



**1st QUARTERLY REPORT  
SEPTEMBER 30, 2021**





# Vision

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

# Mission

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

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





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# Corporate Information

## Board of Directors

**Peter H.R. Riepenhausen**

Chairman

**Muhammad Ziaullah Khan Chishti**

CEO

**Zafar Iqbal Sobani**

**Muhammad Ali Jameel**

**John Leone**

**Mohammadullah Khan Khaishgi**

**Patrick McGinnis**

**Ameer S. Qureshi**

**Asad Nasir**

**Sabiha Sultan Ahmad**

## Audit Committee

Zafar Iqbal Sobani - Chairman

Patrick McGinnis

Ameer S. Qureshi

Asad Nasir

## HR Recruitment &

## Remuneration Committee

Sabiha Sultan Ahmad - Chairman

John Leone

Peter H.R. Riepenhausen

Mohammed Khaishgi

## Chief Financial Officer

Hassan Farooq

## Company Secretary

Rahat Lateef

## Legal Advisor

Lexium - Attorneys at Law

## Auditors

KPMG Taseer Hadi & Co.

Chartered Accountants

## Shares Registrar

THK Associates (Pvt.) Ltd.

Share Department,

Plot No. 32-C, Jami Commercial

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

Karachi-75500, Pakistan.

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

FAX: +92 (021) 34168271

## Registered Office

24th Floor, Sky Tower West Wing,

Dolmen, HC-3, Block-4,

Marine Drive, Clifton,

Karachi-75600, Pakistan.

UAN: (021)111-874-874

Fax: (021) 35184042

## Report of the Directors

For the First Quarter ended September 30, 2021

Your Directors are pleased to present the condensed interim financial information of TRG Pakistan Limited (the Company) for the first quarter ended September 30, 2021.

### Key Developments:

This was a strong quarter for TRG International (TRGI) and its portfolio companies. We successfully completed the sale of our eTelequote business in July. Our portfolio company, IBEX has been investing in additional capacity in preparation for increased volumes expected in the second half of the fiscal year. We anticipate its sales mix to further improve, with growth in more profitable business and pivot from legacy low margin accounts towards higher growth clients dominated by the emerging technology sector. Our enterprise software portfolio company continues to deliver topline growth, and with a robust revenue pipeline, we expect additional enterprise clients to come online before the end of the fiscal year.

### Financial Review:

The value of the Company's share in TRGI as of September 30, 2021 is Rupees 54.0 billion. This value was Rupees 49.6 billion on June 30, 2021. This represents an increase of Rupees 4.4 billion during the period and an overall increase that is nearly fifteen times the value of its original investment. In addition to the Company's stake in TRGI, it also has other assets of Rupees 0.27 billion and liabilities of Rupees 9.0 billion resulting in net assets of Rupees 45.2 billion.

The Company recognized interest income of Rupees 3.8 million in its income statement, whereas it incurred expenses of Rupees 9.9 million. The share of profit from associates was Rs.44.3 million. Deferred tax expense amounting to Rupees 6.6 million was incurred during the period. As a result, the Company posted net profit of Rupees 31.6 million for the period ended September 30, 2020.

### Earnings per share

The earning per share of the Company was Rupees 0.058 per share.

### Outlook

We remain focused on monetization of our remaining assets to increase shareholder value and liquidity.

### Acknowledgments

Your directors close this report by thanking you of your continued confidence and for the opportunity to serve you as your fiduciaries in the management of your Company.

**For and on Behalf of the Board of Directors**

**Muhammad Ziaullah Khan Chishti**  
Chief Executive

**Muhammad Ali Jameel**  
Director

Karachi:  
Dated: October 28, 2021

## فی حصص آمدن

کمپنی نے فی حصص ۰.۰۵۸ روپے کا منافع حاصل کیا۔

## متوقع امکانات

ہم پبلک اور پرائیویٹ مارکیٹ دونوں آپشنز کے ذریعہ اپنے اثاثوں کی مونیٹائزیشن کی تیاری کیے ہوئے ہیں جس سے حصص یافتگان کے سرمایہ میں اضافہ اور لیکویڈیٹی پیدا ہوگی۔

## اظہار تشکر

اس رپورٹ کے اختتام پر ڈائریکٹرز آپ کے مستقل اعتماد اور کمپنی کی انتظامیہ کو امین کے طور پر خدمات کا موقع دینے پر آپ کے تہہ دل سے مشکور ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

علی جمیل  
ڈائریکٹر

محمد ضیاء اللہ خان چشتی  
چیف ایگزیکٹو  
کراچی

تاریخ: 28 اکتوبر 2021

## ڈائریکٹرز کی رپورٹ

برائے دورانیہ ۳۰ ستمبر ۲۰۲۱ کے اختتام پر (سہ ماہی رپورٹ)

آپ کے ڈائریکٹرز انتہائی مسرت کے ساتھ ٹی آر جی پاکستان لمیٹڈ (کمپنی) کے ۳۰ ستمبر ۲۰۲۱ کو اختتام پذیر ہونے والی پہلی سہ ماہی کے معاشی بیانیے پیش کرتے ہیں۔

### اہم پیشرفت

یہ ٹی آر جی انٹرنیشنل (ٹی آر جی آئی) اور اس کی پورٹ فولیو کمپنیوں کے لیے ایک مضبوط سہ ماہی تھی۔ ہم نے کامیابی کے ساتھ اپنے ای ٹیلیکٹ کاروبار کی فروخت جولائی میں مکمل کی۔ ہماری پورٹ فولیو کمپنی، آئی بی کیس مالی سال کے دوسرے نصف میں متوقع حجم میں اضافے کی تیاری کے لیے اضافی صلاحیت میں سرمایہ کاری کر رہی ہے۔ ہم امید کرتے ہیں کہ اس کے سیلز مکس میں مزید بہتری آئے گی، زیادہ منافع بخش کاروبار میں ترقی اور وراثت کے کم مارجن اکاؤنٹس سے ابھرتے ہوئے ٹیکنالوجی کے شعبے کے زیر تسلط اعلیٰ ترقی والے کلائنٹس کی طرف محور۔ ہماری انٹرنیشنل سافٹ ویئر پورٹ فولیو کمپنی ٹاپ لائن ترقی کو جاری رکھے ہوئے ہے، اور ایک مضبوط ریونیو پائپ لائن کے ساتھ، ہم توقع کرتے ہیں کہ اضافی انٹرنیشنل کلائنٹس مالی سال کے اختتام سے پہلے لائن آجائیں گے۔

### مالی جائزہ

۳۰ ستمبر ۲۰۲۱ کو کمپنی کا حصہ ٹی آر جی آئی میں ۵۴۰.۰ بلین روپے رہا۔ یہ حصہ ۳۰ جون ۲۰۲۱ کو ۴۹۰.۶ بلین روپے تھا۔ اس مدت کے دوران ۴۰.۴ بلین روپے کا اضافہ ہوا جبکہ مجموعی طور پر اصل سرمایہ کاری میں تقریباً پندرہ گنا رہا۔ ٹی آر جی آئی میں کمپنی کے حصے کے علاوہ، اس میں ۰.۲ بلین روپے کے دوسرے اثاثے اور ۹.۰ بلین روپے کی واجبات ہیں جس کے نتیجے میں خالص اثاثہ جات ۴۵.۲ بلین روپے ہیں۔

کمپنی نے اپنی آمدنی کے بیانے میں ۳۰.۸ بلین روپے ظاہر کیے، جبکہ اس پر ۹.۰۹ بلین روپے کے اخراجات ہوئے۔ اسوسیٹڈ کمپنی میں منافع کا حصہ ۴۴.۳ بلین روپے تھا۔ اس عرصے کے دوران ۶.۶ بلین روپے کے التواء ٹیکس اخراجات کا خرچہ ہوا۔ اس کے نتیجے میں، کمپنی نے ۳۰ ستمبر ۲۰۲۱ کو ختم ہونے والی مدت میں ۳۱.۶ بلین روپے کا خالص منافع حاصل کیا۔



**Condensed Interim Financial Statements**

For the three months period ended

**September 30, 2021**

**1st QUARTERLY REPORT  
SEPTEMBER 30, 2021**

## Condensed Interim Statement of Financial Position

As at September 30, 2021

		September 30, 2021 (Un-audited) ----- (Rupees in '000) -----	June 30, 2021 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Operating fixed assets		13	17
Long term investment	4	53,998,793	49,620,244
Long term deposit		75	75
		<u>53,998,881</u>	<u>49,620,336</u>
<b>Current assets</b>			
Accrued Interest		1,062	10,828
Cash and bank balances	5	264,745	598,429
		<u>265,807</u>	<u>609,257</u>
<b>Total assets</b>		<u><u>54,264,688</u></u>	<u><u>50,229,593</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital		<u>7,330,000</u>	<u>7,330,000</u>
<i>Share capital</i>			
Issued, subscribed and paid-up capital	6	5,453,907	5,453,907
<i>Revenue reserves</i>			
Foreign currency translation reserve		2,868,810	(815,095)
Unappropriated Profit		<u>36,901,392</u>	<u>36,869,797</u>
		<u>45,224,109</u>	<u>41,508,609</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities - net		8,762,445	8,105,417
<b>Current liabilities</b>			
Accrued and other liabilities		5,190	322,217
Payable to related party	7	27,265	27,265
Dividend Payable		74,519	92,885
Taxation - net		<u>171,160</u>	<u>173,200</u>
		<u>278,134</u>	<u>615,567</u>
<b>Total equity and liabilities</b>		<u><u>54,264,688</u></u>	<u><u>50,229,593</u></u>
<b>Contingencies and commitments</b>	8		

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Director

Chief Financial Officer

Director

## Condensed Interim Statement of Profit or Loss Account and Other Comprehensive Income (Un-audited)

For the three months period ended September 30, 2021

		September 30, 2021	September 30, 2020
Note		----- (Rupees in '000) -----	
Interest Income	9	3,832	59,595
Administrative and other expenses		(9,853)	(4,920)
<b>Operating profit</b>		<b>(6,021)</b>	54,675
Share of profit in equity accounted investee	4.2	44,254	917,045
<b>Profit before taxation</b>		<b>38,233</b>	971,720
Taxation		(6,638)	(155,256)
<b>Profit after taxation</b>		<b>31,595</b>	816,464
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to statement of profit or loss in subsequent periods</i>			
Effect of translation of net investment in foreign associate - net of tax		3,683,905	(264,752)
<b>Total comprehensive income</b>		<b>3,715,500</b>	551,712
----- (Rupees) -----			
Earnings per share - basic and diluted		<b>0.058</b>	1.50

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

## Condensed Interim Statement of Changes in Equity (Un-audited)

For the three months period ended September 30, 2021

	Issued, subscribed and paid-up capital	Revenue Reserves		Total	
		Foreign currency translation reserve	Fair value reserve - net of tax		Unappropriated profit
----- (Rupees in '000) -----					
<b>Balance as at July 1, 2020</b>	5,453,907	533,377	-	13,417,088	19,404,372
<b>Total comprehensive income for the period ended September 30, 2020</b>					
Profit for the year	-	-	-	816,464	816,464
Other Comprehensive Income					
Effect of translation of net investment in foreign associate - net of tax	-	(264,752)	-	-	(264,752)
	-	(264,752)	-	816,464	551,712
<b>Balance as at September 30, 2020</b>	<u>5,453,907</u>	<u>268,625</u>	<u>-</u>	<u>14,233,552</u>	<u>19,956,084</u>
<b>Balance as at July 01, 2021</b>	5,453,907	(815,095)	-	36,869,797	41,508,609
<b>Total comprehensive income for the period ended September 30, 2021</b>					
Profit for the year	-	-	-	31,595	31,595
Other Comprehensive Income					
Effect of translation of net investment in foreign associate - net of tax	-	3,683,905	-	-	3,683,905
	-	3,683,905	-	31,595	3,715,500
<b>Balance as at September 30, 2021</b>	<u>5,453,907</u>	<u>2,868,810</u>	<u>-</u>	<u>36,901,392</u>	<u>45,224,109</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

## Condensed Interim Statement of Cash Flows (Un-audited)

For the three months period ended September 30, 2021

		September 30, 2021	September 30, 2020
	Note	----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net cash used in operations	10	(345,241)	(4,836)
Interest income received		13,598	5,016
Income tax paid		(2,041)	(6)
<b>Net increase / (decrease ) in cash and cash equivalents during the period</b>		<b>(333,684)</b>	174
Cash and cash equivalents at beginning of the period		598,429	3,308
<b>Cash and cash equivalents at end of the period</b>		<b>264,745</b>	<b>3,482</b>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

# Notes to the Condensed Interim Financial Statements (Un-audited)

For the three months period ended September 30, 2021

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 TRG Pakistan Limited ("the Company") was incorporated in Pakistan as a public limited company on December 2, 2002 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 24th Floor, Sky Tower West Wing, Dolmen, HC-3, Block-4, Marine Drive, Clifton, Karachi, Pakistan. On May 14, 2003 the Company obtained a license from the Securities and Exchange Commission of Pakistan ("SECP") to undertake venture capital investment as a Non-Banking Finance Company in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). On January 18, 2012 the Company exited from NBFC regime and continues to operate as a listed company.
- 1.2 The principal activity of the Company, through its associate, The Resource Group International Limited (TRGIL) is to invest in portfolio of investments primarily in the Technology and IT Enabled Services.

## 2. BASIS OF PREPARATION

These condensed interim financial statements of the Company 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; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all of the information required for full financial statements and should therefore be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2021.

These condensed interim financial statements comprises the condensed interim statement of financial position as at September 30, 2021, condensed interim statement of profit or loss account and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes thereto for the three months period then ended.

The comparative condensed interim statement of financial position, presented in these condensed interim financial statements as at June 30, 2021 has been extracted from the annual audited financial statements of the Company for the year then ended, whereas the comparative condensed interim statement of profit or loss account and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from the unaudited condensed interim unconsolidated financial statements for the three months period ended September 30, 2020.

### 2.1 Judgments and estimates

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying accounting polices and the key sources of estimation and uncertainty were the same as those that were applied to annual audited financial statements of the Company for the year ended June 30, 2021.

## 2.2 Risk management

Risk management policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2021.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the Company's annual audited financial statements for the year ended June 30, 2021.

## 4. LONG TERM INVESTMENT

	Note	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
----- (Rupees in '000) -----			
The Resource Group International Limited (TRGIL)			
Unquoted 60,450,000 (June 30, 2020: 60,450,000)			
Series B Preferred Shares			
- Equity accounted investee	4.1 & 4.2	53,998,793	49,620,244
		<u>53,998,793</u>	<u>49,620,244</u>

4.1 This represents investment in TRGIL, an associate incorporated in Bermuda having par value and additional paid up share capital of US\$0.01 and US\$ 0.99 per share respectively. The percentage of the Company's holding in TRGIL's shares is 56.86% (June 30, 2021: 56.86%) with voting power of 45.90% (June 30, 2021: 45.90%). The percentage of holding on a fully diluted basis, after taking into account all the classes of shares that will potentially participate in equity distribution, is 45.32% (June 30, 2021: 45.32%). The registered office of TRGIL is situated at Crawford House 50, Cedar Avenue, Hamilton HM 11, Bermuda.

## 4.2 Reconciliation of carrying amount of investment

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
----- (Rupees in '000) -----		
Opening balance	49,620,244	21,778,686
Share of profit	44,254	30,312,643
Distribution received	-	(884,647)
Exchange translation impact	4,334,295	(1,586,438)
Closing balance	<u>53,998,793</u>	<u>49,620,244</u>

## 5. CASH AND BANK BALANCES

Balance with bank in		
- Current accounts	61,036	77,094
- Savings account	203,698	521,331
	<u>264,734</u>	<u>598,425</u>
Cash in hand	11	4
	<u>264,745</u>	<u>598,429</u>

## 6. SHARE CAPITAL

	September 30, 2021 (Un-audited)		June 30, 2021 (Audited)	
	Number of shares	(Rupees in '000)	Number of shares	(Rupees in '000)
<b>Authorized share capital</b>				
- Ordinary class 'A' shares of Rs.10 each	720,000,000	7,200,000	720,000,000	7,200,000
- Ordinary class 'B' shares of Rs.10 each	13,000,000	130,000	13,000,000	130,000
	<b>733,000,000</b>	<b>7,330,000</b>	<b>733,000,000</b>	<b>7,330,000</b>
<b>Issued, subscribed and paid-up capital</b>				
Ordinary class 'A' shares of Rs. 10 each				
- allotted for consideration paid in cash	535,765,687	5,357,657	535,765,687	5,357,657
- allotted for consideration other than cash (note 6.1)	9,624,978	96,250	9,624,978	96,250
	<b>545,390,665</b>	<b>5,453,907</b>	<b>545,390,665</b>	<b>5,453,907</b>

6.1 These shares were issued in exchange of 1,636,000 shares of The Resource Group International Limited of US\$1 each in 2003.

## 7. PAYABLE TO RELATED PARTIES - current account - unsecured

This represents payable to TRGIL, associate of the Company relating to activities for carrying out routine operations.

## 8. CONTINGENCIES AND COMMITMENTS

There is no change in contingencies and commitments as reported in note 14 to the annual audited financial statements for the year ended June 30, 2021.

## 9. INTEREST INCOME

	Note	September 30, 2021	September 30, 2020
		(Un-audited)	(Rupees in '000)
- Bank balances	9.1	3,832	35
- Loan to related party		-	59,560
		<b>3,832</b>	<b>59,595</b>

9.1 Interest income is earned from bank deposits.

## 10. NET CASH USED IN OPERATIONS

Net profit before taxation		38,233	971,720
Adjustments for :			
Depreciation		4	11
Interest income on return on bank balances		(3,832)	(59,595)
Share of profit in equity accounted investee		(44,254)	(917,045)
Effect on cash flows of working capital changes	10.1	(335,392)	73
		<b>(383,474)</b>	<b>(976,556)</b>
		<b>(345,241)</b>	<b>(4,836)</b>

## 10.1 Working capital changes

September 30, 2021      September 30, 2020  
----- (Un-audited) -----  
----- (Rupees in '000) -----

Increase / (decrease) in current liabilities:

Accrued and other liabilities

Payable to related party

(335,392)	(67)
-	140
<b>(335,392)</b>	<b>73</b>

## 11. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. As the accompanying financial statements are prepared under the historical cost method, differences may arise between the book values and the fair value estimates. Management believes that fair values of the Company's financial assets and liabilities are not materially different from their carrying values since all of the financial instruments of the Company are classified as amortized cost or are repriced frequently.

## 12. RELATED PARTY DISCLOSURES

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

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

Related party transactions and balances are disclosed elsewhere in these condensed interim financial statements and accordingly not reproduced in this note.

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

## 13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 28, 2021 by the board of directors of the Company.

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director





**TRG PAKISTAN LTD.**

24TH FLOOR, SKY TOWER WEST WING,  
DOLMEN, HC-3, BLOCK-4, MARINE DRIVE,  
CLIFTON, KARACHI-75600, PAKISTAN.

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<http://trgpcorp.com>