



SAUDI PAK CONSULTANCY COMPANY LIMITED

(Formerly Saudi Pak Leasing Company Limited)

FINANCIAL STATEMENTS (UN-AUDITED)

(3RD QUARTER)

FOR THE PERIOD ENDED

March 31, 2025

Directors' Review

For the Nine Months Ended March 31, 2025

The Board of Directors of **Saudi Pak Consultancy Company Limited** (Formerly Saudi Pak Leasing Company Limited) is pleased to present the Condensed Interim Financial Information (unaudited) for the nine-month period ended **March 31, 2025**.

Operating and Financial Results

Particulars	March 31, 2025 (Rs.)	March 31, 2024 (Rs.)
Income from finance and operating leases	3,544,946	61,818,118
Other operating income	87,641,221	111,195,256
Total income	91,186,167	173,013,374
Finance cost	(24,099,602)	(36,061,741)
Administrative and other operating expenses	(45,159,749)	(30,786,907)
Write-offs against loans and leases	885,520	—
Operating (Loss)/Profit before Provisions	21,926,816	106,164,726
Reversal/(Provision) against leases, loans, receivables, and investment properties	24,860,899	21,819,004
(Loss)/Profit before Taxation	46,787,715	127,983,730
Taxation – Current	(2,447,046)	(2,855,898)
Taxation – Deferred	—	—
(Loss)/Profit after Taxation	44,340,669	125,127,832
(Loss)/Earnings per Share – Basic	0.98	2.77

Management Discussion and Analysis

The Company reported a **63.40% decline in total income** for the nine-month period ended March 31, 2025, compared to the same period last year. Operating profit before provisions dropped to **Rs. 21.927 million** from **Rs. 106.165 million**, primarily due to delays in recoveries and the settlement of liabilities.

Management is actively pursuing **out-of-court settlements** for non-performing loans and leases, considering the inefficiency and complexity of the judicial recovery process. Since the transition from a leasing company to a consultancy firm, challenges persist in dealing with legacy non-performing assets and ongoing liquidity issues.

Key areas of focus include:

- Enhancing recoveries through negotiated settlements,
- Restructuring investment portfolios,
- Launching new consultancy initiatives and business plans.

Despite these challenges, the Company has successfully:

- Reduced its **negative equity from Rs. 445.742 million to Rs. 416.106 million**,
- Maintained operations with a leaner workforce and minimal internal resources.

Further reductions in negative equity are expected through anticipated settlements, remissions, and write-offs. The Company remains committed to the implementation of Board-approved policies designed to:

- Improve liquidity through recoveries,
- Reduce liabilities,
- Minimize negative equity and accumulated losses.

For and on behalf of the Board



Niaz Ahmed Khan

Chief Executive Officer & Managing Director

Karachi, April 15, 2025

Saudi Pak Consultancy Company Limited
Statement of Financial Position (Un-audited)
As at 31 March 2025

		March 31, 2025 Rupees (Un-audited)	June 30, 2024 Rupees (Audited)
ASSETS			
Current assets			
Cash and bank balances	5	86,418,391	108,824,297
Short term loans	6	75,800,300	75,800,300
Short term investments	7	47,308,005	39,175,000
Trade deposits and short term prepayments		1,302,371	1,500,736
Other receivables	8	-	-
Current maturity of non-current assets	9	368,034,072	384,889,439
Taxation - net		4,152,822	7,352,333
Total current assets		583,015,961	617,542,105
Non-current assets			
Long-term loans	10	-	-
Net investment in finance leases	11	-	-
Investment properties	12	34,249,311	36,624,691
Property, plant and equipment	13	77,686,233	80,444,629
Total non-current assets		111,935,544	117,069,320
Total Assets		694,951,505	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	499,840,185	526,016,420
Accrued expenses and other payables	17	4,001,103	5,973,152
Current maturity of non-current liabilities	18	425,054,991	458,445,648
Income tax payable		-	21,751,574
Unclaimed dividend		1,661,291	1,661,291
Total current liabilities		1,111,057,570	1,194,348,085
Non-current liabilities			
Certificates of investment		-	-
Deferred tax liability - net		-	-
Long term finances	19	-	-
Security Deposits against Finance Leases	20	-	-
Total non-current liabilities		-	-
Total liabilities		1,111,057,570	1,194,348,085
NET ASSETS		(416,106,065)	(459,736,663)
FINANCED BY			
Authorized Share Capital			
100,000,000 (June 30, 2023: 100,000,000) ordinary shares of Rs. 10/-each		1,000,000,000	1,000,000,000
100,000,000 (June 30, 2023: 100,000,000) preference shares of Rs. 10/-each		1,000,000,000	1,000,000,000
		2,000,000,000	2,000,000,000
Issued, subscribed and paid-up share capital - ordinary shares		451,605,000	451,605,000
Issued, subscribed and paid-up share capital - preference shares		528,208,500	528,208,500
Statutory reserves		179,549,025	179,549,025
Accumulated loss		(1,625,107,180)	(1,669,447,849)
Surplus on revaluation of property, plant and equipment - net of tax	21	43,479,823	42,870,365
Unrealised gain/(loss) on re-measurement as at fair value through		7,158,433	8,477,962
Accumulated actuarial (loss) / gain on defined benefit plan-net of tax		(999,666)	(999,666)
		(416,106,065)	(459,736,663)
CONTINGENCIES AND COMMITMENTS	22	-	-

The annexed notes are condensed interim financial information.


Chief Executive Officer


Chief Financial Officer


Director

Saudi Pak Consultancy Company Limited
Condensed Interim Profit or Loss Account (Un-audited)
For the period ended March 31, 2025

		Nine Months period ended		Three Months period ended	
		March 31 2,025	March 31 2024	March 31, 2025	March 31, 2024
	Note	(Rupees)			
Revenue					
Income from:					
Finance leases	23	3,544,946	61,818,118	(1,884,247)	92,962
Other operating income	25	87,641,221	111,195,256	18,453,798	39,935,158
TOTAL INCOME		91,186,167	173,013,374	16,569,551	40,028,120
Expenses					
Finance cost	26	(24,099,602)	(36,061,741)	(6,015,504)	(11,355,313)
Administrative and operating expenses	27	(45,159,749)	(30,786,907)	(15,198,749)	(9,326,628)
		(69,259,351)	(66,848,648)	(21,214,253)	(20,681,941)
Operating Profit / (Loss) before provisions		21,926,816	106,164,726	(4,644,702)	19,346,179
Reversals of provisions on lease and loans		24,860,899	21,819,004	24,860,899	-
Profit / (Loss) before taxation		46,787,715	127,983,730	20,216,197	19,346,179
Taxation					
Current		(2,447,046)	(2,855,898)	(174,468)	(1,247,771)
Deferred		-	-	-	-
		(2,447,046)	(2,855,898)	(174,468)	(1,247,771)
Profit / (Loss) for the period		44,340,669	125,127,832	20,041,729	18,098,408
Earnings / (Loss) per share - basic	30	0.98	2.77	0.44	0.40

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
Statement of Comprehensive Income (Un-audited)
For the period ended March 31, 2025

	Nine Months period ended		Three months period ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	(Rupees)			
Profit / (Loss) after taxation	44,340,669	125,127,832	20,041,729	18,098,408
<i>Other comprehensive income</i>				
Re-measurement of investments - FVTOCI	-	(1,519,406)	506,466	(1,012,940)
Surplus recognized on revaluation of office premises	44,340,669	123,608,426	20,548,195	17,085,468
	-	-	-	-
	44,340,669	123,608,426	20,548,195	17,085,468
Total comprehensive income for the Nine Months	44,340,669	123,608,426	20,548,195	17,085,468

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
Condensed Interim Statement of Changes in Equity (Un-audited)
For the period ended March 31, 2025

For the period ended March 31, 2025								
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		
Rupees								
Balance as at July 1, 2024	451,605,000	528,208,500	179,549,025	8,477,962	(999,666)	(1,669,447,849)	42,870,365	(459,736,663)
Profit for the period	-	-	-	-	-	24,298,940	-	24,298,940
Transfer from surplus on account of incremeental depreciation - net of deferred tax	-	-	-	7,951,574	-	35,003	(2,435,792)	7,986,577
Unrealized loss on remeasurement of available for sale investments	-	-	-	-	-	-	-	-
	-	-	-	7,951,574	-	24,333,943	(2,435,792)	32,285,517
Balance as at December 31, 2024	451,605,000	528,208,500	179,549,025	16,429,536	(999,666)	(1,645,113,906)	40,434,573	(427,451,146)
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 for the period	-	-	-	-	-	44,340,669	-	44,340,669
Transfer from surplus on account of incremeental depreciation - net of deferred tax	-	-	-	-	-	-	(710,071)	(710,071)
	-	-	-	-	-	44,340,669	(710,071)	43,630,598
Balance as at 31 March 2025	451,605,000	528,208,500	179,549,025	42,870,365	(999,666)	(1,625,107,180)	7,767,891	(416,106,065)

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
Condensed Interim Cash Flow Statement (Un-audited)
For the period ended March 31, 2025

		Quarter ended	
		March 31, 2025	March 31, 2024
Note		(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES	28	(20,970,017)	59,657,927
Finance cost paid		(50,046)	(32,104)
Taxes paid		(2,447,046)	2,855,898
Interest receivable from Govt. Securities - T-Bills		-	-
Decrease in net investment in finance leases		38,053,092	108,377,496
		35,556,000	111,201,290
<i>Net cash flows from operating activities</i>		14,585,983	170,859,217
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(1,336,170)	(5,242,100)
Short term investments - net		(8,133,005)	8,457,996
Interest Income Received / Others		9,364,681	13,507,123
Dividend received		4,969,734	7,528,341
<i>Net cash (used in) / from investing activities</i>		4,865,240	24,251,360
CASH FLOW FROM FINANCING ACTIVITIES			
Loan from Financial Institutions		-	(95,061,505)
Term Finance Certificates		(41,857,128)	(1,627,478)
Certificates of investment		-	(44,000,000)
<i>Net cash used in financing activities</i>		(41,857,128)	(140,688,983)
Net decrease in cash and cash equivalents during the period		(22,405,905)	65,182,706
Cash and cash equivalents at beginning of the period		108,824,297	27,576,426
Cash and cash equivalents at end of the period		86,418,391	92,759,132



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) 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, JEPP Heights, Main Boulevard, Gulberg-III, Lahore. The main business activity of the Company is consultancy services in Pakistan for all segments of population.

Saudi Pak Investment Company Limited (formerly Saudi Pak Industrial & Agricultural Investment Company Limited) is the major shareholder and as of 31 March 2025 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** In a recent past development, name and line of business of the company has been changed to avoid liquidation process initiated by SECP. 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.

- 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.

During the 3rd quarter ended March 31, 2025, the Company has earned profit amounting 44.341 million (March 31, 2024: Profit Rs. 125.128 million) and accumulated losses as of that date amounted Rs. 1.625 billion (June 30, 2024: Rs.1.669 billion), its negative equity stood at Rs. 416.106 million (June 30, 2024 : Rs.459.737 million) and its current liabilities exceeded current assets by Rs. 528.042 million (June 30, 2024 :576.806 million).

2. BASIS OF PREPERATION

2.1 Statement of Compliance

This condensed interim financial information of the Company for the nine months ended 31 March 2025 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.

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 2023.

Saudi Pak Leasing Company Limited
Notes to the Financial Information (Un-audited)
For the period ended March 31, 2025

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

		March 31 2025 (Un-audited)	June 30, 2024 (Audited)
5. CASH AND BANK BALANCES	Note		
Cash in hand		100,000	75,000
Balance with State Bank of Pakistan			
Current account - local currency		52,987	24,676
Balances with other banks:			
- in current account		-	-
- in saving accounts	5.1	86,265,404	108,724,621
		<u>86,418,391</u>	<u>108,824,297</u>
5.1	This represents saving deposit accounts maintained with MCB Bank Limited carrying current mark-up at the rate of 10.50% (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		<u>(5,000,000)</u>	<u>(5,000,000)</u>
		<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	7.2	7,301,648	7,120,217
Other Investment - Club membership cards	7.3	25,758,520	25,758,520
		<u>73,066,525</u>	<u>64,933,520</u>
Accumulated impairment on Club membership cards		<u>(25,758,520)</u>	<u>(25,758,520)</u>
		<u>47,308,005</u>	<u>39,175,000</u>
7.1	This represents investment of shares in unquoted and quoted Companies. The investment is stated at fair value.		
	Note	March 31 2025	June 30, 2024
7.1.2	Investment in the ordinary shares of listed companies		
	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.		

Saudi Pak Consultancy Company Limited
(Formerly Saudi Pak Leasing Company Limited)
Notes to the Financial Information (Un-audited)
For the period ended March 31, 2025

7.2	Amortized cost			
	Government Market Treasury Bills	7.2.1	7,301,648	7,120,217

7.2.1 This represents investment in Government Market Treasury Bill having maturity on 02 May 2025 and carries effective mark-up at a rate of 11.662% (30 June 2024 15.63%) per annum.

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

		March 31 2025	June 30 2024
8.	OTHER RECEIVABLES		
	Receivable from finance leases	48,939,121	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	3,153,901	3,093,901
		71,582,581	88,496,840
	Provision against doubtful receivables	(71,582,581)	(88,496,840)
		(0)	-

9. **CURRENT MATURITY OF NON - CURRENT ASSETS**

	Current portion of:			
	Long term loans	10	52,723,786	52,723,626
	Net investment in finance leases	11	315,607,592	332,165,813
			368,034,072	384,889,439

10. **LONG TERM LOANS - secured**

	Due from employees - Related Party		244,802	244,642
	Term loan to customers - considered doubtful	10.1	100,064,030	100,064,030
			100,308,832	100,308,672
	Provision for non-performing loans		(47,585,046)	(47,585,046)
			52,723,786	52,723,626
	Current maturity of long term loans	9	(52,723,786)	(52,723,626)
			-	-

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.

	March 31 2025	June 30 2024
11. NET INVESTMENT IN FINANCE LEASES		
Minimum lease payments receivable	1,016,546,966	1,054,600,061
Add: Residual value of leased assets	248,707,022	263,092,633
Gross investment in finance leases	1,265,253,988	1,317,692,694
Less: Mark-up held in suspense	(161,815,198)	(172,834,677)
	1,103,438,790	1,144,858,017
Less: Provision for potential lease losses	(787,831,197)	(812,692,204)
Net investment in finance leases	315,607,593	332,165,813
Less: Current portion of net investment in finance leases	9	(315,607,593)
	-	-

12. **INVESTMENT PROPERTIES**

Particulars	Cost			Rate %	Depreciation			W.D.V
	As at July	Addition/ (Disposals)	As at March		As at July	Charge/ (Reversal)	As at March	As at March
	01, 2024		31, 2025		01, 2024		31, 2025	31, 2025
..... Rupees.....								
Investment Property	66,160,092	-	66,160,092		29,535,401	2,375,380	31,910,781	34,249,311
March 2025	66,160,092	-	66,160,092		29,535,401	2,375,380	31,910,781	34,249,311
June 2024	66,160,092		66,160,092		29,535,401	1,418,616	30,954,017	35,206,075

Saudi Pak Leasing Company Limited
Notes to the Financial Information (Un-audited)
For the period ended March 31, 2025

		March 31 2025	June 30, 2024
		(Un-audited)	(Audited)
13. PROPERTY, PLANT AND EQUIPMENT	Note		
Property, plant and equipment - own use		77,686,233	80,444,629
		<u>77,686,233</u>	<u>80,444,629</u>
Additions/Disposal - Cost			
Owned assets			
Office Vehicle		-	5,033,500
Office equipment and air conditioners		1,336,170	281,500
Total additions		<u>1,336,170</u>	<u>5,315,000</u>
Disposals - WDV			
Owned assets			
Vehicles		-	-
Office equipment		-	103,632
Total Disposals		<u>-</u>	<u>103,632</u>
		March 31 2025	June 30, 2024
		(Un-audited)	(Audited)
14. BORROWINGS FROM FINANCIAL INSTITUTIONS	Note		
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 30 September 2023, 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.		
		March 31 2025	June 30 2024
		(Un-audited)	(Audited)
15. CERTIFICATE OF INVESTMENT	Note	43,000,000	43,000,000
16. ACCRUED MARK-UP			
Mark-up on:			
Certificates of investment		61,903,867	77,502,305
Long term finances		26,737,222	26,737,222
Term finance certificates		242,296,908	252,874,705
Short term borrowings from financial institutions		168,902,188	168,902,188
		<u>499,840,185</u>	<u>526,016,420</u>
17. ACCRUED EXPENSES AND OTHER PAYABLES			
Accrued expenses		2,842,360	4,224,701
Others		1,158,743	1,748,451
		<u>4,001,103</u>	<u>5,973,152</u>
18. CURRENT MATURITY OF NON- CURRENT LIABILITIES			
Current portion of:			
Certificate of investment		1,249,000	1,249,000
Long term finances	19	187,646,251	213,537,776
Security deposits against finance leases	20	236,159,741	243,658,873
		<u>425,054,991</u>	<u>458,445,649</u>

Saudi Pak Leasing Company Limited
Notes to the Financial Information (Un-audited)
For the period ended March 31, 2025

		March 31 2025 (Un-audited)	June 30 2024 (Audited)
19. LONG TERM FINANCES	Note		
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	169,442,555	195,334,080
		187,646,251	213,537,776
Current maturity of long term finances	18	(187,646,251)	(213,537,776)
		-	-
19.2 Long term finances			
National Bank of Pakistan - II-Secured	19.2.1	12,500,000	12,500,000
Silk Bank Limited-Unsecured	19.2.3	5,703,696	5,703,696
		18,203,696	18,203,696

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 31 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.

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

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

Up to November 2014, the Company repaid 26 monthly installments of Rs. 0.204 million each and defaulted thereafter. As of 31 March 2024, the Company had accrued a markup of Rs. 8.520 million.

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

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

Principal redemption

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

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

Mark-up on TFCs

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

Trustee

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

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

		March 31, 2025 (Un-audited)	June 30, 2024 (Audited)
20.	LONG TERM SECURITY DEPOSITS		
	Security deposits against finance leases	236,159,741	243,658,876
	Current maturity of deposits against finance lease	(236,159,741)	(243,658,876)
		-	-
20.1	This represents security deposits received from lessees under lease contracts and are adjustable on expiry of the respective lease periods.		
21.	SURPLUS ON REVALUATION OF ASSETS	March 31, 2025 (un-audited)	June 30, 2024 (un-audited)
	Surplus on revaluation of property, plant and equipment	43,479,823	42,870,365
		43,479,823	42,870,365

- 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.

		March 31, 2025 (Unaudited) (Rupees)	March 31, 2024 (Unaudited)
23. INCOME FROM FINANCE LEASES	Note		
Income from finance lease contracts		3,544,946	37,291,312
Gain on termination of finance lease contracts		-	24,526,806
		<u>3,544,946</u>	<u>61,818,118</u>

24. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

Capital requirements applicable to the Company are set out and regulated by the Securities and Exchange Commission of Pakistan (SECP), as per company act 2017 and code of corporate governance rules 2019. Earlier for formerly Saudi Pak Company Limited the minimum equity requirement as per NBFC Regulations, 2008 vide SRO 764(I) / 2009 dated 2 September 2009 wherein the Company is required to meet the minimum equity requirements of Rs. 350 million, Rs. 500 million and Rs. 700 million by 30 June 2011, 30 June 2012 30 June 2014 and 30 June 2015 respectively.

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25.	OTHER OPERATING INCOME	March 31, 2025	,March 31, 2024
	Income from financial assets:		
	- Dividend income	4,969,734	7,528,341
	- Interest income from government securities	859,852	703,916
	Capital gain on sale of investment	-	860,334
	- Interest income on term loans	-	2,526,222
	- Interest income from savings accounts	9,364,681	10,980,901
		15,194,267	22,599,714
	Income from non-financial assets:		
	Waiver on settlement of TFC's	39,391,082	-
	- Waiver on settlement of certificate of investments	17,858,000	58,557,908
	- Others	15,192,872	30,037,634
		72,446,954	88,595,542
		87,641,221	111,195,256
26.	FINANCE COST		
	Mark-up on:		
	- Term finance certificates	21,789,994	33,253,109
	Return on certificates of investment	2,259,562	2,776,528
	Bank charges	50,046	32,104
		24,099,602	36,061,741
27.	ADMINISTRATIVE AND OPERATING EXPENSES	March 31, 2025	,March 31, 2024
	Salaries, Allowances and Benefits	22,763,807	13,183,997
	Directors' Fee	2,937,500	2,350,000
	Rent	728,856	802,752
	Repairs and maintenance	2,084,200	1,676,528
	Insurance	184,591	149,818
	Utilities	1,107,339	1,240,413
	Vehicle running expenses	1,267,624	1,231,162
	Printing and stationery	381,523	287,110
	Telephone and postage	763,103	578,933
	Travelling and conveyance	106,530	10,800
	Travelling and conveyance - Directors	1,717,053	594,586
	Fee and subscriptions	575,698	371,030
	Depreciation on owned assets	4,617,393	4,118,706
	Legal and professional charges	2,882,281	2,839,677
	Advertisement	106,550	148,938
	Entertainment Expenses	287,755	-
	Auditors' remuneration	278,361	156,000
	Bad Debt writeoff	885,520	-
	Miscellaneous	1,484,064	1,046,457
		45,159,749	30,786,907

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28 CASH GENERATED FROM OPERATIONS

	31-March-25	31-March-24
Profit / (Loss) for the period before taxation	46,787,715	127,983,730
Adjustment for non cash charges and other items :		
Depreciation - owned assets	3,553,431	4,118,706
Depreciation - investment properties	1,063,962	-
Income from finance leases	(11,019,478)	(37,291,312)
Financial charges and other charges	24,099,602	36,061,741
(Provision) / reversals for doubtful leases, loans and other receivables	(32,579,237)	(21,819,004)
Dividend income	4,969,734	7,528,341
Interest income from government securities / saving accounts	859,852	703,916
Gain on settlement of term finance certificates	(39,391,082)	(80,176,234)
Other Income	5,000	3,556
Gain on settlement of term finance certificates	(17,858,000)	(9,976,149)
	<u>(66,296,216)</u>	<u>(100,846,439)</u>
(Loss)/profit before working capital changes	(19,508,501)	27,137,291
Working capital changes		
Short term loans	-	44,729,876
Trade deposits and short term prepayments	198,365	(399,568)
Short Term Investment	-	(19,219,108)
Other Receivables	312,168	8,425,133
Accrued expenses and other payables	(1,972,049)	(1,015,697)
	<u>(1,461,516)</u>	<u>32,520,636</u>
Cash (used in) / generated from operations after working capital changes	<u>(20,970,017)</u>	<u>59,657,927</u>

29. 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:

	31-March-25 (Unaudited)	31-March-24 (Unaudited)
	(Rupees)	
Directors fee		
Fee	2,937,500	2,350,000
Key management personnel		
Remuneration to key management personnel	10,773,109	6,052,500
Other related parties		
Payments to provident fund	1,587,665	205,700

30. EARNINGS / (LOSS) PER SHARE - BASIC

	(Rupees)	
Profit / (Loss) after taxation attributable to ordinary shareholders	44,340,669	125,127,832
	(Number)	
Weighted average number of ordinary shares	45,160,500	45,160,500
	(Rupees)	
Earnings / (Loss) per share - Basic	0.98	2.77

31. 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.

32. DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on 15-April-2025 by the Board of Directors.



Chief Executive Officer



Chief Financial Officer



Director