SUMMIT CAPITAL (PRIVATE) LIMITED
INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM BALANCE SHEET AS AT JUNE 30, 2022

	Note	June 30, 2022	December 31, 2021
		------------(Rs. in '000)------------	
		(Un-audited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	**29,092**	32,579
Intangible assets	5	**2,535**	2,541
Long term advances	6	**2,500**	2,500
Long term investment	7	**28,043**	33,686
Investment property		**17,952**	18,134
Long term deposits	8	**1,668**	3,165
Deferred tax asset - net		**6,840**	5,840
		88,630	98,445
CURRENT ASSETS			
Debtors	9	**50,575**	44,548
Short term loans	10	**1,035**	737
Short term deposits, prepayments and others receivables	11	**41,168**	49,025
Advance tax - net		**35,953**	34,706
Cash and bank balances	12	**64,247**	60,875
		192,978	189,891
		281,608	288,336
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
50,000,000 ordinary shares of Rs.10/- each		**500,000**	500,000
Issued, subscribed and paid up capital		**300,000**	300,000
Accumulated loss		**(109,891)**	(102,246)
Unrealized gain on revaluation of investment		**11,732**	17,375
		201,841	215,129
CURRENT LIABILITIES			
Short term borrowing - secured	13	**-**	-
Creditors and other payables	14	**79,767**	73,207
		79,767	73,207
CONTINGENCIES AND COMMITMENTS			
		281,608	288,336

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

	Note	June 30, 2022	June 30, 2021
		------------(Rs. in '000)------------	
Income			
Brokerage commission	19	**20,820**	43,207
Gain on sale of operating fixed assets		**8,772**	463
Dividend income		**633**	-
Other income		**4,859**	2,940
		35,084	46,610
Expenditure			
Operating and administrative expenses		**41,481**	52,502
Financial charges		**67**	373
		41,548	52,875
Loss before taxation		**(6,464)**	(6,265)
Taxation - current		**(2,181)**	(3,578)
- deferred		**1,000**	(371)
		(1,181)	(3,949)
Loss after taxation		**(7,645)**	(10,214)
Loss per share - basic and diluted (Rupee)		**(0.25)**	(0.34)

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

	Note	June 30, 2022	June 30, 2021
		------------(Rs. in '000)-----------	
Cash flows from operating activities			
Loss before taxation		**(6,464)**	(6,265)
Adjustments for:			
Depreciation		**785**	1,129
Amortization		**6**	4
(Gain)/loss on sale of operating fixed assets		**(8,772)**	(463)
Provision for staff gratuity fund		**1,050**	-
Financial charges		**67**	373
		(6,864)	1,043
		(13,328)	(5,222)
(Increase)/decrease in assets			
Debtors		**(6,027)**	(50,587)
Short-term loans		**(298)**	(107)
Short-term deposit, prepayments and others receivable		**7,857**	(19,968)
Long term deposits		**1,497**	1
		3,029	(70,661)
Increase/(decrease) in liabilities			
Creditors and other payables		**6,560**	114,918
		6,560	114,918
Cash (used in)/generated from operations		**(3,739)**	39,035
Income tax paid		**(3,433)**	(3,445)
Financial charges paid		**(67)**	(373)
Gratuity paid		**(1,050)**	-
Net cash (used in)/inflow from operating activities		**(8,289)**	35,217
Cash flows from investing activities			
Capital expenditure incurred		**293**	1,004
Proceed from sale of tangible fixed assets		**11,368**	-
Net cash (used in)/inflow from investing activities		**11,661**	1,004
Cash flows from financing activities			
Long term loan		**-**	-
Net cash used in financing activities		**-**	-
Net decrease in cash & cash equivalents		**3,372**	36,221
Cash and cash equivalents at the beginning of the period		**60,875**	163,469
Cash and cash equivalents at the end of the period		**64,247**	199,690
Cash and cash equivalents:			
Cash and bank balances	12	**64,247**	199,690

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2022

	Note	June 30, 2022	June 30, 2021
		------- (Rupees in '000) -------	
Loss after taxation		**(7,645)**	**(10,214)**
Other comprehensive loss - net			
Items that may be reclassified to profit and loss account in subsequent periods			
Unrealized loss on revaluation of investment		(5,643)	11,669
Total comprehensive loss for the period		**(13,288)**	**1,455**

The annexed notes 1 to 22 form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

	Issued, subscribed and paid up capital	Accumulated profit / (loss)	Total
	----------------	(Rs. in 000')	----------------
Balance as on January 01, 2021	300,000	(60,739)	239,261
Total comprehensive income for the period	-	1,455	1,455
Balance as at June 30, 2021	**300,000**	**(59,284)**	**240,716**
Balance as on January 01, 2022	300,000	(84,871)	215,129
Total comprehensive income for the period	-	(13,288)	(13,288)
Balance as at June 30, 2022	**300,000**	**(98,159)**	**201,841**

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

1. THE COMPANY AND ITS OPERATIONS

Summit Capital (Private) Limited (the Company) is a private limited company, incorporated in Pakistan on March 08, 2006 under the Companies Ordinance, 1984 (repealed by Company's Act 2017). The Company is a corporate member / TREC holder of Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited. The principal activities of the Company are equity brokerage, money market brokerage and interbank foreign exchange brokerage. The registered office of the Company is situated at 701-702, 7th Floor, Business and Finance Centre, Opposite State Bank of Pakistan, I.I Chundrigar Road, Karachi. The Company is a wholly owned subsidiary of Summit Bank Limited

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of such International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017 (the Act), and provisions of and directives issued under the Companies Act, 2017. Where provisions of a and directives issued under the Companies Act, 2017 differ from the IFRS Standards,, the provisons of and diretives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements are unaudited and are being submitted to the shareholders in accordance with the requirements of section 237 of the Companies Act, 2017. These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency and rounded off to the nearest rupee.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements for the year ended December 31, 2021.

	Note	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
		------------(Rs. in '000)----------	
4. PROPERTY AND EQUIPMENT			
Operating fixed assets - tangible		**29,092**	32,579
		29,092	32,579
5. INTANGIBLE ASSETS			
Computer software		**35**	41
Trading Rights Entitlement Certificates		**2,500**	2,500
		2,535	2,541
6. LONG TERM ADVANCES			
Advance for capital expenditure		**2,500**	2,500
		2,500	2,500
7. LONG TERM INVESTMENTS			
Long term investment - available for sale		**28,043**	33,686
		28,043	33,686
8. LONG TERM DEPOSITS			
Long-term deposits - considered good		**1,668**	3,165
		1,668	3,165
9. DEBTORS			
Considered good			
Due from clients in respect of securities transactions - secured		**17,981**	873
Commission receivable - unsecured		**4,285**	7,050
Receivable against sale of securities from clearing house		**-**	8,316
	9.1	**22,266**	16,239
Considered doubtful			
Due from clients in respect of securities transactions - secured		**28,309**	28,309
Due from clients in respect of securities transactions - unsecured		**55,887**	55,887
		106,462	100,435
Less: Provision for doubtful debts		**55,887**	55,887
		50,575	44,548

9.1 Includes Rs.0.023 (2021: 0.011) million due from the holding company.

	Note	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
		--------------(Rs. in '000)-------------	

10. SHORT TERM LOANS

	Note	June 30, 2022	December 31, 2021
Short term loans	10.1	**1,035**	737
		1,035	737

10 These loans represent loans to employees for domestic purposes under the terms of employment. These loans carry mark-up at the rate of 8% per annum.

11. SHORT TERM DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Note	June 30, 2022	December 31, 2021
Prepayments		**876**	297
Exposure deposits		**39,574**	48,728
Other receivable - profit on bank	11.1	**718**	-
		41,168	49,025

11.1 The amounting of Rs. 0.718 (2021: Rs. NIL) million profit on bank for the month of June 2022 received in July 2022 from the holding company.

12. CASH AND BANK BALANCES

	Note	June 30, 2022	December 31, 2021
Cash with banks:			
- Current accounts	12.1	**1,342**	55,027
- PLS saving accounts	12.2	**62,899**	5,842
Cash in hand		**6**	6
		64,247	60,875

12.1 Includes accounts amounting to Rs. 0.101 (2021: Rs. 53.256) million maintained with the holding company.
12.2 Includes accounts amounting to Rs. 62.895 (2021: Rs. 5.832) million maintained with the holding company.

13. SHORT TERM FINANCE - SECURED

13.1 Represents a running financing facility of Rs. 300 million from holding company against charge on current assets & hypothecation of receivables and carries mark-up rate of 3 months KIBOR average ask side rate plus 2.50%.

14. TRADE AND OTHER PAYABLES

	Note	June 30, 2022	December 31, 2021
Due to clients in respect of securities transactions	15.1	**54,575**	61,571
Deposit from employees against vehicles		**179**	1,599
Accrued liabilities		**7,311**	9,451
Payable against purchase of securities		**17,043**	-
Others		**659**	586
		79,767	73,207

	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	----------(Rs. in '000)---------	

15. Customer Assets - Bank Account & Central Depository System

15.1 Customer Assets - Bank Account

Bank Account Balance - Clients	**54,575**	53,255

15.2 Customer Assets - Securities (Number of shares)

Securities held in the name of Clients'	**149,941,237**	142,232,877
Securities held in the name of Company's	**5,481,531**	5,481,531

The securities held in the Company's back office record reconciling with the Central Depository System as at June 30, 2022.

16. Pledged Securities

Pledged with PSX on behalf of Company (for Base Minimum Capital)	**38,786**	38,786
Total value of pledged securities	**38,786**	38,786

17. Treatment of amount receivable from customers

17 Trade debtors and other receivables are carried at cost, which is the fair value of the consideration to be received, less provision for doubtful debts. A provision for impairment in trade debtors and other receivables is made when there is objective evidence that the Company will not be able to collect all amounts due according to original terms of receivables.

17 **Aging Analysis of Trade Debtors**

Amount due from customers for more than 5 days	**102,176**	91,813
Less: provision for doubtful debts	**(55,887)**	(55,887)
Balance after provision for doubtful debts more than 5 days	**46,289**	35,926
Value of collateral after applying haircut on the basis of VAR	**18,061**	39,291

18. Pattern of shareholding with percentage

	Percentage	No. of Shares	No. of Shares
Summit Bank Limited	100%	**29,999,996**	29,999,996
Muzammil Hussain	0%	**1**	1
Arshad Majeed*	0%	**1**	-
Muhammad Anwar*	0%	**1**	-
Muhammad Kashif Malik*	0%	**1**	-
Salman Zafar Siddiqi*	0%	-	1
Rahat Saeed Khan*	0%	-	1
Zubair Aziz*	0%	-	1
Total	100%	**30,000,000**	30,000,000

18.1 The company's is the wholly owned subsidiary of Summit Bank Limited. Mr. Arshad Majeed and Mr. Muhammad Anwar elected as new Director of the Compay to replace Mr. Zubair Aziz and Mr. Rahat Saeed Khan on April 11, 2022. Mr. Salman Zafar Siddiqi resigned from the Board of Directors and Mr. Muhammad Kashif Malik was appointed to replace Mr. Salman Zafar Siddiqi on April 20, 2022.

	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)
	----------(Rs. in '000)---------	

19. Turnover - Proprietary Trades, Retail Customers and Institutional Customers

	June 30, 2022	June 30, 2021
Proprietary Trades (Equity) - Turnover	-	-
Retail Customers Trades (Equity) - Turnover	**5,296**	15,632
Institutional Trades (Equity) - Turnover	**2,055**	9,683
Institutional Trades (Money Market & Interbank Foreign Exchange) - Turnover	**13,457**	17,866
Retail (Commodity Futures) - Turnover	**12**	25
Total Trades - Turnover	**20,820**	43,207

	Note	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)
		-----------(Rs. in '000)------------	

20. RELATED PARTY TRANSACTIONS

The related parties comprise parent company, related group companies, staff retirement funds, directors and key management personnel. Transactions with related parties, other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Holding Company - Summit Bank Limited

	June 30, 2022	June 30, 2021
Brokerage commission	**139**	3,787
Financial charges	**63**	370
Profit on bank accounts	**2,515**	378
Rent paid	**1,977**	1,842
Service rendered (Generator Fuel - Reimbursement)	**21**	128
Running finance availed (Highest)	-	99,998
Running finance paid (Highest)	-	(99,998)
Brokerage commission -Key management personnel & Director	**1**	294
Contribution paid to/(received from) Gratuity Fund	**1,050**	1,500
Contribution paid to/(received from) Provident Fund	**1,135**	1,540

20.1 The outstanding balances of related parties are included in their respective notes to these condensed interim financial statements.

21. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue in the Board of Directors meeting held on July 28, 2022.

22. GENERAL

22.1 Figures have been rounded off to the nearest thousand rupees.

CHIEF EXECUTIVE OFFICER

DIRECTOR