



HALF YEARLY REPORT
JUNE 30, 2021

COMPANY INFORMATION

BOARD OF DIRECTORS

Haji Jan Muhammad (Chairman)
Mr. Muhammad Mehboob
Mr. Muhammad Shoaib
Mrs. Samreen Shoaib
Mr. Shaikh Abdullah
Mr. Karim Muhammad Munir
Mr. Faisal Zahid

PRESIDENT & CHIEF EXECUTIVE

Mr. Zafar .M. Sheikh

AUDIT COMMITTEE

Mr. Shaikh Abdullah (Chairman)
Haji Jan Muhammad
Mr. Karim Muhammad Munir
Mr. Faisal Zahid

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Faisal Zahid (Chairman)
Mr. Zafar .M. Sheikh
Mr. Muhammad Mehboob

RISK MANAGEMENT COMMITTEE

Mr. Karim Muhammad Munir (Chairman)
Mr. Muhammad Mehboob
Mr. Muhammad Shoaib
Mr. Zafar M. Sheikh
Mr. Faisal Zahid

Chief Financial Officer

Mr. Shakeel Ahmed

AUDITORS

Bakers Tilly Mehmood Idrees Qamar,
Chartered Accountants

TAX ADVISORS

Grant Thoranton Anjum Rahman
Chartered Accountants

LEGAL ADVISORS

Mr. Rehan Kayani (Barrister at Law)

SHARE REGISTRAR

M/s. C&K Management
Associates (Pvt) Limited
404, Trade Tower,
near Hotel Metropole, Karachi.

BANKERS

Habib Metropolitan Bank Limited.
United Bank Limited.
Summit Bank Limited.

REGISTERED OFFICE

Suite No. 1, 1st Floor, Junaid Plaza,
I-10, Markez, Islamabad.
Tel : (051) 4102920
Website : www.sibl.com.pk

KARACHI OFFICE

502, 5th Floor, Madina City Mall,
Abdullah Haroon Road, Saddar Karachi.
Tel: (021) 35659750-54
Fax: (021) 35659755
E-mail : sibl@sibl.com.pk

DIRECTORS' REPORT

The directors of **Security Investment Bank Limited (the Company)** are pleased to present the Financial Statements of the Company for the half year ended 30 June 2021.

The economy of Pakistan rebounded strongly in FY2021 and posted growth of 3.94 percent which is not only substantially higher than the previous two years (-0.47 and 2.08 percent in FY2020 and FY2019 respectively) but also surpassed the target (2.1 percent for FY2021). Despite strict fiscal constraints, timely and appropriate policy measures taken by the government resulted in a V-Shaped economic recovery. The beginning of FY2021 was better in terms of containment of pandemic and economic recovery, however the second wave in late October 2020 and the third wave in March 2021 made government efforts more challenging for containing the pandemic and keeping the economic activities to continue.

Adequate government policies were implemented to keep economy moving. Utilization of unused industrial capacities during the pandemic also helped in economic recovery. On the basis of a rebound in almost all sectors, for FY2021, the provisional GDP growth rate is estimated at 3.9 percent on account of 2.8 percent growth in Agriculture, 3.6 percent in the Industrial sector and 4.4 percent growth in the Services sector. Moreover, GDP at current market prices stood at Rs 47,709 billion, showing a growth of 14.8 percent during FY2021 over last year (Rs 41,556 billion). While in the dollar term, it remained \$ 299 billion which is higher than its value recorded last year (\$ 263 billion).

SBP, Monetary Policy Committee (Committee) reviewed its policy frequently to take appropriate action towards supporting growth and employment during these challenging times. The Committee considered that outlook for growth and inflation in Pakistan is likely to improve, therefore decided to keep the policy rate unchanged at 7%.

During the second quarter under review, the Pakistan Stock Exchange Ltd (KSE-100 index) registered slightly increased to 47,356 points as of 30 June 2021 compared to 44,587 points as of 31 March 2021.

Alhamdulillah, your company posted operating profit before taxes of Rs. 58.374 million for the half year ended 30 June 2021 as compared to operating loss of Rs. (9.712) million of the corresponding period. Your company's EPS is 1.039 as compared to negative of Rs. (0.204) of the corresponding period.

The board wishes to place on record the gratitude to Pakistan Stock Exchange and Securities and Exchange Commission of Pakistan for their continued valued support, assistance and guidance. The board would also like to thank untiring efforts of the Management and staff.

On behalf of the Board

Haji Jan Muhammad

Chairman

Karachi, 30 Aug 2021

ڈائیکٹر رپورٹ

سیکیورٹی انویسٹمنٹ بینک لمیٹڈ (کمپنی) کے ڈائریکٹرز 30 جون 2021 کو ختم ہونے والی ششماہی کے لئے کمپنی کے مالی بیانات پیش کرنے پر خوش ہیں۔

پاکستان کی معیشت نے مالی سال 2021 میں مضبوطی سے ترقی کی اور 3.94 فیصد کی شرح نمو حاصل کی جو کہ نہ صرف پچھلے دو سالوں کے مقابلے میں کافی زیادہ ہے (بالترتیب -0.47 اور 2.08 فیصد بالترتیب مالی سال 2020 اور مالی سال 2019 میں) بلکہ ہدف سے بھی تجاوز کر گیا (مالی سال 2021 کے لیے 2.1 فیصد) سخت مالی رکاوٹوں کے باوجود، حکومت کی جانب سے SHAPED V معاشی بحالی ہوئی بروقت اور مناسب پالیسی اقدامات کے نتیجے میں 2021 کا آغاز وبائی امراض اور معاشی بحالی کے لحاظ سے بہتر تھا، تاہم اکتوبر 2020 کے آخر میں دوسری لہر اور مارچ 2021 میں تیسری لہر نے وبائی امراض پر قابو پانے اور معاشی سرگرمیوں کو جاری رکھنے کے لیے حکومتی کوششوں کو مزید مشکل بنا دیا۔ معیشت کو رواں رکھنے کے لیے مناسب حکومتی پالیسیاں نافذ کی گئیں۔ وبائی امراض کے دوران غیر استعمال شدہ صنعتی صلاحیتوں کے استعمال سے معاشی بحالی میں بھی مدد ملی۔ مالی سال تمام شعبوں میں بحالی کی بنیاد پر، زراعت میں 2.8 فیصد، صنعتی all 2021 کے لیے تقریباً شعبے میں 3.6 فیصد اور خدمات کے شعبے میں 4.4 فیصد اضافے کی وجہ سے عارضی جی ڈی پی نمو کی شرح 3.9 فیصد ہے۔ مزید یہ کہ، موجودہ مارکیٹ کی قیمتوں پر جی ڈی پی 47,709 ارب روپے رہی، جو مالی سال 2021 کے دوران گذشتہ سال (41,556 بلین روپے) کے دوران 14.8 فیصد اضافہ ظاہر کرتی ہے۔ ڈالر کی مدت میں، یہ 299 بلین ڈالر رہا جو کہ گزشتہ سال اس کی قیمت (263 بلین ڈالر) سے زیادہ ہے۔

اسٹیٹ بینک، مانڈری پالیسی کمیٹی (کمیٹی) نے اس مشکل وقت میں ترقی اور روزگار کی حمایت کے لیے مناسب اقدامات کرنے کے لیے اپنی پالیسی کا بار بار جائزہ لیا کمیٹی نے اس بات پر غور کیا کہ پاکستان میں ترقی اور افراط زر کے لیے آؤٹ لک میں بہتری کا امکان ہے، اس لیے پالیسی کی شرح کو 7 فیصد پر برقرار رکھنے کا فیصلہ کیا۔

زیر نظر دوسری سہ ماہی کے دوران، پاکستان اسٹاک ایکسچینج لمیٹڈ (کے ایس ای 100- انڈیکس) 30 جون 2021 تک تھوڑا سا بڑھ کر 47,356 پوائنٹس تک پہنچ گیا جبکہ 31 مارچ 2021 تک 44,587 پوائنٹس کے مقابلے میں۔

الحمدللہ، آپ کی کمپنی نے 30 جون 2021 کو ختم ہونے والی ششماہی کے لئے آپریٹنگ پرافٹ ٹیکس سے پہلے 58.374 ملین روپے ریکارڈ کیا جب کے پچھلے سہ ماہ میں (9.712) ملین منفی تھا۔ آپ کی کمپنی کا EPS 1.039 ہے جو گزشتہ مدت منفی (0.204) تھا۔

بورڈ پاکستان اسٹاک ایکسچینج اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی مسلسل قابل قدر مدد، مدد اور رہنمائی کے لیے شکریہ ادا کرنا چاہتا ہے۔ بورڈ انتظامیہ اور عملے کی انتہک کوششوں کا شکریہ بھی ادا کرنا چاہتا ہے۔

بورڈ کی جانب سے

حاجی جان محمد

چیئرمین

کراچی، 30 اگست 2021

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF UN-CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS

Introduction

We have reviewed, the accompanying unconsolidated condensed interim statement of financial position of Security Investment Bank Limited ("the Bank") as at June 30, 2021 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows, unconsolidated condensed interim statement of changes in equity and notes to the accounts for the half year then ended (here-in-after referred as the "interim financial information"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this unconsolidated condensed interim financial information based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at and for the half year ended June 30, 2021 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures for the quarters ended June 30, 2021 and June 30, 2020 in the accompanying unconsolidated condensed interim financial information have not been reviewed and we do not express a conclusion on them.

The engagement partner on the audit resulting in this independent auditor's report is **Mehmood A. Razzak**.

Baker Tilly Mehmood Idrees Qamar
Chartered Accountants

Karachi

Date: 30 August 2021

**UNCONSOLIDATED CONDENSED INTERIM
BALANCE SHEET AS AT 30 JUNE 2021**

		June 2021 (Un-audited)	December 2020 (Audited)
Note	-----	Rupees	-----
Non - Current Assets			
Property, plant and equipment	5	155,997,459	156,727,396
Intangible assets	6	2,888,342	3,043,340
Long term investments	7	45,941,799	45,941,799
Long term financing	8	3,696,400	5,017,015
Long term loans and advances	9	2,500,000	2,500,000
Deferred tax asset - net		941,809	941,809
		211,965,809	214,171,359
Current Assets			
Current portion of long term financing	8	53,343,830	53,968,338
Current portion of long term loans and advances	9	1,331,789	1,030,957
Short term investments	10	453,127,497	391,990,545
Deposits, prepayments and other receivables		974,598	8,065,351
Accrued interest		2,227,066	2,903,489
Tax refund due from Government	11	57,126,837	55,843,850
Cash and bank balances	12	12,407,560	7,293,874
		580,539,177	521,096,404
		792,504,986	735,267,763
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised Share Capital			
100,000,000 ordinary shares of Rs.10/- each		1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital		514,335,580	514,335,580
Statutory reserves		196,946,206	186,259,883
Accumulated profit		58,142,225	15,396,933
		769,424,010	715,992,396
Current Liabilities			
Unclaimed dividend		2,090,749	2,090,749
Accrued and other liabilities		20,990,227	17,184,618
		23,080,976	19,275,367
Contingencies and commitments			
		792,504,986	735,267,763

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

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2021

	Six Months Ended		Quarter Ended	
	June 2021	June 2020	June 2021	June 2020
Income				
Income on financing and placements	3,966,569	9,126,023	2,075,128	1,559,537
Return on investments	3,371,016	8,686,197	2,315,581	3,556,056
Gain/ (Loss) on sale of shares	34,951,484	(3,650,456)	31,588,282	(4,917,556)
Profit on deposit with banks	309,916	236,912	204,123	136,007
Other income	458,881	356,285	233,063	161,349
	43,057,866	14,754,961	36,416,177	495,393
Expenditure				
Operating expenses	16,058,816	15,967,278	8,688,782	8,514,521
Operating profit/(loss)	26,999,050	(1,212,317)	27,727,395	(8,019,128)
Unrealized (loss)/gain on remeasurement of investments classified as fair value through profit or loss	31,375,917	(8,500,132)	(7,114,751)	30,283,599
Profit/(loss) before taxation	58,374,967	(9,712,449)	20,612,644	22,264,471
Taxation				
Deferred	-	-	-	-
Current	(4,943,353)	(800,339)	(4,943,353)	(800,339)
	(4,943,353)	(800,339)	(4,943,353)	(800,339)
Net profit/(loss) after tax	53,431,614	(10,512,788)	15,669,291	21,464,132
Earning/(loss) per share - basic and diluted	1.039	(0.204)	0.305	0.417

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

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

**UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021**

	Six Months Ended		Quarter Ended	
	June 2021	June 2020	June 2021	June 2020
Net profit/(loss) after tax	53,431,614	(10,512,788)	15,669,291	21,464,132
Other Comprehensive income for the period				
Deficit on revaluation of investments - net of tax	-	-	-	-
Total comprehensive income/(loss)	53,431,614	(10,512,788)	15,669,291	21,464,132

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

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

UNCONSOLIDATED CONDENSED CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2021

	June 2021	June 2020
Rupees		
CASH FLOW FROM OPERATING ACTIVITIES		
Operating profit before taxation	26,999,050	(1,212,317)
Adjustments for non-cash and other items		
Depreciation	905,395	990,406
Amortization	154,998	154,998
Gain on disposal of shares	(34,951,484)	3,650,456
Gain on disposal of fixed assets	(19,498)	-
	(33,910,589)	4,795,860
Cash flows from operating activities before working capital changes	(6,911,539)	3,583,543
(Increase) / Decrease in operating assets		
Financing and placements	624,508	235,260,715
Loans and advances	(300,832)	317,233
Deposits, prepayment and other receivables	7,090,753	(1,816,621)
Accrued interest	676,423	6,671,049
	8,090,852	240,432,376
Increase / (Decrease) in operating liabilities		
Subordinated loan	-	-
Borrowings	-	-
Accrued and other liabilities	3,805,609	(1,517,342)
	3,805,609	(1,517,342)
Net changes in operating assets and liabilities	11,896,461	238,915,034
Income tax paid	(6,226,340)	(2,240,060)
Net cash inflow from operating activities	(1,241,418)	240,258,517
CASH FLOW FROM INVESTING ACTIVITIES		
Long term loan and advances	-	-
Purchase of fixed assets - net	(155,960)	(36,500)
Additions in intangible assets	-	-
Sale proceeds of quoted shares	178,971,677	52,780,385
Investments in quoted shares	(13,781,228)	(69,211,965)
Sale of Government securities	(160,000,000)	(41,000,000)
Long term financing	1,320,615	2,478,111
Net cash used in investing activities	6,355,104	(54,989,969)
CASH FLOW FROM FINANCING ACTIVITIES		
Subordinated loan	-	(180,000,000)
Net cash used in financing activities	-	(180,000,000)
Net increase in cash and cash equivalents	5,113,686	5,268,548
Cash and cash equivalents at the beginning of the period	7,293,874	8,033,947
Cash and cash equivalents at the end of the period	12,407,560	13,302,495

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

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

**UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021**

	Share capital	Statutory reserve	Unappropriated loss/profit	Total
----- Rupees -----				
Balance as at January 01, 2020	514,335,580	170,798,844	(46,447,221)	638,687,203
Loss for the period	-	-	(10,512,788)	(10,512,788)
Other comprehensive income	-	-	-	-
Statutory reserves	-	-	-	-
Balance as at June 30, 2020	514,335,580	170,798,844	(56,960,009)	628,174,415
Balance as at January 01, 2021	514,335,580	186,259,883	15,396,933	715,992,396
Profit for the period	-	-	53,431,614	53,431,614
Other comprehensive income	-	-	-	-
Statutory reserves	-	10,686,323	(10,686,323)	-
Balance as at June 30, 2021	514,335,580	196,946,206	58,142,225	769,424,010

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

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2021

1. STATUS AND PRINCIPAL ACTIVITIES

- 1.1** Security Investment Bank Limited (SIBL) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company was incorporated in Pakistan on 23 May 1991 and started its commercial operation on 31 December 1991. Its shares are quoted on Pakistan Stock Exchange. The registered office of SIBL is situated at Office No. 1, 1st Floor, Junaid Plaza, I-10 Markez, Islamabad.
- 1.2** The Company is licensed to carry out business of investment finance services as a Non-Banking Finance Company (NBFC) under section 282C of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP) as amended through SRO 1002 (I) /2015 dated October 15, 2015 and Non-Banking Finance Companies and Notified Entities Regulations 2008 as amended through SRO 1160(I) / 2015 dated November 25, 2015 (previously this was covered under SRO 585(1)/87 dated July 13, 1987, issued by the Ministry of Finance).
- 1.3** JCR - VIS Credit Rating Company Limited (VIS) has placed the rating of the Company for medium to the long-term rating at 'BBB+' (Triple B plus) signifies adequate credit quality and the short-term rating of 'A-2' (A Two) signifies good certainty of timely payment. Outlook on the assigned rating is 'Stable'.
- 1.4** In the year 2016, the Company made an investment in newly incorporated wholly owned subsidiary company namely Security Capital & Investment (Private) Limited amounting to Rs. 50 million. As per the agreement dated September 07, 2016 between the Company and the subsidiary, the Company ceded the legal right on Trading Right Entitlement Certificate (TREC) and 1,602,953 shares of the Pakistan Stock Exchange Limited (PSX) and Pakistan Mercantile Exchange (PMEX) membership card to the subsidiary. During the year 2017, the TREC has been transferred by the Company in the name of the subsidiary. However, title of shares of PSX and PMEX card has not yet been transferred in the name of the subsidiary due to the reason that the subsidiary has not obtained license to deal as broker from SECP till the date of unconsolidated statement of financial position.

Rahat Aziz, an advocate of High Court, had file an application on instruction of Security Capital & Investment (Private) Limited for striking off the name of the Company from the Register of Companies under Companies Easy Exit Scheme (CEES). And on 15 January 2020, via Letter No. CEER/MISC/1-1/2020 of Securities and Exchange Commission Of Pakistan, pursuant to the provisions of sub section (1) of section 426 of the Companies Act, 2017 (the Act) read with Companies (Easy Exit) Regulations, 2014 (the Regulations), same has been accepted and dissolution letter will be issued to the company after publication of company name under sub section 426(3) of the Companies Act, 2017.

2. BASIS OF PRESENTATION

This unconsolidated condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard

(IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations); directives issued by the Securities and Exchange Commission of Pakistan (SECP); and provisions of and directives issued under the Companies Act, 2017.

Where the provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) , Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations); directives issued by the Securities and Exchange Commission of Pakistan (SECP); and provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations), directives issued by the Securities and Exchange Commission of Pakistan (SECP), and provisions of and directives issued under the Companies Act, 2017 shall prevail.

This unconsolidated condensed interim financial information do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended December 31, 2020. Further, these accounts are being circulated to the shareholders in accordance with the requirements of Section 237 of the Companies Act, 2017 and Listing Regulations of Pakistan Stock Exchange.

The comparative statement of financial position presented in this unconsolidated condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended December 31 ,2020, whereas, the comparative condensed interim profit and loss accounts, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the half year ended June 30, 2020.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the preceding published annual financial statements of the Company for the year ended December 31, 2020.

4. ESTIMATES AND JUDGEMENTS

The preparation of unconsolidated condensed interim financial information requires management to make judgments, estimates and assumption 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 in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended December 31, 2020.

Leasehold Property	Building	Furniture and fixtures	Computer and Office equipments	Vehicles	Generator	Total
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5. PROPERTY, PLANT AND EQUIPMENT
Year ended December 31, 2020
Net carrying value basis

Opening net book value	121,516,047	31,306,666	4,971,494	779,084	18,721	62,088	158,654,100
Additions (at cost)	-	-	-	36,500	-	-	36,500
Disposals (NBV)	-	-	-	-	-	-	-
Cost	-	-	-	(77,400)	-	-	(77,400)
Accumulated depreciation	-	-	-	77,398	-	-	77,398
	-	-	-	(2)	-	-	(2)
Depreciation charge	-	(640,000)	(888,625)	(414,834)	(8,100)	(11,643)	(1,963,202)
Closing net book value	121,516,047	30,666,666	4,082,869	400,748	10,621	50,445	156,727,396

Gross carrying value basis

Cost	121,516,047	32,000,000	8,916,237	3,731,336	40,501	582,736	166,786,857
Accumulated depreciation / impairment	-	(1,333,334)	(4,833,368)	(3,330,588)	(29,880)	(532,291)	(10,059,461)
Net book value	121,516,047	30,666,666	4,082,869	400,748	10,621	50,445	156,727,396

Period ended June 30, 2021
Net carrying value basis

Opening net book value (NBV)	121,516,047	30,666,666	4,082,869	400,748	10,621	50,445	156,727,396
Additions (at cost)	-	-	-	175,460	-	-	175,460
Disposals (NBV)	-	-	-	-	-	-	-
Cost	-	-	-	(222,076)	-	-	(222,076)
Accumulated depreciation	-	-	-	222,074	-	-	222,074
	-	-	-	(2)	-	-	(2)
Depreciation charge	-	(320,000)	(444,312)	(131,211)	(4,050)	(5,822)	(905,395)
Closing net book value	121,516,047	30,346,666	3,638,557	444,995	6,571	44,623	155,997,459

Gross carrying value basis

Cost	121,516,047	32,000,000	8,916,237	3,684,720	40,501	582,736	166,740,241
Accumulated depreciation / impairment	-	(1,653,334)	(5,277,680)	(3,239,725)	(33,930)	(538,113)	(10,742,782)
Net book value	121,516,047	30,346,666	3,638,557	444,995	6,571	44,623	155,997,459

Depreciation rate per annum (%)

	-	2%	10%	10%-20%	20%	10%
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6. INTANGIBLE ASSETS

Note	June 2021 (Un-audited)	December 2020 (Audited)
	Rupees	

PMEX card	2,500,000	2,500,000
NBFC license	208,342	333,340
DHA membership	180,000	210,000
	2,888,342	3,043,340

7. INVESTMENT IN SUBSIDIARY
Investment- Subsidiary

5,000,000 ordinary shares of
Security Capital & Investments (Pvt) Ltd
@ Rs. 10/- each

45,941,799	45,941,799
45,941,799	45,941,799

This represents investment in wholly owned subsidiary of the Company as detailed in note 1.4 to these condensed interim unconsolidated financial information. Break up value per share on June 30, 2021 is Rs. 10.145 (2020: Rs. 9.188).

	June 2021 (Un-audited)	December 2020 (Audited)
8. LONG TERM FINANCING	Note	Rupees
Secured and considered good		
Murahaba Finance		
- Murahaba finance	57,897,552	60,371,151
- Deferred Murahaba income	(857,322)	(1,385,798)
Murahaba receiveable	57,040,230	58,985,353
	8.1	
Less: Current maturity	(53,343,830)	(53,968,338)
	3,696,400	5,017,015

8.1 These represent financing of vehicle on murahaba basis against hypothecation of vehicles for a period of 2 to 3 years, carrying mark up 1 Year KIBOR + 3% per annum (2020: 1 Year KIBOR+3%).

	June 2021 (Un-audited)	December 2020 (Audited)
9. LONG TERM LOANS AND ADVANCES	Note	Rupees
Advances-secured		
- Staff advance	399,289	410,957
- Against expenses	932,500	620,000
- Against office premises	2,500,000	2,500,000
	8.1	
	3,831,789	3,530,957
Less: Current portion		
Staff advance	(399,289)	(410,957)
Against expenses	(932,500)	(620,000)
	(1,331,789)	(1,030,957)
	2,500,000	2,500,000

10. SHORT TERM INVESTMENT

Amortized Cost

Government Securities - T Bill 213,000,000 53,000,000

Fair value through other comprehensive income

Term Finance Certificates 5,836,219 5,836,219

Fair value through profit or loss

Quoted shares 234,291,278 333,154,326

453,127,497

391,990,545

	June 2021 (Un-audited)	December 2020 (Audited)
Note	----- Rupees -----	
11. TAX REFUND DUE FROM GOVERNMENT		
Advance tax		
Less: Accumulated provisions for taxation	279,088,727 (221,961,890)	272,862,387 (217,018,537)
	57,126,837	55,843,850
12. CASH AND BANK BALANCES		
With State Bank of Pakistan in current account	4,009	4,009
With other banks in		
- Current account	1,805,810	1,805,810
- Deposit accounts	10,545,646	5,439,043
	12,351,456	7,244,853
Cash in hand	52,095	45,012
	12,407,560	7,293,874

13. TRANSACTION WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and includes subsidiary company, associated companies with or without common directors, major shareholder and their close family members, key management personnel and retirement benefit funds. The Bank has a policy whereby all transactions with related parties are entered into at arm's length prices using comparable uncontrolled price method and are in the normal course of business at contracted rates and terms determined in accordance with market rates. Transactions with related parties during the period are as follows:

	June 2021 (Un-audited)	June 2020 (Audited)
Note	-----	Rupees -----
13.1 TRANSACTIONS DURING THE PERIOD		
Return on financing		
- Associated undertakings	-	8,250,263
- Others	3,458,230	875,760
Remuneration of Directors and Chief Executive		
- Directors' Remuneration	280,000	385,000
- Remuneration of Chief Executive	3,435,006	3,435,006
Contribution to staff retirement benefit plan		
	220,141	156,595
Office Rent		
	312,000	312,000

	June 2021 (Un-audited)	December 2020 (Audited)
Note	-----	Rupees -----
13.2 PERIOD END BALANCES		
Investment in Subsidiary		
- Equity shares	45,941,799	45,941,799
Advance against expenses		
- Sheikh Abdullah (Director)	94,000	122,000
Long term financing		
- Zafar M Sheikh (Chief Executive Officer)	-	2,805,075

14. DATE OF AUTHORIZATION

These condensed interim financial statements were authorised for issue by the Board of Directors on 30 August 2021.

15. GENERAL

Figures have been rounded off to the nearest rupee.

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR



**CONSOLIDATED
FINANCIAL STATEMENT**
FOR THE HALF YEARLY
JUNE 30, 2021

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS AT JUNE 30 2021**

		June 30 2021 (Un-audited)	December 31 2020 (Audited)
Note	-----	Rupees -----	-----
Non-current assets			
		155,997,459	156,727,396
		2,888,342	3,043,340
		-	-
		3,696,400	5,017,015
		2,500,000	2,500,000
		941,809	941,809
		166,024,010	168,229,560
Current assets			
		53,343,830	53,968,338
		453,127,497	391,990,545
		1,331,789	1,030,957
		974,598	8,065,351
		2,227,066	2,903,489
		56,777,485	55,843,850
	5	12,407,560	7,293,874
		580,189,825	521,096,403
		36,726,592	36,726,592
		782,940,427	726,052,555
Equity and liabilities			
Share capital and reserves			
Authorised capital			
		1,000,000,000	1,000,000,000
		514,335,580	514,335,580
		186,259,883	186,259,882
		73,264,550	20,182,288
		773,860,013	720,777,750
Non-Current Liabilities			
		-	-
		-	-
		-	-
Current liabilities			
		-	-
		2,090,749	2,090,749
		6,989,665	3,184,056
		9,080,414	5,274,805
		782,940,427	726,052,555

The annexed notes form an integral part of these consolidated condensed interim financial statements.

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2021

	Six Months Ended		Quarter Ended	
	June 2021	June 2020	June 2021	June 2020
Income				
Income on financing and placements	3,966,569	9,126,023	2,075,128	1,559,537
Return on investments	3,371,016	8,752,580	2,315,581	3,622,439
Gain on sale of shares	34,951,484	5,688,975	31,588,282	4,421,875
Profit on deposit with banks	309,916	568,470	204,123	77,365
Other income	458,881	355,445	233,063	160,509
	43,057,866	24,491,493	36,416,177	9,841,725
Expenditure				
Return on deposits and borrowings	-	-	-	-
Operating expenses	16,058,816	16,093,314	8,688,782	8,566,225
	16,058,816	16,093,314	8,688,782	8,566,225
Operating profit before tax	26,999,050	8,398,180	27,727,395	1,275,501
Realized gain on remeasurement PSX shares transferred from unrealized gain	31,375,917	(19,474,641)	(7,114,751)	26,650,613
Taxation				
Current	(5,292,705)	(1,193,890)	(5,292,705)	(1,193,890)
	(5,292,705)	(1,193,890)	(5,292,705)	(1,193,890)
Net profit after tax	53,082,262	(12,270,351)	15,319,939	26,732,224
Other Comprehensive Income				
Other comprehensive income	-	-	-	-
Total comprehensive income				
- net of tax	53,082,262	(12,270,351)	15,319,939	26,732,224
Earning per share - basic and diluted	1.032	(0.239)	0.298	0.520

The annexed notes form an integral part of these consolidated condensed interim financial statements.

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

**CONSOLIDATED CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS ENDED 31 MARCH 2021**

	Six Months Ended		Quarter Ended	
	June 2021	June 2020	June 2021	June 2020
Balance as at 01 January 2020	514,335,580	170,798,844	(46,447,221)	638,687,203
Total comprehensive income for the period	-		(12,270,351)	(12,270,351)
Unrealize gain on re measurement of available of sale of investment to fair value			(2,505,415)	(2,505,415)
Appropriations:	-	-	-	-
Statutory reserves	-	5,132,129	(5,132,129)	-
Balance as at 30 June 2020	514,335,580	175,930,973	(66,355,116)	623,911,437
Total comprehensive income for the period	-		96,866,314	96,866,314
Appropriations:				-
Statutory reserves	-	10,328,910	(10,328,910)	-
Balance as at 31 Dec 2020	514,335,580	186,259,883	20,182,288	720,777,751
Total comprehensive income for the period	-		53,082,262	53,082,262
Unrealized gain on re measurement of available of sale of investments to fair value			-	-
Appropriations:				-
Statutory reserves	-	-	-	-
Balance as at 30 June 2021	514,335,580	186,259,883	73,264,550	773,860,013

The annexed notes form an integral part of these consolidated condensed interim financial statements.

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

CONSOLIDATED CONDENSED CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2021

	Half year ended June 30,	
	2021	2020
	Rupees	
CASH FLOW FROM OPERATING ACTIVITIES		
Operating profit before taxation	26,999,050	8,398,180
Adjustments for non-cash and other items		
Depreciation	905,397	990,406
Amortization	154,998	154,998
Gain on disposal of shares	(34,951,483)	(5,688,975)
Gain on disposal of fixed assets	(19,498)	-
Realized gain on remeasurement of PSX shares	-	-
	(33,910,586)	(4,543,571)
Cash flows from operating activities before working capital changes	(6,911,536)	3,854,609
(Increase) / Decrease in financing and placements	434,202	235,260,715
(Increase) / Decrease in loans and advances	(300,832)	317,233
Decrease in deposits, prepayment and other receivables	7,090,764	(1,816,621)
(increase) / Decrease in accrued interest	676,423	6,671,049
	7,900,556	240,432,376
Increase / (Decrease) in operating liabilities		
(Decrease) / Increase in unclaimed dividend	-	(3,834)
Increase / (Decrease) in borrowings	-	-
Decrease in accrued and other liabilities	3,805,613	(1,513,505)
	3,805,613	(1,517,339)
Net changes in operating assets and liabilities	11,706,169	238,915,037
Long term financing	-	-
Income tax paid	(6,226,340)	(2,511,128)
Net cash used in operating activities	(1,431,707)	240,258,517
CASH FLOW FROM INVESTING ACTIVITIES		
Proceed from sale of Fixed assets	-	-
Purchase of fixed assets - net	(155,960)	(36,500)
Sale proceed of quoted shares	178,971,677	(41,000,000)
Investment in quoted shares	(13,781,236)	(69,211,965)
Investment in government securities	(160,000,000)	52,780,385
Long term financing	1,510,912	2,478,111
Net cash generated from investing activities	6,545,393	(54,989,969)
CASH FLOW FROM FINANCING ACTIVITIES		
Net decrease in cash and cash equivalents	5,113,686	5,268,548
Cash and cash equivalents at the beginning of the period	7,293,874	8,033,947
Cash and cash equivalents at the end of the period	12,407,560	13,302,495

The annexed notes form an integral part of these consolidated condensed interim financial statements.

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR

**NOTES TO THE CONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE FIRST QUARTER ENDED 31 MARCH 2021****1 STATUS AND PRINCIPAL ACTIVITIES**

Security Investment Bank Limited (SIBL) is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984. The Bank was incorporated in Pakistan on May 23, 1991 and started its commercial operation on December 31, 1991. Its shares are quoted on Pakistan Stock Exchange Limited. The registered office of SIBL is situated at Office No. 01, 1st Floor, Junaid Plaza, I-10 Markaz, Islamabad.

SIBL is licensed to carry out business of investment finance services as a Non-Banking Finance Company (NBFC) under section 282C of the Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP) as amended through SRO 1002 (I) /2015 dated 15 October 2015 and Non-Banking Finance Companies and Notified Entities Regulations 2008 as amended through SRO 1160(I) / 2015 dated 25 November 2015 (previously this was covered under SRO 585(1)/87 dated 13 July 1987, issued by the Ministry of Finance).

The Investment Bank made an investment in newly incorporated wholly owned subsidiary company namely Security Capital & Investment (Private) Limited amounting to Rs. 50 million . As per agreement dated September 07, 2016 between the Investment Bank and Security Capital & Investment (Private) Limited, the Investment Bank has transferred the legal right on Trading Right Entitlement Certificate (TREC) and 1,602,953 shares of Pakistan Stock Exchange Limited (PSX). However actual transfer of these assets could not be materialized due to regulatory formalities which are in the process of completion.

Rahat Aziz, an advocate of High Court, had file an application on instruction of Security Capital & Investment (Private) Limited for striking off the name of the Company from the Register of Companies under Companies Easy Exit Scheme (CEES). And on 15 January 2020, via Letter No. CEER/MISC/1-1/2020 of Securities and Exchange Commission Of Pakistan, pursuant to the provisions of sub section (1) of section 426 of the Companies Act, 2017 (the Act) read with Companies (Easy Exit) Regulations, 2014 (the Regulations), same has been accepted and dissolution letter will be issued to the company after publication of company name under sub section 426(3) of the Companies Act, 2017.

The subsidiary company discontinued its business of undertaking stock brokerage business, and to act as Trading Right Entitlement Certificate (TREC) Holder of the stock exchange and as broker under the Securities Brokers (Licensing and Operations) Regulations, 2016 . Accordingly, the assets have been classified as held for distribution as at 31 December 2020 in accordance with the requirement of IFRS-5 "Non Current Assets - Held For Sale" in the consolidated financial statements.

2 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial information have been prepared in accordance with the requirements of International Accounting Standard 34 (Interim Financial Reporting), the requirements of the repealed Companies Ordinance, 1984 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case requirements differ, the requirements of the repealed Companies Ordinance,

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE FIRST QUARTER ENDED 31 MARCH 2021

1984 and the said directives have been followed.

These consolidated condensed interim financial information does not include all the information required for preparation of full financial information and should be read in conjunction with the preceding published annual financial statements for the year ended December 31, 2020.

The comparative balance sheet presented in this consolidated condensed interim financial information as at December 31, 2020 has been extracted from audited financial statements of the company for the year ended December 31, 2020, Whereas the comparative profit and loss account, statement of changes in equity and the cash flow statements for the half year ended June 30, 2021 have been subjected to a review but not audit.

3 ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the preceding published annual financial statements of the company for the year ended December 31, 2020.

4 ESTIMATES AND JUDGEMENTS

The preparation of consolidated condensed interim financial statements requires management to make judgments, estimates and assumption 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 in applying the Bank's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2020.

	June 30 2021 (Un-audited)	December 31 2020 (Audited)
5 OPERATING ASSETS	Note	Rupees
Cost		
As at January 01	166,786,857	166,827,757
Addition	175,460	36,500
Deletion	(222,074)	(77,400)
As at June 30	166,740,243	166,786,857
Less: Accumulated Depreciation		
As at January 01	10,059,461	8,173,657
Depreciation expenses	683,323	1,885,804
Adjustment made	-	-
As at June 30	10,742,784	10,059,461
	155,997,459	156,727,396

	June 30 2021 (Un-audited)	December 31 2020 (Audited)
6 CASH AND BANK BALANCES	Note	Rupees
With State Bank of Pakistan in current account	4,009	4,009
With other banks in		
Current account	1,805,810	1,805,810
Deposit accounts	10,545,645	5,439,043
	12,351,455	7,244,853
Cash in hand	52,095	45,012
	12,407,559	7,293,874

7 DATE OF AUTHORISATION

These consolidated condensed interim financial statements were authorised for issue by the Board of Directors on 30 August 2021.

8 GENERAL

Figures have been rounded off to the nearest rupee.

SHAKEEL AHMED
CFO

ZAFAR M. SHEIKH
CHIEF EXECUTIVE

HAJI JAN MOHAMMAD
CHAIRMAN/DIRECTOR



Islamabad Office:

Office No. 1, 1st Floor, Junaid Plaza, I-10 Markaz, Islamabad
Ph: (051) 4102920

Karachi Office:

502, 5th Floor, Madina City Mall, Abdullah Haroon Road, Saddar, Karachi.
Ph: (021) 35659750-54, Fax: (021) 35659755
E-mail: sibl@sible.com.pk Website: www.sibl.com.pk