

FIRST CAPITAL EQUITIES LIMITED
FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2024

- ✓ *CONDENSED INERIM STATEMENT OF FINANCIAL POSITION*
- ✓ *CONDENSED INERIM STATEMENT OF PROFIT OR LOSS*
- ✓ *CONDENSED INERIM STATEMENT OF COMPREHENSIVE INCOME*
- ✓ *CONDENSED INERIM STATEMENT OF CASH FLOWS*
- ✓ *CONDENSED INERIM STATEMENT OF CHANGES IN EQUITY*
- ✓ *CONDENSED INERIM NOTES TO THE FINANCIAL STATEMENTS*

**FIRST CAPITAL EQUITIES LIMITED
COMPANY INFORMATION**

Board of Directors	Malik Safeer Raza Awan (Chairman) Shabana Atta (Chief Executive) Muhammad Jamil Mohsin Iqbal Saeed Iqbal Muhammad Aslam Bhatti Asad Yar Khan	Non-Executive Executive Non-Executive Non-Executive Non-Executive Independent Independent
Chief Financial Officer	Saeed Iqbal	
Audit Committee	Asad Yar Khan (Chairman) Muhammad Jamil (Member) Malik Safeer Raza Awan (Member)	
Human Resource and Remuneration (HR&R) Committee	Asad Yar Khan (Chairman) Shabana Atta (Member) Muhammad Jamil (Member)	
Risk Management Committee	Malik Safeer Raza Awan (Chairman) Shabana Atta (Member) Asad yar Khan (Member)	
Company Secretary	Shahzad Jawahar	
Auditors	Malik Haroon Ahmad & Co. Chartered Accountants	
Legal Advisers	M/s. Ibrahim and Ibrahim Barristers and Corporate Consultants Lahore	
Registrar and Shares Transfer Office	Corplink (Pvt.) Limited Wings Arcade, 1-K Commercial Model Town, Lahore Tele: + 92-42-5839182	
Registered Office	First Capital House 96-B/1, Lower Ground Floor M.M. Alam Road, Gulberg-III Lahore, Pakistan Tele: + 92-42-35778217-18	

FIRST CAPITAL EQUITIES LIMITED

DIRECTOR'S REPORT

The Board of Directors of First Capital Equities Limited ("the Company" or "FCEL") are pleased to present the Director's report along with financial statements of the Company for the period ended September 30, 2024.

During the preceding year, the Board of the Directors decided to surrender the trading right entitlement certificate (TREC) of Pakistan Stock Exchange and to change the Principal line of Business of the Company from stock broker to real estate Company. An application for surrender was submitted to PSX and surrendering process is in progress.

YOUR COMPANY'S PERFORMANCE

Given below is the financial summary of the Company for the three months period ended September 30, 2024.

Particulars	July to Sep 2024	July to Sep 2023
	Rupees	
Unrealized gain / (loss) on re-measurement of investments at Investments at fair value through profit or loss	28,206,844	(4,410,938)
Profit /(Loss) after taxation from continuing operations	28,081,917	(4,606,215)
(Loss) after taxation from discontinued operations	(379,510)	(802,950)
Earnings / (loss) Per Share (EPS) Rs		
- continuing operations	0.20	(0.03)
- discontinued operations	(0.003)	(0.01)
	0.20	(0.04)

The Company reported a profit of Rs 28.08 million in 1QFY25 as compare to loss of Rs. 4.61 million in 1QFY24. During the period due to discontinuation of operations, the brokerage income of your Company is NIL in both periods. Further, the company recorded capital gain / (loss) of Rs NIL against Rs. NIL last year. The Un-realized gain on re-measurement of investment is recorded at Rs. 28.21 million. Operating expenses decreased 49% during the period under review.

FUTURE OUTLOOK

In order to change the principal line of business of the Company from a Brokerage company to Real Estate Company, necessary changes have been made in the Object clause III of Memorandum of Association of the Company, which are in process of approval from concerned authorities.

Once the surrender process is completed and changes in the Object clause III of Memorandum of Association of the Company are approved the Company will resume its commercial activities as real estate Company.

ACKNOWLEDGEMENT

The Board of Directors wish to place on record their thanks and appreciation to all the shareholders for their continued support. The Board also wishes to place on record its appreciation for the guidance and support extended by the Securities and Exchange Commission of Pakistan (SECP) as well the Pakistan Stock Exchange Limited. Finally, the Board would like to record its appreciation to all the staff members for their hard work.

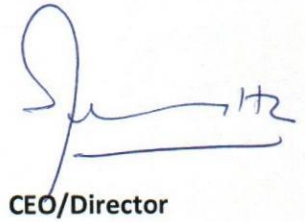
For and on behalf of the Board of Directors

Lahore

Dated: October 29, 2024



Director

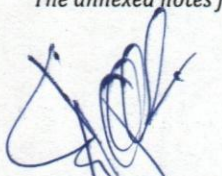


CEO/Director

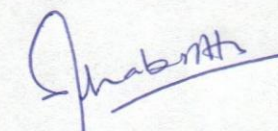
FIRST CAPITAL EQUITIES LIMITED
CONDENSED INERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

		Un-Audited	Audited
		SEPTEMBER	JUNE
		2024	2024
Note		Rupees	Rupees
ASSETS			
NON - CURRENT ASSETS			
	Property, plant and equipment	215,631	233,993
4			
	Investments property	824,776,000	824,776,000
5			
	Long term investments	29,437,687	23,682,539
6			
		854,429,318	848,692,532
CURRENT ASSETS			
	Stock in trade	290,053,500	290,053,500
	Trade debts	174,162,671	174,162,671
7			
	Short term investments	66,384,149	43,932,453
8			
	Advances, deposits, prepayments and other receivables	4,572,784	4,571,849
	Advance income tax	31,275	31,275
	Cash and bank balances	310,741	448,406
		535,515,120	513,200,154
TOTAL ASSETS		1,389,944,438	1,361,892,686
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
	Authorized Share Capital 152,000,000 shares (June 2024: 152,000,000 shares) of Rs. 10 each	1,520,000,000	1,520,000,000
	Issued, subscribed and paid up capital 141,335,500 shares (June 2024: 141,335,500 shares) of Rs. 10 each	1,413,355,000	1,413,355,000
	Accumulated losses	(1,033,086,749)	(1,060,789,156)
TOTAL EQUITY		380,268,251	352,565,844
NON - CURRENT LIABILITIES			
CURRENT LIABILITIES			
	Trade and other payables	183,900,101	183,550,756
9			
	Current portion of long term financing	825,776,086	825,776,086
10			
		1,009,676,187	1,009,326,842
CONTINGENCIES AND COMMITMENTS		-	-
11			
TOTAL EQUITY AND LIABILITIES		1,389,944,438	1,361,892,686


The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



 Director



 Chief Executive Officer



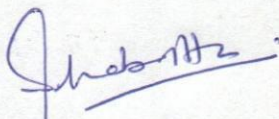
 Chief Financial Officer

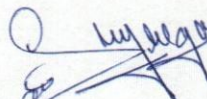
FIRST CAPITAL EQUITIES LIMITED
CONDENSED INERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	JUL - SEP	JUL - SEP
	2024	2023
	Rupees	Rupees
CONTINUING OPERATION		
INCOME		
Unrealized Gain/(loss) on remeasurement of investments at fair value through profit or loss	28,206,844	(4,410,938)
Dividend Income	935	-
	<u>28,207,779</u>	<u>(4,410,938)</u>
EXPENDITURE		
Operating and administrative expenses	125,862	195,277
Finance cost	-	-
	<u>125,862</u>	<u>195,277</u>
OPERATING PROFIT/ (LOSS)	<u>28,081,917</u>	<u>(4,606,215)</u>
OTHER INCOME		
Net Profit/(Loss) Before Income Tax And Final Tax Differential	<u>28,081,917</u>	<u>(4,606,215)</u>
Final tax differential	-	-
Net Profit/(Loss) Before Taxation	<u>28,081,917</u>	<u>(4,606,215)</u>
Taxation	-	-
PROFIT/(LOSS) AFTER TAXATION FROM CONTINUING OPERATIONS	<u>28,081,917</u>	<u>(4,606,215)</u>
DISCONTINUED OPERATIONS		
Loss After Taxation From Discontinued Operations	(379,510)	(802,950)
PROFIT/(LOSS) AFTER TAXATION FOR THE PERIOD	<u>27,702,407</u>	<u>(5,409,165)</u>
PROFIT/(LOSS) PER SHARE - BASIC AND DILUTED		
- continuing operations	0.20	(0.03)
- discontinued operations	(0.003)	(0.01)
	<u>0.20</u>	<u>(0.04)</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


 Director

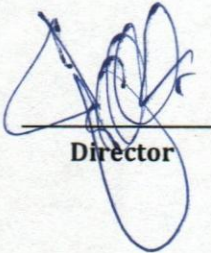

 Chief Executive Officer


 Chief Financial Officer

**FIRST CAPITAL EQUITIES LIMITED
CONDENSED INERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	JUL - SEP 2024 Rupees	JUL - SEP 2023 Rupees
Profit/(Loss) after taxation for the period	27,702,407	(5,409,165)
Other comprehensive income for the period		
Items that will never be reclassified to profit and loss:	-	-
Items that are may be reclassified to profit and loss:	-	-
Other comprehensive income for the period	-	-
Total comprehensive Profit/(loss) for the period	27,702,407	(5,409,165)

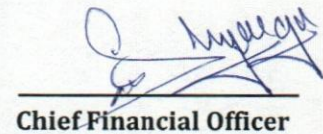
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Director



Chief Executive Officer

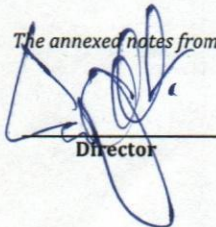


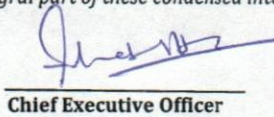
Chief Financial Officer

FIRST CAPITAL EQUITIES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	JUL - SEP 2024 Rupees	JUL - SEP 2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Gain/(loss) before taxation	27,702,407	(5,409,165)
Adjustments for:		
Depreciation	18,362	20,389
Gain/(Loss) on re-measurement of investments at fair value through profit and loss - net	(28,206,844)	4,410,938
	(28,188,482)	4,431,327
	(486,075)	(977,838)
Decrease / (Increase) in current assets		
Trade debts - unsecured	-	-
Advances, deposits, prepayments and other receivables	(935)	-
	(935)	-
Decrease in trade and other payables	349,345	1,004,888
Cash (used in)/generated from operations	(137,665)	27,050
Interest received	-	-
Finance cost paid	-	-
Taxes paid	-	-
Net cash (used)/generated from/in operating activities	(137,665)	27,050
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property and equipment	-	-
Acquisition of investments property	-	-
Proceeds from sale of investments property	-	-
Net cash generated from investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans paid	-	-
Issuance of new capital	-	-
Liabilities against repurchase agreements	-	-
Net cash generated from financing activities	-	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(137,665)	27,050
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	448,406	248,662
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	310,741	275,712

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 Director


 Chief Executive Officer


 Chief Financial Officer

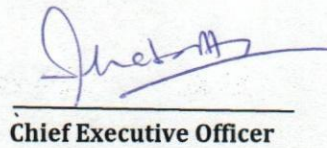
**FIRST CAPITAL EQUITIES LIMITED
CONDENSED INERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Issued, subscribed and paid up capital	Unappropriated Loss	Total
	Rupees		
Balance as at July 01, 2023	1,413,355,000	(1,078,588,039)	334,766,961
Profit for the year after taxation	-	17,798,883	17,798,883
Other comprehensive income / (loss) for the year	-	-	-
Balance as at June 30, 2024	<u>1,413,355,000</u>	<u>(1,060,789,156)</u>	<u>352,565,844</u>
Profit for the period after taxation	-	27,702,407	27,702,407
Other comprehensive income / (loss) for the year	-	-	-
Balance as at September 30, 2024	<u>1,413,355,000</u>	<u>(1,033,086,749)</u>	<u>380,268,251</u>

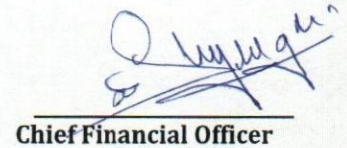
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Director



Chief Executive Officer



Chief Financial Officer

FIRST CAPITAL EQUITIES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

1 THE COMPANY AND ITS OPERATION

- 1.1** First Capital Equities Limited (the "Company") was incorporated in Pakistan on January 26, 1995 as a private limited company, under the Companies Ordinance, 1984 (now Companies Act, 2017). The Company was converted into a public limited company on June 18, 1997 and is listed on Pakistan Stock Exchange Limited formerly Lahore Stock Exchange Limited. The Company is a subsidiary of First Capital Securities Corporation Limited, which owns 73.23% (June 2024: 73.23%) of the share capital of the Company. The principal activity of the Company is to acquire, construct, develop, sell, rent out and manage shops, apartments, villas and commercial buildings.

Geographical locations and addresses of all business units are as First Capital House, 96-B/1 Lower Ground Floor, M.M . Alam Road Gulberg-III, Lahore, Pakistan.

- 1.2** The Board of the Directors of the Company in their meeting held on June 28, 2019, owing to the continuous loss and adverse market conditions, decided to surrender the trading right entitlement certificate (TREC) of Pakistan Stock Exchange and discontinue its brokerage operation and to change the Principal objective of the Company from stock broker to real estate Company.

During the period company incurred profit amounting Rs. 27.70 Million and accumulated losses of the company stand at Rs. 1033.09 Million as at September 30, 2024 (June 2024: 1,060.79 Million). As at the reporting date current liabilities of the Company exceed its current assets by Rs. 474.16 Million (June 2024: 496.13 Million).

Owing to the factors mentioned above the Company in order to carry on its business and to meet its obligations requires generating sufficient operating profits and cash flows. Accordingly there is a material uncertainty relating to the Company's operations that may cause significant doubt regarding discharge of its liability in the normal course of business. Continuation of the Company as going concern is heavily dependent on improved cash flows.

The management of the Company is confident that with change in principal activity and overall expertise of group in real estate sector will have positive impact on the financial performance of the company. Moreover, management is confident that the remaining loan payable to UBL will be settled by sale of properties. Resultantly, these financial statements are prepared on going concern basis. The financial statements consequently, do not include any adjustment relating to the realization of the assets and liquidation of liabilities that might be necessary should the Company be unable to continue as going concern.

2 BASIS OF PREPARATION

- 2.1** These condensed interim financial statements has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. As per the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017 shall prevail.
- 2.2** These 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 financial statements of the Company for the year ended June 30, 2022.

3 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgments, estimates and assumptions.

However, the management believes that the change in outcome of judgments, estimates and assumptions would not have a material impact on the amounts disclosed in these condensed interim financial statements. Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual audited financial statements for the year ended June 30, 2024.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended June 30, 2024.

4 PROPERTY PLANT AND EQUIPMENT

	Un-Audited September 30, 2024	Audited June 30, 2024
	-----Rupees-----	
Opening --Net Book Value	233,993	315,526
Depreciation during the period/year	(18,362)	(81,533)
	<u>215,631</u>	<u>233,993</u>

5 INVESTMENT PROPERTY

Opening balance	824,776,000	824,776,000
Acquisition during the period/year	-	-
	<u>824,776,000</u>	<u>824,776,000</u>
Disposal during the period/year	-	-
	<u>824,776,000</u>	<u>824,776,000</u>
(Decrease) / Increase in fair value	-	-
Closing balance	<u>824,776,000</u>	<u>824,776,000</u>

- 5.1 The carrying amount of investment property is the fair value of property as determined by approved independent valuer M/s Fairwater Property Valuers & Surveyors (Pvt) Ltd. as at June 30, 2024. Fair value is determined keeping in view the location of the land and inquiries in the vicinity, the trend and tone of sale / purchase of property in the respective areas.
- 5.2 Investment Property comprises various shops / counters in various shopping malls situated at Gujranwala and Gujrat. These properties are under mortgage by banks against the borrowings. The Company has the intention to sell off this properties to pay off the bank borrowings.

6 LONG TERM INVESTMENT

Investment in related parties

At fair value through profit or loss

	Note	Un-Audited September 30, 2024	Audited June 30, 2024
		-----Rupees-----	
Media Times Limited - quoted shares	6.1	14,318,974	9,829,126
6,067,362 shares of MDTL (June 2024 : 6,067,362 shares)			

Other Investments

At fair value through profit or loss

Pakistan Stock Exchange Limited - quoted shares	6.2	15,118,713	13,853,413
1,081,453 shares of PSX (June 2024 : 1,081,453 shares)			
		<u>29,437,687</u>	<u>23,682,539</u>

- 6.1 6,067,362 (June 2024 : 6,067,362) Fully paid ordinary shares of Rs. 10 each Equity Held 3.39% (June 2024: 3.39%)
Unrealized gain remeasurement of investment at fair value through profit or loss
- | | | | |
|--|--|-------------------|------------------|
| | | 9,829,126 | 9,707,779 |
| | | <u>4,489,848</u> | <u>121,347</u> |
| | | <u>14,318,974</u> | <u>9,829,126</u> |
- 6.2 1,081,453 shares of PSX (June 2024 : 1,081,453 shares)
Unrealized gain remeasurement of investment at fair value through profit or loss
- | | | | |
|--|--|-------------------|-------------------|
| | | 13,853,413 | 8,002,752 |
| | | <u>1,265,300</u> | <u>5,850,661</u> |
| | | <u>15,118,713</u> | <u>13,853,413</u> |
- 6.3 Shares having market value of Rs. 15,115,092 (June 2024: Rs.13,850,895/-) are freezed against Base Minimum Capital with Pakistan Stock Exchange. Shares having market value of Rs. 14,318,974/- (June 2024: Rs.9,829,126/-) have been pledged with various commercial banks against long term financing.

7 TRADE DEBTS - UNSECURED

Trade debts against purchase of shares:

	Note	Un-Audited September 30, 2024	Audited June 30, 2024
		-----Rupees-----	
Considered good - unsecured Clients		174,162,671	174,162,671
Considered doubtful: Clients		272,720,612	272,720,612
Less: Provision for doubtful debts	7.1	<u>(272,720,612)</u>	<u>(272,720,612)</u>
		<u>174,162,671</u>	<u>174,162,671</u>

7.1 Provision for doubtful debts

Opening balance	(272,720,612)	(272,720,612)
Charge for the period / year	-	-
Closing balance	<u>(272,720,612)</u>	<u>(272,720,612)</u>

Note	Un-Audited	Audited
	September 30, 2024	June 30, 2024
-----Rupees-----		
8 SHORT TERM INVESTMENTS		
At fair value through profit or loss		
Quoted equity securities		
Opening balance	43,932,453	32,866,297
Unrealized gain/(loss) remeasurement of investment at fair value through profit or loss	22,451,696	11,066,156
8.1	66,384,149	43,932,453

8.1 Shares having carrying amount of Rs. 57,756,366/- (2024: Rs.27,148,291/-) and market value of Rs. 37,819,044/- (2024: Rs.37,819,044/-) are pledged as security against long term loans.

Note	Un-Audited	Audited	
	September 30, 2024	June 30, 2024	
-----Rupees-----			
9 TRADE AND OTHER PAYABLES - UNSECURED	9.1	183,900,101	183,550,756
9.1 This includes following balances payable to related parties:			
Falcon Commodities (Pvt.) Ltd	3,255,332	3,255,332	
Media Times Limited	1,702,548	1,702,548	
Pace Pakistan Limited	114,822,340	114,822,340	
10 LONG TERM FINANCING			
Loan from financial institute -- Secured	825,776,086	825,776,086	
Deferred notional income	10.1	-	-
	825,776,086	825,776,086	
Less: Current portion shown under current liability	(825,776,086)	(825,776,086)	
	-	-	

11 CONTINGENCIES AND COMMITMENTS

There has been no material change in the status of contingencies disclosed in Company's financial statements for the year ended June 30, 2024.

12 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise parent company, related group companies, local associated undertakings, directors, key management personnel and their close family members. The Company in the normal course of business carries out transactions with various related parties. Closing balances of related parties are disclosed in respective notes of these financial statements. There are not any significant transactions with related parties other than those disclosed elsewhere in the condensed interim financial statements.

13 FAIR VALUE MEASUREMENT

The carrying values of financial assets and liabilities approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs

The Company held the following financial assets and liabilities at fair value;

Financial Assets	Un-Audited	Audited
	September 30, 2024	June 30, 2024
-----Rupees-----		
Level 1:		
Long term investments	29,437,687	23,682,539
Short term investments	66,384,149	43,932,453
Level 2:		
Investment properties	824,776,000	824,776,000
Level 3:		
	-	-
	920,597,836	892,390,992
Financial Liabilities	-	-

There is no movement between level 1, 2 and 3 during the period.

14 DATE OF AUTHORIZATION


This condensed interim financial statements were authorized for issue by the Board of Directors on October 29, 2024.

15 CORRESPONDING FIGURES

Corresponding Figures have been re-arranged and re-classified, wherever necessary, for the purpose of comparison. However, no significant re-classification have been made.

16 GENERAL

Figures have been rounded off to the nearest rupee.



Director



Chief Executive Officer



Chief Financial Officer