

FORM – 3

The General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

CS/S&T/FT/PSX/AFR-2018/19  
22<sup>nd</sup> November, 2019

**FINANCIAL RESULTS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

Dear Sir,

1. We have to inform you that the Board of Directors of PIACL in their Meeting held on Thursday, November 21, 2019 at 01:00 P.M. at Karachi, recommended the following:

(i)	CASH DIVIDEND	NIL
(ii)	BONUS SHARES	NIL
(iii)	RIGHT SHARES	NIL
(iv)	ANY OTHER ENTITLEMENT / CORPORATE ACTION	NIL

2. The Annual Audited Financial Results of PIACL under clause (V) of Form-3 of PSX Correspondence Manual are being transmitted through Pakistan Unified Corporate Action Reporting System (PUCARS) and a hard copy is being sent through courier.

3. The Annual General Meeting of PIACL for the year ended December 31, 2018 will be held on December 21, 2019 at 10:00 a.m. at Karachi

4. The Share Transfer Books of PIACL will be closed from December 13, 2019 to December 21, 2019 (both days inclusive). Transfers received at the registered office of PIACL Share Registrar / Transfer Agent, CDC Share Registrar Services Limited (CDCSRSL), at the close of business on December 12, 2019, will be treated in time for the purpose of Annual General Meeting of PIACL Shareholders (Draft Notice of Annual General meeting is being attached).

5. The Annual Report of PIACL will be transmitted through PUCARS atleast 21 days before holding of Annual General Meeting.

Yours truly,

  
**Muhammad SHUAIB**  
Company Secretary

Encl: As stated above


PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED  
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2018


		December 31, 2018	December 31, 2017	January 01, 2017	December 31, 2018	December 31, 2017	January 01, 2017
			(Restated)		(Restated)		
Note		(Rupees in '000)			(USD in '000)		
<b>ASSETS</b>							
<b>NON CURRENT ASSETS</b>							
Fixed assets							
- Property, plant and equipment	7	78,026,605	66,828,518	68,828,761	561,649	604,633	656,420
- Intangibles	8	275,563	328,669	7,884	1,984	2,974	75
		78,302,168	67,157,187	68,836,645	563,633	607,607	656,495
Long-term investments	9	4,599,767	4,587,663	4,569,247	33,110	41,507	43,577
Long-term advances	10	-	-	-	-	-	-
Long-term deposits and prepayments	11	8,562,836	8,011,052	7,020,724	61,637	72,480	66,957
<b>Total non-current assets</b>		<b>91,464,771</b>	<b>79,755,902</b>	<b>80,426,616</b>	<b>658,380</b>	<b>721,594</b>	<b>767,029</b>
<b>CURRENT ASSETS</b>							
Stores and spares	12	3,981,893	3,092,587	2,554,584	28,662	27,980	24,363
Trade debts	13	16,377,366	11,147,710	9,294,099	117,887	100,859	88,638
Advances	14	2,591,560	2,640,948	2,154,433	18,655	23,894	20,547
Trade deposits and short-term prepayments	15	2,170,964	4,109,283	3,891,662	15,627	37,179	37,115
Other receivables	16	8,070,202	6,873,787	8,083,390	58,091	62,191	77,091
Short-term investments	17	19,220	19,220	19,220	138	174	183
Cash and bank balances	18	1,734,448	4,262,457	3,449,152	12,485	38,565	32,895
<b>Total current assets</b>		<b>34,945,653</b>	<b>32,145,992</b>	<b>29,446,540</b>	<b>251,545</b>	<b>290,842</b>	<b>280,832</b>
<b>TOTAL ASSETS</b>		<b>126,410,424</b>	<b>111,901,894</b>	<b>109,873,156</b>	<b>909,925</b>	<b>1,012,436</b>	<b>1,047,861</b>
<b>EQUITY AND LIABILITIES</b>							
<b>SHARE CAPITAL AND RESERVES</b>							
Issued, subscribed and paid-up share capital	19	52,345,110	52,345,110	52,345,110	376,789	473,594	499,215
Reserves	20	4,462,806	4,450,703	4,432,287	32,124	40,268	42,271
Surplus on revaluation of property, plant and equipment-net	21	24,134,932	22,008,745	18,529,680	173,727	199,125	176,718
Accumulated losses		(437,696,479)	(370,274,754)	(319,234,231)	(3,150,616)	(3,350,072)	(3,044,536)
<b>Total shareholder's equity</b>		<b>(356,753,631)</b>	<b>(291,470,196)</b>	<b>(243,927,154)</b>	<b>(2,567,976)</b>	<b>(2,637,085)</b>	<b>(2,326,333)</b>
<b>NON CURRENT LIABILITIES</b>							
Long-term financing	22	148,742,994	102,242,919	74,829,943	1,070,678	925,046	713,653
Term finance and sukuk certificates	23	2,054,401	17,072,007	25,289,606	14,788	154,460	241,187
Liabilities against assets subject to finance lease	24	172,771	1,781,163	5,811,849	1,244	16,115	55,428
Advance from a subsidiary	25	5,575,748	4,436,041	4,208,390	40,135	40,135	40,135
Deferred liabilities	26	38,048,236	33,531,987	29,960,940	273,878	303,382	285,737
<b>Total non-current liabilities</b>		<b>194,594,150</b>	<b>159,064,117</b>	<b>140,100,728</b>	<b>1,400,723</b>	<b>1,439,138</b>	<b>1,336,140</b>
<b>CURRENT LIABILITIES</b>							
Trade and other payables	27	164,570,556	138,668,164	119,226,391	1,184,609	1,254,604	1,137,062
Unclaimed dividend - Preference shares		3,297	3,297	3,297	24	30	31
Accrued interest	28	16,531,580	14,586,792	13,320,144	118,997	131,974	127,034
Taxation - net		1,380,723	759,008	561,255	9,939	6,867	5,354
Short-term borrowings - secured	29	34,447,358	34,358,474	34,351,311	247,958	310,859	327,608
Current maturity of non-current liabilities	30	71,636,391	55,932,237	46,237,184	515,651	506,049	440,964
<b>Total current liabilities</b>		<b>288,569,905</b>	<b>244,307,972</b>	<b>213,699,582</b>	<b>2,077,178</b>	<b>2,210,383</b>	<b>2,038,053</b>
<b>TOTAL LIABILITIES</b>		<b>483,164,055</b>	<b>403,372,089</b>	<b>353,800,310</b>	<b>3,477,900</b>	<b>3,649,521</b>	<b>3,374,194</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>126,410,424</b>	<b>111,901,894</b>	<b>109,873,156</b>	<b>909,925</b>	<b>1,012,436</b>	<b>1,047,861</b>

CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.

  
Chief Executive Officer

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

  
Chief Financial Officer

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PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED  
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED DECEMBER 31, 2018

		December 31, 2018	December 31, 2017 (Restated)	December 31, 2018	December 31, 2017 (Restated)
Note		(Rupees in '000)		(USD in '000)	
Revenue - net	32	103,490,460	90,556,089	744,942	819,309
Cost of services					
Aircraft fuel		(43,552,360)	(30,940,544)	(313,498)	(279,936)
Others	33	(79,670,558)	(76,836,830)	(573,483)	(695,184)
		(123,222,918)	(107,777,374)	(886,981)	(975,120)
Gross loss		(19,732,458)	(17,221,285)	(142,039)	(155,811)
Distribution costs	34	(5,410,726)	(4,760,127)	(38,947)	(43,067)
Administrative expenses	35	(6,730,797)	(6,287,515)	(48,449)	(56,886)
Other provisions and adjustments - net	36	(1,930,105)	(6,189,304)	(13,893)	(55,998)
Exchange loss - net		(14,952,649)	(2,188,460)	(107,632)	(19,800)
Other income	37	1,723,487	836,202	12,406	7,566
		(27,300,790)	(18,589,204)	(196,515)	(168,185)
Loss from operations		(47,033,248)	(35,810,489)	(338,554)	(323,996)
Finance costs	38	(20,384,567)	(15,246,640)	(146,732)	(137,944)
Loss before taxation		(67,417,815)	(51,057,129)	(485,286)	(461,940)
Taxation	39	90,210	50,207	649	454
Loss for the year		(67,327,605)	(51,006,922)	(484,637)	(461,486)
		(Rupees)		(US\$)	
Loss per share - basic and diluted					
Loss attributable to:					
'A' class ordinary shares of Rs. 10 each	40	(12.86)	(9.74)	(0.09)	(0.09)
'B' class ordinary shares of Rs. 5 each	40	(6.43)	(4.87)	(0.05)	(0.04)

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Chief Executive Officer

  
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Chief Financial Officer



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PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED  
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2018

	December 31, 2018	December 31, 2017 (Restated)	December 31, 2018	December 31, 2017 (Restated)
	(Rupees in '000)		(USD in '000)	
Loss for the year	(67,327,605)	(51,006,922)	(484,637)	(461,486)
<b>Other comprehensive income:</b>				
<i>Items that will be reclassified subsequently to unconsolidated statement of profit or loss</i>				
Unrealised gain on re-measurement of available-for-sale investments	12,104	18,416	87	167
	12,104	18,416	87	167
<i>Items that will not be reclassified subsequently to unconsolidated statement of profit or loss</i>				
Surplus on revaluation of property, plant and equipment	5,087,949	4,866,245	36,624	35,028
Effect of deferred tax	(1,475,505)	(723,937)	(10,621)	(5,211)
	3,612,444	4,142,308	26,003	29,817
Remeasurement of post retirement defined benefits obligations	(1,896,834)	(917,793)	(13,654)	(8,304)
Effect of deferred tax	316,457	220,949	2,278	1,999
	(1,580,377)	(696,844)	(11,376)	(6,305)
<b>Total comprehensive loss for the year</b>	<b>(65,283,434)</b>	<b>(47,543,042)</b>	<b>(469,923)</b>	<b>(437,807)</b>

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Chief Executive Officer

  
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Chief Financial Officer

  
Director

  
Chief Financial Officer

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PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED  
UNCONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	December 31, 2018	December 31, 2017 (Restated)	December 31, 2018	December 31, 2017 (Restated)
Note	(Rupees in '000)		(USD in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash used in operations	41 (3,721,944)	(1,900,015)	(26,791)	(17,190)
Profit on bank deposits received	34,429	48,392	248	438
Finance costs paid	(18,439,780)	(13,979,998)	(132,733)	(126,484)
Taxes paid	(447,123)	(255,021)	(3,218)	(2,307)
Staff retirement benefits paid	(909,253)	(909,043)	(6,545)	(8,225)
Long-term deposits and prepayments - net	(551,784)	(990,328)	(3,972)	(8,960)
<b>Net cash used in operating activities</b>	<b>(24,035,455)</b>	<b>(17,986,013)</b>	<b>(173,011)</b>	<b>(162,728)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(12,301,167)	(3,547,866)	(88,546)	(32,099)
Purchase of Intangible assets	(33,105)	(409,507)	(238)	(3,705)
Proceeds from sale of property, plant and equipment	1,809,414	255,440	13,024	2,311
<b>Net cash used in investing activities</b>	<b>(10,524,858)</b>	<b>(3,701,933)</b>	<b>(75,760)</b>	<b>(33,493)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of long-term financing	41.2 (27,477,312)	(26,944,671)	(197,787)	(243,783)
Proceeds from long-term financing	41.2 70,968,750	63,006,250	510,845	570,051
Repayment of Term finance certificates	41.2 (6,272,255)	(6,163,202)	(45,149)	(55,762)
Repayment of obligations under finance lease - net	41.2 (4,935,003)	(7,336,941)	(35,523)	(66,381)
Repayment of short-term borrowings	-	315,285	-	2,853
<b>Net cash generated from financing activities</b>	<b>32,284,180</b>	<b>22,876,721</b>	<b>232,386</b>	<b>206,978</b>
<b>(Decrease) / Increase in cash and cash equivalents</b>	<b>(2,276,133)</b>	<b>1,188,775</b>	<b>(16,385)</b>	<b>10,757</b>
Cash and cash equivalents at beginning of the year	1,090,312	(98,463)	7,848	(891)
<b>Cash and cash equivalents at end of the year</b>	<b>(1,185,821)</b>	<b>1,090,312</b>	<b>(8,537)</b>	<b>9,866</b>
<b>Cash and cash equivalents</b>				
Cash and bank balances	18 1,734,448	4,262,457	12,484	38,566
Running finance under mark-up arrangements	29 (2,920,269)	(3,172,145)	(21,021)	(28,700)
	<b>(1,185,821)</b>	<b>1,090,312</b>	<b>(8,537)</b>	<b>9,866</b>

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.

  
Chief Executive Officer

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

  
Chief Financial Officer

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PAKISTAN INTERNATIONAL AIRLINES CORPORATION LIMITED  
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Capital Reserves							
	Issued, subscribed, and paid-up share capital	Capital reserves	Unrealised gain on remeasurement of investments	Surplus on Revaluation	Sub Total	Revenue reserves	Accumulated loss	Total
	(Rupees in '000)							
Balance as at December 31, 2016 as previously reported	52,345,110	2,501,038	151,375	4,752,639	7,405,252	1,779,674	(305,457,190)	(243,927,154)
Effect of restatement - note 6	-	-	-	13,777,041	13,777,041	-	(13,777,041)	-
Balance as at December 31, 2016 as restated	52,345,110	2,501,038	151,375	18,529,680	21,182,293	1,779,674	(319,234,231)	(243,927,154)
Total comprehensive income / (loss) for the year ended December 31, 2017 - restated	-	-	-	-	-	-	-	-
Loss for the year - restated	-	-	-	-	-	-	(51,006,922)	(51,006,922)
Other comprehensive income / (loss) for the year - restated	-	-	18,416	4,142,308	4,160,725	-	(696,844)	3,463,881
Total comprehensive income / (loss) for the year - restated	-	-	18,416	4,142,308	4,160,725	-	(51,703,766)	(47,543,041)
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax (restated)	-	-	-	(660,483)	(660,483)	-	660,483	-
Surplus on revaluation of property, plant and equipment realised during the year on account of aircraft retired / written off - net of tax	-	-	-	(2,760)	(2,760)	-	2,760	-
Balance as at December 31, 2017 as restated	52,345,110	2,501,038	169,991	22,008,745	24,679,775	1,779,674	(370,274,754)	(291,470,196)
Total comprehensive income / (loss) for the year ended December 31, 2018	-	-	-	-	-	-	-	-
Loss for the year	-	-	-	-	-	-	(67,327,605)	(67,327,605)
Other comprehensive income / (loss) for the year	-	-	12,104	3,612,444	3,624,548	-	(1,580,377)	2,044,171
Total comprehensive income / (loss) for the year	-	-	12,104	3,612,444	3,624,548	-	(68,907,982)	(65,283,434)
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax	-	-	-	(818,350)	(818,350)	-	818,350	-
Surplus on revaluation of property, plant and equipment realised during the year on account of aircraft retired / written off / disposed off - net of tax	-	-	-	(667,907)	(667,907)	-	667,907	-
Balance as at December 31, 2018	52,345,110	2,501,038	182,095	24,134,232	26,818,066	1,779,674	(437,696,479)	(356,753,633)

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Chief Executive Officer

Chief Financial Officer

Director

Chief Financial Officer

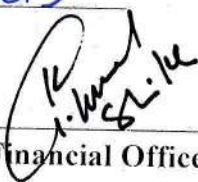
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48. **AUTHORISATION OF FINANCIAL STATEMENTS**

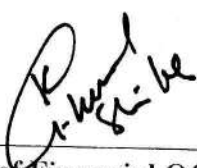
These unconsolidated financial statements were authorised for issue by the Board of Director in their meeting held on NOV 21, 2019

  
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Chief Executive Officer

  
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Chief Financial Officer

  
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Director

  
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Chief Executive Officer

  
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Chief Financial Officer

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**Pakistan International Airlines Corporation Limited**  
**Consolidated Statement of Financial Position**  
*As at December 31, 2018*

		December 31, 2018	December 31, 2017	January 1, 2017	December 31, 2018	December 31, 2017	January 1, 2017
				(Restated)		(Restated)	
Note		(Rupees in '000)			(US\$ in '000)		
<b>ASSETS</b>							
<b>NON-CURRENT ASSETS</b>							
<b>Fixed assets</b>							
- Property plant and equipment	7	205,028,522	165,978,765	160,597,360	1,475,831	1,501,698	1,453,009
- Intangibles	8	4,803,127	3,937,693	3,444,521	34,574	35,626	31,164
		209,831,649	169,916,458	164,041,881	1,510,405	1,537,324	1,484,173
Long-term investments	9	272,790	243,039	221,960	1,964	2,199	2,008
Receivable in respect of Centre Hotel	10	1,049,462	834,947	792,096	7,554	7,554	7,167
Long-term loans and advances	11	-	-	520	-	-	5
Long-term deposits and prepayments	12	8,893,334	8,212,449	9,318,291	64,016	74,302	84,308
<b>Total non-current assets</b>		220,047,235	179,206,893	174,374,748	1,583,939	1,621,379	1,577,661
<b>CURRENT ASSETS</b>							
Stores and spares	13	4,030,887	3,138,003	2,596,696	29,015	28,391	23,494
Trade debts	14	17,110,912	11,791,003	9,403,911	123,167	106,679	85,082
Short-term loans and advances	15	2,592,282	2,642,118	2,156,722	18,660	23,905	19,513
Trade deposits and short-term prepayments	16	4,143,665	7,202,642	4,516,584	29,827	65,166	40,864
Other receivables	17	8,482,436	6,911,705	8,882,877	61,058	62,534	80,368
Short-term investment	18	19,220	19,220	24,981	138	174	226
Cash and bank balances	19	6,564,972	9,785,542	8,175,442	47,256	88,535	73,968
<b>Total current assets</b>		42,944,374	41,490,233	35,757,213	309,121	375,384	323,515
<b>TOTAL ASSETS</b>		262,991,609	220,697,126	210,131,961	1,893,060	1,996,763	1,901,176
<b>EQUITY AND LIABILITIES</b>							
<b>SHARE CAPITAL AND RESERVES</b>							
Issued, subscribed and paid-up share capital	20	52,345,110	52,345,110	52,345,110	376,789	473,594	473,594
Reserves	21	9,437,819	5,703,208	4,325,092	67,935	51,600	39,131
Surplus on revaluation of property, plant and equipment - net	22	94,911,477	75,882,915	62,037,419	683,189	686,553	561,285
Accumulated losses		(426,576,865)	(360,529,457)	(310,076,631)	(3,070,575)	(3,261,901)	(2,805,428)
Attributable to the Holding Company's shareholders		(269,882,459)	(226,598,224)	(191,369,010)	(1,942,662)	(2,050,154)	(1,731,418)
Non-controlling interest		3,005,439	2,084,069	1,774,904	21,634	18,856	16,058
<b>Total equity</b>		(266,877,020)	(224,514,155)	(189,594,106)	(1,921,028)	(2,031,298)	(1,715,360)
<b>NON-CURRENT LIABILITIES</b>							
Long-term financing	23	164,561,875	102,242,918	89,339,698	1,184,545	925,046	808,304
Term finance and sukuk certificates	24	2,054,401	17,072,007	25,289,606	14,788	154,460	228,808
Liabilities against assets subject to finance lease	25	172,770	1,781,163	5,811,849	1,244	16,115	52,583
Long-term advances and deposits		125,990	106,534	84,537	907	964	765
Derivative		107,009	-	-	770	-	-
Deferred taxation	26	33,871,104	28,833,563	33,512,827	243,810	260,873	303,208
Deferred liabilities	27	38,250,352	33,722,950	30,124,728	275,333	305,109	272,554
<b>Total non-current liabilities</b>		239,143,501	183,759,135	184,163,245	1,721,397	1,662,567	1,666,222
<b>CURRENT LIABILITIES</b>							
Trade and other payables	28	167,728,555	140,994,244	121,450,924	1,207,340	1,275,647	1,098,831
Unclaimed dividend - Preference shares		3,297	3,297	-	24	30	-
Accrued interest	29	15,824,417	14,185,034	13,052,047	113,907	128,340	118,089
Provision for taxation - net		1,085,109	550,062	321,581	7,811	4,977	2,912
Short-term borrowings	30	34,447,358	34,358,474	34,351,311	247,958	310,859	310,795
Current maturities of:							
- Long-term financing	23	50,430,292	56,742,358	30,562,588	363,006	513,378	276,516
- Term finance and sukuk certificates	24	19,017,352	10,272,000	8,217,603	136,890	92,936	74,349
- Liabilities against assets subject to finance lease	25	2,188,748	4,346,677	7,606,768	15,755	39,327	68,822
<b>Total current liabilities</b>		290,725,128	261,452,146	215,562,822	2,092,691	2,365,494	1,950,314
<b>TOTAL LIABILITIES</b>		529,868,629	445,211,281	399,726,067	3,814,088	4,028,061	3,616,536
<b>TOTAL EQUITY AND LIABILITIES</b>		262,991,609	220,697,126	210,131,961	1,893,060	1,996,763	1,901,176

**Contingencies and commitments**

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

Chief Executive Officer

Chief Financial Officer



# Pakistan International Airlines Corporation Limited

## Consolidated Statement of Profit or Loss

For the year ended December 31, 2018

		2018	2017	2018	2017
		(Rupees in '000)	(Restated)	(US\$ in '000)	(Restated)
Note					
<b>Revenue - net</b>	32	118,001,881	103,911,181	849,398	940,140
<b>Cost of services</b>					
Aircraft fuel		(43,552,360)	(30,940,544)	(313,498)	(279,936)
Others	33	(89,426,277)	(85,843,907)	(643,706)	(776,675)
		(132,978,637)	(116,784,451)	(957,204)	(1,056,611)
<b>Gross loss</b>		(14,976,756)	(12,873,270)	(107,806)	(113,869)
Distribution costs	34	(6,340,848)	(5,493,562)	(45,643)	(49,703)
Administrative expenses	35	(10,474,566)	(9,216,245)	(75,398)	(83,384)
Other provisions and adjustments	36	(1,942,072)	(6,393,474)	(13,979)	(57,845)
Exchange loss - net		(14,911,659)	(2,203,396)	(107,339)	(19,935)
Other income	37	2,014,326	748,788	14,503	6,775
		(31,654,819)	(22,557,889)	(227,856)	(204,092)
<b>Loss from operations</b>		(46,631,575)	(35,431,159)	(335,662)	(317,961)
Finance costs	38	(21,130,976)	(15,781,979)	(152,104)	(142,789)
Share of loss in an associate	9.1	(572)	(2,034)	(4)	(18)
<b>Loss before taxation</b>		(67,763,123)	(51,215,172)	(487,770)	(460,768)
Taxation	39	935,130	231,351	6,731	2,093
<b>Loss for the year</b>		(66,827,993)	(50,983,821)	(481,039)	(458,675)
Attributable to:					
Equity holders of the Holding Company		(66,852,979)	(51,003,972)	(481,219)	(461,460)
Non-controlling interest		24,986	20,151	180	182
		(66,827,993)	(50,983,821)	(481,039)	(461,278)
<b>Loss per share - basic and diluted</b>					
		(Rupees)		(US\$)	
Loss attributable to:					
'A' class Ordinary shares of Rs 10 each	40	(12.77)	(9.12)	(0.12)	(0.09)
'B' class Ordinary shares of Rs 5 each	40	(6.38)	(4.56)	(0.06)	(0.05)

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.

Chief Executive Officer

Chief Executive Officer

Director

Chief Financial Officer

Chief Financial Officer


# Pakistan International Airlines Corporation Limited

## Consolidated Statement of Comprehensive Income

For the year ended December 31, 2018

	2018	2017 <i>Restated</i>	2018	2017 <i>Restated</i>
	----- (Rupees in '000) -----		----- (US\$ in '000) -----	
Loss for the year	(66,827,993)	(50,983,821)	(481,039)	(461,278)
<b>Other comprehensive income</b>				
<i>Items that will be reclassified subsequently to consolidated statement of profit or loss</i>				
Unrealised gain on remeasurement of available for sale investment	12,104	18,416	87	167
Loss on re-measurement of derivative - net of tax	(82,780)	-	(596)	-
Exchange differences on translation of foreign operations	4,264,151	1,514,654	30,694	13,704
	4,193,475	1,533,070	30,185	13,871
<i>Items that will not be reclassified subsequently to consolidated statement of profit or loss</i>				
Surplus on revaluation of property, plant and equipment	8,256,592	7,265,185	59,432	65,732
Related deferred tax	(2,246,256)	(1,747,418)		
Adjustment due to change in tax rate	1,687,427	7,222,012	12,146	65,341
	7,697,763	12,739,779	71,578	131,073
Remeasurement of post retirement defined benefits obligation	(1,935,800)	(917,792)	(13,934)	(8,304)
Effect of deferred tax	316,457	220,949	2,278	1,999
	(1,619,343)	(696,843)	(11,656)	(6,305)
<b>Total comprehensive income - loss</b>	<u>(56,556,098)</u>	<u>(37,407,815)</u>	<u>(390,932)</u>	<u>(322,639)</u>
Attributable to:				
Equity holders of the Holding Company	(57,528,819)	(37,754,282)	(397,934)	(325,774)
Non-controlling interest	972,721	346,467	7,002	3,135
	<u>(56,556,098)</u>	<u>(37,407,815)</u>	<u>(390,932)</u>	<u>(322,639)</u>


The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

  
Chief Executive Officer

  
Chief Financial Officer

**Pakistan International Airlines Corporation Limited**  
**Consolidated Statement of Changes in Equity**  
For the year ended December 31, 2018

	Issued, subscribed, and paid-up capital	Surplus on Revaluation of Property plant and equipment	Capital reserves	Revenue reserves	Reserves Unrealised gain on remeasur- ement of investment	Foreign currency translation reserves	Legal reserve	Subtotal	Accumulated losses	Non - controlling interest	Total
	(Rupees in '000)										
Balance as at December 31, 2016 as previously reported	52,345,110	48,260,378	2,501,038	1,779,674	151,575	(142,918)	35,723	4,325,092	(296,299,590)	1,774,904	(189,594,106)
Effect of Change in accounting policy - notes 6	-	13,777,041	-	-	-	-	-	-	(13,777,041)	-	-
Balance as at December 31, 2016 - as restated	52,345,110	62,037,419	2,501,038	1,779,674	151,575	(142,918)	35,723	4,325,092	(310,076,631)	1,774,904	(189,594,106)
Total comprehensive income for the year ended December 31, 2017:											
(Loss) / profit for the year - restated	-	-	-	-	-	-	-	-	(51,003,972)	20,151	(50,983,821)
Other comprehensive income - restated	-	-	-	-	18,416	-	-	18,416	(696,843)	-	(678,427)
Surplus arising on property, plant and equipment during the year - net of tax - restated	-	12,739,779	-	-	-	-	-	-	-	171,362	12,911,141
- Currency translation differences	-	2,353,706	-	-	-	1,357,768	1,932	1,359,700	-	154,954	3,868,360
Total comprehensive income / (loss) for the year	-	15,093,485	-	-	18,416	1,357,768	1,932	1,378,116	(51,700,815)	346,467	(34,882,747)
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax (note 22)	-	(1,245,229)	-	-	-	-	-	-	1,245,229	-	-
Surplus on revaluation of property, plant and equipment released during the year on account of aircraft retired / written off - net of tax (note 22)	-	(2,760)	-	-	-	-	-	-	2,760	-	-
Dividend paid to non - controlling interest	-	-	-	-	-	-	-	-	-	(37,302)	(37,302)
Balance as at December 31, 2017 as restated	52,345,110	75,882,915	2,501,038	1,779,674	169,991	1,214,850	37,655	5,703,208	(360,529,457)	2,084,069	(224,514,155)
Total comprehensive income for the year ended December 31, 2017:											
(Loss) / profit for the year	-	-	-	-	-	-	-	-	(66,852,979)	24,986	(66,827,993)
Other comprehensive income:	-	-	-	(74,502)	-	-	-	(74,502)	-	(8,278)	(82,780)
- Currency translation differences	-	13,755,713	-	-	-	3,787,334	9,675	3,797,009	-	476,817	18,029,539
Surplus arising on property, plant and equipment during the year - net of tax	-	7,697,763	-	-	-	-	-	-	-	479,196	8,176,959
- Unrealised gain on remeasurement of investment	-	-	-	-	12,104	-	-	12,104	(1,619,343)	-	(1,607,239)
Total comprehensive income / (loss) for the year	-	21,453,476	-	(74,502)	12,104	3,787,334	9,675	3,734,611	(68,472,322)	972,721	(42,311,514)
Surplus on revaluation of property, plant and equipment realised during the year on account of incremental depreciation charged thereon - net of tax (note 21)	-	(1,757,007)	-	-	-	-	-	-	1,757,007	-	-
Surplus on revaluation of property, plant and equipment released during the year on account of aircraft retired / written off / disposed off - net of tax (note 22)	-	(667,907)	-	-	-	-	-	-	667,907	-	-
Dividend paid to non - controlling interest	-	-	-	-	-	-	-	-	-	(51,351)	(51,351)
Balance as at December 31, 2018	52,345,110	94,911,477	2,501,038	1,705,172	182,095	5,002,184	47,330	9,437,819	(426,576,865)	3,003,439	(266,877,020)

The annexed notes from 1 to 99 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

Chief Financial Officer

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# Pakistan International Airlines Corporation Limited

## Consolidated Statement of Cash Flows

For the year ended December 31, 2018

		2018	2017 (Restated)	2018	2017 (Restated)
	Note	(Rupees in '000)		(US\$ in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash used in operations	41.1	(484,927)	(186,305)	(3,491)	(1,686)
Profit on bank deposits received		34,426	48,392	248	438
Finance costs paid		(19,491,593)	(14,517,645)	(140,303)	(131,348)
Taxes paid		(755,147)	(582,091)	(5,436)	(5,266)
Employee benefits paid		(909,253)	(917,823)	(6,545)	(8,304)
Proceeds from long-term loans and advances		-	1,756	-	16
Long-term deposits and prepayments - net		(680,885)	(1,119,748)	(4,901)	(10,131)
<b>Net cash used in operating activities</b>		<b>(22,287,379)</b>	<b>(17,273,464)</b>	<b>(160,428)</b>	<b>(156,281)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchase of property, plant and equipment		(13,888,115)	(4,206,540)	(99,969)	(38,059)
Purchase of intangibles		(34,038)	(409,686)	(245)	(3,707)
Proceeds from sale of property, plant and equipment		1,809,649	260,203	13,026	2,354
Currency translation adjustment		(922,201)	-	(6,638)	-
Proceeds from short-term investments		-	5,762	-	52
<b>Net cash used in investing activities</b>		<b>(13,034,705)</b>	<b>(4,350,261)</b>	<b>(93,826)</b>	<b>(39,360)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayments of long-term financing	41.2	(27,477,312)	(38,189,151)	(197,787)	(345,518)
Proceeds from long-term financing	41.2	70,968,750	75,019,998	510,845	678,746
Repayment of term finance certificates	41.2	(6,272,254)	(6,163,202)	(45,149)	(55,762)
Payment of dividend to non-controlling interest		51,351	(37,302)	370	(337)
Repayments of short term borrowings		-	21,997	-	199
Repayments of obligations under finance lease		(4,935,002)	(7,336,941)	(35,523)	(66,381)
<b>Net cash generated from financing activities</b>		<b>32,335,533</b>	<b>23,315,399</b>	<b>232,756</b>	<b>210,947</b>
<b>(Decrease) / Increase in cash and cash equivalents</b>		<b>(2,986,551)</b>	<b>1,691,674</b>	<b>(21,498)</b>	<b>15,306</b>
Cash and cash equivalents at beginning of the year		6,613,397	4,627,825	47,604	41,870
Effects of exchange rate changes on cash and cash equivalents		17,858	293,898	129	2,659
<b>Cash and cash equivalents at end of the year</b>		<b>3,644,704</b>	<b>6,613,397</b>	<b>26,235</b>	<b>59,835</b>
<b>Cash and cash equivalents</b>					
Cash and bank balances	19	6,564,972	9,785,542	47,256	88,535
Running finance under mark-up arrangements	30	(2,920,268)	(3,172,145)	(21,021)	(28,700)
		<b>3,644,704</b>	<b>6,613,397</b>	<b>26,235</b>	<b>59,835</b>

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

Chief Executive Officer

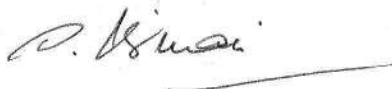
Chief Financial Officer

49. **AUTHORISATION OF CONSOLIDATED FINANCIAL STATEMENTS**

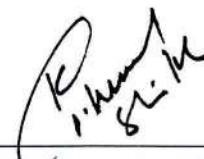
These consolidated financial statements were authorised for issue by the Board of Directors of the Holding Company in their meeting held on NOV 21, 2019.



**Chief Executive Officer**



**Director**



**Chief Financial Officer**



**Chief Executive Officer**



**Chief Financial Officer**

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**NOTICE OF THIRD ANNUAL GENERAL MEETING**

**Notice is hereby given** that Third Annual General Meeting of the Shareholders of Pakistan International Airlines Corporation Limited will be held at 10:00 a.m, on Saturday, December 21, 2019 at Pool Side, Airport Hotel, Star Avenue, and Terminal – 1, Jinnah International Airport, Karachi to transact the following business:

1. To receive and adopt the Audited Accounts for the year ended December 31, 2018 together with the Auditors' and Directors' Reports.
2. To appoint External Auditors for FY 2019 and fix their remuneration.
3. To transact any other business with the permission of the Chair.

By order of the Board

**Karachi**  
**November 29, 2019**

**Muhammad Shuaib**  
**Company Secretary**

**NOTES**

1. The shareholders who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) to Shares Registrar / Transfer Agent, are once again reminded to send the same at the earliest directly to CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block-B, S.M.C.H.S. Main Shahrah-e-Faisal, Karachi. The Corporate Entities are requested to provide their National Tax Number (NTN). Please give Folio Number / CDC Account Number with the copy of CNIC /NTN details. Reference is also made to the SECP Notification which mandate that the dividend warrants should bear CNIC number of registered shareholder or authorized person, except in case of minor(s) and corporate shareholders.
2. Share Transfer Books will be closed from Friday, December 13, 2019 to Saturday, December 21, 2019 (both days inclusive) when no transfer of shares will be accepted for registration. Transfers in good order, received at the office of PIACL's Shares Registrar / Transfer Agent viz CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block-B, S.M.C.H.S. Main Shahrah-e-Faisal, Karachi up to 05:30 P.M. on Thursday, December 12, 2019, will be treated in time for the purpose of exercising the right to vote.
3. Shareholder may appoint another shareholder as proxy to attend and vote in respect of him / her. Duly completed instrument of proxy, or a notary certified copy thereof, must be lodged with the Company Secretary at the Registered Office PIA Building, Jinnah International Airport, Karachi-75200, Pakistan at least forty eight (48) hours before the time of the meeting.
4. The option of e-voting to the shareholders to vote through electronic means is not available for this AGM.
5. In pursuance of Section 242 of Companies Act, 2017, all Shareholders are notified that details of bank accounts for transmission of any dividend should be registered with our Shares Registrar / Transfer Agent, CDC Share Registrar Services Limited (CDCSRSL). Subsequently no dividend payment through other means, except electronic mode directly into bank account designated by the Shareholders, shall be made.
6. Any change of address of shareholders should be immediately notified to the Shares Registrar / Transfer Agent viz CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99-B, Block-B, S.M.C.H.S. Main Shahrah-e-Faisal, Karachi.



CDC Account Holders will further have to follow the under-mentioned guidelines as laid down by the SECP:

**A. For Attending the Meeting:**

- i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his / her identity by showing his / her original CNIC or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

**B. For Appointing Proxies:**

- I. In case of individual, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form accordingly.
- II. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- III. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- IV. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- V. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted along with proxy form to the Company.