



ANNUAL REPORT
2023

trg.

TRG PAKISTAN
LIMITED

Vision

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

Mission

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

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

Contents

Corporate Information	04
Chairman Review Report	05
Report of the Directors'	06
Statement of Compliance with the Corporate Governance Regulations	17
Independent Auditor's Review Report on the Statement of Compliance contained in Listed Companies	21
Pattern of Shareholding	22
Historical Financial Information	30
Financial Statements of TRG Pakistan Limited	31

Corporate Information

Board of Directors

Mohammedulla Khan

Khaishgi

Chairman

Hasnain Aslam

CEO

Zafar Iqbal Sobani

Waleed Tariq Saigol

John Leone

Mustafa Kirdar

Marlene Peller

Suleman Lalani

Asad Nasir

Abid Hussain

Audit Committee

Mustafa Kirdar - Chairman

Zafar Iqbal Sobani

Mohammedulla Khan Khaishgi

John Leone

HR Recruitment &

Remuneration Committee

Marlene Peller - Chairperson

Hasnain Aslam

John Leone

Chief Financial Officer

Rahat Lateef

Company Secretary

Zeeshan UI Haq

Legal Advisor

Lexium - Attorneys at Law

Auditors

KPMG Taseer Hadi & Co.

Chartered Accountants

Shares Registrar

THK Associates (Pvt.) Ltd.

Share Department,

Plot No. 32-C, Jami Commercial

Street 2, D.H.A. Phase VII,

Karachi-75500, Pakistan.

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

FAX: +92 (021) 34168271

Registered Office

24th Floor, Sky Tower West Wing,

Dolmen, HC-3, Block-4,

Marine Drive, Clifton,

Karachi-75600, Pakistan.

UAN: (021) 111-874-874

Fax: (021) 35184042

Chairman's Review Report

For the year ended June 30, 2023

Dear Shareholders,

I am pleased to present the Chairman's review report for the year ended June 30, 2023. We have successfully navigated the challenges posed by the difficult economic climate and political unrest in our Country, ascending the Company towards another year for maintenance of its performance. I would like to acknowledge the exceptional leadership of our Chief Executive Officer and dedicated contributions of our executive management whose efforts have propelled the Company toward its performance despite a difficult time.

The Board remained committed to efficiently discharging its duties towards the effective performance of the Company and enhancement of its stakeholders' value. The Board comprises an array of independent, non-executive, and executive directors who collectively provide an equilibrium of diverse skills and experience. At TRG Pakistan Limited, our commitment to integrity and a culture of compliance have enabled us to flourish. The Board of Directors, comprising of professionals possessing in-depth knowledge of the industry and strong business acumen, is dedicated to adhering with the highest level of corporate governance. Our strong governance has allowed us to maintain utmost ethical principles in our business practices. I would like to express my deep gratitude and admiration for the Board of Directors, whose guidance has been truly invaluable in developing and executing a multifaceted long-term strategy for the Company.

The Board has set up two vital committees i.e. the Audit Committee and HR Recruitment & Remuneration Committee, with the responsibility of carefully examining, discussing, and offering valuable recommendations in accordance with their specific mandates. Each committee comprises members with the relevant expertise and core functional areas, strategically placed to maximize their contributions.

On behalf of the Board, I would like to extend our appreciation to the stakeholders and the management team of TRG Pakistan Limited for their unwavering support which has contributed significantly towards the growth of the organization. We are committed to upholding the highest standards of business ethics and are optimistic about the future of the Company. We believe working together with resilience and perseverance would let us ascend continuously.



Mohammedulla Khan Khaishgi
Chairman

Karachi: September 28, 2023

Report of the Directors

For the Year ended June 30, 2023

Your Directors are pleased to present the Financial Statements of TRG Pakistan Limited (the “Company”) for the year ended June 30, 2023.

Key Developments

Our portfolio company Ibex Limited (“Ibex”) maintained its strong performance alongside decent topline growth. Despite economic headwinds and pressure on the sector, margins posted a strong growth over FY2022. Ibex achieved approx. 6% topline and approx. 30% adjusted EBITDA growth over the last fiscal year, with an increase of 340bps in adjusted EBITDA margins over the comparative period. Stronger margins resulted from operational efficiencies and shift in geographical service delivery towards more profitable regions. Ibex expects reduced revenue growth, due to continued economic headwinds, but sustained margin expansion during the next fiscal year.

Our portfolio company that provides Artificial Intelligence Enterprise Software (AI Software Business) posted a 9% growth over last year with a strong turnaround in EBITDA margin to positive 17.5% in FY2023 as compared to negative 6.5% in FY2022. Despite higher volatility in larger clients amid macroeconomic pressure, the business improved its margins significantly. Revenues are under some pressure due to reduced volumes and other constraints with some of the top clients, which the AI Software Business will try to make up for from new logos and other products, while maintaining positive EBITDA margin by realigning costs with revenues.

TRG Pakistan Limited Financial Review

The most significant item on our balance sheet is the value of the Company’s share in TRGIL, our sole operating asset. As of June 30, 2023, the value of our share in TRGIL is Rupees 78.1 billion, representing an increase of Rupees 21.4 billion compared to Rupees 56.7 billion on June 30, 2022. This increase is due to a strengthening of the US Dollar compared to the Pak Rupee, as TRGIL incurred a net loss during the financial year due to reasons explained in the ensuing paragraph. In addition to the Company’s stake in TRGIL, it also has other assets of Rupees 0.03 billion and liabilities of Rupees 12.6 billion (primarily relating to deferred taxes) resulting in net assets of Rupees 65.5 billion.

Our income statement is primarily driven by the changes in value of our share in TRGIL. Our share of the net loss in equity accounted investee (i.e. TRGIL) was Rupees 1.4 billion, before taxation. There was a mark-to-market gain booked on Ibex shares held by TRGIL as Ibex’s share price on NASDAQ increased by almost 26% during the year under review. This was, however, offset by a loss resulting from the revaluation of TRGIL’s stake in the AI Software Company as well as operating expenses incurred by TRGIL during the year.

The Company recognized interest income of Rupees 0.9 million in its income statement, whereas it incurred expenses of Rupees 192.2 million. Tax amounting to Rupees 205.5 million was reversed during the year. Overall, the Company posted net loss of Rupees 1.34 billion for the year ended June 30, 2023.

Corporate and Financial Reporting Framework

As required by the Corporate Governance Regulations, the directors are pleased to report the following:

- a) The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- b) Proper books of accounts of the Company have been maintained;
- c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d) International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements;
- e) The system of internal control is sound in design and has been effectively implemented and monitored;
- f) There are no significant doubts upon the Company's ability to continue as a going concern;
- g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations;
- h) The Directors, CEO, CFO, Company Secretary and their spouses and minor children did not trade in shares of the Company except as disclosed in the Pattern of Shareholding;
- i) The company has entered into an agreement during the year with respect to sharing of expenses incurred by its associated companies on its behalf, relating to shared office premises; and
- j) The value of investments of the recognized provident fund for TRG Pakistan Limited as at June 30, 2023 was Rupees 5.90 million (unaudited) and as at June 30, 2022 was Rupees 1.22 million (audited).

Board of Directors

The Company encourages representation of independent, non-executive directors and directors representing minority interests on its Board of Directors. At present, the Board includes the following Directors:

S. No.	Category	Name of Director
1.	Executive Directors	Mr. Hasnain Aslam
2.	Non-Executive Directors	Mr. Mohammedulla Khan Khaishgi Mr. Waleed Tariq Saigol Mr. John Leone Mr. Zafar Iqbal Sobani Mr. Asad Nasir Mr. Suleman Lalani
3.	Independent Directors	Mr. Mustafa Kirdar Mr. Abid Hussain Ms. Marlene Peller

Board Sub-Committees

S. No.	Category	Name of Member
1.	Audit Committee	Mr. Mustafa Kirdar Mr. Zafar Iqbal Sobani Mr. Mohammedulla Khan Khaishgi Mr. John Leone
2.	HR Recruitment & Remuneration Committee	Ms. Marlene Peller Mr. Hasnain Aslam Mr. John Leone

Board Meetings during the Year

During the year, 8 meetings of the Board of Directors were held. Attendance by the Directors was as follows:

Name of Director	Meetings attended
Mr. Mohammedulla Khan Khaishgi (iv)	7
Mr. Hasnain Aslam	8
Mr. Waleed Tariq Saigol	7
Mr. John Leone	8
Mr. Zafar Iqbal Sobani	8
Mr. Asad Nasir	8
Mr. Suleman Lalani	8
Mr. Abid Hussain	8
Mr. Mustafa Kirdar (i)	3
Ms. Marlene Peller (ii)	3
Mr. Yasser Toor (i)	2
Mr. Farrukh Imdad (iii)	3
Ms. Doina Popescu (ii)	4
Mr. Khaldoon Bin Latif (iv)	-

- (i) Mr. Mustafa Kirdar was appointed on April 06, 2023 in place of Mr. Yasser Toor who resigned on April 06, 2023.
- (ii) Ms. Marlene Peller was appointed on April 06, 2023 in place of Ms. Doina Popescu who resigned on April 06, 2023.
- (iii) Mr. Yasser Toor was appointed on November 15, 2022 in place of Mr. Farrukh Imdad who resigned on November 15, 2022.
- (iv) Mr. Mohammedulla Khan Khaishgi was appointed on September 29, 2022 in place of Mr. Khaldoon Bin Latif who resigned on September 29, 2022.

Board Audit Committee (BAC) Meetings during the Year

During the year, 4 meetings of the Audit Committee were held. Attendance by the Members was as follows:

Name of Director	Meetings attended
Mr. Mustafa Kirdar*	1
Mr. Zafar Iqbal Sobani	4
Mr. Mohammedulla Khan Khaishgi	2
Mr. John Leone	3
Ms. Doina Popescu*	2
Mr. Suleman Lalani**	1

* Ms. Doina Popescu (Chairperson BAC) resigned on April 06, 2023 and Mr. Mustafa Kirdar was appointed on April 06, 2023.

** Mr. Mohammedulla Khan Khaishgi was appointed as BAC member in place of Mr. Suleman Lalani.

Board HR Recruitment & Compensation Committee (HRCC) Meetings during the Year

During the year, 2 meetings of the HR Recruitment & Compensation Committee were held. Attendance by the Members was as follows:

Name of Director	Meetings attended
Mr. Hasnain Aslam	2
Mr. John Leone	2
Mr. Farrukh Imdad*	1
Mr. Yasser Toor*	1

* Mr. Farrukh Imdad (Chairman HRCC) resigned on November 15, 2022 and Mr. Yasser Toor was appointed as Chairman HRCC in his place.

Mr. Yasser Toor resigned on April 06, 2023 and Ms. Marlene Peller was appointed as Chairperson of HRCC in his place.

Director's Remuneration

In accordance with the Companies Act, 2017 and the listed companies (Code of Corporate Governance) Regulations, 2019, the Board has duly approved the remuneration of the members of the Board for attending meetings of the Board and its committees.

To attract and retain directors to successfully govern affairs of the Company and to encourage value addition, the levels of remuneration are appropriate and correspond with the expertise and responsibility and are in line with prevailing industry trends and business practices. At the same time, the meeting fee is not placed at such level that it could be perceived to compromise the independence of Board members.

Appropriations

The directors do not recommend any appropriations for the current year.

Earnings per Share

The Company recognized loss per share of Rupees 2.45.

Auditor

The retiring auditors Messrs KPMG Taseer Hadi & Co. Chartered Accountants, being eligible, offer themselves for re-appointment. As suggested by the Audit Committee, the Board recommends their re-appointment for the ensuing year ending on June 30, 2024.

Shareholding Pattern

A statement showing pattern of shareholding of the Company and relevant additional information as at June 30, 2023 is included in this report.

Annual General Meeting

In compliance with the order of the honorable High Court of Sindh dated October 24, 2022, the Company has not held its Annual General Meeting for the year ended June 30, 2022, pending further orders from the Court.

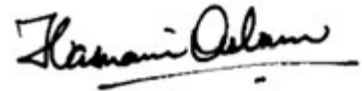
Shareholder Acknowledgment

We are thankful to our shareholders for their continued trust and confidence.

For and on behalf of the Board of Directors



Mohammedulla Khan Khaishgi
Chairman



Hasnain Aslam
Chief Executive

Karachi
Dated: September 28, 2023

کمپنی کے معاملات کو کامیابی سے چلانے کے لیے ڈائریکٹرز کو راغب کرنے اور برقرار رکھنے اور قدر میں اضافے کی حوصلہ افزائی کے لیے معاوضے کی سطحیں مناسب ہیں اور مہارت اور ذمہ داری کے مطابق ہیں اور صنعت کے مروجہ رجحانات اور کاروباری طریقوں کے مطابق ہیں۔ ایک ہی وقت میں، مینٹنگ فیس اس سطح پر نہیں رکھی گئی ہے کہ یہ بورڈ کے اراکین کی آزادی سے سمجھوتہ کرنے کے لئے سمجھا جاسکتا ہے۔

مختصات:

ڈائریکٹرز موجودہ سال کے لیے کسی قسم کی تخصیص کی سفارش کرنے سے گریزاں ہیں۔

فی حصص آمدن:

کمپنی نے 2.45 روپے فی حصص نقصان کو تسلیم کیا ہے۔

آڈیٹر:

ریٹائر ہونے والے آڈیٹرز میسرز کے پی ایم جی تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اہل ہونے کی وجہ سے، خود کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔ جیسا کہ آڈٹ کمیٹی کی تجویز ہے، بورڈ 30 جون 2024 کو ختم ہونے والے آئندہ سال کے لئے ان کی دوبارہ تقرری کی سفارش کرتا ہے۔

حصص کی شراکت داری کا طریقہ کار:

کمپنی کے حصص کی شراکت داری کے طریقے اور 30 جون 2023 تک متعلقہ اضافی معلومات کو ظاہر کرنے والا بیان اس رپورٹ میں شامل ہے۔

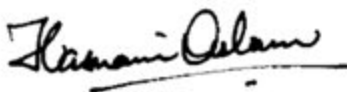
سالانہ جنرل مینٹنگ:

معزز ہائی کورٹ آف سندھ کے مورخہ 24 اکتوبر 2022ء کو کیے جانے والے حکم کی تعمیل کرتے ہوئے کمپنی کی 30 جون 2022ء کو ہونے والی سالانہ مینٹنگ کو منعقد نہیں کیا گیا اور مزید جب تک کورٹ سے کوئی آرڈر نہیں آجاتا جب تک سالانہ مینٹنگ کو تھویل میں نہیں لایا جائے گا۔

حصص داران کے لئے اظہار تشکر:

ہم اپنے حصص داران کے مسلسل اعتماد اور بھروسے کے لیے ان کے شکر گزار ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



حسین اسلم
چیف ایگزیکٹو



محمد اللہ خان خدیگی
چیرمین

کراچی

مورخہ: 28 ستمبر 2023ء

دورانیہ سال ہونے پر ڈاؤن لوڈ کمیٹی (بی اے سی) کی میٹنگز:

دورانیہ سال بورڈ آڈٹ کمیٹی کی 4 میٹنگ منعقد ہوئی جس میں مندرجہ ذیل ڈائریکٹرز نے شرکت کی:

اجلاس میں شرکت	ڈائریکٹرز کے نام
1	جناب مصطفیٰ کردار
4	جناب ظفر اقبال سوبانی
2	جناب محمد اللہ خان خیشگی
3	جناب جان لیون
2	محترمہ دوینہ پوپسکو
1	جناب سلیمان لالانی

۱- جناب مصطفیٰ کردار کو مورخہ 6 اپریل 2023ء کو مقرر کیا گیا جنہوں نے 6 اپریل 2023ء کو استعفیٰ دینے والی محترمہ دوینہ پوپسکو (چیئر پرسن بی اے سی) کی جگہ لی۔

۲- جناب محمد اللہ خان خیشگی کو مقرر کیا گیا جنہوں نے بی اے سی ممبر جناب سلیمان لالانی کی جگہ لی۔

دورانیہ سال ہونے پر ڈاؤن لوڈ آرریکروٹمنٹ & کمپنیشن کمیٹی کی ہونے والی میٹنگز:

دورانیہ سال بورڈ آڈٹ آرریکروٹمنٹ & کمپنیشن کمیٹی کی 2 میٹنگ منعقد ہوئی جس میں مندرجہ ذیل ڈائریکٹرز نے شرکت کی:

اجلاس میں شرکت	ڈائریکٹرز کے نام
2	جناب حسنین اسلم
2	جناب جان لیون
1	جناب فرخ امداد
1	جناب یاسر طور

۱- جناب یاسر طور کو مورخہ 15 نومبر 2022ء کو مقرر کیا گیا جنہوں نے 15 نومبر 2022ء کو استعفیٰ دینے والی فرخ امداد (چیئر مین ایچ آر سی) کی جگہ لی۔

۲- محترمہ میریلین پیلر کو مورخہ 6 اپریل 2023ء کو مقرر کیا گیا جنہوں نے 6 اپریل 2023ء کو استعفیٰ دینے والی یاسر طور (چیئر پرسن ایچ آر سی) کی جگہ لی۔

ڈائریکٹرز کا معاوضہ:

کمپنیز ایکٹ 2017ء اور سڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019ء کے مطابق بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے بورڈ کے اراکین کے معاوضے کی باضابطہ منظوری دے دی ہے۔

دورانہ سال ہونے والی بورڈ میٹنگز:

دورانہ سال بورڈ آف ڈائریکٹرز کی 8 میٹنگ منعقد ہوئی جس میں مندرجہ ذیل ڈائریکٹرز نے شرکت کی:

اجلاس میں شرکت	ڈائریکٹرز کے نام
7	جناب محمد اللہ خان خیشگی (iv)
8	جناب حسنین اسلم
7	جناب ولید طارق سہگل
8	جناب جان لیون
8	جناب ظفر اقبال سوبانی
8	جناب اسد ناصر
8	جناب سلیمان لالانی
8	جناب عابد حسین
3	جناب مصطفیٰ کردار (i)
3	محترمہ میر لین پیلر (ii)
2	جناب یاسر طور (i)
3	جناب فرخ امداد (iii)
4	محترمہ دوینہ پوپسکو (ii)
-	جناب خلدون بن لطیف (iv)

- ۱- جناب مصطفیٰ کردار کو مورخہ 16 اپریل 2023ء کو مقرر کیا گیا جنہوں نے 16 اپریل 2023ء کو استعفیٰ دینے والے جناب یاسر طور کی جگہ لی۔
- ۲- محترمہ میر لین پیلر کو مورخہ 16 اپریل 2023ء کو مقرر کیا گیا جنہوں نے 16 اپریل 2023ء کو استعفیٰ دینے والی محترمہ دوینہ پوپسکو کی جگہ لی۔
- ۳- جناب یاسر طور کو مورخہ 15 نومبر 2022ء کو مقرر کیا گیا جنہوں نے 15 نومبر 2022ء کو استعفیٰ دینے والے جناب فرخ امداد کی جگہ لی۔
- ۴- جناب محمد اللہ خان کو مورخہ 29 ستمبر 2022ء کو مقرر کیا گیا جنہوں نے 29 ستمبر 2022ء کو استعفیٰ دینے والے جناب خلدون بن لطیف کی جگہ لی۔

☆ نئی آر جی پاکستان لمیٹڈ کے لیے 30 جون 2023ء تک تسلیم شدہ پراویڈنٹ فنڈ کی سرمایہ کاری کی مالیت 5.90 ملین روپے (غیر آڈٹ شدہ) تھی اور 30 جون 2022ء تک 1.22 ملین روپے (آڈٹ شدہ) تھی۔

بورڈ آف ڈائریکٹرز:

کمپنی اپنے بورڈ آف ڈائریکٹرز میں اقلیتی مفادات کی نمائندگی کرنے والے آزاد، غیر ایگزیکٹو ڈائریکٹرز اور ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے، تا حال بورڈ میں درج ذیل ڈائریکٹرز شامل ہیں۔

نمبر شمار	زمرہ	ڈائریکٹرز کے نام
۱	ایگزیکٹو ڈائریکٹرز	جناب حسین اسلم
۲	نان ایگزیکٹو ڈائریکٹرز	جناب محمد اللہ خان خیشگی جناب ولید طارق سہگل جناب جان لیون جناب ظفر اقبال سوبانی جناب اسد ناصر جناب سلیمان لالانی
۳	آزاد ڈائریکٹرز	جناب مصطفیٰ کردار جناب عابد حسین محترمہ میر لین پیلر

بورڈ سب کمیٹی:

نمبر شمار	زمرہ	ڈائریکٹرز کے نام
۱	آڈٹ کمیٹی	جناب مصطفیٰ کردار جناب ظفر اقبال سوبانی جناب محمد اللہ خان خیشگی جناب جان لیون
۲	ایچ آر ریکروٹمنٹ اور معاوضہ کمیٹی	محترمہ میر لین پیلر جناب حسین اسلم جناب جان لیون

ہماری آمدنی کے بنیادی بیان کے طور پر TRGIL میں ہمارے حصص کی قدر میں ہونے والی تبدیلیوں کے باعث ہوتا ہے، ایکویٹی اکاؤنٹ انویسٹی (یعنی TRGIL) میں ہونے والے خالص نقصان میں دیئے جانے والے ٹیکس سے پہلے ہمارا کمپنی میں حصہ 1.4 بلین روپے تھا۔ TRGIL کے پاس موجود آئی بی ایکس کے حصوں پر مارک ٹو مارکنگ گین بک کیا گیا چونکہ NASDAQ پر آئی بی ایکس کے شیئرز کی قیمت میں زیر جائزہ سال کے دوران تقریباً 26% اضافہ دیکھنے کو نظر آیا۔ تاہم اس مالیاتی سال میں TRGIL کے آئی سافٹ ویئر کے حصوں کی دوبارہ تشخیص کرنے پر آپریٹنگ اخراجات کے نتیجے میں ہونے والے نقصانات بھی نظر آئے۔

یہ کہ کمپنی نے اپنی آمدنی نے گوشوارے میں 0.9 بلین روپے سود کی آمدنی کو شائع کیا، جبکہ کمپنی نے مزید 192.2 بلین روپے کے اخراجات تجویز کیے۔ گزشتہ سال کے دوران 205.5 بلین روپے کے ٹیکس کو معکوس کیا گیا۔ مجموعی طور پر کمپنی نے 30 جون 2023ء کو ختم ہونے والے سال کے اختتام پر 1.34 بلین روپے کا نقصان ظاہر کیا۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک:

ڈائریکٹری بے حد خوشی کے ساتھ آپ کو کارپوریٹ گورننس ریگولیشنز کے اہم نقاط آپ کے پیش نظر کر رہے ہیں جو کہ درج ذیل ہیں:

☆ کمپنی کی طرف سے تیار کردہ مالیاتی بیانات، کمپنی کی حالت، کمپنی کے کاموں کے نتائج، نقد بھاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔

☆ کمپنی کے کھاتوں کے کتابچہ مناسب حالت اور ترتیب سے رکھے گئے ہیں۔

☆ مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔

☆ بین الاقوامی اکاؤنٹنگ معیارات جس کے مملکت پاکستان میں لاگو کیا جاتا ہے، جس کی مالی بیانات کی تیاری میں بھی پیروی کی گئی ہے۔

☆ اندرونی کنٹرول کا نظام ڈیزائن میں بالکل درست ہے اور اسے موثر طریقے سے لاگو کر کے اس کی نگرانی کی گئی ہے۔

☆ کمپنی کے کام کرنے کی صلاحیت پر کسی بھی قسم کی تشویش یا شک و شبہات کا اندیشہ نہیں ہے۔

☆ کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی اخراج نہیں ہوا ہے جیسا کہ فہرست سازی کے ضوابط میں تفصیلی درج ہے۔

☆ ڈائریکٹرز، ای او، ایف او، کمپنی سیکریٹری اور ان کی شریک حیات یا ان کے نابالغ بچوں نے کمپنی کی حصوں میں تجارت کی کوشش نہیں کر سکتے جب تک کہ ایسی کوئی شک شیئر ہولڈنگ کے پیٹرن میں ظاہری طور پر تحریر نہ کی گئی ہو۔

☆ کمپنی نے سال کے دوران مشترکہ دفتر کے احاطے سے متعلق اپنی متعلقہ کمپنیوں کی جانب سے کیے گئے اخراجات کے اشتراک کے حوالے سے ایک معاہدہ کیا ہے اور

ڈائریکٹرز کی رپورٹ سال اختتام پر یز 30 جون 2023ء

ٹی آر جی پاکستان لمیٹڈ کے ڈائریکٹرز کی جانب سے مورخہ 30 جون 2023ء کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ نتائج کا اشتراک کرتے ہوئے بے حد خوشی محسوس ہو رہی ہے۔

اہم پیشرفت:

ہماری پورٹ فولیو کمپنی آئی بی ایکس لمیٹڈ نے ٹاپ لائن میں بہترین توسیع کے ساتھ ساتھ اپنی مضبوط کارکردگی کو برقرار رکھا ہے۔ معاشی استحصال اور سیکٹر پر دباؤ کے باوجود بھی مالی سال 2022ء میں بھی کمپنی مارجن میں کمی نہ آنے دی۔ آئی بی ایکس نے تقابلی مدت کے دوران ایڈجسٹمنٹ شدہ EBITDA مارجن میں 340BPS کے اضافے کے ساتھ ہی گزشتہ مالی سال میں تقریباً 6% ٹاپ لائن اور EBITDA 30% میں توسیع حاصل کی۔ آپریشنل افادیت اور جغرافیائی خدمات کی فراہمی میں زیادہ منافع بخش خطوں کی طرف منتقلی کے نتیجے میں مارجن میں مضبوطی دیکھنے کو مل سکتی ہے۔ آئی بی ایکس میں آمدنی کے اضافے کی وجہ سے اقتصادی ترقیوں میں رکاوٹ آسکتی ہے لیکن امید ہے کہ آنے والے مالی سال کے دوران کمپنی کے مارجن میں مسلسل توسیع ہوگی۔

ہماری پورٹ فولیو کمپنی جو مصنوعی ذہانت انٹرپرائز سافٹ ویئر (AI سافٹ ویئر بزنس) فراہم کرتی ہے نے گزشتہ سال کے مقابلے میں EBITDA مارجن میں مثبت تبدیلی کے ساتھ FY2022 میں منفی 6.5% کے مقابلے میں FY2023 میں مثبت 17.5% تک اضافہ کیا۔ میکرو اکنامک دباؤ کے درمیان بڑے کلائنٹس میں زیادہ اتار چڑھاؤ کے باوجود، کاروبار نے اپنے مارجن کو نمایاں طور پر بہتر کیا۔ کچھ اعلیٰ کلائنٹس کے ساتھ کم حجم اور دیگر رکاوٹوں کی وجہ سے محصولات کچھ دباؤ میں ہیں، جسے AI سافٹ ویئر بزنس نئے لوگو اور دیگر مصنوعات سے پورا کرنے کی کوشش کرے گا، جبکہ آمدنی کے ساتھ لاگت کو دوبارہ ترتیب دے کر مثبت EBITDA مارجن کو برقرار رکھے گا۔

ٹی آر جی پاکستان لمیٹڈ کا مالی جائزہ:

ہماری بیلنس شیٹ پر سب سے اہم چیز TRGIL میں کمپنی کے حصہ کی قیمت ہے جو کہ ہمارا واحد آپریٹنگ اثاثہ ہے۔ 30 جون 2023ء تک TRGIL میں ہمارے حصے کی مالیت 78.1 بلین روپے ہے جو کہ 30 جون 2022ء کو 56.7 بلین روپے اضافے کی نمائندگی کرتی ہے اور اس مالی اضافہ کا باعث پاکستانی روپے کے مقابلے میں امریکی ڈالر کی قیمتوں میں چڑھاؤ آنے کی وجہ سے ہوا ہے۔ جیسا کہ TRGIL کو مالی سال کے دوران آنے والے پیراگراف میں بیان کردہ وجوہات کی وجہ سے مالی نقصان کا سامنا ہوا ہے۔ TRGIL میں کمپنی کے حصص کے علاوہ کمپنی کے پاس 0.03 بلین روپے کے دیگر اثاثے اور 12.6 بلین روپے کے واجبات ہیں (جو کہ بنیادی طور پر موخر ٹیکسوں سے متعلق ہیں) جس کے نتائج کے باعث کمپنی کے پاس 65.5 بلین روپے کے خالص اثاثے موجود ہیں۔

Statement Of Compliance with Listed Companies (Code Of Corporate Governance) Regulations 2019

Name of Company: **TRG Pakistan Limited (“the Company”)**
Year ended: **June 30, 2023**

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 10 as per the following:

- a. Male: 9
- b. Female: 1

2. The composition of board is as follows:

S. No.	Category	Name of Director
1.	Independent Directors*	Abid Hussain Mustafa Kirdar Marlene Peller (Female Director)
2.	Other Non-Executive Directors	Mohammedulla Khan Khaishgi (Chairman) Waleed Tariq Saigol John Leone Zafar Iqbal Sobani Asad Nasir Suleman Lalani
3.	Executive Directors	Hasnain Aslam (CEO)

* Fraction contained in the higher of 2 or 1/3rd number of independent directors is rounded down as the three independent directors have requisite competencies, skills, knowledge, and experience to discharge and execute their duties competently.

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
- 4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
- 5. The board has developed a vision/mission statement, overall corporate strategy, and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
- 6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations.
9. Out of ten directors, the following four directors have obtained a certificate of Director's Training Program:
 1. Zafar Iqbal Sobani.
 2. Asad Nasir.
 3. Suleman Lalani.
 4. Abid Hussain.

The following directors are exempted from the requirement of Director's Training Program:

1. Mohammedulla Khan Khaishgi.
2. John Leone.
3. Waleed Tariq Saigol.

The remaining directors will undertake the Director's Training Program in FY 2024.

10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. Mr. Zeeshan UI Haq replaced Mr. Rahat Lateef and was appointed as the Company Secretary with effect from 1st February 2023.
11. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
12. The board has formed committees comprising of members given below:

Audit Committee:

- | | |
|------------------------------|----------|
| - Mustafa Kirdar | Chairman |
| - Zafar Iqbal Sobani | Member |
| - Mohammedulla Khan Khaishgi | Member |
| - John Leone | Member |

HR Recruitment & Remuneration Committee:

- | | |
|------------------|-------------|
| - Marlene Peller | Chairperson |
| - Hasnain Aslam | Member |
| - John Leone | Member |

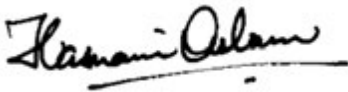
13. The terms of reference of the aforesaid committees have been formed, documented, and advised to the committee for compliance.
14. The frequency of meetings of the Committee were as per following:
 - (a) Audit Committee: four meetings of the Committee were held during the year.
 - (b) HR Committee meetings: two meetings of the Committee were held during the year.
15. The Board has setup an effective internal audit function. Personnel of the internal audit department are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with except for below listed non-compliances with mandatory provisions of CCG Regulations:

S.No.	Requirements	Explanation of non-compliance	Regulation No.
(i)	<p>It is mandatory that the secretary of audit committee shall circulate minutes of meetings of the audit committee to all members, directors, head of internal audit and where required to chief financial officer prior to the next meeting of the Board.</p> <p>Provided that where this is not practicable, the chairman of the audit committee shall communicate a synopsis of the proceedings to the Board and the minutes shall be circulated along with the minutes of the meeting of the Board.</p>	The Secretary of the audit committee has circulated the synopsis of the proceedings to the Board before the Board meeting however, it has been a past practice of the Company to share approved minutes of the audit committee with the Board, which are approved in next audit committee meeting.	27(5)

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 is below:

S.No.	Requirements	Explanation of non-compliance	Regulation No.
(i)	<p>The chief financial officer and company secretary or in their absence, the nominee appointed by the Board, shall attend all meetings of the Board</p> <p>Provided that the chief financial officer and company secretary shall not attend such part of the Board meeting wherein agenda item relates to consideration of their performance or terms and conditions of their service or when, in the opinion of the Board, their presence in the meeting on any agenda item is likely or may tend to impair the organizational discipline and harmony of the company.</p>	<p>The Chief Financial Officer (CFO) did not attended the Board of Directors meeting held on 22 June, 2023 as he was on annual leave and travelling at that time and no nominee was appointed in his place since the agenda of the meeting solely related to legal matters and did not warrant the involvement of the CFO.</p>	13

On behalf of the Board of Directors



HASNAIN ASLAM
Chief Executive



MOHAMMEDULLA KHAN KHAISHGI
Chairman

Karachi
Dated: September 28, 2023

**Independent Auditor's Review Report
To the members of TRG Pakistan Limited
Review Report on the Statement of Compliance contained in Listed Companies
(Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of TRG Pakistan Limited ('the Company') for the year ended 30 June 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

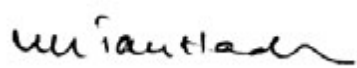
The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and whether the related party transactions were undertaken at arm's length or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2023.

Further, we highlight below instances of non-compliance with the requirements of the Regulations and reflected in the paragraph references where these are stated in the Statement of Compliance:

S. No.	References	Description
(i)	Paragraph 18	Board Audit Committee minutes not circulated in requisite time.
(ii)	Paragraph 19	Nominee not appointed in the Board meeting in the absence of the Chief Financial Officer.

**Date: 30 September 2023
Karachi**


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

UDIN: CR202310188v8RsT5ZUL

Pattern of Shareholding

As at June 30, 2023

No. of Shareholders	Number of Shares		Total Shares Held
	From	To	
2691	1	100	111,518
2574	101	500	871,994
1498	501	1000	1,314,737
2309	1001	5000	5,901,505
532	5001	10000	4,150,951
200	10001	15000	2,550,060
97	15001	20000	1,751,937
93	20001	25000	2,163,560
48	25001	30000	1,356,450
41	30001	35000	1,380,991
33	35001	40000	1,265,873
17	40001	45000	749,220
44	45001	50000	2,141,952
14	50001	55000	739,049
12	55001	60000	710,318
12	60001	65000	756,826
8	65001	70000	553,900
14	70001	75000	1,024,664
12	75001	80000	940,732
6	80001	85000	500,533
4	85001	90000	357,542
5	90001	95000	462,928
18	95001	100000	1,784,626
6	100001	105000	624,612
9	105001	110000	974,029
4	110001	115000	452,584
6	115001	120000	705,219
9	120001	125000	1,113,385
2	130001	135000	266,666
2	135001	140000	273,595
3	140001	145000	425,788
5	145001	150000	745,609
5	150001	155000	759,401
6	155001	160000	946,100
1	160001	165000	160,200
1	165001	170000	170,000
4	175001	180000	715,116
4	180001	185000	734,338
4	185001	190000	755,700
3	195001	200000	596,950
1	210001	215000	215,000
3	215001	220000	658,569
2	220001	225000	448,050
1	225001	230000	225,178
1	230001	235000	231,904

No. of Shareholders	Number of Shares		Total Shares Held
	From	To	
1	235001	240000	240,000
1	240001	245000	244,871
3	245001	250000	749,819
1	255001	260000	260,000
1	265001	270000	267,000
2	270001	275000	544,113
2	275001	280000	555,440
3	295001	300000	899,970
1	300001	305000	305,000
1	305001	310000	310,000
2	310001	315000	628,879
1	315001	320000	319,606
2	330001	335000	663,419
1	335001	340000	335,290
1	395001	400000	398,739
1	410001	415000	412,223
1	415001	420000	416,000
1	420001	425000	424,547
1	435001	440000	440,000
1	440001	445000	443,500
1	460001	465000	463,000
1	470001	475000	475,000
1	490001	495000	493,500
3	495001	500000	1,499,000
1	515001	520000	520,000
2	520001	525000	1,045,930
1	535001	540000	538,267
1	540001	545000	541,836
1	570001	575000	574,491
1	575001	580000	578,359
1	580001	585000	582,840
1	595001	600000	600,000
1	600001	605000	604,095
1	695001	700000	700,000
1	705001	710000	708,500
1	770001	775000	775,000
2	775001	780000	1,555,640
1	825001	830000	825,672
1	830001	835000	834,000
1	835001	840000	836,794
1	845001	850000	849,324
2	895001	900000	1,798,500
1	925001	930000	926,009
1	940001	945000	941,000
1	950001	955000	952,000

No. of Shareholders	Number of Shares		Total Shares Held
	From	To	
3	995001	1000000	3,000,000
1	1025001	1030000	1,026,044
1	1095001	1100000	1,100,000
1	1145001	1150000	1,150,000
1	1175001	1180000	1,179,416
1	1180001	1185000	1,185,000
1	1340001	1345000	1,343,782
1	1500001	1505000	1,501,486
1	1550001	1555000	1,551,968
1	1580001	1585000	1,581,800
1	1795001	1800000	1,800,000
1	1805001	1810000	1,808,324
2	1995001	2000000	4,000,000
1	2020001	2025000	2,021,111
1	2610001	2615000	2,613,783
1	2700001	2705000	2,701,500
1	2850001	2855000	2,850,681
1	3205001	3210000	3,207,818
2	3495001	3500000	7,000,000
1	3620001	3625000	3,621,487

No. of Shareholders	Number of Shares		Total Shares Held
	From	To	
1	3995001	4000000	4,000,000
1	4035001	4040000	4,036,802
1	4040001	4045000	4,044,500
1	4075001	4080000	4,079,954
2	4995001	5000000	10,000,000
1	5495001	5500000	5,500,000
1	5935001	5940000	5,938,450
1	6405001	6410000	6,408,908
1	7895001	7900000	7,898,140
1	9750001	9755000	9,750,500
1	10325001	10330000	10,327,342
1	12195001	12200000	12,200,000
1	18945001	18950000	18,948,400
1	24580001	24585000	24,583,760
1	26075001	26080000	26,076,695
1	26945001	26950000	26,949,561
1	87915001	87920000	87,915,789
1	155670001	155675000	155,670,632
10,465	Company Total		545,390,665

Category of Shareholding

As at June 30, 2023

Categories	Share Holders	Share Holding	Percentage
DIRECTORS, CEO & CHILDREN	10	707,347	0.1297
ASSOCIATED COMPANIES	4	188,238,795	34.5145
BANKS, DFI & NBFI	9	27,240,374	4.9947
INSURANCE COMPANIES	3	8,392,252	1.5388
MUTUAL FUNDS	15	4,591,009	0.8418
GENERAL PUBLIC (LOCAL)	9,406	195,720,088	35.8862
GENERAL PUBLIC (FOREIGN)	853	16,633,831	3.0499
OTHERS	147	81,327,052	14.9117
FOREIGN COMPANIES	18	22,539,917	4.1328
Company Total	10,465	545,390,665	100.00

Detail of Associated Companies	Number of Share Held
GREENTREE HOLDINGS LIMITED	155,670,632
JAHANGIR SIDDIQUI & COMPANY LIMITED	26,949,561
MAPLE LEAF CAPITAL LIMITED	4,036,802
SIGN SOURCE LIMITED	1,581,800
	188,238,795

Detail of Directors, CEO and their spouse and minor children	Number of Shares Held
MR. MOHAMMEDULLA KHAN KHAISHGI	612,840
MR. HASNAIN ASLAM	1
MR. ZAFAR IQBAL SOBANI	71,000
MR. WALEED TARIQ SAIGOL	12,000
MR. JOHN LEONE	3
MS. MARLENE PELLER	1
MR. MUSTAFA KIRDAR	1
MR. SULEMAN LALANI	10,001
MR. ASAD NASIR	500
MR. ABID HUSSAIN	1,000
	707,347

Pattern of Shareholding As Per Requirement of Code of Corporate Governance

As at June 30, 2023

Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Modarabas, Brokerage House and Mutual Funds	Number of Shares Held
PAKISTAN KUWAIT INVESTMENT CO. (PVT) LTD.	2,613,783
SONERI BANK LIMITED	500
ESCORTS INVESTMENT BANK LIMITED	6,500
JS BANK LIMITED.	24,583,760
NATIONAL BANK OF PAKISTAN	276
ORIENT IMPEX (PRIVATE) LIMITED	100
AHSAM SECURITIES (PRIVATE) LIMITED	2,000
Z. A GHAFAR SECURITIES (PRIVATE) LIMITED	30,000
MUHAMMAD AMER RIAZ SECURITIES (PVT.) LIMITED	3,455
IGI FINEX SECURITIES LIMITED	1
AUTOMATE INDUSTRIES (PRIVATE) LIMITED	2,000
INTERMARKET SECURITIES LIMITED	16,000
FRANCISCANS OF ST JOHN THE BAPTIST PAKISTAN	4,000
PRUDENTIAL SECURITIES LIMITED	534
APEX FINANCIAL SERVICES (PVT.) LIMITED	700
CAPITAL FINANCIAL SERVICES (PVT.) LIMITED	2,500
STANDARD CAPITAL SECURITIES (PVT) LIMITED	10,000
STANDARD CAPITAL SECURITIES (PRIVATE) LIMITED	75,000
B.J & COMPANY	880
BULK MANAGEMENT PAKISTAN (PVT.) LTD.	13,000
SOFIAN BUSINESS CORPORATION (PRIVATE) LIMITED	15,000
WESTBURY (PRIVATE) LTD	26,500
NOVATEX LIMITED	215,000
HAMEED SHAFI HOLDINGS (PVT) LTD.	22,000
TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	45,035
TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	1,580
QAISER BROTHERS (PVT.) LTD.	45,000
ARKAD CONSULTANTS PRIVATE LIMITED	3,000
AL-RAHIM TRADING COMPANY (PRIVATE) LIMITED	5,000
MAKDA (PVT.) LIMITED	1
SHAFIQ ASHFAQ (PRIVATE) LIMITED	500
QAISER-LG PETROCHEMICALS (PVT) LTD	10,000
TRUSTEES OF JS BANK LIMITED-STAFF GRATUITY FUND	3,500,000
JS INFOCOM LIMITED	9,750,500
LAKHANI SECURITIES (PRIVATE) LIMITED	108,000
ZAHID LATIF KHAN SECURITIES (PVT) LTD.	926,009
SURAJ COTTON MILLS LTD.	100,000
D.S.INDUSTRIES LTD	1,000
NH SECURITIES (PVT) LIMITED.	32,909
SERVICE INDUSTRIES LIMITED	775,000
MANAGEMENT AND EDUCATIONAL SERVICES (PRIVATE) LIMITED	16,800
TARIQ CAPITAL (PRIVATE) LIMITED	1,000
EXCEL SECURITIES (PVT.) LTD.	450
PEARL SECURITIES LIMITED	520,930
PEARL SECURITIES LIMITED	19,000
IMGC GLOBAL (PVT.) LIMITED	122
FAWAD YUSUF SECURITIES (PVT.) LIMITED	4,044,500
MRA SECURITIES LIMITED	199,000
BAWA SECURITIES (PVT) LTD.	82,500
FRIENDLY SECURITIES (PVT) LTD.	143,000
RAFI SECURITIES (PRIVATE) LIMITED	708
DALAL SECURITIES (PVT) LTD.	117,500

Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Modarabas, Brokerage House and Mutual Funds	Number of Shares Held
QAISER-LG PETROCHEMICALS (PVT) LTD	315,000
MULTILINE SECURITIES LIMITED	23,000
KIA MOTORS-CLIFTON	50,000
HAMID ADAMJEE TRUST	5,000
ADAM SECURITIES LIMITED	32,500
ZAFAR MOTI CAPITAL SECURITIES (PVT) LTD.	693
FDM CAPITAL SECURITIES (PVT) LIMITED	10,000
AKHAI SECURITIES (PRIVATE) LIMITED	1,098
DJM SECURITIES LIMITED	5,000,000
SUMYA BUILDERS & DEVELOPERS	5,000,000
SHERMAN SECURITIES (PRIVATE) LIMITED	1,500
TIME SECURITIES (PVT.) LTD.	2,000
JS GLOBAL CAPITAL LIMITED-MM-NITG-ETF	128
JS GLOBAL CAPITAL LIMITED-MM-NBP-ETF	293
JS INFOCOM LIMITED	10,327,342
ENERGY INFRASTRUCTURE HOLDING (PRIVATE) LIMITED	3,500,000
PTN HOLDINGS (PRIVATE) LIMITED	700
DYNASTY FINANCIAL ADVISORS (PRIVATE) LIMITED	7
HH MISBAH SECURITIES (PRIVATE) LIMITED	10,000
MSB ENTERPRISES (PRIVATE) LIMITED	1,200
NCC - PRE SETTLEMENT DELIVERY ACCOUNT	26,076,695
APEX CAPITAL SECURITIES (PVT) LIMITED	11,000
TRUSTEE ALOO & MINOCHER DINSHAW CHARITABLE TRUST	5,000
MIAN NAZIR SONS INDUSTRIES (PVT) LIMITED	2,000
ARSHAD CORPORATION (PVT) LTD.EMPLOYEES PROVIDENT FUND TRUST	1,000
GROWTH SECURITIES (PVT) LTD.	60,000
A. H. M. SECURITIES (PRIVATE) LIMITED	50,000
DARSON SECURITIES LIMITED	30,000
ARIF HABIB LIMITED	25,500
VALIKA TRADING HOUSE (PRIVATE) LIMITED	1,000
VALIKA ART FABRICS LIMITED	2,000
VALIKA PROPERTIES (PRIVATE) LIMITED	1,000
ARSHAD TEXTILE MILLS LIMITED	25,000
SAAO CAPITAL (PVT) LIMITED	299,970
SAAO CAPITAL (PVT) LIMITED	808
MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LIMITED	7,500
MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LIMITED	952,000
MAYARI SECURITIES (PVT) LIMITED	156,000
BHAYANI SECURITIES (PVT) LTD.	520,000
ALTAF ADAM SECURITIES (PVT) LTD.	103,000
DR. ARSLAN RAZAQUE SECURITIES (PVT.) LIMITED	336
GMI CAPITAL SECURITIES (PVT) LTD.	121,500
FALCON-I (PRIVATE) LIMITED	1
KIRAN BUILDERS & DEVELOPERS (PRIVATE) LIMITED	46,214
Y.H. SECURITIES (PVT.) LTD.	834,000
TRUSTEE-FIRST DAWOOD INV. BANK LTD. & OTHER EMPOLYEES P.FUND	8,000
PAKISTAN RESOURCES DEVELOPMENT SERVICES (PRIVATE) LIMITED.	9,000
H.S.Z. SECURITIES (PRIVATE) LIMITED	1
MUHAMMAD AHMAD NADEEM SECURITIES (SMC-PVT.) LIMITED	5,950
PATEL SECURITIES (PVT) LTD.	11,000
AKD SECURITIES LIMITED - AKD TRADE	500
TRUSTEE AVARI HOTELS LIMITED EMPLOYEES PROVIDENT FUND	5
ALI AKBAR SPINNING MILLS LIMITED	541,836
J HOLDINGS (PRIVATE) LIMITED	7,000
SEVEN STAR SECURITIES (PVT.) LTD.	25,000
B. K. SAADAAN (PVT) LIMITED	7,500
CMA SECURITIES (PVT) LIMITED	25,000
ABA ALI HABIB SECURITIES (PVT) LIMITED	177,500

Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Modarabas, Brokerage House and Mutual Funds	Number of Shares Held
NEXT CAPITAL LIMITED	25,001
BRAVISTO (PVT) LIMITED	1
ABA ALI HABIB SECURITIES (PVT) LIMITED - MT	57,950
TOPLINE SECURITIES LIMITED - MF	5,000
PEARL SECURITIES LIMITED - MF	2,500
STANDARD CAPITAL SECURITIES (PVT) LIMITED - MT	9,504
IMPERIAL INVESTMENT (PVT) LTD.	3,200
JS GLOBAL CAPITAL LIMITED - MF	412,223
ASDA SECURITIES (PVT.) LTD.	20,000
H. M. IDREES H. ADAM (PRIVATE) LIMITED	499,000
M. F. STOCKS (PRIVATE) LIMITED	3,000
B. R. R. INVESTMENT (PRIVATE) LIMITED	4,948
F. D. REGISTRAR SERVICES (SMC-PRIVATE) LIMITED.	92
FIRST DAWOOD INVESTMENT BANK LIMITED	47,130
MULTILINE SECURITIES LIMITED - MF	82,594
KTRADE SECURITIES LIMITED	1
ARIF HABIB LIMITED - MF	1,000
STRONGMAN SECURITIES (PVT.) LIMITED	2,000
INTERACTIVE SECURITIES (PVT) LIMITED	50,000
NINI SECURITIES (PRIVATE) LIMITED	7,582
R.T. SECURITIES (PVT) LIMITED	102,112
TUMBI (PRIVATE) LIMITED	63,000
UNITED TOWEL EXPORTERS (PVT.) LIMITED	23,000
YUSUF DYEING AND BLEACHING MILLS (PRIVATE) LIMITED	122,000
SPECTRUM SECURITIES LIMITED	4,000
BAWANY SECURITIES (PRIVATE) LIMITED	99,000
SEMAAB TRADERS (PRIVATE) LIMITED	8,500
AXIS GLOBAL LIMITED - MF	500
MRA SECURITIES LIMITED - MF	331,400
BAWA SECURITIES (PVT) LTD. - MF	2,500
MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD. - MF	3,207,818
N. U. A. SECURITIES (PRIVATE) LIMITED - MF	4,000
FAWAD YUSUF SECURITIES (PRIVATE) LIMITED - MF	14,980
DARSON SECURITIES LIMITED - MF	3,000
TRUST SECURITIES & BROKERAGE LIMITED - MF	42,940
FIRST STREET CAPITAL (PRIVATE) LIMITED - MT	112,494
AL-HABIB CAPITAL MARKETS (PRIVATE) LIMITED - MF	15,000
HAMDARD LABORATORIES (WAQF) PAKISTAN	200,000
ADEEL & NADEEM SECURITIES (PVT.) LIMITED	267,000
ADAM USMAN SECURITIES (PRIVATE) LIMITED	61,000
FRIENDS EDUCATIONAL AND MEDICAL TRUST	14,200
AL-ABBAS EDUCATIONAL AND WELFARE SOCIETY	14,200
OCEAN SECURITIES LIMITED	10,723
DR. ARSLAN RAZAQUE SECURITIES (PVT.) LIMITED - MT	74,923
ORBIT SECURITIES (PRIVATE) LIMITED	100
BACKERS & PARTNERS (PRIVATE) LIMITED - MT	13,500
CDC - TRUSTEE ATLAS STOCK MARKET FUND	1,185,000
CDC - TRUSTEE AKD INDEX TRACKER FUND	109,295
CDC - TRUSTEE APF-EQUITY SUB FUND	52,500
CDC - TRUSTEE ALFALAH GHP STOCK FUND	223,050
CDC - TRUSTEE ALFALAH GHP ALPHA FUND	98,200
CDC - TRUSTEE LAKSON EQUITY FUND	153,729
CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	10,000
CDC - TRUSTEE NIT INCOME FUND - MT	750
CDC - TRUSTEE FAYSAL MTS FUND - MT	777,535
CDC - TRUSTEE GOLDEN ARROW STOCK FUND	225,000
CDC - TRUSTEE NIT PAKISTAN GATEWAY EXCHANGE TRADED FUND	17,531
CDC - TRUSTEE NBP PAKISTAN GROWTH EXCHANGE TRADED FUND	48,594

Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Modarabas, Brokerage House and Mutual Funds	Number of Shares Held
CDC - TRUSTEE HBL INCOME FUND - MT	849,324
CDC - TRUSTEE ALFALAH GHP DEDICATED EQUITY FUND	3,707
CDC - TRUSTEE HBL FINANCIAL SECTOR INCOME FUND PLAN I - MT	836,794
Ghaf Limited	612
EFU Life Assurance Limited	7,898,140
E. F. U. General Insurance Limited	493,500

Pattern of Shareholding

As at June 30, 2023

Shareholders Holding 5% or More Voting Interest	Number of Shares Held	Voting Interest
GREENTREE HOLDINGS LIMITED	155,670,632	28.54
MR. MUHAMMAD ZIAULLAH KHAN CHISHTI	87,915,789	16.12

Details of movement in the shares of Director / CEO and their spouses and minor children	Designation	Opening Balance July 1, 2022	Closing Balance June 30, 2023
MR. MOHAMMEDULLA KHAN KHAISHGI	CHAIRMAN & DIRECTOR	612,840	612,840
MR. HASNAIN ASLAM	CEO & DIRECTOR	1	1
MR. ZAFAR IQBAL SOBANI	DIRECTOR	184,500	71,000
MR. WALEED TARIQ SAIGOL	DIRECTOR	12,000	12,000
MR. JOHN LEONE	DIRECTOR	3	3
MS. MARLENE PELLER	DIRECTOR	-	1
MR. MUSTAFA KIRDAR	DIRECTOR	-	1
MR. SULEMAN LALANI	DIRECTOR	10,001	10,001
MR. ASAD NASIR	DIRECTOR	500	500
MR. ABID HUSSAIN	DIRECTOR	1,000	1,000
		820,845	707,347

Historical Financial Information

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
	----- (Rupees in '000) -----									
Revenue	952	8,548	154,443	237,176	240,969	228,516	214,386	167,735	46,050	169
Expenses - net	(192,175)	(46,365)	(32,358)	(234,437)	238,579	445,431	207,984	58,685	39,933	(24,624)
Taxation	205,534	902,369	(4,582,301)	(13,523)	538	626	1,043	11,888	4,138	-
Net (Loss) / Profit	(1,336,046)	(4,980,726)	25,852,427	76,164	1,855	(217,541)	5,359	97,162	1,979	(24,455)
Basic EPS	(2.450)	(9.132)	47.402	0.140	0.003	(0.399)	0.010	0.18	0.004	(0.06)
Non - Current Assets	78,058,999	56,717,816	49,620,244	21,778,686	17,972,350	16,138,572	15,007,481	13,849,915	12,842,934	12,258,314
Current Assets	25,710	35,311	607,257	1,583,862	1,685	1,634,597	226,711	691,423	49,363	3,872
Share Capital and Reserves	65,499,438	47,548,939	41,508,609	19,404,372	15,153,739	14,858,733	12,779,626	12,353,686	10,814,799	10,120,200
Non - Current Liabilities	12,371,007	9,170,053	8,105,417	3,929,183	2,791,380	2,830,461	2,228,329	2,106,344	1,983,595	1,957,432
Current Liabilities	214,264	34,210	615,567	29,127	28,916	83,975	226,237	81,308	93,903	184,554
Dividend	-	-	4.4	-	-	-	-	-	-	-
Market share price	92.13	77.33	166.33	28.24	16.36	28.64	40.09	33.55	30.55	14.03
Number of Employees	5	4	1	1	1	1	1	1	3	3



ANNUAL REPORT
2023

Financial Statements
for the year ended June 30, 2023

Independent Auditor's Report

To the members of TRG Pakistan Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **TRG Pakistan Limited** (the Company), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to:

- Note 27 of the financial statements wherein status of the matters pending with the regulatory bodies and courts are disclosed.
- Note 29 of the financial statements wherein it is explained that the financial statements of the Company for the year ended 30 June 2022 have not yet been adopted by the shareholders of the Company due to pending Annual General Meeting.

Our opinion is not modified in respect of these matters

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

S No.	Key audit matter	How the matter was addressed in our audit
I	<p>Valuation of investment in equity interest of an unquoted associated company</p> <p>Refer to notes 1.2, 3.3 and 5 to the financial statements. The principal activity of the Company, through its equity accounted associate. The Resource Group International Limited (TRGIL) is to invest in a portfolio of investments.</p> <p>We identified valuation of unquoted investment of associate as a key audit matter due to its significance to the Company's financial performance and due to inherent uncertainty involving significant judgement and challenges associated with corroboration of information used in estimation of fair values of underlying investments.</p>	<p>TRGIL is a significant component of the Company where we have performed procedures as Group auditors. As Group auditors we have assessed and evaluated the procedures performed at component level to assess valuation of unquoted investment which included, amongst others, the following:</p> <ul style="list-style-type: none"> • obtained an understanding of, and testing the design and operating effectiveness of controls established by the Company for valuation of underlying unquoted investment of associate; • evaluated the management specialist's competence, capabilities and objectivity; • reviewed estimate working which has been reviewed by management expert's and assessing reasonableness of all elements of the estimate and checked the arithmetical accuracy. • performed retrospective review of assumptions used in estimating value last year with current period assumptions and inquired reasons for significant variances and assessed their reasonableness; and • involved our own valuation specialist to assist us in evaluating the reasonableness of models and assumptions used by management in estimating the fair value of the investment, in particular, relating to the forecasted growth rates, terminal value and discount rates using in estimation of fair value and challenged key assumptions.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

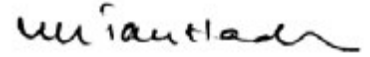
Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Zeeshan Rashid**.



Date: 30 September 2023

Karachi

UDIN:AR2023101881qHnTfBK8

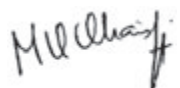
KPMG Taseer Hadi & Co.
Chartered Accountants

Statement of Financial Position

As at June 30, 2023

		June 30, 2023	June 30, 2022
	Note	----- (Rupees in '000) -----	
ASSETS			
Non-current assets			
Operating fixed assets	4	1,412	-
Long term investment	5	78,057,512	56,717,816
Long term deposit		75	75
		78,058,999	56,717,891
Current assets			
Accrued interest	6	135	229
Prepayment		198	198
Taxation - net		3,030	-
Cash and bank balances	7	22,347	34,884
		25,710	35,311
Total assets		78,084,709	56,753,202
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital		7,330,000	7,330,000
<i>Share capital</i>			
Issued, subscribed and paid-up capital	8	5,453,907	5,453,907
<i>Revenue reserves</i>			
Foreign currency translation reserve		29,492,506	10,205,961
Unappropriated profit		30,553,025	31,889,071
		65,499,438	47,548,939
Non-current liabilities			
Deferred tax liabilities - net	9	12,371,007	9,170,053
Current liabilities			
Payable to related parties	10	180,771	5,414
Accrued and other liabilities	11	15,381	8,980
Unclaimed dividend	12	17,860	19,581
Payable to provident fund		252	128
Taxation - net		-	107
		214,264	34,210
Total equity and liabilities		78,084,709	56,753,202
Contingencies and commitments			
	13		

The annexed notes 1 to 29 form an integral part of these financial statements.



Director



Chief Financial Officer



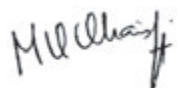
Director

Statement of Profit or Loss Account and Other Comprehensive Income

For the year ended June 30, 2023

	Note	June 30, 2023 ----- (Rupees in '000) -----	June 30, 2022
Interest income	14	952	8,548
Administrative and other expenses	15	(192,175)	(46,365)
Operating loss		(191,223)	(37,817)
Share of loss in equity accounted investee	5	(1,350,357)	(14,732,069)
Dilution gain in equity accounted investee	5	-	8,863,693
Other income	16	-	23,098
Loss before taxation		(1,541,580)	(5,883,095)
Taxation	17	205,534	902,369
Loss after taxation		(1,336,046)	(4,980,726)
Other comprehensive income			
<i>Items that may be reclassified to statement of profit or loss in subsequent periods</i>			
Effect of translation of net investment in foreign associate - net of tax		19,286,545	11,021,056
Total comprehensive income		17,950,499	6,040,330
		----- (Rupees) -----	
Loss per share - basic and diluted	18	(2.450)	(9.132)

The annexed notes 1 to 29 form an integral part of these financial statements.



Director



Chief Financial Officer



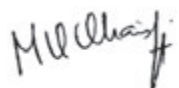
Director

Statement of Changes in Equity

For the year ended June 30, 2023

	Issued, subscribed and paid-up capital	Revenue Reserves		Total
		Foreign currency translation reserve	Unappropriated profit	
----- (Rupees in '000) -----				
Balance as at July 1, 2021	5,453,907	(815,095)	36,869,797	41,508,609
Total comprehensive income for the year ended June 30, 2022				
Loss for the year	-	-	(4,980,726)	(4,980,726)
Other comprehensive income				
Foreign currency translation difference - net of tax	-	11,021,056	-	11,021,056
	-	11,021,056	(4,980,726)	6,040,330
Balance as at June 30, 2022	5,453,907	10,205,961	31,889,071	47,548,939
Total comprehensive income for the year ended June 30, 2023				
Loss for the year	-	-	(1,336,046)	(1,336,046)
Other comprehensive income				
Foreign currency translation difference - net of tax	-	19,286,545	-	19,286,545
	-	19,286,545	(1,336,046)	17,950,499
Balance as at June 30, 2023	5,453,907	29,492,506	30,553,025	65,499,438

The annexed notes 1 to 29 form an integral part of these financial statements.



Director



Chief Financial Officer



Director

Statement of Cash Flows

For the year ended June 30, 2023

	June 30, 2023	June 30, 2022
Note	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Net cash used in operations	(10,181)	(358,408)
Interest income received	1,046	19,147
Income tax paid	(157)	(150,980)
Net cash used in operating activities	(9,292)	(490,241)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to fixed assets	(1,524)	-
Net cash used in investing activities	(1,524)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(1,721)	(73,304)
Net cash used in financing activities	(1,721)	(73,304)
Net decrease in cash and cash equivalents during the year	(12,537)	(563,545)
Cash and cash equivalents at the beginning of the year	34,884	598,429
Cash and cash equivalents at end of the year	22,347	34,884

The annexed notes 1 to 29 form an integral part of these financial statements.



Director



Chief Financial Officer



Director

Notes to the financial statements

For the year ended June 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except as otherwise disclosed.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the Company's functional currency.

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates and judgments that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and the future periods if the revision affects both current and future periods.

In the process of applying the Company's accounting policies, management has made certain estimates and judgments which are significant to the financial statements relating to contingencies (note 13).

2.5 Standards, amendments and interpretations to accounting and reporting standards as applicable in Pakistan which became effective during the year

There are certain new and amended standards, interpretations and amendments that are mandatory for accounting years beginning on or after July 1, 2022 but are considered not to be relevant or do not have any significant effect on the Company's financial statements and are therefore not detailed in these financial statements.

2.6 New / revised accounting standards, amendments to accounting and reporting standards as applicable in Pakistan and interpretations that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after July 1, 2023:

- Classification of liabilities as current or non-current (Amendments to IAS 1 in January 2020) apply retrospectively for the annual periods beginning on or after January 1, 2024 (as deferred vide amendments to IAS 1 in October 2022) with earlier application permitted. These amendments in the standards have been added to further clarify when a liability is classified as current. Convertible debt may need to be reclassified as 'current'. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity's expectation and discretion at the reporting date to refinance or to reschedule payments on a long-term basis are no longer relevant for the classification of a liability as current or non-current. An entity shall apply those amendments retrospectively in accordance with IAS 8.
 - Non-current Liabilities with Covenants (amendment to IAS 1 in October 2022) aims to improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with conditions. The amendment is also intended to address concerns about classifying such a liability as current or non-current. Only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. These amendments also specify the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments to IAS 1 (as referred above).
 - Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
 - requiring companies to disclose their material accounting policies rather than their significant accounting policies;
 - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
 - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.
- The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted.
- Definition of Accounting Estimates (Amendments to IAS 8) introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after January 1, 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.
 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted.

- Lease Liability in a Sale and Leaseback (amendment to IFRS 16 in September 2022) adds subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements to be accounted for as a sale. The amendment confirms that on initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. The amendments are effective for annual reporting periods beginning on or after January 1, 2024 with earlier application permitted. Under IAS 8, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16 and will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments. If an entity (a seller-lessee) applies the amendments arising from Lease Liability in a Sale and Leaseback for an earlier period, the entity shall disclose that fact.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.
- Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7) introduce two new disclosure objectives for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk. Under the amendments, companies also need to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement. The amendments also add supplier finance arrangements as an example to the existing disclosure requirements in IFRS 7 on factors a company might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities. The amendments are effective for periods beginning on or after January 1, 2024, with early application permitted. However, some relief from providing certain information in the year of initial application is available.
- International Tax Reform – Pillar Two Model Rules (amendments to IAS 12) introduce following new disclosure requirements:
 - Once tax law is enacted but before top-up tax is effective: disclose information that is known or can be reasonably estimated and that helps users of its financial statements to understand its exposure to Pillar Two income taxes at the reporting date. If information is not known or cannot be reasonably estimated at the reporting date, then a company discloses a statement to that effect and information about its progress in assessing the Pillar Two exposure.
 - After top-up tax is effective: disclose current tax expense related to top-up tax.

The above amendments are effective for annual periods beginning on or after July 1, 2023 and are not likely to have an impact on these financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These have been consistently applied to all the periods presented.

3.1 Financial Instruments

3.1.1 Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

3.1.2 Financial Assets

Classification

On initial recognition a financial asset is classified as measured at:

- Amortized cost;
- Fair value through other comprehensive income (FVOCI) - Debt investment;
- Fair value through other comprehensive income (FVOCI) - Equity investment; or
- Fair value through profit and loss (FVTPL).

The classification depends on the Company's business model for managing financial assets and the contractual terms of the financial assets cash flows.

Amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVOCI - Debt investment

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVOCI - Equity investment

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect subsequent changes in investment's fair value in OCI. designated as at FVTPL:

FVTPL

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL.

Subsequent measurement and derecognition

Financial assets classified at amortized cost are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit or loss and other comprehensive income. Any gain or loss on derecognition is recognized in statement of profit or loss and other comprehensive income.

Debt investments classified as FVOCI are subsequently measured at fair value. Interest income calculated using effective method, foreign exchange gain and losses and impairment are recognized in statement of profit or loss and other comprehensive income. Other net gains and losses are recognized as other comprehensive income. On de-recognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss.

Equity investments classified as FVOCI are subsequently measured at fair value. Dividends are recognized as income in statement of profit or loss and other comprehensive income, unless the dividend clearly represents a recovery of part of the cost of the investment, when the Company's right to receive payments is established. This category only includes equity instruments, which the Company intends to hold for the foreseeable future. On derecognition, there is no reclassification of fair value gains and losses to profit or loss. Equity instruments at FVOCI are not subject to an impairment assessment under IFRS 9.

The financial assets classified at FVTPL are subsequently measured at fair value and net gains and losses, including any interest or dividend income, are recognized in statement of profit or loss and other comprehensive income. Net gains and losses (unrealized and realized), including any interest or dividend income, are recognized in statement of profit or loss and other comprehensive income.

Impairment of financial assets

Expected credit loss (ECL) is recognized for financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not investments in equity instruments. ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The financial assets at amortized cost consist of cash and cash equivalents and other receivables.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Management uses actual historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment to determine lifetime expected loss allowance. For other debt financial assets (i.e. loans etc.), the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECL's that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due and a financial asset in default when contractual payment are 90 days past due.

Based on management assessment, no ECL was required since the Company's financial assets at amortized cost are held with counterparties with low credit risk.

3.1.3 Financial liabilities

Classification and subsequent measurement of financial liabilities

The Company classifies its financial liabilities as those to be measured subsequently at amortized cost using the effective interest method, if they are not:

- contingent consideration of an acquirer in a business combination;
- held-for-trading; or
- designated as measured at FVTPL.

The Company has not classified any of its financial liabilities at FVTPL.

Derecognition

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit or loss and comprehensive income.

Offsetting

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when the Company has a legal right to offset the amounts and intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.2 Operating fixed assets

3.2.1 Owned

Operating fixed assets are stated at cost less accumulated depreciation and impairment, if any, whereas costs include expenditures that are directly attributable to the acquisition of the assets.

Depreciation is charged to the statement of profit or loss and other comprehensive income using straight line method so as to write off the historical cost of the assets over their estimated useful lives at the rates stated in note 4.

Depreciation on additions is charged from the month in which an asset is available for use and on disposals up to the month immediately preceding disposal.

Maintenance and normal repairs are charged to the statement of profit or loss and other comprehensive income as and when incurred. Major renewals and improvements are capitalized only if it is probable that respective future economic benefits associated with the expense will flow to the Company.

Asset's residual values and useful lives are reviewed at each reporting date and adjusted.

An item of operating fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount of the relevant assets. These are recognized in the statement of profit or loss and other comprehensive income.

3.2.2 Impairment

The Company assesses at each reporting date whether there is any indication that operating fixed assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. The recoverable amount of property and equipment is the greater of fair value less cost to sell and value in use. Where carrying values exceed the respective recoverable amounts, assets are written down to their recoverable amounts and the resulting impairment charge is recognized in the statement of profit or loss and other comprehensive income.

3.3 Long term investment

Equity accounted associate

Associates are all entities over which the Company has significant influence but not control. Significant influence is presumed to exist when the Company holds 20 percent or more of the voting power of another entity. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost which includes transaction costs.

Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss and other comprehensive income of equity accounted investee, until the date on which significant influence ceases. Distributions received from an investee reduce the carrying amount of the investment. Where there has been a change recognized directly in the equity of the associate, the Company recognizes its share of any changes and discloses this, when applicable, in the statement of changes in equity. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognize future losses, unless it has incurred obligations or made payments on behalf of the associate.

The investment in associates' carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Whenever, there is a change in the equity holding of the associate without a change in the Company's investment in the associate, a dilution gain/loss arises which is recorded in profit and loss account of the Company. Dilution gain/loss is the net change in the proportionate share of the Company in the net assets of the associate.

3.4 Fair value measurement

Fair value is 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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date.

The Company classifies fair value measurements of its investments using a hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

3.5 Revenue and other income

- Profit / interest income on bank deposits is recorded on accrual basis.
- Dividend income is recognized when the right to receive dividend is established.
- Miscellaneous income, if any, is recognized on receipt basis.

3.6 Taxation

Income tax expense comprises current, prior and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

3.6.1 Current

Current tax is the expected tax payable on the taxable income for the year estimated using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

3.6.2 Deferred

Deferred tax is recognized using balance sheet method, in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

The Company recognizes deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.7 Provisions

A provision is recognized when the Company has a present, legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.8 Foreign currency transactions

Transactions in foreign currencies are translated into Pakistan Rupees at the rates of exchange approximating those prevailing at the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupees at the exchange rate at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss and other comprehensive income.

3.9 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.10 Segment Accounting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose results are regularly reviewed by the segment to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The segment information is not generated by the Company and the Chief Executive reviews the Company as a single entity. Hence, segment disclosures are not included in these financial statements.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and cash at banks in current and saving accounts.

4. OPERATING FIXED ASSETS

	Owned		Total
	Computers and office equipment	Motor vehicles	
	(Rupees in '000)		
As at June 30, 2021			
Cost	1,286	110	1,396
Accumulated depreciation	(1,269)	(110)	(1,379)
Net book value	17	-	17
Year ended June 30, 2022			
Opening net book value	17	-	17
Depreciation charge for the year	(17)	-	(17)
Net book value	-	-	-
As at June 30, 2022			
Cost	1,286	110	1,396
Accumulated depreciation	(1,286)	(110)	(1,396)
Net book value	-	-	-
Year ended June 30, 2023			
Opening net book value	-	-	-
Additions during the year	1,524	-	1,524
Depreciation charge for the year	(112)	-	(112)
Net book value	1,412	-	1,412
As at June 30, 2023			
Cost	2,810	110	2,920
Accumulated depreciation	(1,398)	(110)	(1,508)
Net book value	1,412	-	1,412
Annual rate of depreciation	33.33%	20%	

5. LONG TERM INVESTMENT

		June 30, 2023	June 30, 2022
	Note	----- (Rupees in '000) -----	
The Resource Group International Limited (TRGIL) Unquoted 60,450,000 (June 30, 2022: 60,450,000) Series B Preferred Shares			
- Equity accounted investee	5.1 & 5.2	78,057,512	56,717,816

- 5.1 This represents investment in TRGIL, an associate incorporated in Bermuda having par value and additional paid up share capital of US\$0.01 and US\$ 0.99 per share respectively. The registered office of TRGIL is situated at Crawford House 50, Cedar Avenue, Hamilton HM 11, Bermuda. The Company holds 60,450,000 shares in TRGIL representing 68.8% of the total shares in issue (June 30, 2022: 68.8%), but with voting power of 45.3% (June 30, 2022: 45.3%). Furthermore, the Company does not control the composition of the board, i.e. it does not have the power to appoint majority of directors on TRGIL's board nor does it exercise or control more than fifty percent of TRGIL's voting power as per the contractual arrangements in place, thereby making TRGIL an associate. The percentage holding for share of associate accounting is calculated after taking into account the features of each class of shares and assets that have been earmarked for respective shareholders, which has resulted in 100% effective beneficial interest over its residual net assets after taking into account the interest accruing to other shareholders (June 30, 2022: 100%).

5.2 Reconciliation of carrying amount of investment

	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----	
Opening balance	56,717,816	49,620,244
Share of loss in equity accounted investee	(1,350,357)	(14,732,069)
Dilution gain in equity accounted investee	-	8,863,693
Exchange translation impact	22,690,053	12,965,948
Closing balance	<u>78,057,512</u>	<u>56,717,816</u>

5.3 Summarized financial information of equity accounted investee

	June 30, 2023	June 30, 2022
	----- US\$ -----	
Total assets	360,038,354	365,112,222
Total liabilities	(87,681,365)	(87,311,124)
Net assets	<u>272,356,989</u>	<u>277,801,098</u>
Share of interest in associate	<u>272,356,989</u>	<u>277,801,098</u>
Total gross income / (loss)	4,961,411	(73,682,107)
Loss after tax	(5,444,109)	(150,217,148)
Total comprehensive loss	(5,444,109)	(150,217,148)
Share of total comprehensive loss	(5,444,109)	(88,153,237)

6. ACCRUED INTEREST

	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----	
On Bank balances	<u>135</u>	<u>229</u>

7. CASH AND BANK BALANCES

Balance with bank in:		
- Current accounts	14,202	15,515
- Savings account	8,118	19,328
	<u>22,320</u>	<u>34,843</u>
Cash in hand	27	41
	<u>22,347</u>	<u>34,884</u>

7.1 The balance in savings account carries mark-up ranging from 4.02% to 20.16% per annum (2022: 6.25% to 11.84% per annum).

8. SHARE CAPITAL

	June 30, 2023		June 30, 2022	
	Number of shares	(Rupees in '000)	Number of shares	(Rupees in '000)
Authorized share capital				
- Ordinary class 'A' shares of Rs.10 each	720,000,000	7,200,000	720,000,000	7,200,000
- Ordinary class 'B' shares of Rs.10 each	13,000,000	130,000	13,000,000	130,000
	733,000,000	7,330,000	733,000,000	7,330,000
Issued, subscribed and paid-up capital				
Ordinary class 'A' shares of Rs. 10 each				
- allotted for consideration paid in cash	535,765,687	5,357,657	535,765,687	5,357,657
- allotted for consideration other than cash (note 8.1)	9,624,978	96,250	9,624,978	96,250
	545,390,665	5,453,907	545,390,665	5,453,907

8.1 These shares were issued in exchange for 1,636,000 shares of TRGIL of US \$1 each in 2003.

9. DEFERRED TAX LIABILITIES - net

Breakup and treatment of deferred tax balances are as follows:

	June 30, 2023			
	At July 1, 2022	Recognized in Profit and Loss	Recognized in OCI	At June 30, 2023
	----- (Rupees in '000) -----			
Taxable / (deductible) temporary differences on:				
Equity accounted investee	9,170,091	(202,554)	3,403,508	12,371,045
Accelerated tax depreciation	(38)	-	-	(38)
	9,170,053	(202,554)	3,403,508	12,371,007

	June 30, 2022			
	At July 1, 2021	Recognized in Profit and Loss	Recognized in OCI	At June 30, 2022
	----- (Rupees in '000) -----			
Taxable / (deductible) temporary differences on:				
Equity accounted investee	8,105,455	(880,256)	1,944,892	9,170,091
Accelerated tax depreciation	(38)	-	-	(38)
	8,105,417	(880,256)	1,944,892	9,170,053

10. PAYABLE TO RELATED PARTIES

10.1 This includes payable to TRGIL, an associate of the Company, for funds advanced by TRGIL to the Company for meeting its day to day operational expenses. During the year, funds amounting to US\$ 0.385 million (Rs. 94.708 million) (2022: Nil) were advanced by TRGIL. Furthermore, expense incurred by TRGIL on behalf of the Company amounted to US\$ 0.213 million (Rs. 59.412 million) (2022: Nil), whereas, foreign exchange loss recognised in respect of this foreign liability amounted to Rs.19.297 million (2022: 1.247 million).

10.2 This also includes payable to TRG (Private) Limited, an associate of the Company, with respect to shared administrative expenses incurred by TRG (Private) Limited on behalf of the Company amounting to Rs. 1.941 million (2022: Nil).

11. ACCRUED AND OTHER LIABILITIES

	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----	
Accrued expenses payable	12,861	6,578
Other liabilities	2,520	2,402
	<u>15,381</u>	<u>8,980</u>

12. UNCLAIMED DIVIDEND

This represents the unclaimed dividends pertaining to the years 2009 and 2021. The Company declared and paid the dividends but certain shareholders are yet to claim their dividends.

13. CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

The deemed assessments for the tax years 2003 and 2004 had been amended by the Taxation Officer (TO) whereby the exemption claimed under clause (101) Part I of the Second Schedule to the Income Tax Ordinance, 2001 (the Ordinance) were rejected in both these years and tax demands of Rs. 0.60 million and Rs. 0.09 million had been created respectively. The first appeal filed by the Company before Commissioner Inland Revenue (Appeals) against the amended orders had been rejected. The Company preferred second appeal in both the years before the Appellate Tribunal Inland Revenue (ATIR) which decided the appeal in the favor of the Company through consolidated order dated March 28, 2013. Application has been filed with the tax authorities for passing the appeal effect orders which are currently pending. Accordingly, no provision has been made for the said matters in these financial statements.

13.2 There are no other contingencies as on June 30, 2023 unless disclosed elsewhere in these financial statements.

13.3 Commitments

There were no commitments outstanding as at June 30, 2023 and June 30, 2022.

14. INTEREST INCOME

This represents interest income earned on bank deposits.

15. ADMINISTRATIVE AND OTHER EXPENSES

	Note	June 30, 2023	June 30, 2022
		----- (Rupees in '000) -----	
Auditors' remuneration	15.1 & 15.2	2,500	2,500
Exchange loss	10	19,297	1,247
Others		170,378	42,618
		<u>192,175</u>	<u>46,365</u>

15.1 Auditors' remuneration

Audit fee	1,265	1,265
Limited review and other certifications	675	675
Sales tax	305	305
Out of pocket expenses	255	255
	<u>2,500</u>	<u>2,500</u>

15.2 Auditors' remuneration for the year ended June 30, 2023 is subject to approval at Annual General Meeting.

16. OTHER INCOME

This pertains to the partial waiver amounting to Nil (2022: US\$ 147,000), granted by TRGIL on the balance payable to them amounting to Nil (2022: US\$ 173,517).

17. TAXATION

	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----	
Current tax:		
- Current year	-	107
- Prior years	(2,980)	(22,220)
- Deferred tax	(202,554)	(880,256)
	(205,534)	(902,369)

17.1 Reconciliation of income tax expense and accounting profit

Loss before taxation	(1,541,580)	(5,883,095)
Taxation	205,534	902,369
Loss after taxation	(1,336,046)	(4,980,726)
Income tax using applicable tax rate of 29% (2022: 29%)	(447,058)	(1,706,098)
Effect of tax on income charged at different rate	189,050	821,573
Others	52,474	(17,844)
	(205,534)	(902,369)

18. EARNINGS / (LOSS) PER SHARE - basic and diluted

Loss after tax for the year attributable to ordinary shareholders	(1,336,046)	(4,980,726)
	----- (Number of shares) -----	
Weighted average number of ordinary shares outstanding during the year	545,390,665	545,390,665
	June 30, 2023	June 30, 2022
	----- (Rupee) -----	
Loss per share	(2.450)	(9.132)

18.1 There is no dilution effect of potential ordinary shares on the Company's earnings per share.

19. NET CASH USED IN OPERATIONS

	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----	
Net loss before taxation	(1,541,580)	(5,883,095)
Adjustments for:		
Depreciation	112	17
Interest income on bank balances	(952)	(8,548)
Share of loss in equity accounted investee	1,350,357	14,732,069
Dilution gain on equity accounted investee	-	(8,863,693)
Effect on cash flows of working capital changes	181,882	(335,158)
	1,531,399	5,524,687
	(10,181)	(358,408)

19.1 Working capital changes

Note	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----	
<i>Increase in current assets:</i>		
Prepayments	-	(198)
<i>Increase / (decrease) in current liabilities:</i>		
Accrued and other liabilities	6,401	(313,237)
Payable to provident fund	124	128
Payable to related party	175,357	(21,851)
	181,882	(334,960)
	181,882	(335,158)

20. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration to Chief Executive Officer, Director and Executives of the Company is as follows:

	June 30, 2023		
	Chief Executive Officer	Directors	Executives
	----- (Rupees in '000) -----		
Fees / remuneration	-	6,250	-
Managerial remuneration	-	-	37,251
Bonus	-	-	5,508
Other benefits	-	-	3,917
Company's contribution to provident fund	-	-	2,247
	----- (Number) -----		
Number of persons	1	10	5
	----- (Rupees in '000) -----		
	----- (Number) -----		
Number of persons	1	9	3

21. RECONCILIATION OF MOVEMENT OF EQUITY AND LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Unclaimed dividend (Rupees in '000)
Balance as at July 1, 2022	19,581
Changes from financing cash flows	
Dividend paid	(1,721)
Total changes from financing cash flows	(1,721)
Balance as at June 30, 2023	17,860

22. FINANCIAL INSTRUMENTS

Financial risk management

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

22.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Credit risk arises from the inability of the counterparties to fulfil their obligations.

Exposure to credit risk

Credit risk of the Company arises principally from long term deposit, mark-up accrued thereon and balances with banks.

Bank balances amounting to Rs. 22.320 million (June 30, 2022: Rs. 34.843 million) are placed with bank having a short term credit rating of "A1+".

The maximum exposure to credit risk as at June 30, 2023, along with comparative is tabulated below:

Financial assets	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----	
Long term deposit	75	75
Accrued interest	135	229
Balances with banks	22,320	34,843
	22,530	35,147

22.1.1 Based on management's assessment, no ECL was required since the Company's financial assets at amortized cost are held with counterparties with low credit risk.

Financial assets do not contain any impaired or non-performing assets.

22.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

A major portion of the Company's financial liabilities are obligations due to the Company's associate, TRGIL, whose 100% net assets are factually owned by the Company as at June 30, 2023, therefore the management believes that the Company is not exposed to liquidity risk regarding those balances as the terms of repayments can be re-negotiated. Further, TRGIL has assured the Company that it will not demand payments of its payable in the next 12 months as it has sufficient liquidity to meet its financial obligations as they fall due, unless the Company's financial position permits and will provide sufficient funds support to the Company to operate smoothly.

The following are the contractual maturities of financial liabilities:

	June 30, 2023		
	Carrying amount	Contractual cash flows	Maturity up to one year
	----- (Rupees in '000) -----		
Financial liabilities			
Accrued and other liabilities	15,381	15,381	15,381
Payable to provident fund	252	252	252
Payable to related party	180,771	180,771	180,771
	196,404	196,404	196,404
	June 30, 2022		
	Carrying amount	Contractual cash flows	Maturity up to one year
	----- (Rupees in '000) -----		
Financial liabilities			
Accrued and other liabilities	8,980	8,980	8,980
Payable to provident fund	128	128	128
Payable to related party	5,414	5,414	5,414
	14,522	14,522	14,522

22.3 Market risk

Market risk is the risk that the value of the financial instruments may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

Management believes that fair values of the Company's financial assets and liabilities are not materially different from their carrying values since all of the financial instruments of the Company are classified as amortized cost except for Company's share of profit from equity accounted associate which is indirectly exposed due to fair valuation risk of mark to market treatment of certain portfolio investments.

22.3.1 Currency risk

Foreign currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

Exposure to currency risk

The Company primarily has foreign currency exposure in US\$, however, the Company has not hedged its foreign currency exposure as the Company believes that foreign currency exposure is not significant to the Company's financial position and performance.

A one percent strengthening / (weakening) of the US Dollar against Rupee at June 30, 2023 would have (decreased) / increased equity and statement of profit or loss account by Rs. 13.698 million (June 30, 2022: Rs. 125.23 million). This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis was performed on the same basis for 2022.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit or loss for the year and assets / liabilities of the Company.

22.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Management believes that interest rate exposure is not significant to the Company's financial position.

22.3.3 Fair values of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. As the accompanying financial statements are prepared under the historical cost method, differences may arise between the book values and the fair value estimates.

23. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to the shareholders or issue bonus / new shares. The Company also monitors capital using a gearing ratio, which is net debt, interest bearing loans and borrowings including finance cost thereon. Capital signifies equity as shown in the balance sheet plus net debt.

The Company is not subject to any externally imposed capital requirements.

24. OPERATING SEGMENTS

The financial information has been prepared on the basis of a single reportable segment.

25. RELATED PARTY DISCLOSURES

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

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

Related party transactions and balances other than those disclosed elsewhere in these financial statements are as follows:

Name of Related Party	Nature of Transactions	June 30, 2023	June 30, 2022
Payable to related parties		---- (Rupees in '000) ----	
Directors	Board and other meeting fees	1,950	750
Key management personnel	Remuneration	3,584	1,454
Staff retirement fund - TRG Pakistan Staff			
Employees Provident Fund	Contribution	252	128
		5,786	2,332

25.1 The investments out of provident fund of the Company have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

26. NUMBER OF EMPLOYEES

As at June 30, 2023, the Company had five employees (June 30, 2022: three employees). Average number of employees were four (June 30, 2022: three employees) during the year ended June 30, 2023.

27. UPDATE ON LITIGATION AND REGULATORY CASES

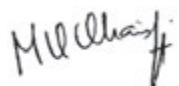
- 27.1** Pursuant to complaints that had been filed by the Director of the Company from time to time, the Company had received show cause notices from the Securities and Exchange Commission of Pakistan (“SECP”) dated September 9, 2022 and September 22, 2022 (“the Notices”) seeking explanation as to why a penalty may not be imposed, on alleged technical non-compliance on certain administrative matters relating to the Companies Act, 2017. The Company challenged the Notices in its Suit no. 1584 of 2022 which was filed before the Sindh High Court (“SHC”) at Karachi and the Honorable SHC passed an interim order dated October 21, 2022 restraining the SECP from taking any coercive action against the Company. Such an order continues to remain in force to date. Then on April 4, 2023, the Company received a show cause notice from the SECP pertaining to an event that had occurred in 2020. The Company, on the basis of legal advice, is confident that it has a strong and defensible case on merits, in each of the above matters, and is likely to ultimately succeed in obtaining a favorable decision and in any case, without being exposed to any material liability.
- 27.2** On October 24, 2022 Jahangir Siddiqui & Co. Limited, JS Bank Limited, JS Infocom Limited, Energy Infrastructure Holding Private Limited, The Trustees of JS Bank Staff Gratuity Fund, Mr. Suleman Lalani and Mr. Asad Nasir (collectively “plaintiffs”), had filed a suit against the Company and others, whereby they had sought, inter alia, that the Company be restrained from holding the Annual General Meeting (the “AGM”) of the Company. Accordingly, the Honorable SHC had passed an interim order, restraining the Company from conducting its AGM till further orders. The AGM of the Company was accordingly adjourned in compliance with such order.
- 27.3** During the year, a Demand for Arbitration (the “Arbitration”) was filed in the United States of America by Mr. Ziaullah Khan Chishti, former CEO of the Company, individually and derivatively on behalf of the Company and TRGIL, against the Company, TRGIL (together as “nominal respondents”) and other parties to the Preferred Stock Purchase Agreement (the “Agreement”) dated October 4, 2005, alleging that they have breached certain provisions of the Agreement. The Arbitration is in its initial phases, with a Commencement Letter issued in May 2023, and an arbitrator has not yet been appointed. In addition, the Company highlights that in January 2022 as part of a partial redemption of his TRGIL shares, Mr. Chishti signed, to the benefit of the Company and related parties, a general release and a covenant not to sue (the “Release”). The Company filed a lawsuit in the United States District Court seeking to enjoin the arbitration and receive a declaration that all claims brought by Chishti have been released. The matter moved to the Second Circuit Court of Federal Appeals where it is pending decision regarding jurisdiction. The Company has consulted legal counsel and believes that it has meritorious claims, defenses, and arguments on each matter.

28. GENERAL

- 28.1** The figures have been rounded off to nearest thousand rupees unless otherwise stated.
- 28.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. There have been no significant rearrangements and reclassifications in these financial statements.

29. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on September 28, 2023 by the board of directors of the Company. As more fully explained in note 27.2, due to pending Annual General Meeting of the Company, the financial statements of the Company for the year ended 30 June 2022 have not yet been adopted by the shareholders of the Company.



Director



Chief Financial Officer










Director










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