

FIRST CAPITAL SECURITIES CORPORATION LIMITED
HALF YEARLY ACCOUNTS (UN-AUDITED)
DECEMBER 31, 2023

DIRECTORS' REVIEW

We, on behalf of the Board of Directors of First Capital Securities Corporation Limited (the "Company" or "FCSC") are pleased to present the auditors' reviewed condensed interim financial statements of the Company for the six months ended 31 December 2023.

Operational Results

The operating results of the Company are summarized as follows:

Financial Overview	31 December 2023	31 December 2022
	Rupees	Rupees
Unrealized gain/(loss) on investments	65,281,461	(6,113,428)
Dividend Income	43,512,978	-
Operating expenses	6,327,261	4,699,084
Operating profit/(loss)	58,954,200	(10,812,512)
Finance and other costs	214,281,553	143,742,181
Loss after taxation	(156,178,910)	(148,459,800)
Loss per share (basic and diluted)	(0.49)	(0.47)

The Company reported after tax loss of Rs. 156.18 million as compared to Rs. 148.46 million in the corresponding six months of last year other than unrealized gain of Rs.65.28 million on investments. Operating expenses incurred at Rs.6.33 million in comparison with Rs. 4.70 million in same period of last year. On net basis, per share loss of the Company has arrived at Rs.0.49 in comparison with Rs. 0.47 in the same period of last year.

The financial results of subsidiaries of the Company during the period under review are given hereunder:

First Capital Equities Limited ("FCEL") has reported a loss of Rs 13.59 million in FH23 as compare to Rs. 8.22 million in FH22. Due to discontinuation of operations, the brokerage income of FCEL is NIL in both periods. The Un-realized loss on re-measurement of investment is recorded at Rs. 14.70 million. Operating expenses decreased 20% during the period under review.

Lanka Securities (Pvt.) Limited ("LSL") generated a total revenue LKR. 175.06 million, and reported a net profit of LKR. 14.84 million, during half year which translates into an EPS of LKR. 0.60, During the period under review LSL declared a dividend and an amount of LKR. 43,512,978.

First Capital Investments Limited ("FCIL") reported profit after taxation of Rs. 22.24 million (EPS: 1.06) as compared to loss of Rs. 0.96 million (LPS: 0.05) in the corresponding period last year, mainly attributed to unrealized profit on re-measurement of investments of Rs. 25.42 million during the period under review. Unrealized profit on re-measurement of investments is subjected to positive return of stock market (KSE-100 index). The KSE -100 Index recorded a return of 50.66% during the first half of FY-2023. Asset Management Fee has increased to Rs. 1.09 million from Rs. 0.98 million in the corresponding period last year.

Evergreen Water Valley (Pvt.) Limited ("EGWV") the sales of EGWV increased by 23.816%. EGWV recorded the net sales of Rs. 68.523 million as compared to Rs. 55.342 million during the corresponding six months period Operating Profit was impacted by higher input & energy cost due to Rupee devaluation and global increase in the prices of commodities.

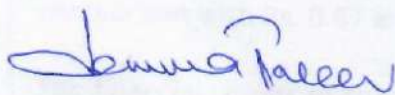
Outlook

The Company in order to strengthen itself remained completely focused on maintaining its growth momentum. The management is monitoring its resources and making earnest efforts to reap the maximum benefits from them for its shareholders. This involves optimizing revenue generation from core operations.

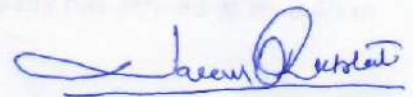
Acknowledgement

Directors of the company place on record their sincere appreciation for the assistance and co-operation provided by financial institutions, government authorities and other stake holders. The directors also appreciate the committed services of the employees of the Company.

For and on behalf of the Board of Directors



Chief Executive Officer



Director

Lahore:
28 February 2024



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of First Capital Securities Corporation Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of First Capital Securities Corporation Limited as at December 31, 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-months period 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.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarter ended December 31, 2023 and 2022 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2023.

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 the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 2 in the annexed condensed interim financial statements which indicates that the Company has incurred loss amounting Rs. 156.1 Million after tax during the period and the accumulated losses of the company stand at Rs. 1,381.1 Million as at December 31, 2023 (June 30, 2023: 1,224.9 Million). As at the reporting date current liabilities of the Company exceed its current assets by Rs. 1,902 Million (June 30, 2023: 1,735.1 Million). However, the Company in order to carry on its business and to meet its obligations requires generating sufficient operating profits and cash flows. These conditions along with other matters as set forth in note 11 indicate existence of the material uncertainty that may cast significant doubt about the company's ability to continue as going concern.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Maqsood.

Date: February 29, 2024

Lahore

UDIN: RR202310122t4kmTxc5J

Nasir Javaid Maqsood Imran
Nasir Javaid Maqsood Imran
Chartered Accountants

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FIRST CAPITAL SECURITIES CORPORATION LIMITED

**CONDENSED UN CONSOLIDATED
FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023**

- ✓ *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 SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

	Note	Un-Audited Dec. 31, 2023	Audited June 30, 2023
-----Rupees-----			
NON-CURRENT ASSETS			
Property, plant and equipment	6	140,001,889	141,113,083
Investment properties	7	3,026,342,900	3,026,342,900
Long term investments	8	1,650,648,041	1,638,426,553
Long term deposits		37,500	37,500
		<u>4,817,030,330</u>	<u>4,805,920,036</u>
CURRENT ASSETS			
Loans, advances, prepayments and other receivables	9	53,248,801	48,976,354
Short term investments		33,713,320	24,166,325
Advance tax		14,535,711	7,957,517
Cash and bank balances		37,038,869	204,991
		<u>138,536,701</u>	<u>81,305,187</u>
CURRENT LIABILITIES			
Trade and other payables	10	84,360,443	74,323,674
Current portion of long term loan	11	681,818,182	681,818,182
Current portion of accrued markup	12	1,274,381,310	1,060,226,781
		<u>2,040,559,935</u>	<u>1,816,368,637</u>
NET CURRENT ASSETS		<u>1,902,023,234</u>	<u>1,735,063,450</u>
		2,915,007,096	3,070,856,586
NON-CURRENT LIABILITIES			
Long term loan	11	1,096,241,818	1,096,241,818
Staff retirement benefits payable		2,986,938	2,657,518
Deferred tax liability	13	30,753,840	30,753,840
		<u>1,129,982,596</u>	<u>1,129,653,176</u>
Contingencies and commitments			
NET ASSETS		<u>1,785,024,500</u>	<u>1,941,203,410</u>
REPRESENTED BY			
EQUITY			
SHARE CAPITAL AND RESERVES			
Authorized share capital: 320,000,000 (June 2022: 320,000,000) ordinary shares of Rs. 10 each		3,200,000,000	3,200,000,000
Issued, subscribed and paid-up capital		3,166,101,120	3,166,101,120
Retained earnings		(1,381,076,620)	(1,224,897,711)
		<u>1,785,024,500</u>	<u>1,941,203,410</u>

The annexed notes 1 to 19 form an integral part of these financial statements.

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 Chief Executive Officer


 Chief Financial Officer


 Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2023

	HALF YEAR ENDED		QUARTER ENDED	
	DEC. 31, 2023	DEC. 31, 2022	DEC. 31, 2023	DEC. 31, 2022
-----Rupees-----				
Revenue				
Money market services	-	-	-	-
Dividend Income	43,512,978	-	43,512,978	-
Realized (loss)/gain on disposal of 'investments at fair value through profit or loss'	-	-	-	-
Unrealized gain on re-measurement of 'investments at fair value through profit or loss'	21,768,483	(6,113,428)	34,388,404	(7,048,460)
Loss on disposal of investment properties	-	-	-	-
Change in fair value of investment properties	-	-	-	-
	<u>65,281,461</u>	<u>(6,113,428)</u>	<u>77,901,382</u>	<u>(7,048,460)</u>
Expenses				
Impairment loss	-	-	-	-
Operating and administrative expenses	(6,327,261)	(4,699,084)	(3,064,493)	(2,242,426)
Operating profit	<u>58,954,200</u>	<u>(10,812,512)</u>	<u>74,836,889</u>	<u>(9,290,886)</u>
Other income	5,726,118	6,094,893	2,872,216	2,907,598
Finance cost	(214,281,553)	(143,742,181)	(190,301,123)	(71,871,091)
Loss before taxation	<u>(149,601,235)</u>	<u>(148,459,800)</u>	<u>(112,592,018)</u>	<u>(78,254,379)</u>
Taxation	(6,577,675)	-	(6,577,675)	-
Loss after taxation	<u>(156,178,910)</u>	<u>(148,459,800)</u>	<u>(119,169,693)</u>	<u>(78,254,379)</u>
Loss per share - basic and diluted	<u>(0.49)</u>	<u>(0.47)</u>	<u>(0.38)</u>	<u>(0.25)</u>

The annexed notes 1 to 19 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2023

	HALF YEAR ENDED		QUARTER ENDED	
	DEC. 31, 2023	DEC. 31, 2022	DEC. 31, 2023	DEC. 31, 2022
Rupees.....			
Loss after taxation	(156,178,910)	(148,459,800)	(119,169,693)	(78,254,379)
Other comprehensive (loss)/Income for the period:				
Items that may subsequently reclassified to profit or loss:				
Other comprehensive loss for the period - net of tax				
Total comprehensive loss for the period - net of tax	(156,178,910)	(148,459,800)	(119,169,693)	(78,254,379)

The annexed notes 1 to 19 form an integral part of these financial statements.

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 Chief Executive Officer


 Chief Financial Officer


 Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2023

	Share Capital	Revenue reserve		Total
		Fair value reserve	Retained earnings	
----- Rupees -----				
Balance as at July 01, 2022	3,166,101,120		(1,153,151,394)	2,012,949,726
Loss for the period	-	-	(148,459,800)	(148,459,800)
Other comprehensive loss for the period - net of tax	-	-	-	-
Total comprehensive loss for the period - net of tax	-	-	(148,459,800)	(148,459,800)
Balance at December 31, 2022	3,166,101,120	-	(1,301,611,194)	1,864,489,926
Profit for the period	-	-	75,554,775	75,554,775
Other comprehensive income for the period - net of tax	-	-	1,158,709	1,158,709
Total comprehensive income for the period - net of tax	-	-	76,713,484	75,554,775
Balance at June 30, 2023	3,166,101,120	-	(1,224,897,710)	1,940,044,701
Profit for the period	-	-	(156,178,910)	(156,178,910)
Other comprehensive income for the period - net of tax	-	-	-	-
Total comprehensive loss for the period - net of tax	-	-	(156,178,910)	(156,178,910)
Balance at December 31, 2023	3,166,101,120	-	(1,381,076,620)	1,785,024,500

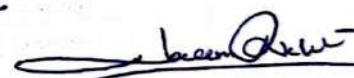
The annexed notes 1 to 19 form an integral part of these financial statements.



Chief Executive Officer



Chief Financial Officer

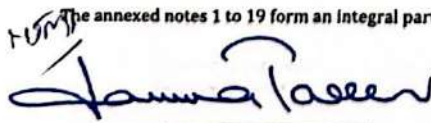


Director


FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2023

	Six months period ended December 31, 2023	Six months period ended December 31, 2022
-----Rupees-----		
Cash flows from operating activities		
Loss before taxation	(149,601,235)	(148,459,800)
Adjustments for:		
Finance cost	214,281,553	143,742,181
Dividend income	(43,512,978)	
Unrealized loss/(gain) on re-measurement of investments at 'fair value through profit or loss'	(21,768,483)	6,113,428
Depreciation	1,111,194	1,198,831
Interest income	-	(394,893)
Other Income		
Provision for staff retirement benefits	329,420	363,452
	150,440,706	151,022,999
Profit before working capital changes	839,471	2,563,199
Effect on cash flow due to working capital changes		
<i>(Increase)/decrease in current assets:</i>		
Trade debts	-	-
Loans, advances, prepayments and other receivables	(4,272,447)	(16,790,463)
<i>(Decrease)/increase in current liabilities:</i>		
Trade and other payables	10,036,769	(10,444)
	5,764,322	(16,800,907)
Cash used in operations	6,603,793	(14,237,708)
<i>Increase in non-current liabilities:</i>		
Finance cost paid	(127,023)	(2,609)
Taxes paid/adjusted-net	(13,155,869)	(59,234)
	(13,282,892)	(61,843)
Net cash outflow from operating activities	(6,679,099)	(14,299,551)
Cash flows from investing activities		
Dividend received	43,512,978	
Interest received	-	394,893
Net cash generated from investing activities	43,512,978	394,893
Cash flows from financing activities		
Loan acquired during the period	-	-
Net cash generated from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	36,833,879	(13,904,658)
Cash and cash equivalents at the beginning of the period	204,991	14,947,715
Cash and cash equivalents at the end of the period	37,038,870	1,043,057

The annexed notes 1 to 19 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2023

1 Legal status and nature of business

- 1.1** First Capital Securities Corporation Limited ("the Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at First Capital House, 96-B/1 Lower Ground Floor, M.M . Alam Road Gulberg-III, Lahore. The Company is involved in making long and short term investments, money market operations and financial consultancy services.
- 1.2** These unconsolidated condensed interim financial statements are the separate condensed interim financial statements of the Company in which investments in subsidiaries and associates have been accounted for at fair value.
- 1.3** There were no change in composition of the group during the half year ended December 31, 20223

2 Going concern assumption

During the period the Company incurred profit amounting Rs. 42.4 Million after tax and the accumulated losses of the company stand at Rs. 1,182.5 Million as at December 31, 2023 (June 30, 2023: Rs. 1,224.8 Million). As at the reporting date current liabilities of the Company exceed its current assets by Rs. 1,703.5 Million (June 30, 2023: Rs. 1735.1 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 sufficient 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. Management is confident that the Company will not face any cash flow deficit.

Based on above mentioned assumption of the management these financial statements have been prepared on the 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.

3 Basis of preparation

- 3.1** These unconsolidated 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;
and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 3.2** These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the unconsolidated annual audited financial statements, and should be read in conjunction with Company's unconsolidated annual audited financial statements for the year ended June 30, 2023.

The figures included in the unconsolidated condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2023 and 2022 and in the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended December 31, 2023 and 2022.

- 3.3 Change in accounting standards, interpretations and amendments to published accounting and reporting standards**

a) Amendments to published accounting and reporting standards which became effective during the period:

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

b) Amendments to published accounting and reporting standards which became effective during the period:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2023. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

4 Significant accounting policies

The accounting policies and methods of computation adopted 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, 2023.

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5 **Significant accounting judgments and estimates**

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

However, the management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in these unconsolidated condensed interim financial statements. Judgements and estimates made by the management in the preparation of these unconsolidated condensed Interim financial statements are the same as those applied in the Company's unconsolidated annual audited financial statements for the year ended June 30, 2022.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's unconsolidated annual audited financial statements for the year ended June 30, 2023.

	Note	Un-Audited Dec. 31, 2023	Audited 30-Jun-23
-----Rupees-----			
6 Property, plant and equipment			
Property, plant and equipment	6.1	7,576,783	8,687,977
Capital work in progress	6.2	132,425,106	132,425,106
		<u>140,001,889</u>	<u>141,113,083</u>
6.1 Opening book value		8,687,977	10,998,232
Net (Disposal)/Additions for the period/year		-	-
		<u>8,687,977</u>	<u>10,998,232</u>
Depreciation expense for the period/year		1,111,194	2,310,255
Closing book value		<u>7,576,783</u>	<u>8,687,977</u>

6.2 This represents advance against purchase of property in Pace Tower Gulberg, Lahore and Pace Circle, Lahore amounting to Rs 107,090,858 (June 30, 2023: Rs 107,090,858) and Rs. 25,334,248 (June 30, 2023: Rs. 25,334,248) respectively. Construction work on these properties is in progress as at December 31, 2023.

	Note	Un-Audited Dec. 31, 2023	Audited 30-Jun-23
-----Rupees-----			
7 Investment properties			
Opening balance		3,026,342,900	2,685,278,881
Addition during the period/year		-	10,973,258
Disposal During the period		-	-
Fair value adjustment		-	330,090,761
		<u>3,026,342,900</u>	<u>3,026,342,900</u>
Closing balance	7.1		

7.1 The carrying amount of Investment property is the fair value of property as determined by approved independent valuer KG Traders Pvt Limited, Fairwater Property Valuer & Survyors Pvt Limited as at June 30, 2023. 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.

7.2 Investment property amounting Rs. 2,400 Million (June 30, 2023: 2,400 Million) is mortgaged with Silk Bank Limited (Eman Islamic Banking) against diminishing musharka agreement. The Company does not hold the title of investment property amounting Rs. 2,685 Million (June 30, 2022: Rs. 2,685 Million), title of property amounting Rs. 2,440 Million, Rs 212.6 Million and Rs. 32.6 Million is held in the name of Pace (Pakistan) Limited, First Capital Equities Limited and Capital Heights (Pvt.) Limited respectively. The transfer of this property is in process as at period end. However, the Company has complete control and possession of said property.

	Note	Un-Audited Dec. 31, 2023	Audited 30-Jun-23
-----Rupees-----			
8 Investments			
Carrying value of Investments at the beginning of the period / year		1,638,426,553	1,713,194,347
Unrealized Gain/(loss) on re-measurement of investments at fair value through profit or loss	8.1	12,221,488	(74,767,794)
Carrying value at the end of the period / year		<u>1,650,648,041</u>	<u>1,638,426,553</u>
Investments classified in current assets			
Closing book value		<u>1,650,648,041</u>	<u>1,638,426,553</u>

N/S/M

8.1 This includes unrealized gain on remeasurement of investment in related parties amounting Rs. Nil (June 2023: Rs.Nil) on investment in subsidiary and Rs. 12.2 Million (June 2023: Rs. (74.8 Million)) on investment in associate.

8.2 Investments in related parties and other

	Un-Audited Dec. 31, 2023	Audited 30-Jun-23
	-----Rupees-----	
Subsidiary companies - Unquoted	532,139,243	532,139,243
Associated companies - Unquoted	840,756,374	840,756,374
Associated company - Quoted	84,645,120	72,423,632
Subsidiary company - Quoted	<u>193,107,304</u>	<u>193,107,304</u>
	<u>1,650,648,041</u>	<u>1,638,426,553</u>

8.3 There is no change in holding in subsidiaries and associated undertakings during the period.

9 Loans, advances, prepayments and other receivables

	Un-Audited Dec. 31, 2023	Audited 30-Jun-23
	-----Rupees-----	
	Note	
Due from related	9.1	
	<u>53,248,801</u>	<u>48,976,354</u>
	<u>53,248,801</u>	<u>48,976,354</u>

9.1 Due from related parties - unsecured, considered good

Media Times Limited	399,100	399,100
Evergreen Water Valley (Private) Limited	<u>52,849,701</u>	<u>48,577,254</u>
	<u>53,248,801</u>	<u>48,976,354</u>

10 Trade and other payables

Creditors		14,043,070	10,967,038
Accrued liabilities		18,253,997	16,259,375
Security deposit from tenants		486,660	486,660
Payable Against Purchase of Investment Property	10.1	6,681,123	6,681,123
Final settlements payable	10.2	22,190,476	22,019,278
Withholding income tax payable		6,235,473	5,207,459
Sales tax payable		244,082	244,082
Provision For Taxation		16,201,698	9,624,023
Other liabilities		23,864	126,135
		<u>84,360,443</u>	<u>71,615,173</u>

10.1 This presents amount payable to Pace (Pakistan) Limited (related party, associated undertaking) against purchase of property.

10.2 This represent amount payable to employees who have left the company on account of final settlement of gratuity.

11 Long term loan

	Un-Audited Dec. 31, 2023	Audited 30-Jun-23
	-----Rupees-----	
	Note	
Payable against diminishing musharka--secured	11.1	1,600,000,000
Payable against long term loan from non-financial institutions--unsecured	11.2	178,060,000
		<u>1,778,060,000</u>
Less Current portion of loan		(681,818,182)
Non current portion of loan		<u>1,096,241,818</u>

11.1 This represents balance payable against two diminishing musharka facilities obtained from Silk Bank Limited (Eman Islamic Banking) Facility 1 and 2 amounting to Rs. 1,100 Million and Rs. 500 Million respectively. Principal amount of Facility 1 and 2 is repayable in 11 equal semi-annual instalments commencing from June 14, 2022 and August 08, 2022 respectively. The Company has not paid instalments due on June 2022 and December 2022 amounting Rs. 200 million for Facility 1 and Installment of 45.4 million on August 2022 for Facility 2. In case of failure to make due payments by the Company, Bank can charge penalty at the rate of 6 month KIBOR (Ask side) plus 5% per annum on overdue amount. Silk Bank Limited has charge by way of hypothecation over following assets:

- Diminishing Mushrka Asset
- Current Assets of the company

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11.2 This represents loan received on interest at the rate of KIBOR Plus 5% obtained from WTL Services (Private) Limited.

12 **Accrued markup**

	Note	Un-Audited Dec. 31, 2023	Audited June 30, 2023
-----Rupees-----			
Rental payable against diminishing musharka	11.1	1,178,272,987	982,277,261
Interest payable against long term loan from non-financial institutions	11.2	96,108,323	77,949,520
		<u>1,274,381,310</u>	<u>1,060,226,781</u>
Less Current portion of accrued markup		(1,274,381,310)	(1,060,226,781)
Non current portion of accrued markup		-	-

13 **Deferred tax liability**

	Note	Un-Audited Dec. 31, 2023	Audited June 30, 2023
-----Rupees-----			
Deferred tax liability	13.1	<u>30,753,840</u>	<u>30,753,840</u>
		<u>30,753,840</u>	<u>30,753,840</u>

13.1 **Deductible temporary differences**

Taxable temporary differences			
Revaluation gain on investment property		<u>(30,753,840)</u>	<u>(30,753,840)</u>
		<u>(30,753,840)</u>	<u>(30,753,840)</u>
Deferred tax asset/(liability)		<u>(30,753,840)</u>	<u>(30,753,840)</u>

14 **Contingencies and commitments**

Note for Accounts 7E of the Income Tax Ordinance 2001

Section 7E was introduced in the Income Tax Ordinance 2001 whereby, for tax year 2022 and onwards, every resident person has been treated to have derived as income, an amount equal to five per cent of the fair market value of the capital asset situated in Pakistan and this amount is subject to a tax rate of 20%, subject to some exclusions provided therein.

However writ petitions have been filed in High Courts all over Pakistan in Lahore High Court, Sindh High Court, Islamabad High Court, Peshawar High Court and Baluchistan High Court challenging that the said tax charged u/s 7E is unconstitutional, inter alia, as the Federal insertion of section 7E through Finance Act, 2022 to the Income Tax Ordinance, 2001 ("Ordinance. The vires of the impugned legislation has been challenged mainly on three grounds; firstly, legislative incompetence of Parliament; secondly, the said levy is discriminatory and thirdly; being confiscatory").

Baluchistan High Court has given the verdict in favour of the tax payer, likewise the Peshawar High Court while given the verdict in favour of the tax payer held as follows:

- i In view of the clear bar as provided under Entry No. 50 of the Fourth Schedule to the Constitution, the Parliament has no jurisdiction to impose income tax on immoveable property;
- ii The Parliament has the jurisdiction to tax Capital Value of Assets in terms of Entry No. 50 of the Fourth Schedule to the Constitution
- iii Capital Value of Assets means an inseparable complete whole of the property (both moveable and immoveable);
- iv The impugned legislation (section 7E introduced through Finance Act, 2022 to the Ordinance), which imposes on immoveable property through a deeming clause does not qualify the test of Capital Value of Assets, therefore, is beyond the legislative competence of the Parliament; hence, the same is hereby struck down.

Lately the DB of Lahore High Court in the ICA of FBR, given the verdict in favour of the FBR.

The matter of charge of Tax under section 7E of the Income Tax Ordinance 2001 is also pending with Honourable Supreme Court of Pakistan also, which is pending for adjudication

As the taxation of 7E of the Income Ordinance is pending for adjudication before superior courts, therefore no tax provision has been provided in these Financials on this account.

15 **Transactions and balances with related parties**

The related parties comprise the subsidiaries and associates of the Company, associated undertakings other related companies, directors and key management personnel of the Company. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties other than those disclosed elsewhere in the condensed interim unconsolidated financial information are as follows:

	Half year ended		Quarter ended	
	Dec. 31, 2023	December 31, 2022	Dec. 31, 2023	December 31, 2022
-----Rupees-----				
Subsidiary companies				
Rental income earned	5,700,000	5,700,000	2,850,000	2,850,000
Associated companies				
Paid on behalf of the Company				
Dividend income	43,512,978	.	43,512,978	.
Key management personnel				
Salaries and other employee benefits	2,132,640	2,132,640	1,066,320	1,066,320

15.1 The amount due to / due from related parties are disclosed in respective notes to unconsolidated condensed interim financial information.

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16 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 long and short term equity investments and investment properties are carried at fair value.

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

17 Authorization of unconsolidated condensed interim financial statements

This unconsolidated condensed interim financial statements were authorized for issue on 28-2-2024 by the Board of Directors.

18 Corresponding figures

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison. However, no significant re-classifications have been made.

19 General

Figures have been rounded off to the nearest rupee.


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Chief Executive Officer



Chief Financial Officer



Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED

***CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023***

STATEMENT OF CONSOLIDATED CONDENSED FINANCIAL POSITION

STATEMENT OF CONSOLIDATED CONDENSED PROFIT OR LOSS

STATEMENT OF CONSOLIDATED CONDENSED COMPREHENSIVE INCOME

STATEMENT OF CONSOLIDATED CONDENSED CASH FLOWS

STATEMENT OF CONSOLIDATED CONDENSED CHANGES IN EQUITY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

		Un-Audited	Audited
		31 December	30 June
		2023	2023
	Note	Rupees	Rupees
Non-current assets			
Property, plant and equipment	5	375,668,340	285,878,615
Intangible assets		2,500,000	2,500,000
Investment properties		4,374,314,700	4,374,314,700
Investments accounted for using the equity method	6	427,976,848	493,674,430
Long term investments		11,176,861	8,267,752
Long term deposits and advances - considered good		17,427,270	14,257,827
		<u>5,209,064,019</u>	<u>5,178,893,324</u>
Current assets			
Stock in trade		290,053,500	290,053,500
Trade debts		344,720,197	612,770,504
Loans, advances and other receivables		306,143,184	337,987,306
Prepayments		3,818,092	1,200,278
Short term investments	6	642,467,632	753,434,240
Cash and bank balances		85,518,107	41,939,201
		<u>1,672,720,712</u>	<u>2,037,385,029</u>
Current liabilities			
Trade and other payables		543,300,821	752,088,622
Short term borrowings		-	5,560,342
Current portion of long term loans		1,784,276,086	1,784,276,086
Current portion of accrued markup		1,521,462,557	1,271,336,370
Provision for taxation		117,393,864	144,344,899
		<u>3,966,433,328</u>	<u>3,957,606,319</u>
Net current assets/(liability)		<u>(2,293,712,616)</u>	<u>(1,920,221,290)</u>
		<u>2,915,351,403</u>	<u>3,258,672,034</u>
Non-current liabilities			
Deferred tax liability		30,562,295	31,117,755
Staff retirement benefits		30,335,947	26,500,552
Long term loans		1,178,060,000	1,178,060,000
		<u>1,238,958,242</u>	<u>1,235,678,307</u>
Contingencies and commitments	7	<u>1,676,393,161</u>	<u>2,022,993,727</u>
Represented by			
Equity			
Share Capital and Reserves			
Authorized share capital:			
320,000,000 (2022: 320,000,000) ordinary shares of Rs 10 each		<u>3,200,000,000</u>	<u>3,200,000,000</u>
Issued, subscribed and paid-up share capital		3,166,101,120	3,166,101,120
Exchange translation reserve		72,482,651	88,371,681
Reserves capitalized		480,054,923	480,054,923
Retained earnings		(2,426,157,065)	(2,138,806,578)
Equity attributable to owners of the Parent Company		<u>1,292,481,629</u>	<u>1,595,721,146</u>
Non-controlling interests (NCI)		<u>383,911,532</u>	<u>427,272,581</u>
		<u>1,676,393,161</u>	<u>2,022,993,727</u>

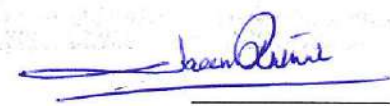
The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

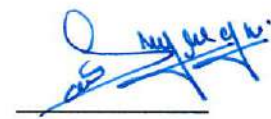
FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONSOLIDATED CONDENSED STATEMENT OF PROFIT OR LOSS - (Un-Audited)
FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2023

Note	Half year ended		Quarter ended	
	31 December		31 December	
	2023	2022	2023	2022
	Rupees		Rupees	
CONTINUED OPERATIONS				
Operating revenue	224,411,963	174,548,902	75,835,251	80,602,706
Direct costs	(85,258,592)	(60,297,302)	(50,875,893)	(39,699,967)
Gross profit	139,153,371	114,251,600	24,959,358	40,902,739
Unrealized gain(loss) on re-measurement of 'investments at fair value through profit or loss'	45,809,065	(12,279,537)	39,417,408	(9,476,473)
Operating and administrative expenses	(156,146,543)	(121,919,137)	(64,864,312)	(69,311,066)
Operating profit	28,815,893	(19,947,074)	(487,546)	(37,884,800)
Other income	46,791,076	64,057,676	18,514,011	41,342,172
Finance costs	(255,499,544)	(171,492,339)	(210,263,697)	(94,164,118)
Share of loss from investments accounted for using the equity method - net of tax	(208,708,468)	(107,434,663)	(192,237,232)	(90,706,746)
	(65,697,582)	(15,588,678)	(58,811,564)	(10,462,696)
(Loss)/profit before taxation	(245,590,157)	(142,970,415)	(251,048,796)	(101,169,442)
Taxation	(27,039,173)	(18,013,622)	(9,381,115)	(6,026,341)
Loss after taxation for the period	(272,629,330)	(160,984,037)	(260,429,911)	(107,195,783)
DISCONTINUED OPERATION				
Loss after taxation from discontinued operation	(1,009,691)	(858,450)	(206,741)	14,110
Loss after taxation for the period	(273,639,021)	(161,842,487)	(260,636,652)	(107,181,673)
	8			
Basic and diluted loss per share-- from continued operation	(0.91)	(0.58)	(0.81)	(0.36)
Basic and diluted loss per share-- from discontinued operation	(0.002)	(0.002)	(0.0005)	0.00003
(Loss)/profit attributable to:				
- Owners of the Parent Company from continuing operation	(287,350,490)	(183,501,804)	(257,749,663)	(113,577,540)
- Non-controlling interests	13,711,469	21,659,317	(2,886,989)	6,395,867
Loss for the period	(273,639,021)	(161,842,487)	(260,636,652)	(107,181,673)

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - (Un-Audited)
FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2023

	Quarter ended		Quarter ended	
	30 September		30 September	
	2023	2022	2023	2022
	Rupees		Rupees	
Loss after taxation	(273,639,021)	(161,842,487)	(260,636,652)	(107,181,673)
Other comprehensive income/(loss) for the period				
<i>Items that will not be reclassified to profit or loss:</i>				
Remeasurement of defined benefit plan - net of tax	-	-	-	-
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Share of other comprehensive income/(loss) of investments accounted for using the equity method - net of tax	-	2,015,965	-	983,301
Exchange differences on translation of foreign operations recognised as:				
- Exchange translation reserve	(15,889,031)	14,243,520	(6,667,335)	(2,761,341)
- Non-controlling interests	(15,265,931)	13,684,950	(6,405,871)	(2,653,054)
Other comprehensive income for the period	(31,154,962)	27,928,470	(13,073,206)	(5,414,395)
Total comprehensive (loss)/profit for the period	(304,793,983)	(131,898,052)	(273,709,858)	(111,612,767)
Total comprehensive (loss)/income attributable to :				
- Owners of the Parent Company	(303,239,521)	(167,242,319)	(264,416,998)	(115,355,580)
- Non-controlling interests	(1,554,462)	35,344,267	(9,292,860)	3,742,813
	(304,793,983)	(131,898,052)	(273,709,858)	(111,612,767)

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

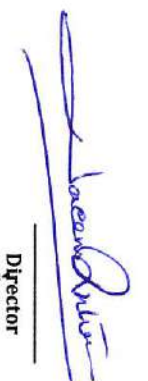
FIRST CAPITAL SECURITIES CORPORATION LIMITED
 CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - (Un-Audited)
 FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Attributable to owners of the Company				Non-controlling interests	Total equity	
	Share capital	Exchange translation reserve	Reserve capitalised	Retained earnings			Total
	Rupees						
Balance at 30 June 2021 - (Audited)	3,166,101,120	(14,086,757)	480,054,923	(2,027,065,797)	1,605,003,489	289,766,218	1,894,770,007
Loss for the period	-	-	-	(183,501,804)	(183,501,804)	21,659,317	(161,842,487)
Other comprehensive income/(loss) for the period	-	14,243,520	-	2,015,965	16,259,485	13,684,950	29,944,435
Total comprehensive income/(loss) for the period	-	14,243,520	-	(181,485,839)	(167,242,319)	35,344,267	(131,893,881)
Balance at 31 December 2022	3,166,101,120	156,763	480,054,923	(2,208,551,636)	1,437,761,170	325,110,485	1,762,879,925
Balance at 30 June 2023 - (Audited)	3,166,101,120	88,371,682	480,054,923	(2,138,806,575)	1,595,721,150	427,272,580	2,022,990,277
Loss for the period	-	-	-	(287,350,490)	(287,350,490)	13,711,469	(273,638,021)
Other comprehensive income	-	(15,889,031)	-	-	(15,889,031)	(15,265,931)	(31,154,962)
Total comprehensive income/(loss) for the period	-	(15,889,031)	-	(287,350,490)	(303,239,521)	(1,554,462)	(304,794,483)
Balance at 31 December 2023	3,166,101,120	72,482,651	480,054,923	(2,426,157,065)	1,292,481,629	383,911,532	1,676,399,170

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial statements.


 Chief Executive Officer


 Chief Financial Officer


 Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOWS - (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Note	Half year ended	
		31 December	
		2023	2022
Rupees			
Cash flows from operating activities			
Cash used in operations	9	65,869,004	(125,563,735)
Long term deposits and advances		(3,169,443)	(1,007,637)
Retirement benefits paid - net		2,220,167	(152,216)
Finance costs paid		(5,373,357)	(1,659,767)
Taxes paid		(54,545,668)	(32,721,826)
Net cash generated from/(used in) operating activities		5,000,703	(161,105,181)
Cash flows from investing activities			
Fixed capital expenditure		(86,178,751)	(1,489,813)
Short term investments - net		156,775,673	(6,462,685)
Proceeds from disposal of investment property		-	73,551,212
Investment available for sale - net		(2,909,109)	2,325,124
Dividend received		-	-
Interest received		43,790,256	44,360,594
Net cash generated from investing activities		111,539,750	112,284,432
Cash flows from financing activities			
Repayment of liabilities against assets subject to finance lease - net		-	(299,917)
Dividend paid to non-controlling interest		(41,806,586)	-
Net cash generated from/(used in) financing activities		(41,806,586)	(299,917)
Net decrease in cash and cash equivalents		74,733,867	(49,120,666)
Cash and cash equivalents at the beginning of the period		41,939,201	66,321,188
Effect of exchange translation reserve		(31,154,961)	27,928,470
Cash and cash equivalents at the end of the period		85,518,107	45,128,992


The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial statements.



Chief Executive Officer



Chief Financial Officer



Director

1. The Group and its operations

- 1.1 First Capital Securities Corporation Limited ("the Holding Company") was incorporated in Pakistan on April 11, 1994 as a public limited company under the repealed Companies Ordinance, 1984 and is listed on the Pakistan Stock Exchange. The Company is involved in making long and short term investments, money market operations and financial consultancy services. Geographical location and location of other offices are as under:

Head Office
 First Capital House Lower
 Ground Floor 96-B/1 Gulberg
 III, Lahore.

- 1.2 The Group consists of First Capital Securities Corporation Limited, (the Holding Company), Ever Green Water Valley (Private) Limited, Falcon Commodities (Private) Limited, First Capital Equities Limited, First Capital Investments Limited, First Construction Limited, Lanka Securities (Private) Limited, Ozer Investments Limited and World Press (Private) Limited (the subsidiary companies) [together referred to as "the Group"] and the Group's interest in equity accounted investee namely; First Capital Mutual Fund, Media Times Limited and Pace Barka Properties Limited.

	Percentage of Holding	
	31 December 2023	30 June 2023
First Capital Investments Limited (FCIL)	78.86	78.86
Lanka Securities (Pvt.) Limited, Sri Lanka (LSL)	51	51
First Capital Equities Limited (FCEL)	73.23	73.23
Ever Green Water Valley (Pvt.) Limited	100	100
Falcon Commodities (Pvt.) Limited (FCL)	100	100
Ozer Investments Limited	100	100
First Construction Limited	100	100

- 1.3 Ever Green Water Valley (Private) Limited (the Subsidiary Company) was incorporated on December 22, 2005 as Private Limited Company under the repealed Companies Ordinance, 1984. The Company is engaged in the business of Installation & manufacturing of Water purification plants, RO systems, water softness systems and Construction of Buildings and other related activities. The registered office of the Company is situated at First Capital House Lower Ground Floor 96-B-1 Gulberg III, Lahore. Ever Green Water Valley (Private) Limited is the wholly owned subsidiary of the Holding Company.
- 1.4 Falcon Commodities (Private) Limited (the Subsidiary Company) was incorporated on December 22, 2005 as Private Limited Company under the repealed Companies Ordinance, 1984. The principal activity of the Company is to carry on the business of commodities brokerage as a corporate member of Pakistan Mercantile Exchange Limited. The registered office of the Company is situated at 4th Floor, Lakson Square Building No,01 Sarwar Shaheed Road Karachi. Falcon Commodities (Private) Limited is the wholly owned subsidiary of the Holding Company.
- 1.5 First Capital Equities Limited (FCEL) (the Subsidiary Company) was incorporated in Pakistan on January 26, 1995 as a private limited company, under the repealed Companies Ordinance, 1984. 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 principal activities of the Company include share brokerage and conducting / publishing business research. The Holding Company has 73.23% ownership in First Capital Equities Limited.

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- 1.6 First Capital Investments Limited (FCIL) (the Subsidiary Company) was incorporated in Pakistan on October 27, 1994 as a private company limited by shares, under the repealed Companies Ordinance, 1984 having registered office at First Capital House Lower Ground Floor 96-B-1 Gulberg III, Lahore. Status of the Company was changed from private limited to public limited on August 06, 2003. The Securities and Exchange Commission of Pakistan (SECP) has issued a license to the Company to undertake Asset Management Services as required under the NBFC (Establishment and Regulation) Rules, 2003. The Company has been assigned Management Quality Rating "AM4++" by The Pakistan Credit Rating Agency Limited "PACRA" Credit Rating Company. The main activity of the company is to provide asset management services to First Capital Mutual Fund Limited (The fund). The Holding Company has 78.86% ownership in First Capital Investments Limited.
- 1.7 First Construction Limited (the Subsidiary Company) was incorporated on August 15, 2014 as Public Limited Company under the repealed Companies Ordinance, 1984. The principal activity of the Company is to undertake construction, development and related activities. The registered office of the Company is situated at First Capital House Lower Ground Floor 96-B-1 Gulberg III, Lahore. First Construction Limited is the wholly owned subsidiary of the Holding Company.
- 1.8 Lanka Securities (Private) Limited (the Subsidiary Company) was incorporated in Sri Lanka in the year of 1989. The principal activity of the Company is equity debt security brokering and undertaking placement of equity debt securities. The registered office of the Company is situated at No. 228/1, Galle Road, Colombo 04, Sri Lanka. The Holding Company has 51% ownership in Lanka Securities (Private) Limited.
- 1.9 Ozer Investments Limited (OIL) (the Subsidiary Company) was incorporated in Sri Lanka in the year of 2010. OIL has not yet started its commercial activity however main objective of the Company is to provide financial advisory, portfolio management, margin provision, unit trust management and stock brokerage services. The registered office of the Company is situated Colombo, Sri Lanka. Ozer Investments Limited is the wholly owned subsidiary of the Holding Company.
- 1.10 There were no change in composition of the group during the three months period ended 31 December, 2023.

2 Basis of preparation

- 2.1 These condensed interim consolidated 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 consolidated financial statements are unaudited and do not include all the information and disclosures required in the audited annual unconsolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Company for the year ended 30 June, 2023.
- 2.3 The comparative condensed interim consolidated financial position is extracted from the audited consolidated financial statements of the Company for the year ended 30 June, 2023, where comparative consolidated condensed interim profit or loss, and other comprehensive income, condensed consolidated interim statement of cash flows and condensed interim consolidated statement of changes in equity are stated from unaudited condensed interim consolidated financial statements for the three months period ended December 31, 2023.
- 2.4 This consolidated condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Group. Figures have been rounded off to the nearest rupee.

3 Significant accounting policies

Accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial report are the same as those applied in the preparation of audited annual consolidated financial statements of the Group for the preceding year ended 30 June 2023.

3.1 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's consolidated financial statements covering annual periods, beginning on or after the following dates:



3.1.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current year

There are certain standards, amendments and interpretations to approved accounting standards that are effective in the current year but are considered not to be relevant or to have any significant effect on the Group operations and are, therefore, not detailed in this condensed interim financial information.

3.1.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments and interpretations to approved accounting standards that are mandatory for the Company's accounting periods beginning on or after 1 July 2023 or later periods, and the Company has not early adopted them therefore, not detailed in this condensed interim financial information.

4 Estimates

The preparation of these consolidated condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The significant judgments made by management is in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements for the year ended 30 June 2023.

	Note	31 December 2023 Rupees	30 June 2023 Rupees
5 Property, plant and equipment			
Property, plant and equipment	5.1	72,898,882	26,832,309
Capital work in progress	5.2	258,730,106	255,230,106
Right of use assets	5.3	44,039,352	3,816,200
		375,668,340	285,878,615
5.1 Opening book value		26,832,309	14,405,377
Additions for the period/year		86,178,750	16,657,819
Effect of movement in exchange rate		11,379,359	18,856,339
Disposal for the period/year net book value		-	-
		101,631,700	49,919,535
Depreciation expense for the period/year		10,353,405	5,360,550
Effect of movement in exchange rate		18,379,413	17,726,676
Closing book value		72,898,882	26,832,309
5.2 Opening balance		255,230,106	255,230,106
Additions for the period/year		3,500,000	-
Disposal for the period/year		-	-
Closing balance	5.4	258,730,106	255,230,106
5.3 Opening balance		3,816,200	5,251,857
Additions for the period/year		41,163,011	-
Exchange gain/(loss)		(1,115,951)	(469,454)
Depreciation expense for the period/year		2,055,810	1,905,111
Closing balance		44,039,352	3,816,200

5.4 This represents advance against purchase of property in Pace Tower Gulberg, Lahore and Pace Circle, Lahore amounting to Rs 107,090,858 (June 2022: Rs 107,090,858) and Rs. 25,334,248 (June 2022: Rs. 25,334,248) respectively. Construction work on these properties is in progress as at March 31, 2023.

	31 December 2023 Rupees	30 June 2023 Rupees
6 Investments		
Carrying value of investments at the beginning of the period / year	1,255,376,422	1,086,878,602
Investments made during the period / year		
- Others	-	242,341,300
Share of loss of equity accounted investees (net of tax)	(65,697,582)	(52,963,629)
Equity accounted investees- share of other comprehensive income	-	3,886,713
Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	45,809,065	(22,206,139)
	(19,888,517)	(71,283,055)
Investments disposed off during the period/year	(153,866,564)	(2,560,425)
Carrying value at the end of the period / year	1,081,621,341	1,255,376,422
Investments classified in current assets	642,467,632	753,434,240
Closing book value	439,153,709	501,942,182

7 Contingencies and commitments

There is no significant change in contingencies and commitments disclosed in the annual audited consolidated financial statements for the year ended June 30, 2023.

8 Earning/(loss) per share - basic and diluted

		Half year ended 31 December		Quarter ended 31 December	
		2023 Rupees	2022 Rupees	2023 Rupees	2022 Rupees
Net profit/(loss) for the year from continued operations	Rupees	(286,611,093)	(182,873,161)	(257,598,267)	(113,587,873)
Net profit/(loss) for the year from discontinued operations	Rupees	(739,397)	(628,643)	(151,396)	10,333
Weighted average number of ordinary shares as at	Numbers	316,610,112	316,610,112	316,610,112	316,610,112
Earning/(loss) per share - basic and diluted-- continued operations	Rupees	(0.91)	(0.58)	(0.81)	(0.36)
Earning/(loss) per share - basic and diluted -- discontinued operations	Rupees	(0.0023)	(0.0020)	(0.0005)	0.00003

9 Cash generated from operations

	Quarter ended	
	31 December	
	2023	2022
	Rupees	Rupees
Loss before taxation	(246,599,848)	(143,828,865)
Adjustments for:		
Depreciation	10,353,405	3,681,219
Finance cost	255,499,544	171,492,339
Loss on re-measurement of short term investments	(45,809,065)	12,279,537
Amortization	-	(687,523)
Gain on disposal of property, plant and equipment	(61,681)	-
Retirement benefits	1,615,228	1,877,623
Share of loss from investments accounted for using equity method	65,697,582	15,588,678
Mark-up income	(43,790,256)	(44,360,594)
	243,504,757	159,871,279
Loss before working capital changes	(3,095,091)	16,042,414
Effect on cash flow due to working capital changes:		
Decrease/(increase) in:		
Trade debts	254,085,930	(182,781,984)
Loans and advances	31,844,122	(186,630,490)
Short term prepayments	(2,617,814)	(652,329)
(Decrease)/increase in:		
Trade and other payables	(208,787,801)	228,458,654
Short term borrowings	(5,560,342)	-
	68,964,095	(141,606,149)
Cash used in operations	65,869,004	(125,563,735)

10 Transactions with related parties

Related parties comprise of entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, subsidiary undertakings, associated companies, directors and key management personnel. The significant transactions with related parties are as follows:

10.1 Transaction during the period

		Quarter ended	
		31 December	
		2023	2022
		Rupees	Rupees
Associated companies	Purchase of goods / services	94,115	25,255,666
	Units redeemed	6,950,000	1,500,000
	Asset management fee	1,265,577	1,145,009
	Construction revenue	68,522,521	28,343,615
Key management personnel	Salaries and other employee benefits	7,411,440	9,038,400

		31 December 2023	30 June 2023
		Rupees	Rupees
10.2	Period / year end balances		
	Associated companies		
	Receivables from related parties	4,921,653	10,721,467
	Payables to related parties	123,417,374	158,345,816
	Retention money	16,432,354	143,214,861

11 Financial risk management

11.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company's annual consolidated financial statements as at 30 June 2023.

There have been no changes in the risk management policies since year end.

11.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

11.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group assets and liabilities that are measured at fair value at December 31, 2023.

	Level 1 Rupees	Level 2	Level 3	Total
Assets				
Investments at fair value				
through profit and loss	642,467,632	-	-	642,467,632
Total assets	642,467,632	-	-	642,467,632
Liabilities	-	-	-	-

There were no reclassifications of financial assets and there were no changes in valuation techniques during the period.

12 Corresponding figures

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison. However, no significant re-classifications have been made.

13 Date of authorization for issue

This un-audited condensed interim consolidated financial information was authorized for issue on February 28, 2024 by the Board of Directors.

14 General

Figures have been rounded off to the nearest rupee.



Chief Executive Officer



Chief Financial Officer



Director