

**Industrial and Commercial  
Bank of China Limited –  
Pakistan Branches**

Condensed Interim Financial  
Statements for the Half Year Ended  
June 30, 2021

## **Independent auditors' review report to the members of Industrial and Commercial Bank of China Limited – Pakistan Branches**

### **Report on review of condensed interim financial statements**

#### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Industrial and Commercial Bank of China – Pakistan Branches (the Branches) as at June 30, 2021 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim cash flow statement, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these 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 interim 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 interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

#### **Other Matter**

The figures for the quarters ended June 30, 2021 and June 30, 2020 in the condensed interim profit and loss account and condensed interim statement of comprehensive income and figures for half year ended December 31, 2020 in condensed interim statement of changes in equity have not been subject to review and therefore, we do not express a conclusion on them.

The financial statements of the Branches for the year ended December 31, 2020 and half year ended June 30, 2020 were audited and reviewed by KPMG Taseer Hadi & Co, Chartered Accountants, who had expressed an unmodified opinion / conclusion on those statements vide their reports dated March 29, 2021 and August 29, 2020 respectively.

The engagement partner on the engagement resulting in this independent auditor's review report is Nadeem Yousuf Adil.



**Yousuf Adil**  
Chartered Accountants

**Place:** Karachi  
**Date:** August 30, 2021

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES  
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2021

		(Un-audited) June 30, 2021	(Audited) December 31, 2020
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks	7	32,530,667	31,226,025
Balances with other banks	8	7,561,487	2,497,170
Lendings to financial institutions	9	60,545,689	187,430,652
Investments	10	384,519,739	252,704,902
Advances	11	36,215,386	33,423,105
Fixed assets	12	649,767	704,761
Intangible assets	13	9,778	2,459
Deferred tax assets - net	14	164,822	300,496
Other assets	15	10,938,482	6,815,787
		<b>533,135,817</b>	<b>515,105,357</b>
<b>LIABILITIES</b>			
Bills payable	16	1,499,112	2,425,126
Borrowings	17	340,294,392	325,902,342
Deposits and other accounts	18	123,398,238	119,301,294
Liabilities against assets subject to finance lease		-	-
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities	19	18,369,783	19,162,748
		<b>483,561,525</b>	<b>466,791,510</b>
<b>NET ASSETS</b>			
		<b>49,574,292</b>	<b>48,313,847</b>
<b>REPRESENTED BY</b>			
Head office capital account		23,631,555	23,975,160
Deficit on revaluation of assets - net of tax	20	(347,896)	(603,210)
Unremitted profit		26,290,633	24,941,897
		<b>49,574,292</b>	<b>48,313,847</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.

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Chief Executive Officer (Acting)

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Head of Finance

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES  
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2021

		Quarter ended		Half Year ended	
		April 2021 - June 2021	April 2020 - June 2020	January 2021 - June 2021	January 2020 - June 2020
Note ----- (Rupees in '000) -----					
Mark-up / return / interest earned	22	8,911,049	14,255,804	17,560,815	29,568,804
Mark-up / return / interest expensed	23	8,645,151	7,420,330	15,959,293	21,508,879
Net mark-up / interest income		265,898	6,835,474	1,601,522	8,059,925
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee and commission income	24	305,335	329,388	743,257	580,217
Foreign exchange income		410,766	740,311	718,885	1,142,986
Loss on securities	25	-	-	(115)	-
Other income	26	974	1,807	2,672	2,290
Total non-markup / interest income		717,075	1,071,506	1,464,699	1,725,493
Total income		982,973	7,906,980	3,066,221	9,785,418
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Operating expenses	27	390,583	366,038	743,189	706,598
Workers welfare fund		11,575	148,502	45,313	178,561
Other charges	28	1,312	-	1,312	-
Total non-markup / interest expenses		403,470	514,540	789,814	885,159
Profit before provisions		579,503	7,392,440	2,276,407	8,900,259
Provisions / (Reversals) and write offs - net	29	9,449	(32,046)	28,202	(24,415)
<b>PROFIT BEFORE TAXATION</b>		570,054	7,424,486	2,248,205	8,924,674
Taxation	30	236,206	3,041,967	899,469	3,639,462
<b>PROFIT AFTER TAXATION</b>		333,848	4,382,519	1,348,736	5,285,212

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.

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Chief Executive Officer (Acting)



Head of Finance

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE HALF YEAR ENDED JUNE 30, 2021

	Quarter ended		Half Year ended	
	April 2021 - June 2021	April 2020 - June 2020	January 2021 - June 2021	January 2020 - June 2020
----- (Rupees in '000) -----				
Profit after taxation for the period	333,848	4,382,519	1,348,736	5,285,212
<b>Other comprehensive income</b>				
<b>Items that may be reclassified to profit and loss account in subsequent periods</b>				
Movement in surplus on revaluation of investments - net of tax	494,480	47,179	255,314	1,103,965
<b>Total comprehensive income</b>	<b>828,328</b>	<b>4,429,698</b>	<b>1,604,050</b>	<b>6,389,177</b>

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.

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Chief Executive Officer (Acting)



Head of Finance

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED - PAKISTAN BRANCHES  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2021

	Head office capital account	Surplus / (deficit) on revaluation of investments	Unremitted profit	Total
----- (Rupees in '000) -----				
Balance as at January 01, 2020	23,227,140	124,975	14,933,238	38,285,353
Profit after taxation for the half year ended June 30, 2020	-	-	5,285,212	5,285,212
Other comprehensive income - net of tax	-	1,103,965	-	1,103,965
	-	1,103,965	5,285,212	6,389,177
<b>Transactions with owners, recorded directly in equity</b>				
Translation gain on revaluation of capital	1,980,450	-	-	1,980,450
Balance as at June 30, 2020	25,207,590	1,228,940	20,218,450	46,654,980
Profit after taxation for the half year ended December 31, 2020	-	-	4,722,693	4,722,693
Other comprehensive (loss) / income - net of tax	-	(1,832,150)	754	(1,831,396)
	-	(1,832,150)	4,723,447	2,891,297
<b>Transactions with owners, recorded directly in equity</b>				
Translation loss on revaluation of capital	(1,232,430)	-	-	(1,232,430)
Balance as at December 31, 2020	23,975,160	(603,210)	24,941,897	48,313,847
<b>Total comprehensive income for the half year ended June 30, 2021</b>				
Profit after taxation for the half year ended June 30, 2021	-	-	1,348,736	1,348,736
Other comprehensive income - net of tax	-	255,314	-	255,314
	-	255,314	1,348,736	1,604,050
<b>Transactions with owners, recorded directly in equity</b>				
Translation loss on revaluation of capital	(343,605)	-	-	(343,605)
Balance as at June 30, 2021	23,631,555	(347,896)	26,290,633	49,574,292

The annexed notes 1 to 37 form an integral part of these condensed interim financial statements.

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