

***FIRST CAPITAL SECURITIES CORPORATION LIMITED***  
***FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020***

*STATEMENT OF FINANCIAL POSITION*

*STATEMENT OF PROFIT OR LOSS*

*STATEMENT OF COMPREHENSIVE INCOME*

*STATEMENT OF CASH FLOWS*

*STATEMENT OF CHANGES IN EQUITY*

*NOTES TO THE FINANCIAL STATEMENTS*

## 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 2020.

### Operational Results

The operating results of the Company are summarized as follows:

<b>Financial Overview</b>	<b>31 December 2020</b>	31 December 2019
	<i>Rupees</i>	<i>Rupees</i>
Revenue	<b>28,352,999</b>	619,251,998
Unrealized Gain/(loss) on short term investments	<b>27,105,357</b>	614,403,147
Operating Expenses	<b>4,972,688</b>	11,128,356
Operating Profit	<b>23,380,311</b>	605,123,642
Finance and other costs	<b>103,224,730</b>	140,378,669
Profit/(Loss) after Taxation	<b>(74,220,302)</b>	452,396,409
Earning/(loss) per Share (basic and diluted)	<b>(0.23)</b>	1.43

The Company has generated gross revenue of Rs. 28.35 during the period under review as compared to Rs. 619.25 in the same period last year. The Company reported after tax loss of Rs. 74 million as compared to after tax profit of Rs. 452 million in the corresponding quarter of last year. Operating expenses were at Rs. 4.97 million in comparison with Rs. 11.13 million in same quarter of last year. On net basis, loss per share of the Company arrived at Rs. (0.23.) in comparison with earning per share of Rs. 1.43 in the same quarter of last year.

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

**First Capital Equities Limited ("FCEL")** has reported a profit of Rs 18.91 million in 1QFY21 as compare to Rs. 82.60 million in 1QFY20. 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. 23.06 million. Operating expenses decreased 24%, while financial expenses registered a decline of 100% during the period under review.

**Lanka Securities (Pvt.) Limited ("LSL")** generated a total revenue LKR. 155.40 million and net profit of LKR. 54.88 million during the quarter which translates into an EPS of LKR. 3.14.

**First Capital Investments Limited ("FCIL")** reported earning after taxation of Rs. 15.64 million (EPS: 0.74) as compared to profit of Rs. 13.39 million (EPS: 0.64) in the corresponding period last year, mainly attributed to unrealized gain on re-measurement of investments in First Capital Mutual Fund ("FCMF") of Rs. 13.29 million during the period under review. Unrealized gain on re-measurement of investments is subjected to appreciation in stock market (KSE-100 index). The KSE -100 Index recorded a return of 27.11% during the first half of FY-2020. Asset Management Fee has increased to Rs. 1.15 million from Rs. 1.05 million in the corresponding period last year.

**Evergreen Water Valley (Pvt.) Limited ("EGWV")** posted a net loss after taxation of Rs. 26,829,109 and loss per share during the period under review is recorded at Rs. 37.50.

## 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, treasury management whilst at the same time rationalizing the cost base.

The Board of Directors also wishes to express its gratefulness to the shareholders for their continued support and to all their employees for their ongoing dedication and commitment to the Company.

## Composition of Board

The following persons, during the financial year, remained Directors of the Company:

<b>Names</b>	<b>Designation</b>
Shehrbano Taseer	Chairman
Aamna Taseer	CEO
Shehryar Ali Taseer	Director
Shahbaz Ali Taseer	Director
Mustafa Mujeeb Chaudhry	Director
Naeem Akhtar	Director
Umair Fakhr Alam	Director

Mrs. Aamna Taseer has been re-appointed as Chief Executive Officer of the Company for a term of next three years with effect from 08 February 2021. She will be entitled for monthly remuneration of Rs. 200,000/- (Rupees Two Hundred Thousand only) along with other employee benefits as per Company's Policy.

Ms. Shehrbano Taseer has been appointed as Chairman of the Company.

## 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 in attaining such commendable performance. 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  
Lahore  
26 February 2021

Director

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2020**

	Note	<b>Un-Audited</b> <b>Dec. 31, 2020</b>	<b>Audited</b> <b>June 30, 2020</b>
-----Rupees-----			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	132,850,349	132,965,208
Investment properties	7	2,152,618,664	2,152,618,664
Long term investments	8	1,522,825,412	1,509,698,628
Long term deposits		37,500	37,500
		<b>3,808,331,925</b>	<b>3,795,320,000</b>
<b>CURRENT ASSETS</b>			
Trade debts - unsecured, considered good		844,819	809,746
Loans, advances, prepayments and other receivables	9	27,480,762	21,713,312
Short term investments	8	38,484,769	24,506,196
Advance tax		7,598,122	7,581,031
Cash and bank balances		576,676	360,596
		<b>74,985,148</b>	<b>54,970,881</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	58,532,858	55,172,655
Current portion of long term loan	11	-	1,600,000,000
Current portion of accrued markup	12	20,125,427	456,497,944
		<b>78,658,285</b>	<b>2,111,670,599</b>
<b>NET CURRENT ASSETS</b>			
		<b>3,804,658,788</b>	<b>1,738,620,282</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term loan	11	1,778,060,000	-
Accrued markup	12	361,779,128	-
Staff retirement benefits payable		6,216,605	5,796,925
Deferred tax liability	13	20,000,275	20,000,275
		<b>2,166,056,008</b>	<b>25,797,200</b>
Contingencies and commitments	14		
		<b>1,638,602,780</b>	<b>1,712,823,082</b>
<b>REPRESENTED BY</b>			
<b>EQUITY</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized share capital: 320,000,000 (June 2020: 320,000,000) ordinary shares of Rs. 10 each		<b>3,200,000,000</b>	3,200,000,000
Issued, subscribed and paid-up capital		<b>3,166,101,120</b>	3,166,101,120
Retained earnings		<b>(1,527,498,340)</b>	(1,453,278,038)
		<b>1,638,602,780</b>	<b>1,712,823,082</b>

The annexed notes 1 to 20 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 PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	Note	HALF YEAR ENDED		QUARTER ENDED	
		DEC. 31, 2020	DEC. 31, 2019	DEC. 31, 2020	DEC. 31, 2019
-----Rupees-----					
<b>Revenue</b>					
Money market services	15	1,086,461	1,848,851	841,077	802,457
Dividend Income		161,181	-	-	-
Unrealized (loss)/gain on re-measurement of 'investments at fair value through profit or loss'	8	27,105,357	614,403,147	15,903,323	13,865,655
		<b>28,352,999</b>	616,251,998	<b>16,744,400</b>	14,668,112
<b>Expenses</b>					
Impairment loss		-	-	-	-
Operating and administrative expenses		(4,972,688)	(11,128,356)	(2,712,784)	(3,652,901)
<b>Operating profit</b>		<b>23,380,311</b>	605,123,642	<b>14,031,616</b>	11,015,211
Other income		5,778,669	5,801,715	2,875,185	2,900,371
Finance cost		(103,224,730)	(140,378,669)	(60,614,232)	(80,586,587)
<b>Profit/(Loss) before taxation</b>		<b>(74,065,750)</b>	470,546,688	<b>(43,707,431)</b>	(66,671,005)
Taxation		(154,552)	(18,150,279)	(100,929)	(18,022,297)
<b>Profit/(Loss) after taxation</b>		<b>(74,220,302)</b>	452,396,409	<b>(43,808,360)</b>	(84,693,302)
<b>Earnings / (loss) per share</b>					
- basic and diluted		<b>(0.23)</b>	1.43	<b>(0.14)</b>	(0.27)

The annexed notes 1 to 20 form an integral part of these financial statements.

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**Chief Executive Officer**

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**Chief Financial Officer**

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**Director**

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME(UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	<b>HALF YEAR ENDED</b>		<b>QUARTER ENDED</b>	
	<b>DEC. 31, 2020</b>	DEC. 31, 2019	DEC. 31, 2020	DEC. 31, 2019
	-----Rupees-----			
Profit/(Loss) after taxation	<b>(74,220,302)</b>	452,396,409	<b>(43,808,360)</b>	(84,693,302)
<b>Other comprehensive (loss)/income for the period:</b>				
<i>Items that may subsequently reclassified to profit or loss:</i>				
Change in fair value of available-for-sale financial assets	-	-	-	-
Change in fair value of available-for-sale financial assets	-	-	-	-
Impairment loss recognized on available for sale investments	-	-	-	-
<b>Other comprehensive loss for the period - net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive profit/(loss) for the period - net of tax</b>	<b>(74,220,302)</b>	452,396,409	<b>(43,808,360)</b>	(84,693,302)

The annexed notes 1 to 20 form an integral part of these financial statements.

\_\_\_\_\_  
**Chief Executive Officer**

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**Chief Financial Officer**

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**Director**

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	Share Capital	Revenue reserve		Total
		Fair value reserve	Retained earnings	
----- Rupees -----				
<b>Balance as at July 01, 2019</b>	3,166,101,120	-	(1,028,386,588)	2,137,714,532
Profit for the period	-	-	452,396,409	452,396,409
Other comprehensive loss for the period - net of tax	-	-	-	-
Total comprehensive loss for the period - net of tax	-	-	452,396,409	452,396,409
<b>Balance at December 31, 2019</b>	<b>3,166,101,120</b>	<b>-</b>	<b>(575,990,179)</b>	<b>2,590,110,941</b>
Profit for the period	-	-	(878,918,095)	(878,918,095)
Other comprehensive income/(loss) for the period - net of tax	-	-	1,630,236	(878,918,095)
Total comprehensive loss for the period - net of tax	-	-	(877,287,859)	(1,757,836,190)
<b>Balance at June 30, 2020</b>	<b>3,166,101,120</b>	<b>-</b>	<b>(1,453,278,038)</b>	<b>832,274,751</b>
Loss for the period	-	-	(74,220,302)	(74,220,302)
Other comprehensive income/(loss) for the period - net of tax	-	-	-	-
Total comprehensive loss for the period - net of tax	-	-	(74,220,302)	(74,220,302)
<b>Balance at December 31, 2020</b>	<b>3,166,101,120</b>	<b>-</b>	<b>(1,527,498,340)</b>	<b>758,054,449</b>

The annexed notes 1 to 20 form an integral part of these financial statements.

\_\_\_\_\_  
**Chief Executive Officer**

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**Chief Financial Officer**

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**Director**

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	<b>Six months period ended December 31, 2020</b>	<b>Six months period ended December 31, 2019</b>
	-----Rupees-----	
<b>Cash flows from operating activities</b>		
<b>Profit/(Loss) before taxation</b>	<b>(74,065,750)</b>	<b>470,546,688</b>
<i>Adjustments for:</i>		
Finance cost	<b>103,224,730</b>	<b>140,378,669</b>
Dividend income	<b>(161,181)</b>	<b>-</b>
Unrealized loss/(gain) on re-measurement of investments at 'fair value through profit or loss'	<b>(27,105,357)</b>	<b>(614,403,147)</b>
Depreciation	<b>114,859</b>	<b>116,424</b>
Interest income	<b>(45,056)</b>	<b>(6,751)</b>
Provision for staff retirement benefits	<b>419,680</b>	<b>997,826</b>
	<b>76,447,675</b>	<b>(472,916,979)</b>
<b>Loss before working capital changes</b>	<b>2,381,925</b>	<b>(2,370,291)</b>
<b>Effect on cash flow due to working capital changes</b>		
<i>(Increase)/decrease in current assets:</i>		
Trade debts	<b>(35,073)</b>	<b>490,126</b>
Loans, advances, prepayments and other receivables	<b>(5,606,269)</b>	<b>(4,891,110)</b>
<i>(Decrease)/increase in current liabilities:</i>		
Trade and other payables	<b>(174,447,166)</b>	<b>6,926,123</b>
	<b>(180,088,508)</b>	<b>2,525,139</b>
<b>Cash generated from/(used in) operations</b>	<b>(177,706,583)</b>	<b>154,848</b>
<i>Increase in non-current liabilities:</i>		
Finance cost paid	<b>(10,750)</b>	<b>(730)</b>
Taxes paid/adjusted-net	<b>(171,643)</b>	<b>(317,717)</b>
	<b>(182,393)</b>	<b>(318,447)</b>
<b>Net cash outflow from operating activities</b>	<b>(177,888,976)</b>	<b>(163,599)</b>
<b>Cash flows from investing activities</b>		
Interest received	<b>45,056</b>	<b>6,751</b>
<b>Net cash used in investing activities</b>	<b>45,056</b>	<b>6,751</b>
<b>Cash flows from financing activities</b>		
Loan acquired during the period	<b>178,060,000</b>	<b>-</b>
<b>Net cash generated from financing activities</b>	<b>178,060,000</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>216,080</b>	<b>(156,848)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>360,596</b>	<b>356,006</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>576,676</b>	<b>199,158</b>

The annexed notes 1 to 20 form an integral part of these financial statements.

\_\_\_\_\_  
**Chief Executive Officer**

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**Chief Financial Officer**

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**Director**



**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

**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 2nd floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt, Lahore. The company also has corporate office located in Karachi. 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, 2020.

**2 Going concern assumption**

During the period the Company incurred loss amounting Rs. 74.2 Million after tax and the accumulated losses of the company stand at Rs. 1,527.4 Million as at December 31, 2020 (June 30, 2020: 1,453.27 Million). As at the reporting date current liabilities of the Company exceed its current assets by Rs. 3.6 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, 2020.

The figures included in the unconsolidated condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2020 and 2019 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, 2020 and 2019.

**4 Significant accounting policies**

- 4.1** The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the unconsolidated annual audited financial statements for the year ended June 30, 2020.

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

There are certain amendments to approved accounting standards which are mandatory for accounting periods beginning on or after July 1, 2020 but are considered not to be relevant or have any significant effect on the Company's financial reporting.

**4.3 New standards, interpretations and amendments to accounting and reporting standards that are not yet effective:**

There is a new standard and certain amendments to approved accounting standards that will be mandatory for accounting periods beginning on or after July 1, 2021 but are considered not to be relevant or expected to have any significant effect on the Company's financial reporting.

## 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, 2020.

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, 2020.

	Note	Un-Audited Dec. 31, 2020	Audited June 30, 2020
-----Rupees-----			
<b>6</b>	<b>Property, plant and equipment</b>		
	Property, plant and equipment	425,243	540,102
	Capital work in progress	132,425,106	132,425,106
		<b>132,850,349</b>	<b>132,965,208</b>
<b>6.1</b>	Opening book value	540,102	772,950
	Net (Disposal)/Additions for the period/year	-	-
		<b>540,102</b>	<b>772,950</b>
	Depreciation expense for the period/year	114,859	232,848
	Closing book value	<b>425,243</b>	<b>540,102</b>

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, 2020: Rs 107,090,858) and Rs. 25,334,248 (June 30, 2020: Rs. 25,334,248) respectively. Construction work on these properties is in progress as at December 31, 2020.

	Note	Un-Audited Dec. 31, 2020	Audited June 30, 2020
-----Rupees-----			
<b>7</b>	<b>Investment properties</b>		
	Opening balance	2,152,618,664	2,052,619,045
	Fair value adjustment	-	99,999,619
		-	99,999,619
	Closing balance	<b>2,152,618,664</b>	<b>2,152,618,664</b>

7.1 The carrying amount of investment property is the fair value of property as determined by approved independent valuer M/s Negotiators. 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. 1,900 Million (June 30, 2020: 1,900 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. 2,152.6 Million (June 30, 2020: Rs. 2,152.6 Million), title of property amounting Rs. 1,940 Million, Rs 7.5 Million and Rs. 205 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 year end. However, the Company has complete control and possession of said property.

	Note	Un-Audited Dec. 31, 2020	Audited June 30, 2020
-----Rupees-----			
<b>8</b>	<b>Investments</b>		
	Carrying value of investments at the beginning of the period / year	1,534,204,824	1,786,125,520
	Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	27,105,357	(251,920,696)
	Carrying value at the end of the period / year	<b>1,561,310,181</b>	<b>1,534,204,824</b>
	Investments classified in current assets	38,484,769	24,506,196
	Closing book value	<b>1,522,825,412</b>	<b>1,509,698,628</b>

8.1 This includes unrealized gain/(loss) on remeasurement of investment in related parties amounting Rs. 25.60 Million (June 2020: (Rs. 233.8 Million) on investment in subsidiary and Rs. 1.49 Million (June 2020: (Rs. 28.8 Million) on investment in associate.

**8.2 Investments in related parties and other**

	<b>Un-Audited</b> <b>Dec. 31, 2020</b>	Audited June 30, 2020
	-----Rupees-----	
Investment in subsidiaries	514,223,002	514,223,002
Investment in associates	1,041,871,085	1,016,262,925
Other investments	5,216,094	3,718,897
	<b>1,561,310,181</b>	<b>1,534,204,824</b>

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

**9 Loans, advances, prepayments and other receivables**

	<b>Un-Audited</b> <b>Dec. 31, 2020</b>	Audited June 30, 2020
	-----Rupees-----	
	Note	
Advances to staff - secured, considered good	171,450	104,000
Due from related parties - unsecured, considered good	27,309,312	21,609,312
	<b>27,480,762</b>	<b>21,713,312</b>

**10 Trade and other payables**

Creditors	10.1	9,824,845	8,545,497
Accrued liabilities	10.2	24,875,985	23,467,871
Security deposit from tenants		486,660	486,660
Final settlements payable		18,043,865	18,043,865
Withholding income tax payable		4,383,508	4,103,031
Sales tax payable		244,081	102,842
Other liabilities		673,914	422,889
		<b>58,532,858</b>	<b>55,172,655</b>

**10.1** This includes Rs. 1,001,442 (June 30,2020: Rs. 1,001,442) payable to World Press Private Limited (related party, subsidiary company) respectively.

**10.2** This includes payable to Chief Executive Officer of the Company against salary amounting Rs. 8,740,471 (June 2020: 7,540,471). This also includes Rs. 6.6 Million (June 2020: Rs. 6.6 Million) payable to Pace (Pakistan) Limited (related party, associated undertaking) against purchase of property.

**11 Long term loan**

	<b>Un-Audited</b> <b>Dec. 31, 2020</b>	Audited June 30, 2020	
	-----Rupees-----		
	Note		
<b>Payable against diminishing musharka--secured</b>	11.1	1,600,000,000	1,600,000,000
<b>Payable against long term loan from non-financial institutions--unsecured</b>	11.2	178,060,000	-
		<b>1,778,060,000</b>	<b>1,600,000,000</b>
<b>Less Current portion of loan</b>		-	(1,600,000,000)
<b>Non current portion of loan</b>		<b>1,778,060,000</b>	<b>-</b>

**11.1** This represents balance payable against diminishing musharka agreement with Silk Bank Limited (Eman Islamic Banking). The actual rental payable against the facility was at the rate of 3 month KIBOR plus 2% spread per annum. During the year on the request of the Company, Bank agreed to defer the repayment of principal and profit for two years and as a result interest is being charged at the rate of 2 year KIBOR plus 2% spread per annum during the deferment period. This payable is charged by the way of hypothecation over following assets:

- Diminishing Musharka Asset
- Current Assets of the company

**11.2** This represents loan obtained from WTL Services (Private) Limited. Interest at the rate of 24% per annum is payable on the loan obtained on monthly basis after lapse of 12 months grace period. Principal amount is repayable on January 31, 2024.

12	Accrued markup	Note	Un-Audited	Audited
			Dec. 31, 2020	June 30, 2020
-----Rupees-----				
	Rental payable against diminishing musharka	11.1	361,779,128	456,497,944
	Interest payable against long term loan from non-financial institutions	11.2	20,125,427	-
			<u>381,904,555</u>	<u>456,497,944</u>
	<b>Less Current portion of accrued markup</b>		<b>(20,125,427)</b>	<b>(456,497,944)</b>
	<b>Non current portion of accrued markup</b>		<b><u>361,779,128</u></b>	<b><u>-</u></b>
13	<b>Deferred tax liability</b>			
	Deferred tax liability	13.1	<u>20,000,275</u>	<u>20,000,275</u>
13.1	<b>Deductible temporary differences</b>		-	-
	<b>Taxable temporary differences</b>			
	Revaluation gain on investment property		<u>(20,000,275)</u>	<u>(20,000,275)</u>
			<u>(20,000,275)</u>	<u>(20,000,275)</u>
	Deferred tax asset/(liability)		<u>(20,000,275)</u>	<u>(20,000,275)</u>

#### 14 Contingencies and commitments

There are no significant changes in the status of contingencies and commitments as reported in note 19 to the unconsolidated annual audited financial statements for the year ended June 30, 2020.

#### 15 Revenue from money market services

	Half year ended		Quarter ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
-----Rupees-----				
Gross revenue	1,227,701	2,089,202	950,417	906,776
Less Sales tax	(141,240)	(240,351)	(109,340)	(104,319)
Net revenue	<u>1,086,461</u>	<u>1,848,851</u>	<u>841,077</u>	<u>802,457</u>

#### 16 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 un-consolidated financial information are as follows:

	Half year ended		Quarter ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
-----Rupees-----				
<b>Subsidiary companies</b>				
Rental income earned	5,700,000	5,700,000	2,850,000	2,850,000
<b>Associated companies</b>				
Paid on behalf of the Company	-	-	-	-
Dividend income	161,181	-	161,181	-
<b>Key management personnel</b>				
Salaries and other employee benefits	1,800,000	2,079,625	900,000	1,052,640

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

**17 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.

**18 Authorization of unconsolidated condensed interim financial statements**

This unconsolidated condensed interim financial statements were authorized for issue on February 26, 2020 by the Board of Directors.

**19 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.

**20 General**

Figures have been rounded off to the nearest rupee.

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**Chief Executive Officer**

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**Chief Financial Officer**

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**Director**

***FIRST CAPITAL SECURITIES CORPORATION LIMITED***

***CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS AS AT 31 DECEMBER 2020***

*STATEMENT OF CONSOLIDATED FINANCIAL POSITION*

*STATEMENT OF CONSOLIDATED PROFIT OR LOSS*

*STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME*

*STATEMENT OF CONSOLIDATED CASH FLOWS*

*STATEMENT OF CONSOLIDATED CHANGES IN EQUITY*

*NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS*

**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2020**

		<b>Un-Audited</b>	<b>Audited</b>
		<b>31 December</b>	<b>30 June</b>
		<b>2020</b>	<b>2020</b>
	<b>Note</b>	<b>Rupees</b>	<b>Rupees</b>
<b>Non-current assets</b>			
Property, plant and equipment	5	278,261,865	276,584,196
Intangible assets		2,937,515	3,062,519
Investment properties		3,267,338,763	3,267,338,763
Investments accounted for using the equity method	6	456,176,127	476,694,768
Long term investments		16,027,133	10,706,385
Long term deposits and advances - considered good		18,852,666	13,166,098
		<u>4,039,594,069</u>	<u>4,047,552,729</u>
<b>Current assets</b>			
Stock in trade		968,643	968,643
Trade debts		924,390,174	562,330,611
Loans, advances and other receivables		707,581,036	731,574,307
Prepayments		-	947,110
Short term investments	6	295,009,054	254,949,888
Cash and bank balances		52,385,011	47,971,595
		<u>2,159,131,177</u>	<u>1,598,742,154</u>
<b>Current liabilities</b>			
Trade and other payables		1,229,976,097	840,349,739
Current portion of long term loans - secured		1,150,374,570	3,077,036,279
Current portion of lease liability		220,309	6,572,471
Provision for taxation		22,256,922	8,515,914
		<u>2,402,827,898</u>	<u>3,932,474,403</u>
<b>Net current assets</b>		<u>(243,696,721)</u>	<u>(2,333,732,249)</u>
		<u>3,795,897,348</u>	<u>1,713,820,480</u>
<b>Non-current liabilities</b>			
Deferred tax liability		21,466,201	21,025,380
Deferred liabilities		29,926,687	26,057,985
Long term loans - secured		2,385,293,673	245,454,545
Lease liability		6,031,482	7,175,728
		<u>2,442,718,043</u>	<u>299,713,638</u>
Contingencies and commitments	7	<u>1,353,179,305</u>	<u>1,414,106,842</u>
<b>Represented by</b>			
<b>Equity</b>			
<b>Share Capital and Reserves</b>			
Authorized share capital: 320,000,000 (2017: 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		42,054,543	48,668,733
Reserves capitalised		480,054,923	480,054,923
Retained earnings		(2,615,473,407)	(2,536,904,220)
<b>Equity attributable to owners of the Parent Company</b>		<u>1,072,737,179</u>	<u>1,157,920,556</u>
<b>Non-controlling interests (NCI)</b>		<u>280,442,126</u>	<u>256,186,286</u>
		<u>1,353,179,305</u>	<u>1,414,106,842</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 2020**

	<b>Half year ended</b>		<b>Quarter ended</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>Rupees</b>		<b>Rupees</b>	
<b><u>CONTINUED OPERATIONS</u></b>				
Operating revenue	<b>166,010,419</b>	108,648,107	<b>95,842,789</b>	33,209,232
Direct costs	<b>(22,986,339)</b>	(64,218,524)	<b>(11,664,143)</b>	(15,172,931)
<b>Gross profit</b>	<b>143,024,080</b>	44,429,583	<b>84,178,646</b>	18,036,301
Unrealized gain(loss) on re-measurement of 'investments at fair value through profit or loss'	<b>46,173,814</b>	28,028,303	<b>9,356,851</b>	33,191,607
Operating and administrative expenses	<b>(97,728,489)</b>	(74,137,269)	<b>(54,102,942)</b>	(38,636,106)
<b>Operating (loss)/profit</b>	<b>91,469,405</b>	(1,679,383)	<b>39,432,555</b>	12,591,802
Other income	<b>17,363,955</b>	110,971,067	<b>7,787,375</b>	103,009,352
Finance costs	<b>(138,369,093)</b>	(169,962,955)	<b>(92,832,889)</b>	(106,567,121)
	<b>(29,535,733)</b>	(60,671,271)	<b>(85,045,514)</b>	(3,557,769)
Share of profit/(loss) from investments accounted for using the equity method - net of tax	<b>(6,541,830)</b>	8,308,794	<b>(997,592)</b>	6,327,839
<b>(Loss)/profit before taxation</b>	<b>(36,077,563)</b>	(52,362,477)	<b>(46,610,551)</b>	2,770,070
Taxation	<b>(12,163,619)</b>	(15,868,423)	<b>(9,077,964)</b>	(15,833,356)
<b>(Loss)/profit after taxation for the period</b>	<b>(48,241,182)</b>	(68,230,900)	<b>(55,688,515)</b>	(13,063,286)
<b><u>DISCONTINUED OPERATION</u></b>				
<b>(Loss)/profit after taxation from discontinued operation</b>	<b>(171,848)</b>	(316,821)	<b>1,071,767</b>	302,252
<b>(Loss)/profit after taxation for the period</b>	<b>(48,413,030)</b>	(68,547,721)	<b>(54,616,748)</b>	(12,761,034)
	<i>8</i>			
<b>Basic and diluted loss per share-- from continued operation</b>	<b>(0.25)</b>	(0.28)	<b>(0.21)</b>	(0.08)
	<i>8</i>			
<b>Basic and diluted loss per share-- from discontinued operation</b>	<b>(0.0004)</b>	(0.001)	<b>0.002</b>	0.001
(Loss)/profit attributable to:				
- Owners of the Parent Company from continuing operation	<b>(79,023,681)</b>	(89,405,505)	<b>(64,707,423)</b>	(38,273,906)
- Non-controlling interests	<b>30,610,651</b>	20,857,784	<b>10,090,675</b>	25,512,872
<b>(Loss)/Profit for the period</b>	<b>(48,413,030)</b>	(68,547,721)	<b>(54,616,748)</b>	(12,761,034)

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

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Chief Executive Officer

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Chief Financial Officer

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Director



**FIRST CAPITAL SECURITIES CORPORATION LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - (Un-Audited)**  
**FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2020**

	Half year ended		Quarter ended	
	31 December		31 December	
	2020	2019	2020	2019
	Rupees		Rupees	
Loss after taxation	(48,413,030)	(68,547,721)	(54,616,748)	(169,232)
<b>Other comprehensive income/(loss) for the period</b>				
<b><i>Items that may be subsequently reclassified to profit or loss:</i></b>				
Share of other comprehensive income/(loss) of investments accounted for using the equity method - net of tax	-	547,475	-	821,281
Exchange differences on translation of foreign operations recognised as:				
- Exchange translation reserve	(6,614,190)	(10,230,672)	(558,134)	(787,271)
- Non-controlling interests	(6,354,811)	(9,829,470)	(536,246)	(756,397)
Other comprehensive income for the period	(12,969,001)	(20,060,142)	(1,094,380)	(1,543,668)
<b>Total comprehensive loss for the period</b>	<b>(61,382,031)</b>	<b>(88,060,388)</b>	<b>(55,711,128)</b>	<b>(891,619)</b>
<b>Total comprehensive loss attributable to :</b>				
- Owners of the Parent Company	(85,637,871)	(99,088,702)	(65,265,557)	(25,648,094)
- Non-controlling interests	24,255,840	11,028,314	9,554,429	24,756,475
	<b>(61,382,031)</b>	<b>(88,060,388)</b>	<b>(55,711,128)</b>	<b>(891,619)</b>

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

\_\_\_\_\_  
**Chief Executive Officer**

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**Chief Financial Officer**

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**Director**

FIRST CAPITAL SECURITIES CORPORATION LIMITED  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - (Un-Audited)  
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	Attributable to owners of the Company				Total	Non-controlling interests	Total equity
	Share capital	Exchange translation reserve	Reserve capitalised	Retained earnings			
	----- Rupees -----						
<b>Balance at 30 June 2019 - (Audited)</b>	3,166,101,120	53,446,569	480,054,923	(2,253,540,695)	1,446,061,917	271,807,569	1,717,869,486
Loss for the period	-	-	-	(89,405,505)	(89,405,505)	20,857,784	(68,547,721)
Other comprehensive loss for the period	-	(10,230,672)	-	547,475	(9,683,197)	(9,829,470)	(19,512,667)
<b>Total comprehensive loss for the period</b>	-	(10,230,672)	-	(88,858,030)	(99,088,702)	11,028,314	(88,060,388)
<b>Balance at 30 December 2019</b>	<b>3,166,101,120</b>	<b>43,215,897</b>	<b>480,054,923</b>	<b>(2,342,398,725)</b>	<b>1,346,973,215</b>	<b>282,835,883</b>	<b>1,629,809,098</b>
<b>Balance at 30 June 2020 - (Audited)</b>	<b>3,166,101,120</b>	<b>48,668,733</b>	<b>480,054,923</b>	<b>(2,536,904,220)</b>	<b>1,157,920,556</b>	<b>256,186,286</b>	<b>1,414,106,842</b>
Loss for the period	-	-	-	(79,023,681)	(79,023,681)	30,610,651	(48,413,030)
Other comprehensive loss for the period	-	(6,614,190)	-	454,494	(6,159,696)	(6,354,811)	(12,514,507)
<b>Total comprehensive loss for the period</b>	-	(6,614,190)	-	(78,569,187)	(85,183,377)	24,255,840	(60,927,537)
<b>Balance at 30 December 2020</b>	<b>3,166,101,120</b>	<b>42,054,543</b>	<b>480,054,923</b>	<b>(2,615,473,407)</b>	<b>1,072,737,179</b>	<b>280,442,126</b>	<b>1,353,179,305</b>

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 2020**

	Note	Half year ended	
		3 December	
		2020	2019
Rupees			
<b>Cash flows from operating activities</b>			
Cash used in operations	9	(75,400,382)	168,803,854
Long term deposits and advances		(5,686,568)	(150,455)
Retirement benefits paid - net		(251,628)	(58,104)
Finance costs paid		(138,369,093)	201,687,845
Taxes paid		1,812,154	(958,699)
<b>Net cash generated from/(used in) operating activities</b>		<b>(217,895,517)</b>	<b>369,324,441</b>
<b>Cash flows from investing activities</b>			
Fixed capital expenditure		(3,078,117)	64,022
Short term investments - net		6,114,648	71,732,063
Investment available for sale - net		9,820,808	562,354
Interest received		16,739,584	13,760,691
<b>Net cash generated from investing activities</b>		<b>29,596,923</b>	<b>86,119,130</b>
<b>Cash flows from financing activities</b>			
Repayment of liabilities against assets subject to finance lease - net		(7,496,408)	-
Receipt/(payment) of loan		213,177,419	(454,166,461)
<b>Net cash generated from/(used in) financing activities</b>		<b>205,681,011</b>	<b>(454,166,461)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>17,382,417</b>	<b>1,277,110</b>
Cash and cash equivalents at the beginning of the period		47,971,595	61,391,700
Effect of exchange translation reserve		(12,969,001)	(20,060,142)
<b>Cash and cash equivalents at the end of the period</b>		<b>52,385,011</b>	<b>42,608,668</b>

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 Group**  
**Notes to the Condensed Interim Consolidated Financial Information - (Un-Audited)**  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2020

**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:

<b>Head Office</b>	<b>Corporate Office</b>
2nd Floor Pace Shopping Mall, Fortress Stadium Lahore Cantt, Lahore.	4th Floor, Block B,C,D Lakson Square Building No,01 Sarwar Shaheed Road Karachi

- 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.

	<b>Percentage of Holding</b>	
	<b>31 December 2020</b>	<b>30 June 2020</b>
First Capital Investments Limited (FCIL)	<b>78.86</b>	78.86
Lanka Securities (Pvt.) Limited, Sri Lanka (LSL)	<b>51</b>	51
World Press (Pvt.) Limited (WPL)	<b>65</b>	65
First Capital Equities Limited (FCEL)	<b>73.23</b>	73.23
Ever Green Water Valley (Pvt.) Limited	<b>100</b>	100
Falcon Commodities (Pvt.) Limited (FCL)	<b>100</b>	100
Ozer Investments Limited	<b>100</b>	100
First Construction Limited	<b>100</b>	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 2nd floor Pace Shopping mall, Fortress Stadium 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.
- 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 2nd Floor, Pace Mall, Fortress Stadium, Lahore Cantt, 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 2nd Floor, Pace Mall, Fortress Stadium, Lahore Cantt, 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 World Press (Private) Limited (WPPL) was incorporated in Pakistan on September 11, 2003 as a private limited company under the repealed Companies Ordinance, 1984. The registered office of the Company is situated at 2nd floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt, Lahore and its principal place of business is at 113/13 Quaid-e- Azam Industrial estate Kot Lakhpat Lahore. The principal activity of the company is to carry on the business of printers, publishers, packaging, advertisement and specialized directory business, stationers and dealers in all allied products and paper, board and packing materials for industrial and commercial packing. The Holding Company has 65% ownership in World Press (Private) Limited.
- 1.11 There were no change in composition of the group during the quarter ended 31 December, 2021.

## 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 red in conjunction with the audited consolidated financial statements of the Company for the year ended 30 June, 2020.
- 2.3 The comparative condensed interim consolidated financial position is extracted form the audited consolidated financial statements of the Company for the year ended 30 June, 2020, 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 inequity are stated from unaudited condensed interim consolidated financial statements for the half years ended December 31 2020.
- 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 2020.

### 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 2021 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 2020.

	Note	31 December 2020 Rupees	30 June 2020 Rupees
<b>5 Property, plant and equipment</b>			
Property, plant and equipment	5.1	7,427,374	3,915,773
Capital work in progress	5.2	255,230,106	255,230,106
Right of use assets	5.3	15,604,385	17,438,317
		<u>278,261,865</u>	<u>276,584,196</u>
5.1 Opening book value		3,915,773	10,518,179
Additions for the period/year		4,304,656	86,590
Effect of movement in exchange rate		(2,698,135)	(1,702,936)
Disposal for the period/year net book value		-	(4,639,742)
		<u>5,522,294</u>	<u>4,262,091</u>
Depreciation expense for the period/year		1,227,118	1,963,554
Effect of movement in exchange rate		(3,132,198)	(1,617,236)
Closing book value		<u>7,427,374</u>	<u>3,915,773</u>
	Note	31 December 2020 Rupees	30 June 2020 Rupees
5.2 Opening balance		255,230,106	255,230,106
Additions for the period/year		-	-
Disposal for the period/year		-	-
Closing balance	5.4	<u>255,230,106</u>	<u>255,230,106</u>
5.3 Opening balance		17,438,317	4,526,600
Additions for the period/year		-	20,391,767
Depreciation expense for the period/year		(1,833,932)	(7,480,050)
Closing balance		<u>15,604,385</u>	<u>17,438,317</u>
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 2020: Rs 107,090,858) and Rs. 25,334,248 (June 2020: Rs. 25,334,248) respectively. Construction work on these properties is in progress as at December 31, 2020.			

	31 December 2020 Rupees	30 June 2020 Rupees
<b>6 Investments</b>		
Carrying value of investments at the beginning of the period / year	742,351,041	829,555,960
Share of loss of equity accounted investees (net of tax)	(6,541,830)	(26,243,626)
Equity accounted investees- share of other comprehensive income	454,494	2,138,563
Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	46,173,814	9,672,441
Less Dividends	(504,197)	-
	<u>39,582,281</u>	<u>(14,432,622)</u>
Investments disposed off during the period/year	(14,721,009)	(72,772,297)
Carrying value at the end of the period / year	<u>767,212,313</u>	<u>742,351,041</u>
Investments classified in current assets	<u>295,009,054</u>	<u>254,949,888</u>
Closing book value	<u>472,203,259</u>	<u>487,401,153</u>

## 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, 2020.

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

		Half year ended		Quarter ended	
		31 December		31 December	
		2020	2019	2020	2019
	Rupees			Rupees	Rupees
Net profit/(loss) for the year from continued operations	Rupees	(78,897,837)	(89,173,497)	(65,492,278)	(25,903,443)
Net profit/(loss) for the year from discontinued operations	Rupees	(125,844)	(232,008)	784,855	221,339
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	(0.25)	(0.28)	(0.21)	(0.08)
Earning/(loss) per share - basic and diluted --discontinued operations	Rupees	(0.0004)	0.001	0.002	0.001

## 9 Cash generated from operations

	Half year ended	
	2020	2019
	Rupees	Rupees
Loss before taxation	(36,249,411)	(52,679,298)
Adjustments for:		
Depreciation	1,227,118	1,261,696
Finance cost	138,369,093	169,962,955
Loss on re-measurement of short term investments	(46,173,814)	(28,028,303)
Dividend income	(504,197)	-
Amortization	125,004	(625,020)
Retirement benefits	4,120,332	2,455,025
Share of loss from investments accounted for using equity method	6,541,830	(8,308,795)
Mark-up income	(16,739,584)	(13,728,395)
<b>Loss before working capital changes</b>	<b>86,965,782</b>	<b>122,989,163</b>
	<b>50,716,371</b>	<b>70,309,865</b>
<b>Effect on cash flow due to working capital changes:</b>		
Decrease/(increase) in:		
Inventories	-	(1,284,925)
Trade debts	(361,886,233)	(10,081,095)
Loans and advances	23,993,271	55,716,482
Short term prepayments	947,110	(6,930,970)
Deposits and other receivables	(178,797,259)	-
(Decrease)/increase in:		
Trade and other payables	389,626,358	61,074,497
	<b>(126,116,753)</b>	<b>98,493,989</b>
<b>Cash used in operations</b>	<b>(75,400,382)</b>	<b>168,803,854</b>

## 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:

		Half year ended	
		31 December	
		2020	2019
		Rupees	Rupees
<b>10.1 Transaction during the period</b>			
Associated companies	Purchase of goods / services	107,430	343,293
	Units redeemed	14,600,000	-
	Service charges	335,880	167,940
	Dividend income	1,568,635	-
	Asset management fee	1,330,954	523,633
	Construction revenue	26,601,430	58,607,705
Key management personnel	Salaries and other employee benefits	8,713,152	9,320,574
		31 December 2020	30 June 2020
		Rupees	Rupees
<b>10.2 Period / year end balances</b>			
Associated companies	Receivables from related parties	5,379,952	13,225,398
	Payables to related parties	8,554,953	124,274,024
	Retention money	91,059,877	198,913,767

## 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 2020.

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 31 December 2020.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Rupees</b>			
<b>Assets</b>				
Investments at fair value				
through profit and loss	<b>295,009,054</b>	-	-	<b>295,009,054</b>
Total assets	<b>295,009,054</b>	-	-	<b>295,009,054</b>
<b>Liabilities</b>	-	-	-	-

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 26 February 2021 by the Board of Directors.

## 14 General

Figures have been rounded off to the nearest rupee.

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director