

FIRST CAPITAL SECURITIES CORPORATION LTD CORPORATE BRIEFING SESSION BASED ON 30 JUNE 2024



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Profile of FCSC

FCSC is a public limited company listed on Pakistan Stock Exchange, the parent company of First Capital/PACE Group and involved in making long and short term investments. Company Commenced operations in 1994.



Strategic and Operational Developments

- ▶ The company is engaged with Silk Bank and has almost completed its terms to settle with the bank. The loan settlements will in future eliminate the mark-up expense resulting in increased profitability
- ▶ The company has also worked to improve and enhance revenues from subsidiary companies such as Lanka Securities, MTL, FCIL and Evergreen.
- ▶ FCSC is currently re-evaluating many of its assets and there is potentially a considerable gain to be reported soon.
- ▶ Evergreen has secured waste management contracts in 3 different cities in Punjab. One Contract is executed with LWMC amounting to the volume of 5.529 billion.



FUTURE OUTLOOK

- ▶ FCSC is in constant search to do new JV projects to increase its already growing revenue lines.
- ▶ The company is currently engaged in securing two different properties in Sri Lanka. One is a mix-use residential project in Colombo and the other is a resort property situated outside of Colombo.
- ▶ The improved performance of capital market will also have a positive impact on the value of investments in the listed companies' shares, which will result in unrealized gains and positive impact on the financial position of the company.
- ▶ Through increase in profitability of the subsidiary and associated companies the Company is expecting increase in revenues through dividend realization;



BALANCE SHEET

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

NON-CURRENT ASSETS

Property, plant and equipment
Investment properties
Long term investments
Long term deposits

CURRENT ASSETS

Loans, advances, prepayments and other receivables
Short term investments
Advance tax
Cash and bank balances

CURRENT LIABILITIES

Trade and other payables
Current portion of long term loan
Accrued markup

NON-CURRENT LIABILITIES

Long term loan
Accrued markup
Staff retirement benefits payable
Deferred tax liability

CONTINGENCIES AND COMMITMENTS

NET ASSETS

REPRESENTED BY: EQUITY

SHARE CAPITAL AND RESERVES

Authorized share capital:
320,000,000 (June 2023: 320,000,000) ordinary shares of Rs. 10 each

Issued, subscribed and paid-up capital
Accumulated losses

2024	2023
Rupees	Rupees
147,148,416	141,113,083
3,364,342,900	3,026,342,900
1,539,695,763	1,638,426,553
37,500	37,500
5,051,224,579	4,805,920,036
52,297,701	48,976,354
36,198,120	24,166,325
6,914,135	7,957,517
12,387,540	204,990
107,797,496	81,305,186
64,290,590	74,323,674
1,150,787,273	681,818,182
1,500,520,327	1,060,226,781
2,715,598,190	1,816,368,637
627,272,727	1,096,241,818
-	-
3,011,171	2,657,518
-	-
630,283,898	1,098,899,336
1,813,139,987	1,971,957,249
3,200,000,000	3,200,000,000
3,166,101,120	3,166,101,120
(1,352,961,133)	(1,194,143,871)
1,813,139,987	1,971,957,249



PROFIT AND LOSS ACCOUNT

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2024

	Restated	
	2024	2023
	Rupees	Rupees
Revenue		
Dividend income	43,512,978	-
Unrealized gain/(loss) on re-measurement of investments at fair value through profit or loss	(86,698,995)	(83,435,789)
Change in fair value of investment properties	338,000,000	330,090,761
	294,813,983	246,654,972
Expenses		
Operating and administrative expenses	(30,641,146)	(10,733,173)
Operating profit	264,172,837	235,921,799
Other income	21,856,731	12,000,635
Finance cost	(440,424,199)	(312,574,798)
Loss before income tax and final tax differential	(154,394,631)	(64,652,364)
Final tax differential	(6,577,675)	-
Loss before taxation	(160,972,306)	(64,652,364)
Taxation	1,666,506	-
Loss after taxation	(159,305,800)	(64,652,365)
Loss per share		
- basic and diluted	(0.50)	(0.20)



Consolidated Balance Sheet

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

	Restated	
	2024 Rupees	2023 Rupees
Non-current assets		
Property, plant and equipment	380,016,730	285,878,615
Intangible assets	2,500,000	2,500,000
Investment properties	4,713,004,700	4,374,314,700
Investments accounted for using the equity method	381,166,701	493,674,430
Long term investments	14,118,413	8,267,752
Long term deposits and advances - considered good	5,437,995	14,257,827
	5,496,244,539	5,178,893,324
Current assets		
Stock in trade	290,053,500	290,053,500
Trade debts	521,710,060	612,770,504
Loans, advances and other receivables	296,085,878	337,987,306
Prepayments	2,752,830	1,200,278
Short term investments	727,611,926	753,434,240
Cash and bank balances	62,709,264	41,939,201
	1,900,923,458	2,037,385,029
Current liabilities		
Trade and other payables	687,211,705	752,088,622
Short term borrowings	-	5,560,342
Current portion of lease liability	11,622,432	-
Current portion of long term loans	2,285,063,359	1,784,276,086
Current portion of accrued markup	1,642,020,327	1,271,336,370
Provision for taxation	118,206,897	144,344,899
	4,744,124,720	3,957,606,319
Net current assets/(liability)	(2,843,201,262)	(1,920,221,290)
	2,653,043,277	3,258,672,034
Non-current liabilities		
Deferred tax liability	1,091,059	363,915
Staff retirement benefits	30,447,509	26,500,552
Long term loans	627,272,727	1,178,060,000
Long term lease liability	16,329,572	-
	675,140,867	1,204,924,467
Contingencies and commitments	1,977,902,410	2,053,747,567
Represented by : Equity		
Share capital and reserves		
Authorized share capital: 320,000,000 (2023: 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	83,463,782	88,371,681
Reserves capitalized	480,054,923	480,054,923
Retained earnings	(2,154,581,776)	(2,108,052,738)
Equity attributable to owners of the parent company	1,575,038,049	1,626,474,986
Non-controlling interests (NCI)	402,864,361	427,272,581
	1,977,902,410	2,053,747,567



Consolidated Profit & Loss

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2024

	2024	Restated 2023
	Rupees	Rupees
<u>CONTINUED OPERATIONS</u>		
Operating revenue	496,934,171	569,849,870
Direct costs	(173,633,974)	(335,742,736)
Gross profit	323,300,197	234,107,134
Unrealized gain/(loss) on re-measurement of investments at fair value through profit or loss	66,313,060	(22,206,139)
Fair value gain on investment properties	338,690,000	330,860,860
Operating and administrative expenses	(334,604,937)	(246,439,799)
Operating profit	393,698,320	296,322,056
Other income	185,590,838	133,881,531
Finance costs	(449,998,781)	(385,172,039)
	129,290,377	(251,290,508)
Share of loss from investments accounted for using the equity method - net of tax	(107,754,748)	(52,963,629)
Profit/(loss) before income tax and final tax differential	21,535,629	(7,932,081)
Final tax differential	(6,608,950)	-
Loss before taxation	14,926,679	(7,932,081)
Taxation	(33,842,597)	(63,763,852)
Loss after taxation	(18,915,918)	(71,695,933)
<u>DISCONTINUED OPERATION</u>		
Loss after taxation from discontinued operation	(1,025,763)	(886,297)
Loss after taxation for the year	(19,941,681)	(72,582,230)
Basic and diluted loss per share from continued operations	(0.1315)	(0.3721)
Basic and diluted loss per share from discontinued operations	(0.0024)	(0.0020)
Profit/(Loss) attributable to:		
- Owners of the parent company	(42,399,880)	(110,197,288)
- Non-controlling interests	22,458,199	37,615,058
Loss for the year	(19,941,681)	(72,582,230)



Any

Question

