned</b>			
Book value at beginning of the period		6,477,985	5,669,380
Cost of additions / transfers from CWIP / adjustments during the period	6.1.1	1,784,569	1,920,513
Book value of assets disposed off during the period	6.1.2	(50,850)	(154,111)
Depreciation charge for the period		(536,161)	(957,797)
Book value at end of the period		<u>7,675,543</u>	<u>6,477,985</u>
<b>6.1.1 Details of additions / adjustments during the period</b>			
Office premises - leasehold		617,158	213,947
Leasehold improvements		159,402	771,722
Office equipment		933,908	711,097
Office furniture and fixtures		70,403	159,405
Motor vehicle		3,698	64,342
		<u>1,784,569</u>	<u>1,920,513</u>
<b>6.1.2 Book value of assets disposed off during the period</b>			
Office premises - leasehold		25,004	71,378
Leasehold improvements		-	19,794
Office equipment		20,063	31,465
Office furniture		1,808	5,785
Motor vehicle		3,975	25,689
		<u>50,850</u>	<u>154,111</u>
<b>6.2 Right-of-use asset</b>			
<b>Opening</b>		2,557,493	3,163,620
Additions		386,615	849,632
Depreciation expense		(568,898)	(1,122,663)
Deletion		-	(333,096)
<b>Closing</b>		<u>2,375,210</u>	<u>2,557,493</u>



## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

		June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
	Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>7. INTANGIBLE ASSETS</b>			
Opening written down value		1,604,281	976,394
Addition during the period		675,149	800,276
Amortization for the period		<u>(128,364)</u>	<u>(172,389)</u>
		2,151,066	1,604,281
Capital work-in-progress		<u>511,457</u>	<u>775,702</u>
		<u><u>2,662,523</u></u>	<u><u>2,379,983</u></u>
<b>8. LONG TERM INVESTMENTS</b>			
<b>Investment in associates</b>	8.1	5,813,849	3,598,224
<b>Related parties:</b>			
- At fair value through OCI		8,760,646	9,040,047
<b>Other investments</b>			
- Available for sale		55,821,726	45,366,798
- Held to maturity		72,011,671	43,822,641
- At amortized cost		350,000	450,000
- At fair value through OCI		<u>1,777,866</u>	<u>1,965,986</u>
		<u><u>144,535,758</u></u>	<u><u>104,243,696</u></u>
<b>8.1 Investment in associates</b>			
Carrying value / cost of investment		3,598,224	2,716,530
Addition during the period		1,145,951	-
Dividend income		<u>(322,001)</u>	-
Share of profit from associates		1,462,608	930,887
Share of other comprehensive gain of an associate - net of tax		<u>(70,933)</u>	<u>(49,193)</u>
	8.1.1	<u><u>5,813,849</u></u>	<u><u>3,598,224</u></u>

**8.1.1** Subsequent to the approval of the Board of Directors in its meeting held on February 16, 2023, the Shareholders of the Holding Company in their meeting held on March 16, 2023, also approved (by way of Special Resolution) the disposal of the Holding Company's total shareholding in BankIslami Pakistan Limited (BIPL) against fresh common equity of JS Bank Limited (JSBL) - a subsidiary bank, to be issued other than right and other than cash in the swap ratio of 1.1318. Post completion of these corporate approvals, on March 29, 2023, the Holding Company signed a Share Purchase Agreement (SPA) with JSBL.

The culmination of this transaction is based on two factors, i.e., successful completion of the transaction of takeover of majority control of BIPL by JSBL including public offer and obtention of all requisite regulatory approvals by both JSBL and the Holding Company.

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

Subsequent to the period end, SBP through its letter dated August 04, 2023, granted its due approval to the Holding Company for sale/transfer of its shareholding in BIPL to JSBL against issuance of JSBL's fresh equity, as aforementioned.

The completion of the transaction is, however, hinged to completion of public offer under Securities Act, 2015, by JSBL which is in process. Moreover, for the purpose of accounting in the consolidated financial statements, Group's shareholding in BIPL will remain (whether it is in the books of JSCL or transferred to JSBL). Therefore, investment in BIPL in these consolidated financial statements shall continue to be accounted for as Associate under IAS-28, till JSBL completes its transaction of takeover of majority control of BIPL.

		June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
<b>9. SHORT TERM INVESTMENTS</b>			
Assets at fair value through profit or loss	9.1	3,111,271	5,489,061
Available for sale	9.1	61,824,602	106,491,042
Assets at fair value through OCI	9.1	7,103,818	6,982,924
Held to maturity		<u>59,914,554</u>	<u>105,615,196</u>
		<u><b>131,954,245</b></u>	<u><b>224,578,223</b></u>

9.1 These include investments in equity securities and mutual funds of related parties having aggregate market value of Rs. 9,607 million (December 31, 2022: Rs. 4,560 million).

		June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
<b>10. ASSETS CLASSIFIED AS HELD FOR SALE</b>			
Assets classified as held for sale		2,470,747	2,909,204
Liabilities directly associated with assets classified as held for sale		<u>(1,359,245)</u>	<u>(1,854,046)</u>
	10.1	<u><b>1,111,502</b></u>	<u><b>1,055,158</b></u>

10.1 In the year 2021, EIHPL (a wholly owned subsidiary of the Holding Company) had decided to dispose off its entire equity interest in its wholly owned subsidiary Quality 1 Petroleum (Private) Limited (Q1P). Subsequent to the approval of directors and the shareholders of EIHPL in their respective meetings, Share Purchase Agreement (SPA) had been signed with the intended buyer on December 31, 2021.

At present, EIHPL and the intended buyer are currently in the process of obtaining certain regulatory approvals to meet the conditions precedent as per SPA which are expected to be completed in the current year. Therefore, Q1P has been presented as a disposal group Held for Sale under International Financial Reporting Standard 5 (IFRS-5) in this consolidated condensed interim financial information.



## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

### 11. PREFERENCE SHARES

This represents the equity component of 183,188,477 listed, convertible, redeemable, non-voting, non-participatory, cumulative Class "A" Preference Shares ("Preference Shares") of Rs.10/- each issued by the Holding Company. These Preference Shares were issued to the existing shareholders of the Holding Company by way of rights (i.e. 20% rights issue) at par value of Rs.10/- per share, in proportion to their respective shareholdings in the ratio of 2:10 i.e. 2 Preference Shares for every 10 Ordinary Shares held by the shareholders.

These Preference Shares carry entitlement to a fixed cumulative preferential cash dividend out of the normal profits of the Holding Company @ 6% (six per cent) per annum, in priority over dividends declared by the Holding Company on Ordinary Shares. No compensation shall be available to the Preferred Shareholders other than the agreed return i.e. 6% per annum.

These Preference Shares shall be redeemable or convertible into Ordinary Shares in the ratio of 80:100 only at the option of the Holding Company on June 30 or December 31 of any calendar year prior to December 31, 2027. All outstanding Preference Shares not redeemed by December 31, 2027 shall be converted into ordinary shares.

		June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
<b>12. CURRENT DEPOSITS AND CURRENT PORTION OF LONG TERM LIABILITIES</b>			
Term finance certificates		752,807	1,189,325
Deposits and other accounts		334,481,806	438,893,552
Current portion of liability component of preference shares	12.1	101,598	106,509
Current maturity of lease liabilities		210,710	363,731
		<u>335,546,921</u>	<u>440,553,117</u>

**12.1** This represents the current portion of the liability component of 183,188,477 listed, convertible, redeemable, non-voting, non-participatory, cumulative Class "A" Preference Shares of Rs.10/- each issued by the Holding Company. Refer note 11.

### 13. CONTINGENCIES AND COMMITMENTS

#### 13.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual consolidated financial statements for the year ended December 31, 2022.

#### 13.2 Transaction-related Contingent Liabilities

Includes performance bonds, bid bonds, warranties, advance payment guarantees, shipping guarantees and standby letters of credit related to particular transactions:

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	June 30, 2023 (Un-audited) ----- (Rupees in '000) -----	December 31, 2022 (Audited) ----- (Rupees in '000) -----
	Note	
- Financial guarantees	1,275,109	3,668,949
- Performance guarantees	34,292,569	37,371,253
- Other guarantees	43,328,606	45,662,672
	13.2.1	<u>78,896,284</u> <u>86,702,874</u>
<b>13.2.1</b>	Included herein are outstanding guarantees of Rs. 22.783 million (December 31, 2022: Rs. 20.398 million) of related parties.	
	Note	
	June 30, 2023 (Un-audited) ----- (Rupees in '000) -----	December 31, 2022 (Audited) ----- (Rupees in '000) -----
<b>13.3</b>	<b>Commitments</b>	
	<b>Documentary credits and short-term trade-related transactions</b>	
- letters of credit	13.3.1	<u>64,063,335</u> <u>50,768,007</u>
	<b>Commitments in respect of:</b>	
Forward exchange contracts:		
- Purchase	13.3.2	<u>69,379,953</u> <u>58,980,643</u>
- Sale	13.3.2	<u>45,026,185</u> <u>38,280,152</u>
Undrawn formal standby facilities, credit lines and other commitments to lenders	13.3.3	<u>183,333</u> <u>284,067</u>
	<b>Other Commitments</b>	
Forward commitments in respect of sale of securities		<u>4,007,530</u> <u>2,442,754</u>
Commitments in respect of capital expenditure		<u>928,319</u> <u>1,069,774</u>
Bank Guarantee from a commercial bank in favor of NCCPL		<u>400,000</u> <u>400,000</u>
Interest rate swaps		<u>-</u> <u>468,600</u>
Others		<u>229,652</u> <u>229,652</u>
<b>13.3.1</b>	Included herein are the outstanding letter of credits of Rs. 27.77 million (December 31, 2022: Rs. 65.585 million) of related parties.	
<b>13.3.2</b>	The Subsidiary Bank utilises foreign exchange instruments to meet the needs of its customers and as part of its asset and liability management activity to hedge its own exposure to currency risk.	
<b>13.3.3</b>	These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the subsidiary bank without the risk of incurring significant penalty or expense.	





## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	Half Year Ended		Quarter Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
<b>14. EARNINGS PER SHARE</b>	(Un-audited)			
	(Rupees in '000)			
<b>Earnings</b>				
Profit after taxation from continuing operations attributable to equity shareholders of the Holding Company	2,872,152	984,698	1,650,974	185,701
Profit / (loss) after taxation for the period from discontinued operations attributable to equity shareholders of the Holding Company	103,467	(103,176)	4,566	(60,920)
Profit after taxation for the period attributable to equity shareholders of the Holding Company	2,975,619	881,522	1,655,540	124,781
<b>Effect of dilutive potential ordinary shares:</b>				
Add back: Amortization of liability component of preference shares - net of tax	15,687	19,279	7,521	8,971
Profit after taxation attributable to ordinary shareholders for diluted earnings per share	<u>2,991,306</u>	<u>900,801</u>	<u>1,663,061</u>	<u>133,752</u>
<b>Number of shares</b>	(Numbers in '000)			
Weighted average number of ordinary shares outstanding during the period for basic earnings per share	915,942	915,942	915,942	915,942
Effect of dilutive convertible preference shares	146,551	146,551	146,551	146,551
Weighted average number of ordinary shares outstanding during the period for diluted earnings per share	<u>1,062,493</u>	<u>1,062,493</u>	<u>1,062,493</u>	<u>1,062,493</u>
<b>EARNINGS PER SHARE</b>	(Rupees)			
<b>From continuing operations</b>				
Basic	<u>3.14</u>	1.08	<u>1.80</u>	0.20
Diluted	<u>2.72</u>	0.94	<u>1.56</u>	0.18
<b>From continuing and discontinued operations</b>				
Basic	<u>3.25</u>	0.96	<u>1.81</u>	0.14
Diluted	<u>2.82</u>	0.85	<u>1.57</u>	0.13

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	June 30, 2023 (Un-audited)	December 31, 2022 (Audited)
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>15. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	43,240,973	35,542,328
Cash at bank related to assets classified as held for sale	62,115	3,402
Overdrawn nostro accounts	(918,590)	(954,237)
	<b>42,384,498</b>	<b>34,591,493</b>

### 16. RELATED PARTY TRANSACTIONS

Related parties comprise of associates, companies under common directorship, joint ventures, directors, key management personnel and provident fund schemes.

Significant transactions with related parties during the period ended are as follows:

	June 30, 2023 (Un-audited)	June 30, 2022
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
Dividend received	1,232,962	707,868
Brokerage / commission / service income	2,730	11,875
Purchase of money market instruments	2,269,811	11,453,833
Sale / maturity of money market instruments	49,221,402	21,619,389
Letter of credits (Contingencies and Commitments)	27,769	12,951
Letter of guarantees (Contingencies and Commitments)	22,783	26,419
Rental income	-	5,437
Rent expense	17,208	28,743
Interest / markup earned	174,390	189,259
Interest / markup paid	624,111	494,311
Sale of term finance certificates	50,456	153,560
Purchase of term finance certificates	50,456	256,702
Royalty paid	20,000	16,667
Advisory fee paid	31,500	13,143
Insurance premium paid	194,578	223,900
Insurance claim received	6,457	3,482
Investments matured / disposed off in funds under management - at cost	17,791,264	4,256,991
Investments made in funds under management	14,855,614	5,058,768
Remuneration and commission income from funds	82,448	67,939
Commission income	40,486	43,730
Donation paid	67,322	41,178

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

## FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	June 30, 2023	June 30, 2022
	----- (Un-audited) -----	
	----- (Rupees in '000) -----	
Contribution to provident fund	172,792	146,476
Contribution to gratuity fund	64,381	97,387
Loan repayment from executives / others	80,889	210,178
Interest received on long term loans to executives	12,888	15,302
Loan disbursed to executives / others	90,354	217,260
Security deposit repaid	-	492
Refund of security deposit	2,023	-
Amount received against subscription of right shares	-	5,880
Reimbursement to CEO & Executives	3,239	479
Reimbursement of expenses to Company	83,955	41,480
Reimbursement of expenses by Company	124,369	49,933
Remuneration paid to Chief Executive Officer	90,079	106,179
Fee paid to directors for attending directors / committee meetings	10,715	10,528
Sale of Sukuk/ Ijara Sukuk	3,791,788	926,771
Purchase of Sukuk/ Ijara Sukuk	-	202,737
Remuneration to key management personnel	2,665,340	2,203,565

### 17. SEGMENT INFORMATION

For management purposes the Group is organised into following major business segments:

<b>Capital market &amp; brokerage</b>	Principally engaged in trading of equity securities, managing strategic and trading portfolios and earning share brokerage and money market, forex and commodity brokerage, advisory, underwriting, book running and consultancy services.
<b>Banking</b>	Principally engaged in providing investment and commercial banking.
<b>Investment advisor / assets manager</b>	Principally providing investment advisory and asset management services to different mutual funds and unit trusts.
<b>Energy, infrastructure and petroleum</b>	Principally engaged in investment in oil marketing sector and storage of petroleum, LPG and allied products.
<b>Others</b>	Other operations of the Group comprise of telecommunication, media, information technology and power generation.

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

The following tables present revenue and profit information for the Group's operating segments for the period ended June 30, 2023 and 2022 respectively.

	Capital Market & Brokerage	Banking	Investment Advisor/ Assets Manager	Energy, infrastructure and petroleum	Others	TOTAL SEGMENTS	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
(Rupees in '000)								
<b>Half year ended June 30, 2023</b>								
<b>Revenue</b>								
Segment revenues	2,844,802	46,461,563	219,460	318,873	34,275	49,878,973	(105,400)	49,773,573
Inter-segment revenues	(55,185)	(42,980)	(1,579)	(1,843)	(3,813)	(105,400)	105,400	-
<b>Total revenue</b>	<b>2,789,617</b>	<b>46,418,583</b>	<b>217,881</b>	<b>317,030</b>	<b>30,462</b>	<b>49,773,573</b>	<b>-</b>	<b>49,773,573</b>
<b>Operating and administrative expenses</b>								
Operating and administrative expenses	549,441	10,143,507	161,396	50,303	4,086	10,908,733	687	10,909,420
Financial charges	139,578	32,030,206	11,942	49,156	-	32,230,882	(102,627)	32,128,255
Workers' welfare fund	20,061	64,188	-	-	-	84,249	-	84,249
Provision for / (reversal) of impairment - Investments	(1,351)	86,466	-	(44)	(9,308)	75,763	2,037	77,800
Provision on assets classified as held for sale	-	-	-	-	-	-	(5,252)	(5,252)
Provision for doubtful debts, loans and advances	-	914,436	-	-	-	914,436	-	914,436
Taxation	448,063	1,710,753	3,329	49,518	38,217	2,249,880	-	2,249,880
<b>Results</b>								
Net profit for the period	1,633,825	1,469,027	41,214	168,097	(2,533)	3,309,630	105,156	3,414,786
<b>Half year ended June 30, 2022</b>								
<b>Revenue</b>								
Segment revenues	1,600,468	32,328,003	57,256	123,582	67,987	34,177,296	(198,052)	33,979,244
Inter-segment revenues	(161,512)	(18,194)	(893)	(5,571)	(11,882)	(198,052)	198,052	-
<b>Total revenue</b>	<b>1,438,956</b>	<b>32,309,809</b>	<b>56,363</b>	<b>118,011</b>	<b>56,105</b>	<b>33,979,244</b>	<b>-</b>	<b>33,979,244</b>
<b>Operating and administrative expenses</b>								
Operating and administrative expenses	482,681	7,889,469	184,175	60,657	4,174	8,621,156	(15,667)	8,605,490
Financial charges	220,285	23,232,074	14,111	84,030	-	23,550,500	(178,926)	23,371,574
Provision for impairment against Intangibles	-	-	-	-	-	-	-	-
Workers' welfare fund	11,861	19,416	-	-	-	31,277	-	31,277
Provision for impairment -Investments	(404)	4,112	-	83	(209)	3,582	530	4,112
Impairment on asset held for sale	-	-	-	-	-	-	(129,774)	-
Provision for doubtful debts, loans and advances	-	180,381	-	-	-	180,381	-	180,381
Taxation	394,380	553,459	3,484	19,618	3,556	974,497	-	974,497
<b>Results</b>								
Net profit for the period	330,153	430,898	(145,407)	(46,377)	48,584	617,851	323,837	941,688

The following tables present assets and liabilities information for the Group's operating segments for the period ended June 30, 2023 and year ended December 31, 2022 respectively.

	Capital Market & Brokerage	Banking	Investment Advisor/ Assets Manager	Energy, infrastructure and petroleum	Others	TOTAL SEGMENTS	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
(Rupees in '000)								
<b>Assets</b>								
June 30, 2023	36,952,497	578,987,874	1,281,688	6,063,406	2,308,685	625,594,150	(14,272,520)	611,321,630
December 31, 2022	37,888,615	615,222,516	1,174,615	6,672,065	2,625,913	663,583,724	(17,237,685)	646,346,039
<b>Liabilities</b>								
June 30, 2023	4,112,605	557,570,477	403,886	1,809,749	5,149	563,901,866	683,329	564,585,195
December 31, 2022	5,248,288	594,782,281	339,607	2,546,675	4,722	602,921,573	(2,252,634)	600,668,939

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

## FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

### 18. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 “Fair Value Measurement” defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

In respect of investments in quoted equity securities, fair value is determined by reference to stock exchange quoted market price at the close of business day. For term finance certificates, fair value is determined by reference to average broker rates.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- **Level 1** Quoted prices in active markets for identical assets or liabilities.
- **Level 2** Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) and;
- **Level 3** Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	As at June 30, 2023 (Un-audited)			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
<b><u>On balance sheet financial instruments</u></b>				
<b>At fair value through profit or loss</b>				
Open end Mutual Funds	1,199,586	-	-	1,199,586
Listed equity securities	1,657,679	-	-	1,657,679
Government Securities	-	254,006	-	254,006
<b>At fair value through OCI</b>				
Listed equity securities	17,158,756	-	-	17,158,756
Unquoted equity securities *	-	265	480,179	480,444
Term finance certificates	-	3,130	-	3,130
<b>Available for sale investments</b>				
Listed equity securities	3,823,376	-	-	3,823,376
Open end Mutual Funds	-	-	-	-
Sukuk and commercial papers	-	1,568,252	-	1,568,252
Government Securities	-	110,002,100	-	110,002,100
Foreign currency bond (US\$)	-	1,101,018	-	1,101,018
	<b>23,839,397</b>	<b>112,928,771</b>	<b>480,179</b>	<b>137,248,347</b>

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

### FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

	As at June 30, 2023 (Un-audited)			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
<b>Off balance sheet financial instruments</b>				
<b>Forward foreign exchange contracts</b>				
Purchase	-	32,339,909	-	32,339,909
Sale	-	19,120,703	-	19,120,703
<b>Options</b>				
Sale	-	3,217,541	-	3,217,541

\*As at June 30, 2023, the Holding Company's long term investments in unquoted securities of EFU Services (Private) Limited and Security General Insurance Company Limited are carried at fair value. The fair values of these investment are determined by the management after applying appropriate haircut to the carrying values of the net assets of investee companies as the net assets of investee companies mainly comprise of marketable securities and other assets having carrying value approximately equal to their fair value.

	As at December 31, 2022 (Audited)			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
<b>On balance sheet financial instruments</b>				
<b>At fair value through profit or loss</b>				
Open end Mutual Funds	4,167,943	-	-	4,167,943
Term finance certificates	-	125,000	-	125,000
Listed equity securities	1,162,687	-	-	1,162,687
Government securities	-	33,431	-	33,431
<b>At fair value through OCI</b>				
Listed equity securities	17,840,294	-	-	17,840,294
Unlisted equity investments	-	-	598,663	598,663
<b>Available for sale investments</b>				
Listed equity securities	5,434,160	-	-	5,434,160
Sukuk and term finance certificates (quoted)	-	2,035,026	-	2,035,026
Government securities	-	143,435,095	-	143,435,095
Foreign currency bond (US\$)	-	937,605	-	937,605
	<u>28,605,084</u>	<u>146,566,157</u>	<u>598,663</u>	<u>175,769,904</u>
<b>Off balance sheet financial instruments</b>				
<b>Forward foreign exchange contracts</b>				
Purchase	-	40,275,960	-	40,275,960
Sale	-	26,862,267	-	26,862,267
<b>Interest rate swaps</b>				
Purchase	-	247,888	-	247,888
Sale	-	248,598	-	248,598
<b>Options</b>				
Purchase	-	187,617	-	187,617
Sale	-	-	-	-



## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2023 (UN-AUDITED)

18.1 During the half year ended June 30, 2023, there were no transfers between level 1 and 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

### 19. DATE OF AUTHORISATION FOR ISSUE

This consolidated condensed interim financial information was authorised for issue by the Board of Directors of the Holding Company in its meeting held on August 24, 2023.

### 20. GENERAL

20.1 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these financial statements.

20.2 Figures have been rounded off to the nearest thousand rupees.

Director

Chief Executive Officer

Chief Financial Officer

# HALF YEARLY REPORT JUNE 30, 2023



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