

DIRECTORS' REVIEW

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present the Un-audited Condensed Interim Financial Statements of the Company for the 1st quarter ended September 30th, 2024.

During the 1st Quarter of FY 2024-25, the economic activities of Pakistan showed some signs of recovery and improvement due to the impact of fiscal measures taken by the government including the revision in policy rates by the State Bank of Pakistan through a declining trend in the interest rate, strategies towards reducing losses of public sector enterprises through privatization/reforms and increasing trend of the stock market.

Financial Performance: (LSECL)

The financial highlights of the Condensed Interim Financial Statements of the Company for the 1st quarter ended September 30, 2024, in comparison with the corresponding 1st quarter of the previous year are as follows:

Financial Highlights	1 st Quarter September 2024	1 st Quarter September 2023
	Rs. in '000	Rs. in '000
Revenue	67,516	34,812
Income from Associates	24,831	10,875
Operating expenditures	(39,751)	(26,748)
Profit/ (Loss) before Taxation	35,358	(24,159)
Taxation	(1,333)	(2,255)
Net Profit / (Loss) for the period	34,025	(26,414)
Earnings/ (Loss) Per Share (EPS)	Rs. 0.19	Rs. (0.15)

Looking at the results of the quarter under review and also last financial year, we are hopeful that under the challenging socio-economic environment and investment climate, the Company will continue with the current momentum and deliver good results in the coming quarters.



Chief Executive Officer
November 04, 2024

LSE CAPITAL LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024 (UN-AUDITED)

	Note	September 2024 Un-Audited	June 30, 2024 Un-Audited
Rupees in thousands			
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	1,312,517	1,321,393
Right of use	6	54,273	57,129
Investment in Associates	7	920,855	896,024
Investment property		392,121	392,121
Net investment in finance lease	8	4,017	4,275
Long term deposits		548	548
		2,684,332	2,671,491
CURRENT ASSETS			
Inventories		3,065	2,411
Financial assets	9	795,978	640,048
Trade and other receivables	10	49,213	42,160
Prepayments, deposits and advances	11	25,171	14,175
Tax refunds due from the Government - net	12	31,272	28,935
Cash and bank balances	13	39,340	191,286
		944,040	919,016
		3,628,372	3,590,507
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Share Capital		2,000,000	2,000,000
200,000,000 (June 30, 2024: 200,000,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid-up capital	14	1,811,534	1,811,534
Capital reserves			
Revaluation surplus on property and equipment		75,823	75,823
Revenue reserves			
Building Reserve fund	15	2,881	1,682
Merger Reserve		289,814	289,814
Unappropriated profit		825,718	791,694
		1,118,413	1,083,190
		3,005,770	2,970,547
NON-CURRENT LIABILITIES			
Long term financing		70,451	70,451
Other liabilities		36,410	35,280
Deferred taxation		43,075	43,075
		149,936	148,806
CURRENT LIABILITIES			
Trade and other payables	17	341,991	334,513
Current portion long term financing		20,317	26,284
Loan from director		100,000	100,000
Unpaid dividends		10,359	10,359
		472,666	471,155
CONTINGENCIES AND COMMITMENTS			
		-	-
		3,628,371	3,590,507

The annexed notes 1 to 25 form an integral part of these financial statements.

Lahore:


Chief Executive Officer


Chief Financial Officer


Director

LSE CAPITAL LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

	1st quarter ended	
	September 2024 <u>Un-Audited</u>	September 2023 <u>Un-Audited</u> Restated
	Rupees in thousands	
REVENUE	23,210	25,290
OTHER INCOMES	44,306	9,522
	67,516	34,812
OPERATING EXPENSES		
Administrative and general expenses	(39,751)	(26,748)
Other operating expenses	-	(43,097)
Income from associates	24,831	10,875
OPERATING PROFIT / (LOSS)	52,596	(24,158)
Finance cost	(17,238)	(1)
PROFIT / (LOSS) BEFORE TAXATION	35,358	(24,159)
Taxation	(1,333)	(2,255)
PROFIT / (LOSS) AFTER TAXATION	34,025	(26,414)
Other Comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	34,025	(26,414)
EARNINGS PER SHARE OF RS. 10 EACH - basic and diluted	0.19	(0.15)

The annexed notes 1 to 25 form an integral part of these financial statements.

Lahore

Chief Executive Officer

Chief Financial Officer

Director

LSE CAPITAL LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

	Quarter ended	
	September 30, 2024 <u>Un-Audited</u>	September 30, 2023 <u>Un-Audited</u> Restated
<u>Note</u>	Rupees in thousands	
PROFIT FOR THE PERIOD	34,025	(26,414)
<i>Items that will never be reclassified to statement of profit or loss:</i>		
Share of other comprehensive income of associates	-	-
Revaluation surplus on property, plant and equipment net of tax - associates	-	-
Actuarial loss on employees' retirement benefits net of tax- associates	-	-
	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	34,025	(26,414)

The annexed notes 1 to 25 form an integral part of these financial statements.

Lahore


Chief Executive Officer


Chief Financial Officer


Director

LSE CAPITAL LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

	SHARE CAPITAL Issued, subscribed and paid up capital	CAPITAL RESERVES		REVENUE RESERVES			TOTAL EQUITY
		Revaluation surplus on property, plant and equipment	Building reserve fund	Merger Reserve	Fair value reserve	Unappropriated profit	
Balance as at June 30, 2023 - Audited	210,000	-	-	-	48,118	37,482	85,601
Profit for the period	-	-	-	-	-	(26,414)	(26,414)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(26,414)	(26,414)
Transactions with owners of the company							
Adjustments / Transfers as per scheme of merger Rectification related to pre-merger transactions	1,601,534	-	-	289,814	(54,848)	659,837	894,804
	-	-	-	-	6,729	(25,849)	(19,120)
Balance as at September 30, 2023 - un-audited	1,811,534	-	-	289,814	-	645,056	934,870
Balance as at June 30, 2024 - un-audited	1,811,534	75,823	1,682	289,814	-	791,694	1,083,190
Profit for the period	-	-	-	-	-	34,025	34,025
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	34,025	34,025
Amount collected from building occupants for fixed assets replacement fund	-	-	1,198	-	-	-	1,198
Balance as at September 30, 2024 - un-audited	1,811,534	75,823	2,881	289,814	-	825,718	1,118,413

..... Rupees in thousands.....

The annexed notes 1 to 25 form an integral part of these financial statements.


 Chief Executive Officer


 Chief Financial Officer

Lahore


 Director

LSE CAPITAL LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

	Note	Quarter ended	
		September 30, 2024 Un-Audited	September 30, 2023 Un-Audited Restated
Rupees in thousands			
Cash flows from operating activities		35,358	(24,159)
Profit before tax			
Adjustments for non - cash and other items:			
Depreciation		8,299	6,497
Finance income on net investment in finance lease		(86)	-
Unrealized fair value gain/ (loss)		(5,931)	43,097
Income from associates		(24,831)	(10,875)
Rental income		(12,963)	(16,206)
Gain on disposal of property, plant and equipment		1,084	5
Finance cost		17,238	1
Loss before working capital changes		(17,190)	22,520
Movement in working capital	23	(17,238)	(1)
Cash (used in) / generated from Operations		(25,673)	(34,683)
Finance cost paid		(38,335)	(212)
Income tax paid		(63,078)	(36,535)
Net cash (used in) / generated from operating activities			
Cash flows from investing activities			
Fixed capital expenditure incurred		3,665	-
Loan given to associates		9,160	-
Repayment of musharika		-	(53,854)
Istisna financing disbursed		(100,000)	-
Long term deposits received		1,130	-
Profit received on saving accounts, Treasury bills & MTS		2,801	-
Net cash generated from investing activities		(82,900)	(53,854)
Cash flows from financing activities			
Receipt of right issue		-	113,930
Loan repaid during the period		(5,967)	-
Net cash (used in) / generated from financing activities		(5,967)	113,930
Net Increase / (decrease) in cash and cash equivalents		(151,946)	23,541
Cash and cash equivalents at the beginning of the year		191,286	17,579
Cash and cash equivalents at the end of the year	13	39,340	41,120

The annexed notes 1 to 25 form an integral part of these financial statements.

Lahore

Chief Executive Officer

Chief Financial Officer

Director

LSE CAPITAL LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

1 Legal status and operations

LSE Capital Limited is the newly adopted name of the Modaraba Management Company, which was registered as JS Finance Limited on Jan 22, 1986. The company's name was changed to Bank Islamic Modaraba Investments Limited (BIMIL) after the acquisition of its 100% equity by Bank Islamic Limited during November 07, 2007.

After the acquisition of BIMIL by the incoming sponsors, the company was first named AssetPlex Limited but later changed its name to LSE Capital Limited during 2023. Later, under the Court sanctioned scheme of merger, Modaraba Al-Mali and LSE PropTech Limited were merged with/into LSE Capital Limited, which acquired the listing status at PSX on May 24, 2024 as a consequence of its merger. The Company is licensed as a Modaraba Management company, besides carrying the license to act as a consultant to the issue for the IPOs and corporate finance advisory services.

The company also holds the licenses of Modaraba Management Company as well as the Consultant to the Issue. It managed the erstwhile Modaraba Al-Mali, which was merged in LSE Capital on April 03, 2024 under sanctioned merger order of Lahore High Court no. 72878 / 2023 dated April 03, 2024.

2 BASIS OF PREPARATION

This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984 provisions of and directives issued under the Companies Act, 2017. Wherever the requirements of the Companies Act, 2017, differ with the requirements of IFRS, the requirements of the Companies Act, 2017 shall prevail.

This condensed interim financial information does not include all information required for annual financial statements and therefore should be read in conjunction with the annual financial statements for the year ended June 30, 2024.

The management of the Company is confident that it will be able to meet its obligations and carry on business without any curtailment based on the grounds that the Company will be able to achieve satisfactory level of profitability in the future based on the plans drawn up by the management for this purpose, which include income arising from rentals and investments.

3 ACCOUNTING POLICIES

The significant accounting policies are adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

4 Taxation

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

5 Property, plant and equipment

Property, plant and equipment
 Capital work-in-progress

September 30 2024	June 30, 2024
Un-Audited	Audited
Rupees in thousands	
1,305,628	1,314,735
6,889	6,658
<u>1,312,517</u>	<u>1,321,393</u>

6 Right of use

Cost

Opening balance
 Addition during the year
 Disposal during the year

59,114	-
-	64,099
-	(4,984)
<u>59,114</u>	<u>59,114</u>

Less: Accumulated Depreciation

Opening balance

Depreciation charged during the year
 Disposal during the year

1,985	2,085
<u>2,856</u>	<u>(100)</u>
<u>4,841</u>	<u>1,985</u>

Written Down Value of right of use

<u>54,273</u>	<u>57,129</u>
---------------	---------------

	Note	September 30, 2024 Un-Audited Rupees in thousands	June 30, 2024 Un-Audited Rupees in thousands
7 INVESTMENT IN ASSOCIATES			
Digital Custodian Company Limited		196,632	172,087
LSE Ventures Limited		724,222	723,937
		<u>920,855</u>	<u>896,024</u>
8 NET INVESTMENT IN FINANCE LEASE			
Opening balance		4,275	4,189
Add: Finance income for the year		86	86
Less: Rental received during the year		(343)	-
		<u>4,017</u>	<u>4,275</u>
9 FINANCIAL ASSETS			
<i>At fair value through profit and loss</i>			
Investment in Equity Securities			
Ghani Chemical Limited		131,352	137,983
Blue-Ex Limited (GEM)		16,981	4,420
Ensmile Limited		180,000	180,000
		<u>328,333</u>	<u>322,403</u>
<i>at amortized cost</i>			
Investment in Margin Trading System of NCCPL through LSEFSL			
Istisna financing - Islamic		67,645	17,645
		400,000	300,000
		<u>467,645</u>	<u>317,645</u>
		<u>795,978</u>	<u>640,048</u>
10 TRADE AND OTHER RECEIVABLES - considered good			
Trade receivables			
- leaseholders	10.1	11,207	6,855
- Tenant	10.2	12,000	9,300
		23,208	16,155
Receivable for DCCL		4,427	4,427
Insurance claims receivable - IGI		7,800	7,800
Other Receivables		8,478	8,478
Accrued mark-up		5,300	5,300
		<u>49,213</u>	<u>42,160</u>
10.1 Trade receivables from leaseholders			
Considered good		15,634	6,855
Considered doubtful		16,504	16,504
		32,138	23,359
Less: Expected credit loss	10.1.1	(16,504)	(16,504)
		<u>15,634</u>	<u>6,855</u>
10.1.1 Expected Credit Loss			
Opening balance		16,504	13,227
Impairment loss recognized		-	3,277
Closing balance		<u>16,504</u>	<u>16,504</u>
10.2 Receivables from tenants			
-Considered good		12,000	9,300
-Considered doubtful		2,983	2,983
		14,984	12,283
Less: expected credit loss		(2,983)	(2,983)
		<u>12,000</u>	<u>9,300</u>
11 ADVANCES AND PREPAYMENTS			
<i>Considered good</i>			
Advances to employees - secured	11.1	3,272	1,635
Prepayments		21,899	12,540
		<u>25,171</u>	<u>14,175</u>
11.1 This amount is secured against employees salaries and benefits payable & funds held by the company. Recoverable through monthly installments.			
12 TAX REFUNDS DUE FROM THE GOVERNMENT - NET			

Income tax deducted at source				38,335	34,759
Provision of income tax for the previous year				(7,157)	(5,824)
Provision of income tax for the year				94	-
PRA Sales Tax				31,272	28,935
13 CASH AND BANK BALANCES					
Cash in hand				100	100
Cash at banks on - Saving accounts			13.1	39,240	191,186
				39,340	191,286
13.1 These carry mark-up ranging from @ 16.00% to 20.50% p.a. (June 30, 2024: 19.50% to 19.50% p.a.)					
14 ISSUED, SUBSCRIBED AND PAID UP CAPITAL					
	September 30, 2024	June 30, 2024	Note	September 30, 2024 Un-Audited	June 30, 2024 Un-Audited
	(Number of shares)			Rupees in thousands	
	181,153,376	181,153,376	14.1	1,811,534	1,811,534
				1,811,534	1,811,534
15 BUILDING RESERVE FUND					
This reserve was formed for replacement of major fixed assets of the Company and the Company & its long term lease holders contribute their respective shares in the fund.					
16 DEFERRED TAXATION					
				September 30, 2024 Un-Audited	June 30, 2024 Un-Audited
				Rupees in thousands	
Deferred tax liability			16.1	43,075	43,075
16.1 The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement.					
17 TRADE AND OTHER PAYABLES					
			Note	September 30, 2024 Un-Audited	June 30, 2024 Un-Audited
				Rupees in thousands	
Payable to Ghani chemical Industries limited				174,707	174,707
Trade payables				35,297	14,466
Accrued liabilities				13,974	16,045
Accrued markup on financing				3,951	3,951
Sales tax payable				-	3,709
Advance received against sale on Ensmile shares				25,000	25,000
Advance rent received from tenants				4,710	6,799
Payable to related party				79,178	88,338
Advances received from members and companies				4,170	602
Retention money				1,004	896
				341,991	334,513

		September 30, 2024	September 30, 2023
	Note	Un-Audited	Un-Audited Restated
Rupees in thousands			
18 REVENUE			
Investment properties - rental income		12,963	16,206
Room maintenance services		9,694	8,328
Software services		1,985	2,000
		11,678	10,328
Less: PRA Sales tax		(1,432)	(1,244)
		<u>10,246</u>	<u>9,084</u>
		<u>23,210</u>	<u>25,290</u>
		September 30, 2024	September 30, 2023
	Note	Un-Audited	Un-Audited Restated
Rupees in thousands			
19 OTHER INCOMES			
<i>Income from financial assets</i>			
<i>Financial assets</i>			
Profit on saving bank accounts		2,801	2,313
Revenue from Margin Trading System of NCCPL		4,084	-
Unrealized fair value gain on securities		5,931	-
Profit on istisna financing		24,870	-
		37,686	2,313
<i>Net Investment In Finance Lease</i>			
Finance income on net investment in finance lease		86	-
<i>Income from non - financial assets</i>			
Gain on disposal of property, plant and equipment		-	5
Miscellaneous		6,534	7,204
		<u>6,534</u>	<u>7,210</u>
		<u>44,306</u>	<u>9,522</u>
		September 30, 2024	September 30, 2023
	Note	Un-Audited	Un-Audited Restated
Rupees in thousands			
20 ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries and benefits	20.1	16,587	10,384
Information technology related expenses		470	302
Insurance		250	205
Travelling and conveyance		2,635	1,185
Printing and stationery		174	253
Utilities		647	155
Communication and public relations		2,291	2,464
Repair and maintenance		2,603	1,245
Security expenses		1,080	555
Legal and professional charges		861	1,205
Consultancy charges		121	602
Fee and subscription		136	144
Rent, rates and taxes		398	349
Marketing and advertisement		905	76
Auditors' remuneration		-	272
Board meetings fee expenses		250	-
Donations		960	-
Others charges		1,086	855
Depreciation on property and equipment		5,443	6,497
Depreciation on right of use		2,856	-
		<u>39,751</u>	<u>26,748</u>
FINANCE COST			
Mark-up on long term financing		17,229	-
Bank charges		9	1
		<u>17,238</u>	<u>1</u>

87

21 TAXATION		September 30,	September 30,
		2024	2023
		Un-Audited	Un-Audited Restated
		Rupees in thousands	
	Current	1,333	2,122
	Deferred	-	134
		<u>1,333</u>	<u>2,255</u>

22 EARNINGS PER SHARE

Basic earnings / (loss) per share

		September 30,	September 30,
		2024	2023
		Un-Audited	Un-Audited
		Rupees in thousands	
Profit after tax attributable to ordinary shareholders	(Rupees in thousand)	<u>34,025</u>	<u>(26,414)</u>
Weighted average number of shares outstanding during the year	(Number of shares in thousand)	<u>181,153</u>	<u>181,153</u>
Earnings per share	(Rupees)	<u>0.19</u>	<u>(0.15)</u>

23 MOVEMENT IN WORKING CAPITAL

(Increase) / decrease in current assets:

		September 30,	September 30,
		2024	2023
		Un-Audited	Un-Audited
		Rupees in thousands	
- Stores and spares		(653)	-
- Trade and other receivables		(26,540)	-
- Advances and prepayments		(16,140)	(32,181)
		<u>(43,334)</u>	<u>(32,181)</u>

Increase / (decrease) in current liabilities:

- Trade and other payables		1,130	(12,849)
- Advance rent received from tenants		16,531	10,347
		<u>17,661</u>	<u>(2,502)</u>
		<u>(25,673)</u>	<u>(34,683)</u>

24 AUTHORIZATION FOR ISSUE

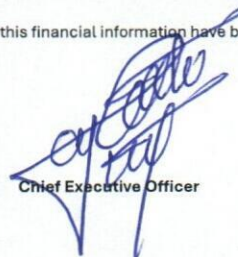
This condensed interim financial information was authorized to issue on November, 4, 2024 by the Board of Directors of the Company.

25 Corresponding Figures

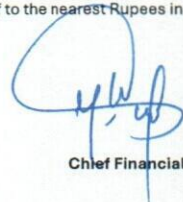
25.1 In order to comply with the requirements of International Accounting Standard 34 - "Interim Financial Reporting", the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statement of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

25.2 The figures in this financial information have been rounded off to the nearest Rupees in thousands unless otherwise specified.

Lahore:



Chief Executive Officer



Chief Financial Officer



Director