Contents

1. CAPITAL ASSESSMENT AND ADEQUACY - BASEL III SPECIFIC

1.1. Scope of Application:

The Pak Oman Investment Company Limited (POICL) follows the State Bank of Pakistan's Capital Adequacy Frameworks (Basel II and III) for both its individual operations (standalone) and when combined with its subsidiary, Pak Oman Assets Management Company Limited (consolidated). These frameworks use the Standardized Approach for credit and market risk calculations, while the Basic Indicator Approach (BIA) is used for operational risk capital adequacy.

1.2. Capital Structure- Basel III:

POICL's regulatory capital is analyzed as follows:

Tier I capital (going concern capital) Which comprises of:

a. Common Equity Tier I (CET1) includes fully issued and paid-up capital, general reserves, and net unappropriated profits, less investments in banking and financial companies, due to insufficient Additional Tier 1 and Tier 2 capital.
b. No Additional Tier 1 and 2 Capital is issued by the Company.

1.3. Capital Adequacy

Capital Management:

The Company's capital management prioritizes meeting regulatory capital requirements while maintaining strong credit rating and healthy capital ratios. This approach ensures support for business activities and maximizes shareholder value.

Statutory Minimum Capital Requirement (MCR) and Capital Adequacy Ratio (CAR):

As per the guidelines set by the State Bank of Pakistan (SBP), Development Financial Institutions (DFIs) are required to maintain a minimum capital requirement (MCR) of PKR 6 billion (source: https://www.sbp.org.pk/BS/RCSP.asp). Furthermore, DFIs are mandated to maintain a minimum Capital Adequacy Ratio (CAR) of 11.5% based on their risk-weighted exposure. As of December 31, 2023, POICL comfortably meets both the MCR and CAR requirements, with a paid-up capital of Rs. 6.15 billion and a CAR of 15.49%.

2. CAPITAL ADEQUACY RATIO (CAR) DISCLOSURE TEMPLATE:

CAPITAL ADEQUACY RETURN AS OF YEAR ENDED 2023		31-Dec-2023	31-Dec-2022
		----------Rupees in '000----------	
Rows	**Common Equity Tier 1 capital (CET1):** Instruments and reserves		
1	Fully Paid-up Capital/ Capital deposited with SBP	6,150,000	6,150,000
2	Balance in Share Premium Account	-	-
3	Reserve for issue of Bonus Shares	-	-
4	Discount on Issue of shares	-	-
5	General/ Statutory Reserves	1,751,681	1,922,289
6	Gain/(Losses) on derivatives held as Cash Flow Hedge	-	-
7	Unappropriated/unremitted profits/ (losses)	816,314	646,307
8	Minority Interests arising from CET1 capital instruments issued to third parties by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	-
9	**CET 1 before Regulatory Adjustments**	**8,717,995**	**8,718,596**
10	Total regulatory adjustments applied to CET1 **(Note 2.1)**	**2,351,778**	**1,554,447**
11	**Common Equity Tier 1**	**6,366,217**	**7,164,149**
	Additional Tier 1 (AT 1) Capital		
12	Qualifying Additional Tier-1 capital instruments plus any related share premium	-	-
13	of which: Classified as equity	-	-
14	of which: Classified as liabilities	-	-
15	Additional Tier-1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT 1)	-	-
16	of which: instrument issued by subsidiaries subject to phase out	-	-
17	**AT1 before regulatory adjustments**	-	-
18	Total regulatory adjustment applied to AT1 capital **(Note 2.2)**	419,442	-
19	Additional Tier 1 capital after regulatory adjustments	-	-
20	**Additional Tier 1 capital recognized for capital adequacy**	-	-
21	**Tier 1 Capital (CET1 + admissible AT1) (11+20)**	**6,366,217**	**7,164,149**
	Tier 2 Capital		
22	Qualifying Tier 2 capital instruments under Basel III plus any related share premium	-	-
23	Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules	-	-
24	Tier 2 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group tier 2)	-	-
25	of which: instruments issued by subsidiaries subject to phase out	-	-
26	General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	-	-
27	Revaluation Reserves (net of taxes)	-	-
28	of which: Revaluation reserves on fixed assets	-	-
29	of which: Unrealized gains/losses on AFS	407,448	-
30	Foreign Exchange Translation Reserves	-	-
31	Undisclosed/Other Reserves (if any)	-	-
32	**T2 before regulatory adjustments**	407,448	-
33	Total regulatory adjustment applied to T2 capital **(Note 2.3)**	1,299,913	1,461,503
34	Tier 2 capital (T2) after regulatory adjustments	-	-
35	Tier 2 capital recognized for capital adequacy	-	-
36	Portion of Additional Tier 1 capital recognized in Tier 2 capital	-	-
37	**Total Tier 2 capital admissible for capital adequacy**	-	-
38	**TOTAL CAPITAL (T1 + admissible T2) (21+37)**	**6,366,217**	**7,164,149**

39	**Total Risk Weighted Assets (RWA) {for details refer Note 5}**	**41,090,095**	**32,682,259**
	Capital Ratios and buffers (in percentage of risk weighted assets)		
40	**CET1 to total RWA**	**15.49%**	**21.92%**
41	**Tier-1 capital to total RWA**	**15.49%**	**21.92%**
42	**Total capital to total RWA**	**15.49%**	**21.92%**
43	Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	-	-
44	of which: capital conservation buffer requirement	-	-
45	of which: countercyclical buffer requirement	-	-
46	of which: D-SIB or G-SIB buffer requirement	-	-
47	CET1 available to meet buffers (as a percentage of risk weighted assets)	-	-

	National minimum capital requirements prescribed by SBP		
48	**CET1 minimum ratio**	**6.00%**	**6.00%**
49	**Tier 1 minimum ratio**	**7.50%**	**7.50%**
50	**Total capital minimum ratio**	**11.50%**	**11.50%**

Regulatory Adjustments and Additional Information		31-Dec-2023	31-Dec-2022
		----------Rupees in '000----------	
2.1.	**Common Equity Tier 1 capital: Regulatory adjustments**		
1	Goodwill (net of related deferred tax liability)	-	-
2	All other intangibles (net of any associated deferred tax liability)	-	-
3	Shortfall in provisions against classified assets	-	-
4	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
5	Defined-benefit pension fund net assets	-	-
6	Reciprocal cross holdings in CET1 capital instruments of banking, financial and insurance entities	-	-
7	Cash flow hedge reserve	-	-
8	Investment in own shares/ CET1 instruments	-	-
9	Securitization gain on sale	-	-
10	Capital shortfall of regulated subsidiaries	-	-
11	Deficit on account of revaluation from bank's holdings of fixed assets/ AFS	-	18,918
12	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	283,645	74,026
13	Significant investments in the common stocks of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
14	Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	553,057	-
15	Amount exceeding 15% threshold	-	-
16	of which: significant investments in the common stocks of financial entities	-	-
17	of which: deferred tax assets arising from temporary differences	-	-
18	National specific regulatory adjustments applied to CET1 capital	-	-
19	Investments in TFCs of other banks exceeding the prescribed limit	-	-
20	Any other deduction specified by SBP (mention details)	203,169	-
21	Adjustment to CET1 due to insufficient AT1 and Tier 2 to cover deductions	1,311,907	1,461,503
22	**Total regulatory adjustments applied to CET1 (sum of 1 to 21)**	**2,351,778**	**1,554,447**
2.2.	**Additional Tier-1 & Tier-1 Capital: regulatory adjustments:**		
23	Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment]	-	-
24	Investment in own AT1 capital instruments	-	-
25	Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities	-	-
26	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	419,442	-
27	Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
28	Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from additional tier-1 capital	-	-
29	Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
30	**Total regulatory adjustment applied to AT1 capital (sum of 23 to 29)**	**419,442**	**-**

2.3.	**Tier 2 Capital: regulatory adjustments:**		
31	Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	-
32	Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities	-	-
33	Investment in own Tier 2 capital instrument	-	-
34	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	1,299,913	1,461,503
35	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
36	**Total regulatory adjustment applied to T2 capital (sum of 31 to 35)**	**1,299,913**	**1,461,503**
2.4.	**Additional Information**		
Risk Weighted Assets subject to pre-Basel III treatment:		-	-
	Risk weighted assets in respect of deduction items (which during the transitional period will be risk weighted subject to Pre-Basel III Treatment)	-	-
	of which: deferred tax assets	-	-
	of which: Defined-benefit pension fund net assets	-	-
	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is less than 10% of the issued common share capital of the entity	-	-
	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity	-	-
	Amounts below the thresholds for deduction (before risk weighting)	-	-
	Non-significant investments in the capital of other financial entities	-	-
	Significant investments in the common stock of financial entities	-	-
	Deferred tax assets arising from temporary differences (net of related tax liability)	-	-
	Applicable caps on the inclusion of provisions in Tier 2	-	-
	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	-	-
	Cap on inclusion of provisions in Tier 2 under standardized approach	-	-
	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-
	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	-

3. CAPITAL STRUCTURE RECONCILIATION:

Table: 3.1: Balance sheet of the published financial statements		
(in thousand PKR)	31-Dec-2023	
Assets	**Balance sheet as in published financial statements**	**Under regulatory scope of consolidation**
Cash and balances with treasury banks	532,767	532,767
Balanced with other banks	131,113	131,113
Lending to financial institutions	-	-
Investments	335,736,123	335,736,123
Advances	16,179,969	16,179,969
Operating fixed assets	933,594	933,594
Deferred tax assets	1,396,492	1,396,492
Other assets	12,092,961	12,092,961
Total assets	**367,003,019**	**367,003,019**
Liabilities & Equity		
Bills payable	-	-
Borrowings	340,891,244	340,891,244
Deposits and other accounts	12,218,415	12,218,415
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	2,267	2,267
Deferred tax liabilities	-	-
Other liabilities	5,151,620	5,151,620
Total liabilities	**358,263,546**	**358,263,546**
Share capital/ Head office capital account	6,150,000	6,150,000
Reserves	1,751,681	1,751,681
Unappropriated/ Unremitted profit/ (losses)	430,344	430,344
Minority Interest	-	-
Surplus on revaluation of assets	407,448	407,448
Total liabilities & equity	**8,739,473**	**8,739,473**

Table: 3.2	**Balance sheet as in published financial statements**	**Under regulatory scope of consolidation**	**Reference**
Assets	**December 31, 2023**		
Cash and balances with treasury banks	**532,767**	**532,767**	
Balanced with other banks	**131,113**	**131,113**	
Lending to financial institutions	**-**	**-**	
Investments:	**335,736,123**	**335,736,123**	
of which: Non-significant investments in the capital instruments of banking, financial and insurance entities exceeding 10% threshold	*2,003,000*	*2,003,000*	a
of which: significant investments in the capital instruments issued by banking, financial and insurance entities exceeding regulatory threshold	*203,169*	*203,169*	b
of which: Mutual Funds exceeding regulatory threshold	*203,169*	*203,169*	c
of which: reciprocal crossholding of capital instrument (separate for CET1, AT1, T2)	-	-	d
of which: others (mention details)	-	-	e

Advances:	**16,179,969**	**16,179,969**	
shortfall in provisions/ excess of total EL amount over eligible provisions under IRB	-	-	f
general provisions reflected in Tier 2 capital	-	-	g
Fixed Assets	**933,594**	**933,594**	
Deferred Tax Assets:	**1,396,492**	**1,396,492**	
of which: DTAs that rely on future profitability excluding those arising from temporary differences	-	-	h
of which: DTAs arising from temporary differences exceeding regulatory threshold	*553,057*	*553,057*	i
Other assets:	**12,092,961**	**12,092,961**	
of which: Goodwill	-	-	j
of which: Intangibles	-	-	k
of which: Defined-benefit pension fund net assets	-	-	l
Total assets	**367,003,019**	**367,003,019**	

Liabilities & Equity			
Bills payable	**-**	**-**	
Borrowings	**340,891,244**	**340,891,244**	
Deposits and other accounts	**12,218,415**	**12,218,415**	
Sub-ordinated loans	-	-	
of which: eligible for inclusion in AT1	-	-	m
of which: eligible for inclusion in Tier 2	-	-	n
Liabilities against assets subject to finance lease	**2,267**	**2,267**	
Deferred tax liabilities:	**-**	**-**	
of which: DTLs related to goodwill	-	-	o
of which: DTLs related to intangible assets	-	-	p
of which: DTLs related to defined pension fund net assets	-	-	q
of which: other deferred tax liabilities	-	-	r
Other liabilities	**5,151,620**	**5,151,620**	
Total liabilities	**358,263,546**	**358,263,546**	
Share capital:	**6,150,000**	**6,150,000**	
of which: amount eligible for CET1	6,150,000	6,150,000	s
of which: amount eligible for AT1	-	-	t
Reserves:	**1,751,681**	**1,751,681**	
of which: portion eligible for inclusion in CET1(provide breakup)	1,751,681	1,751,681	u
of which: portion eligible for inclusion in Tier 2	-	-	v
Unappropriated profit/ (losses)	**430,344**	**430,344**	w
Minority Interest:	**-**	**-**	
of which: portion eligible for inclusion in CET1	-	-	x
of which: portion eligible for inclusion in AT1	-	-	y
of which: portion eligible for inclusion in Tier 2	-	-	z
Surplus on revaluation of assets:	**407,448**	**407,448**	
of which: Revaluation reserves on Fixed Assets	289,602	289,602	aa
of which: Unrealized Gains/Losses on AFS	117,846	117,846	
In case of Deficit on revaluation (deduction from CET1)	-	-	ab
Total liabilities & Equity	**8,739,473**	**8,739,473**	

Table: 3.3		Component of regulatory capital reported by bank	Source based on reference number from step 2
	Common Equity Tier 1 capital (CET1): Instruments and reserves		
1	Fully Paid-up Capital/ Capital deposited with SBP	6,150,000	(s)
2	Balance in Share Premium Account	-	
3	Reserve for issue of Bonus Shares	-	
4	General/ Statutory Reserves	1,751,681	(u)
5	Gain/(Losses) on derivatives held as Cash Flow Hedge	-	
6	Unappropriated/unremitted profits/ (losses)	430,344	(w)
7	Minority Interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	-	(x)
	Benefit of ECL under IFRS-9 (Stage-1 and 2)	385,970	(ag)
8	**CET 1 before Regulatory Adjustments**	**8,717,995**	
	Common Equity Tier 1 capital: Regulatory adjustments		
9	Goodwill (net of related deferred tax liability)	-	(j) - (o)
10	All other intangibles (net of any associated deferred tax liability)	-	(k) - (p)
11	Shortfall of provisions against classified assets	-	(f)
12	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	{(h) - (r} * x%
13	Defined-benefit pension fund net assets	-	{(l) - (q)} * x%
14	Reciprocal cross holdings in CET1 capital instruments	-	(d)
15	Cash flow hedge reserve	-	
16	Investment in own shares/ CET1 instruments	-	
17	Securitization gain on sale	-	
18	Capital shortfall of regulated subsidiaries	-	
19	Deficit on account of revaluation from bank's holdings of fixed assets/ AFS	-	(ab)
20	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	283,645	(a) - (ac) - (ae)
21	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	203,169	(b) - (ad) - (af)
22	Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	553,057	(i)
23	Amount exceeding 15% threshold	-	
24	of which: significant investments in the common stocks of financial entities	-	
25	of which: deferred tax assets arising from temporary differences	-	
26	National specific regulatory adjustments applied to CET1 capital	-	
27	of which: Investment in TFCs of other banks exceeding the prescribed limit	-	
28	of which: Any other deduction specified by SBP (mention details)	-	
29	Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	1,311,907	
30	**Total regulatory adjustments applied to CET1 (sum of 9 to 29)**	**2,351,778**	
31	**Common Equity Tier 1**	**6,366,217**	
	Additional Tier 1 (AT 1) Capital		
32	Qualifying Additional Tier-1 instruments plus any related share premium	-	
33	of which: Classified as equity	-	(t)
34	of which: Classified as liabilities	-	(m)
35	Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1)	-	(y)
36	of which: instrument issued by subsidiaries subject to phase out	-	
37	**AT1 before regulatory adjustments**	-	
	Additional Tier 1 Capital: regulatory adjustments	**419,442**	
38	Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	

39	Investment in own AT1 capital instruments	-	
40	Reciprocal cross holdings in Additional Tier 1 capital instruments	-	
41	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	419,442	(ac)
42	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(ad)
43	Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-1 capital	-	
44	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
45	Total of Regulatory Adjustment applied to AT1 capital (sum of 38 to 44)	419,442	
46	Additional Tier 1 capital	-	
47	**Additional Tier 1 capital recognized for capital adequacy**	**-**	
48	**Tier 1 Capital (CET1 + admissible AT1) (31+47)**	**6,366,217**	
	Tier 2 Capital		
49	Qualifying Tier 2 capital instruments under Basel III plus any related share premium	-	
50	Capital instruments subject to phase out arrangement from tier 2 (Pre-Basel III instruments)	-	(n)
51	Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group tier 2)	-	(z)
52	of which: instruments issued by subsidiaries subject to phase out	-	
53	General Provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	-	(g)
54	Revaluation Reserves	-	
55	of which: Revaluation reserves on fixed assets	-	portion of (aa)
56	of which: Unrealized Gains/Losses on AFS	407,448	
57	Foreign Exchange Translation Reserves	-	(v)
58	Undisclosed/Other Reserves (if any)	-	
59	**T2 before regulatory adjustments**	**407,448**	
	Tier 2 Capital: regulatory adjustments	-	
60	Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	
61	Reciprocal cross holdings in Tier 2 instruments	-	
62	Investment in own Tier 2 capital instrument	-	
63	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	1,299,913	(ae)
64	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(af)
65	Amount of Regulatory Adjustment applied to T2 capital (sum of 60 to 64)	**1,299,913**	
66	Tier 2 capital (T2)	-	
67	Tier 2 capital recognized for capital adequacy	-	
68	Excess Additional Tier 1 capital recognized in Tier 2 capital	-	
69	Total Tier 2 capital admissible for capital adequacy	-	
70	**TOTAL CAPITAL (T1 + admissible T2) (48+69)**	**6,366,217**	

4. MAIN FEATURES TEMPLATE OF REGULATORY CAPITAL INSTRUMENTS:

Disclosure template for main features of regulatory capital instruments					
	Main Features	**Common Shares**	**Instrument - 2**	**Inst.- 3 & so on …**	**Remarks**
1	Issuer				
2	Unique identifier (e.g. KSE Symbol or Bloomberg identifier etc.)				
3	Governing law(s) of the instrument				
	Regulatory treatment				
4	Transitional Basel III rules				
5	Post-transitional Basel III rules				
6	Eligible at solo/ group/ group & solo				
7	Instrument type				
8	Amount recognized in regulatory capital (Currency in PKR thousands, as of reporting date)				
9	Par value of instrument				
10	Accounting classification				
11	Original date of issuance				
12	Perpetual or dated				
13	Original maturity date				
14	Issuer call subject to prior supervisory approval				
15	Optional call date, contingent call dates and redemption amount				
16	Subsequent call dates, if applicable				
	Coupons / dividends				
17	Fixed or floating dividend/ coupon				
18	coupon rate and any related index/ benchmark	----------------------------NIL----------------------------			
19	Existence of a dividend stopper				
20	Fully discretionary, partially discretionary, or mandatory				
21	Existence of step up or other incentive to redeem				
22	Noncumulative or cumulative				
23	Convertible or non-convertible				
24	If convertible, conversion trigger (s)				
25	If convertible, fully or partially				
26	If convertible, conversion rate				
27	If convertible, mandatory or optional conversion				
28	If convertible, specify instrument type convertible into				
29	If convertible, specify issuer of instrument it converts into				
30	Write-down feature				
31	If write-down, write-down trigger(s)				
32	If write-down, full or partial				
33	If write-down, permanent or temporary				
34	If temporary write-down, description of write-up mechanism				
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument				
36	Non-compliant transitioned features				
37	If yes, specify non-compliant features				

5. CAPITAL ADEQUACY:

Credit Risk:	Capital Requirements		Risk Weighted Assets	
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
On-Balance sheet	-----------------------------Rupees in '000'-----------------------------			
Sovereign	-	-	-	-
Public Sector entities	-	-	-	-
Banks	3,018	162,653	26,242	1,414,372
Corporate	1,179,475	1,421,073	10,256,309	12,357,158
Retail	1,790	2	15,567	18
Residential Mortgages	5,018	3,742	43,631	32,541
Past Due loans	7,944	228,434	69,079	1,986,386
Operating Fixed Assets	107,363	41,762	933,594	363,151
Other assets	502,087	967,761	4,365,975	8,415,316
Total On-Balance sheet	**1,806,695**	2,825,428	**15,710,397**	24,568,942
Off-Balance sheet				
Non-market related	213,762	129,985	1,858,797	1,130,305
Market-related	-	-	-	-
Total Off-Balance sheet	**213,762**	129,985	**1,858,797**	1,130,305
Equity Exposure Risk in Banking Book				
Listed	-	-	-	-
Unlisted	83,569	-	726,689	-
Total Equity Exposure in Banking Book	**83,569**	-	**726,689**	-
Total Credit Risk	**2,104,027**	2,955,413	**18,295,884**	25,699,247
Market Risk:				
Interest rate risk	2,168,734	467,412	18,858,559	4,064,453
Equity position risk	21,827	-	189,796	-
Foreign Exchange risk	-	-	-	-
Total Market Risk:	**2,190,561**	467,412	**19,048,355**	4,064,453
Operational Risk:				
Capital Requirement for operational risks	**430,773**	335,634	**3,745,856**	2,918,559
Total	**4,725,361**	3,758,460	**41,090,095**	32,682,259

Capital Adequacy Ratio (CAR);	31-Dec-2023	31-Dec-2022
Total eligible common equity tier 1 capital held	**6,366,217**	7,164,149
Total eligible tier 1 capital held	**6,366,217**	7,164,149
Total eligible regulatory capital held	**6,366,217**	7,164,149
Total Risk Weighted Assets	**41,090,095**	**32,682,259**

	Required	Actual	Required	Actual
CET1 to total RWA	6.00%	**15.49%**	6.00%	21.92%
Tier-1 capital to total RWA	7.50%	**15.49%**	7.50%	21.92%
Total capital to total RWA	11.50%	**15.49%**	11.50%	21.92%

Leverage Ratio:	31-Dec-2023	31-Dec-2022
Total eligible tier 1 capital held	6,366,217	7,164,149
Total Exposure	349,762,349	160,045,303
Leverage Ratio	**1.82%**	4.48%

6. CREDIT EXPOSURES AND COMPARATIVE FIGURES SUBJECT TO THE STANDARDIZED APPROACH:

Exposures	Rating category No.	Rating risk weighted	2023 Amount outstanding	Deduction CRM*	Net amount	Risk weighted asset
			---------------------------- Rupees in '000			--------------------------
Cash and Cash Equivalents		0%	**523**	**-**	**523**	**-**
Corporate	0	0%	**-**	**-**	**-**	**-**
	1	20%	**2,402,752**	**-**	**2,402,752**	**480,550**
	2	50%	**7,517,972**	**42,447**	**7,475,526**	**3,737,763**
	3,4	100%	**516,681**	**130,000**	**386,681**	**386,681**
	5,6	150%	**-**	**-**	**-**	**-**
	Unrated	100%	**5,285,544**	**131,269**	**5,154,275**	**5,154,275**
	Unrated-2	125%	**995,032**	**597,401**	**397,631**	**497,039**
			16,717,982	**901,117**	**15,816,866**	**10,256,309**
Retail		0%	**-**	**-**	**-**	**-**
		20%	**-**	**-**	**-**	**-**
		50%	**-**	**-**	**-**	**-**
		75%	**20,756**	**-**	**20,756**	**15,567**
			20,756	**-**	**20,756**	**15,567**
Banks						
		0%	**-**	**-**	**-**	**-**
	1	20%	**-**	**-**	**-**	**-**
	2,3	50%	**-**	**-**	**-**	**-**
- Over 3 Months	4,5	100%	**-**	**-**	**-**	**-**
	6	150%	**-**	**-**	**-**	**-**
	Unrated	50%	**-**	**-**	**-**	**-**
			-	-	-	-
- Maturity Up to and		0%	**-**	**-**	**-**	**-**
under 3 Months in	1,2,3	20%	**-**	**-**	**-**	**-**
FCY	4,5	50%	**-**	**-**	**-**	**-**
	6	150%	**-**	**-**	**-**	**-**
	unrated	20%	**-**	**-**	**-**	**-**
			-	**-**	**-**	**-**
- Maturity Upto and under 3 Months in PKR		0%	**-**	**-**	**-**	**-**
- Maturity Upto and under 3 Months in PKR		20%	**131,211**	**-**	**131,211**	**26,242**
			131,211	**-**	**131,211**	**26,242**
Residential Mortgage Finance		35%	**124,660**	**-**	**124,660**	**43,631**

Exposures	Rating category No.	Rating risk weighted	Amount outstanding	Deduction CRM*	Net amount	Risk weighted asset
			2023			
			Rupees in '000			
Public Sector Entity						
		0%	-	-	-	-
	1	20%	-	-	-	-
	2,3	50%	-	-	-	-
	4,5	100%	-	-	-	-
	6	150%	-	-	-	-
	Unrated	50%	**783,834**	**783,834**	-	-
			783,834	**783,834**	-	-
Sovereigns (SBP / GoP)		0%	**68,695,109**	-	**68,695,109**	-
Equity Investments - Listed		100%	**1,075,146**	-	**1,075,146**	**1,075,146**
- Unlisted		150%	**484,459**	-	**484,459**	**726,689**
Significant Investment and DTA		250%	**1,281,840**	-	**1,281,840**	**3,204,600**
			2,841,445	-	**2,841,445**	**5,006,435**
Past Due Loans (Not Secured by Residential Mortgages)	S.P less than 20%	150%	-	-	-	-
	S.P between 20% to 50%	100%	-	-	-	-
	S.P greater than 50%	50%	**138,158**		**138,158**	**69,079**
Past Due Loans (Secured by Residential Mortgages)	S.P less than 20%	100%	-	-	-	-
	S.P greater than 50%	50%	-	-	-	-
			138,158	-	**138,158**	**69,079**
Investment in fixed assets		100%	**933,594**		**933,594**	**933,594**
Other assets		100%	**86,230**		**86,230**	**86,230**
Total			**90,473,503**	**1,684,951**	**88,788,552**	**16,437,086**

7. LIQUIDITY COVERAGE RATIO 2023:

		Average	
	(in PKR million)	**TOTAL UNWEIGHTED a VALUE (average)**	**TOTAL WEIGHTED b VALUE (average)**
	HIGH QUALITY LIQUID ASSETS		
1	Total high quality liquid assets (HQLA)		20,542
	CASH OUTFLOWS		
2	Retail deposits and deposits from small business customers of which:	-	148
2.1	stable deposit	1,141	57
2.2	Less stable deposit	911	91
3	Unsecured wholesale funding of which:		15,898
3.1	Operational deposits (all counterparties)	-	-
3.2	Non-operational deposits (all counterparties)	1,087	54
3.3	Unsecured debt	20,861	15,876
4	Secured wholesale funding		1,611
5	Additional requirements of which:		2,900
5.1	Outflows related to derivative exposures and other collateral requirements	-	-
5.2	Outflows related to loss of funding on debt products	-	-
5.3	Credit and Liquidity facilities	8,561	2,900
6	Other contractual funding obligations	8,717	8,717
7	Other contingent funding obligations	1,073	54
8	**TOTAL CASH OUTFLOWS**		29,329
	CASH INFLOWS		
9	Secured lending	4,346	-
10	Inflows from fully performing exposures	1,652	939
11	Other Cash inflows	1,122	1,104
12	**TOTAL CASH INLFOWS**		2,042

21	**TOTAL HQLA**		20,542
22	**TOTAL NET CASH OUTFLOWS**		27,287
23	**LIQUIDITY COVERAGE RATIO**		**75.28%**

LIQUIDITY COVERAGE RATIO 2022:

		Average	
	(in PKR million)	**TOTAL UNWEIGHTED a VALUE (average)**	**TOTAL WEIGHTED b VALUE (average)**
	HIGH QUALITY LIQUID ASSETS		
1	Total high quality liquid assets (HQLA)		9,369
	CASH OUTFLOWS		
2	Retail deposits and deposits from small business customers of which:		104
2.1	stable deposit	2,073	104
2.2	Less stable deposit	-	-
3	Unsecured wholesale funding of which:		11,011
3.1	Operational deposits (all counterparties)		
3.2	Non-operational deposits (all counterparties)	893	45
3.3	Unsecured debt	15,332	10,993
4	Secured wholesale funding		1,001
5	Additional requirements of which:		759
5.1	Outflows related to derivative exposures and other collateral requirements		
5.2	Outflows related to loss of funding on debt products		
5.3	Credit and Liquidity facilities	3,535	759
6	Other contractual funding obligations	815	815
7	Other contingent funding obligations	312	16
8	**TOTAL CASH OUTFLOWS**		13,705
	CASH INFLOWS		
9	Secured lending	2,282	-
10	Inflows from fully performing exposures	1,667	833
11	Other Cash inflows	1,163	1,141
12	**TOTAL CASH INLFOWS**		1,975

21	**TOTAL HQLA**		9,369
22	**TOTAL NET CASH OUTFLOWS**		11,730
23	**LIQUIDITY COVERAGE RATIO**		**79.87%**

8. NET STABLE FUNDING RATIO 2023:

		unweighted value by residual maturity				weighted value
	(Amount in PKR in thousands)	No Maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	
ASF Item						
1	Capital:	-	-	-	-	-
2	Regulatory capital	8,716,744	-	-	-	**8,716,744**
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:	-	-	-	-	-
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	1,737,874	471,623	-	**1,988,547**
7	Wholesale funding:	-	-	-	-	-
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	5,485,158	4,377,537	-	**4,931,347**
10	Other liabilities:	-	-	-	-	-
11	NSFR derivative liabilities		-			-
12	All other liabilities and equity not included in other categories	-	340,866,838	5,790,111	4,307,541	**7,202,596**
13	**Total ASF**					**2,839,235**
RSF item						
14	Total NSFR high-quality liquid assets (HQLA)	295,390,034				**20,480**
15	Deposits held at other financial institutions for operational purposes	-	663,358	-	-	-
16	Performing loans and securities:	-	-	-	-	-
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	729,266	-	**364,633**
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	1,874,491	-	-	**281,174**
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	-	-	8,414,243	**7,152,106**
20	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	-	-	2,031,708	**1,320,610**
21	Securities that are not in default and do not qualify as HQLA including exchange-traded equities.	-	-	-	1,739,286	**1,478,393**
22	Other assets:					
23	Physical traded commodities, including gold	-				-
24	Assets posted as initial margin for derivative contracts		-			-
25	NSFR derivative assets		-			-
26	NSFR derivative liabilities before deduction of variation margin posted		-			-
27	All other assets not included in the above categories	-	4,544,287	3,413,491	7,212,536	**11,191,425**
28	Off-balance sheet items		6,297,378			**314,869**
29	Total RSF					**22,123,690**
30	Net Stable Funding Ratio (%)					**103.23%**

PAK OMAN INVESTMENT COMPANY LIMITED
CAPITAL ADEQUACY AND LIQUIDITY DISCLOSURES – UNCONSOLIDATED
AS AT DECEMBER 31, 2023

NET STABLE FUNDING RATIO 2022:

	(Amount in PKR in thousands)	unweighted value by residual maturity				weighted value
		No Maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	
ASF Item						
1	Capital:	-	-	-	-	-
2	Regulatory capital	8,718,596	-	-	-	**8,718,596**
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:	-	-	-	-	-
5	Stable deposits	2,788,566	366,570	15,490	3,012,094	**2,788,566**
6	Less stable deposits	-	-	-	-	-
7	Wholesale funding:	-	-	-	-	-
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	3,658,700	2,861,072	750,000	3,634,886	**3,658,700**
10	Other liabilities:	-	-	-	-	-
11	NSFR derivative liabilities		-			-
12	All other liabilities and equity not included in other categories	-	24,622,958	4,787,781	4,886,059	**7,279,950**
13	**Total ASF**					**22,645,526**
RSF item						
14	Total NSFR high-quality liquid assets (HQLA)	295,390,034				395,580
15	Deposits held at other financial institutions for operational purposes	-	12,205	-	-	**12,205**
16	Performing loans and securities:	-	-	-	-	-
17	Performing loans to financial institutions secured by Level 1 HQLA	-	4,411,451	108,000	769,670	**572,112**
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	1,936,927	-	-	**290,539**
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	-	-	9,978,878	**8,482,046**
20	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	-	-	1,426,874	**927,468**
21	Securities that are not in default and do not qualify as HQLA including exchange-traded equities.	-	-	-	1,864,000	**1,584,400**
22	Other assets:	-	-	-	-	**-**
23	Physical traded commodities, including gold	-				-
24	Assets posted as initial margin for derivative contracts		-			-
25	NSFR derivative assets			-		-
26	NSFR derivative liabilities before deduction of variation margin posted			-		-
27	All other assets not included in the above categories	-	-	10,822,245	3,915,881	**9,327,003**
28	Off-balance sheet items		2,366,223			**118,311**
29	Total RSF					**21,709,665**
30	Net Stable Funding Ratio (%)					**104.31%**