

**Saudi Pak Consultancy Company
Limited
(Formerly Saudi Pak Leasing Company
Limited)
Financial Statements
For the year ended
December 31, 2024**

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Saudi Pak Consultancy Company Limited (Formerly Saudi Pak Leasing Company Limited)
Report on review of Condensed Interim financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Saudi Pak Consultancy Company Limited (Formerly Saudi Pak Leasing Company Limited) as at 31 December 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and notes to the financial statements for the six-month period then ended (herein-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for condensed interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures for the quarter ended 31 December 2024 and 31 December 2023 as presented in the condensed statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and thus, we do not express a conclusion on them.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". Review of interim financial statements consists of making inquiries of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Adverse Conclusion

Going Concern Assumption is not appropriate

We draw attention to note 1.2 to the condensed interim financial statements which indicated that the Company has earned net profit of Rs. 24.298 million during the half year ended December 31, 2024 (December 2023: Rs.107.029 million) and as of the date its accumulated losses amounted to Rs. 1.645 billion (30 June 2024: Rs 1.669 billion), its negative equity stood at Rs. 427.451 million (30 June 2024: Rs. 459.736 million) and its current liabilities exceeded current assets by Rs. 541.69 million (30 June 2024: Rs. 576.805 million). Further, due to liquidity crisis, the Company was unable to meet its financial obligation of Rs. 632.059 (30 June 2024: 638.945 million in principal and Rs. 488.714 million (30 June 2024: 526.016) in accrued markup.

These conditions lead us to believe that the going concern assumption used in preparation of these financial statements is inappropriate, consequently the assets and liabilities should have been stated at their realizable and settlement amounts respectively.

Adverse Conclusion

Our review indicates that, because of the significance of the matters discussed in basis for the adverse conclusion paragraph above, these accompanying condensed interim financial statements for the half year ended December 31, 2024 have not been prepared, in all material respects, in accordance with the approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to the note 1.1 and 1.2 to the interim financial statements which explains the change in the name and line of business of the company. Our conclusion is not modified in this respect.

The engagement partner on the review resulting in this independent auditor's review report is **Imran Iqbal**.

UHY Hassan Naeem & Co.

KARACHI

DATE: February 24, 2025

UDIN: RR202410215w9vQtJETG

Saudi Pak Consultancy Company Limited
(Formerly Saudi Pak Leasing Company Limited)
Statement of Financial Position
As at 31 December 2024

		December 31, 2024 Rupees (Un-audited)	June 30, 2024 Rupees (Audited)
ASSETS			
Current assets			
Cash and bank balances	5	108,321,188	108,824,297
Short term loans	6	75,800,300	75,800,300
Short term investments	7	47,281,095	39,175,000
Trade deposits and short term prepayments		1,351,856	1,500,736
Other receivables	8	385,031	-
Current maturity of non-current assets	9	366,432,969	384,889,439
Taxation - net		7,351,689	7,352,333
Total current assets		606,924,128	617,542,105
Non-current assets			
Long-term loans	10	-	-
Net investment in finance leases	11	-	-
Investment properties	12	35,915,383	36,624,691
Property, plant and equipment	13	78,327,369	80,444,629
Total non-current assets		114,242,752	117,069,320
Total Assets		721,166,880	734,611,425
LIABILITIES			
Current liabilities			
Borrowings from financial institutions	14	137,500,000	137,500,000
Certificates of investment	15	43,000,000	43,000,000
Accrued mark-up	16	488,714,588	526,016,420
Accrued expenses and other payables	17	4,431,296	5,973,152
Current maturity of non-current liabilities	18	451,559,277	458,445,651
Income Tax payable		21,751,574	21,751,574
Unclaimed dividend		1,661,291	1,661,291
Total current liabilities		1,148,618,026	1,194,348,088
Non-current liabilities			
Long term finances	19	-	-
Security Deposits against Finance Leases	20	-	-
Total non-current liabilities		-	-
Total liabilities		1,148,618,026	1,194,348,088
NET ASSETS		(427,451,146)	(459,736,663)
FINANCED BY			
Authorized Share Capital			
100,000,000 (June 30, 2024: 100,000,000) ordinary shares of Rs. 10/		1,000,000,000	1,000,000,000
100,000,000 (June 30, 2024: 100,000,000) preference shares of Rs.10/		1,000,000,000	1,000,000,000
		2,000,000,000	2,000,000,000
Issued, subscribed and paid-up share capital - ordinary shares		451,605,000	451,605,000
Issued, subscribed and paid-up share capital - preference shares		528,208,500	528,208,500
Statutory reserves		179,549,025	179,549,025
Accumulated loss		(1,645,113,906)	(1,669,447,849)
Surplus on revaluation of property, plant and equipment	21	50,821,939	42,870,365
Unrealised gain/(loss) on re-measurement as at FVOCI		8,477,962	8,477,962
Accumulated actuarial (loss) /gain on defined benefit plan-net of tax		(999,666)	(999,666)
		(427,451,146)	(459,736,663)
CONTINGENCIES AND COMMITMENTS			
22			
<i>The annexed notes form an integral part of this condensed interim financial information.</i>			



Chief Executive Officer



Chief Financial Officer



Director

Saudi Pak Consultancy Company Limited
(Formerly Saudi Pak Leasing Company Limited)
Condensed Interim Profit or Loss Account
For the period ended December 31, 2024

	Note	Six Months period ended		Three months period ended	
		December 31 2024	December 31 2023	December 31 2024	December 31 2023
(Rupees)					
Revenue					
Income from:					
Finance leases	23	5,429,193	61,725,156	1,250,930	61,023,188
Other operating income	24	69,187,423	71,260,098	58,885,200	15,832,301
TOTAL INCOME		74,616,616	132,985,254	60,136,130	76,855,489
Expenses					
Finance cost	25	(18,084,098)	(24,706,428)	(7,510,715)	(12,001,636)
Administrative and operating expenses	26	(29,961,000)	(21,460,279)	(17,655,155)	(11,266,720)
		(48,045,098)	(46,166,707)	(25,165,870)	(23,268,356)
Operating Profit / (Loss) before provisions		26,571,518	86,818,547	34,970,260	53,587,133
Reversal/Provision for doubtful					
Reversals of provisions on lease and loans		-	21,819,004	-	21,420,124
Profit/(loss) before income tax, minimum tax differential and final tax		26,571,518	108,637,551	34,970,260	75,007,257
Minimum tax - levy		2,272,578	(1,608,127)	2,272,578	(1,608,127)
Final taxes - levy		-	-	-	-
		2,272,578	(1,608,127)	2,272,578	(1,608,127)
Profit/(loss) before tax		24,298,940	107,029,424	32,697,682	73,399,130
Current tax expense		-	-	-	-
Profit / (loss) after tax		24,298,940	107,029,424	32,697,682	73,399,130
Earnings / (Loss) per share - basic	29	0.54	2.37	0.72	1.62

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive Officer



Chief Financial Officer



Director

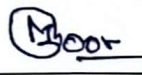
Saudi Pak Consultancy Company Limited
 (Formerly Saudi Pak Leasing Company Limited)
 Statement of Comprehensive Income
 For the period ended December 31, 2024

	Six months period ended		Three months period ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees)			
Profit / (Loss) after taxation	24,298,940	107,029,424	32,697,682	73,399,130
Other comprehensive income				
Re-measurement of investments-FVTOCI	7,951,574	(506,466)	-	-
Total comprehensive income for the year	32,250,514	106,522,958	32,697,682	73,399,130

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive Officer



Chief Financial Officer



Director

Saudi Pak Consultancy Company Limited)
(Formerly Saudi Pak Leasing Company Limited)
Condensed Interim Statement of Changes in Equity
For the period ended December 31, 2024

	Subscribed and paid-up share capital					Reserves			Total
	Ordinary Shares	Non-redeemable Preference shares	Statutory reserves	Re-measurement of investment FVTOCI	Accumulated actuarial gain/loss	Accumulated loss	Revaluation Surplus -PPE		
Balance as at July 1, 2023	451,605,000	528,208,500	179,549,025	44,999,229	(999,666)	(1,804,651,714)	32,854,773	(568,434,853)	
Profit/(Loss) for the period	-	-	-	-	-	107,029,424	-	107,029,424	
Transfer from surplus on account of incremental depreciation	-	-	-	(506,466)	-	506,466	(2,435,792)	(2,435,792)	
Balance as at December 31, 2023	451,605,000	528,208,500	179,549,025	44,492,759	(999,666)	(1,697,115,824)	30,418,981	(463,841,221)	
Balance as at July 1, 2024	451,605,000	528,208,500	179,549,025	42,870,365	(999,666)	(1,669,447,849)	8,477,962	(459,736,663)	
Profit/(Loss) for the period	-	-	-	7,951,574	-	24,298,940	-	32,250,514	
Revaluation of investments	-	-	-	-	-	35,003	-	35,003	
Balance as at 31 December 2024	451,605,000	528,208,500	179,549,025	50,821,939	(999,666)	(1,645,113,906)	8,477,962	(427,451,146)	

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive Officer



Chief Financial Officer



Director

Saudi Pak Consultancy Company Limited
(Formerly Saudi Pak Leasing Company Limited)
Condensed Interim Cash Flow Statement
For the period ended December 31, 2024

	Six months period ended	
	December 31, 2024	December 31, 2023
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Finance cost paid	(29,033)	(21,071)
Taxes paid	(2,272,578)	(1,608,127)
Interest receivable from Govt. Securities - T-Bills	-	-
Decrease in net investment in finance leases	12,939,947	106,739,913
	10,638,336	105,110,715
<i>Net cash flows from operating activities</i>	1,012,944	175,678,441
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(168,600)	(168,600)
Short term investments - net	(8,106,095)	19,220,691
Interest Income Received / Others	8,675,584	6,094,466
Dividend received	4,969,734	5,043,474
<i>Net cash (used in) / from investing activities</i>	5,370,623	30,190,031
CASH FLOW FROM FINANCING ACTIVITIES		
Loan from Financial Institutions	-	(20,000,000)
Term Finance Certificates	(6,886,675)	(688,688)
Certificates of investment	-	(44,000,000)
<i>Net cash used in financing activities</i>	(6,886,675)	(64,688,688)
Net decrease in cash and cash equivalents during the period	(503,108)	141,179,784
Cash and cash equivalents at beginning of the period	108,824,297	27,576,426
Cash and cash equivalents at end of the period	108,321,188	168,756,209


Chief Executive Officer


Chief Financial Officer


Director

1. LEGAL STATUS AND OPERATIONS

1.1 Saudi Pak Consultancy Company Limited (Formerly Saudi Pak Leasing Company Limited (the Company) was incorporated in Pakistan on January 08, 1991 under the Companies Ordinance, 1984 and is listed on Pakistan Stock Exchanges Limited. The registered office of the Company is situated at 6th Floor, Lakson Square Building No.1, Sarwar Shaheed Road, Saddar, Karachi and branch office is located at 337/338, 4th Floor, JEFF Heights, Main Boulevard, Gulberg-III, Lahore. The main business activity of the Company is extending of consultancy services where as its former business was leasing of assets. The Company's license to carry out the business of leasing had expired on May 18, 2010 and subsequently has been cancelled on June 30, 2021. The company has not been able to obtain renewal thereof from SECP as the legal requirements laid down in this respect could not be met by the company, despite all out efforts under force majeure circumstances. Failure on fulfilling of statutory requirements the majority share holders approved in change of name of the company and line of business through special resolutions passed in EOGM held on 24th of April 2024.

Saudi Pak Industrial & Agricultural Investment Company Limited (SAPICO) is the major shareholder and as of 31 December 2024 holds 35.06% (30 June 2024: 35.06%) of issued ordinary share capital of the Company and 63% (30 June 2024: 63%) of issued preference share capital of the Company.

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

- Despite the existence of the foregoing material uncertainties, these financial statements have been prepared using the going concern assumption primarily due to the reason that a number of recovery suits filed by the Company against its customers are expected to be disposed off in due course of time as the management is actively seeking out-of-court settlement of such suits and by way of auction of collateralized assets and to effect recoveries through negotiated settlements. A reasonable number of cases have been decreed in the favour of the Company. It is expected to materially improve the recoveries of overdue lease rentals which are limited in numbers and term loans from customers which, in turn, would enable the Company to settle its long outstanding financial liabilities to lenders in order to make the Company a feasible investment avenue for a resourceful investor.

During the half year ended December 31, 2024, the Company has earned profit amounting Rs.24.298 million (December 31, 2023: Profit Rs. 107.029 million) and accumulated losses as of that date amounted Rs. 1.645 billion (June 30, 2024: Rs. 1.669 billion), its negative equity stood at Rs. 427.451 million (June 30, 2024 : Rs.459.737 million) and its current liabilities exceeded current assets by Rs. 427.451 million (June 30, 2024 : 459.737 million).

- The management of the Company is confident that due to steps / measures as explained in the above paragraphs which are in line with the Board's directives for capital management and the approved financial projections, the going concern assumption is appropriate and has as such prepared these financial statements on a going concern basis.
- In order to avoid liquidation of the Company, the BOD decided to change name of the Company and line of business. The major share holders backed the idea of BOD and passed special resolution in EOGM dated 24.04.2024 at Islamabad. Consequently after fulfilling SECP statutory formalities CRO Karachi office has issued new certificate of incorporation in the name of SAUDI PAK CONSULTANCY COMPANY LTD.

2. BASIS OF PREPERATION

2.1 Statement of Compliance

This condensed interim financial information of the Company for the six months ended 31 December 2024 has been prepared in accordance with the requirements of the International Accounting Standard 34 (IAS 34), "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives issued under the Companies Act, 2017.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION

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

4. FINANCIAL RISK AND CAPITAL MANAGEMENT

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

		December 31 2024 (Un-audited)	June 30, 2024 (Audited)
5. CASH AND BANK BALANCES	Note		
Cash in hand		100,000	75,000
Current account - local currency		52,987	24,676
Balances with other banks:			
- in saving accounts	5.1	108,168,201	108,724,621
		<u>108,321,188</u>	<u>108,824,297</u>
5.1	This represents saving deposit accounts maintained with MCB Bank Limited carrying mark-up at the rate of 11.00% (30 June 2024: 18.25%) per annum.		
6. SHORT TERM LOANS - Secured			
Term loan to customers			
- Considered doubtful	6.1	80,800,300	80,800,300
Provision for non-performing loans		(5,000,000)	(5,000,000)
		<u>75,800,300</u>	<u>75,800,300</u>
6.1	This represents term finance facilities provided to customers and carries mark-up ranging from 16.25% to 25% (30 June 2024: 16.25% to 25%) per annum.		
7. SHORT TERM INVESTMENTS			
Investments in Shares	7.1	40,006,357	32,054,783
Amortized cost - T-Bills	7.2	7,274,738	7,120,217
		<u>47,281,095</u>	<u>39,175,000</u>
7.1	This represents investment of shares in quoted Companies. The investment is stated at fair value.		
7.1.2	Investment in the ordinary shares of Listed company (UIC Insurance Company Limited)		
		40,006,357	32,054,783
		<u>40,006,357</u>	<u>32,054,783</u>
7.1.3	The Company has been holding membership cards of ACACIA Golf Club. These membership cards had been acquired by the Company in 2010. Further, since the said golf club was not operational, a provision for impairment there-against had also been recognized in the financial statements of the Company.		
7.2 Amortized cost			
Government Market Treasury Bills	7.2.1	7,274,738	7,120,217
7.2.1	This represents investment in Government Market Treasury Bill having maturity on 06 February 2025 and carries effective mark-up at a rate of 13.45% (30 June 2024: 20.69%) per annum.		

		December 31 2024	June 30 2024
8. OTHER RECEIVABLES			
Receivable from finance leases		65,873,711	65,913,380
Receivable on conversion of SPI shares into UNIC		16,609,559	16,609,559
Receivable from Provident Fund		2,880,000	2,880,000
Others		3,478,932	3,093,901
		<u>88,842,202</u>	<u>88,496,840</u>
Provision against doubtful receivables		<u>(88,457,171)</u>	<u>(88,496,840)</u>
		<u>385,031</u>	<u>-</u>
9. CURRENT MATURITY OF NON - CURRENT ASSETS			
Current portion of:			
Long term loans	10	52,723,785	52,723,626
Net investment in finance leases	11	313,709,184	332,165,813
		<u>366,432,969</u>	<u>384,889,439</u>
10. LONG TERM LOANS - secured			
Due from employees - Related Party		244,801	244,642
Term loan to customers - considered doubtful	10.1	100,064,030	100,064,030
		<u>100,308,831</u>	<u>100,308,672</u>
Provision for non-performing loans		<u>(47,585,046)</u>	<u>(47,585,046)</u>
		<u>52,723,785</u>	<u>52,723,626</u>
Current maturity of long term loans	9	<u>(52,723,785)</u>	<u>(52,723,626)</u>
		<u>-</u>	<u>-</u>

10.1 Term loans due from customers are secured against assets. The rate of return on these loans ranges from 16.00% to 22.66% (30 June 2024 16.00% to 22.66%) per annum.

		December 31 2024	June 30 2024
11. NET INVESTMENT IN FINANCE LEASES			
Minimum lease payments receivable		1,041,660,111	1,054,600,061
Add: Residual value of leased assets		256,206,158	263,092,633
Gross investment in finance leases		<u>1,297,866,269</u>	<u>1,317,692,694</u>
Less: Mark-up held in suspense		<u>(171,464,989)</u>	<u>(172,834,677)</u>
		<u>1,126,401,280</u>	<u>1,144,858,017</u>
Less: Provision for potential lease losses		<u>812,692,096</u>	<u>(812,692,204)</u>
Net investment in finance leases		<u>313,709,184</u>	<u>332,165,813</u>
Less: Current portion of net investment in finance leases	9	<u>(313,709,184)</u>	<u>(332,165,813)</u>
		<u>-</u>	<u>-</u>

12. INVESTMENT PROPERTIES

Particulars	Cost			Rate %	Depreciation			W.D.V
	As at July	Addition/ (Disposals)	As at December		As at July	Charge/ (Reversal)	As at December	As at
	01, 2024		31, 2024		01, 2024		31, 2024	31, 2024
 Rupees.....							
Investment Property	66,160,092	-	66,160,092		29,535,401	709,308	30,244,709	35,915,383
December 2024	<u>66,160,092</u>	<u>-</u>	<u>66,160,092</u>		<u>29,535,401</u>	<u>709,308</u>	<u>30,244,709</u>	<u>35,915,383</u>
June 2024	<u>66,160,092</u>		<u>66,160,092</u>		<u>28,116,785</u>	<u>1,418,616</u>	<u>29,535,401</u>	<u>36,624,691</u>

		December 31 2024	June 30, 2024
	Note	(Un-audited)	(Audited)
13. PROPERTY, PLANT AND EQUIPMENT			
Property, plant and equipment - own use		78,327,369	79,607,042
		<u>78,327,369</u>	<u>79,607,042</u>
Additions/Disposal - Cost			
Owned assets			
Office Vehicle		-	127,000
Office equipment and air conditioners		168,600	462,700
Total additions		<u>168,600</u>	<u>589,700</u>
Disposals - WDV			
Office equipment		50,900	-
Total Disposals		<u>50,900</u>	<u>-</u>
		December 31 2024	June 30, 2024
	Note	(Un-audited)	(Audited)
14. BORROWINGS FROM FINANCIAL INSTITUTIONS			
Letter of placements - Unsecured			
National Bank of Pakistan	14.1	77,500,000	77,500,000
Innovative Investment Bank Limited	14.2	60,000,000	60,000,000
		<u>137,500,000</u>	<u>137,500,000</u>
14.1	This represents finance of Rs. 77.50 million obtained from National Bank of Pakistan on 01 April 2010 through a letter of placement carrying mark-up at a rate of 11.20% per annum for a period of 40 days. The Company has not paid any amount in respect of this finance. As of 31 December 2024, the Company has accrued a mark-up of Rs. 108.583 million.		
14.2	This represents finance of Rs. 63 million obtained from Innovative Investment Bank Limited on 3 December 2010 through a letter of placement carrying mark-up at a rate of 8% per annum for a period of 90 days. The facility was rolled over for a further period of 184 days on 14 March 2011. Since the disbursement of facility, the Company has paid an amount of Rs. 3 million on account of principal repayment.		
		December 31 2024	June 30 2024
	Note	(Un-audited)	(Audited)
15. CERTIFICATE OF INVESTMENT		43,000,000	43,000,000
16. ACCRUED MARK-UP			
Mark-up on:			
Certificates of investment		60,707,293	77,502,305
Long term finances		26,737,222	26,737,222
Term finance certificates		232,367,885	252,874,705
Short term borrowings from financial institutions		168,902,188	168,902,188
		<u>488,714,588</u>	<u>526,016,420</u>
17. ACCRUED EXPENSES AND OTHER PAYABLES			
Accrued expenses		3,393,718	4,224,701
Others		1,037,578	1,748,451
		<u>4,431,296</u>	<u>5,973,152</u>

Saudi Pak Consultancy Company Limited)
(Formerly Saudi Pak Leasing Company Limited)
Notes to the Financial Information
For the period ended December 31, 2024

	Note	December 31 2024 (Un-audited)	June 30 2024 (Audited)
18. CURRENT MATURITY OF NON- CURRENT LIABILITIES			
Current portion of:			
Certificate of investment		1,249,000	1,249,000
Long term finances	19	206,651,402	213,537,776
Security deposits against finance leases	20	243,658,876	243,658,875
		<u>451,559,277</u>	<u>458,445,651</u>
19. LONG TERM FINANCES			
Long term finances - secured	19.1	12,500,000	12,500,000
Long term finances - unsecured		5,703,696	5,703,696
	19.2	18,203,696	18,203,696
Term finance certificates - secured	19.3	188,447,706	195,334,080
		206,651,402	213,537,776
Current maturity of long term finances	18	(206,651,402)	(213,537,776)
		<u>-</u>	<u>-</u>
19.2 Long term finances			
National Bank of Pakistan - II-Secured	19.2.1	12,500,000	12,500,000
Silk Bank Limited-Unsecured	19.2.2	5,703,696	5,703,696
		<u>18,203,696</u>	<u>18,203,696</u>

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

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

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

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

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

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

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
20. LONG TERM SECURITY DEPOSITS			
Security deposits against finance leases	20.1	243,658,876	243,658,876
Current maturity of deposits against finance lease	18	(243,658,876)	(243,658,876)
		-	-
		-	-
21. SURPLUS ON REVALUATION OF ASSETS			
Surplus on revaluation of property, plant and equipment	21.1	50,821,939	42,870,365
		50,821,939	42,870,365
		50,821,939	42,870,365

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

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

22. CONTINGENCIES AND COMMITMENTS

22.1 The Company is defending various counter suits filed against it by defaulting customers against whom recovery suits were filed by the company between the year 2009 to 2018. The counter suits are mainly for rendition of accounts and damages and or injunction against the company. These suits are proceeding in the High Court or Banking Court and, in the opinion of the legal counsel, the Company is not likely to suffer any loss or liability on account of these counter suits.

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

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

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

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

	December 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)
	(Rupees)	
23. INCOME FROM FINANCE LEASES		
Income from finance lease contracts	1,369,688	37,291,312
Gain on termination of finance lease contracts	4,059,505	24,433,844
	<u>5,429,193</u>	<u>61,725,156</u>
24. OTHER OPERATING INCOME		
Income from financial assets:		
- Dividend income	4,969,734	5,043,474
- Capital gain on Disposal of fixed assets	5,000	860,334
- Interest income from government securities	634,590	703,916
- Interest income on term loans	-	2,526,222
- Interest income from savings accounts	8,675,584	3,568,244
	<u>14,284,908</u>	<u>12,702,190</u>
Income from non-financial assets:		
- Waiver on settlement of TFC	37,044,515	58,557,908
- Waiver on settlement of certificate of investments	17,858,000	-
	<u>54,902,515</u>	<u>58,557,908</u>
	<u>69,187,423</u>	<u>71,260,097</u>
25. FINANCE COST		
Mark-up on:		
- Term finance certificates	16,537,695	22,648,547
Return on certificates of investment	1,517,370	2,036,810
Bank charges	29,033	21,071
	<u>18,084,098</u>	<u>24,706,428</u>
26. ADMINISTRATIVE AND OPERATING EXPENSES	December 31 2024	December 31 2023
Salaries, Allowances and Benefits	15,703,480	9,258,916
Directors' Fee	1,875,000	1,750,000
Rent	485,904	559,800
Repairs and maintenance	1,490,458	1,184,087
Insurance	134,647	52,640
Utilities	1,035,511	1,009,927
Vehicle running expenses	843,879	850,865
Printing and stationery	323,853	193,560
Telephone and postage	480,792	363,629
Travelling and conveyance	52,590	5,800
Travelling and conveyance - Directors	1,304,555	375,276
Fee and subscriptions	536,695	209,555
Depreciation on owned assets	2,336,260	2,230,601
Depreciation on Investment Properties	709,308	709,308
Legal and professional charges	1,167,943	2,401,377
Advertising	58,500	148,938
Auditors' remuneration	213,300	156,000
Miscellaneous	1,208,325	-
	<u>29,961,000</u>	<u>21,460,279</u>

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27 CASH GENERATED FROM OPERATIONS

	31-December-24	31-December-23
Profit / (Loss) for the period before taxation	26,571,518	108,637,551
<i>Adjustment for non cash charges and other items :</i>		
Depreciation - owned assets	2,336,260	2,230,601
Depreciation - investment properties	709,308	917,348
Income from finance leases	(1,369,688)	(37,291,312)
Financial charges and other charges	18,084,098	24,706,428
(Provision) / reversals for doubtful leases, loans and other receivables	(4,059,505)	(21,819,004)
Dividend income	4,969,734	5,043,474
Interest income from government securities / saving accounts	634,590	703,916
Gain on settlement of term finance certificates	(37,044,515)	(58,557,908)
Other Income	5,000	3,556
Gain on settlement of Certificate of investment	(17,858,000)	(2,754,650)
	<u>(33,592,718)</u>	<u>(86,817,551)</u>
(Loss)/profit before working capital changes	(7,021,200)	21,820,000
Working capital changes		
Short term loans	-	44,729,876
Trade deposits and short term prepayments	148,880	(5,488,682)
Other Receivables	(385,031)	(10,910,000)
Accrued expenses and other payables	(2,368,041)	(486,120)
	<u>(2,604,192)</u>	<u>27,845,074</u>
Cash (used in) / generated from operations after working capital changes	<u>(9,625,392)</u>	<u>49,665,074</u>

28. TRANSACTIONS WITH RELATED PARTIES AND ASSOCIATED UNDERTAKINGS

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

	Note	31-December-24 (Unaudited)	31-December-23 (Unaudited)
		(Rupees)	
Directors fee			
Fee		1,875,000	1,750,000
Key management personnel			
Remuneration to key management personnel		5,722,182	4,035,000
Other related parties			
Payments to provident fund		1,026,256	205,700

29. EARNINGS / (LOSS) PER SHARE - BASIC

		(Rupees)	(Rupees)
Profit / (Loss) after taxation attributable to ordinary shareholders		<u>24,298,940</u>	<u>107,029,424</u>
Weighted average number of ordinary shares		<u>45,160,500</u>	<u>45,160,500</u>
		(Number)	(Number)
Earnings / (Loss) per share - Basic		<u>0.54</u>	<u>2.37</u>

30. COMPARATIVE FIGURES

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

31. DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on 19-02-2025 by the Board of Directors.

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Chief Executive Officer



Chief Financial Officer



Director