



Condensed Interim Financial Statements
For the period ended 30 September 2024



DIRECTORS REVIEW ON CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 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 nine months ended 30 Sept 2024 together with the Directors' Review thereon.

Profit after tax of PCICL clocked at Rs. 1.84 billion for the nine months ended 30 September 2024 as compared to Rs. 1.96 billion in the nine months of prior year, showing a decrease of 6.5%. Resultantly, earning per share has decreased from Rs. 1.98 during last year's first nine months to Rs. 1.85 in current year's first nine months. Operating profit (profit before provisions and tax) during the current nine months has touched Rs. 2.86 billion as compared to Rs. 3.46 billion during the first nine months of last year.

During the nine months of 2024, SBP reduced the policy rate by 3.5%, however last year, SBP gradually started increasing the policy rate from 16% and culminated at 22% as of 30 Sep 2023 in line with the macroeconomic indicators. Upward repricing of majority of the portfolio, coupled with the increased volume of portfolio resulted in increase of Net Interest Income by Rs. 337.17 million i.e. 11.43%. Year 2024 has witnessed a modest appreciation of PKR against USD which resulted in foreign exchange revaluation loss of Rs. 62.55 million, while in comparable period last year, depreciation of PKR against USD was profound which resulted in foreign exchange revaluation gain of Rs. 906.01 million.

Operating expenses increased by Rs. 91.6 million majorly due to increased travel cost, regular annual increments in salaries of employees and inflationary impact. Provisions and write-offs – net reversal amounted to Rs. 31.41 million, as compared to charge of Rs. 119.95 million in last year's nine months' period.

Total assets have increased by Rs. 17.99 billion as of 30 Sept 2024 as compared to the balance as at 31 December 2023, majorly due to investment in market treasury bills being funded by 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.

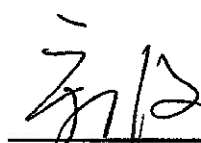
04 December 2025
Islamabad

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 SEPTEMBER 2024

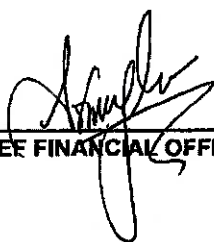
		(Unaudited)	(Audited)
		30 September 2024	31 December 2023
		-----Rupees-----	
ASSETS	Note		
Cash and balances with treasury banks	6	349,309,500	58,211,053
Balances with other banks	7	4,985,778,536	4,338,987,033
Lendings to financial institutions	8	350,650,120	1,886,342,400
Investments	9	37,337,716,544	18,156,013,803
Advances	10	17,780,843,271	18,854,724,030
Property and equipment	11	203,468,685	187,166,273
Right-of-use assets	12	104,127,844	139,907,654
Intangible assets	13	3,067,202	4,651,640
Deferred tax assets	14	55,946,442	105,850,816
Other assets	15	1,807,104,145	1,252,528,688
Total Assets		62,978,012,289	44,984,383,390
LIABILITIES			
Bills payable		-	-
Borrowings	16	36,146,461,551	21,965,719,305
Deposits and other accounts	17	381,913,516	370,560,678
Lease liabilities	18	114,492,881	122,080,378
Subordinated debt		-	-
Other liabilities	19	2,318,841,248	746,270,572
Total Liabilities		38,961,709,196	23,204,630,933
NET ASSETS		24,016,303,093	21,779,752,457
REPRESENTED BY			
Share capital	20	9,905,975,280	9,905,975,280
Advance against issue of shares	20	230,652,672	15,212,360
Reserves		2,830,781,138	2,463,427,066
Deficit on revaluation of assets	21	(278,107,608)	(462,447,573)
Unappropriated / Unremitted profit		11,327,001,611	9,857,585,324
		24,016,303,093	21,779,752,457

CONTINGENCIES AND COMMITMENTS **22**

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



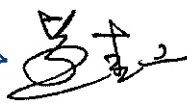
MANAGING DIRECTOR



CHIEF FINANCIAL OFFICER



CHAIRMAN



DIRECTOR



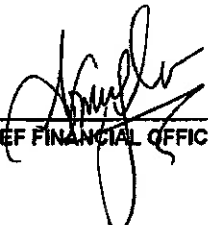
DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

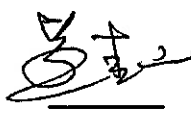
	Note	For the quarter ended		For the nine months ended	
		30 September	30 September	30 September	30 September
		2024	2023	2024	2023
		Rupees		Rupees	
Mark-up / Return / Interest earned	23	3,442,754,326	3,596,017,360	9,008,016,006	9,314,818,263
Mark-up / Return / Interest expensed	24	(2,367,810,753)	(2,478,785,288)	(5,710,785,268)	(6,355,760,437)
Net mark-up / Interest income		1,074,943,573	1,117,232,072	3,297,230,738	2,959,057,826
NON MARK-UP / INTEREST INCOME					
Fee and commission income	25	31,385,603	18,185,659	59,032,200	41,538,497
Dividend income		-	-	19,775,000	14,208,096
Foreign exchange income / (loss)		(12,893,897)	24,097,484	(62,550,483)	906,011,474
Income / (Loss) from derivatives		-	-	-	-
Gain / (Loss) on securities	26	85,815,774	59,039,273	162,387,090	58,860,441
Net loss on derecognition of financial assets measured at amortised cost	27	(2,325,713)	-	(6,977,139)	-
Other income	28	4,319,824	4,074,877	12,514,481	11,643,924
Total non-markup / interest income		106,301,591	105,397,293	184,181,149	1,032,262,432
Total income		1,181,245,164	1,222,629,365	3,481,411,887	3,991,320,258
NON MARK-UP/INTEREST EXPENSES					
Operating expenses	29	197,353,050	172,217,228	625,546,279	533,942,651
Workers welfare fund		-	-	-	-
Other charges	30	-	-	-	250,000
Total non-markup / interest expenses		197,353,050	172,217,228	625,546,279	534,192,651
Profit before credit loss allowance		983,892,115	1,050,412,137	2,855,865,609	3,457,127,607
Credit loss allowance and write offs - net	31	52,670,141	47,374,797	(31,407,963)	119,954,592
PROFIT BEFORE TAXATION		931,221,974	1,003,037,340	2,887,273,572	3,337,173,015
Taxation	32	321,220,757	529,484,718	1,050,503,213	1,373,016,777
PROFIT AFTER TAXATION		610,001,217	473,552,622	1,836,770,359	1,964,156,238
Basic and diluted earnings per share	33	0.62	0.48	1.85	1.98

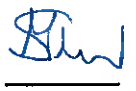
The annexed notes 1 to 40 form an integral part of these financial statements.


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER


CHAIRMAN

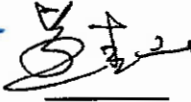

DIRECTOR


DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	For the quarter ended		For the nine months ended	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
	Rupees		Rupees	
Profit after taxation for the period	610,001,217	473,552,622	1,836,770,359	1,964,156,238
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	73,062,859	25,913,463	58,838,746	(27,638,255)
	73,062,859	25,913,463	58,838,746	(27,638,255)
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	41,025,583	13,389,952	125,501,219	27,680,307
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	984,943
	41,025,583	13,389,952	125,501,219	28,665,250
Total comprehensive income	724,089,659	512,856,037	2,021,110,324	1,965,183,233

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

 MANAGING DIRECTOR	 CHIEF FINANCIAL OFFICER	 CHAIRMAN	 DIRECTOR	 DIRECTOR
---	---	---	--	--

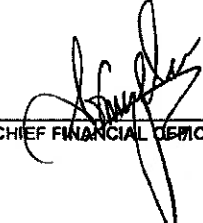
PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	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	1,987,774,675	(546,098,070)	7,952,508,591	19,305,372,838
Profit after taxation for the period ended 30 September 2023	-	-	-	-	1,964,156,238	1,964,156,238
Movement in deficit on revaluation of investments in debt instruments - net of tax	-	-	-	(27,838,255)	-	(27,838,255)
Movement in deficit on revaluation of investments in equity instruments - net of tax	-	-	-	27,680,307	-	27,680,307
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	984,943	984,943
Total comprehensive income / (loss) - net of tax	-	-	-	42,052	984,943	1,026,995
Transfer to statutory reserve	-	-	392,831,248	-	(392,831,248)	-
Transaction with owners recognized directly in equity						
Advance against issue of shares	-	10,000,000	-	-	-	10,000,000
Balance as at 30 September 2023	9,905,975,280	15,212,360	2,380,605,923	(546,056,018)	9,524,818,624	21,280,556,069
Profit after taxation for the period ended 31 December 2023	-	-	-	-	414,105,713	414,105,713
Movement in deficit on revaluation of investments in debt instruments - net of tax	-	-	-	15,282,569	-	15,282,569
Movement in deficit on revaluation of investments in equity instruments - net of tax	-	-	-	68,325,876	-	68,325,876
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	1,482,230	1,482,230
Total comprehensive income - net of tax	-	-	-	83,608,445	1,482,230	85,090,675
Transfer to statutory reserve	-	-	82,821,143	-	(82,821,143)	-
Transaction with owners recognized directly in equity						
Advance against issue of shares	-	-	-	-	-	-
Balance as at 31 December 2023	9,905,975,280	15,212,360	2,463,427,066	(462,447,573)	9,857,595,324	21,779,752,457
Profit after taxation for the period ended 30 September 2024	-	-	-	-	1,836,770,369	1,836,770,369
Movement in deficit on revaluation of investments in debt instruments - net of tax	-	-	-	58,838,746	-	58,838,746
Movement in deficit on revaluation of investments in equity instruments - net of tax	-	-	-	125,501,219	-	125,501,219
Remeasurement gain on defined benefit obligations - net of tax	-	-	-	-	-	-
Total comprehensive income - net of tax	-	-	-	184,339,965	-	184,339,965
Transfer to statutory reserve	-	-	367,354,072	-	(367,354,072)	-
Transaction with owners recorded directly in equity						
Advance against issue of shares	-	215,440,312	-	-	-	215,440,312
Balance as at 30 September 2024	9,905,975,280	230,652,672	2,830,781,138	(278,107,608)	11,327,001,611	24,016,303,093

* 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

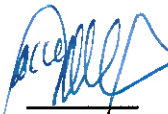
PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

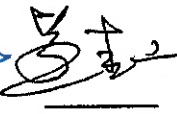
		For the nine months ended	
		30 September 2024	30 September 2023
		Rupees	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		2,887,273,572	3,337,173,015
Less: Dividend income		(19,775,000)	(14,208,096)
		<u>2,867,498,572</u>	<u>3,322,964,919</u>
Adjustments:			
Depreciation	29	14,948,985	10,814,485
Depreciation on right-of-use assets	29	35,779,810	34,218,792
Amortization	29	1,584,438	1,206,432
Credit loss allowance and write-offs	31	(31,407,983)	120,733,940
Loss on disposal of property and equipment		(29,941)	(88,513)
Finance charges on leased assets	24	12,740,503	15,341,311
Provision for gratuity		19,774,531	14,913,819
Unrealized loss on revaluation of 'FVTPL' securities	26	(97,125,400)	(28,552,926)
Exchange gain		62,550,483	(906,011,474)
		<u>18,815,446</u>	<u>(737,424,134)</u>
		<u>2,886,314,017</u>	<u>2,585,540,785</u>
(Increase) / Decrease in operating assets			
Lendings to financial institutions		1,535,692,280	99,825,849
Advances		1,046,375,688	(45,321,366)
Others assets (excluding advance taxation)		(628,789,174)	(487,537,188)
		<u>1,953,278,794</u>	<u>(433,032,705)</u>
Increase/ (Decrease) in operating liabilities			
Borrowings from financial institutions		12,411,429,746	(29,247,803,134)
Deposits		11,352,838	(740,353,928)
Others liabilities (excluding current taxation)		1,568,012,833	287,854,839
		<u>13,990,795,417</u>	<u>(29,700,302,223)</u>
Payments against off-balance sheet obligations			
Income tax paid		(994,389,319)	(1,009,165,126)
Contribution to plan assets		(24,239,736)	(16,552,491)
		<u>(1,018,629,055)</u>	<u>(1,025,717,617)</u>
Net cash flow (used in) / from operating activities		<u>17,811,759,173</u>	<u>(28,573,511,760)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in securities classified as FVOCI		(19,138,281,376)	28,624,020,593
Dividends received		19,775,000	14,208,096
Investments in property and equipment		(31,508,912)	(14,259,524)
Disposal of property and equipment		287,454	112,354
Net cash flow from / (used in) investing activities		<u>(19,149,727,834)</u>	<u>28,624,081,519</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Payments of lease obligations against right-of-use assets		(20,328,000)	(23,120,258)
Receipts/ Payments of long term liabilities		1,769,312,500	(925,562,500)
Issue of share capital		-	-
Advance for issue of share		215,440,312	10,000,000
Net cash flow from / (used in) financing activities		<u>1,964,424,812</u>	<u>(938,682,758)</u>
Effects of exchange rate changes on cash and cash equivalents		(62,550,483)	906,011,474
Increase in cash and cash equivalents		<u>563,905,668</u>	<u>17,898,475</u>
Cash and cash equivalents at beginning of the year		<u>111,906,548</u>	<u>220,240,475</u>
Cash and cash equivalents at end of the year		<u>675,812,216</u>	<u>238,138,950</u>

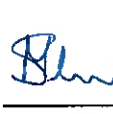
The annexed notes 1 to 40 form an integral part of these financial statements.


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER


CHAIRMAN


DIRECTOR


DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 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.

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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 30 SEPTEMBER 2024

		(Unaudited) 30 September 2024	(Audited) 31 December 2023
		-----Rupees-----	
6 CASH AND BALANCES WITH TREASURY BANKS	Note		
In hand			
Local currency		75,000	14,189
With State Bank of Pakistan in			
Local currency current account	6.1	345,881,186	57,172,179
With National Bank of Pakistan in			
Local currency current account		3,044,318	711,447
Foreign currency current account		308,996	313,238
		349,309,500	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		349,309,500	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.

		(Unaudited) 30 September 2024	(Audited) 31 December 2023
		-----Rupees-----	
7 BALANCES WITH OTHER BANKS			
In Pakistan			
In current account		384,220	444,266
In deposit account	7.1	4,985,426,673	4,338,645,389
		4,985,810,893	4,339,089,655
Less: Credit loss allowance held against balances with other banks		(32,357)	(102,622)
Balances with other banks - net of credit loss allowance		4,985,778,536	4,338,987,033

7.1 This balance includes term deposit receipt (TDR) amounting to Rs. 4,659,308,176 (2023: Rs. 4,285,394,160) carrying an interest rate of 9.1% (2023: 12.02%) with a maturity of 12 months. The related accrued interest on this TDR is also presented in Note 14

		(Unaudited) 30 September 2024	(Audited) 31 December 2023
		-----Rupees-----	
8 LENDINGS TO FINANCIAL INSTITUTIONS			
Reverse repo agreements		350,650,120	1,886,342,400
Less: Credit loss allowance held against lending to financial institutions		-	-
Lendings to financial institutions - net of credit loss allowance		350,650,120	1,886,342,400

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

9 INVESTMENTS

9.1 Investments by type	Note	(Unaudited) 30 September 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		331,169,990	-	236,144,993	567,314,983	342,333,834	-	193,679,375	536,013,209
		331,169,990	-	236,144,993	567,314,983	342,333,834	-	193,679,375	536,013,209
FVOCI									
Federal Government securities		28,199,291,485	-	74,306,666	28,273,598,151	9,031,786,299	-	2,705,804	9,034,492,103
Shares		1,798,163,240	(344,680,027)	(442,155,069)	1,011,328,144	1,798,163,239	(510,573,902)	(598,042,267)	689,547,070
Non Government debt securities	9.3	7,994,947,723	(565,692,242)	56,219,785	7,485,475,266	8,324,060,975	(459,463,240)	31,363,686	7,895,961,421
		37,992,402,448	(910,372,269)	(311,628,618)	36,770,401,561	19,154,010,513	(970,037,142)	(563,972,777)	17,620,000,594
Amortized cost									
Non Government debt securities		-	-	-	-	-	-	-	-
Total Investments		38,323,572,438	(910,372,269)	(75,483,625)	37,337,716,544	19,496,344,347	(970,037,142)	(370,293,402)	18,156,013,803

9.1.1 Investments given as collateral

Pakistan Investment Bonds

	(Unaudited) 30 September 2024	(Audited) 31 December 2023
	-----Rupees-----	
	12,117,576,000	-

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	(Unaudited) 30 September 2024	(Audited) 31 December 2023
	Rupees	
9.2 Credit Loss Allowance / provision for diminution 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	53,674,325	425,243,030
Reversals for the period	(113,339,198)	(39,330,947)
	(59,664,873)	385,912,083
Closing Balance	910,372,269	970,037,142

		(Unaudited)		(Audited)	
		30 September		31 December	
		2024		2023	
		Rupees			
		Outstanding amount	Credit loss allowance held	Outstanding amount	Credit loss allowance held
9.3 Particulars of credit loss allowance against debt securities					
Domestic					
Performing	Stage 1	7,264,937,693	21,792,366	7,655,312,625	38,659,955
Underperforming	Stage 2	187,197,073	1,086,918	249,111,890	1,167,100
Non-performing	Stage 3	-	-	-	-
Substandard		-	-	-	-
Doubtful		-	-	-	-
Loss		542,812,958	542,812,958	419,636,460	419,636,185
Total		7,994,947,723	565,692,242	8,324,060,975	459,463,240

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

10 ADVANCES

	(Unaudited) Performing 30 September 2024	(Audited) 31 December 2023	(Unaudited) Non performing 30 September 2024	(Audited) 31 December 2023	(Unaudited) Total 30 September 2024	(Audited) 31 December 2023
	----- Rupees -----					
Loans, cash credits, running finances, etc.	14,820,881,992	17,076,113,337	1,405,523,014	1,219,523,014	16,226,405,006	18,295,636,351
Islamic Financing and related assets	3,030,848,118	2,025,747,586	113,037,387	111,070,713	3,143,885,505	2,136,818,299
Advances - gross	<u>17,851,730,110</u>	<u>19,101,860,923</u>	<u>1,518,560,401</u>	<u>1,330,593,727</u>	<u>19,370,290,511</u>	<u>20,432,454,650</u>
Credit loss allowance against advances						
- Stage 1	75,211,375	101,059,213	-	-	75,211,375	101,059,213
- Stage 2	109,337,258	179,506,976	-	-	109,337,258	179,506,976
- Stage 3	-	-	1,404,898,607	1,297,164,432	1,404,898,607	1,297,164,432
	184,548,633	280,566,189	1,404,898,607	1,297,164,432	1,589,447,240	1,577,730,621
Advances - net of credit loss allowance	<u>17,667,181,477</u>	<u>18,821,294,734</u>	<u>113,661,794</u>	<u>33,429,295</u>	<u>17,780,843,271</u>	<u>18,854,724,030</u>

10.1 Particulars of advances (Gross)

In local currency

(Unaudited) 30 September 2024	(Audited) 31 December 2023
----- Rupees -----	
<u>19,370,290,511</u>	<u>20,432,454,650</u>

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

10.2 Advances include Rs.1,518.6 million (2023: Rs.1,330.5 million) which have been placed under non-performing / Stage 3 status as detailed below:-

Category of Classification in stage 3	(Unaudited)		(Audited)	
	30 September 2024		31 December 2023	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
	Rupees			
Domestic				
Other Assets Especially Mentioned (OAE) Stage 3	113,037,387	78,824,995	111,070,713	77,641,418
Substandard Stage 3	262,500,000	183,050,598	-	-
Doubtful Stage 3	-	-	-	-
Loss Stage 3	1,143,023,014	1,143,023,014	1,219,523,014	1,219,523,014
	<u>1,518,560,401</u>	<u>1,404,898,607</u>	<u>1,330,593,727</u>	<u>1,297,164,432</u>

10.3 Particulars of credit loss allowance against advances

	(Unaudited)				(Audited)			
	30 September 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	20,927,886	25,306,600	184,234,175	230,468,661	40,915,429	38,807,137	104,100,072	183,822,638
Reversals	(46,775,723)	(95,476,318)	(76,500,000)	(218,752,042)	(29,076,936)	(10,407,629)	(46,666,666)	(86,151,231)
	(25,847,837)	(70,169,718)	107,734,175	11,716,619	11,838,493	28,399,508	57,433,406	97,671,407
Amounts written off	-	-	-	-	-	-	-	-
Closing balance	<u>75,211,376</u>	<u>109,337,258</u>	<u>1,404,898,607</u>	<u>1,589,447,241</u>	<u>101,059,213</u>	<u>179,506,976</u>	<u>1,297,164,432</u>	<u>1,577,730,621</u>

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

10.4 Advances - Particulars of credit loss allowance

	(Unaudited) 30 September 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	31,169,618	48,424,377	-	79,593,995	26,576,043	-	-	26,576,043
Advances derecognised or repaid	(47,328,456)	(95,476,318)	(76,500,000)	(219,304,775)	(48,493,495)	(17,567,113)	(46,666,666)	(112,727,274)
Transfer to stage 1	-	-	-	-	-	-	-	-
Transfer to stage 2	(10,085,352)	10,085,352	-	-	(7,159,484)	7,159,484	-	-
Transfer to stage 3	(183,050,598)	-	183,050,598	-	-	-	-	-
	(209,294,789)	(36,966,589)	106,550,598	(139,710,780)	(29,076,936)	(10,407,629)	(46,666,666)	(86,151,231)
Amounts written off / charged off	-	-	-	-	-	-	-	-
Changes in risk parameters	183,446,951	(33,203,129)	1,183,577	151,427,399	40,915,429	38,807,137	104,100,072	183,822,638
Charge for the period	-	-	-	-	-	-	-	-
Closing Balance	75,211,376	109,337,258	1,404,898,607	1,589,447,241	101,059,213	179,506,976	1,297,164,432	1,577,730,621

10.4.2 Advances - Category of Classification

Domestic

Performing Stage 1

Underperforming Stage 2

Non-performing Stage 3

Other Assets especially mentioned

Substandard

Doubtful

Loss

(Unaudited) 30 September 2024		(Audited) 31 December 2023	
Outstanding amount	Credit loss allowance Held	Outstanding amount	Credit loss allowance Held
Rupees			
15,049,018,099	75,211,375	16,614,136,061	101,059,213
2,802,712,011	109,337,258	2,487,724,862	179,506,976
113,037,387	78,824,995	111,070,713	77,641,418
262,500,000	183,050,598	-	-
-	-	-	-
1,143,023,014	1,143,023,014	1,219,523,014	1,219,523,014
19,370,290,511	1,589,447,240	20,432,454,650	1,577,730,621

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

		(Unaudited) 30 September 2024	(Audited) 31 December 2023
		-----Rupees-----	
11	PRPOERTY AND EQUIPMENT		
	Capital work-in-progress	11.1 768,400	768,400
	Property and equipment	11.2 202,700,285	186,397,873
		<u>203,468,685</u>	<u>187,166,273</u>
11.1	Capital work-in-progress		
	Advances to suppliers	<u>768,400</u>	<u>768,400</u>
		(Unaudited) 30 September 2024	(Unaudited) 30 September 2023
		-----Rupees-----	
11.2	Additions to property and equipment		
	The following additions have been made to Property and Equipment during the period:		
	Capital work-in-progress	-	-
	Property and equipment		
	Leasehold improvements	-	1,597,166
	Furniture and fixture	391,920	788,643
	Vehicles	29,233,860	-
	Electrical office and computer equipment	567,521	9,039,590
		<u>30,193,301</u>	<u>11,425,399</u>
		<u>30,193,301</u>	<u>11,425,399</u>
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	<u>187,385</u>	<u>23,841</u>
		(Unaudited) 30 September 2024	(Audited) 31 December 2023
12	RIGHT-OF-USE ASSETS	Building	Building
		-----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	<u>139,907,654</u>	<u>157,495,626</u>
	Additions during the year	-	28,677,392
	Deletions during the period	-	-
	Depreciation charge for the period	(35,779,810)	(46,265,364)
	Net Carrying amount at 30 September / 31 December	<u>104,127,844</u>	<u>139,907,654</u>
13	INTANGIBLE ASSETS		
	Computer Software	<u>3,067,202</u>	<u>4,651,640</u>
		(Unaudited) 30 September 2024	(Unaudited) 30 September 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

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

		(Unaudited)	(Audited)
		30 September 2024	31 December 2023
		-----Rupees-----	
14 DEFERRED TAX ASSETS / (LIABILITIES)	Note		
Deductible Temporary Differences on			
- Post retirement employee benefits		2,342,248	2,342,248
- Provision for diminution in the value of FVOCI		136,925,211	199,123,813
- Liabilities against assets subject to lease		43,027,111	47,611,347
- Credit loss allowance / provision against advances, off balance sheet etc.		698,031,034	701,082,990
- Revaluation of investments - FVOCI		89,306,782	101,525,204
- Effective interest rate and modification loss		86,580,924	91,725,789
- Capital Losses		12,430,358	12,263,527
		1,068,643,668	1,155,674,919
Taxable Temporary Differences			
- Accelerated tax depreciation		(38,999,913)	(47,550,477)
- Revaluation of investments - FVPL		(9,284,625)	(13,466,250)
- Unrealized exchange gain		(964,412,688)	(988,807,376)
		(1,012,697,226)	(1,049,824,103)
		55,946,442	105,850,816
15 OTHER ASSETS			
Income / mark-up accrued in local currency		1,366,533,207	773,434,836
Income / mark-up accrued in foreign currency		120,132,496	274,722,335
Advances, deposits, advance rent and other prepayments		94,341,043	87,165,794
Receivable against fee, commission and advisory services		29,023,785	28,769,995
Advance taxation (payments less provisions)		38,492,229	112,705,946
Receivable against rent		3,059,426	1,836,073
Receivable from provident fund		172,003	-
Deferred fair value loss on derecognition of financial asset	15.1	179,079,904	-
Others		1,656,086	1,613,710
		1,834,824,146	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)		1,807,104,145	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.			
		(Unaudited)	(Audited)
		30 September 2024	31 December 2023
		-----Rupees-----	
16 BORROWINGS			
Secured			
Borrowings from State Bank of Pakistan			
Renewable Energy Power Projects (REPP)		-	20,573,361
Long Term Finance Facility (LTFF)		1,448,797,997	1,576,239,004
Temporary Economic Relief Facility (TERF)		857,068,164	920,775,386
		2,305,866,161	2,517,587,751
Borrowing from financial institution		-	-
Other borrowings		4,468,752,900	10,903,062,500
Total secured		9,659,797,061	13,420,650,251
Unsecured			
Borrowing from banks		26,486,664,490	8,545,069,054
		36,146,461,551	21,965,719,305
17 DEPOSITS AND OTHER ACCOUNTS			
Customers			
- Term deposits	17.1	381,913,516	370,560,678
17.1 All the deposits are in local currency.			

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

18 LEASE LIABILITIES

	(Unaudited) 30 September 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	12,740,503	20,923,951
Outstanding amount at the end of the year	114,492,881	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	72,401,887	76,568,842
Over five years	-	-
Total at the year end	114,492,881	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

	(Unaudited) 30 September 2024	(Audited) 31 December 2023
Note	Rupees	
Mark-up / Return / Interest payable in local currency	2,105,476,740	562,290,223
Accrued expenses	113,087,655	106,667,533
Unearned fee / commission	1,232,052	1,727,467
Withholding tax / sales tax payable	11,170,096	4,040,574
Payable to contribution benefit plan	-	1,163,611
Payable to defined benefit plan	2,230,075	6,005,764
Credit loss allowance against off-balance sheet obligations	64,951,939	48,341,383
Others	20,599,451	16,034,017
	2,318,841,248	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	24,383,443	8,197,250
Reversals	(7,772,887)	-
	16,610,556	8,197,250
Amount written off	-	-
Closing balance	64,951,939	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.

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

		(Unaudited) 30 September 2024	(Audited) 31 December 2023
	Note	-----Rupees-----	
21 SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS			
(Deficit) / surplus on revaluation of			
- Securities measured at FVOCI - Debt	9.1	130,526,451	34,069,490
- Securities measured at FVOCI - Equity	9.1	(442,155,069)	(598,042,267)
		(311,628,618)	(563,972,777)
Deferred tax on (Deficit) / surplus on revaluation of:			
- Securities measured at FVOCI - Debt		(50,905,314)	(13,287,099)
- Securities measured at FVOCI - Equity		84,426,324	114,812,303
		33,521,010	101,525,204
		(278,107,608)	(462,447,573)
22 CONTINGENCIES AND COMMITMENTS			
Guarantees	22.1	4,993,699,624	4,557,311,625
Commitments	22.2	16,597,638,562	3,598,478,300
Other contingent liability	22.3	168,100,000	168,100,000
		21,759,438,186	8,323,889,925
22.1 Guarantees			
Financial guarantees		4,993,699,624	4,057,311,625
Performance guarantees		-	500,000,000
		4,993,699,624	4,557,311,625
22.2 Commitments			
Documentary credits and short term trade related transactions			
Letters of credit		-	-
Commitments in respect of:			
Forward government securities transactions - Purchase		12,117,576,000	-
Forward government securities transactions - Sale		2,891,421,000	1,892,655,100
Non government debt securities transactions - Sale	8	350,820,732	-
Commitments to extend credits	22.2.1	1,236,800,830	1,704,803,200
Commitment for acquisition of fixed assets		1,020,000	1,020,000
		16,597,638,562	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.			

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

		(Unaudited)	
		For the nine months ended	
		30 September 2024	30 September 2023
23	MARK-UP / RETURN / INTEREST EARNED	Note	Rupees
	Loans and advances		2,933,762,112
	Investments		5,414,291,185
	Lendings to financial institutions		285,979,147
	Balances with banks		373,983,562
			<u>9,008,016,006</u>
23.1	Interest income (calculated using effective interest rate method) recognised on:		
	Financial assets measured at amortised cost		3,593,724,821
	Financial assets measured at fair value through OCI		5,414,291,185
			<u>9,008,016,006</u>
24	MARK-UP / RETURN / INTEREST EXPENSED		
	Deposits		54,402,375
	Borrowings		5,643,642,392
	Lease liability		12,740,503
			<u>5,710,785,270</u>
24.1	Interest expense calculated using effective interest rate method		<u>5,710,785,270</u>
25	FEE AND COMMISSION INCOME		
	Credit related fee		7,030,718
	Investment banking fees		18,206,952
	Commission on trade		525,773
	Commission on guarantees		33,268,757
			<u>59,032,200</u>
26	GAIN / (LOSS) ON SECURITIES		
	Realized	26.1	65,261,690
	Unrealised - Measured at FVPL	9.1	97,125,400
			<u>162,387,090</u>
26.1	Realized gain / (loss) on:		
	Federal Government Securities		11,345,070
	Shares		53,916,620
			<u>65,261,690</u>
27	NET LOSS ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST		
	Loss on derecognition of financial assets measured at amortised cost	27.1	(6,977,139)
			<u>(6,977,139)</u>
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 nine months ended	
		30 September 2024	30 September 2023
28	OTHER INCOME	Rupees	
	Rent on property	12,479,840	11,555,411
	Gain on sale of property and equipment - net	29,941	88,513
	Other income	4,700	-
		<u>12,514,481</u>	<u>11,643,924</u>

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

		(Unaudited)	
		For the nine months ended	
		30 September 2024	30 September 2023
		Rupees	
29 OPERATING EXPENSES			
Total Compensation expense		443,934,499	384,528,193
Property expense			
Rent and taxes		1,447,076	1,239,868
Insurance		50,814	51,867
Utilities cost		12,180,103	8,085,433
Security		5,992,613	4,595,353
Repair and maintenance		6,745,518	6,218,696
Depreciation		36,882,346	35,321,328
		63,298,470	55,512,545
Information technology expenses			
Software maintenance		1,891,101	1,637,697
Hardware maintenance		301,115	165,045
Amortization		1,584,438	1,206,432
Depreciation		4,107,425	3,563,945
Network charges		261,705	751,115
		8,145,784	7,324,234
Other operating expenses			
Directors' fees and allowances		1,500,000	-
Legal and professional charges		3,664,759	3,751,596
Outsourced services costs		9,243,324	5,634,622
Travelling and conveyance		47,441,407	36,708,245
Insurance		4,600,912	3,667,700
Repair and maintenance		897,637	925,538
Depreciation		9,739,024	6,148,004
Training and development		294,600	5,730,100
Communication		3,603,721	3,203,245
Stationery and printing		6,042,673	4,017,522
Marketing, advertisement and publicity		4,755,360	3,784,327
Auditors remuneration		3,155,513	2,558,384
Bank charges		346,264	268,344
Entertainment		7,265,568	5,399,076
Others		7,616,764	4,780,976
		110,167,526	86,577,679
		625,546,279	533,942,651
30 OTHER CHARGES			
Penalties imposed by Securities and exchange commission of Pakistan		-	250,000
		-	250,000
		(Unaudited)	
		For the nine months ended	
		30 September 2024	30 September 2023
		Rupees	
31 CREDIT LOSS ALLOWANCE & WRITE OFFS - NET	Note		
Impairment loss on investments	9.2	(165,893,875)	298,739,919
Credit loss allowance for diminution in value of investments - net	9.2	106,229,001	(13,323,505)
Credit loss allowance against loans & advances - net	10.3	11,716,620	(162,594,346)
Other credit loss allowance - net	7, 15 & 19.1	16,540,291	(2,887,476)
		(31,407,963)	119,954,592
32 TAXATION			
Current		1,068,603,036	1,090,668,515
Prior period		-	-
Deferred		(18,099,824)	282,348,262
		1,050,503,212	1,373,016,777
33 BASIC EARNINGS PER SHARE			
Profit for the period		1,836,770,359	1,964,156,238
Weighted average number of ordinary shares		990,597,528	990,597,528
Basic earnings per share - Rupees		1.85	1.98
34 DILUTED EARNINGS PER SHARE			
Diluted earning per share has not been separately presented as the Company does not have convertible instruments in issue.			

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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)				
	30 September 2024				
	Carrying value	Level 1	Level 2	Level 3	Total
		Rupees			
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	28,273,598,151	-	28,273,598,151	-	28,273,598,151
Shares	795,852,127	795,852,127	-	-	795,852,127
Preference Shares	331,695,000	331,695,000	-	-	331,695,000
Non-Government Debt Securities	3,935,605,453	-	3,935,605,453	-	3,935,605,453
	33,336,750,731	1,127,547,127	32,209,203,604	-	33,336,750,731
Financial assets - disclosed but not measured at fair value					
Shares	451,096,000	-	-	-	-
Non-Government Debt Securities	4,115,562,055	-	-	-	-
	4,566,658,055	-	-	-	-
	37,903,408,786	1,127,547,127	32,209,203,604	-	33,336,750,731
Off-balance sheet financial instruments - measured at fair value					
Forward government securities transactions - purchase	12,117,576,000	-	12,117,576,000	-	12,117,576,000
Forward government securities transactions - sale	2,891,421,000	-	2,891,421,000	350,820,732	3,242,241,732

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Audited)					
31 December 2023					
	Carrying value	Level 1	Level 2	Level 3	Total
		-----Rupees-----			
On balance sheet financial instruments					
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
Listed Securities
Non-Government Debt Securities

PKRV rates (Reuters page)
Market Prices
MUFAP

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

36 SEGMENT INFORMATION

36.1 Segment Details with respect to Business Activities

	Unaudited 30 September 2024				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
Profit & Loss					
	-----Rupees-----				
Net mark-up / return / profit	2,501,807,986	229,069,493	153,514,400	412,838,859	3,297,230,738
Inter segment revenue - net	(1,674,613,609)	(192,029,113)	(58,008,956)	1,924,651,678	-
Non mark-up income	40,825,248	189,023,973	11,345,070	(57,013,142)	184,181,149
Total Income	868,019,625	226,064,353	106,850,514	2,280,477,395	3,481,411,887
Segment direct expenses	(59,575,882)	(18,803,928)	(29,701,741)	(517,464,728)	(625,546,279)
Provisions / Impairment	(139,833,557)	171,241,520	-	-	31,407,963
Profit before tax	668,610,186	378,501,945	77,148,773	1,763,012,668	2,887,273,572
	Unaudited 30 September 2024				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
Balance Sheet					
	-----Rupees-----				
Cash & Bank balances	-	-	350,650,120	5,335,088,036	5,685,738,156
Investments	7,308,625,002	1,755,493,391	28,273,598,151	-	37,337,716,544
Advances					
Performing	15,790,751,328	1,937,666,666	-	123,312,116	17,851,730,110
Credit loss allowance	(152,311,966)	(32,220,001)	-	(16,666)	(184,548,633)
	15,638,439,362	1,905,446,665	-	123,295,450	17,667,181,477
Non-performing	1,517,896,837	-	-	663,564	1,518,560,401
Credit loss allowance	(1,404,235,043)	-	-	(663,564)	(1,404,898,607)
	113,661,794	-	-	-	113,661,794
Others	873,619,240	173,063,726	581,637,140	545,394,212	2,173,714,318
Total Assets	23,934,345,398	3,834,003,782	29,205,885,411	6,003,777,698	62,978,012,289
Borrowings	9,073,047,511	400,000,000	26,673,414,040	-	36,146,461,551
Deposits	106,962,260	-	274,951,256	-	381,913,516
Others	114,584,371	6,263,229	2,000,662,432	311,824,097	2,433,334,129
Total liabilities	9,294,594,142	406,263,229	28,949,027,728	311,824,097	38,961,709,196
Equity	-	-	-	24,016,303,093	24,016,303,093
Total Equity & liabilities	9,294,594,142	406,263,229	28,949,027,728	24,328,127,190	62,978,012,289
Contingencies & Commitments	6,230,500,454	-	15,359,817,732	169,120,000	21,759,438,186

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

Profit & Loss

Net mark-up / return / profit	2,315,847,666	87,292,003	183,376,954	372,541,203	2,959,057,826
Inter segment revenue - net	(2,206,352,706)	(138,198,000)	(45,508,000)	2,390,058,706	-
Non mark-up income	83,790,119	31,840,697	(1,023,782)	917,655,398	1,032,262,432
Total Income	193,285,079	(19,065,300)	136,845,172	3,680,255,307	3,991,320,258
Segment direct expenses	(48,685,687)	(28,317,767)	(24,406,831)	(432,782,366)	(534,192,651)
Provisions	(119,954,592)	-	-	-	(119,954,592)
Profit before tax	24,644,800	(47,383,067)	112,438,341	3,247,472,941	3,337,173,015

Balance Sheet

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

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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:

	30 September 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	43,567,008	-	6,390	1,292,941

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	30 September 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	-	27,504,004	108,192,209
	25,684,609	6,602,782	118,361,825	-	27,504,004	123,634,605

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	30 September 2024 (Unaudited)			30 September 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	-	4,754,330	71,000,483
Expense						
Mark-up / return / interest paid	55,037	55,037	16,774,059	278,635	278,635	13,669,491
Operating expenses						
Charge for defined benefit plan	552,546	1,892,733	22,780,094	578,853	6,267,483	8,067,483
Charge for contribution plan	558,474	906,850	13,711,201	1,719,517	3,541,888	5,003,164
Salaries	19,448,168	18,382,052	-	28,372,027	60,113,074	-
Bonus expense	7,242,514	10,764,311	-	6,485,147	27,255,808	-
Overseas allowances	2,383,283	-	-	8,829,298	-	-
Leave fair assistance & Encashment	-	1,548,744	-	3,198,230	6,774,791	-
Tax borne by employer	8,356,262	4,266,671	-	12,537,590	11,162,056	-
Others	4,226,928	8,700,730	274,641	16,076,806	28,215,893	4,707,119
Depreciation expense on lease hold building	4,170,095	4,170,095	31,113,091	2,079,335	2,079,335	21,742,781

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
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	Unaudited	Audited
	30 September 2024	31 December 2023
38 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
38.1 Minimum Capital Requirement (MCR):	-----Rupees-----	
Paid-up capital (net of losses)	<u>9,905,975,280</u>	<u>9,905,975,280</u>
38.2 Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	21,366,765,103	17,921,664,535
Eligible Tier 2 Capital	-	-
Total Eligible Capital (Tier 1 + Tier 2)	<u>21,366,765,103</u>	<u>17,921,664,535</u>
Risk Weighted Assets (RWAs):		
Credit Risk	27,740,044,681	24,330,515,094
Market Risk	7,581,030,963	7,108,868,449
Operational Risk	6,318,958,033	4,267,725,030
Total	<u>41,640,033,677</u>	<u>35,707,108,573</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>51.31%</u>	<u>50.19%</u>
Tier 1 Capital Adequacy Ratio	<u>51.31%</u>	<u>50.19%</u>
Total Capital Adequacy Ratio	<u>51.31%</u>	<u>50.19%</u>
38.3 Other information:		
Minimum capital requirements prescribed by the SBP		
CET1 minimum ratio (%)	<u>6.00%</u>	<u>6.00%</u>
Tier 1 minimum ratio (%)	<u>7.50%</u>	<u>7.50%</u>
Total capital minimum ratio (%)	<u>10.00%</u>	<u>10.00%</u>
Capital Conservation Buffer (CCB)	<u>1.50%</u>	<u>1.50%</u>
Total capital plus CCB minimum ratio (%)	<u>11.50%</u>	<u>11.50%</u>
38.4 Leverage Ratio (LR):		
Eligible Tier-1 Capital	21,366,765,103	17,921,664,535
Total Exposures	76,571,979,057	65,221,374,611
Leverage Ratio	<u>27.90%</u>	<u>27.48%</u>
Minimum Requirement	<u>3.00%</u>	<u>3.00%</u>
38.5 Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	27,978,246,214	12,520,563,063
Total Net Cash Outflow	15,109,288,428	883,392,376
Liquidity Coverage Ratio	<u>185.17%</u>	<u>1417.33%</u>
38.6 Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	29,460,868,377	29,149,810,210
Total Required Stable Funding	23,482,698,158	23,371,955,616
Net Stable Funding Ratio	<u>125.46%</u>	<u>124.72%</u>
Minimum Requirement	<u>100.00%</u>	<u>100.00%</u>

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-september-24.pdf>

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

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.

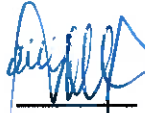
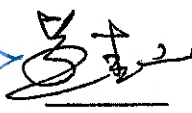
39.3 Figures have been rounded off to the nearest Rupee, unless otherwise stated.

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