SUMMIT CAPITAL (PRIVATE) LIMITED
INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2018

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2018

	Note	March 31, 2018	December 31, 2017
		--------------(Rs. in '000)--------------	
		(Unaudited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	**40,742**	41,084
Intangible assets	5	**4,545**	4,558
Long term advances	6	**4,303**	4,253
Long term investment	7	**53,178**	47,551
Investment property		**19,561**	19,660
Long term deposits	8	**8,238**	5,238
Deferred tax asset - net		**5,364**	5,364
		135,931	127,708
CURRENT ASSETS			
Debtors	9	**129,812**	51,699
Short term loans	10	**882**	774
Short term deposits, prepayments and others receivables	11	**79,058**	80,828
Short term investments	12	**1,421**	-
Advance tax - net		**23,078**	23,890
Cash and bank balances	13	**119,547**	123,091
		353,798	280,282
		489,729	407,990
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		**(13,120)**	(4,179)
Unrealized gain on revaluation of AFS Investment		**36,867**	31,240
		323,747	327,061
CURRENT LIABILITIES			
Short term borrowing - secured	14	**-**	-
Creditors and other payables	15	**165,982**	77,990
Accrued interest		**-**	2,939
		165,982	80,929
CONTINGENCIES AND COMMITMENTS			
		489,729	407,990

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

Rahat I...

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2018

	Note	March 31, 2018	March 31, 2017
		-------------(Rs. in '000)-------------	
Income			
Brokerage commission	23	**19,654**	32,021
Unrealised gain/(loss) on revaluation of held-for-trading securities - net		**(4)**	(3,783)
Gain/(loss) on sale of securities - net		**106**	33,093
Dividend income	21	**140**	4
Other income	23	**1,752**	1,005
		21,648	62,340
Expenditure			
Operating and administrative expenses		**27,789**	29,395
Financial charges	23	**11**	2,268
		27,800	31,663
(Loss)/profit before taxation		**(6,152)**	30,677
Taxation - current		**2,789**	9,445
- prior		**-**	-
- deferred		**-**	-
(Loss)/profit after taxation		**(8,941)**	21,232
Earning per share - basic and diluted (Rupee)		**(0.30)**	0.71
Other comprehensive income - Unrealized gain on revalution of AFS Investments		5,627	-
Total comprehensive income for the period		**(3,314)**	21,232

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

Rahat Sm

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2018

	Note	March 31, 2018	March 31, 2017
		------------(Rs. in '000)-----------	
Cash flows from operating activities			
(Loss)/profit before taxation		(6,152)	30,677
Adjustments for:			
Depreciation		885	963
Amortization		13	18
Unrealized loss on revaluation of held-for-trading securities		4	3,783
(Gain) on sale of securities - net		(106)	(33,093)
Financial charges		11	2,268
		807	(26,061)
		(5,345)	4,616
(Increase)/decrease in assets			
Debtors		(78,113)	(93,254)
Short-term loans		(108)	(402)
Short-term deposit, prepayments and others receivable		1,770	(24,430)
Long term deposits		(3,000)	(75)
		(79,451)	(118,161)
Increase/(decrease) in liabilities			
Creditors and other payables		87,992	233,211
Short term borrowing		-	39,433
		87,992	272,644
Cash (used in)/generated from operations		3,196	159,099
Income tax paid		(1,977)	(4,814)
Financial charges paid		(2,950)	(1,676)
Net cash (used in)/inflow from operating activities		(1,731)	152,609
Cash flows from investing activities			
Capital expenditure incurred		(494)	(111)
Proceed from sale of tangible fixed assets		-	-
Short-term investments		(1,319)	(171,723)
Net cash (used in)/inflow from investing activities		(1,813)	(171,834)
Cash flows from financing activities			
Long term loan		-	-
Net cash used in financing activities		-	-
Net decrease in cash & cash equivalents		(3,544)	(19,225)
Cash and cash equivalents at the beginning of the period		123,091	135,678
Cash and cash equivalents at the end of the period		119,547	116,453
Cash and cash equivalents:			
Cash and bank balances	13	119,547	116,453

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

Rahat S

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2018

	Issued, subscribed and paid up capital	Accumulated profit/ (loss)	Total
	----------------	(Rs. in 000')	----------------
Balance as on January 01, 2017	300,000	(32,201)	267,799
Total comprehensive income for the period	-	21,232	21,232
Balance as at March 31, 2017	**300,000**	**(10,969)**	**289,031**
Balance as on January 01, 2018	300,000	27,061	327,061
Total comprehensive income for the period	-	(3,314)	(3,314)
Balance as at March 31, 2018	**300,000**	**23,747**	**323,747**

Rahat S

CHIEF EXECUTIVE OFFICER

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2018

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. The Company is a TREC holder of Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited. The principal activities of the Company are equity brokerage, money market brokerage, interbank foreign exchange brokerage, commodity brokerage and research. 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 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 Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirement differ,, the provisons or diretives of the Companies Ordinance, 1984 shall prevail.

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, 2017.

		Note	March 31, 2018 (Unaudited)	December 31, 2017 (Audited)
			--------------(Rs. in '000)-------------	
4.	**PROPERTY AND EQUIPMENT**			
	Operating fixed assets - tangible		**40,742**	41,084
			40,742	41,084
5.	**INTANGIBLE ASSETS**			
	Computer software		**159**	172
	Trading Rights Entitlement Certificates		**4,386**	4,386
			4,545	4,558
6.	**LONG TERM ADVANCES**			
	Advance for capital expenditure		**4,303**	4,253
			4,303	4,253
7.	**LONG TERM INVESTMENTS**			
	Long term investment - available for sale		**53,178**	47,551
			53,178	47,551
8.	**LONG TERM DEPOSITS**			
	Long-term deposits - considered good		**8,238**	5,238
			8,238	5,238
9.	**DEBTORS**			
	Considered good			
	Due from clients in respect of securities transactions - secured		**85,571**	8,101
	Commission receivable - unsecured		**18,785**	11,798
	Receivable against sale of securities from clearing house		**-**	6,344
	Considered doubtful	9.1	**104,356**	26,243
	Due from clients in respect of securities transactions - secured		**25,456**	25,456
	Due from clients in respect of securities transactions - unsecured		**64,112**	64,112
			193,924	115,811
	Less: Provision for doubtful debts		**64,112**	64,112
			129,812	51,699

9.1 Includes Rs.0.825 (2017: 0.537) million due from the holding company.

		Note	March 31, 2018	December 31, 2017
10.	**SHORT TERM LOANS**			
	Short term loans	10.1	**882**	774
			882	774

10.1 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.

		March 31, 2018	December 31, 2017
11.	**SHORT TERM DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**		
	Prepayments	**1,440**	258
	Exposure deposits	**77,618**	80,570
		79,058	80,828

	Note	March 31, 2018 (Unaudited)	December 31, 2017 (Audited)
		--------------(Rs. in '000)-------------	

12. SHORT TERM INVESTMENTS

	Note	March 31, 2018	December 31, 2017
At fair value through profit and loss (held-for-trading)	12.1	1,421	-

12.1 At fair value through profit and loss (held-for-trading)

2018 (No. of Shares)	2017 (No. of Shares)		2018 Cost	2018 Market Value	2017 Market Value
			--------------(Rs. In '000)--------------		
		Listed Ordinary Shares			
500	-	Packages Limited	295	294	-
10,000	-	Sui Northern Gas Company Limited	1,131	1,127	-
			1,426	1,421	-

13. CASH AND BANK BALANCES

	March 31, 2018	December 31, 2017
Cash with banks:		
- Current accounts	76,835	65,775
- PLS saving accounts	42,693	57,305
Cash in hand	19	11
	119,547	123,091

13.1 Includes aggregate balance of Rs. 119.415 (2017: Rs. 122.975) million maintained with the holding company.

14. SHORT TERM FINANCE - SECURED

14.1 Represents a running financing facility of Rs. 400 million from holding company against hypothecation of receivables and carries mark-up rate of 3 months KIBOR average ask side rate plus 2.50%.

15. TRADE AND OTHER PAYABLES

	Note	March 31, 2018	December 31, 2017
Due to clients in respect of securities transactions	15.1	76,256	65,844
Deposit from employees against vehicles		1,099	978
Accrued liabilities		13,210	11,098
Payable against purchase of securities to clearing house		75,317	-
Others		100	70
		165,982	77,990

	March 31, 2018 (Un-audited)	December 31, 2017 (Audited)
	----------(Rs. in '000)---------	

16. Customer Assets - Bank Account & Central Depository System

16.1 Customer Assets - Bank Account

Bank Account Balance - Clients	**76,256**	98,888

16.2 Customer Assets - Securities (Number of shares)

Securities held in the name of Clients'	**159,705,716**	115,107,615
Securities held in the name of Company's	**5,599,531**	5,849,031

The securities held in the Company's back office record reconciling with the Central Depository System as at March 31, 2018.

17. Pledged Securities

Pledged with PSX on behalf of Company (for Base Minimum Capital)	**38,786**	38,786
Pledged with PSX on behalf of Clients	-	-
Pledged with Summit Bank Limited on behalf of client	-	121,453
Total value of pledged securities	**38,786**	160,239

18. Treatment of amount receivable from customers

18.1 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.

18.2 Aging Analysis of Trade Debtors

Total trade debtors	175,518	97,670
Less: Trade debtors equity within 5 days	81,518	400
Trade debtors above 5 days	94,000	97,270
Less: provision for doubtful debts	64,112	64,112
Balance after provision for doubtful debts above 5 days	29,887	33,158
Value of collateral against trade debtors	24,585	30,500

		March 31, 2018 (Un-audited)	December 31, 2017 (Audited)
		----------(Rs. in '000)---------	
19. Pattern of shareholding with percentage	**Percentage**	**No. of Shares**	**No. of Shares**
Summit Bank Limited	100%	29,999,996	29,999,996
Syed Mohammad Anwar Lutfullah	0%	1	1
Gulrays Khan	0%	-	1
Aziz Morris	0%	1	-
Noor Muhammad	0%	1	1
Rahat Saeed Khan	0%	1	1
Total	**100%**	**30,000,000**	**30,000,000**

19.1 The company's is the wholly owned subsidiary of Summit Bank Limited. Mr. Gulryas Khan resigned from the Board of Directors on February 16, 2018. Mr. Aziz Morris appointed as a Director on March 1, 2018.

	March 31, 2018 (Un-audited)	March 31, 2017 (Un-audited)
	----------(Rs. in '000)---------	
20. Equity Turnover - Proprietary Trades, Retail Customers and Institutional Customers		
Proprietary Trades - Turnover	-	-
Retail Customers Trades - Turnover	**6,422**	14,798
Institutional Trades - Turnover	**3,994**	8,326
Total Trades - Turnover	**10,416**	23,124
21. Income from dividends		
Income from dividends	**140**	4

22. Disclosure under regulation 5(4) of Research Analyst Regulations, 2015

At present, SCPL employs 6 members in its reserach department (including head of research, four research analysts and a librarian). All members report to Head of Research who in turn reports to CEO. Compensation structure of research analysts is flat and is subject to qualification, experience and skillset of the person. However, the compensation of anyone employed in the research department does not in any way depend on the contents/outcome of research report. During the period ended March 31, 2018, the personnel employed in the Research Department have drawn an aggregate salary and benefits amouting to Rs. 1,420,011/- which comprises basic salary, medical allowance, provident fund and other benefits as per Company's policy.

	Note	March 31, 2018 (Unaudited)	March 31, 2017 (Unaudited)
		-----------(Rs. in '000)-------------	

23. 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

Brokerage commission	**902**	4,794
Financial charges	**7**	2,265
Profit on bank accounts	**472**	74
Rent paid	**725**	659
Service rendered (Generator Fuel - Reimbursement)	**13**	-
Shares purchased from holding company	**40,347**	1,296,313
Shares sold to holding company	**(40,398)**	(1,092,810)
Brokerage commission -Key management personnel & Director	**38**	331
Contribution paid to/(received from) Gratuity Fund	**750**	600
Contribution paid to/(received from) Provident Fund	**751**	702

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

24. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue in the Board of Directors meeting held on April 16, 2018.

25. GENERAL

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

Rahat Saeed

CHIEF EXECUTIVE OFFICER

DIRECTOR