

FIRST CAPITAL SECURITIES CORPORATION LIMITED

***CONDENSED UN CONSOLIDATED
FINANCIAL STATEMENTS AS AT DECEMBER 31, 2019***

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
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

		Un-Audited	Audited
	Note	Dec. 31, 2021	June 30, 2021
		-----Rupees-----	
NON-CURRENT ASSETS			
Property, plant and equipment	6	132,632,139	132,743,163
Investment properties	7	2,152,618,664	2,152,618,664
Long term investments	8	1,742,738,621	1,821,951,969
Long term deposits		37,500	37,500
		4,028,026,924	4,107,351,296
CURRENT ASSETS			
Trade debts - unsecured, considered good		503,784	503,784
Loans, advances, prepayments and other receivables	9	68,715,832	33,544,229
Short term investments	8	42,546,498	75,227,561
Advance tax		-	7,541,537
Cash and bank balances		33,062,400	80,394
		144,828,514	116,897,505
CURRENT LIABILITIES			
Trade and other payables	10	66,074,841	65,599,872
Current portion of long term loan	11	245,454,545	100,000,000
Current portion of accrued markup	12	607,723,113	331,429,552
Provision for taxation		2,115,512	-
		921,368,011	497,029,424
		3,251,487,427	3,727,219,377
NON-CURRENT LIABILITIES			
Long term loan	11	1,532,605,455	1,678,060,000
Accrued markup	12	-	111,377,020
Staff retirement benefits payable		2,508,522	2,293,421
Deferred tax liability	13	15,000,100	15,000,100
		1,550,114,077	1,806,730,541
Contingencies and commitments	14		
NET ASSETS		1,701,373,350	1,920,488,836
REPRESENTED BY			
EQUITY			
SHARE CAPITAL AND RESERVES			
Authorized share capital:			
320,000,000 (June 2021: 320,000,000) ordinary shares of Rs. 10 each		3,200,000,000	3,200,000,000
Issued, subscribed and paid-up capital		3,166,101,120	3,166,101,120
Retained earnings		(1,464,727,770)	(1,245,612,284)
		1,701,373,350	1,920,488,836

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021

	Note	HALF YEAR ENDED		QUARTER ENDED	
		DEC. 31, 2021	DEC. 31, 2020	DEC. 31, 2021	DEC. 31, 2020
-----Rupees-----					
Revenue					
Money market services	15	-	1,086,461	-	841,077
Dividend Income		65,238,971	161,181	27,238,971	-
Unrealized (loss)/gain on re-measurement of 'investments at fair value through profit or loss'	8	(111,894,411)	27,105,357	(23,325,519)	15,903,323
		(46,655,440)	28,352,999	3,913,452	16,744,400
Expenses					
Operating and administrative expenses		(3,298,838)	(4,972,688)	(1,307,205)	(2,712,784)
Operating profit		(49,954,278)	23,380,311	2,606,247	14,031,616
Other income		6,243,545	5,778,669	3,343,816	2,875,185
Finance cost		(165,618,907)	(103,224,730)	(111,789,581)	(60,614,232)
Loss before taxation		(209,329,640)	(74,065,750)	(105,839,518)	(43,707,431)
Taxation		(9,785,846)	(154,552)	(4,085,846)	(100,929)
Loss after taxation		(219,115,486)	(74,220,302)	(109,925,364)	(43,808,360)
loss per share					
- basic and diluted		(0.69)	(0.023)	(0.35)	(0.14)

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME(UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021

	HALF YEAR ENDED		QUARTER ENDED	
	DEC. 31, 2021	DEC. 31, 2020	DEC. 31, 2021	DEC. 31, 2020
	-----Rupees-----			
Loss after taxation	(219,115,486)	(74,220,302)	(109,925,364)	(43,808,360)
Other comprehensive (loss)/income for the period:				
<i>Items that may subsequently reclassified to profit or loss:</i>	-	-	-	-
Other comprehensive loss for the period - net of tax	-	-	-	-
Total comprehensive loss for the period - net of tax	(219,115,486)	(74,220,302)	(109,925,364)	(43,808,360)

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021

	Share Capital	Revenue reserve		Total
		Fair value reserve	Retained earnings	
----- Rupees -----				
Balance as at July 01, 2020	3,166,101,120	-	(1,453,278,038)	1,712,823,082
Loss for the period	-	-	(74,220,302)	(74,220,302)
Other comprehensive loss for the period - net of tax	-	-	-	-
Total comprehensive loss for the period - net of tax	-	-	(74,220,302)	(74,220,302)
Balance at December 31, 2020	3,166,101,120	-	(1,527,498,340)	1,638,602,780
Profit for the period	-	-	281,649,805	281,649,805
Other comprehensive income for the period - net of tax	-	-	236,251	236,251
Total comprehensive income for the period - net of tax	-	-	281,886,056	281,886,056
Balance at June 30, 2021	3,166,101,120	-	(1,245,612,284)	1,920,488,836
Loss for the period	-	-	(219,115,486)	(219,115,486)
Other comprehensive income for the period - net of tax	-	-	-	-
Total comprehensive loss for the period - net of tax	-	-	(219,115,486)	(219,115,486)
Balance at December 31, 2021	3,166,101,120	-	(1,464,727,770)	1,701,373,350

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021	Six months period ended December 31, 2020
	-----Rupees-----	
Cash flows from operating activities		
Loss before taxation	(209,329,640)	(74,065,750)
<i>Adjustments for:</i>		
Finance cost	165,618,907	103,224,730
Dividend income	(65,238,971)	(161,181)
Unrealized loss/(gain) on re-measurement of investments at 'fair value through profit or loss'	111,894,411	(27,105,357)
Depreciation	111,024	114,859
Interest income	(493,815)	(45,056)
Provision for staff retirement benefits	215,102	419,680
	212,106,658	76,447,675
Profit before working capital changes	2,777,018	2,381,925
Effect on cash flow due to working capital changes		
<i>(Increase)/decrease in current assets:</i>		
Trade debts	-	(35,073)
Loans, advances, prepayments and other receivables	(3,832,859)	(5,606,269)
<i>(Decrease)/increase in current liabilities:</i>		
Trade and other payables	474,969	(174,447,166)
	(3,357,890)	(180,088,508)
Cash used in operations	(580,872)	(177,706,583)
<i>Increase in non-current liabilities:</i>		
Finance cost paid	(1,608)	(10,750)
Taxes paid/adjusted-net	(128,797)	(171,643)
	(130,405)	(182,393)
Net cash outflow from operating activities	(711,277)	(177,888,976)
Cash flows from investing activities		
Dividend received	33,199,468	-
Interest received	493,815	45,056
Net cash generated from investing activities	33,693,283	45,056
Cash flows from financing activities		
Loan acquired during the period	-	178,060,000
Net cash generated from financing activities	-	178,060,000
Net increase/(decrease) in cash and cash equivalents	32,982,006	216,080
Cash and cash equivalents at the beginning of the period	80,394	360,596
Cash and cash equivalents at the end of the period	33,062,400	576,676

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021

1 Legal status and nature of business

- 1.1** First Capital Securities Corporation Limited ("the Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at First Capital House, 96-B/1 Lower Ground Floor, M.M . Alam Road Gulberg-III, Lahore. The company also has corporate office located in Karachi. The Company is involved in making long and short term investments, money market operations and financial consultancy services.
- 1.2** These unconsolidated condensed interim financial statements are the separate condensed interim financial statements of the Company in which investments in subsidiaries and associates have been accounted for at fair value.
- 1.3** There were no change in composition of the group during the half year ended December 31, 2021.

2 Going concern assumption

During the period the Company incurred loss amounting Rs. 219.1 Million after tax and the accumulated losses of the company stand at Rs. 1464.7 Million as at December 31, 2021 (June 30, 2021: Rs. 1245.6 Million). As at the reporting date current liabilities of the Company exceed its current assets by Rs. 776.5 Million (June 30, 2021: Rs. 380.1 Million)

Owing to the factors mentioned above the Company in order to carry on its business and to meet its obligations requires generating sufficient operating profits and cash flows. Accordingly there is a material uncertainty relating to the Company's operations that may cause sufficient doubt regarding discharge of its liability in the normal course of business. Continuation of the Company as going concern is heavily dependent on improved cash flows. Management is confident that the Company will not face any cash flow deficit.

Based on above mentioned assumption of the management these financial statements have been prepared on the going concern basis. The financial statements consequently, do not include any adjustment relating to the realization of the assets and liquidation of liabilities that might be necessary should the Company be unable to continue as going concern.

3 Basis of preparation

- 3.1** These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- and
- Provisions of and directives issued under the Companies Act, 2017.

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

- 3.2** These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the unconsolidated annual audited financial statements, and should be read in conjunction with Company's unconsolidated annual audited financial statements for the year ended June 30, 2021.

The figures included in the unconsolidated condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2021 and 2020 and in the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended December 31, 2021 and 2020.

4 Significant accounting policies

- 4.1** The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual audited financial statements for the year ended June 30, 2021.

5 Significant accounting judgments and estimates

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

However, the management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in these unconsolidated condensed interim financial statements. Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the Company's unconsolidated annual audited financial statements for the year ended June 30, 2021.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's unconsolidated annual audited financial statements for the year ended June 30, 2021.

		Un-Audited Dec. 31, 2021	Audited 30-Jun-21
	Note	-----Rupees-----	
6 Property, plant and equipment			
Property, plant and equipment	6.1	207,033	318,057
Capital work in progress	6.2	132,425,106	132,425,106
		132,632,139	132,743,163
6.1	Opening book value	318,057	540,102
	Net (Disposal)/Additions for the period/year	-	-
		318,057	540,102
	Depreciation expense for the period/year	111,024	222,045
	Closing book value	207,033	318,057

6.2 This represents advance against purchase of property in Pace Tower Gulberg, Lahore and Pace Circle, Lahore amounting to Rs 107,090,858 (June 30, 2021: Rs 107,090,858) and Rs. 25,334,248 (June 30, 2021: Rs. 25,334,248) respectively. Construction work on these properties is in progress as at December 31, 2021.

		Un-Audited Dec. 31, 2021	Audited 30-Jun-21
	Note	-----Rupees-----	
7 Investment properties			
Opening balance		2,152,618,664	2,152,618,664
Fair value adjustment		-	-
		-	-
Closing balance	7.1	2,152,618,664	2,152,618,664

7.1 The carrying amount of investment property is the fair value of property as determined by approved independent valuer M/s Negotiators as at June 30, 2021. Fair value is determined keeping in view the location of the land and inquiries in the vicinity, the trend and tone of sale / purchase of property in the respective areas.

7.2 Investment property amounting Rs. 1,900 Million (June 30, 2021: 1,900 Million) is mortgaged with Silk Bank Limited (Eman Islamic Banking) against diminishing musharka agreement. The Company does not hold the title of investment property amounting Rs. 2,152.6 Million (June 30, 2021: Rs. 2,152.6 Million), title of property amounting Rs. 1,940 Million, Rs 7.5 Million and Rs. 205 Million is held in the name of Pace (Pakistan) Limited, First Capital Equities Limited and Capital Heights (Pvt.) Limited respectively. The transfer of this property is in process as at period end. However, the Company has complete control and possession of said property.

		Un-Audited Dec. 31, 2021	Audited 30-Jun-21
	Note	-----Rupees-----	
8 Investments			
Carrying value of investments at the beginning of the period / year		1,897,179,530	1,534,204,824
Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	8.1	(111,894,411)	362,974,706
Carrying value at the end of the period / year		1,785,285,119	1,897,179,530
Investments classified in current assets		42,546,498	75,227,561
Closing book value		1,742,738,621	1,821,951,969

8.1 This includes unrealized gain/(loss) on remeasurement of investment in related parties amounting Rs. Nil (June 2021: Rs. 260.57 Million) on investment in subsidiary and Rs. (103.9) Million (June 2021: Rs. 89.3 Million) on investment in associate.

		Un-Audited Dec. 31, 2021	Audited 30-Jun-21
		-----Rupees-----	
8.2 Investments in related parties and other			
Investment in subsidiaries		774,800,472	774,800,472
Investment in associates		1,001,639,388	1,105,597,163
Other investments		8,845,259	16,781,895
		1,785,285,119	1,897,179,530

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

Loans, advances, prepayments and other receivables		Un-Audited Dec. 31, 2021	Audited 30-Jun-21
	Note	-----Rupees-----	
Advances to staff - secured, considered good		170,086	170,086
Dividend receivables		31,338,744	364,831
Due from related parties - unsecured, considered good	9.1	37,207,002	33,009,312
		68,715,832	33,544,229
9.1 Due from related parties - unsecured, considered good			
Media Times Limited		399,100	399,100
Evergreen Water Valley (Private) Limited		36,807,902	32,610,212
		37,207,002	33,009,312
10 Trade and other payables			
Creditors		10,945,177	11,207,282
Accrued liabilities	10.1	26,726,919	26,261,939
Security deposit from tenants		486,660	486,660
Final settlements payable		22,036,914	22,036,914
Withholding income tax payable		4,927,696	4,655,602
Sales tax payable		244,081	244,081
Other liabilities		707,394	707,394
		66,074,841	65,599,872
This includes payable to Chief Executive Officer of the Company against salary amounting Rs. 8,740,471 (June 2021: 7,540,471). This also includes Rs. 6.6 Million (June 2021: Rs. 6.6 Million) payable to Pace (Pakistan) Limited (related party, associated undertaking) against purchase of property.			
11 Long term loan			
	Note	Un-Audited Dec. 31, 2021	Audited 30-Jun-21
		-----Rupees-----	
Payable against diminishing musharka--secured	11.1	1,600,000,000	1,600,000,000
Payable against long term loan from non-financial institutions--unsecured	11.2	178,060,000	178,060,000
		1,778,060,000	1,778,060,000
Less Current portion of loan		(245,454,545)	(100,000,000)
Non current portion of loan		1,532,605,455	1,678,060,000
This represents balance payable against diminishing musharka agreement with Silk Bank Limited (Eman Islamic Banking). The actual rental payable against the facility was at the rate of 3 month KIBOR plus 2% spread per annum. Last year on the request of the Company, the Bank agreed to defer the repayment of principal and rental for two years starting from July 15, 2020 and interest rate to be charged during deferment period is 2 year KIBOR plus 2% spread per annum. Rental deferred is measured at present value using the applicable rental rate of 2Y KIBOR plus 2%. This payable is charged by the way of hypothecation over following assets:			
- Diminishing Musharka Asset			
- Current Assets of the company			
This represents loan obtained from WTL Services (Private) Limited. Interest at the rate of 24% per annum is payable on the loan obtained on monthly basis after lapse of 12 months grace period. Principal amount is repayable on January 31, 2024.			
12 Accrued markup			
	Note	Un-Audited Dec. 31, 2021	Audited June 30, 2021
		-----Rupees-----	
Rental payable against diminishing musharka	11.1	546,629,844	403,256,124
Interest payable against long term loan from non-financial institutions	11.2	61,093,269	39,550,448
		607,723,113	442,806,572
Less Current portion of accrued markup		(607,723,113)	(331,429,552)
Non current portion of accrued markup		-	111,377,020

			Un-Audited Dec. 31, 2021	Audited June 30, 2021
	Note		-----Rupees-----	
13	Deferred tax liability			
		Deferred tax liability	15,000,100	15,000,100
	13.1		<u>15,000,100</u>	<u>15,000,100</u>
13.1	Deductible temporary differences		-	-
	Taxable temporary differences			
		Revaluation gain on investment property	(15,000,100)	(15,000,100)
			<u>(15,000,100)</u>	<u>(15,000,100)</u>
		Deferred tax asset/(liability)	<u>(15,000,100)</u>	<u>(15,000,100)</u>
14	Contingencies and commitments			
		There are no significant changes in the status of contingencies and commitments as reported in note 19 to the unconsolidated annual audited financial statements for the year ended June 30, 2021.		
15	Revenue from money market services			

	Half year ended		Quarter ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	-----Rupees-----			
Gross revenue	-	1,227,701	-	950,417
Less Sales tax	-	(141,240)	-	(109,340)
Net revenue	<u>-</u>	<u>1,086,461</u>	<u>-</u>	<u>841,077</u>

16 Transactions and balances with related parties

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

	Half year ended		Quarter ended	
	Dec. 31, 2021	December 31, 2020	Dec. 31, 2021	December 31, 2020
	-----Rupees-----			
Subsidiary companies				
Rental income earned	5,700,000	5,700,000	2,850,000	2,850,000
Associated companies				
Paid on behalf of the Company	-	-	-	-
Dividend income	65,142,446	161,181	65,142,446	161,181
Key management personnel				
Salaries and other employee benefits	1,800,000	2,079,625	900,000	1,052,640

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

17 FAIR VALUE MEASUREMENT

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

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

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

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

18 Authorization of unconsolidated condensed interim financial statements

This unconsolidated condensed interim financial statements were authorized for issue on _____ by the Board of Directors.

19 Corresponding figures

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

20 General

Figures have been rounded off to the nearest rupee.

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED

***CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021***

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

STATEMENT OF CONSOLIDATED PROFIT OR LOSS

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

		Un-Audited	Audited
		31 December	30 June
		2021	2021
	Note	Rupees	Rupees
Non-current assets			
Property, plant and equipment	5	269,458,315	272,244,918
Intangible assets		2,687,506	2,812,510
Investment properties		3,354,181,263	3,354,181,263
Investments accounted for using the equity method	6	390,315,279	412,524,455
Long term investments		14,869,979	24,127,216
Long term deposits and advances - considered good		36,303,521	36,579,471
		4,067,815,863	4,102,469,833
Current assets			
Stock in trade		290,053,500	290,053,500
Trade debts		955,245,110	608,139,942
Loans, advances and other receivables		404,703,829	366,683,418
Prepayments		1,914,654	1,018,351
Short term investments	6	539,498,747	533,452,966
Cash and bank balances		104,891,444	50,837,074
		2,296,307,284	1,850,185,251
Current liabilities			
Trade and other payables		922,819,971	666,392,155
Short term borrowings		75,985,029	14,833,987
Current portion of lease liability		9,193,185	6,867,378
Current portion of long term loans		1,238,821,540	267,590,909
Current portion of accrued markup		724,147,072	428,752,510
Provision for taxation		128,105,434	84,024,702
		3,099,072,231	1,468,461,641
Net current assets/(liability)		(802,764,947)	381,723,610
		3,265,050,916	4,484,193,443
Non-current liabilities			
Deferred tax liability		14,796,695	14,204,296
Staff retirement benefits		24,948,730	24,442,112
Long term loans		1,723,514,546	2,694,745,177
Accrued markup		-	111,377,019
Lease liability		65,133,023	-
		1,828,392,994	2,844,768,604
Contingencies and commitments	7		
		1,436,657,922	1,639,424,839
Represented by			
Equity			
Share Capital and Reserves			
Authorized share capital: 320,000,000 (2019: 320,000,000) ordinary shares of Rs 10 each		3,200,000,000	3,200,000,000
Issued, subscribed and paid-up share capital		3,166,101,120	3,166,101,120
Exchange translation reserve		48,045,535	28,618,644
Reserves capitalized		480,054,923	480,054,923
Retained earnings		(2,468,141,366)	(2,356,835,232)
Equity attributable to owners of the Parent Company		1,226,060,212	1,317,939,455
Non-controlling interests (NCI)		210,597,710	321,485,384
		1,436,657,922	1,639,424,839

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONSOLIDATED CONDENSED STATEMENT OF PROFIT OR LOSS - (Un-Audited)
FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2021

		Half year ended		Quarter ended	
		31 December		31 December	
	Note	2021	2020	2021	2020
		Rupees		Rupees	Rupees
<u>CONTINUED OPERATIONS</u>					
Operating revenue		670,305,898	166,010,419	446,110,453	95,842,789
Direct costs		(172,462,378)	(22,986,339)	(130,954,576)	(11,664,143)
Gross profit		497,843,520	143,024,080	315,155,877	84,178,646
Unrealized gain(loss) on re-measurement of 'investments at fair value through profit or loss'		(80,707,200)	46,173,814	(28,783,443)	9,356,851
Operating and administrative expenses		(182,151,730)	(97,728,489)	(105,059,398)	(54,102,942)
Operating (loss)/profit		234,984,590	91,469,405	181,313,036	39,432,555
Other income		35,063,482	17,363,955	18,571,803	7,787,375
Finance costs		(244,047,499)	(138,369,093)	(184,718,432)	(92,832,889)
		26,000,573	(29,535,733)	15,166,407	(45,612,959)
Share of profit/(loss) from investments accounted for using the equity method - net of tax		(23,119,241)	(6,541,830)	(17,877,227)	(997,592)
(Loss)/profit before taxation		2,881,332	(36,077,563)	(2,710,820)	(46,610,551)
Taxation		(62,799,270)	(12,163,619)	(31,758,126)	(9,077,964)
(Loss)/profit after taxation for the period		(59,917,938)	(48,241,182)	(34,468,946)	(55,688,515)
<u>DISCONTINUED OPERATION</u>					
(Loss)/profit after taxation from discontinued operation		(768,955)	(171,848)	(12,000)	1,071,767
(Loss)/profit after taxation for the period		(60,686,893)	(48,413,030)	(34,480,946)	(54,616,748)
	8				
Basic and diluted loss per share-- from continued operation		(0.35)	(0.25)	(0.21)	(0.21)
Basic and diluted loss per share-- from discontinued operation	8	(0.0018)	(0.0004)	(0.000028)	0.002
(Loss)/profit attributable to:					
- Owners of the Parent Company from continuing operation		(112,216,199)	(79,023,681)	(67,448,675)	(64,707,423)
- Non-controlling interests		51,529,306	30,610,651	32,967,729	10,090,675
(Loss)/Profit for the period		(60,686,893)	(48,413,030)	(34,480,946)	(54,616,748)

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - (Un-Audited)
FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2021

	Half year ended 31 December		Quarter ended 31 December	
	2021	2020	2021	2020
	Rupees		Rupees	
Loss after taxation	(60,686,893)	(48,413,030)	(34,480,946)	(54,616,748)
Other comprehensive income/(loss) for the period				
<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	910,065	-	1,365,031	-
Exchange differences on translation of foreign operations recognised as:				
- Exchange translation reserve	19,426,891	(6,614,190)	5,625,549	(558,134)
- Non-controlling interests	18,665,051	(6,354,811)	5,404,938	(536,246)
Other comprehensive income for the period	38,091,942	(12,969,001)	11,030,487	(1,094,380)
Total comprehensive loss for the period	(21,684,886)	(61,382,031)	(22,085,428)	(55,711,128)
Total comprehensive loss attributable to :				
- Owners of the Parent Company	(91,879,243)	(85,637,871)	(60,458,095)	(65,265,557)
- Non-controlling interests	70,194,357	24,255,840	38,372,667	9,554,429
	(21,684,886)	(61,382,031)	(22,085,428)	(55,711,128)

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	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 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	-	-	-	(79,023,681)	(79,023,681)	30,610,651	(48,413,030)
Other comprehensive loss for the period	-	(6,614,190)	-	454,494	(6,159,696)	(6,354,811)	(12,514,507)
Total comprehensive loss for the period	-	(6,614,190)	-	(78,569,187)	(85,183,377)	24,255,840	(60,927,537)
Balance at 31 December 2020	3,166,101,120	42,054,543	480,054,923	(2,615,473,407)	1,072,737,179	280,442,126	1,353,179,305
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	-	-	-	(112,216,199)	(112,216,199)	51,529,306	(60,686,893)
Other comprehensive loss for the period	-	19,426,891	-	910,065	20,336,956	18,665,051	39,002,007
Total comprehensive loss for the period	-	19,426,891	-	(111,306,134)	(91,879,243)	70,194,357	(21,684,886)
Transaction with owners							
Profit attributed paid to non-controlling interest	-	-	-	-	-	(181,082,031)	(181,082,031)
Balance at 31 December 2021	3,166,101,120	48,045,535	480,054,923	(2,468,141,366)	1,226,060,212	210,597,710	1,436,657,922

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOWS - (Un-Audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Note	Half year ended	
		3 December	
		2021	2020
		Rupees	
Cash flows from operating activities			
Cash used in operations	9	253,926,576	(75,400,382)
Long term deposits and advances		275,950	(5,686,568)
Retirement benefits paid - net		(1,433,839)	(251,628)
Finance costs paid		(60,029,956)	(138,369,093)
Taxes paid		(18,126,139)	1,812,154
Net cash generated from/(used in) operating activities		174,612,592	(217,895,517)
Cash flows from investing activities			
Fixed capital expenditure		-	(3,078,117)
Short term investments - net		(86,752,981)	6,114,648
Investment available for sale - net		9,257,237	9,820,808
Dividend received		-	-
Interest received		32,468,781	16,739,584
Net cash generated from investing activities		(45,026,963)	29,596,923
Cash flows from financing activities			
Repayment of liabilities against assets subject to finance lease - net		67,458,830	(7,496,408)
Receipt/(payment) of loan		-	213,177,419
Dividend paid to non-controlling interest		(181,082,031)	-
Net cash generated from/(used in) financing activities		(113,623,201)	205,681,011
Net decrease in cash and cash equivalents		15,962,428	17,382,417
Cash and cash equivalents at the beginning of the period		50,837,074	47,971,595
Effect of exchange translation reserve		38,091,942	(12,969,001)
Cash and cash equivalents at the end of the period		104,891,444	52,385,011

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

Chief Executive Officer

Chief Financial Officer

Director

1. The Group and its operations

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

Head Office

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

Corporate Office

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	
	31 December 2021	30 June 2021
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 quarter ended 31 December, 2021.

2 Basis of preparation

- 2.1 These condensed interim consolidated financial statements has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. As per the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017 shall prevail.
- 2.2 These condensed interim consolidated financial statements are unaudited and do not include all the information and disclosures required in the audited annual unconsolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Company for the year ended 30 June, 2021.
- 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, 2021, 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 half years ended December 31 2021.
- 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 2021.

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 2021.

	Note	31 December 2021 Rupees	30 June 2021 Rupees
5 Property, plant and equipment			
Property, plant and equipment	5.1	5,777,422	6,325,931
Capital work in progress	5.2	255,230,106	255,230,106
Right of use assets	5.3	8,450,787	10,688,881
		269,458,315	272,244,918
5.1 Opening book value		6,325,931	3,915,773
Additions for the period/year		-	5,475,314
Effect of movement in exchange rate		6,202,370	(6,946,725)
Disposal for the period/year net book value		-	-
		12,528,301	2,444,362
Depreciation expense for the period/year		3,338,982	2,604,739
Effect of movement in exchange rate		3,411,897	(6,486,308)
Closing book value		5,777,422	6,325,931
	Note	31 December 2021 Rupees	30 June 2021 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	255,230,106	255,230,106
5.3 Opening balance		10,688,881	17,438,317
Additions for the period/year		-	404,421
Covid Adjustment		-	(329,205)
Exchange gain/(loss)		644,847	(1,293,095)
Depreciation expense for the period/year		(2,882,941)	(5,531,557)
Closing balance		8,450,787	10,688,881
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 2021: Rs 107,090,858) and Rs. 25,334,248 (June 2021: Rs. 25,334,248) respectively. Construction work on these properties is in progress as at December 31, 2020.			

	31 December 2021 Rupees	30 June 2021 Rupees
6 Investments		
Carrying value of investments at the beginning of the period / year	970,104,637	742,351,041
Share of loss of equity accounted investees (net of tax)	(23,119,241)	(42,167,422)
Equity accounted investees- share of other comprehensive income	910,065	11,246,573
Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	(80,707,200)	124,640,584
	(102,916,376)	93,719,735
Investments disposed off during the period/year	77,495,744	-
Carrying value at the end of the period / year	944,684,005	970,104,637
Investments classified in current assets	539,498,747	533,452,966
Closing book value	405,185,258	436,651,671

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, 2021.

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

		Half year ended 31 December		Quarter ended 31 December	
		2021 Rupees	2020	2021 Rupees	2020 Rupees
Net profit/(loss) for the year from continued operations	Rupees	(111,653,093)	(78,897,837)	(67,439,887)	(65,492,278)
Net profit/(loss) for the year from discontinued operations	Rupees	(563,106)	(125,844)	(8,788)	784,855
Weighted average number of ordinary shares as at	Numbers	316,610,112	316,610,112	316,610,112	316,610,112
Earning/(loss) per share - basic and diluted-- continued operations	Rupees	(0.35)	(0.25)	(0.21)	(0.21)
Earning/(loss) per share - basic and diluted -- discontinued operations	Rupees	(0.0018)	(0.0004)	(0.000028)	0.002

9 Cash generated from operations

		Half year ended 31 December	
		2021	2019
		Rupees	Rupees
Loss before taxation		2,112,377	(36,249,411)
Adjustments for:			
Depreciation		3,338,982	1,227,118
Finance cost		244,047,499	138,369,093
Loss on re-measurement of short term investments		80,707,200	(46,173,814)
Dividend income		-	(504,197)
Amortization		125,004	125,004
Retirement benefits		1,940,457	4,120,332
Share of loss from investments accounted for using equity method		23,119,241	6,541,830
Mark-up income		(32,468,781)	(16,739,584)
		320,809,602	86,965,782
Loss before working capital changes		322,921,979	50,716,371
Effect on cash flow due to working capital changes:			
Decrease/(increase) in:			
Trade debts		(347,657,547)	(361,886,233)
Loans and advances		(38,020,411)	23,993,271
Short term prepayments		(896,303)	947,110
Deposits and other receivables		-	(178,797,259)
(Decrease)/increase in:			
Trade and other payables		256,427,816	389,626,358
		(68,995,403)	(126,116,753)
Cash used in operations		253,926,576	(75,400,382)

10 Transactions with related parties

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

10.1 Transaction during the period

		Half year ended 31 December	
		2021	2019
		Rupees	Rupees
Associated companies	Purchase of goods / services	-	107,430
	Units Issues	1,000,000	10,000,000
	Units redeemed	-	14,600,000
	Service charges	-	335,880
	Dividend income	161,181	1,568,635
	Asset management fee	1,396,784	1,330,954
	Construction revenue	26,601,430	26,601,430
Key management personnel	Salaries and other employee benefits	6,694,576	8,713,152

		31 December 2021 Rupees	30 June 2021 Rupees
10.2	Period / year end balances		
	Associated companies		
	Receivables from related parties	5,379,952	9,969,237
	Payables to related parties	8,554,953	8,712,162
	Retention money	91,059,877	225,362,666

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 2021.

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

11.2 Liquidity risk

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

11.3 Fair value estimation

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

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

The following table presents the Group assets and liabilities that are measured at fair value at 31 December 2021.

	Level 1 Rupees	Level 2	Level 3	Total
Assets				
Investments at fair value				
through profit and loss	539,498,747	-	-	539,498,747
Total assets	539,498,747	-	-	539,498,747
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 25 February 2022 by the Board of Directors.

14 General

Figures have been rounded off to the nearest rupee.

Chief Executive Officer

Chief Financial Officer

Director