

FIRST CAPITAL SECURITIES CORPORATION LIMITED
FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 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

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 |
| Mustafa Mujeeb Chaudhry | Non-Executive |
| Naeem Akhtar | Non-Executive |
| 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

Mazhar Law Associates
Advocates & Solicitors

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/Head Office

2nd Floor, Pace Shopping Mall
Fortress Stadium, Lahore Cantt
Lahore, Pakistan
Tel: ☐ (042)36623005/6/8
Fax: (042)36623121-36612122

FIRST CAPITAL SECURITIES CORPORATION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

| | | Unaudited | Audited |
|--|-------------|------------------------|------------------------|
| | | 30 September | 30 June |
| | | 2020 | 2019 |
| | Note | Rupees | Rupees |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 6 | 132,909,697 | 132,965,208 |
| Investment properties | 7 | 2,152,618,664 | 2,152,618,664 |
| Long term investments | 8 | 1,509,698,628 | 1,509,698,628 |
| Long term deposits | | 37,500 | 37,500 |
| | | <u>3,795,264,489</u> | <u>3,795,320,000</u> |
| CURRENT ASSETS | | | |
| Trade debts - unsecured, considered good | | 534,254 | 809,746 |
| Loans, advances, prepayments and other receivables | | 24,724,493 | 21,713,312 |
| Short term investments | 8 | 35,708,230 | 24,506,196 |
| Advance tax | | 7,594,201 | 7,581,031 |
| Cash and bank balances | | 289,362 | 360,596 |
| | | <u>68,850,540</u> | <u>54,970,881</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 9 | 56,055,461 | 55,172,655 |
| Principal payable | | 1,600,000,000 | 1,600,000,000 |
| Rental payable | | 499,641,389 | 456,497,944 |
| | | <u>2,155,696,850</u> | <u>2,111,670,599</u> |
| NET CURRENT ASSETS | | | |
| | | <u>1,708,418,179</u> | <u>1,738,620,282</u> |
| NON-CURRENT LIABILITIES | | | |
| Staff retirement benefits payable | | 6,006,764 | 5,796,925 |
| Deferred tax liability | | 20,000,275 | 20,000,275 |
| | | <u>26,007,039</u> | <u>25,797,200</u> |
| Contingencies and commitments | 10 | - | - |
| | | <u>1,682,411,140</u> | <u>1,712,823,082</u> |
| REPRESENTED BY | | | |
| EQUITY | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized share capital: 320,000,000 (June 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 capital | | 3,166,101,120 | 3,166,101,120 |
| Retained earnings | | <u>(1,483,689,980)</u> | <u>(1,453,278,038)</u> |
| | | <u>1,682,411,140</u> | <u>1,712,823,082</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
STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

| | Note | Quarter ended | |
|---|------|----------------------|----------------------|
| | | 30 September 2020 | 30 September 2019 |
| | | Rupees | |
| Revenue | | | |
| Money market services | | 245,384 | 1,066,518 |
| Dividend income | | 161,181 | - |
| Unrealized loss on re-measurement of 'investments at fair value through profit or loss' | 8 | 11,202,034 | 600,537,492 |
| | | <u>11,608,599</u> | <u>601,604,010</u> |
| Expenses | | | |
| Operating and administrative expenses | | (2,259,904) | (7,475,455) |
| Operating profit | | <u>9,348,695</u> | <u>594,128,555</u> |
| Other income | | 2,903,484 | 2,901,344 |
| Finance cost | | (42,610,498) | (59,792,082) |
| Loss/(profit) before taxation | | <u>(30,358,319)</u> | <u>537,237,817</u> |
| Taxation | | (53,623) | (127,982) |
| Loss/(profit) after taxation | | <u>(30,411,942)</u> | <u>537,109,835</u> |
| Loss/(profit) per share - basic and diluted | | <u>(0.10)</u> | <u>1.70</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
STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

| | Quarter ended | |
|---|------------------------------|------------------------------|
| | 30 September 2020 | 30 September 2019 |
| | Rupees | |
| Loss after taxation | (30,411,942) | 537,109,835 |
| Other comprehensive income for the period: | | |
| <i>Items that will not be reclassified to profit or loss:</i> | | |
| Remeasurement of post retirement benefit obligation | - | - |
| <i>Items that may subsequently be reclassified to profit or loss:</i> | | |
| Other comprehensive income for the period - net of tax | - | - |
| Total comprehensive loss for the period - net of tax | (30,411,942) | 537,109,835 |

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 CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

| | Share Capital | Revenue reserve | Total |
|--|----------------------|------------------------|----------------------|
| | | Retained earnings | |
| ----- Rupees ----- | | | |
| Balance as at July 01, 2019 | 3,166,101,120 | (1,028,386,588) | 2,137,714,532 |
| Loss for the period | - | 537,109,835 | 537,109,835 |
| Other comprehensive income for the year - net of tax | - | - | - |
| Total comprehensive loss for the year - net of tax | - | 537,109,835 | 537,109,835 |
| Balance as at 30 September 2019 | 3,166,101,120 | (491,276,753) | 2,674,824,367 |
| Balance as at July 01, 2020 | 3,166,101,120 | (1,453,278,038) | 1,712,823,082 |
| Loss for the year | - | (30,411,942) | (30,411,942) |
| Other comprehensive income for the year - net of tax | - | - | - |
| Total comprehensive loss for the year - net of tax | - | (30,411,942) | (30,411,942) |
| Balance as at 30 September 2020 | 3,166,101,120 | (1,483,689,980) | 1,682,411,140 |

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 CASH FLOWS
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

| | 2020 | 2019 |
|---|---------------------|---------------|
| | Rupees | Rupees |
| Cash flows from operating activities | | |
| Loss before taxation | (30,358,319) | 537,237,817 |
| <i>Adjustments for:</i> | | |
| Finance cost | 42,610,498 | 59,792,082 |
| Dividend income | (161,181) | - |
| Unrealized loss on re-measurement of investments at 'fair value through profit or loss' | (11,202,034) | (600,537,492) |
| Depreciation | 55,511 | 58,212 |
| Interest income | (16,484) | (3,467) |
| Provision for staff retirement benefits | 209,839 | 498,913 |
| | 31,496,149 | (540,191,752) |
| Profit/(loss) before working capital changes | 1,137,830 | (2,953,935) |
| Effect on cash flow due to working capital changes | | |
| <i>(Increase)/decrease in current assets:</i> | | |
| Trade debts | 275,492 | 419,827 |
| Loans, advances, prepayments and other receivables | (2,850,000) | (2,391,000) |
| <i>(Decrease)/increase in current liabilities:</i> | | |
| Trade and other payables | 1,418,366 | 5,085,919 |
| | (1,156,142) | 3,114,746 |
| Cash generated from/(used in) operations | (18,312) | 160,811 |
| <i>Increase in non-current liabilities:</i> | | |
| Finance cost paid | (2,613) | (520) |
| Taxes paid/adjusted-net | (66,793) | (197,365) |
| | (69,406) | (197,885) |
| Net cash outflow from operating activities | (87,718) | (37,074) |
| Cash flows from investing activities | | |
| Interest received | 16,484 | 3,467 |
| Net cash generated from investing activities | 16,484 | 3,467 |
| Net decrease in cash and cash equivalents | (71,234) | (33,607) |
| Cash and cash equivalents at the beginning of the period | 360,596 | 356,006 |
| Cash and cash equivalents at the end of the period | 289,362 | 322,399 |

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

Chief Executive Officer

Chief Executive Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED

**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 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 quarter ended 30 September, 2020.

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, 2020.

The comparative condensed interim unconsolidated financial position is extracted form the audited unconsolidated financial statements of the Company for the year ended 30 June, 2020, 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, 2020.

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 2020.

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, 2020 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 2020.

- 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 | Audited |
|--|-------------|---------------------|----------------|
| | | 30 September | 30 June |
| | | 2020 | 2020 |
| | Note | Rupees | |
| 6 Property, plant and equipment | | | |
| Property, plant and equipment | 6.1 | 484,591 | 540,102 |
| Capital work in progress | 6.2 | 132,425,106 | 132,425,106 |
| | | 132,909,697 | 132,965,208 |
| 6.1 | | | |
| Opening book value | | 540,102 | 772,950 |
| Net (Disposal)/Additions for the period/year | | - | - |
| | | 540,102 | 772,950 |
| Depreciation expense for the period/year | | 55,511 | 232,848 |
| | | 484,591 | 540,102 |
| 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 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 September 30, 2020. | | | |

| | | Unaudited | Audited |
|------------------------------------|-------------|----------------------|----------------|
| | | 30 September | 30 June |
| | | 2020 | 2020 |
| | Note | Rupees | |
| 7 Investment properties | | | |
| Opening balance | | 2,152,618,664 | 2,052,619,045 |
| Acquisition during the period/year | | - | - |
| Fair value adjustment | | - | 99,999,619 |
| | | - | 99,999,619 |
| Closing balance | | 2,152,618,664 | 2,152,618,664 |

| | Note | Unaudited | Audited |
|--|------|----------------------|-----------------|
| | | 30 September 2020 | 30 June 2020 |
| | | Rupees | |
| 8 Investments | | | |
| 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 | | 11,202,034 | (251,920,696) |
| Carrying value at the end of the period / year | | 1,545,406,858 | 1,534,204,824 |
| Investments classified in current assets | | 35,708,230 | 24,506,196 |
| Closing book value | | 1,509,698,628 | 1,509,698,628 |

8.1 Investments in related parties and other

| | | | |
|---------------------------------|--|---------------|---------------|
| Subsidiary companies - Unquoted | | 324,710,585 | 324,710,585 |
| Associated companies - Unquoted | | 935,726,130 | 935,726,130 |
| Subsidiary company - Quoted | | 189,512,417 | 189,512,417 |
| Associated company - Quoted | | 90,538,190 | 80,536,795 |
| Other company - Quoted | | 4,919,536 | 3,718,897 |
| | | 1,545,406,858 | 1,534,204,824 |

9 Trade and other payables

| | | | |
|---|-----|------------|------------|
| Creditors | 9.1 | 8,892,678 | 8,545,497 |
| Accrued liabilities | 9.2 | 17,350,410 | 16,786,748 |
| 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 | | 18,043,865 | 18,043,865 |
| Withholding income tax payable | | 4,248,203 | 4,103,031 |
| Sales tax payable | | 134,742 | 102,842 |
| Other liabilities | | 217,780 | 422,889 |
| | | 56,055,461 | 55,172,655 |

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. 5,606,360 (June 2019: 4,214,501).

9.3 This represents payable to Pace (Pakistan) Limited (related party, associated undertaking) against purchase of property amounting Rs. 6,681,523 (June 2019: 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 2019.

| Quarter ended | |
|----------------------|----------------------|
| 30 September 2020 | 30 September 2018 |
| 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 | 4,863,960 | 1,621,320 |

| Unaudited | Audited |
|----------------------|-----------------|
| 30 September 2020 | 30 June 2020 |
| Rupees | |

Period / year end balances

| | | |
|----------------------------------|-------------------|------------|
| Receivables from related parties | 24,459,312 | 21,210,212 |
| Payables to related parties | 7,682,565 | 7,682,565 |

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 29, 2020 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 31 DECEMBER 2019***

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 SEPTEMBER 30, 2020

| | | Un-Audited | Audited |
|--|-------------|------------------------|------------------------|
| | | 30 September | 30 June |
| | | 2020 | 2020 |
| | Note | Rupees | Rupees |
| Non-current assets | | | |
| Property, plant and equipment | 5 | 275,298,353 | 276,584,196 |
| Intangible assets | | 3,000,017 | 3,062,519 |
| Investment properties | | 3,267,338,763 | 3,267,338,763 |
| Investments accounted for using the equity method | 6 | 457,715,274 | 476,694,768 |
| Long term investments | | 17,843,975 | 10,706,385 |
| Long term deposits and advances - considered good | | 17,779,351 | 13,166,098 |
| | | <u>4,038,975,733</u> | <u>4,047,552,729</u> |
| Current assets | | | |
| Stock in trade | | 968,643 | 968,643 |
| Trade debts | | 465,729,113 | 562,330,611 |
| Loans, advances and other receivables | | 733,798,202 | 731,574,307 |
| Prepayments | | 78,500 | 947,110 |
| Short term investments | 6 | 328,502,882 | 254,949,888 |
| Cash and bank balances | | 65,180,588 | 47,971,595 |
| | | <u>1,594,257,928</u> | <u>1,598,742,154</u> |
| Current liabilities | | | |
| Trade and other payables | | 762,961,745 | 840,349,739 |
| Current portion of long term loans - secured | | 3,143,163,866 | 3,077,036,279 |
| Current portion of lease liability | | 6,619,514 | 6,572,471 |
| Provision for taxation | | 10,837,648 | 8,515,914 |
| | | <u>3,923,582,773</u> | <u>3,932,474,403</u> |
| Net current assets | | | |
| | | <u>(2,329,324,845)</u> | <u>(2,333,732,249)</u> |
| Non-current liabilities | | | |
| Deferred tax liability | | 21,493,225 | 21,025,380 |
| Deferred liabilities | | 27,530,684 | 26,057,985 |
| Long term loans - secured | | 245,454,545 | 245,454,545 |
| Lease liability | | 6,282,001 | 7,175,728 |
| | | <u>300,760,455</u> | <u>299,713,638</u> |
| Contingencies and commitments | 7 | | |
| | | <u>1,408,890,433</u> | <u>1,414,106,842</u> |
| Represented by | | | |
| Equity | | | |
| Share Capital and Reserves | | | |
| 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 | | 42,612,677 | 48,668,733 |
| Reserves capitalised | | 480,054,923 | 480,054,923 |
| Retained earnings | | (2,550,765,984) | (2,536,904,220) |
| Equity attributable to owners of the Parent Company | | <u>1,138,002,736</u> | <u>1,157,920,556</u> |
| Non-controlling interests (NCI) | | <u>270,887,697</u> | <u>256,186,286</u> |
| | | <u>1,408,890,433</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 ENDED SEPTEMBER 30, 2020

| | Quarter ended | |
|---|---------------------|--------------|
| | 30 September | |
| | 2020 | 2019 |
| | Rupees | |
| CONTINUED OPERATIONS | | |
| Operating revenue | 70,167,630 | 75,438,875 |
| Direct costs | (11,322,196) | (49,045,593) |
| Gross profit | 58,845,434 | 26,393,282 |
| Unrealized gain(loss) on re-measurement of 'investments at fair value through profit or loss' | 36,816,963 | (5,163,304) |
| Operating and administrative expenses | (43,625,547) | (35,501,163) |
| Operating (loss)/profit | 52,036,850 | (14,271,185) |
| Other income | 9,576,580 | 7,961,715 |
| Finance costs | (45,536,204) | (63,395,834) |
| | 16,077,226 | (69,705,304) |
| Share of profit/(loss) from investments accounted for using the equity method - net of tax | (5,544,238) | 1,980,955 |
| (Loss)/profit before taxation | 10,532,988 | (67,724,349) |
| Taxation | (3,085,655) | (35,067) |
| (Loss)/profit after taxation for the period | 7,447,333 | (67,759,416) |
| DISCONTINUED OPERATION | | |
| (Loss)/profit after taxation from discontinued operation | (1,243,615) | (619,073) |
| (Loss)/profit after taxation for the period | 6,203,718 | (68,378,489) |
| | (0.04) | (0.20) |
| Basic and diluted loss per share-- from continued operation | (0.04) | (0.20) |
| | (0.0030) | (0.0014) |
| Basic and diluted loss per share-- from discontinued operation | (0.0030) | (0.0014) |
| (Loss)/profit attributable to: | | |
| - Owners of the Parent Company from continuing operation | (14,316,258) | (63,723,401) |
| - Non-controlling interests | 20,519,976 | (4,655,088) |
| (Loss)/Profit for the period | 6,203,718 | (68,378,489) |

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, 2020

| | Quarter ended | |
|--|----------------------|--------------|
| | 30 September | |
| | 2020 | 2019 |
| | Rupees | |
| Loss after taxation | 6,203,718 | (68,378,489) |
| Other comprehensive income/(loss) for the period | | |
| <i>Items that may be subsequently reclassified to profit or loss:</i> | | |
| Exchange differences on translation of foreign operations recognised as: | | |
| - Exchange translation reserve | (6,056,056) | (9,443,401) |
| - Non-controlling interests | (5,818,565) | (9,073,073) |
| Other comprehensive income for the period | (11,874,621) | (18,516,474) |
| Total comprehensive loss for the period | (5,670,903) | (86,894,963) |
| Total comprehensive loss attributable to : | | |
| - Owners of the Parent Company | (20,372,314) | (73,166,802) |
| - Non-controlling interests | 14,701,411 | (13,728,161) |
| | (5,670,903) | (86,894,963) |

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, 2020

| | Note | Quarter ended | |
|--|------|---------------------|----------------------|
| | | 30 September | |
| | | 2020 | 2019 |
| Rupees | | | |
| Cash flows from operating activities | | | |
| Cash used in operations | 9 | 33,762,487 | (81,741,915) |
| Long term deposits and advances | | (4,613,253) | (500,197) |
| Retirement benefits paid - net | | - | (412,866) |
| Finance costs paid | | (45,536,204) | 219,083,003 |
| Taxes paid | | (502,132) | (668,184) |
| Net cash generated from/(used in) operating activities | | (16,889,102) | 135,759,841 |
| Cash flows from investing activities | | | |
| Fixed capital expenditure | | 790,522 | 125,915 |
| Short term investments - net | | (36,736,031) | 41,527,736 |
| Investment available for sale - net | | 7,462,410 | 4,942,238 |
| Interest received | | 9,174,912 | 7,716,550 |
| Net cash generated from investing activities | | (19,308,187) | 54,312,439 |
| Cash flows from financing activities | | | |
| Repayment of liabilities against assets subject to finance lease - net | | (846,684) | - |
| Receipt/(payment) of loan | | 66,127,587 | (188,448,807) |
| Net cash generated from/(used in) financing activities | | 65,280,903 | (188,448,807) |
| Net decrease in cash and cash equivalents | | 29,083,614 | 1,623,473 |
| Cash and cash equivalents at the beginning of the period | | 47,971,595 | 61,391,700 |
| Effect of exchange translation reserve | | (11,874,621) | (18,516,474) |
| Cash and cash equivalents at the end of the period | | 65,180,588 | 44,498,699 |

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, 2020

| | Attributable to owners of the Company | | | | Total | Non-controlling interests | Total equity |
|--|---------------------------------------|------------------------------|---------------------|------------------------|----------------------|---------------------------|----------------------|
| | Share capital | Exchange translation reserve | Reserve capitalised | Retained earnings | | | |
| | ----- Rupees ----- | | | | | | |
| Balance at 30 June 2019 - (Audited) | 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 | - | - | - | (63,723,401) | (63,723,401) | (4,655,088) | (68,378,489) |
| Other comprehensive loss for the period | - | 4,046,330 | - | (3,633,678) | 412,652 | 2,258,790 | 2,671,442 |
| Total comprehensive loss for the period | - | 4,046,330 | - | (67,357,079) | (63,310,749) | (2,396,298) | (65,707,047) |
| Balance at 30 September 2019 | 3,166,101,120 | 57,492,899 | 480,054,923 | (2,320,897,774) | 1,382,751,168 | 269,411,271 | 1,652,162,439 |
| Balance at 30 June 2020 - (Audited) | 3,166,101,120 | 48,668,733 | 480,054,923 | (2,536,904,220) | 1,157,920,556 | 256,186,286 | 1,414,106,842 |
| Loss for the period | - | - | - | (14,316,258) | (14,316,258) | 20,519,976 | 6,203,718 |
| Other comprehensive loss for the period | - | (6,056,056) | - | 454,494 | (5,601,562) | (5,818,565) | (11,420,127) |
| Total comprehensive loss for the period | - | (6,056,056) | - | (13,861,764) | (19,917,820) | 14,701,411 | (5,216,409) |
| Balance at 30 September 2020 | 3,166,101,120 | 42,612,677 | 480,054,923 | (2,550,765,984) | 1,138,002,736 | 270,887,697 | 1,408,890,433 |

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 QUARTER ENDED SEPTEMBER 30, 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:

| Head Office | Corporate Office |
|--|---|
| 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.

| | Percentage of Holding | |
|--|------------------------------|-------------------------|
| | 30 September 2020 | 30 June 2020 |
| First Capital Investments Limited (FCIL) | 78.86 | 78.86 |
| Lanka Securities (Pvt.) Limited, Sri Lanka (LSL) | 51 | 51 |
| World Press (Pvt.) Limited (WPL) | 65 | 65 |
| 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 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 30 September, 2020.

2 Basis of preparation

- 2.1 These condensed interim consolidated financial statements has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. As per the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017 shall prevail.
- 2.2 These condensed interim consolidated financial statements are unaudited and do not include all the information and disclosures required in the audited annual unconsolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Company for the year ended 30 June, 2020.
- 2.3 The comparative condensed interim consolidated financial position is extracted from the audited consolidated financial statements of the Company for the year ended 30 June, 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 in equity are stated from unaudited condensed interim consolidated financial statements for the three months period ended 30 September, 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.

5 Property, plant and equipment

| | Note | 30 September 2020 Rupees | 30 June 2020 Rupees |
|---|------|--------------------------------|---------------------------|
| Property, plant and equipment | 5.1 | 4,463,862 | 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>275,298,353</u> | <u>276,584,196</u> |
| 5.1 Opening book value | | 3,915,773 | 10,518,179 |
| Additions for the period/year | | 999,008 | 86,590 |
| Effect of movement in exchange rate | | (1,709,066) | (1,702,936) |
| Disposal for the period/year net book value | | - | (4,639,742) |
| | | <u>3,205,715</u> | <u>4,262,091</u> |
| Depreciation expense for the period/year | | 428,952 | 1,963,554 |
| Effect of movement in exchange rate | | (1,687,099) | (1,617,236) |
| Closing book value | | <u>4,463,862</u> | <u>3,915,773</u> |

| | Note | 30 September 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 September 30, 2020.

6 Investments

| | 30 September 2020 | 30 June 2020 |
|--|------------------------------|-------------------------|
| | Rupees | Rupees |
| 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) | (5,544,238) | (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 | 36,816,963 | 9,672,441 |
| Less Dividends | (504,197) | - |
| | 31,223,022 | (14,432,622) |
| Investments disposed off during the period/year | 30,488,068 | (72,772,297) |
| Carrying value at the end of the period / year | 804,062,131 | 742,351,041 |
| Investments classified in current assets | 328,502,882 | 254,949,888 |
| Closing book value | 475,559,249 | 487,401,153 |

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

| | | Quarter ended | |
|---|----------------|----------------------|--------------|
| | | 30 September | |
| | | 2020 | 2019 |
| | | Rupees | |
| Net profit/(loss) for the year from continued operations | Rupees | (13,405,559) | (63,270,054) |
| Net profit/(loss) for the year from discontinued operations | Rupees | (910,699) | (453,347) |
| 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 | (0.04) | (0.20) |
| Earning/(loss) per share - basic and diluted -- discontinued operations | Rupees | (0.003) | (0.0014) |

| | | Quarter ended | |
|--|--|-------------------|---------------------|
| | | 30 September | |
| | | 2020 | 2019 |
| | | Rupees | Rupees |
| 9 Cash generated from operations | | | |
| Loss before taxation | | 9,289,373 # | (68,343,422) |
| Adjustments for: | | | |
| Depreciation | | 428,952 | 685,141 |
| Finance cost | | 45,536,204 | 63,395,834 |
| Loss on re-measurement of short term investments | | (36,816,963) | 5,163,304 |
| Dividend income | | (504,197) | - |
| Amortization | | 62,502 | 62,502 |
| Retirement benefits | | 1,472,701 | 1,249,298 |
| Share of loss from investments accounted for using equity method | | 5,544,239 | (1,980,955) |
| Mark-up income | | (9,174,912) | (7,684,254) |
| | | 6,548,526 | 60,890,870 |
| Loss before working capital changes | | 15,837,899 | (7,452,552) |
| Effect on cash flow due to working capital changes: | | | |
| Decrease/(increase) in: | | | |
| Trade debts | | 96,667,867 | 12,945,750 |
| Loans and advances | | (2,223,895) | (6,952,996) |
| Short term prepayments | | 868,610 | (2,092,253) |
| (Decrease)/increase in: | | | |
| Trade and other payables | | (77,387,994) | (78,189,864) |
| | | 17,924,588 | (74,289,363) |
| Cash used in operations | | 33,762,487 | (81,741,915) |

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 | |
| | | 2020 | 2019 |
| | | Rupees | Rupees |
| 10.1 Transaction during the period | | | |
| Associated companies | | | |
| | Purchase of goods / services | 107,430 | 343,293 |
| | Units redeemed | 14,600,000 | - |
| | Service charges | 167,940 | 167,940 |
| | Dividend income | 504,197 | - |
| | Asset management fee | 645,222 | 523,633 |
| | Construction revenue | - | 58,607,705 |
| Key management personnel | | | |
| | Salaries and other employee benefits | 8,717,286 | 9,320,574 |

| | | 30 September 2020 | 30 June 2020 |
|-------------|-----------------------------------|------------------------------|-------------------------|
| | | Rupees | Rupees |
| 10.2 | Period / year end balances | | |
| | Associated companies | | |
| | Receivables from related parties | 15,666,172 | 13,225,398 |
| | Payables to related parties | 124,287,506 | 124,274,024 |
| | Retention money | 198,913,767 | 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 30 September 2020.

| | Level 1 | Level 2 | Level 3 | Total |
|---------------------------|--------------------|----------------|----------------|--------------------|
| | Rupees | | | |
| Assets | | | | |
| Investments at fair value | | | | |
| through profit and loss | 328,502,882 | - | - | 328,502,882 |
| Total assets | 328,502,882 | - | - | 328,502,882 |
| 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 29 October 2020 by the Board of Directors.

14 General

Figures have been rounded off to the nearest rupee.

Chief Executive Officer

Chief Financial Officer

Director