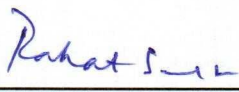


SUMMIT CAPITAL (PRIVATE) LIMITED
INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2019

		September 30, 2019	December 31, 2018
	Note	----- (Rs. in '000) ----- (Unaudited)	----- (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	37,901	39,961
Intangible assets	5	4,479	4,506
Long term advances	6	2,500	2,500
Long term investment	7	25,158	33,397
Investment property		18,978	19,267
Long term deposits	8	4,167	3,267
Deferred tax asset - net		5,836	5,836
		<u>99,019</u>	<u>108,734</u>
CURRENT ASSETS			
Debtors	9	66,422	70,204
Short term loans	10	830	926
Short term deposits, prepayments and others receivables	11	56,032	70,903
Advance tax - net		31,214	30,720
Cash and bank balances	12	86,283	113,239
		<u>240,781</u>	<u>285,992</u>
		<u>339,800</u>	<u>394,726</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
50,000,000 ordinary shares of Rs. 10/- each		<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid up capital		300,000	300,000
Accumulated loss		(57,903)	(25,971)
Unrealized gain on revaluation of AFS Investment		8,847	17,086
		<u>250,944</u>	<u>291,115</u>
CURRENT LIABILITIES			
Short term borrowing - secured	13	-	-
Creditors and other payables	14	88,856	103,562
Accrued interest		-	49
		<u>88,856</u>	<u>103,611</u>
CONTINGENCIES AND COMMITMENTS			
		<u>339,800</u>	<u>394,726</u>

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.

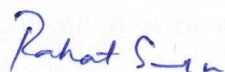

CHIEF EXECUTIVE OFFICER


DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

		September 30, 2019	September 30, 2018
	Note	------(Rs. in '000)-----	
Income			
Brokerage commission	23	36,846	52,714
Unrealised gain/(loss) on revaluation of held-for-trading securities - net		-	(460)
Gain/(loss) on sale of securities - net		-	4,412
Dividend income	21	-	235
Other income	23	7,652	5,321
		<u>44,498</u>	<u>62,222</u>
Expenditure			
Operating and administrative expenses		71,804	76,866
Financial charges	23	138	30
		<u>71,942</u>	<u>76,896</u>
(Loss)/profit before taxation		<u>(27,444)</u>	<u>(14,674)</u>
Taxation - current		4,331	3,296
- prior		157	-
(Loss)/profit after taxation		<u>(31,932)</u>	<u>(17,970)</u>
Earning per share - basic and diluted (Rupee)		<u>(1.06)</u>	<u>(0.60)</u>
Other comprehensive income - Unrealized gain/(loss) on revaluation of AFS		(8,239)	(9,986)
Total comprehensive (loss)/income for the period		<u>(40,171)</u>	<u>(27,956)</u>

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER

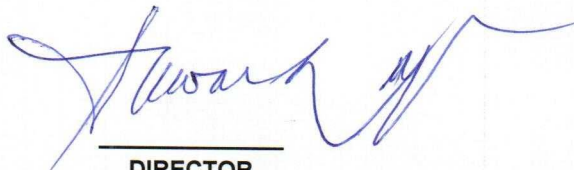

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	September 30, 2019	September 30, 2018
	Note -----	(Rs. in '000)-----
Cash flows from operating activities		
(Loss)/profit before taxation	(27,444)	(14,674)
Adjustments for:		
Depreciation	2,413	2,830
Amortization	52	39
Unrealized loss on revaluation of held-for-trading securities	-	460
(Gain) on sale of securities - net	-	(4,412)
Financial charges	138	30
	2,603	(1,053)
	(24,841)	(15,727)
(Increase)/decrease in assets		
Debtors	3,782	(14,723)
Short-term loans	96	(424)
Short-term deposit, prepayments and others receivable	14,871	9,560
Long term deposits	(900)	(1,000)
	17,849	(6,587)
Increase/(decrease) in liabilities		
Creditors and other payables	(14,706)	(3,013)
Short term borrowing	-	-
	(14,706)	(3,013)
Cash (used in)/generated from operations	(21,698)	(25,327)
Income tax paid	(4,982)	(7,860)
Financial charges paid	(187)	(2,968)
Net cash (used in)/inflow from operating activities	(26,867)	(36,155)
Cash flows from investing activities		
Capital expenditure incurred	(89)	(551)
Short-term investments	-	1,635
Net cash (used in)/inflow from investing activities	(89)	1,084
Cash flows from financing activities		
Long term loan	-	-
Net cash used in financing activities	-	-
Net decrease in cash & cash equivalents	(26,956)	(35,071)
Cash and cash equivalents at the beginning of the period	113,239	123,091
Cash and cash equivalents at the end of the period	86,283	88,020
Cash and cash equivalents:		
Cash and bank balances	13 86,283	88,020

The annexed notes 1 to 24 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 NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Issued, subscribed and paid up capital	Accumulated profit/ (loss)	Total
	(Rs. in 000')		
Balance as on January 01, 2018	300,000	27,061	327,061
Total comprehensive income for the period	-	(27,956)	(27,956)
Balance as at September 30, 2018	<u>300,000</u>	<u>(895)</u>	<u>299,105</u>
Balance as on January 01, 2019	300,000	(8,885)	291,115
Total comprehensive income for the period	-	(40,171)	(40,171)
Balance as at September 30, 2019	<u>300,000</u>	<u>(49,056)</u>	<u>250,944</u>

Rahat Sana

CHIEF EXECUTIVE OFFICER

Shweta
DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

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, 2018.

	September 30, 2019 (Unaudited) Note -----	December 31, 2018 (Audited) (Rs. in '000)-----
4. PROPERTY AND EQUIPMENT		
Operating fixed assets - tangible	<u>37,901</u>	<u>39,961</u>
	<u>37,901</u>	<u>39,961</u>
5. INTANGIBLE ASSETS		
Computer software	93	120
Trading Rights Entitlement Certificates	<u>4,386</u>	<u>4,386</u>
	<u>4,479</u>	<u>4,506</u>
6. LONG TERM ADVANCES		
Advance for capital expenditure	<u>2,500</u>	<u>2,500</u>
	<u>2,500</u>	<u>2,500</u>
7. LONG TERM INVESTMENTS		
Long term investment - available for sale	<u>25,158</u>	<u>33,397</u>
	<u>25,158</u>	<u>33,397</u>
8. LONG TERM DEPOSITS		
Long-term deposits - considered good	<u>4,167</u>	<u>3,267</u>
	<u>4,167</u>	<u>3,267</u>
9. DEBTORS		
Considered good		
Due from clients in respect of securities transactions - secured	30,558	38,875
Commission receivable - unsecured	10,408	6,477
Receivable against sale of securities from clearing house	-	-
Considered doubtful	9.1 <u>40,966</u>	<u>45,352</u>
Due from clients in respect of securities transactions - secured	25,456	24,852
Due from clients in respect of securities transactions - unsecured	<u>63,548</u>	<u>63,548</u>
	<u>129,970</u>	<u>133,752</u>
Less: Provision for doubtful debts	<u>63,548</u>	<u>63,548</u>
	<u>66,422</u>	<u>70,204</u>
9.1	Includes Rs.0.243 (2018: 0.184) million due from the holding company.	
10. SHORT TERM LOANS		
Short term loans	10.1 <u>830</u>	<u>926</u>
	<u>830</u>	<u>926</u>
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		
Prepayments	906	100
Exposure deposits	<u>55,126</u>	<u>70,803</u>
	<u>56,032</u>	<u>70,903</u>

	September 30, 2019 (Unaudited)	December 31 2018 (Audited)
Note	------(Rs. in '000)-----	

12. CASH AND BANK BALANCES

Cash with banks:

- Current accounts

- PLS saving accounts

Cash in hand

63,038 67,654

23,241 45,569

4 16

86,283 113,239

12.1 Includes aggregate balance of Rs. 70.713 (2018: Rs. 101.926) million maintained with the holding company.

13. SHORT TERM FINANCE - SECURED

13.1 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%.

14. TRADE AND OTHER PAYABLES

Due to clients in respect of securities transactions

14.1

47,472 56,361

Deposit from employees against vehicles

1,577 1,391

Accrued liabilities

11,288 9,560

Payable against purchase of securities to clearing house

28,340 36,135

Others

179 115

88,856 103,562

September 30, 2019 (Un-audited)	December 31, 2018 (Audited)
----- (Rs. in '000) -----	

15. Customer Assets - Bank Account & Central Depository System

15.1 Customer Assets - Bank Account

Bank Account Balance - Clients	<u>47,472</u>	<u>56,361</u>
--------------------------------	---------------	---------------

15.2 Customer Assets - Securities (Number of shares)

Securities held in the name of Clients'	<u>149,944,513</u>	<u>152,698,095</u>
Securities held in the name of Company's	<u>5,598,238</u>	<u>5,598,238</u>

The securities held in the Company's back office record reconciling with the Central Depository System as at September 30, 2019.

16. Pledged Securities

Pledged with PSX on behalf of Company (for Base Minimum Capital)	<u>38,786</u>	<u>38,786</u>
Pledged with PSX on behalf of Clients	-	-
Pledged with Summit Bank Limited on behalf of client	-	-
Total value of pledged securities	<u>38,786</u>	<u>38,786</u>

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

Total trade debtors	<u>119,816</u>	<u>127,275</u>
Less: Trade debtors equity within 5 days	<u>28,609</u>	<u>36,200</u>
Trade debtors above 5 days	<u>91,207</u>	<u>91,075</u>
Less: provision for doubtful debts	<u>63,548</u>	<u>63,548</u>
Balance after provision for doubtful debts above 5 days	<u>27,659</u>	<u>27,527</u>
Value of collateral against trade debtors	<u>21,900</u>	<u>27,300</u>

		September 30, 2019 (Un-audited) ------(Rs. in '000)-----	December 31, 2018 (Audited)
18. 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
Aziz Morris*	0%	-	1
Noor Muhammad*	0%	-	1
Rahat Saeed Khan	0%	1	1
Muzammil Hussain	0%	1	-
Irfan Saleem Awan	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. Noor Muhammad resigned from the Board of Directors on March 1, 2019. Mr. Muzammil Hussain appointed as a Director on March 5, 2019. Mr. Aziz Morris resigned from the Board of Directors on April 22, 2019. Mr. Irfan Saleem Awan appointed as a Director on April 22, 2019.

		September 30, 2019 (Un-audited) ------(Rs. in '000)-----	September 30, 2018 (Un-audited)
19. Equity Turnover - Proprietary Trades, Retail Customers and Institutional Customers			
Proprietary Trades - Turnover		-	-
Retail Customers Trades - Turnover		7,195	10,272
Institutional Trades - Turnover		3,602	7,299
Total Trades - Turnover		10,797	17,571
20. Income from dividends			
Income from dividends		-	220

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

At present, SCPL employs 4 members in its reserach department (including head of research, two 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 September 30, 2019, the personnel employed in the Research Department have drawn an aggregate salary and benefits amouting to Rs. 3,911,723/- which comprises basic salary, medical allowance, provident fund and other benefits as per Company's policy.

22. 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	241	2,853
Financial charges	108	14
Profit on bank accounts	2,153	1,351
Rent paid	2,319	2,174
Service rendered (Generator Fuel - Reimbursement)	102	295
Shares purchased from holding company	-	40,347
Shares sold to holding company	-	(40,398)
Brokerage commission -Key management personnel & Director	12	123
Contribution paid to/(received from) Gratuity Fund	2,250	2,250
Contribution paid to/(received from) Provident Fund	2,122	2,216

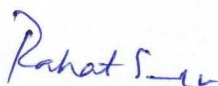
22.1 The outstanding balances of related parties are included in their respective notes to these condensed interim financial statements.

23. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue in the Board of Directors meeting held on October 30, 2019.

24. GENERAL

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

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