

DIRECTORS REVIEW ON CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2021

We are pleased to present on behalf of the Board of Directors, the reviewed financial statements of Pak China Investment Company Limited for the half year ended 30 June 2021 together with Directors' Review thereon.

Profit after tax has decreased by 22% majorly on account of exchange loss during this half year which was considerable gain in comparable period. Correspondingly, earnings per share stood at Re. 0.42 for the period ended 30 June 2021 as compared to Re. 0.54 per share of comparable prior period.

There was a significant decrease in net mark-up income due to heavy reduction in policy rate by SBP last year, which was greatly offset by the handsome recovery of suspended mark-up from one of the client. Total Non-mark-up income decreased by Rs. 171 million from Rs. 225 million in the corresponding period of the previous year to Rs. 54 million for the current period. This decrease is mainly attributable to foreign exchange loss of Rs. 27 million in first half of current year while there was exchange gain of Rs. 170 million in first half of the prior year. However, fee and commission income increased by 138% and gain on sale of securities showed minor decrease of Rs. 8 million during current half-year.

Operating expenses increased by only Rs. 14 million i.e. 6%, majorly due to annual increment impact however due to austerity measures taken by management to absorb COVID-19 pressures, other operating expenses were kept under control.

Provisions against non-performing loans & Impairment losses marginally decreased during the period.

Total assets have showed immense growth, increased by Rs. 21 billion majorly due to increase in investment in MTBs, corresponding impact of which could also be seen in increased borrowings. Net advances also increased significantly i.e 16% during the current half year as compared to closing balance at the end of last financial year.

During the period ended 30 June 2021, VIS Credit Rating Company has reaffirmed the entity ratings of the Company as long term AAA and short term A-1+, highest in both categories. The medium to long term rating of AAA denotes highest credit quality, with negligible risk factors, being only slightly more than risk-free debt of Government of Pakistan. The outlook on the assigned rating is Stable.

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



Wang Baojun
Managing Director

13 September 2021
Islamabad



Noor Ahmed
Director

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF PAK CHINA INVESTMENT COMPANY LIMITED

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Pak China Investment Company Limited ("the Company") as at 30 June 2021, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim cash flow statement, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures for the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months period ended 30 June 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended 30 June 2021.

The engagement partner on the audit resulting in this independent auditor's report is Ahsan Shahzad.



Chartered Accountants

Place: Islamabad

Date: 14 September 2021

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

		(Un-audited)	(Audited)
		30 June	31 December
		2021	2020
	Note	-----Rupees-----	
ASSETS			
Cash and balances with treasury banks	6	379,862,653	2,223,116,872
Balances with other banks	7	6,204,584,364	35,230,054
Lending's to financial institutions	8	-	1,149,985,152
Investments	9	31,612,337,489	15,657,891,368
Advances	10	13,375,941,213	11,550,098,344
Fixed assets	11	212,409,758	233,362,516
Intangible assets	12	350,843	494,736
Deferred tax assets	13	115,070,390	105,401,492
Other assets	14	488,300,992	453,464,171
		52,388,857,702	31,409,044,705
LIABILITIES			
Bills payable		-	-
Borrowings	15	34,117,407,050	12,902,913,838
Deposits and other accounts	16	-	512,400,000
Liabilities against assets subject to finance lease		-	-
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities	17	351,450,754	511,476,256
		34,468,857,804	13,926,790,094
NET ASSETS		17,919,999,898	17,482,254,611
REPRESENTED BY			
Share capital		9,696,637,540	9,696,637,540
Advance against issue of shares		9,881,237	9,881,237
Statutory reserve		1,620,481,066	1,538,966,655
Surplus on revaluation of assets	18	113,449,133	83,193,433
Unappropriated profit		6,479,550,922	6,153,575,746
		17,919,999,898	17,482,254,611

CONTINGENCIES AND COMMITMENTS

19

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.



MANAGING DIRECTOR



CHIEF FINANCIAL OFFICER



DIRECTOR



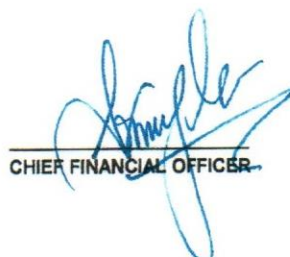
DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

		For the quarter ended		For the half year ended	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Note		Rupees		Rupees	
MARK-UP/ RETURN/ INTEREST EARNED	20	896,811,355	823,117,411	1,343,155,618	2,069,007,229
MARK-UP/ RETURN/ INTEREST EXPENSED	21	(369,836,526)	(452,377,014)	(528,749,995)	(1,186,296,594)
Net mark-up/ interest income		526,974,829	370,740,397	814,405,623	882,710,635
NON MARK-UP/INTEREST INCOME					
Fee and commission income	22	14,245,961	1,677,907	57,423,851	24,160,283
Dividend income		-	-	-	-
Foreign exchange income / (loss)		66,024,994	18,641,097	(26,762,209)	170,459,491
Income / (loss) from derivatives		-	-	-	-
Gain on securities - net	23	37,731,598	24,459,445	16,595,290	24,459,445
Other income	24	3,244,617	3,004,274	6,489,234	6,053,548
Total non-markup/ interest income		121,247,170	47,782,723	53,746,166	225,132,767
Share in profit of associated companies		4,508,524	6,163,472	29,000,204	19,463,816
Total income		652,730,523	424,686,592	897,151,993	1,127,307,218
NON MARK-UP/INTEREST EXPENSES					
Operating expenses	25	135,516,064	131,297,149	253,219,124	239,235,123
Workers welfare fund		-	-	-	-
Other charges	26	-	-	4,692	30,000
Total non-markup / interest expenses		135,516,064	131,297,149	253,223,816	239,265,123
Profit before provisions		517,214,459	293,389,443	643,928,177	888,042,095
Provisions and write offs - net	27	68,625,077	122,023,660	66,236,361	74,744,054
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		448,589,382	171,365,783	577,691,816	813,298,041
Taxation	28	133,297,398	60,281,094	170,119,763	293,712,259
PROFIT AFTER TAXATION		315,291,984	111,084,689	407,572,053	519,585,782
Basic and diluted earnings per share	29	0.33	0.11	0.42	0.54

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR


DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	For the quarter ended		For the half year ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	-----Rupees-----		-----Rupees-----	
Profit after taxation	315,291,984	111,084,689	407,572,053	519,585,782
Items that will not be reclassified to profit and loss account in subsequent periods:				
Share of other comprehensive profit from Associate	-	19,086	-	19,086
Related tax	(82,466)	(2,863)	(82,466)	(2,863)
	(82,466)	16,223	(82,466)	16,223
Items that may be reclassified to profit and loss account in subsequent periods:				
Net change in fair value of available-for-sale securities - net of tax	29,449,170	18,251,014	30,255,700	44,986,896
Company's share of equity accounted investees' OCI:				
Available-for-sale securities financial assets - Net change in fair value - net of tax	-	-	-	-
	29,449,170	18,251,014	30,255,700	44,986,896
TOTAL COMPREHENSIVE INCOME	344,658,688	129,351,926	437,745,287	564,588,901

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR


DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	Share capital	Advance against issue of shares	Statutory reserve	Surplus on revaluation of investments	Unappropriated profit	Total
	Rupees					
Balance as at 01 January 2020 (Audited)	9,696,637,540	9,881,237	1,384,606,471	4,751,677	5,536,135,008	16,632,011,933
Profit after taxation (30 June 2020)	-	-	-	-	519,585,782	519,585,782
Other comprehensive loss	-	-	-	44,986,896	16,223	45,003,119
Total comprehensive income	-	-	-	44,986,896	519,602,005	564,588,901
Transfer to statutory reserve	-	-	103,920,401	-	(103,920,401)	-
Opening Balance as at 01 July 2020	9,696,637,540	9,881,237	1,488,526,872	49,738,573	5,951,816,612	17,196,600,834
Profit after taxation (31 December 2020)	-	-	-	-	253,617,125	253,617,125
Other comprehensive income	-	-	-	33,454,860	(1,418,208)	32,036,652
Total comprehensive income	-	-	-	33,454,860	252,198,917	285,653,777
Transfer to statutory reserve	-	-	50,439,783	-	(50,439,783)	-
Balance as at 01 January 2021 (Audited)	9,696,637,540	9,881,237	1,538,966,655	83,193,433	6,153,575,746	17,482,254,611
Profit after taxation	-	-	-	-	407,572,053	407,572,053
Other comprehensive income	-	-	-	30,255,700	(82,466)	30,173,234
Total comprehensive income	-	-	-	30,255,700	407,489,587	437,745,287
Transfer to statutory reserve	-	-	81,514,411	-	(81,514,411)	-
Balance as at 30 June 2021	9,696,637,540	9,881,237	1,620,481,066	113,449,133	6,479,550,922	17,919,999,898

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 36 form an integral part of these condensed interim financial statements.


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER

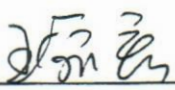

DIRECTOR


DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

		For the half year ended	
		30 June 2021	30 June 2020
Note	Rupees		
CASH FLOW FROM OPERATING ACTIVITIES			
		577,691,816	813,298,041
Profit before taxation		(29,000,204)	(19,463,816)
Less: Share in profit of associated companies		548,691,612	793,834,225
Adjustments for:			
Depreciation	25	21,520,858	27,897,397
Amortization	25	143,893	144,292
Provision for gratuity		8,495,623	7,073,566
Provision against non-performing loans and advances - net	27	71,317,657	20,906,264
Reversal of provision for diminution in value of investments		(5,081,296)	-
Impairment loss on investment in associate	27	-	53,837,790
Gain on sale of fixed assets		-	(45,000)
Unrealized loss on held for trading securities		15,145,720	-
Interest expense on lease liability	21	1,474,235	2,976,988
Exchange loss / (gain)		26,762,209	(170,459,491)
		139,778,899	(57,668,194)
		688,470,511	736,166,031
Decrease / (Increase) in operating assets			
Lendings to financial institutions		1,149,985,152	(447,910,998)
Advances		(1,897,160,526)	(749,429,437)
Others assets (excluding advance taxation)		(102,031,237)	(204,448,885)
		(849,206,611)	(1,401,789,320)
Increase / (Decrease) in operating liabilities			
Borrowings from financial institutions		21,214,493,212	(4,635,169,137)
Deposits		(512,400,000)	530,650,000
Others liabilities (excluding current taxation)		(51,481,268)	231,979,821
		20,650,611,944	(3,872,539,316)
Contribution to plan assets		(89,600)	(9,622,788)
Income tax paid		(129,390,974)	(260,229,382)
Net cash flow from / (used in) operating activities		20,360,395,270	(4,808,014,775)
CASH FLOW FROM INVESTING ACTIVITIES			
Investment (made) / realized during the period - net		(18,162,543,088)	2,706,388,397
Dividend received		7,437,500	-
Capital expenditure		(568,100)	(4,189,421)
Proceeds from sale of fixed assets		-	45,000
Net cash flow (used in) / from investing activities		(18,155,673,688)	2,702,243,976
CASH FLOW FROM FINANCING ACTIVITIES			
Lease payments		(14,833,032)	(13,671,000)
Net cash flow used in financing activities		(14,833,032)	(13,671,000)
Effects of exchange rate changes on cash and cash equivalents		(26,762,209)	170,459,491
Increase in cash and cash equivalents		2,163,126,341	(1,948,982,308)
Cash and cash equivalents at beginning of the year		2,258,346,926	2,024,404,127
Cash and cash equivalents at end of the year	30	4,421,473,267	75,421,819

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR


DIRECTOR

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

1 STATUS AND NATURE OF BUSINESS

Pak China Investment Company Limited (the Company) was incorporated in Pakistan as a public limited company on 27 July 2007. 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 China' and 'Government of Pakistan' through China Development Bank and Ministry of Finance, respectively. The main objective of the Company is to invest in the financial sector and infrastructure projects.

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

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 for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan.

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

These financial statements have been presented in accordance with the format prescribed by SBP's BPRD Circular letter No. 5 dated 22 March 2019.

The State Bank of Pakistan has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and IAS 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated 26 August 2002. The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS-7 "Financial Instruments: Disclosures" on banks through S.R.O 411(1) /2008 dated 28 April 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

IFRS 8, 'Operating Segments' is effective for the Company's accounting period beginning on or after 01 January 2009. All banking companies in Pakistan are required to prepare their annual financial statements in line with the format prescribed under BPRD Circular No. 2 dated 25 January 2018, 'Revised Forms of Annual Financial Statements', effective from the accounting year ended 31 December 2018. The management of the Company assesses that as SBP has defined the segment categorization in the above mentioned circular, its requirements will prevail over the requirements specified in IFRS 8. Accordingly, segment information disclosed in these financial statements is based on the requirements laid down by the SBP.

The condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2020.

2.2 Amendments to existing accounting and reporting standards that have become effective in the current period

There are amendments to existing accounting and reporting standards that have become applicable to the Company for accounting periods beginning on or after 1 January 2021. These are either to not be relevant or not to have any significant impact on the Company's financial statements.

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

2.3 Standards, interpretations of and amendments to published accounting standards that are not yet effective

During the period, State Bank of Pakistan, vide SBP BPRD circular no. 24, dated 05 July 2021, has extended the applicable date of IFRS-9 from annual periods beginning on or after 01 January 2021 to annual periods beginning on or after 01 January 2022. IFRS 9 will replace the existing requirements issued by SBP relating to classification, measurement and disclosures of financial instruments, and IAS 39 Financial Instruments: Recognition and Measurement (whose application remains deferred). IFRS 9 includes guidance on the classification and measurement of financial instruments, including a new impairment model, i.e. Expected Credit Loss (ECL) model, and new general hedge accounting requirements. The change in impairment model is expected to impact all financial assets of the Company. Accounting for restructured / rescheduled and off-balance sheet exposures is also expected to change.

The Banks/DFIs are required to continue the run quarterly parallel run of IFRS 9 for the year ending 31 December 2021; including preparation of pro-forma financial statements under IFRS 9 for the years ended/ ending 31 December 2020 and 2021.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant 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 for the year ended 31 December 2020.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of this condensed interim financial information is the same as that applied in the preparation of the financial statements for the year ended 31 December 2020.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the financial statements for the year ended 31 December 2020. These risk management policies continue to remain robust and the Company is reviewing its portfolio regularly by conducting rapid portfolio reviews in line with emerging risks and effect of COVID-19 related disruptions, discussed below, in economic activity on its portfolio.

On 30 January 2020, the World Health Organization (WHO) declared the outbreak a "Public Health Emergency of International Concern" and on 11 March 2020, the WHO declared the COVID-19 outbreak to be a pandemic in recognition of its rapid spread across the globe. Many countries, including Pakistan, have taken steps to help contain the spread of the virus, including requiring self-isolation/quarantine by those potentially affected, implementing social distancing measures, and controlling or closing borders and locking down (part of) cities and regions. The COVID – 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. Owing to lower than expected impact on the economy, Gross Domestic Product (GDP) has resumed its moderate upward trend and is estimated to have grown by 3.9% in FY 2021. The emerging fourth wave of COVID-19 has, however, renewed uncertainty regarding future direction of economy.

The State Bank of Pakistan (SBP) also responded to the crisis by cutting the Policy Rate by 625 basis points to 7% between March and June 2020. Other regulatory measures to provide an impetus to economic activity include the following:

- Reduction in the capital conservation buffer by 100 basis points to 1.5%;
- Increasing the regulatory limit on extension of credit to SMEs to Rs 180 million;
- Relaxing the debt burden ratio for consumer loans from 50% to 60%;
- Allowing Banks/DFIs to defer borrowers' principal loan payments by one year (option to defer payments ended on 30 September 2020); and
- Relaxing regulatory criteria for restructured/rescheduled loans for borrowers who require relief of principal repayment exceeding one year and / or mark-up (relaxation of regulatory criteria ended on 30 September 2020).

COVID-19 continue to impact financial institution in Pakistan on a number of fronts including increase in overall credit risk pertaining to the loans and advances portfolio, reduced fee income due to low interest rate environment and continuity of business operations.

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

5.1 Credit Risk Management

The Risk Management function of the Company is regularly conducting assessments of the credit portfolio to identify borrowers most likely to get affected due to changes in the business and economic environment. The Company has further strengthened its credit review procedures in the light of COVID-19. The Company is continuously reviewing the portfolio, to identify accounts susceptible to higher risk, resulting from the COVID-19 outbreak.

In prior year, the Company had rescheduled / restructured facilities for thirteen (13) borrowers, under COVID-19 relief measure; accordingly, principal repayments amounting to Rs. 963.51 million were deferred up to one year. During the period, upon expiry of relaxation period, none of these rescheduled parties required provision / impairment. The Company however continue to monitor the financial and operational performance of the borrowers and also maintaining 1.5 % general provision against performing loans and advances, amounting to Rs. 164.20 million. Management of the Company, based on the evaluation of underlying increased credit risks and uncertainties involved, is confident that specific and general provision recognized in the condensed interim financial statements include a reasonable estimate of impact of risk of default due to increased credit risk in specific segments of the economy.

5.2 Liquidity Risk Management

In view of the relaxation granted by SBP for deferral of principal and markup and rescheduling of loans there will be an impact on the maturity profile of the Company. The Asset and Liability Committee (ALCO) of the Company is continuously monitoring the liquidity position and the Company is confident that the liquidity buffer currently maintained is sufficient to cater to any adverse movement in the cash flow maturity profile.

5.3 Operational Risk Management

The Company is closely monitoring the situation and has invoked required actions to ensure the safety and security Company's staff and uninterrupted service to customers. The senior management of the Company is continuously monitoring the situation and is taking timely decisions to resolve any concerns.

Business Continuity Plans (BCP) for respective areas are in place and tested. The Company has significantly enhanced monitoring of cybersecurity risk during these times. The remote work capabilities were enabled for staff, where required, and related risk and control measures were assessed to ensure that the Company's information assets are protected from emerging cyber threats and comply with the regulatory protocols required under the circumstances. The Company is communicating with its customers on how they can connect with the Company through its full suite of channels including digital and online channels. The Company has taken all measures to ensure that service levels are maintained, customer complaints are resolved and turnaround times are monitored and the Company continues to meet the expectations of its employees and customers.

5.4 Capital Adequacy Ratio (CAR)

In order to encourage Company's to continue lending despite anticipated pressure on profits and credit risk, the SBP has relaxed the Capital Conversion Buffer (CCB) requirements to 1.5%, resulting in a 1% decline in CAR requirements for all Tiers.

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

		(Un-audited) 30 June 2021	(Audited) 31 December 2020
6 CASH AND BALANCES WITH TREASURY BANKS	Note	-----Rupees-----	
In hand			
Local currency		50,000	2,735
With State Bank of Pakistan in			
Local currency current account	6.1	378,743,637	36,401,019
With National Bank of Pakistan in			
Local currency current account		895,522	358,887
Foreign currency current account		173,494	172,071
Foreign currency deposit account		-	2,186,182,160
		<u>379,862,653</u>	<u>2,223,116,872</u>

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

		(Un-audited) 30 June 2021	(Audited) 31 December 2020
7 BALANCES WITH OTHER BANKS	Note	-----Rupees-----	
In Pakistan			
In deposit account - Local currency	7.1	4,040,186,271	31,485,761
In current account - Local currency		935,500	3,443,212
In deposit account - Foreign currency	7.2	2,162,973,750	-
In current account - Foreign currency		488,843	301,081
		<u>6,204,584,364</u>	<u>35,230,054</u>

7.1 This also includes local currency term deposits of Rs. 2 billion each with two commercial banks for 30 days (2020: Nil) carrying mark-up rate of 7.85% & 8.35% (2020: Nil) per annum and will mature on 09 July 2021 and 28 July 2021, respectively. The local currency deposit accounts other than those mentioned above, carry interest rates ranging from 3.09% to 5.55% (2020: 2.75% to 5.51%) per annum.

7.2 This represents a foreign currency term deposit of USD 13,755,000 for 181 days (2020: Nil) carrying mark-up rate of 1.80% (2020: Nil) per annum and will mature on 23 December 2021.

		(Un-audited) 30 June 2021	(Audited) 31 December 2020
8 LENDINGS TO FINANCIAL INSTITUTIONS		-----Rupees-----	
Repurchase agreement lending (reverse repo)		-	1,149,985,152

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

9 INVESTMENTS

9.1 Investments by type

Note	(Un-audited) 30 June 2021				(Audited) 31 December 2020			
	Cost / Amortized cost	Provision for diminution	Surplus	Carrying Value	Cost / Amortized cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
	-----Rupees-----				-----Rupees-----			
Held-for-trading securities								
Shares	85,328,000	-	4,613,045	89,941,045	145,328,000	-	49,218,765	194,546,765
Available-for-sale securities								
Federal Government Securities	24,078,072,115	-	4,538,126	24,082,610,241	7,973,121,890	-	(1,177,890)	7,971,944,000
Shares	53,819,241	-	55,671,118	109,490,359	27,333,834	-	33,131,941	60,465,775
Non Government Debt Securities	5,804,548,305	(339,793,303)	51,417,681	5,516,172,683	6,175,105,522	(369,434,062)	1,057,122	5,806,728,582
Preference shares	315,000,000	-	37,800,000	352,800,000	315,000,000	-	69,930,000	384,930,000
	30,251,439,661	(339,793,303)	149,426,925	30,061,073,283	14,490,561,246	(369,434,062)	102,941,173	14,224,068,357
Mutual Funds	200,000,000	-	484,211	200,484,211	-	-	-	-
Associates	1,260,838,950	-	-	1,260,838,950	1,239,276,246	-	-	1,239,276,246
Total Investments	31,797,606,611	(339,793,303)	154,524,181	31,612,337,489	15,875,165,492	(369,434,062)	152,159,938	15,657,891,368

9.1.1 Investments given as collateral

Market Treasury Bills

Note	(Un-audited) 30 June 2021	(Audited) 31 December 2020
	----- Rupees -----	
	16,968,632,849	4,987,510,000

9.2 Provision for diminution in value of investments

9.2.1 Opening balance

Reversal during the period*

Transfer to specific provision against advances*

Closing Balance

Note	(Un-audited) 30 June 2021	(Audited) 31 December 2020
	369,434,062	369,434,062
	(5,081,296)	-
	(24,559,463)	-
	339,793,303	369,434,062

9.2.2 Particulars of provision against debt securities

Category of classification

Domestic

Other assets especially mentioned

Substandard

Doubtful

Loss*

Total

(Un-audited)		(Audited)	
30 June 2021		31 December 2020	
-----Rupees-----			
NPI	Provision	NPI	Provision
-	-	-	-
-	-	-	-
-	-	-	-
448,548,303	339,793,303	369,434,062	369,434,062
448,548,303	339,793,303	369,434,062	369,434,062

* Investments classified as "loss" includes zero-rated Term Finance Certificates (TFCs), amounting to Rs. 108.76 million, received pursuant to a court settlement, against overdue mark-up on a classified Non Government Debt Security. Under Prudential Regulations, issued by State Bank of Pakistan, the markup remains suspended/ deferred (refer to note 17.1). As part of this settlement, principal amount of Rs. 5.08 million has been received, whereas, a part of principal, amounting to Rs. 24.56 million, has been converted into an Advance (note 10).

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

		(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
		Performing		Non performing		Total	
		30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		----- Rupees -----					
Loans, cash credits, running finances, etc.		9,942,613,947	9,036,290,486	1,419,523,014	1,394,963,551	11,362,136,961	10,431,254,037
Islamic Financing and related assets		2,637,056,698	1,643,832,998	277,266,477	279,653,112	2,914,323,175	1,923,486,110
Advances - gross		12,579,670,645	10,680,123,484	1,696,789,491	1,674,616,663	14,276,460,136	12,354,740,147
Provision against advances							
- Specific		-	-	736,316,203	668,201,172	736,316,203	668,201,172
- General		164,202,720	136,440,631	-	-	164,202,720	136,440,631
		164,202,720	136,440,631	736,316,203	668,201,172	900,518,923	804,641,803
Advances - net of provision		12,415,467,925	10,543,682,853	960,473,288	1,006,415,491	13,375,941,213	11,550,098,344
						(Un-audited)	(Audited)
						30 June 2021	31 December 2020
		----- Rupees -----					
						14,276,460,136	12,354,740,147
10.1	Particulars of advances (Gross)						
In local currency							

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

10.2 Advances include Rs.1,696.8 million (2020: Rs.1,674.6 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Un-audited) 30 June 2021		(Audited) 31 December 2020	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	Rupees			
Domestic	277,266,477	-	279,653,112	-
Other Assets Especially Mentioned	-	-	474,700,530	43,555,567
Substandard	692,299,987	131,634,937	217,599,457	44,523,803
Doubtful	727,223,027	604,681,266	702,663,564	580,121,802
Loss	1,696,789,491	736,316,203	1,674,616,663	668,201,172

10.3 Particulars of provision against advances	Note	(Un-audited) 30 June 2021			(Audited) 31 December 2020		
		Specific	General (Note 10.3.1)	Total	Specific	General	Total
		Rupees					
Opening balance		668,201,172	136,440,631	804,641,803	592,312,802	149,276,982	741,589,784
Charge for the period		43,555,568	27,762,089	71,317,657	142,919,620	-	142,919,620
Reversals		-	-	-	(67,031,250)	(12,836,351)	(79,867,601)
		43,555,568	27,762,089	71,317,657	75,888,370	(12,836,351)	63,052,019
Transfer from provision for diminution in value of investment	9.2.1	24,559,463	-	24,559,463	-	-	-
Closing balance		736,316,203	164,202,720	900,518,923	668,201,172	136,440,631	804,641,803

10.3.1 General provision is being maintained at the rate of 1.5% (2020: 1.5%) of the performing portfolio of advances other than staff loans and Government of Pakistan guaranteed loan.

10.3.2 Details and impact of Forced Sale Value (FSV) benefit

The net FSV benefit availed during the period is Rs. 75.1 million (2020: Rs. 84.6 million), which has resulted in reduced charge for the period. Had the FSV benefit not availed, before and after tax profit would have been lower by Rs. 75.1 million (2020: Rs. 84.6 million) and Rs. 53.3 million (2020: Rs. 60 million), respectively. Accumulated availed FSV benefit as of 30 June 2021 was Rs. 337 million (31 December 2020: Rs. 261.9 million). Unappropriated profit to that extent is not available for distribution by way of cash or stock dividend.

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

		(Un-audited) 30 June 2021	(Audited) 31 December 2020
		-----Rupees-----	
11	FIXED ASSETS		
	Capital work-in-progress	5,379,600	4,839,000
	Property and equipment	207,030,158	228,523,516
		<u>212,409,758</u>	<u>233,362,516</u>
11.1	Capital work-in-progress		
	Advances to suppliers	<u>5,379,600</u>	<u>4,839,000</u>
		(Un-audited) For the six months ended	
		30 June 2021	30 June 2020
		-----Rupees-----	
11.2	Additions to fixed assets		
	The following additions have been made to fixed assets during the period:		
	Right of use assets (leased buildings)	-	168,135
	Electrical office and computer equipment	27,500	3,834,548
	Capital work-in-progress	540,600	354,873
	Total	<u>568,100</u>	<u>4,357,556</u>
		(Un-audited) 30 June 2021	(Audited) 31 December 2020
12	INTANGIBLE ASSETS		
	Computer Software	<u>350,843</u>	<u>494,736</u>
13	DEFERRED TAX ASSETS		
	Deductible Temporary Differences on		
	Deductible Temporary Differences on		
	- Post retirement employee benefits	6,824,193	4,386,446
	- Provision for diminution in the value of available-for-sale investments	98,540,058	107,135,878
	- Provision against advances, off balance sheet etc.	171,196,792	143,392,427
	- Lease liability against right-of-use assets	7,239,567	11,113,618
	- Impairment loss on available for sale and investment in an associate	111,856,852	123,184,129
		<u>395,657,462</u>	<u>389,212,498</u>
	Taxable Temporary Differences on		
	- Accelerated tax depreciation	(6,072,682)	(11,144,608)
	- Surplus on revaluation of investments - HFT	(576,631)	(7,382,815)
	- Surplus on revaluation of investments - AFS	(36,777,005)	(20,062,742)
	- Surplus on share of profit of associated companies	(17,667,265)	(17,966,311)
	- Unrealized exchange gain	(219,493,489)	(227,254,530)
		<u>(280,587,072)</u>	<u>(283,811,006)</u>
		<u>115,070,390</u>	<u>105,401,492</u>
14	OTHER ASSETS		
	Income / mark-up accrued in local currency	305,926,572	299,765,997
	Income / mark-up accrued in foreign currency	648,892	242,909
	Advances, deposits, advance rent and other prepayments	22,717,659	8,103,273
	Pre-IPO Investment	86,259,600	-
	Receivable against fee, commission and advisory services	7,885,597	5,893,832
	Advance taxation (payments less provisions)	44,483,168	111,677,584
	Receivable against disposal of shares	20,270,876	27,778,595
	Others	108,628	1,981
		<u>488,300,992</u>	<u>453,464,171</u>

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

		(Un-audited) 30 June 2021	(Audited) 31 December 2020
		-----Rupees-----	
15	BORROWINGS		
	Secured		
	Borrowings from State Bank of Pakistan		
	Renewable Energy Power Projects	15.1 69,790,381	80,527,361
	Long Term Finance Facility (LTFF)	15.2 231,418,000	231,418,000
	Temporary Economic Relief Facility (TERF)	15.3 717,600,378	401,740,000
	Repurchase agreement borrowings	15.4 16,954,418,385	-
	Borrowing from financial institutions	-	4,847,913,238
	Other borrowings	15.5,15.6,15.7 4,536,500,000	5,036,500,000
	Total secured	22,509,727,144	10,598,098,599
	Unsecured		
	Borrowing from financial institutions	15.8 11,607,679,906	2,304,815,239
	Total unsecured	11,607,679,906	2,304,815,239
		34,117,407,050	12,902,913,838
15.1	This represents an SBP Refinance Facility under Finance Scheme for Renewable Energy Power Projects (REPP) for developing and encouraging the private sector participation in small renewable energy power projects. The loan availed under the said scheme is payable in maximum of 10 years with an inclusive grace period of maximum of 2 years at a concessional SBP service rate of 2.00%.		
15.2	This represents an SBP Long Term Finance Facility (LTFF) for imported and locally manufactured plant and machinery. The loan availed under the said scheme is payable in a maximum of 10 years with an inclusive grace period of maximum of 2 years at a concessional SBP mark-up rate of 2.00%.		
15.3	This represents an SBP Refinance Facility under Temporary Economic Refinance Facility (TERF) for imported and local manufactured plant & machinery, during COVID-19 pandemic. The loan availed under the said scheme is payable in a maximum of 10 years with an inclusive grace period of maximum of 2 years at a concessional SBP mark-up rate of 1.00%.		
15.4	These are secured against pledge of Government securities having maturity upto 2 to 8 days. These carry mark-up at the rate of 7.10% to 7.75% per annum (note 9.1.1).		
15.5	This includes term loan facility of Rs. 2 billion from a commercial bank payable in maximum of 4 years with an inclusive grace period of 2 years. Mark-up is payable on quarterly basis at the rate of 3MK + 0.15% p.a. The bank has first pari passu charge over all present and future loans, advances (including leases), investments and book debts / receivables of the Company for Rs. 2,667 million inclusive of 25% margin.		
15.6	This includes drawdown of Rs. 1,036.5 million from term loan facility of Rs. 2 billion from a commercial bank, payable in a maximum of 4 years with an inclusive grace period of maximum of 2 years. Mark-up is payable on quarterly basis at the rate of 3MK + 0.20% p.a. The bank has first pari passu charge over all present and future loans, advances (including leases), investments and book debts / receivables of the Company for Rs. 2,667 million inclusive of 25% margin.		
15.7	This includes term loan facility of Rs. 2 billion from a commercial bank, payable in maximum of 5 years with an inclusive grace period of 2 years. Mark-up is payable on quarterly basis at the rate of 3MK + 0.20% p.a. The bank has first pari passu charge over all present and future loans, advances (including leases), investments and book debts / receivables of the Company for Rs. 2,667 million inclusive of 25% margin.		
15.8	This represent un-secured borrowings from financial institutions carrying mark-up rate of 7.10% to 7.40% (2020: 6.75% to 7.00%) per annum having maturity from 30 to 183 days (2020: 88-92 days)		
		(Un-audited) 30 June 2021	(Audited) 31 December 2020
		-----Rupees-----	
15.9	Particulars of borrowings with respect to Currencies		
	In local currency	34,117,407,050	12,902,913,838

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

16 DEPOSITS AND OTHER ACCOUNTS

	(Un-audited) 30 June 2021			(Audited) 31 December 2020		
	In Local Currency	In Foreign currencies	Total	In Local Currency	In Foreign currencies	Total
	Rupees					
Customers						
Current deposits	-	-	-	-	-	-
Savings deposits	-	-	-	-	-	-
Term deposits	-	-	-	512,400,000	-	512,400,000
Others	-	-	-	-	-	-
	-	-	-	512,400,000	-	512,400,000
Financial Institutions						
Current deposits	-	-	-	-	-	-
Savings deposits	-	-	-	-	-	-
Term deposits	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	512,400,000	-	512,400,000

	Note	(Un-audited) 30 June 2021	(Audited) 31 December 2020
		Rupees	
17 OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		145,077,369	187,705,827
Suspended markup	17.1	108,755,000	212,346,460
Accrued expenses		32,341,105	51,543,157
Withholding tax / sales tax payable		203,470	2,656,571
Payable to contribution benefit plan		9,065,847	-
Payable to defined benefit plan		23,531,699	15,125,676
Lease liability against right-of-use assets	17.2	24,964,024	38,322,821
Others		7,512,240	3,775,744
		351,450,754	511,476,256

17.1 This represents suspended/ deferred mark-up, in the form of zero-rated TFCs, on certain classified non government debt security (refer to note 9.2.2). The comparative amount of suspended/ deferred mark-up related to a separate restructured/ rescheduled advance. During the period, upon settlement of related zero-rated TFCs, the Company has recognized mark-up income amounting to Rs. 222.76 million in the condensed interim profit and loss account.

17.2 Lease liability against right-of-use assets

	(Un-audited) 30 June 2021			(Audited) 31 December 2020		
	Minimum lease payments	Financial charges for future periods	Principal outstanding	Minimum lease payments	Financial charges for future periods	Principal outstanding
	Rupees					
Not later than one year	25,908,251	944,227	24,964,024	40,741,286	2,418,465	38,322,821
Later than one year and up to five years	-	-	-	-	-	-
	25,908,251	944,227	24,964,024	40,741,286	2,418,465	38,322,821

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

		(Un-audited) 30 June 2021	(Audited) 31 December 2020
18 SURPLUS ON REVALUATION OF ASSETS	Note	-----Rupees-----	
Surplus on revaluation of			
- Available for sale securities	9.1	149,911,136	102,941,173
Deferred tax on surplus on revaluation of:			
- Available for sale securities	13	(36,777,005)	(20,062,742)
		<u>113,134,131</u>	<u>82,878,431</u>
Company's share of equity-accounted investees' OCI:			
- Change in fair value of available-for-sale financial assets - net of tax		315,002	315,002
		<u>113,449,133</u>	<u>83,193,433</u>
19 CONTINGENCIES AND COMMITMENTS			
Guarantees	19.1	2,527,625,217	1,381,350,038
Commitments	19.2	18,537,962,582	8,408,187,260
Other contingent liability	19.3	168,100,000	168,100,000
		<u>21,233,687,799</u>	<u>9,957,637,298</u>
19.1 Guarantees			
Financial guarantees		<u>2,527,625,217</u>	<u>1,381,350,038</u>
19.2 Commitments			
Documentary credits and short term trade related transactions			
Letters of credit		184,438,432	299,536,358
Commitments in respect of:			
Forward government securities transactions - Purchase		16,968,632,849	4,987,510,000
Forward government securities transactions - Sale		-	1,150,804,380
Commitments to extend credits	19.2.1	1,384,350,701	1,970,336,522
Commitment for acquisition of fixed assets		540,600	-
		<u>18,537,962,582</u>	<u>8,408,187,260</u>
19.2.1 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. 1,384.4 million (2020: Rs. 1,970.34 million).			
19.3 Other contingent liability			
19.3.1	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.		
19.3.2	For tax related contingencies, please refer note 28.1 of these financial statements.		

	(Un-audited) For the half year ended	
	30 June 2021	30 June 2020
20 MARK-UP/RETURN/INTEREST EARNED	----- Rupees -----	
On loans and advances	669,332,194	660,641,605
On investments	641,281,337	1,163,156,092
On lending's to financial institutions	202,740	6,200,777
On deposits with banks	23,818,876	70,460,842
On securities purchased under resale agreement	8,520,471	168,547,913
	<u>1,343,155,618</u>	<u>2,069,007,229</u>

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

		(Un-audited) For the half year ended	
		30 June 2021	30 June 2020
Note		----- Rupees -----	
21	MARK-UP/RETURN/INTEREST EXPENSED		
	On deposits	15,507,262	879,280
	On borrowings	338,891,611	1,179,764,399
	On securities sold under repurchase agreements	172,876,887	2,675,927
	Interest expense on lease liability	1,474,235	2,976,988
		<u>528,749,995</u>	<u>1,186,296,594</u>
22	FEE AND COMMISSION INCOME		
	Credit related fee	19,021,882	7,000,000
	Commission on trade	446,970	529,960
	Commission on guarantees	7,440,488	5,336,808
	Investment banking fees	30,514,511	11,293,515
		<u>57,423,851</u>	<u>24,160,283</u>
23	GAIN ON SECURITIES		
	Realized - net	23.1 31,741,010	24,459,445
	Unrealized - held for trading	23.2 (15,145,720)	-
		<u>16,595,290</u>	<u>24,459,445</u>
23.1	Realized gain / (loss) on:		
	Federal Government Securities	(529,421)	153,034
	Non Government Debt Securities	4,759,727	10,350,000
	Shares	27,510,704	-
	Mutual Funds	-	13,956,411
		<u>31,741,010</u>	<u>24,459,445</u>
23.2	Un-realized gain on:		
	Shares	(15,145,720)	-
24	OTHER INCOME		
	Rent on property	6,489,234	6,008,548
	Gain on sale of fixed assets-net	-	45,000
		<u>6,489,234</u>	<u>6,053,548</u>
25	OPERATING EXPENSES		
	Total Compensation expenses	195,031,442	174,282,515
	Property expense		
	Rent and taxes	772,950	903,953
	Insurance	36,960	21,408
	Utilities cost	2,183,969	2,422,921
	Security	2,493,804	2,613,706
	Repair and maintenance	1,278,778	1,209,362
	Depreciation	16,819,159	23,173,051
		<u>23,585,620</u>	<u>30,344,401</u>
	Information technology expenses		
	Software maintenance	993,292	505,044
	Hardware maintenance	221,564	59,450
	Amortization	143,893	144,292
	Depreciation	971,314	1,221,132
	Network charges	1,554,213	441,439
		<u>3,884,276</u>	<u>2,371,357</u>
	Other operating expenses		
	Directors' fees and allowances	2,000,000	1,250,000
	Legal and professional charges	3,179,300	3,174,520
	Outsourced services costs	3,327,853	3,693,966
	Travelling and conveyance	7,678,539	8,521,891
	Insurance	2,160,641	2,742,696
	Repair and maintenance	133,877	324,523
	Depreciation	3,730,385	3,503,214
	Training and development	440,190	97,500
	Utilities	-	211,560
	Communication	598,859	557,615
	Stationery and printing	1,044,150	1,242,743
	Marketing, advertisement and publicity	946,179	797,912
	Auditors remuneration	1,838,603	1,270,080
	Bank charges	241,895	186,248
	Entertainment	1,137,170	1,300,874
	Donations	-	1,000,000
	Miscellaneous	2,260,145	2,361,508
		<u>30,717,786</u>	<u>32,236,850</u>
		<u>253,219,124</u>	<u>239,235,123</u>

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

		(Un-audited)	
		For the half year ended	
Note		30 June 2021	30 June 2020
		----- Rupees -----	
26	OTHER CHARGES		
	Penalties imposed by State Bank of Pakistan	4,692	30,000
27	PROVISIONS AND WRITE OFFS - NET		
	Reversal of provision for diminution in value of investments	9.2 (5,081,296)	-
	Provisions against loans and advances	10.3 71,317,657	20,906,264
	Impairment loss on investment in associate	-	53,837,790
		66,236,361	74,744,054
28	TAXATION		
	For the Period		
	Current	196,585,390	265,702,173
	Deferred	(26,465,627)	28,010,086
		170,119,763	293,712,259

28.1 **Tax status**

- 28.1.1 For the Tax Year 2011, a tax demand of Rs. 109.22 million was raised by Assistant Commissioner Inland Revenue (the "ACIR") by disallowing provision for bad debts, provision against non-performing loan and advances, credit for an instalment of advance tax and Worker's Welfare Fund. Subsequently, the assessment was rectified. The Company had paid Rs. 15.11 million in protest on the issue of disallowing "provision against non-performing loan and advances" and submitted appeal before CIR(A). The appeal was decided in favor of the Company and the tax of Rs 15.11 million deposited under protest became refundable. However, the department has filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against appellate order of CIR(A). The hearing was fixed for 13 May 2020, partially heard and adjourned. Next date for hearing of appeal is yet to be fixed by the ATIR.
- 28.1.2 For the Tax Year 2013, a tax demand of Rs. 95.01 million was raised by the Taxation Officer by disallowing provision for non performing loans, profit on debt, other provisions and charging Workers Welfare Fund. The CIR(A) upheld the orders of the assessing officer. The Company filed appeal before ATIR against the order of CIR(A) and ATIR upheld the contentions of the appellate orders of the CIR(A). Returned refund of Rs. 15 million pertaining to tax year 2011 was adjusted against the instant demand and the Company paid balance amount of Rs. 49 million under protest. The Company filed writ petition before High Court, which is yet to be fixed for hearing.
- 28.1.3 For the Tax Year 2014 & 2015, assessment was amended by the ACIR in terms of Section 122 of the Income tax ordinance, creating an aggregate tax demand amounting to Rs. 128 million on provisions, apportionment, super tax and default surcharge. The Company submitted appeal before the CIR(A) on the amended assessment order which has been disposed of in favor of tax department. Later the Company attained stay form ATIR for 40 days or till the disposal of main appeal subject of deposit of 30% of the total amount. As per directions of the ATIR, payment of Rs. 38.5 million was made to tax department as a cumulative payment for all the pending issues pertaining to tax year 2014 and 2015. The Company filed writ petition for interim relief before Islamabad High Court. The High Court has granted stay for recovery of outstanding demand and also restrained the tax department to take extreme measures until decision of the appeal. However, the main appeal is pending for fixation by ATIR and the order is expected to be partially in favor of the Company.
- 28.1.4 For the Tax Year 2016, a tax demand of Rs. 82.54 million has been raised by the Taxation Officer mainly by disallowing provision against non-performing loans, suspended mark-up, disallowance of expenses attributable to capital gain, contending short payment of super tax and claim of tax credit. The CIR(A) has disposed of the appeal and major portion of the demand has been confirmed while disallowance of the tax credits is remanded back. Therefore, an appeal effect order from the assessing officer is awaited.
- 28.1.5 For the Tax Year 2017, a show cause notice was issued to the Company by ACIR. The said notice proposed to levy additional super tax under Section 4B of the Ordinance. The notice was duly replied and the order is still awaited.
- 28.1.6 On the basis of opinion of its tax advisor and appellate history, the Company's management is confident of a favorable resolution of these matters and hence no provision has been made in these financial statements.

		(Un-audited)	
		For the half year ended	
Note		30 June 2021	30 June 2020
		----- Rupees -----	
29	BASIC AND DILUTED EARNINGS PER SHARE		
	Profit for the period - Rupees	407,572,053	519,585,782
	Weighted average number of ordinary shares - Numbers	969,663,754	969,663,754
	Basic earnings per share - Re	0.42	0.54
30	CASH AND CASH EQUIVALENTS		
	Cash and balance with treasury banks	6 379,862,653	37,834,048
	Balance with other banks	7 4,041,610,614	37,587,771
		4,421,473,267	75,421,819

31 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries (if any), 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.

31.1 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).

31.2 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:

30 June 2021 (Un-audited)					
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	24,082,610,241	-	24,082,610,241	-	24,082,610,241
Shares	199,431,404	199,431,404	-	-	199,431,404
Preference Shares	352,800,000	352,800,000	-	-	352,800,000
Mutual funds	200,484,211	200,484,211	-	-	200,484,211
Non-Government Debt Securities	3,506,933,472	-	3,446,252,683	261,165,000	3,707,417,683
	28,342,259,328	752,715,615	27,528,862,924	261,165,000	28,542,743,539
Financial assets - disclosed but not measured at fair value					
Non-Government Debt Securities	1,808,755,000	-	-	-	-
	30,151,014,328	752,715,615	27,528,862,924	261,165,000	28,542,743,539
Off-balance sheet financial instruments - measured at fair value					
Forward government securities transactions - purchase	16,968,632,849	-	-	16,968,632,849	16,968,632,849
Forward government securities transactions - sale	-	-	-	-	-

31 December 2020 (Audited)					
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	7,971,944,000	-	7,971,944,000	-	7,971,944,000
Shares	255,012,540	255,012,540	-	-	255,012,540
Preference Shares	384,930,000	384,930,000	-	-	384,930,000
Non-Government Debt Securities	4,094,382,122	-	3,833,217,122	261,165,000	4,094,382,122
	12,706,268,662	639,942,540	11,805,161,122	261,165,000	12,706,268,662
Financial assets - disclosed but not measured at fair value					
Non-Government Debt Securities	1,712,346,460	-	-	-	-
	14,418,615,122	639,942,540	11,805,161,122	261,165,000	12,706,268,662
Off-balance sheet financial instruments - measured at fair value					
Forward government securities transactions - purchase	4,987,510,000	-	-	4,987,510,000	4,987,510,000
Forward government securities transactions - sale	1,150,804,380	-	-	1,150,804,380	1,150,804,380

31.3 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

32 SEGMENT INFORMATION

32.1 Segment Details with respect to Business Activities

	30 June 2021 (Un-audited)				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
Profit & Loss	-----Rupees-----				
Net mark-up/return/profit	706,135,829	992,580	100,680,897	6,596,317	814,405,623
Inter segment revenue - net	(392,641,000)	(4,263,000)	(82,789,000)	479,693,000	-
Non mark-up income	31,329,067	50,791,226	(529,421)	1,155,498	82,746,370
Total income	344,823,896	47,520,806	17,362,476	487,444,815	897,151,993
Segment direct expenses	(19,957,068)	(24,230,142)	(11,749,814)	(197,286,792)	(253,223,816)
Provisions	(66,236,361)	-	-	-	(66,236,361)
Profit before tax	258,630,467	23,290,664	5,612,662	290,158,023	577,691,816

	30 June 2021 (Un-audited)				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
Balance Sheet	-----Rupees-----				
Cash & Bank balances	-	-	4,000,000,000	2,584,447,017	6,584,447,017
Investments	5,535,707,608	1,078,477,482	24,283,094,452	715,057,947	31,612,337,489
Advances					
Performing	12,446,847,934	-	-	132,822,711	12,579,670,645
General provision	(164,202,720)	-	-	-	(164,202,720)
	12,282,645,214	-	-	132,822,711	12,415,467,925
Non-performing	1,696,125,927	-	-	663,564	1,696,789,491
Specific provision	(735,652,639)	-	-	(663,564)	(736,316,203)
	960,473,288	-	-	-	960,473,288
Others	289,516,577	121,999,777	10,835,617	393,780,012	816,131,983
Total Assets	19,068,342,687	1,200,477,259	28,293,930,069	3,826,107,687	52,388,857,702
Borrowings	6,388,531,509	501,664,000	27,227,211,541	-	34,117,407,050
Others	129,215,010	10,150,485	120,574,417	91,510,842	351,450,754
Total liabilities	6,517,746,519	511,814,485	27,347,785,958	91,510,842	34,468,857,804
Equity	-	-	-	17,919,999,898	17,919,999,898
Total Equity & liabilities	6,517,746,519	511,814,485	27,347,785,958	18,011,510,740	52,388,857,702
Contingencies & Commitments	4,096,414,350	-	16,968,632,849	168,640,600	21,233,687,799

	30 June 2020 (Un-audited)				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
Profit & Loss	-----Rupees-----				
Net mark-up/return/profit	782,650,220	4,264,897	46,279,795	49,515,723	882,710,635
Inter segment revenue - net	(616,837,000)	(16,317,000)	(22,940,000)	656,094,000	-
Non mark-up income	23,216,768	27,125,331	14,109,445	180,145,039	244,596,583
Total income	189,029,988	15,073,228	37,449,240	885,754,762	1,127,307,218
Segment direct expenses	(16,865,843)	(18,559,694)	(8,422,262)	(195,417,324)	(239,265,123)
Provisions	(20,906,264)	-	-	(53,837,790)	(74,744,054)
Profit before tax	151,257,881	(3,486,466)	29,026,978	636,499,648	813,298,041

	31 December 2020 (Audited)				
	Corporate banking & SME group	Investment Banking group	Treasury	Head Office	Total
Balance Sheet	-----Rupees-----				
Cash & Bank balances	-	-	1,149,985,152	2,258,346,926	3,408,332,078
Investments	5,806,029,357	1,185,948,537	7,971,944,000	693,969,474	15,657,891,368
Advances					
Performing	10,596,042,080	-	-	84,081,404	10,680,123,484
General provision	(136,440,631)	-	-	-	(136,440,631)
	10,459,601,449	-	-	84,081,404	10,543,682,853
Non-Performing	1,673,953,099	-	-	663,564	1,674,616,663
Specific provision	(667,537,608)	-	-	(663,564)	(668,201,172)
	1,006,415,491	-	-	-	1,006,415,491
Others	283,928,020	49,071,270	204,807	459,518,818	792,722,915
Total Assets	17,555,974,317	1,235,019,807	9,122,133,959	3,495,916,622	31,409,044,705
Borrowings	5,147,185,361	501,664,000	7,254,064,477	-	12,902,913,838
Deposits	512,400,000	-	-	-	512,400,000
Others	227,844,921	11,035,458	168,347,435	104,248,442	511,476,256
Total liabilities	5,887,430,282	512,699,458	7,422,411,912	104,248,442	13,926,790,094
Equity	-	-	-	17,482,254,611	17,482,254,611
Total Equity & liabilities	5,887,430,282	512,699,458	7,422,411,912	17,586,503,053	31,409,044,705
Contingencies & Commitments	3,651,222,918	-	6,138,314,380	168,100,000	9,957,637,298

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

33 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 June 2021 (Un-audited)				31 December 2020 (Audited)			
	Directors	Key management personnel	Associates (Cost)	Other related parties	Directors	Key management personnel	Associates (Cost)	Other related parties
	----- Rupees -----							
Lendings to financial institutions								
Opening balance	-	-	-	-	-	-	-	-
Addition during the year	-	-	-	6,492,871,942	-	-	-	77,689,011,725
Repaid during the year	-	-	-	(6,492,871,942)	-	-	-	(77,689,011,725)
Closing balance	-	-	-	-	-	-	-	-
Investments								
Opening balance	-	-	1,573,163,240	-	-	-	1,483,787,240	-
Investment made during the year	-	-	-	-	-	-	89,376,000	-
Investment disposed off during the year	-	-	-	-	-	-	-	-
Closing balance	-	-	1,573,163,240	-	-	-	1,573,163,240	-
Advances								
Opening balance	-	43,372,843	101,050,930	-	-	40,127,538	-	-
Addition during the year	-	38,103,539	-	-	-	7,796,496	101,050,930	-
Repaid during the year	-	(3,070,498)	-	-	-	(4,551,191)	-	-
Closing balance	-	78,405,884	101,050,930	-	-	43,372,843	101,050,930	-
Other Assets								
Interest / mark-up accrued	-	22,222	623,248	-	-	-	756,639	-
Dividend Received	-	-	-	-	-	-	9,426,500	-
Other receivable	9,287,753	1,556,345	-	1,697,850	-	-	-	1,697,850
	9,287,753	1,578,567	623,248	1,697,850	-	-	10,183,139	1,697,850
Borrowings								
Opening balance	-	-	-	-	-	-	-	-
Borrowings during the year	-	-	-	8,302,232,285	-	-	-	-
Settled during the year	-	-	-	(7,681,495,532)	-	-	-	-
Closing balance	-	-	-	620,736,753	-	-	-	-
Other Liabilities								
Interest / mark-up payable	-	-	-	125,808	-	-	-	-
Payable to staff contribution fund	-	-	-	9,065,847	-	-	-	-
Payable to staff retirement fund	-	-	-	23,531,699	-	-	-	15,125,676
Other liabilities	-	4,294,590	180,800	24,964,024	-	5,129,934	-	24,596,398
	-	4,294,590	180,800	57,687,378	-	5,129,934	-	39,722,074

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	30 June 2021 (Un-audited)				30 June 2020 (Un-audited)			
	Directors	Key management personnel	Associates	Other related parties	Directors	Key management personnel	Associates	Other related parties
	Rupees							
Income								
Mark-up / return / interest earned	-	990,761	4,643,221	1,755,264	-	752,901	-	23,730,454
Fee and commission income	-	-	-	-	-	-	-	-
Share of profit of associates	-	-	29,000,204	-	-	-	19,463,816	-
Expense								
Mark-up / return / interest paid	33,663	-	-	3,842,262	118,076	-	-	2,150,454
Operating expenses								
Charge for defined benefit plan	622,644	3,453,636	-	4,419,343	417,226	2,882,262	-	3,774,078
Charge for contribution plan	784,315	1,868,965	-	3,008,862	748,444	1,431,288	-	2,786,879
Salaries	12,941,188	30,877,085	-	-	12,349,331	21,831,425	-	-
Bonus expense	5,862,640	11,648,373	-	-	2,992,512	9,041,185	-	-
Overseas allowances	-	-	-	-	4,551,886	-	-	-
Leave fair assistance & Encashment	2,135,626	2,783,978	-	-	1,995,008	1,953,752	-	-
Tax borne by employer	7,058,063	3,335,345	-	-	10,687,848	-	-	-
Others	3,783,703	10,307,092	-	1,280,169	2,532,765	6,720,836	-	1,028,414
Depreciation expense on lease hold building	876,338	-	-	9,885,767	1,252,167	-	-	13,608,858
CDC Charges paid	-	-	483,937	-	-	-	391,554	-

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, loan and advances, investments, lending to financial institutions, borrowings and provision of other banking services. As at reporting date the deposits, loans and advances, investments and, lendings relating to Government related entities amounted to Rs. 1.07 million (2020: Rs. 2,186.7 million), Rs. 1,500 million (2020: Rs. 2,500 million), Rs. 995.3 million (2020: Rs.1,058 million), Rs. Nil (2020: Rs. 1,150) and Rs. 1557.3 million (2020: Rs. Nil), respectively, and income earned on deposits, advances, investment, lendings and interest expense on borrowings amounted to Rs. 1.9 million (2020: Rs. 49.7 million) Rs. 66.2 million (2020: Rs. 96.7 million), Rs. 45.2 million (2020: Rs. 71.42 million), Rs. 2 million (2020: Rs. 13.9 million) and Rs. 14.2 million (2020: Rs. 0.7 million), respectively.

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	(Un-audited) 30 June 2021	(Audited) 31 December 2020
34 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
34.1 Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>9,696,637,540</u>	<u>9,696,637,540</u>
34.2 Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	15,143,859,736	14,548,974,333
Eligible Tier 2 Capital	-	-
Total Eligible Capital (Tier 1 + Tier 2)	<u>15,143,859,736</u>	<u>14,548,974,333</u>
Risk Weighted Assets (RWAs):		
Credit Risk	15,199,720,552	13,091,514,213
Market Risk	5,662,138,006	4,534,521,389
Operational Risk	3,219,606,302	2,959,119,737
Total	<u>24,081,464,860</u>	<u>20,585,155,339</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>62.89%</u>	<u>70.68%</u>
Tier 1 Capital Adequacy Ratio	<u>62.89%</u>	<u>70.68%</u>
Total Capital Adequacy Ratio	<u>62.89%</u>	<u>70.68%</u>
34.3 Other information:		
National 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>2.50%</u>
Total capital plus CCB minimum ratio (%)	<u>11.50%</u>	<u>12.50%</u>
34.4 Leverage Ratio (LR):		
Eligible Tier-1 Capital	15,143,859,736	14,548,974,333
Total Exposures	<u>52,618,415,429</u>	<u>37,098,334,832</u>
Leverage Ratio	<u>28.78%</u>	<u>39.22%</u>
Minimum Requirement	<u>3.00%</u>	<u>3.00%</u>
34.5 Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	12,868,645,186	6,876,435,858
Total Net Cash Outflow	<u>11,186,821,459</u>	<u>2,172,567,377</u>
Liquidity Coverage Ratio	<u>115.03%</u>	<u>316.51%</u>
34.6 Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	22,849,409,449	22,753,402,740
Total Required Stable Funding	<u>19,954,922,909</u>	<u>17,162,309,958</u>
Net Stable Funding Ratio	<u>114.51%</u>	<u>132.58%</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 http://pakchinainvest.com/downloads/CAR_June-2021.pdf

PAK CHINA INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2021

35 GENERAL

35.1 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.

35.2 Captions, as prescribed by BSD 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.

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

35.4 The JCR-VIS has issued a long term credit rating of AAA, and the short term rating of A1+, for the Company.

36 DATE OF AUTHORIZATION

13 September 2021

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


MANAGING DIRECTOR


CHIEF FINANCIAL OFFICER


DIRECTOR


DIRECTOR