

FIRST CAPITAL SECURITIES CORPORATION LIMITED

***CONDENSED UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS AS
AT September 30, 2022***

STATEMENT OF CONDENSED INTERIM FINANCIAL POSITION

STATEMENT OF CONDENSED INTERIM PROFIT OR LOSS

STATEMENT OF CONDENSED INTERIM COMPREHENSIVE INCOME

STATEMENT OF CONDENSED INTERIM CASH FLOWS

STATEMENT OF CONDENSED INTERIM CHANGES IN EQUITY

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

First Capital Securities Corporation Limited

Company Information

Board of Directors

Shehrbano Taseer (Chairman)	Non-Executive
Aamna Taseer (CEO)	Executive
Shahbaz Ali Taseer	Non-Executive
Shehryar Ali Taseer	Non-Executive
Naeem Akhtar	Non-Executive
Mustafa Mujeeb Chaudhry	Independent
Umair Fakhra Alam	Independent

Chief Financial Officer

Saeed Iqbal

Audit Committee

Umair Fakhra Alam (Chairman)
Shehrbano Taseer (Member)
Naeem Akhtar (Member)

Human Resource and Remuneration (HR&R) Committee

Umair Fakhra Alam (Chairman)
Aamna Taseer (Member)
Shehrbano Taseer (Member)

Company Secretary

Sajjad Ahmad

Auditors

Nasir Javaid Maqsood Imran
Chartered Accountants

Legal Advisers

M/s. Ibrahim and Ibrahim
Barristers and Corporate Consultants
Lahore

Bankers

Allied Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
MCB Bank Limited
Standard Chartered Bank (Pakistan) Limited
Soneri Bank Limited

Registrar and Shares Transfer Office

Corplink (Pvt.) Limited
Wings Arcade, 1-K
Commercial Model Town
Lahore
Tel: ☐(042) 35839182

Registered Office

First Capital House
96-B/1, Lower Ground Floor
M.M. Alam Road, Gulberg-III
Lahore, Pakistan
Tele: + 92-42-35778217-18

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 un-audited condensed interim financial information of the Company for the first quarter ended 30 September, 2022.

Operational Results

The operating results of the Company are summarized as follows:

Financial Overview	30 September 2022	30 September 2021
	<i>Rupees</i>	<i>Rupees</i>
Unrealized Gain/(loss) on short term investments	935,032	(88,568,892)
Operating Expenses	2,477,546	1,991,633
Operating Loss	(1,542,514)	(52,560,525)
Finance and other costs	65,722,515	53,829,326
Profit/(Loss) after Taxation	(64,077,734)	(109,190,122)
Earning/(loss) per Share (basic and diluted)	(0.20)	(0.34)

The Company reported after tax loss of Rs. 64.08 million as compared to Rs. 109.19 million in the corresponding quarter of last year. Operating expenses incurred at Rs.2.48 million in comparison with Rs. 1.99 million in same quarter of last year. On net basis, per share loss of the Company has arrived at Rs.0.20 in comparison with Rs. 0.34 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 loss of Rs 2.14 million in 1QFY23 vs. a loss of Rs. 46.46 million in 1QFY22. During the period due to discontinuation of operations, the brokerage income of your Company is NIL in both periods. Further, the FCEL recorded capital gain / (loss) of Rs NIL against Rs. NIL last year. The Un-realized loss on re-measurement of investment is recorded at Rs. 0.91 million. Operating expenses decreased 17% during the period under review.

Lanka Securities (Pvt.) Limited ("LSL") generated a total revenue LKR. 126.36 million and net profit of LKR. 55.78 million, during the quarter which translates into an EPS of LKR. 3.19.

First Capital Investments Limited ("FCIL") reported net loss after taxation of Rs. 285,200 as compared to loss of Rs. 5,765,219 in the corresponding period last year. Loss per share during the period under review is recorded at Rs. 0.01 as compared to loss per share of Rs. 0.27 during the same period of last year. Asset Management Fee has decreased to Rs. 495,306 as compared to Rs. 633,556 in corresponding period last year. Unrealized gain on re-measurement of investment at fair value is recorded at Rs. 747,663 during the period under review as compared to loss of Rs. 5,963,841 in corresponding period last year.

Evergreen Water Valley (Pvt.) Limited ("EGWV") posted a net loss after taxation of Rs. 12,369,265 and loss per share during the period under review is recorded at Rs. 17.29.

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.

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

25 October 2022

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM STATEMENT FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

	Note	Un-Audited 30 Septembe 2022 Rupees	Audited 30 June 2021 Rupees
NON-CURRENT ASSETS			
Property, plant and equipment	6	142,813,478	143,423,338
Investment properties	7	2,685,278,881	2,685,278,881
Long term investments	8	1,715,910,233	1,713,194,346
Long term deposits		37,500	37,500
		<u>4,544,040,092</u>	<u>4,541,934,065</u>
CURRENT ASSETS			
Trade debts - unsecured, considered good		-	-
Loans, advances, prepayments and other receivables		51,946,250	38,322,992
Short term investments	8	31,053,467	32,834,322
Advance tax		7,945,419	7,894,825
Cash and bank balances		2,343,703	14,947,715
		<u>93,288,839</u>	<u>93,999,854</u>
CURRENT LIABILITIES			
Trade and other payables	9	71,186,206	71,615,173
Current portion of long term loan		390,909,090	390,909,090
Current portion of accrued markup		765,873,915	705,753,915
		<u>1,227,969,211</u>	<u>1,168,278,178</u>
		<u>3,409,359,720</u>	<u>3,467,655,741</u>
NON-CURRENT LIABILITIES			
Long Term Loan		1,387,150,910	1,387,150,910
Accrued Markup		47,527,969	41,927,982
Staff retirement benefits payable		3,307,669	3,125,943
Deferred tax liability		22,501,180	22,501,180
		<u>1,460,487,728</u>	<u>1,454,706,015</u>
Contingencies and commitments	10	-	-
NET ASSETS		<u><u>1,948,871,992</u></u>	<u><u>2,012,949,726</u></u>
REPRESENTED BY			
EQUITY			
SHARE CAPITAL AND RESERVES			
Authorized share capital: 320,000,000 (June 2020: 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 capital		3,166,101,120	3,166,101,120
Retained earnings		<u>(1,217,229,128)</u>	<u>(1,153,151,394)</u>
		<u><u>1,948,871,992</u></u>	<u><u>2,012,949,726</u></u>

The annexed notes 1 to 15 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Note	Quarter ended	
		30 September 2022	30 September 2021
Rupees			
Revenue			
Dividend income		-	38,000,000
Unrealized gain/(loss) on re-measurement of 'investments at fair value through profit or loss'	8	935,032	(88,568,892)
		<u>935,032</u>	<u>(50,568,892)</u>
Expenses			
Operating and administrative expenses		(2,477,546)	(1,991,633)
Operating loss		<u>(1,542,514)</u>	<u>(52,560,525)</u>
Other income		3,187,295	2,899,729
Finance cost		(65,722,515)	(53,829,326)
Loss before taxation		<u>(64,077,734)</u>	<u>(103,490,122)</u>
Taxation		-	(5,700,000)
Loss after taxation		<u>(64,077,734)</u>	<u>(109,190,122)</u>
Loss per share			
- basic and diluted		<u>(0.20)</u>	<u>(0.34)</u>

The annexed notes 1 to 15 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Quarter ended	
	30 September 2022	30 September 2021
	Rupees	
Loss after taxation	(64,077,734)	(109,190,122)
Other comprehensive income for the year:		
<i>Items that will not be reclassified to profit or loss:</i>		
Remeasurement of post retirement benefit obligation - net of tax	-	-
<i>Items that may subsequently reclassified to profit or loss:</i>		
Other comprehensive income for the period - net of tax	-	-
Total comprehensive Income/(loss) for the period - net of tax	(64,077,734)	(109,190,122)

The annexed notes 1 to 15 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Share Capital	Revenue reserve/Accumulated Reserves	Total
		Retained earnings	
----- Rupees -----			
Balance as at July 01, 2021	3,166,101,120	(1,245,612,284)	1,920,488,836
Loss for the year	-	(109,190,122)	(109,190,122)
Other comprehensive income for the period - net of tax	-	-	-
Total comprehensive loss for the period - net of tax	-	(109,190,122)	(109,190,122)
Balance as at 30 September 2021	3,166,101,120	(1,354,802,406)	1,811,298,714
Balance as at 30 June 2022	3,166,101,120	(1,153,151,394)	2,012,949,726
Profit for the period	-	(64,077,734)	(64,077,734)
Other comprehensive income for the period - net of tax	-	-	-
Total comprehensive loss for the period - net of tax	-	(64,077,734)	(64,077,734)
Balance as at 30 September 2022	3,166,101,120	(1,217,229,128)	1,948,871,992

The annexed notes 1 to 15 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
STATEMENT OF CONDENSED INTERIM CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Quarter ended	
	30 September 2022	30 September 2021
	Rupees	
Cash flows from operating activities		
Loss before taxation	(64,077,734)	(103,490,122)
<i>Adjustments for:</i>		
Finance cost	65,722,515	53,829,326
Unrealized loss on re-measurement of investments at 'fair value through profit or loss'	(935,032)	88,568,892
Depreciation	609,860	55,511
Dividend Income	-	(38,000,000)
Interest income	(337,295)	(49,729)
Provision for staff retirement benefits	181,726	107,251
	65,241,774	104,511,251
Loss before working capital changes	1,164,040	1,021,129
Effect on cash flow due to working capital changes		
<i>(Increase)/decrease in current assets:</i>		
Trade debts	-	-
Loans, advances, prepayments and other receivables	(13,623,258)	(2,485,169)
<i>(Decrease)/increase in current liabilities:</i>		
Trade and other payables	(428,967)	1,485,606
	(14,052,225)	(999,563)
Cash generated from/(used in) operations	(12,888,185)	21,566
<i>Increase in non-current liabilities:</i>		
Finance cost paid	(2,528)	(1,769)
Taxes paid/adjusted-net	(50,594)	(479)
	(53,122)	(2,248)
Net cash used in operating activities	(12,941,307)	19,318
Cash flows from investing activities		
Dividend Received	-	-
Interest received	337,295	49,729
Net cash generated from investing activities	337,295	49,729
Cash flows from financing activities		
Loan obtained during the year	-	-
Net cash generated from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(12,604,012)	69,047
Cash and cash equivalents at the beginning of the period	14,947,715	80,394
Cash and cash equivalents at the end of the period	2,343,703	149,441

The annexed notes 1 to 15 form an integral part of these financial statements

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

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 quarter ended 30 September, 2022.

2 Basis of preparation

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

The comparative condensed interim unconsolidated financial position is extracted form the audited unconsolidated financial statements of the Company for the year ended 30 June, 2022, where comparative unconsolidated condensed interim profit or loss, and other comprehensive income, condensed unconsolidated interim statement of cash flows and condensed interim unconsolidated statement of changes inequity are stated from unaudited condensed interim unconsolidated financial statements for the quarter ended 30 September, 2022.

3 Significant accounting policies

The accounting policies and the methods of computation adopted in the preparation of this condensed interim unconsolidated financial statements are the same as those applied in the preparation of the unconsolidated financial statements of the Company for the year ended 30 June 2022.

3.1 Standards, Amendments and interpretations adopted during the period

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

3.2 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 Company's operations and are, therefore, not detailed in this condensed interim financial statements.

3.3 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 effective for accounting periods beginning on July 1, 2019 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in this condensed interim financial information.

4 Significant accounting judgments and estimates

The preparation of condensed interim unconsolidated financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates, associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In preparing this condensed interim unconsolidated financial information, the significant judgments made by management in applying accounting policies and the key sources of estimation were the same as those that were applied to the financial statements for the year ended 30 June 2022.

- 5 Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

		Unaudited 30 September 2022	Audited 30 June 2022
		Rupees	
		Note	
6	Property, plant and equipment		
	Property, plant and equipment	6.1	10,388,372
	Capital work in progress	6.2	132,425,106
			<u>142,813,478</u>
6.1	Opening book value		10,998,232
	Net (Disposal)/Additions for the period/year		318,057
			<u>-</u>
			11,087,000
			<u>10,998,232</u>
	Depreciation expense for the period/year		11,405,057
			<u>609,860</u>
			406,825
	Closing book value		<u>10,388,372</u>
			<u>10,998,232</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 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 September 30, 2022.

		Unaudited 30 September 2022	Audited 30 June 2022
		Rupees	
		Note	
7	Investment properties		
	Opening balance		2,685,278,881
			2,152,618,664

Acquisition during the period/year	-	205,023,814
Disposal during the year	-	(172,407,253)
Fair value adjustment	-	500,043,656
	-	532,660,217
Closing balance	2,685,278,881	2,685,278,881

		Unaudited	Audited
		30 September	30 June
		2022	2022
8	Note	Rupees	
Investments			
Carrying value of investments at the beginning of the period / year		1,746,028,668	1,897,179,530
Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss		935,032	(151,150,862)
Investments disposed off during the period/year		-	-
Investments made during the period/year		-	-
Carrying value at the end of the period / year		1,746,963,700	1,746,028,668
Investments classified in current assets		31,053,467	32,834,322
Closing book value		1,715,910,233	1,713,194,346
8.1 Investments in related parties and other			
Subsidiary companies - Unquoted		522,657,493	522,657,493
Associated companies - Unquoted		894,268,113	894,268,113
Subsidiary company - Quoted		206,191,848	206,191,848
Associated company - Quoted		119,112,420	117,244,890
Other company - Quoted		4,733,826	5,666,324
		1,746,963,700	1,746,028,668
9 Trade and other payables			
Creditors	9.1	10,259,007	10,967,038
Accrued liabilities	9.2	16,399,574	16,259,375
Security deposit from tenants		486,660	486,660
Payable against purchase of investment property	9.3	6,681,123	6,681,123
Final settlements payable		22,019,278	22,019,278
Withholding income tax payable		5,346,324	5,207,459
Sales tax payable		244,082	244,082
Provision For Taxation		9,624,023	9,624,023
Other liabilities		126,135	126,135
		71,186,206	71,615,173

9.1 This includes Rs. 1,001,442 (June 2019: Rs. 1,001,442) payable to World Press Private Limited (related party, subsidiary company) respectively.

- 9.2 This includes payable to Chief Executive Officer of the Company against salary amounting Rs. 9,768,009 (June 2022: 9,168,009).
- 9.3 This represents payable to Pace (Pakistan) Limited (related party, associated undertaking) against purchase of property amounting Rs. 6,681,523 (June 2022: Rs. 6,681,523).

10 Contingencies and commitments

- 10.1 There are no significant changes in contingencies and commitments from those disclosed in the preceding annual financial statements of the Company for the year ended 30 June 2022.

Quarter ended	
30 September 2022	30 September 2021
Rupees	

11 Transactions and balances with related parties

Relationship with the related party	Nature of transactions		
Subsidiary companies	Rental income earned	2,850,000	2,850,000
Key management personnel	Salaries and other employee benefits	1,171,320	3,092,640

Unaudited 30 September 2022	Audited 30 June 2022
Rupees	

Period / year end balances

Receivables from related parties	41,016,452	37,767,352
Payables to related parties	6,681,123	6,681,123

12 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 (unadjusted) in active markets for identical assets or 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.

13 Authorization of unconsolidated condensed interim financial statements

This condensed interim financial information was authorized for issue on October 25, 2022 by the Board of Directors.

14 Corresponding figures

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim un-consolidated statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim un-consolidated statement of profit or loss, condensed interim un-consolidated statement of comprehensive income and condensed interim un-consolidated statement of cash flows and condensed interim un-consolidated statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year. Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison. However, no significant re-classifications have been made.

15 General

Figures have been rounded off to the nearest rupee.

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED

***CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2022***

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 SEPTEMBER 30, 2022

		Un-Audited	Audited
		30 September	30 June
		2022	2022
	Note	Rupees	Rupees
Non-current assets			
Property, plant and equipment	5	273,298,058	274,887,340
Intangible assets		3,250,024	2,562,501
Investment properties		4,106,031,794	4,106,031,794
Investments accounted for using the equity method	6	538,658,028	542,751,346
Long term investments		10,917,312	11,328,264
Long term deposits and advances - considered good		5,215,932	4,197,255
		<u>4,937,371,148</u>	<u>4,941,758,500</u>
Current assets			
Stock in trade		290,053,500	290,053,500
Trade debts		582,232,146	274,064,257
Loans, advances and other receivables		330,303,112	290,668,891
Prepayments		2,074,735	1,052,233
Short term investments	6	497,060,609	532,798,992
Cash and bank balances		80,455,487	66,321,188
		<u>1,782,179,589</u>	<u>1,454,959,061</u>
Current liabilities			
Trade and other payables		755,998,755	472,820,339
Current portion of lease liability		-	299,917
Current portion of long term loans		1,438,821,540	1,438,821,540
Current portion of accrued markup		918,994,426	847,634,915
Provision for taxation		104,609,708	121,848,383
		<u>3,218,424,429</u>	<u>2,881,425,094</u>
Net current assets/(liability)		<u>(1,436,244,840)</u>	<u>(1,426,466,033)</u>
		<u>3,501,126,308</u>	<u>3,515,292,467</u>
Non-current liabilities			
Deferred tax liability		22,560,820	22,468,065
Staff retirement benefits		33,038,551	32,612,167
Long term loans		1,523,514,546	1,523,514,546
Accrued markup		47,527,969	41,927,982
		<u>1,626,641,886</u>	<u>1,620,522,760</u>
Contingencies and commitments	7	<u>1,874,484,422</u>	<u>1,894,769,707</u>
Represented by			
Equity			
Share Capital and Reserves			
Authorized share capital: 320,000,000 (2019: 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		2,918,104	(14,086,757)
Reserves capitalized		480,054,923	480,054,923
Retained earnings		(2,095,957,397)	(2,027,065,797)
Equity attributable to owners of the Parent Company		<u>1,553,116,750</u>	<u>1,605,003,489</u>
Non-controlling interests (NCI)		<u>321,367,672</u>	<u>289,766,218</u>
		<u>1,874,484,422</u>	<u>1,894,769,707</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 ENDED SEPTEMBER 30, 2022

	Quarter ended	
	30 September	
	Note	2021
	2022	2021
	Rupees	Rupees
<u>CONTINUED OPERATIONS</u>		
Operating revenue	93,946,196	224,195,445
Direct costs	<u>(20,597,335)</u>	<u>(41,507,802)</u>
Gross profit	73,348,861	182,687,643
Unrealized gain(loss) on re-measurement of 'investments at fair value through profit or loss'	(2,803,064)	(51,923,757)
Operating and administrative expenses	<u>(52,608,071)</u>	<u>(77,092,332)</u>
Operating profit	17,937,726	53,671,554
Other income	22,715,504	16,491,679
Finance costs	<u>(77,328,221)</u>	<u>(59,329,067)</u>
	(36,674,991)	10,834,166
Share of loss from investments accounted for using the equity method - net of tax	<u>(5,125,982)</u>	<u>(5,242,014)</u>
(Loss)/profit before taxation	(41,800,973)	5,592,152
Taxation	<u>(11,987,281)</u>	<u>(31,041,144)</u>
Loss after taxation for the period	(53,788,254)	(25,448,992)
<u>DISCONTINUED OPERATION</u>		
Loss after taxation from discontinued operation	(872,560)	(756,955)
Loss after taxation for the period	(54,660,814)	(26,205,947)
	8	
Basic and diluted loss per share-- from continued operation	(0.22)	(0.14)
	8	
Basic and diluted loss per share-- from discontinued operation	(0.0020)	(0.0018)
(Loss)/profit attributable to:		
- Owners of the Parent Company from continuing operation	(69,924,264)	(44,767,524)
- Non-controlling interests	15,263,450	18,561,577
Loss for the period	(54,660,814)	(26,205,947)

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 ENDED SEPTEMBER 30, 2022

	Quarter ended	
	30 September	
	2022	2021
	Rupees	
Loss after taxation	(54,660,814)	(26,205,947)
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	1,032,664	(454,966)
Exchange differences on translation of foreign operations recognised as:		
- Exchange translation reserve	17,004,861	13,801,342
- Non-controlling interests	16,338,004	13,260,113
Other comprehensive income for the period	33,342,865	27,061,455
Total comprehensive (loss)/profit for the period	<u>(20,285,285)</u>	<u>400,542</u>
Total comprehensive (loss)/income attributable to :		
- Owners of the Parent Company	(51,886,739)	(31,421,148)
- Non-controlling interests	31,601,454	31,821,690
	<u>(20,285,285)</u>	<u>400,542</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
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - (Un-Audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	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	28,618,644	480,054,923	(2,356,835,232)	1,317,939,455	321,485,384	1,639,424,839
Loss for the period	-	-	-	(44,767,524)	(44,767,524)	18,561,577	(26,205,947)
Other comprehensive income/(loss) for the period	-	13,801,342	-	(454,966)	13,346,376	13,260,113	26,606,489
Total comprehensive income/(loss) for the period	-	13,801,342	-	(45,222,490)	(31,421,148)	31,821,690	400,542
Transaction with owners							
Profit attributed paid to non-controlling interest	-	-	-	-	-	(34,702,339)	(34,702,339)
	-	-	-	-	-	(34,702,339)	(34,702,339)
Balance at 30 September 2021	3,166,101,120	42,419,986	480,054,923	(2,402,057,722)	1,286,518,307	318,604,735	1,605,123,042
Balance at 30 June 2022 - (Audited)	3,166,101,120	(14,086,757)	480,054,923	(2,027,065,797)	1,605,003,489	289,766,218	1,894,769,707
Loss for the period	-	-	-	(69,924,264)	(69,924,264)	15,263,450	(54,660,814)
Other comprehensive income	-	17,004,861	-	1,032,664	18,037,525	16,338,004	34,375,529
Total comprehensive income/(loss) for the period	-	17,004,861	-	(68,891,600)	(51,886,739)	31,601,454	(20,285,285)
Balance at 30 September 2022	3,166,101,120	2,918,104	480,054,923	(2,095,957,397)	1,553,116,750	321,367,672	1,874,484,422

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 QUARTER ENDED SEPTEMBER 30, 2022

	Note	Quarter ended	
		30 September	
		2022	2021
Rupees			
Cash flows from operating activities			
Cash used in operations	9	(40,676,055)	87,141,289
Long term deposits and advances		(1,018,677)	8,104,258
Retirement benefits paid - net		(1,297,549)	(2,145,447)
Finance costs paid		(368,723)	(44,741,031)
Taxes paid		(29,133,201)	(3,638,438)
Net cash generated from/(used in) operating activities		(72,494,205)	44,720,631
Cash flows from investing activities			
Fixed capital expenditure		(45,001)	556,737
Short term investments - net		32,935,319	64,411,609
Investment available for sale - net		410,952	(25,326,517)
Dividend received		-	(504,197)
Interest received		20,284,286	14,149,919
Net cash generated from investing activities		53,585,556	53,287,551
Cash flows from financing activities			
Repayment of liabilities against assets subject to finance lease - net		(299,917)	(6,679,741)
Receipt/(payment) of loan		-	-
Dividend paid to non-controlling interest		-	(34,702,339)
Net cash generated from/(used in) financing activities		(299,917)	(41,382,080)
Net decrease in cash and cash equivalents		(19,208,566)	56,626,102
Cash and cash equivalents at the beginning of the period		66,321,188	50,837,074
Effect of exchange translation reserve		33,342,865	27,061,455
Cash and cash equivalents at the end of the period		80,455,487	134,524,631

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:

<p>Head Office First Capital House Lower Ground Floor 96-B/1 Gulberg III, Lahore.</p>	<p>Corporate Office 4th Floor, Block B,C,D Lakson Square Building No,01 Sarwar Shaheed Road Karachi</p>
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- 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	
	30 September 2022	30 June 2022
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.

- 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 30 September, 2022.

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, 2022.
- 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, 2022, 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 three months period ended September 30, 2022.
- 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 2022.

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 2022 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 2022.

	Note	30 September 2022 Rupees	30 June 2022 Rupees
5 Property, plant and equipment			
Property, plant and equipment	5.1	13,693,030	14,405,377
Capital work in progress	5.2	255,230,106	255,230,106
Right of use assets	5.3	4,374,921	5,251,857
		<u>273,298,057</u>	<u>274,887,340</u>
5.1 Opening book value		14,405,377	6,325,931
Additions for the period/year		45,000	12,876,787
Effect of movement in exchange rate		3,980,172	(14,081,147)
Disposal for the period/year net book value		-	(8,459,774)
		<u>18,430,549</u>	<u>(3,338,203)</u>
Depreciation expense for the period/year		2,273,964	(4,766,223)
Effect of movement in exchange rate		2,463,555	(12,977,357)
Closing book value		<u>13,693,030</u>	<u>14,405,377</u>
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		5,251,857	10,688,881
Exchange gain/(loss)		88,783	873,179
Depreciation expense for the period/year		(965,719)	(6,310,203)
Closing balance		<u>4,374,921</u>	<u>5,251,857</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 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 September 30, 2022.

	30 September 2022 Rupees	30 June 2022 Rupees
6 Investments		
Carrying value of investments at the beginning of the period / year	1,086,878,602	1,067,452,879
Share of loss of equity accounted investees (net of tax)	(5,125,982)	(55,825,039)
Equity accounted investees- share of other comprehensive income	1,032,664	186,051,930
Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	(2,803,064)	(110,801,168)
	(6,896,382)	19,425,723
Investments disposed off during the period/year	(33,346,271)	-
Carrying value at the end of the period / year	1,046,635,949	1,086,878,602
Investments classified in current assets	497,060,609	532,798,992
Closing book value	549,575,340	554,079,610

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, 2022.

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

		Quarter ended 30 September	
		2022 Rupees	2021 Rupees
Net profit/(loss) for the year from continued operations	Rupees	(69,285,288)	(44,213,206)
Net profit/(loss) for the year from discontinued operations	Rupees	(638,976)	(554,318)
Weighted average number of ordinary shares as at	Numbers	316,610,112	316,610,112
Earning/(loss) per share - basic and diluted-- continued operations	Rupees	(0.22)	(0.14)
Earning/(loss) per share - basic and diluted -- discontinued operations	Rupees	(0.0020)	(0.0018)

	Quarter ended	
	30 September	
	2022	2021
	Rupees	Rupees
9 Cash generated from operations		
Loss before taxation	(42,673,533)	4,835,197
Adjustments for:		
Depreciation	2,273,964	1,130,835
Finance cost	77,328,221	59,329,067
Loss on re-measurement of short term investments	2,803,064	51,923,757
Amortization	(687,523)	62,502
Retirement benefits	1,723,933	688,619
Share of loss from investments accounted for using equity method	5,125,982	5,242,014
Mark-up income	(20,284,286)	(14,149,919)
	68,283,355	104,226,875
Loss before working capital changes	25,609,822	109,062,072
Effect on cash flow due to working capital changes:		
Decrease/(increase) in:		
Inventories	-	-
Trade debts	(308,807,570)	(776,351,544)
Loans and advances	(39,634,221)	(121,863,667)
Short term prepayments	(1,022,502)	-
(Decrease)/increase in:		
Trade and other payables	283,178,416	862,053,646
	(66,285,877)	(21,920,783)
Cash used in operations	(40,676,055)	87,141,289

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:

		Quarter ended	
		30 September	
		2022	2021
		Rupees	Rupees
10.1 Transaction during the period			
Associated companies	Purchase of goods / services	49,651,102	49,660,422
	Asset management fee	574,555	734,925
	Construction revenue	28,343,615	24,793,716
Key management personnel	Salaries and other employee benefits	5,583,510	4,079,952

		30 September 2022	30 June 2022
		Rupees	Rupees
10.2	Period / year end balances		
	Associated companies		
	Receivables from related parties	5,104,631	13,243,548
	Payables to related parties	182,466,013	158,134,453
	Retention money	205,097,331	205,097,331

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 2022.

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 September 30, 2022.

	Level 1	Level 2	Level 3	Total
	Rupees			
Assets				
Investments at fair value				
through profit and loss	497,060,609	-	-	497,060,609
Total assets	497,060,609	-	-	497,060,609
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 October 25, 2022 by the Board of Directors.

14 General

Figures have been rounded off to the nearest rupee.

Chief Executive Officer

Chief Financial Officer

Director