

FIRST CAPITAL SECURITIES CORPORATION LIMITED

***CONDENSED UN CONSOLIDATED
FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022***

- ✓ *CONDENSED INERIM STATEMENT OF FINANCIAL POSITION*
- ✓ *CONDENSED INERIM STATEMENT OF PROFIT OR LOSS*
- ✓ *CONDENSED INERIM STATEMENT OF COMPREHENSIVE INCOME*
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First Capital Securities Corporation Limited

Company Information

Board of Directors

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

Chief Financial Officer

Saeed Iqbal

Audit Committee

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

Human Resource and Remuneration (HR&R) Committee

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

Company Secretary

Sajjad Ahmad

Auditors

Nasir Javaid Maqsood Imran
Chartered Accountants

Legal Advisers

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

Bankers

Allied Bank Limited
Faysal Bank Limited
MCB Bank Limited
Soneri Bank Limited

Registrar and Shares Transfer Office

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

Registered Office

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

DIRECTORS' REVIEW

We, on behalf of the Board of Directors of First Capital Securities Corporation Limited (the "Company" or "FCSC") are pleased to present the auditors' reviewed condensed interim financial statements of the Company for the six months ended 31 December 2022.

Operational Results

The operating results of the Company are summarized as follows:

Financial Overview	31 December 2022	31 December 2021
	<i>Rupees</i>	<i>Rupees</i>
Unrealized loss on investments	(6,113,428)	(111,894,411)
Operating expenses	4,699,084	3,298,838
Operating loss	(10,812,512)	(49,954,278)
Finance and other costs	143,742,181	165,618,907
Loss after taxation	(148,459,800)	(219,115,486)
Loss per share (basic and diluted)	(0.46)	(0.69)

The Company reported after tax loss of Rs. 148.46 million as compared to Rs. 219.12 million in the corresponding quarter of last year primarily due to an unrealized loss of Rs. 6.11 million on investments. Operating expenses incurred at Rs.4.70 million in comparison with Rs. 3.30 million in same period of last year. On net basis, per share loss of the Company has arrived at Rs.0.46 in comparison with Rs. 0.69 in the same period of last year.

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

First Capital Equities Limited ("FCEL") has reported a loss of Rs 8.22 million in 1HFY22 as compare to Rs. 63.97 million in 1HFY22. Due to discontinuation of operations, the brokerage income of FCEL is NIL in both periods. Further, FCEL recorded capital gain / (loss) of Rs NIL against Rs. NIL last year. The Un-realized loss on re-measurement of investment is recorded at Rs. 6.83 million. Operating expenses decreased 15% during the period under review.

Lanka Securities (Pvt.) Limited ("LSL") generated a total revenue LKR. 202.40 million, and reported a net profit of LKR. 82.72 million during the half year which translates into an EPS of LKR. 4.73.

First Capital Investments Limited ("FCIL") reported loss after taxation of Rs. 0.96 million (LPS: 0.046) as compared to loss of Rs. 14.07 million (LPS: 0.67) in the corresponding period last year, mainly attributed to unrealized loss on re-measurement of investments of Rs. 2.31 million during the period under review. Unrealized loss on re-measurement of investments is subjected to negative return of stock market (KSE-100 index). The KSE -100 Index recorded a return of - 2.70% during the first half of FY-2022. Asset Management Fee has decreased to Rs. 0.98 million from Rs. 1.20 million in the corresponding period last year.

Evergreen Water Valley (Pvt.) Limited ("EGWV") generated a total revenue LKR. 55,342,346 and a net loss after taxation of Rs. 40,796,113 and loss per share during the period under review is recorded at Rs. 57.03.

Outlook

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

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

Acknowledgement

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

For and on behalf of the Board of Directors



Chief Executive Officer

Lahore

24 February 2023



Director



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of First Capital Securities Corporation Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of First Capital Securities Corporation Limited as at December 31, 2022 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the six-months period then ended (here-in-after referred to as the "unconsolidated interim financial statements").

Management is responsible for the preparation and presentation of these unconsolidated interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated interim financial statements based on our review.

The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the quarter ended December 31, 2022 and 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2022.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 2 in the annexed unconsolidated condensed interim financial statements which indicates that the Company incurred loss amounting Rs. 148.4 Million after tax during the period and the accumulated losses of the company stand at Rs. 1,301.6 Million as at December 31, 2022 (June 30, 2022: 1,153.1 Million). As at the reporting date current liabilities of the Company exceed its current assets by Rs. 1,346.1 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.

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

Date: February 24, 2023

Lahore

UDIN: RR202210122xTIK0ihSz

Nasir Javaid Maqsood Imran
Nasir Javaid Maqsood Imran
Chartered Accountants

Offices also at:

KARACHI: OFFICE # 807, 8TH FLOOR, Q.M. HOUSE, PLOT NO. 11/2, ELLANDER ROAD, OPP. SHAHEEN COMPLEX,
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FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

	Note	Un-Audited Dec. 31, 2022	Audited June 30, 2022
-----Rupees-----			
NON-CURRENT ASSETS			
Property, plant and equipment	6	142,224,507	143,423,338
Investment properties	7	2,685,278,881	2,685,278,881
Long term investments	8	1,710,931,108	1,713,194,346
Long term deposits		37,500	37,500
		<u>4,538,471,996</u>	<u>4,541,934,065</u>
CURRENT ASSETS			
Trade debts - unsecured, considered good		-	-
Loans, advances, prepayments and other receivables	9	55,113,455	38,322,992
Short term investments		28,984,132	32,834,322
Advance tax		7,954,059	7,894,825
Cash and bank balances		1,043,057	14,947,715
		<u>93,094,703</u>	<u>93,999,854</u>
CURRENT LIABILITIES			
Trade and other payables	10	71,604,729	71,615,173
Current portion of long term loan	11	536,363,636	390,909,090
Current portion of accrued markup	12	831,235,946	705,753,915
		<u>1,439,204,311</u>	<u>1,168,278,178</u>
NET CURRENT ASSETS			
		<u>1,346,109,608</u>	<u>1,074,278,324</u>
		<u>3,192,362,388</u>	<u>3,467,655,741</u>
NON-CURRENT LIABILITIES			
Long term loan	11	1,241,696,364	1,387,150,910
Accrued markup	12	60,185,523	41,927,982
Staff retirement benefits payable		3,489,395	3,125,943
Deferred tax liability	13	22,501,180	22,501,180
		<u>1,327,872,462</u>	<u>1,454,706,015</u>
Contingencies and commitments			
NET ASSETS			
		<u>1,864,489,926</u>	<u>2,012,949,726</u>
REPRESENTED BY			
EQUITY			
SHARE CAPITAL AND RESERVES			
Authorized share capital:			
320,000,000 (June 2022: 320,000,000) ordinary shares of Rs. 10 each		3,200,000,000	3,200,000,000
Issued, subscribed and paid-up capital		3,166,101,120	3,166,101,120
Retained earnings		(1,301,611,194)	(1,153,151,394)
		<u>1,864,489,926</u>	<u>2,012,949,726</u>

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

	HALF YEAR ENDED		QUARTER ENDED	
	DEC. 31, 2022	DEC. 31, 2021	DEC. 31, 2022	DEC. 31, 2021
Note	-----Rupees-----			
Revenue				
Money market services	-	-	-	-
Dividend Income		65,238,971		27,238,971
Unrealized gain on re-measurement of 'investments at fair value through profit or loss'	(6,113,428)	(111,894,411)	(7,048,460)	(23,325,519)
	(6,113,428)	(46,655,440)	(7,048,460)	3,913,452
Expenses				
Operating and administrative expenses	(4,699,084)	(3,298,838)	(2,242,426)	(1,307,205)
Operating profit	(10,812,512)	(49,954,278)	(9,290,886)	2,606,247
Other income	6,094,893	6,243,545	2,907,598	3,343,816
Finance cost	(143,742,181)	(165,618,907)	(71,871,091)	(111,789,581)
Loss before taxation	(148,459,800)	(209,329,640)	(78,254,379)	(105,839,518)
Taxation	-	(9,785,846)		(4,085,846)
Loss after taxation	(148,459,800)	(219,115,486)	(78,254,379)	(109,925,364)
Loss per share				
- basic and diluted	(0.46)	(0.69)	(0.06)	(0.35)

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME(UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

	HALF YEAR ENDED		QUARTER ENDED	
	DEC. 31, 2022	DEC. 31, 2021	DEC. 31, 2022	DEC. 31, 2021
	-----Rupees-----			
Loss after taxation	(148,459,800)	(219,115,486)	(78,254,379)	(109,925,364)
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	(148,459,800)	(219,115,486)	(78,254,379)	(109,925,364)

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

	Share Capital	Revenue reserve		Total
		Fair value reserve	Retained earnings	
----- Rupees -----				
Balance as at July 01, 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 loss 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
Profit for the period	-	-	311,576,376	311,576,376
Other comprehensive income for the period - net of tax	-	-	-	-
Total comprehensive income for the period - net of tax	-	-	311,576,376	311,576,376
Balance at June 30, 2022	3,166,101,120	-	(1,153,151,394)	2,012,949,726
Profit for the period	-	-	(148,459,800)	(148,459,800)
Other comprehensive income for the period - net of tax	-	-	-	-
Total comprehensive loss for the period - net of tax	-	-	(148,459,800)	(148,459,800)
Balance at December 31, 2022	3,166,101,120		(1,301,611,194)	1,864,489,926

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

	Six months period ended December 31, 2022	Six months period ended December 31, 2021
	-----Rupees-----	
Cash flows from operating activities		
Loss before taxation	(148,459,800)	(209,329,640)
<i>Adjustments for:</i>		
Finance cost	143,742,181	165,618,907
Dividend income	-	(65,238,971)
Unrealized loss/(gain) on re-measurement of investments at 'fair value through profit or loss'	6,113,428	111,894,411
Depreciation	1,198,831	111,024
Interest income	(394,893)	(493,815)
Provision for staff retirement benefits	363,452	215,102
	151,022,999	212,106,658
Profit before working capital changes	2,563,199	2,777,018
Effect on cash flow due to working capital changes		
<i>(Increase)/decrease in current assets:</i>		
Trade debts	-	-
Loans, advances, prepayments and other receivables	(16,790,463)	(3,832,859)
<i>(Decrease)/increase in current liabilities:</i>		
Trade and other payables	(10,444)	474,969
	(16,800,907)	(3,357,890)
Cash used in operations	(14,237,708)	(580,872)
<i>Increase in non-current liabilities:</i>		
Finance cost paid	(2,609)	(1,608)
Taxes paid/adjusted-net	(59,234)	(128,797)
	(61,843)	(130,405)
Net cash outflow from operating activities	(14,299,551)	(711,277)
Cash flows from investing activities		
Dividend received	-	33,199,468
Interest received	394,893	493,815
Net cash generated from investing activities	394,893	33,693,283
Cash flows from financing activities		
Loan acquired during the period	-	-
Net cash generated from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(13,904,658)	32,982,006
Cash and cash equivalents at the beginning of the period	14,947,715	80,394
Cash and cash equivalents at the end of the period	1,043,057	33,062,400

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2022

1 Legal status and nature of business

- 1.1** First Capital Securities Corporation Limited ("the Company") was incorporated in Pakistan on 11 April 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at First Capital House, 96-B/1 Lower Ground Floor, M.M . Alam Road Gulberg-III, Lahore. The Company is involved in making long and short term investments, money market operations and financial consultancy services.
- 1.2** These unconsolidated condensed interim financial statements are the separate condensed interim financial statements of the Company in which investments in subsidiaries and associates have been accounted for at fair value.
- 1.3** There were no change in composition of the group during the half year ended December 31, 2022.

2 Going concern assumption

During the period the Company incurred loss amounting Rs. 148.4 Million after tax and the accumulated losses of the company stand at Rs. 1,301.6 Million as at December 31, 2022 (June 30, 2022: Rs. 1,153.1 Million). As at the reporting date current liabilities of the Company exceed its current assets by Rs. 1,346.1 Million (June 30, 2022: Rs. 1074.2 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, 2022.

The figures included in the unconsolidated condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2022 and 2021 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, 2022 and 2021.

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

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

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

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

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

4 Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual audited financial statements for the year ended June 30, 2022.

5 Significant accounting judgments and estimates

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

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

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's unconsolidated annual audited financial statements for the year ended June 30, 2022.

	Note	Un-Audited Dec. 31, 2022	Audited 30-Jun-22
		-----Rupees-----	
6 Property, plant and equipment			
Property, plant and equipment	6.1	9,799,401	10,998,232
Capital work in progress	6.2	132,425,106	132,425,106
		142,224,507	143,423,338
6.1	Opening book value	10,998,232	318,057
	Net (Disposal)/Additions for the period/year	-	11,087,000
		10,998,232	11,405,057
	Depreciation expense for the period/year	1,198,831	406,825
	Closing book value	9,799,401	10,998,232
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, 2022: Rs 107,090,858) and Rs. 25,334,248 (June 30, 2022: Rs. 25,334,248) respectively. Construction work on these properties is in progress as at December 31, 2022.		

	Note	Un-Audited Dec. 31, 2022	Audited 30-Jun-22
		-----Rupees-----	
7 Investment properties			
Opening balance		2,685,278,881	2,152,618,664
Addition during the period/year		-	205,023,814
Disposal During the period		-	(172,407,253)
Fair value adjustment		-	500,043,656
		-	-
Closing balance	7.1	2,685,278,881	2,685,278,881
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, 2022. Fair value is determined keeping in view the location of the land and inquiries in the vicinity, the trend and tone of sale / purchase of property in the respective areas.		
7.2	Investment property amounting Rs. 2,400 Million (June 30, 2022: 2,400 Million) is mortgaged with Silk Bank Limited (Eman Islamic Banking) against diminishing musharka agreement. The Company does not hold the title of investment property amounting Rs. 2,685 Million (June 30, 2022: Rs. 2,685 Million), title of property amounting Rs. 2,440 Million, Rs 212.6 Million and Rs. 32.6 Million is held in the name of Pace (Pakistan) Limited, First Capital Equities Limited and Capital Heights (Pvt.) Limited respectively. The transfer of this property is in process as at period end. However, the Company has complete control and possession of said property.		

	Note	Un-Audited Dec. 31, 2022	Audited 30-Jun-22
		-----Rupees-----	
8 Investments			
Carrying value of investments at the beginning of the period / year		1,713,194,347	1,821,951,969
Unrealized loss on re-measurement of investments at fair value through profit or loss	8.1	(2,263,239)	(108,757,622)
Carrying value at the end of the period / year		1,710,931,108	1,713,194,347
Investments classified in current assets		-	-
Closing book value		1,710,931,108	1,713,194,347

8.1 This includes unrealized loss on remeasurement of investment in related parties amounting Rs. Nil (June 2022: Rs. Nil) on investment in subsidiary and Rs. 2.3 Million (June 2022: Rs. 103.9 Million) on investment in associate.

8.2 Investments in related parties and other		Un-Audited Dec. 31, 2022	Audited 30-Jun-22
		-----Rupees-----	
		522,657,493	522,657,493
		894,268,113	894,268,113
		87,813,654	90,076,892
		<u>206,191,848</u>	<u>206,191,848</u>
		<u>1,710,931,108</u>	<u>1,713,194,346</u>
8.3 There is no change in holding in subsidiaries and associated undertakings during the period.			
9 Loans, advances, prepayments and other receivables		Un-Audited Dec. 31, 2022	Audited 30-Jun-22
		-----Rupees-----	
	Note		
Advances to staff - secured, considered good		317,205	
Advances for purchase of property		10,773,258	
Prepaid expenses		156,540	156,540
Dividend receivables		-	-
Due from related	9.1	<u>43,866,452</u>	<u>38,166,452</u>
		<u>55,113,455</u>	<u>38,322,992</u>
9.1 Due from related parties - unsecured, considered good			
		399,100	399,100
		<u>43,467,352</u>	<u>37,767,352</u>
		<u>43,866,452</u>	<u>38,166,452</u>
10 Trade and other payables			
		10,266,629	10,967,038
	10.1	16,633,788	16,259,375
		486,660	486,660
	10.2	6,681,123	6,681,123
		22,019,278	22,019,278
		5,523,011	5,207,459
		244,082	244,082
		9,624,023	9,624,023
		<u>126,135</u>	<u>126,135</u>
		<u>71,604,729</u>	<u>71,615,173</u>
10.1 This includes payable to Chief Executive Officer of the Company against salary amounting Rs. 8,740,471 (June 2022: 8,740,471).			
10.2 This presents amount payable to Pace (Pakistan) Limited (related party, associated undertaking) against purchase of property.			
11 Long term loan		Un-Audited Dec. 31, 2022	Audited 30-Jun-22
		-----Rupees-----	
	Note		
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	<u>178,060,000</u>	<u>178,060,000</u>
		<u>1,778,060,000</u>	<u>1,778,060,000</u>
Less Current portion of loan		(536,363,636)	(390,909,090)
Non current portion of loan		<u>1,241,696,364</u>	<u>1,387,150,910</u>
11.1 This represents balance payable against two diminishing musharka facilities obtained from Silk Bank Limited (Eman Islamic Banking) Facility 1 and 2 amounting to Rs. 1,100 Million and Rs. 500 Million respectively. Principal amount of Facility 1 and 2 is repayable in 11 equal semi-annual instalments commencing from June 14, 2022 and August 08, 2022 respectively. The Company has not paid instalments due on June 2022 and December 2022 amounting Rs. 200 million for Facility 1 and Installment of 45.4 million on August 2022 for Facility 2. In case of failure to make due payments by the Company, Bank can charge penalty at the rate of 6 month KIBOR (Ask side) plus 5% per annum on overdue amount. Silk Bank Limited has charge by way of hypothecation over following assets: - Diminishing Mushrka Asset - Current Assets of the company			
11.2 This represents loan received on interest at the rate of 24% obtained from WTL Services (Private) Limited. During the year, the company has renegotiated the terms in regards to the repayment of loan and rate of interest with WTL services (Pvt.) Limited after which previously allowed 12 months grace period have been extended to 3 years resulting interest to be payable on demand after lapse of 3 years grace period starting from July 31, 2020. Moreover the rate interest have been modified from 24% per annum to Kibor plus 5%.			

12	Accrued markun	Note	Un-Audited Dec. 31, 2022	Audited June 30, 2022
			-----Rupees-----	
	Rental payable against diminishing musharka	11.1	831,235,946	705,753,915
	Interest payable against long term loan from non-financial institutions	11.2	60,185,523	41,927,982
			<u>891,421,469</u>	<u>747,681,897</u>
	Less Current portion of accrued markun		<u>(831,235,946)</u>	<u>(705,753,915)</u>
	Non current portion of accrued markup		<u>60,185,523</u>	<u>41,927,982</u>

13	Deferred tax liability	Note	Un-Audited Dec. 31, 2022	Audited June 30, 2022
			-----Rupees-----	
	Deferred tax liability	13.1	<u>22,501,180</u>	<u>22,501,180</u>
			<u>22,501,180</u>	<u>22,501,180</u>
13.1	Deductible temporary differences			
	Taxable temporary differences			
	Revaluation gain on investment property		<u>(22,501,180)</u>	<u>(22,501,180)</u>
			<u>(22,501,180)</u>	<u>(22,501,180)</u>
	Deferred tax asset/(liability)		<u>(22,501,180)</u>	<u>(22,501,180)</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, 2022.

15 Transactions and balances with related parties

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

	Half year ended		Quarter ended	
	Dec. 31, 2022	December 31, 2021	Dec. 31, 2022	December 31, 2021
	-----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	-	65,142,446
Key management personnel				
Salaries and other employee benefits	1,800,000	1,800,000	900,000	900,000

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

16 FAIR VALUE MEASUREMENT

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

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

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

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

17 Authorization of unconsolidated condensed interim financial statements

This unconsolidated condensed interim financial statements were authorized for issue on February 24, 2023 by the Board of Directors.

18 Corresponding figures

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

19 General

Figures have been rounded off to the nearest rupee.

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED

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

STATEMENT OF CONSOLIDATED CONDENSED FINANCIAL POSITION

STATEMENT OF CONSOLIDATED CONDENSED PROFIT OR LOSS

STATEMENT OF CONSOLIDATED CONDENSED COMPREHENSIVE INCOME

STATEMENT OF CONSOLIDATED CONDENSED CASH FLOWS

STATEMENT OF CONSOLIDATED CONDENSED CHANGES IN EQUITY

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

		Un-Audited	Audited
		31 December	30 June
		2022	2022
	Note	Rupees	Rupees
Non-current assets			
Property, plant and equipment	5	272,929,269	274,887,340
Intangible assets		3,250,024	2,562,501
Investment properties		4,032,480,582	4,106,031,794
Investments accounted for using the equity method	6	529,178,633	542,751,346
Long term investments		9,003,140	11,328,264
Long term deposits and advances - considered good		5,204,892	4,197,255
		<u>4,852,046,540</u>	<u>4,941,758,500</u>
Current assets			
Stock in trade		290,053,500	290,053,500
Trade debts		456,612,906	274,064,257
Loans, advances and other receivables		477,299,381	290,668,891
Prepayments		1,704,562	1,052,233
Short term investments	6	526,982,140	532,798,992
Cash and bank balances		45,128,992	66,321,188
		<u>1,797,781,481</u>	<u>1,454,959,061</u>
Current liabilities			
Trade and other payables		701,278,993	472,820,339
Short term borrowings		-	-
Current portion of lease liability		-	299,917
Current portion of long term loans		1,584,276,086	1,438,821,540
Current portion of accrued markup		999,209,946	847,634,915
Provision for taxation		107,048,485	121,848,383
		<u>3,391,813,510</u>	<u>2,881,425,094</u>
Net current assets/(liability)		<u>(1,594,032,029)</u>	<u>(1,426,466,033)</u>
		<u>3,258,014,511</u>	<u>3,515,292,467</u>
Non-current liabilities			
Deferred tax liability		22,559,759	22,468,065
Staff retirement benefits		34,337,574	32,612,167
Long term loans		1,378,060,000	1,523,514,546
Accrued markup		60,185,523	41,927,982
Lease liability		-	-
		<u>1,495,142,856</u>	<u>1,620,522,760</u>
Contingencies and commitments	7	<u>1,762,871,655</u>	<u>1,894,769,707</u>
Represented by			
Equity			
Share Capital and Reserves			
Authorized share capital: 320,000,000 (2019: 320,000,000) ordinary shares of Rs 10 each		<u>3,200,000,000</u>	<u>3,200,000,000</u>
Issued, subscribed and paid-up share capital		3,166,101,120	3,166,101,120
Exchange translation reserve		156,763	(14,086,757)
Reserves capitalized		480,054,923	480,054,923
Retained earnings		(2,208,551,636)	(2,027,065,797)
Equity attributable to owners of the Parent Company		<u>1,437,761,170</u>	<u>1,605,003,489</u>
Non-controlling interests (NCI)		<u>325,110,485</u>	<u>289,766,218</u>
		<u>1,762,871,655</u>	<u>1,894,769,707</u>

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST CAPITAL SECURITIES CORPORATION LIMITED
CONSOLIDATED CONDENSED STATEMENT OF PROFIT OR LOSS - (Un-Audited)
FOR THE QUARTER AND HALF YEAR ENDED 31 DECEMBER 2022

		Half year ended		Quarter ended	
		31 December		31 December	
	Note	2022	2021	2022	2021
		Rupees		Rupees	
<u>CONTINUED OPERATIONS</u>					
Operating revenue		174,548,902	670,305,898	80,602,706	446,110,453
Direct costs		(60,297,302)	(172,462,378)	(39,699,967)	(130,954,576)
Gross profit		114,251,600	497,843,520	40,902,739	315,155,877
Unrealized gain(loss) on re-measurement of 'investments at fair value through profit or loss'		(12,279,537)	(80,707,200)	(9,476,473)	(28,783,443)
Operating and administrative expenses		(121,919,137)	(182,151,730)	(69,311,066)	(105,059,398)
Operating profit		(19,947,074)	234,984,590	(37,884,800)	181,313,036
Other income		64,057,676	35,063,482	41,342,172	18,571,803
Finance costs		(171,492,339)	(244,047,499)	(94,164,118)	(184,718,432)
		(127,381,737)	26,000,573	(90,706,746)	15,166,407
Share of loss from investments accounted for using the equity method - net of tax		(15,588,678)	(23,119,241)	(10,462,696)	(17,877,227)
(Loss)/profit before taxation		(142,970,415)	2,881,332	(101,169,442)	(2,710,820)
Taxation		(18,013,622)	(62,799,270)	(6,026,341)	(31,758,126)
Loss after taxation for the period		(160,984,037)	(59,917,938)	(107,195,783)	(34,468,946)
<u>DISCONTINUED OPERATION</u>					
Loss after taxation from discontinued operation		(858,450)	(768,955)	14,110	(12,000)
Loss after taxation for the period		(161,842,487)	(60,686,893)	(107,181,673)	(34,480,946)
8					
Basic and diluted loss per share-- from continued operation		(0.58)	(0.35)	(0.36)	(0.21)
8					
Basic and diluted loss per share-- from discontinued operation		(0.0020)	(0.0018)	0.00003	(0.000028)
(Loss)/profit attributable to:					
- Owners of the Parent Company from continuing operation		(183,501,804)	(112,216,199)	(113,577,540)	(67,448,675)
- Non-controlling interests		21,659,317	51,529,306	6,395,867	32,967,729
Loss for the period		(161,842,487)	(60,686,893)	(107,181,673)	(34,480,946)

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 2022

	Half year ended 31 December		Quarter ended 31 December	
	2022	2021	2022	2021
	Rupees		Rupees	Rupees
Loss after taxation	(161,842,487)	(60,686,893)	(107,181,673)	(34,480,946)
Other comprehensive income/(loss) for the period				
<u>Items that will not be reclassified to profit or loss:</u>				
Remeasurement of defined benefit plan - net of tax	-	-	-	-
<u>Items that may be subsequently reclassified to profit or loss:</u>				
Share of other comprehensive income/(loss) of investments accounted for using the equity method - net of tax	2,015,965	910,065	983,301	1,365,031
Exchange differences on translation of foreign operations recognised as:				
- Exchange translation reserve	14,243,520	19,426,891	(2,761,341)	5,625,549
- Non-controlling interests	13,684,950	18,665,051	(2,653,054)	5,404,938
Other comprehensive income for the period	27,928,470	38,091,942	(5,414,395)	11,030,487
Total comprehensive (loss)/profit for the period	(131,898,052)	(21,684,886)	(111,612,767)	(22,085,428)
Total comprehensive (loss)/income attributable to :				
- Owners of the Parent Company	(167,242,319)	(91,879,243)	(115,355,580)	(60,458,095)
- Non-controlling interests	35,344,267	70,194,357	3,742,813	38,372,667
	(131,898,052)	(21,684,886)	(111,612,767)	(22,085,428)

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 2022

	Attributable to owners of the Company					Non-controlling interests	Total equity
	Share capital	Exchange translation reserve	Reserve capitalised	Retained earnings	Total		
	----- Rupees -----						
Balance at 30 June 2021 - (Audited)	3,166,101,120	28,618,644	480,054,923	(2,356,835,232)	1,317,939,455	321,485,384	1,639,424,839
Loss for the period	-	-	-	(112,216,199)	(112,216,199)	51,529,306	(60,686,893)
Other comprehensive income/(loss) for the period	-	19,426,891	-	910,065	20,336,956	18,665,051	39,002,007
Total comprehensive income/(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)
	-	-	-	-	-	(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
Balance at 30 June 2022 - (Audited)	3,166,101,120	(14,086,757)	480,054,923	(2,027,065,797)	1,605,003,489	289,766,218	1,894,769,707
Loss for the period	-	-	-	(183,501,804)	(183,501,804)	21,659,317	(161,842,487)
Other comprehensive income	-	14,243,520	-	2,015,965	16,259,485	13,684,950	29,944,435
Total comprehensive income/(loss) for the period	-	14,243,520	-	(181,485,839)	(167,242,319)	35,344,267	(131,898,052)
Balance at 31 December 2022	3,166,101,120	156,763	480,054,923	(2,208,551,636)	1,437,761,170	325,110,485	1,762,871,655

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 2022

		Half year ended	
		31 December	
	Note	2022	2021
		Rupees	
Cash flows from operating activities			
Cash used in operations	9	(125,563,735)	253,926,576
Long term deposits and advances		(1,007,637)	275,950
Retirement benefits paid - net		(152,216)	(1,433,839)
Finance costs paid		(1,659,767)	(60,029,956)
Taxes paid		(32,721,826)	(18,126,139)
Net cash generated from/(used in) operating activities		(161,105,181)	174,612,592
Cash flows from investing activities			
Fixed capital expenditure		(1,489,813)	-
Short term investments - net		(6,462,685)	(86,752,981)
Investment available for sale - net		2,325,124	9,257,237
Interest received		44,360,594	32,468,781
Net cash generated from investing activities		112,284,432	(45,026,963)
Cash flows from financing activities			
Repayment of liabilities against assets subject to finance lease - net		(299,917)	67,458,830
Dividend paid to non-controlling interest		-	(181,082,031)
Net cash generated from/(used in) financing activities		(299,917)	(113,623,201)
Net decrease in cash and cash equivalents		(49,120,666)	15,962,428
Cash and cash equivalents at the beginning of the period		66,321,188	50,837,074
Effect of exchange translation reserve		27,928,470	38,091,942
Cash and cash equivalents at the end of the period		45,128,992	104,891,444

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 2022	30 June 2022
First Capital Investments Limited (FCIL)	78.86	78.86
Lanka Securities (Pvt.) Limited, Sri Lanka (LSL)	51	51
First Capital Equities Limited (FCEL)	73.23	73.23
Ever Green Water Valley (Pvt.) Limited	100	100
Falcon Commodities (Pvt.) Limited (FCL)	100	100
Ozer Investments Limited	100	100
First Construction Limited	100	100

- 1.3** Ever Green Water Valley (Private) Limited (the Subsidiary Company) was incorporated on December 22, 2005 as Private Limited Company under the repealed Companies Ordinance, 1984. The Company is engaged in the business of Installation & manufacturing of Water purification plants, RO systems, water softness systems and Construction of Buildings and other related activities. The registered office of the Company is situated at First Capital House Lower Ground Floor 96-B-1 Gulberg III, Lahore. Ever Green Water Valley (Private) Limited is the wholly owned subsidiary of the Holding Company.
- 1.4** Falcon Commodities (Private) Limited (the Subsidiary Company) was incorporated on December 22, 2005 as Private Limited Company under the repealed Companies Ordinance, 1984. The principal activity of the Company is to carry on the business of commodities brokerage as a corporate member of Pakistan Mercantile Exchange Limited. The registered office of the Company is situated at 4th Floor, Lakson Square Building No,01 Sarwar Shaheed Road Karachi. Falcon Commodities (Private) Limited is the wholly owned subsidiary of the Holding Company.
- 1.5** First Capital Equities Limited (FCEL) (the Subsidiary Company) was incorporated in Pakistan on January 26, 1995 as a private limited company, under the repealed Companies Ordinance, 1984. The Company was converted into a public limited company on June 18, 1997 and is listed on Pakistan Stock Exchange Limited formerly Lahore Stock Exchange Limited. The principal activities of the Company include share brokerage and conducting / publishing business research. The Holding Company has 73.23% ownership in First Capital Equities Limited.

- 1.6 First Capital Investments Limited (FCIL) (the Subsidiary Company) was incorporated in Pakistan on October 27, 1994 as a private company limited by shares, under the repealed Companies Ordinance, 1984 having registered office at First Capital House Lower Ground Floor 96-B-1 Gulberg III, Lahore. Status of the Company was changed from private limited to public limited on August 06, 2003. The Securities and Exchange Commission of Pakistan (SECP) has issued a license to the Company to undertake Asset Management Services as required under the NBFC (Establishment and Regulation) Rules, 2003. The Company has been assigned Management Quality Rating "AM4++" by The Pakistan Credit Rating Agency Limited "PACRA" Credit Rating Company. The main activity of the company is to provide asset management services to First Capital Mutual Fund Limited (The fund). The Holding Company has 78.86% ownership in First Capital Investments Limited.
- 1.7 First Construction Limited (the Subsidiary Company) was incorporated on August 15, 2014 as Public Limited Company under the repealed Companies Ordinance, 1984. The principal activity of the Company is to undertake construction, development and related activities. The registered office of the Company is situated at First Capital House Lower Ground Floor 96-B-1 Gulberg III, Lahore. First Construction Limited is the wholly owned subsidiary of the Holding Company.
- 1.8 Lanka Securities (Private) Limited (the Subsidiary Company) was incorporated in Sri Lanka in the year of 1989. The principal activity of the Company is equity debt security brokering and undertaking placement of equity debt securities. The registered office of the Company is situated at No. 228/1, Galle Road, Colombo 04, Sri Lanka. The Holding Company has 51% ownership in Lanka Securities (Private) Limited.
- 1.9 Ozer Investments Limited (OIL) (the Subsidiary Company) was incorporated in Sri Lanka in the year of 2010. OIL has not yet started its commercial activity however main objective of the Company is to provide financial advisory, portfolio management, margin provision unit trust management and stock brokerage services. The registered office of the Company is situated Colombo, Sri Lanka. Ozer Investments Limited is the wholly owned subsidiary of the Holding Company.
- 1.10 There were no change in composition of the group during the three months period ended 31 December, 2022.

2 Basis of preparation

- 2.1 These condensed interim consolidated financial statements has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. As per the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017 shall prevail.
- 2.2 These condensed interim consolidated financial statements are unaudited and do not include all the information and disclosures required in the audited annual unconsolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Company for the year ended 30 June, 2022.
- 2.3 The comparative condensed interim consolidated financial position is extracted from the audited consolidated financial statements of the Company for the year ended 30 June, 2022, where comparative consolidated condensed interim profit or loss, and other comprehensive income, condensed consolidated interim statement of cash flows and condensed interim consolidated statement of changes in equity are stated from unaudited condensed interim consolidated financial statements for the three months period ended December 31, 2022.
- 2.4 This consolidated condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Group. Figures have been rounded off to the nearest rupee.

3 Significant accounting policies

Accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial report are the same as those applied in the preparation of audited annual consolidated financial statements of the Group for the preceding year ended 30 June 2022.

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

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

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

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

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

There are certain standards, amendments and interpretations to approved accounting standards that are mandatory for the Company's accounting periods beginning on or after 1 July 2022 or later periods, and the Company has not early adopted them therefore, not detailed in this condensed interim financial information.

4 Estimates

The preparation of these consolidated condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The significant judgments made by management is in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements for the year ended 30 June 2022.

	Note	31 December 2022 Rupees	30 June 2022 Rupees
5 Property, plant and equipment			
Property, plant and equipment	5.1	13,534,917	14,405,377
Capital work in progress	5.2	255,230,106	255,230,106
Right of use assets	5.3	4,164,246	5,251,857
		<u>272,929,269</u>	<u>274,887,340</u>
5.1 Opening book value		14,405,377	6,325,931
Additions for the period/year		1,489,804	12,876,787
Effect of movement in exchange rate		3,256,355	(14,081,147)
Disposal for the period/year net book value		-	(8,459,774)
		<u>19,151,536</u>	<u>(3,338,203)</u>
Depreciation expense for the period/year		3,681,219	(4,766,223)
Effect of movement in exchange rate		1,935,400	(12,977,357)
Closing book value		<u>13,534,917</u>	<u>14,405,377</u>
5.2 Opening balance		255,230,106	255,230,106
Additions for the period/year		-	-
Disposal for the period/year		-	-
Closing balance	5.4	<u>255,230,106</u>	<u>255,230,106</u>
5.3 Opening balance		5,251,857	10,688,881
Exchange gain/(loss)		943,071	873,179
Depreciation expense for the period/year		(2,030,682)	(6,310,203)
Closing balance		<u>4,164,246</u>	<u>5,251,857</u>
5.4 This represents advance against purchase of property in Pace Tower Gulberg, Lahore and Pace Circle, Lahore amounting to Rs 107,090,858 (June 2022: Rs 107,090,858) and Rs. 25,334,248 (June 2022: Rs. 25,334,248) respectively. Construction work on these properties is in progress as at September 30, 2022.			

	31 December 2022 Rupees	30 June 2022 Rupees
6 Investments		
Carrying value of investments at the beginning of the period / year	1,086,878,602	1,067,452,879
Share of loss of equity accounted investees (net of tax)	(15,588,678)	(55,825,039)
Equity accounted investees- share of other comprehensive income	2,015,965	186,051,930
Unrealized (loss) / gain on re-measurement of investments at fair value through profit or loss	(12,279,537)	(110,801,168)
	(25,852,250)	19,425,723
Investments disposed off during the period/year	4,137,561	-
Carrying value at the end of the period / year	1,065,163,913	1,086,878,602
Investments classified in current assets	526,982,140	532,798,992
Closing book value	538,181,773	554,079,610

7 Contingencies and commitments

There is no significant change in contingencies and commitments disclosed in the annual audited consolidated financial statements for the year ended June 30, 2022.

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

		Half year ended 31 December	
		2022 Rupees	2021 Rupees
Net profit/(loss) for the year from continued operations	Rupees	(182,873,161)	(111,653,093)
Net profit/(loss) for the year from discontinued operations	Rupees	(628,643)	(563,106)
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	(0.58)	(0.35)
Earning/(loss) per share - basic and diluted -- discontinued operations	Rupees	(0.0020)	(0.0018)

9 Cash generated from operations

		Half year ended 31 December	
		2022	2021
		Rupees	Rupees
Loss before taxation		(143,828,865)	2,112,377
Adjustments for:			
Depreciation		3,681,219	3,338,982
Finance cost		171,492,339	244,047,499
Loss on re-measurement of short term investments		12,279,537	80,707,200
Dividend income		-	-
Amortization		(687,523)	125,004
Retirement benefits		1,877,623	1,940,457
Share of loss from investments accounted for using equity method		15,588,678	23,119,241
Mark-up income		(44,360,594)	(32,468,781)
		159,871,279	320,809,602
Loss before working capital changes		16,042,414	322,921,979
Effect on cash flow due to working capital changes:			
Decrease/(increase) in:			
Trade debts		(182,781,984)	(347,657,547)
Loans and advances		(186,630,490)	(38,020,411)
Short term prepayments		(652,329)	(896,303)
(Decrease)/increase in:			
Trade and other payables		228,458,654	256,427,816
		(141,606,149)	(68,995,403)
Cash used in operations		(125,563,735)	253,926,576

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	
		2022	2021
		Rupees	Rupees
Associated companies	Purchase of goods / services	25,255,666	49,660,422
	Units Issues	-	1,000,000
	Units redeemed	1,500,000	-
	Dividend income	-	161,181
	Asset management fee	1,145,009	1,396,784
	Construction revenue	28,343,615	26,601,430
Key management personnel	Salaries and other employee benefits	9,038,400	6,694,576

		31 December 2022 Rupees	30 June 2022 Rupees
10.2	Period / year end balances		
	Associated companies		
	Receivables from related parties	5,102,814	13,243,548
	Payables to related parties	246,092,972	158,134,453
	Retention money	188,124,687	205,097,331

11 Financial risk management

11.1 Financial risk factors

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

The condensed interim consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company's annual consolidated financial statements as at 30 June 2022.

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

11.2 Liquidity risk

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

11.3 Fair value estimation

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

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

The following table presents the Group assets and liabilities that are measured at fair value at December 31, 2022.

	Level 1	Level 2	Level 3	Total
	Rupees			
Assets				
Investments at fair value				
through profit and loss	526,982,140	-	-	526,982,140
Total assets	526,982,140	-	-	526,982,140
Liabilities	-	-	-	-

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

12 Corresponding figures

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

13 Date of authorization for issue

This un-audited condensed interim consolidated financial information was authorized for issue on February 24, 2023 by the Board of Directors.

14 General

Figures have been rounded off to the nearest rupee.

Chief Executive Officer

Chief Financial Officer

Director