



**DIRECTORS REVIEW ON CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 31 MARCH 2019**

We are pleased to present on behalf of the Board of Directors, the un-audited condensed interim financial statements of Pak China Investment Company Limited for the quarter ended 31 March 2019 together with Directors' Review thereon.

Profit after tax increased by 20% as compared to last year's quarter, from Rs. 156.6 million to Rs. 187.8 million. Correspondingly, earnings per share stood at Re. 0.21 for the quarter ended 31 March 2019 as compared to Rs. 0.17 for last year's quarter.

Net mark-up income increased by Rs. 142.9 million from Rs. 220.2 million in the corresponding period of the previous year to Rs. 363.1 million for the current quarter. This increase is mainly attributable to increase in policy rate by SBP and diversion of investments to lucrative instruments.

Total Non-mark-up income decreased by Rs. 20.4 million from Rs. 59.1 million in the corresponding period of the previous year to Rs. 38.7 million for the current quarter. This decrease is mainly attributable to un-realized exchange gain which Rs. 51.3 in last quarter however the same is Rs. 17.3 million for the current quarter due to lesser depreciation in PKR during the current period. Fee and commission income has shown a healthy rise and increased from Rs. 4.4 million in last quarter to 13.6 million during current quarter.

Operating expenses increased by Rs. 27.8 million majorly due to increase in salaries, legal and professional charges, travelling & conveyance, depreciation and Repair and maintenance.

Provisions against non-performing loans and impairment loss on shares has increased by Rs. 23.6 million and Rs. 3.9 million respectively.

Finally, on behalf of the Board, I would like to express our gratitude to our shareholders, Ministry of Finance, Government of Pakistan and China Development Bank for their support and State Bank of Pakistan for professional guidance. The Board also wishes to place on record its appreciation of the hard work and dedication of the Management and staff of the Company.

**On behalf of the Board of Directors**

A handwritten signature in black ink, appearing to be "Wang Baojun".

**Wang Baojun**  
Managing Director/ Alternate Chairman

A handwritten signature in blue ink, appearing to be "Noor Ahmed".

**Noor Ahmed**  
Director