PAKCHINA
INVESTMENT COMPANY LIMITED

Condensed Interim Financial Statements

For the period ended 31 March 2024

PAK CHINA
INVESTMENT COMPANY LIMITED

DIRECTORS REVIEW ON CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2024

We are pleased to present on behalf of the Board of Directors, the unaudited condensed interim financial statements of Pak China Investment Company Limited (PCICL) for the quarter ended 31 March 2024 together with the Directors' Review thereon.

PCICL's profit after tax stood at Rs. 681.16 million for the first quarter ended 31 March 2024 as compared to Rs. 915.62 million in the comparable quarter last year. It shows a decrease of 25.6%. Resultantly, earning per share has decreased from Re. 0.92 during last year's quarter to Re. 0.69 in current year's quarter. Operating profit during the current quarter was Rs. 1,017.65 million as compared to Rs. 1,560.44 million during last comparable quarter.

In last year, SBP increased the policy rate from 16% to 22% in line with the macroeconomic indicators. This resulted in upward repricing of majority of the portfolio and coupled with the increased volume of portfolio, Net Interest Income increased by Rs. 255.53 million, i.e. 29.65%. This quarter has witnessed a modest appreciation of PKR against USD which resulted in foreign exchange revaluation loss of Rs. 54.79 million, while in comparable quarter, depreciation of PKR against USD was profound which resulted in in foreign exchange revaluation gain of Rs. 848.22 million.

Operating expenses increased by Rs. 57.3 million majorly due to normal annual increments in salaries of employees and inflationary impact. Provisions and write-offs – net reversal amounted to Rs. 53.77 million, as compared to charge of Rs. 131.94 million in last year's first quarter.

Total assets have Increased by Rs. 9.24 billion as of 31 March 2024 as compared to the balance as at 31 December 2023, primarily due to the investment in market treasury bills funded through short-term borrowings.

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

Song Zhenwen
Managing Director
Pak China Investment Co. Ltd.

Amjad Mahmood
Chairman Board of Directors
Pak China Investment Co. Ltd.

04 December 2025
Islamabad

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 MARCH 2024

	Note	(Unaudited) 31 March 2024	(Audited) 31 December 2023
		---Rupees---	
ASSETS			
Cash and balances with treasury banks	6	144,854,633	58,211,053
Balances with other banks	7	4,289,271,981	4,338,987,033
Lendings to financial institutions	8	3,795,960,500	1,886,342,400
Investments	9	26,372,782,952	18,156,013,803
Advances	10	17,578,765,482	18,854,724,030
Property and equipment	11	183,449,220	187,166,273
Right-of-use assets	12	128,024,578	139,907,654
Intangible assets	13	4,125,422	4,651,640
Deferred tax assets	14	187,720,178	105,850,816
Other assets	15	1,542,287,258	1,252,528,688
Total Assets		54,227,242,204	44,984,383,390
LIABILITIES			
Bills payable		-	-
Borrowings	16	29,961,036,526	21,965,719,305
Deposits and other accounts	17	275,363,813	370,560,678
Lease liabilities	18	106,204,262	122,080,378
Subordinated debt		-	-
Other liabilities	19	1,494,201,765	746,270,572
Total Liabilities		31,836,806,366	23,204,630,933
NET ASSETS		22,390,435,838	21,779,752,457
REPRESENTED BY			
Share capital		9,905,975,280	9,905,975,280
Advance against issue of shares	20	15,212,360	15,212,360
Reserves		2,599,659,313	2,463,427,065
Deficit on revaluation of assets	21	(532,925,433)	(462,447,573)
Unappropriated / Unremitted profit		10,402,514,318	9,857,585,325
		22,390,435,838	21,779,752,457

CONTINGENCIES AND COMMITMENTS 22

The annexed notes 1 to 40 form an integral part of these financial statements.

MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER	CHAIRMAN	DIRECTOR	DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2024

	Note	For the quarter ended 31 March 2024	For the quarter ended 31 March 2023
		------ Rupees ------	
Mark-up / Return / Interest earned	23	2,318,046,513	3,092,197,125
Mark-up / Return / Interest expensed	24	(1,200,822,286)	(2,230,502,108)
Net mark-up / interest income		1,117,224,227	861,695,017
NON MARK-UP / INTEREST INCOME			
Fee and commission income	25	14,589,566	12,687,975
Dividend income		19,775,000	14,078,750
Foreign exchange income / (loss)		(54,786,127)	848,216,062
Income / (Loss) from derivatives		-	-
Gain / (Loss) on securities	26	137,765,122	(18,576,542)
Net loss on derecognition of financial assets measured at amortised cost	27	(2,325,713)	-
Other income	28	4,107,373	3,784,523
Total non-markup / interest income		119,125,221	860,190,768
Total income		1,236,349,448	1,721,885,785
NON MARK-UP/INTEREST EXPENSES			
Operating expenses	29	218,703,232	161,445,735
Workers welfare fund		-	-
Other charges	30	-	-
Total non-markup / interest expenses		218,703,232	161,445,735
Profit before credit loss allowance		1,017,646,216	1,560,440,050
Credit loss allowance and write offs - net	31	(53,766,023)	131,944,017
PROFIT BEFORE TAXATION		1,071,412,239	1,428,496,033
Taxation	32	390,250,998	512,879,306
PROFIT AFTER TAXATION		681,161,241	915,616,727
Basic and diluted earnings per share	33	0.69	0.92

The annexed notes 1 to 40 form an integral part of these financial statements.

MANAGING DIRECTOR   CHIEF FINANCIAL OFFICER   CHAIRMAN   DIRECTOR   DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2024

	For the quarter ended	
	31 March 2024	31 March 2023
	-----Rupees-----	
Profit after taxation for the period	**681,161,241**	915,616,727
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in (deficit) / surplus on revaluation of debt investments through FVOCI - net of tax	**(28,546,418)**	(85,013,340)
	(28,546,418)	(85,013,340)
Items that will not be reclassified to profit and loss account in subsequent periods:		
Movement in (deficit) / surplus on revaluation of Shares through FVOCI - net of tax	**(41,931,442)**	(27,493,774)
Remeasurement gain on defined benefit obligations - net of tax	**-**	-
	(41,931,442)	(27,493,774)
Total comprehensive income	**610,683,381**	803,109,613

The annexed notes 1 to 40 form an integral part of these financial statements.

MANAGING DIRECTOR | CHIEF FINANCIAL OFFICER | CHAIRMAN | DIRECTOR | DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2024

	Share Capital	Advance against issue of shares	Statutory reserve *	Surplus / (deficit) on revaluation of investments	Unappropriated profit	Total
Balance as at 01 January 2023	9,905,975,280	5,212,360	1,987,774,674	(546,098,067)	7,952,508,589	19,305,372,836
Profit after taxation for the period ended 31 March 2023	-	-	-	-	915,616,727	915,616,727
Movement in deficit on revaluation of investments in debt instruments - net of tax	-	-	-	(85,013,340)	-	(85,013,340)
Movement in deficit on revaluation of investments in equity instruments - net of tax	-	-	-	(27,493,774)	-	(27,493,774)
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-
Total comprehensive income / (loss) - net of tax	-	-	-	(112,507,114)	-	(112,507,114)
Transfer to statutory reserve	-	-	183,123,345	-	(183,123,345)	-
Transaction with owners recognized directly in equity						
Advance against issue of shares	-	-	-	-	-	-
Balance as at 31 March 2023	9,905,975,280	5,212,360	2,170,898,019	(658,605,181)	8,685,001,971	20,108,482,449
Profit after taxation for the period ended 31 December 2023	-	-	-	-	1,462,645,225	1,462,645,225
Movement in deficit on revaluation of investments in debt instruments - net of tax	-	-	-	72,657,654	-	72,657,654
Movement in deficit on revaluation of investments in equity instruments - net of tax	-	-	-	123,499,954	-	123,499,954
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	2,467,175	2,467,175
Total comprehensive income - net of tax	-	-	-	196,157,608	2,467,175	198,624,783
Transfer to statutory reserve	-	-	292,529,046	-	(292,529,046)	-
Transaction with owners recognized directly in equity						
Advance against issue of shares	-	10,000,000	-	-	-	10,000,000
Balance as at 31 December 2023	9,905,975,280	15,212,360	2,463,427,065	(462,447,573)	9,857,585,325	21,779,752,457
Profit after taxation for the period ended 31 March 2024	-	-	-	-	681,161,241	681,161,241
Movement in deficit on revaluation of investments in debt instruments - net of tax	-	-	-	(28,546,418)	-	(28,546,418)
Movement in deficit on revaluation of investments in equity instruments - net of tax	-	-	-	(41,931,442)	-	(41,931,442)
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-
Total comprehensive income - net of tax	-	-	-	(70,477,860)	-	(70,477,860)
Transfer to statutory reserve	-	-	136,232,248	-	(136,232,248)	-
Transaction with owners recorded directly in equity						
Advance against issue of shares	-	-	-	-	-	-
Balance as at 31 March 2024	9,905,975,280	15,212,360	2,599,659,313	(532,925,433)	10,402,514,318	22,390,435,838

* According to BPD Circular No. 15, dated 31 May 2004, issued by the SBP, an amount not less than 20% of the after tax profits shall be transferred to create a reserve fund, till such time the reserve fund equals the amount of the paid-up capital of the Company, and after that a sum not less than 5% of the profit after tax shall be credited to the said reserve.

The annexed notes 1 to 40 form an integral part of these financial statements.

MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2024

		For the quarter ended	
		31 March 2024	31 March 2023
	Note	----------Rupees----------	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		1,071,412,239	1,428,496,033
Less: Dividend income		(19,775,000)	(14,078,750)
		1,051,637,239	1,414,417,283
Adjustments:			
Depreciation	29	4,295,205	3,873,117
Depreciation on right-of-use assets	29	11,883,076	10,256,589
Amortization	29	526,218	397,725
Credit loss allowance and write-offs	31	(53,774,191)	133,389,780
Loss on disposal of property and equipment		(15,389)	-
Finance charges on leased assets	24	4,451,884	4,236,715
Provision for gratuity		6,591,510	4,971,273
Unrealized loss on revaluation of 'FVTPL' securities	26	(137,765,122)	18,009,617
Exchange gain		54,786,127	(848,216,062)
		(109,020,682)	(673,081,246)
		942,616,557	741,336,037
(Increase) / Decrease in operating assets			
Lendings to financial institutions		(1,909,618,100)	(500,174,151)
Advances		1,166,869,754	(60,993,905)
Others assets (excluding advance taxation)		(402,464,516)	(342,401,430)
		(1,145,212,862)	(903,569,486)
Increase/ (Decrease) in operating liabilities			
Borrowings from financial institutions		8,040,963,054	(42,502,120,074)
Deposits		(95,196,865)	(1,156,463,155)
Others liabilities (excluding current taxation)		690,176,282	(47,792,868)
		8,635,942,471	(43,706,376,097)
Payments against off-balance sheet obligations			
Income tax paid		(275,940,731)	(353,352,660)
Contribution to plan assets		(7,622,047)	-
		(283,562,778)	(353,352,660)
Net cash flow (used in) / from operating activities		8,149,783,388	(44,221,962,206)
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in securities classified as FVOCI		(7,960,260,824)	42,975,775,394
Dividends received		19,775,000	14,078,750
Investments in property and equipment		(708,820)	(989,198)
Disposal of property and equipment		154,224	-
Net cash flow from / (used in) investing activities		(7,941,040,420)	42,988,864,946
CASH FLOW FROM FINANCING ACTIVITIES			
Payments of lease obligations against right-of-use assets		(20,328,000)	(18,480,000)
Receipts/ Payments of long term liabilities		(45,645,833)	360,604,167
Net cash flow from / (used in) financing activities		(65,973,833)	342,124,167
Effects of exchange rate changes on cash and cash equivalents		(54,786,127)	848,216,062
Increase in cash and cash equivalents		87,983,008	(42,757,031)
Cash and cash equivalents at beginning of the year		111,906,548	220,240,475
Cash and cash equivalents at end of the year		199,889,556	177,483,444

The annexed notes 1 to 40 form an integral part of these financial statements.

MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER	CHAIRMAN	DIRECTOR	DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2024

1 STATUS AND NATURE OF BUSINESS

Pak China Investment Company Limited (the Company) is a public limited company incorporated in Pakistan on July 27, 2007 under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The registered office of the Company is situated at 13th Floor, Saudi Pak Tower, Blue Area, Islamabad. The Company is a 50:50 joint venture between the 'Government of People's Republic of China' and 'Government of Islamic Republic of Pakistan' through China Development Bank and Ministry of Finance, respectively. The Company's objectives include, inter alia, investment and financing in infrastructure projects, and in industrial, manufacturing, non-manufacturing and financial sectors.

The Company commenced business after obtaining the Certificate of Commencement of Business, from the Securities and Exchange Commission of Pakistan (SECP), on 02 November 2007, and the permission to commence business from the State Bank of Pakistan (SBP), on 10 January 2008.

2 BASIS OF PRESENTATION

The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the SBP through BPRD Circular Letter No. 02 dated February 09, 2023 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". They do not include all the information and disclosures required for annual financial statements, and therefore should be read in conjunction with the annual audited financial statements for the year ended December 31, 2023.

2.1 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) & the Securities and Exchange Commission of Pakistan (SECP).

Wherever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the directives issued by the SBP and the SECP differ with the requirements of IFRS and IFAS the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment property' for Banks and DFIs through BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Accordingly, the requirements of this standard have not been considered in the preparation of these condensed interim financial statements. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks and DFIs.

The Company believes that there is no significant doubt on the Company's ability to continue as a going concern. Therefore, the condensed interim financial statements continue to be prepared on the going concern basis.

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the audited annual financial statements of the Company for the year ended December 31, 2023.

3.1 Standards, interpretations of and amendments to published approved accounting and reporting standards that are effective in the current period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2024 but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

3.2 Standards, interpretations of and amendments to published approved accounting and reporting standards that are not yet effective

There are various other standards, interpretations and amendments to accounting standards as applicable in Pakistan that are not yet effective in the current period. These are not likely to have material effect on the Company's financial statements.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim financial statements is the same as that applied in the preparation of the audited annual financial statements for the year ended December 31, 2023.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the audited annual financial statements for the year ended December 31, 2023. These risk management policies continue to remain robust and the Company is reviewing its portfolio regularly and conducts rapid portfolio reviews in line with the emerging risks.

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2024

		Note	(Unaudited) 31 March 2024	(Audited) 31 December 2023
6	**CASH AND BALANCES WITH TREASURY BANKS**		----------------Rupees----------------	
	In hand			
	Local currency		**50,000**	14,189
	With State Bank of Pakistan in			
	Local currency current account	6.1	**140,437,491**	57,172,179
	With National Bank of Pakistan in			
	Local currency current account		**4,057,645**	711,447
	Foreign currency current account		**309,497**	313,238
			144,854,633	58,211,053
	Less: Credit loss allowance held against cash and balances with treasury banks		-	-
	Cash and balances with treasury banks - net of credit loss allowance		**144,854,633**	58,211,053

6.1 This mainly represents the minimum cash reserve required to be maintained with SBP, in accordance with the requirements of DMMD Circular No. 21 dated 5 October 2012.

		Note	(Unaudited) 31 March 2024	(Audited) 31 December 2023
7	**BALANCES WITH OTHER BANKS**		----------------Rupees----------------	
	In Pakistan			
	In current account		**438,932**	444,266
	In deposit account	7.1	**4,288,840,332**	4,338,645,389
			4,289,279,264	4,339,089,655
	Less: Credit loss allowance held against balances with other banks		**(7,283)**	(102,622)
	Balances with other banks - net of credit loss allowance		**4,289,271,981**	4,338,987,033

7.1 This balance includes term deposit receipt (TDR) amounting to Rs. 4,234,218,000 (2023: Rs. 4,285,394,160), carrying an interest rate of 12.02% (2023: 12.02%) with a maturity of 12 months. The related accrued interest on this TDR is also presented in Note 14.

		(Unaudited) 31 March 2024	(Audited) 31 December 2023
		----------------Rupees----------------	
8	**LENDINGS TO FINANCIAL INSTITUTIONS**		
	Reverse repo agreements	**3,795,960,500**	1,886,342,400
	Less: Credit loss allowance held against lending to financial institutions	-	-
	Lendings to financial institutions - net of credit loss allowance	**3,795,960,500**	1,886,342,400

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2024

9 INVESTMENTS

9.1 Investments by type

	Note	(Unaudited) 31 March 2024				(Audited) 31 December 2023			
		Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value	Cost / Amortized cost	Credit loss allowance	Surplus / (Deficit)	Carrying Value
		Rupees				Rupees			
FVTPL									
Shares		496,388,337	-	177,389,994	673,778,331	342,333,834	-	193,679,375	536,013,209
		496,388,337	-	177,389,994	673,778,331	342,333,834	-	193,679,375	536,013,209
FVOCI									
Federal Government securities		17,223,883,709	-	(52,728,707)	17,171,155,002	9,031,786,299	-	2,705,804	9,034,492,103
Shares		1,798,163,240	(344,680,027)	(647,733,816)	805,749,397	1,798,163,239	(510,573,902)	(598,042,267)	689,547,070
Non Government debt securities	9.3	8,259,406,905	(577,307,472)	40,000,789	7,722,100,222	8,324,060,975	(459,463,240)	31,363,686	7,895,961,421
		27,281,453,854	(921,987,499)	(660,461,734)	25,699,004,621	19,154,010,513	(970,037,142)	(563,972,777)	17,620,000,594
Amortized cost									
Non Government debt securities		-	-	-	-	-	-	-	-
Total Investments		27,777,842,191	(921,987,499)	(483,071,740)	26,372,782,952	19,496,344,347	(970,037,142)	(370,293,402)	18,156,013,803

9.1.1 Investments given as collateral

	(Unaudited) 31 March 2024	(Audited) 31 December 2023
	Rupees	
Pakistan Investment Bonds	19,560,316,950	-

	(Unaudited) 31 March 2024	(Audited) 31 December 2023
	---------- Rupees ----------	
9.2 Credit Loss Allowance / provision for dimunition in value of investments		
Opening Balance	**970,037,142**	1,257,326,164
Impact of reclassification due to adoption of IFRS - 9	-	(798,270,694)
Impact of remeasurement due to adoption of IFRS - 9	-	125,069,589
Charge / Reversal		
Charge for the period	**48,439,314**	425,243,030
Reversals for the period	**(96,488,957)**	(39,330,947)
	(48,049,643)	385,912,083
Closing Balance	**921,987,499**	970,037,142

9.3 Particulars of credit loss allowance against debt securities

		(Unaudited) 31 March 2024		(Audited) 31 December 2023	
		----------Rupees----------			
		Outstanding amount	**Credit loss allowance held**	Outstanding amount	Credit loss allowance held
Domestic					
Performing	Stage 1	**7,458,790,832**	**24,944,673**	7,655,312,625	38,659,955
Underperforming	Stage 2	**249,254,115**	**1,000,841**	249,111,890	1,167,100
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		**551,361,958**	**551,361,958**	419,636,460	419,636,185
Total		**8,259,406,905**	**577,307,472**	8,324,060,975	459,463,240

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2024

10 ADVANCES

	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Performing		Non performing		Total	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023	31 March 2024	31 December 2023
	Rupees					
Loans, cash credits, running finances, etc.	14,770,267,559	17,076,113,337	1,219,523,014	1,219,523,014	15,989,790,573	18,295,636,351
Islamic Financing and related assets	3,030,589,130	2,025,747,586	113,296,375	111,070,713	3,143,885,505	2,136,818,299
Advances - gross	17,800,856,689	19,101,860,923	1,332,819,389	1,330,593,727	19,133,676,078	20,432,454,650
Credit loss allowance against advances						
- Stage 1	93,083,945	101,059,213	-	-	93,083,945	101,059,213
- Stage 2	146,325,325	179,506,976	-	-	146,325,325	179,506,976
- Stage 3	-	-	1,315,501,326	1,297,164,432	1,315,501,326	1,297,164,432
	239,409,270	280,566,189	1,315,501,326	1,297,164,432	1,554,910,596	1,577,730,621
Advances - net of credit loss allowance	17,561,447,419	18,821,294,734	17,318,063	33,429,295	17,578,765,482	18,854,724,030

10.1 Particulars of advances (Gross)

	(Unaudited)	(Audited)
	31 March 2024	31 December 2023
	Rupees	
In local currency	19,133,676,078	20,432,454,650

10.2 Advances include Rs.1,332.8 million (2023: Rs.1,330.5 million) which have been placed under non-performing / Stage 3 status as detailed below:-

		(Unaudited)		(Audited)	
		31 March 2024		31 December 2023	
		Non Performing Loans	**Credit loss allowance**	Non Performing Loans	Credit loss allowance
Category of Classification in stage 3		**Rupees**			
Domestic					
Other Assets Especially Mentioned (OAEM)	Stage 3	**113,296,375**	**95,978,312**	111,070,713	77,641,418
Substandard	Stage 3	-	-	-	-
Doubtful	Stage 3	-	-	-	-
Loss	Stage 3	**1,219,523,014**	**1,219,523,014**	1,219,523,014	1,219,523,014
		1,332,819,389	**1,315,501,326**	1,330,593,727	1,297,164,432

10.3 Particulars of credit loss allowance against advances

	(Unaudited)				(Audited)			
	31 March 2024				31 December 2023			
	Stage 1	**Stage 2**	**Stage 3**	Total	Stage 1	Stage 2	Stage 3	Total
	Rupees							
Opening balance	**101,059,213**	**179,506,976**	**1,297,164,432**	**1,577,730,622**	194,410,089	25,010,538	1,088,353,996	1,307,774,623
Impact of IFRS 9	-	-	-	-	(105,189,369)	126,096,930	151,377,030	172,284,592
Charge for the period	**28,947,605**	**53,980,375**	**23,062,679**	**105,990,659**	40,915,429	38,807,137	104,100,072	183,822,638
Reversals	**(36,922,873)**	**(87,162,026)**	**(4,725,785)**	**(128,810,684)**	(29,076,936)	(10,407,629)	(46,666,666)	(86,151,231)
	(7,975,268)	**(33,181,651)**	**18,336,894**	**(22,820,025)**	11,838,493	28,399,508	57,433,406	97,671,407
Amounts written off	-	-	-	-	-	-	-	-
Closing balance	**93,083,945**	**146,325,325**	**1,315,501,326**	**1,554,910,596**	101,059,213	179,506,976	1,297,164,432	1,577,730,621

10.4 Advances - Particulars of credit loss allowance

	(Unaudited) 31 March 2024				(Audited) 31 December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
	Rupees							
10.4.1 Opening Balance	**101,059,213**	**179,506,976**	**1,297,164,432**	**1,577,730,622**	194,410,089	25,010,538	1,088,353,996	1,307,774,623
Impact of IFRS 9	-	-	-	-	(105,189,369)	126,096,930	151,377,030	172,284,592
New Advances	**25,937,646**	**48,424,377**	-	**74,362,023**	26,576,043	-	-	26,576,043
Advances derecognised or repaid	**(31,366,876)**	**(22,300,345)**	**(4,725,785)**	**(58,393,006)**	(48,493,495)	(17,567,113)	(46,666,666)	(112,727,274)
Transfer to stage 1	-	-	-	-	-	-	-	-
Transfer to stage 2	**(5,555,998)**	**5,555,998**	-	-	(7,159,484)	7,159,484	-	-
Transfer to stage 3	-	-	-	-	-	-	-	-
	(10,985,228)	**31,680,030**	**(4,725,785)**	**15,969,017**	(29,076,936)	(10,407,629)	(46,666,666)	(86,151,231)
Amounts written off / charged off	-	-	-	-	-	-	-	-
Changes in risk parameters	**3,009,959**	**(64,861,681)**	**23,062,679**	**(38,789,043)**	40,915,429	38,807,137	104,100,072	183,822,638
Charge for the period	-	-	-	-	-	-	-	-
Closing Balance	**93,083,945**	**146,325,325**	**1,315,501,326**	1,554,910,596	101,059,213	179,506,976	1,297,164,432	1,577,730,621

10.4.2 Advances - Category of Classification

		(Unaudited) 31 March 2024		(Audited) 31 December 2023	
		Outstanding amount	**Credit loss allowance Held**	Outstanding amount	Credit loss allowance Held
		Rupees			
Domestic					
Performing	Stage 1	**17,988,641,397**	**93,083,945**	16,614,136,061	101,059,213
Underperforming	Stage 2	**(187,784,708)**	**146,325,325**	2,487,724,862	179,506,976
Non-performing	Stage 3				
Other Assets especially mentioned		**113,296,375**	**95,978,312**	111,070,713	77,641,418
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		**1,219,523,014**	**1,219,523,014**	1,219,523,014	1,219,523,014
		19,133,676,078	**1,554,910,596**	20,432,454,650	1,577,730,621

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		Note	(Unaudited) 31 March 2024	(Audited) 31 December 2023
11	**PRPOERTY AND EQUIPMENT**		----------Rupees----------	
	Capital work-in-progress	11.1	768,400	768,400
	Property and equipment	11.2	182,680,820	186,397,873
			183,449,220	187,166,273
11.1	**Capital work-in-progress**			
	Advances to suppliers		768,400	768,400

		(Unaudited) 31 March 2024	(Unaudited) 31 March 2023
11.2	**Additions to property and equipment**	----------Rupees----------	
	The following additions have been made to Property and Equipment during the period:		
	Capital work-in-progress	-	-
	Property and equipment		
	Furniture and fixture	391,920	356,977
	Vehicles	29,233,860	-
	Electrical office and computer equipment	567,521	632,221
		30,193,301	989,198
		30,193,301	989,198
11.3	**Disposal of property and equipment**		
	The net book value of Property and Equipment disposed off during the period is as follows:		
	Property and equipment		
	Electrical office and computer equipment	187,385	-

		(Unaudited) 31 March 2024 Building	(Audited) 31 December 2023 Building
12	**RIGHT-OF-USE ASSETS**	----------Rupees----------	
	At 01 January		
	Cost	317,481,395	288,804,003
	Accumulated Depreciation	(177,573,741)	(131,308,377)
	Net Carrying amount at 01 January	139,907,654	157,495,626
	Additions during the year	-	28,677,392
	Deletions during the period	-	-
	Depreciation charge for the period	(11,883,076)	(46,265,364)
	Net Carrying amount at 31 March / 31 December	128,024,578	139,907,654
13	**INTANGIBLE ASSETS**		
	Computer Software	4,125,422	4,651,640

		(Unaudited) 31 March 2024	(Unaudited) 31 March 2023
		----------Rupees----------	
13.1	**Additions to intangible assets**		
	The following additions have been made to intangible assets during the period:		
	Directly purchased	-	4,839,000

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		Note	(Unaudited) 31 March 2024	(Audited) 31 December 2023
			----------Rupees----------	
14	**DEFERRED TAX ASSETS / (LIABILITIES)**			
	Deductible Temporary Differences on			
	- Post retirement employee benefits		**2,342,248**	2,342,248
	- Provision for diminution in the value of FVOCI		**139,587,256**	199,123,813
	- Liabilities against assets subject to lease		**42,077,086**	47,611,347
	- Credit loss allowance / provision against advances, off balance sheet etc.		**833,685,791**	701,082,990
	- Revaluation of investments - FVOCI		**93,032,647**	101,525,204
	- Effective interest rate and modification loss		**82,979,077**	91,725,789
	- Capital Losses		**11,861,836**	12,263,527
			1,205,565,941	1,155,674,919
	Taxable Temporary Differences			
	- Accelerated tax depreciation		**(39,908,302)**	(47,550,477)
	- Revaluation of investments - FVPL		**(10,496,675)**	(13,466,250)
	- Unrealized exchange gain		**(967,440,786)**	(988,807,376)
			(1,017,845,763)	(1,049,824,103)
			187,720,178	105,850,816
15	**OTHER ASSETS**			
	Income / mark-up accrued in local currency		**850,651,258**	773,434,836
	Income / mark-up accrued in foreign currency		**400,093,612**	274,722,335
	Advances, deposits, advance rent and other prepayments		**95,444,598**	87,165,794
	Receivable against fee, commission and advisory services		**32,981,557**	28,769,995
	Advance taxation (payments less provisions)		**-**	112,705,946
	Receivable against rent		**4,735,948**	1,836,073
	Receivable from provident fund		**800,960**	-
	Deferred fair value loss on derecognition of financial asset	**15.1**	**183,731,330**	-
	Others		**1,567,996**	1,613,710
			1,570,007,259	1,280,248,689
	Less: Credit loss allowance held against other assets		**27,720,001**	27,720,001
	Other assets (Net of credit loss allowance)		**1,542,287,258**	1,252,528,688

15.1 As per the privatization initiative approved by the Government of Pakistan (GoP), a new public limited company, Pakistan International Airlines Holding Company Limited (PIAHCL), has been formed by GoP to succeed specified assets and liabilities of Pakistan International Airlines Corporation Limited (PIACL). In this regard, the Company recorded deferred fair value loss, at a benchmark rate corresponding to the tenor of the loan, arising from the restructuring of syndicated exposure to PIACL in accordance with the guidance issued by the SBP vide letter No. BPRD / BRD / PIAHCL / 733688 – 2024 dated August 01, 2024. The impact of deferred loss recognition during the period is disclosed in note 26.1 to these unconsolidated financial statements.

		Note	(Unaudited) 31 March 2024	(Audited) 31 December 2023
16	**BORROWINGS**		----------Rupees----------	
	Secured			
	Borrowings from State Bank of Pakistan			
	Renewable Energy Power Projects (REPP)		**16,105,481**	20,573,361
	Long Term Finance Facility (LTFF)		**1,547,806,175**	1,576,239,004
	Temporary Economic Relief Facility (TERF)		**905,600,214**	920,775,386
			2,469,511,870	2,517,587,751
	Borrowing from financial institution		**-**	-
	Other borrowings		**11,279,708,333**	10,903,062,500
	Total secured		**13,749,220,203**	13,420,650,251
	Unsecured			
	Borrowing from banks		**16,211,816,323**	8,545,069,054
			29,961,036,526	21,965,719,305
17	**DEPOSITS AND OTHER ACCOUNTS**			
	Customers			
	- Term deposits	**17.1**	**275,363,813**	370,560,678

17.1 All the deposits are in local currency.

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18 LEASE LIABILITIES

	(Unaudited) 31 March 2024	(Audited) 31 December 2023
	----------Rupees----------	
Outstanding amount at the start of the year	122,080,378	134,450,409
Additions during the year	-	28,677,392
Lease payments including interest	(20,328,000)	(61,971,374)
Interest expense	4,451,884	20,923,951
Outstanding amount at the end of the year	106,204,262	122,080,378

18.1 Contractual maturity of lease liabilities

Not later than one year	42,090,994	45,511,536
Later than one year and upto five years	64,113,268	76,568,842
Over five years	-	-
Total at the year end	106,204,262	122,080,378

This Represents space obtained for Office in Islamabad and a house for chinese staff. These are discounted using incremental borrowing rate ranging from 10.77% to 22.13% (2023: 10.77% to 22.13%). Lease rentals are subject to annual escalation of 10% and 8.34% for chinese staff house and office space respectively.

19 OTHER LIABILITIES

	Note	(Unaudited) 31 March 2024	(Audited) 31 December 2023
		----------Rupees----------	
Mark-up / Return / Interest payable in local currency		1,259,177,375	562,290,223
Accrued expenses		92,788,781	106,667,533
Unearned fee / commission		1,851,346	1,727,467
Current taxation (provisions less payments)		57,462,589	-
Withholding tax / sales tax payable		1,544,552	4,040,574
Payable to contribution benefit plan		-	1,163,611
Payable to defined benefit plan		4,975,228	6,005,764
Credit loss allowance against off-balance sheet obligations	19.1	65,540,365	48,341,383
Others		10,861,529	16,034,017
		1,494,201,765	746,270,572

19.1 Credit loss allowance against off-balance sheet obligations

Opening balance	48,341,383	-
Impact of IFRS 09	-	40,144,133
	48,341,383	40,144,133
Charge for the period	20,883,443	8,197,250
Reversals	(3,684,461)	-
	17,198,982	8,197,250
Amount written off	-	-
Closing balance	65,540,365	48,341,383

20 ADVANCE AGAINST ISSUE OF SHARES

This represents difference between amount received and shares issued to Ministry of Finance (MOF). The shares were issued in the ratio of 50:50 to both the sponsors. This amount will be adjusted against next tranche of equity injection.

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			(Unaudited)	(Audited)
			31 March 2024	31 December 2023
		Note	---Rupees---	
21	**SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS**			
	(Deficit) / surplus on revaluation of			
	- Securities measured at FVOCI - Debt	9.1	**(12,727,918)**	34,069,490
	- Securities measured at FVOCI - Equity	9.1	**(647,733,816)**	(598,042,267)
			(660,461,734)	(563,972,777)
	Deferred tax on (Deficit) / surplus on revaluation of:			
	- Securities measured at FVOCI - Debt		**4,963,891**	(13,287,099)
	- Securities measured at FVOCI - Equity		**122,572,410**	114,812,303
			127,536,301	101,525,204
			(532,925,433)	(462,447,573)
22	**CONTINGENCIES AND COMMITMENTS**			
	Guarantees	22.1	**5,001,740,674**	4,557,311,625
	Commitments	22.2	**44,193,666,229**	3,598,478,300
	Other contingent liability	22.3	**168,100,000**	168,100,000
			49,363,506,903	8,323,889,925
22.1	**Guarantees**			
	Financial guarantees		**5,001,740,674**	4,057,311,625
	Performance guarantees		**-**	500,000,000
			5,001,740,674	4,557,311,625
22.2	**Commitments**			
	Documentary credits and short term trade related transactions			
	Letters of credit		**23,571,702**	-
	Commitments in respect of:			
	Forward government securities transactions - Purchase		**41,295,743,142**	-
	Forward government securities transactions - Sale	8	**924,895,000**	1,892,655,100
	Commitments to extend credits	22.2.1	**862,610,001**	1,704,803,200
	Commitment for acquisition of fixed assets		**1,020,000**	1,020,000
			44,193,666,229	3,598,478,300

22.2.1 Commitments to extend credits

The Company makes commitments to extend credit in the normal course of its business, but these being revocable commitments, normally do not attract any significant penalty or expense if the facility is unilaterally withdrawn. As at reporting date, however, the Company's outstanding irrevocable commitments amounts to Rs. 1,277.8 million (2023: Rs. 1,704.8 million).

22.3 Other contingent liability

An ex-employee of the company has lodged a claim of Rs.168.1 million against the Company. The case has been decided in favor of the Company and the complainant has filed an appeal before the High Court against decision of the Civil Judge. Based on internal assessment and legal advice, management is confident that the case will be decided in the favor of the Company and possibility of any adverse outcome is remote. Accordingly, no provision has been made in these financial statements.

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			(Unaudited) For the quarter ended	
			31 March 2024	31 March 2023
23	**MARK-UP / RETURN / INTEREST EARNED**	**Note**	---------------- Rupees ----------------	
	Loans and advances		**953,602,570**	665,105,111
	Investments		**1,089,053,822**	2,296,828,558
	Lendings to financial institutions		**143,077,179**	37,750,743
	Balances with banks		**132,312,942**	92,512,713
			2,318,046,513	3,092,197,125
23.1	**Interest income (calculated using effective interest rate method) recognised on:**			
	Financial assets measured at amortised cost		**1,228,992,691**	795,368,567
	Financial assets measured at fair value through OCI		**1,089,053,822**	2,296,828,558
			2,318,046,513	3,092,197,125
24	**MARK-UP / RETURN / INTEREST EXPENSED**			
	Deposits		**14,534,408**	35,999,240
	Borrowings		**1,181,835,996**	2,190,266,153
	Lease liability		**4,451,884**	4,236,715
			1,200,822,288	2,230,502,108
24.1	Interest expense calculated using effective interest rate method		**1,200,822,288**	2,230,502,108
25	**FEE AND COMMISSION INCOME**			
	Credit related fee		**2,908,459**	3,384,515
	Investment banking fees		**-**	1,391,304
	Commission on trade		**382,659**	262,194
	Commission on guarantees		**11,298,448**	7,649,962
			14,589,566	12,687,975
26	**GAIN / (LOSS) ON SECURITIES**			
	Realized	**26.1**	**-**	(566,925)
	Unrealised - Measured at FVPL	**9.1**	**137,765,122**	(18,009,617)
			137,765,122	(18,576,542)
26.1	**Realized gain / (loss) on:**			
	Federal Government Securities		**-**	(566,925)
	Shares		**-**	-
			-	(566,925)
27	**NET LOSS ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST**			
	Loss on derecognition of financial assets measured at amortised cost	**27.1**	(2,325,713)	-
			(2,325,713)	-

27.1 This represents fair value loss arising from the restructuring of Pakistan International Airlines Corporation Limited (PIACL). The SBP through its Circular Letter No. BPRD / BRD / PIAHCL / 733688 – 2024 dated August 01, 2024 has allowed staggering of such fair value impact over a period of 06 years at rates 5%, 10%, 15%, 20%, 25% and 25% from year 01 to year 06. Accordingly, the Company has recognised proportionate amount of 1st year's 5% of loss in these unconsolidated financial statements.

		(Unaudited) For the quarter ended	
		31 March 2024	31 March 2023
28	**OTHER INCOME**	---------------- Rupees ----------------	
	Rent on property	**4,087,284**	3,784,523
	Gain on sale of property and equipment - net	**15,389**	-
	Other income	**4,700**	-
		4,107,373	3,784,523

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	(Unaudited) For the quarter ended	
	31 March 2024	31 March 2023
	---- Rupees ----	
29 OPERATING EXPENSES		
Total Compensation expense	**160,240,894**	118,415,801
Property expense		
Rent and taxes	**440,996**	419,979
Insurance	**16,938**	17,289
Utilities cost	**4,001,216**	1,778,958
Security	**1,725,999**	1,488,951
Repair and maintenance	**2,314,669**	967,317
Depreciation	**12,250,588**	10,624,101
	20,750,406	15,296,595
Information technology expenses		
Software maintenance	**607,029**	545,815
Hardware maintenance	**45,277**	99,200
Amortization	**526,218**	397,725
Depreciation	**1,358,208**	1,069,010
Network charges	**261,705**	261,705
	2,798,437	2,373,455
Other operating expenses		
Directors' fees and allowances	**-**	-
Legal and professional charges	**1,223,936**	791,545
Outsourced services costs	**3,650,113**	1,564,031
Travelling and conveyance	**13,500,911**	11,728,796
Insurance	**1,476,346**	1,199,167
Repair and maintenance	**245,476**	88,650
Depreciation	**2,561,318**	2,436,595
Training and development	**12,600**	64,350
Communication	**966,418**	1,114,541
Stationery and printing	**2,691,700**	1,093,366
Marketing, advertisement and publicity	**1,149,162**	1,389,970
Auditors remuneration	**1,459,261**	1,028,228
Bank charges	**97,099**	71,599
Entertainment	**2,814,404**	1,557,716
Others	**3,064,751**	1,231,330
	34,913,495	25,359,884
	218,703,232	161,445,735

30 OTHER CHARGES

Penalties imposed by Securities and exchange commission of Pakistan	**-**	-
	-	-

	Note	(Unaudited) For the quarter ended	
		31 March 2024	31 March 2023
31 CREDIT LOSS ALLOWANCE & WRITE OFFS - NET	**Note**	---- Rupees ----	
Impairment loss on investments	**9.2**	**(165,893,875)**	155,277,350
Credit loss allowance for diminution in value of investments - net	**9.2**	**117,844,232**	-
Credit loss allowance against loans & advances - net	**10.3**	**(22,820,023)**	(23,333,333)
Other credit loss allowance - net	**7, 15 & 19.1**	**17,103,643**	-
		(53,766,023)	131,944,017
32 TAXATION			
Current		**446,109,266**	299,505,359
Prior period		**-**	-
Deferred		**(55,858,269)**	213,373,947
		390,250,997	512,879,306
33 BASIC EARNINGS PER SHARE			
Profit for the period		**681,161,241**	915,616,727
Weighted average number of ordinary shares		**990,597,528**	990,597,528
Basic earnings per share - Rupees		**0.69**	0.92

34 DILUTED EARNINGS PER SHARE

Diluted earning per share has not been separately presented as the Company does not have convertible instruments in issue.

35 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified under held to collect model, is based on quoted market price. Quoted securities classified under held to collect model are carried at amortized cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits, cash & bank balances and borrowings can not be calculated with sufficient reliability due to the absence of current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

35.1 Fair value of financial assets

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

35.2 The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

	(Unaudited) 31 March 2024				
	Carrying value	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments		----------Rupees----------			
Financial assets - measured at fair value					
Investments					
Federal Government Securities	17,171,155,002	-	17,171,155,002	-	17,171,155,002
Shares	671,536,728	671,536,728	-	-	671,536,728
Preference Shares	356,895,000	356,895,000	-	-	356,895,000
Non-Government Debt Securities	4,617,699,290	-	4,617,699,290	-	4,617,699,290
	22,817,286,020	1,028,431,728	21,788,854,292	-	22,817,286,020
Financial assets - disclosed but not measured at fair value					
Shares	451,096,000	-	-	-	-
Non-Government Debt Securities	3,681,708,404	-	-	-	-
	4,132,804,404	-	-	-	-
	26,950,090,424	1,028,431,728	21,788,854,292	-	22,817,286,020
Off-balance sheet financial instruments - measured at fair value					
Forward government securities transactions - purchase	41,295,743,142	-	41,295,743,142	-	41,295,743,142
Forward government securities transactions - sale	924,895,000	-	924,895,000	1,085,826,384	2,010,721,384

	(Audited) 31 December 2023				
	Carrying value	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments			Rupees		
Financial assets - measured at fair value					
Investments					
Federal Government Securities	9,034,492,103	-	9,034,492,103	-	9,034,492,103
Shares	565,508,154	565,508,154	-	-	565,508,154
Preference Shares	374,850,000	374,850,000	-	-	374,850,000
Non-Government Debt Securities	4,649,907,905	-	4,649,907,905		4,649,907,905
	14,624,758,162	940,358,154	13,684,400,008	-	14,624,758,162
Financial assets - disclosed but not measured at fair value					
Shares	285,202,125	-	-	-	-
Non-Government Debt Securities	3,705,516,757	-	-	-	-
	3,990,718,882	-	-	-	-
	18,615,477,044	940,358,154	13,684,400,008	-	14,624,758,162
Off-balance sheet financial instruments - measured at fair value					
Forward government securities transactions - purchase	-	-	-	-	-
Forward government securities transactions - sale	-	-	-	1,892,655,100	1,892,655,100

35.3 Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties in an arms length transaction. Fair value of the financial instrument is based on:

Federal Government Securities	PKRV rates (Reuters page)
Listed Securities	Market Prices
Non-Government Debt Securities	MUFAP

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
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36 SEGMENT INFORMATION

36.1 Segment Details with respect to Business Activities

	(Unaudited) 31 March 2024				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
	Rupees				
Profit & Loss					
Net mark-up / return / profit	874,320,405	54,011,789	45,244,751	143,647,282	1,117,224,227
Inter segment revenue - net	(886,966,519)	(63,050,348)	(17,826,219)	967,843,086	-
Non mark-up income	14,589,566	157,540,122	-	(53,004,467)	119,125,221
Total Income	1,943,452	148,501,563	27,418,532	1,058,485,901	1,236,349,448
Segment direct expenses	(23,159,096)	(6,433,014)	(9,992,833)	(179,118,289)	(218,703,232)
Provisions / Impairment	(112,127,852)	165,893,875	-	-	53,766,023
Profit before tax	(133,343,496)	307,962,424	17,425,699	879,367,612	1,071,412,239

	(Unaudited) 31 March 2024				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
	Rupees				
Balance Sheet					
Cash & Bank balances	-	-	2,380,960,500	5,849,126,614	8,230,087,114
Investments	7,545,248,309	1,656,379,640	17,171,155,002	1	26,372,782,952
Advances					
Performing	16,705,666,088	975,000,000	-	120,190,601	17,800,856,689
Credit loss allowance	(207,173,052)	(32,220,001)	-	(16,217)	(239,409,270)
	16,498,493,036	942,779,999	-	120,174,384	17,561,447,419
Non-performing	1,332,155,825	-	-	663,564	1,332,819,389
Credit loss allowance	(1,314,837,762)	-	-	(663,564)	(1,315,501,326)
	17,318,063	-	-	-	17,318,063
Others	953,885,595	148,757,590	26,386,116	916,577,355	2,045,606,656
Total Assets	25,014,945,003	2,747,917,229	19,578,501,618	6,885,878,354	54,227,242,204
Borrowings	10,045,975,391	464,207,002	19,450,854,133	-	29,961,036,526
Deposits	25,000,000	-	250,363,813	-	275,363,813
Others	159,479,614	7,477,039	1,099,331,018	334,118,356	1,600,406,027
Total liabilities	10,230,455,005	471,684,041	20,800,548,964	334,118,356	31,836,806,366
Equity	-	-	-	22,390,435,838	22,390,435,838
Total Equity & liabilities	10,230,455,005	471,684,041	20,800,548,964	22,724,554,194	54,227,242,204
Contingencies & Commitments	5,887,922,377	-	43,306,464,526	169,120,000	49,363,506,903

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	(Unaudited) 31 March 2023				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
Profit & Loss			-----Rupees-----		
Net mark-up / return / profit	658,162,058	20,204,650	92,992,202	90,336,107	861,695,017
Inter segment revenue - net	(647,657,000)	(38,198,000)	(45,508,000)	731,363,000	-
Non mark-up income	16,858,104	(8,100,996)	(566,925)	852,000,585	860,190,768
Total Income	27,363,162	(26,094,346)	46,917,277	1,673,699,692	1,721,885,785
Segment direct expenses	(16,372,658)	(8,954,447)	(8,137,277)	(127,981,353)	(161,445,735)
Provisions	(131,944,017)	-	-	-	(131,944,017)
Profit before tax	(120,953,513)	(35,048,793)	38,780,000	1,545,718,339	1,428,496,033

	(Audited) 31 December 2023				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
Balance Sheet			-----Rupees-----		
Cash & Bank balances	-	-	1,886,342,400	4,397,198,086	6,283,540,486
Investments	7,876,301,792	1,245,219,908	9,034,492,103	-	18,156,013,803
Advances					
Performing	18,381,018,588	600,000,000	-	120,842,335	19,101,860,923
General provision	(274,872,367)	(5,676,140)	-	(17,682)	(280,566,189)
	18,106,146,221	594,323,860	-	120,824,653	18,821,294,734
Non-Performing	1,329,930,163	-	-	663,564	1,330,593,727
Specific provision	(1,296,500,868)	-	-	(663,564)	(1,297,164,432)
	33,429,295	-	-	-	33,429,295
Others	718,632,834	121,601,411	18,914,840	830,955,986	1,690,105,071
Total Assets	26,734,510,142	1,961,145,179	10,939,749,343	5,348,978,725	44,984,383,389
Borrowings	13,083,777,701	133,810,503	8,748,131,101	-	21,965,719,305
Deposits	25,000,000	-	345,560,678	-	370,560,678
Others	171,202,378	9,983,472	394,900,039	292,265,061	868,350,950
Total liabilities	13,279,980,079	143,793,975	9,488,591,818	292,265,061	23,204,630,933
Equity	-	-	-	21,779,752,456	21,779,752,456
Total Equity & liabilities	13,279,980,079	143,793,975	9,488,591,818	22,072,017,517	44,984,383,389
Contingencies & Commitments	6,762,114,824	-	1,892,655,100	169,120,000	8,823,889,924

37 RELATED PARTY TRANSACTIONS

The Company has related party relationships with shareholders and entities in which its shareholders have any interest, key management personnel, directors and employees' funds. The Government of Pakistan (Ministry of Finance) is a related party of the Company; therefore all government authorities, agencies, affiliates and other organizations ("state-controlled entities") are related parties of the Company. Significant transactions with these state-controlled entities have been separately disclosed, in aggregate. Other entities which for its business acquisition or provision of services relies / depends to a greater extent on the Company / DFI i.e. major portion (50% or more) of its business (upstream or downstream) is also a related party.

Banking transactions with the related parties are executed substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than normal risk (i.e. under the comparable uncontrolled price method) other than those under terms of employment.

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements are as follows:

		31 March 2024 (Unaudited)			31 December 2023 (Audited)		
		Directors	**Key management personnel**	**Other related parties**	Directors	Key management personnel	Other related parties
				------Rupees------			
Lendings to financial institutions							
Opening balance		-	-	953,802,000	-	-	-
Addition during the period		-	-	15,914,314,598	-	-	13,619,549,090
Repaid during the period		-	-	(14,487,156,098)	-	-	(12,665,747,090)
Closing balance		-	-	2,380,960,500	-	-	953,802,000
Investments							
Opening balance		-	-	439,547,070	-	-	822,705,214
Investment made during the period		-	-	-	-	-	-
Investment redeemed / disposed off during the period		-	-	-	-	-	-
Transfer in / (out) - net		-	-	-	-	-	(323,271,765)
Revaluation / impairment impact		-	-	707,703,839	-	-	(59,886,379)
Closing balance	37.1	-	-	1,147,250,909	-	-	439,547,070
Advances							
Opening balance		-	60,009,813	289,473,686	-	76,461,653	394,736,843
Addition during the period / year		-	1,500,000	-	-	19,971,683	-
Transferred to other assets		-	-	-	-	(22,489,933)	-
Repaid during the period / year		-	(1,409,250)	(26,315,789)		(13,933,590)	(105,263,157)
Closing balance		-	60,100,563	263,157,897	-	60,009,813	289,473,686
Credit loss allowance held against advances		-	4,203	37,725,933	-	6,390	1,292,941

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	31 March 2024 (Unaudited)			31 December 2023 (Audited)		
	Directors	Key management personnel	Other related parties	Directors	Key management personnel	Other related parties
			----------Rupees----------			
Other Assets						
Deferred Employees Benefits						
Opening balance	-	34,820,000	-	-	-	-
Transferred from advances	-	-	-	-	22,489,933	-
Addition during the period / year	-	11,225,958	-	-	20,252,381	-
Repaid during the period / year	-	(178,442)	-	-	-	-
Amortized during the period / year	-	(722,777)	-	-	(7,922,314)	-
Closing balance	-	45,144,739	-	-	34,820,000	-
Interest / mark-up accrued	-	-	7,681,862	-	-	4,708,904
Receivable from staff contributed fund	-	-	250,069	-	-	-
Receivable from staff retirement fund	-	-	16,256,005	-	-	-
Other receivable	-	1,399,234	2,988,372	-	8,000	4,824,445
	-	1,399,234	27,176,308	-	8,000	9,533,349
Borrowings						
Opening balance	-	-	-	-	-	-
Borrowings during the period	-	-	-	-	-	37,443,072,237
Settled during the period	-	-	-	-	-	(37,443,072,237)
Closing balance	-	-	-	-	-	-
Deposits						
Opening balance	-	-	236,340,203	-	-	203,420,313
Received during the period / year	-	-	902,181,741	-	-	1,365,260,431
Withdrawn during the period / year	-	-	(888,158,131)	-	-	(1,332,340,541)
Closing balance	-	-	250,363,813	-	-	236,340,203
Other Liabilities						
Interest / mark-up payable	-	-	1,730,714	-	-	7,101,927
Payable to staff contribution fund	-	-	-	-	-	2,334,705
Payable to staff retirement fund	-	-	4,975,228	-	-	6,005,764
Other liabilities	25,684,609	6,602,782	111,655,883	-	11,706,199	108,192,209
	25,684,609	6,602,782	118,361,825	-	11,706,199	123,634,605

	31 March 2024 (Unaudited)			31 March 2023 (Unaudited)		
	Directors	**Key management personnel**	**Other related parties**	Directors	Key management personnel	Other related parties
			Rupees			
Income						
Mark-up / return / interest earned	-	-	**41,760,637**	-	1,295,605	25,122,218
Expense						
Mark-up / return / interest paid	**55,037**	**55,037**	**16,774,059**	91,858	91,858	3,685,566
Operating expenses						
Charge for defined benefit plan	**552,546**	**1,892,733**	**22,780,094**	192,951	2,089,161	2,689,161
Charge for contribution plan	**558,474**	**906,850**	**13,711,201**	544,633	1,247,995	1,532,431
Salaries	**19,448,168**	**18,382,052**	-	8,986,437	20,034,466	-
Bonus expense	**7,242,514**	**10,764,311**	-	1,349,928	7,803,051	-
Overseas allowances	**2,383,283**	-	-	2,411,665	-	-
Leave fair assistance & Encashment	-	**1,548,744**	-	-	3,867,149	-
Tax borne by employer	**8,356,262**	**4,266,671**	-	5,535,731	2,819,586	-
Others	**4,226,928**	**8,700,730**	**274,641**	3,619,932	8,305,315	875,215
Depreciation expense on lease hold building	**4,170,095**	**4,170,095**	**31,113,091**	1,023,937	1,023,937	4,112,971
CDC charges paid	-	-	-	-	-	219,730

The Federal Government through Ministry of Finance holds controlling interest (50% shareholding) in the Company and therefore entities which are owned and / or controlled by the Federal Government, or where the Federal Government may exercise significant influence, are related parties of the Company. The Company in the ordinary course of business enters into transaction with Government related entities. Such transactions include deposits to, investments,lendings, loan and advances and provision of other banking services.As at reporting date the deposits, loans and advances, investments, lendings and borrowings relating to Government related entities amounted to Rs. 6.1 million (2023: 1.03 million), Rs. 901.8 million (2023: 900 million), Rs. 409.5 million (2023: 462.1 million) Rs. Nil (2023: nil) respectively, and income earned on deposits, advances, investment and lendings and interest expense on borrowings amounted to Rs. 118.2 million (2023: 236.9 million), Rs. 95 million (2023: 114.1 million), Rs. 37.6 million (2023: 3.1 million) and Rs. 10 million (2023: 159.6 million) respectively.

37.1 This includes an equity investment of Rs. 513.345 million (2023: Rs. 404.345 million) representing 5% (2023: 5%) interest in Pakistan Stock Exchange (PSX) acquired through participation in the consortium under the Consortium Agreement (CA) dated March 02, 2017. Pursuant to CA the director of the Company is serving on the board of PSX as a nominee of the consortium. This also includes an equity investment of Rs. 201.096 million (2023: Rs. 35.202 million) representing a 9.5% (2023: 9.5%) interest in Deli-JW Glassware Company Limited, which is related to the Company by virtue of common directorship.

PAK CHINA INVESTMENT COMPANY LIMITED
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		(Unaudited)	(Audited)
38	**CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS**	**31 March 2024**	31 December 2023
38.1	**Minimum Capital Requirement (MCR):**	---------Rupees---------	
	Paid-up capital (net of losses)	**9,905,975,280**	9,905,975,280
38.2	**Capital Adequacy Ratio (CAR):**		
	Eligible Common Equity Tier 1 (CET 1) Capital	**18,375,111,565**	17,921,664,535
	Eligible Tier 2 Capital	**-**	-
	Total Eligible Capital (Tier 1 + Tier 2)	**18,375,111,565**	17,921,664,535
	Risk Weighted Assets (RWAs):		
	Credit Risk	**19,903,700,534**	24,330,515,094
	Market Risk	**7,768,278,200**	7,108,868,449
	Operational Risk	**6,235,674,710**	4,267,725,030
	Total	**33,907,653,444**	35,707,108,573
	Common Equity Tier 1 Capital Adequacy ratio	**54.19%**	50.19%
	Tier 1 Capital Adequacy Ratio	**54.19%**	50.19%
	Total Capital Adequacy Ratio	**54.19%**	50.19%
38.3	**Other information:**		
	Minimum capital requirements prescribed by the SBP		
	CET1 minimum ratio (%)	**6.00%**	6.00%
	Tier 1 minimum ratio (%)	**7.50%**	7.50%
	Total capital minimum ratio (%)	**10.00%**	10.00%
	Capital Conservation Buffer (CCB)	**1.50%**	1.50%
	Total capital plus CCB minimum ratio (%)	**11.50%**	11.50%
38.4	**Leverage Ratio (LR):**		
	Eligible Tier-1 Capital	**18,375,111,565**	17,921,664,535
	Total Exposures	**57,372,859,302**	65,221,374,611
	Leverage Ratio	**32.03%**	27.48%
	Minimum Requirement	**3.00%**	3.00%
38.5	**Liquidity Coverage Ratio (LCR):**		
	Total High Quality Liquid Assets	**21,697,551,204**	12,520,563,063
	Total Net Cash Outflow	**4,084,019,641**	883,392,376
	Liquidity Coverage Ratio	**531.28%**	1417.33%
38.6	**Net Stable Funding Ratio (NSFR):**		
	Total Available Stable Funding	**30,590,311,201**	29,149,810,210
	Total Required Stable Funding	**25,883,370,879**	23,371,955,616
	Net Stable Funding Ratio	**118.19%**	124.72%
	Minimum Requirement	**100.00%**	100.00%

The SBP, vide BPRD Circular No.08 dated 23 June 2016 has set the minimum Net Stable Funding Ratio Requirement (NSFR) for Banks / DFIs at 100%.

***** The link to the full disclosure is available at https://pakchinainvest.com/uploads/files/car2024/car-march-24.pdf

39 GENERAL

39.1 Events after the reporting date

There are no adjusting events after the date of statement of financial position that may have an impact on the financial statements.

39.2 Captions, as prescribed by BPRD Circular No. 2, issued by the SBP, for which there are no amounts, have not been reproduced in these financial statements except for the statement of financial position and profit and loss account.

39.3 Figures have been rounded off to the nearest Rupee, unless otherwise stated.

39.4 The credit rating company limited has issued a long term credit rating of AAA, and the short term rating of A1+, for the Company.

40 DATE OF AUTHORIZATION

These financial statements were authorized for issue in the Board of Directors meeting held on ________________.

04 DEC 2025

MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER	CHAIRMAN	DIRECTOR	DIRECTOR