

SUMMIT CAPITAL (PRIVATE) LIMITED
INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2024

		September 30, 2024	December 31, 2023
	Note	(Un-audited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	34,718	27,209
Intangible assets	5	2,516	2,520
Long term advances	6	3,500	2,500
Investments - FVOCI	7	49,831	41,343
Investment property		17,154	17,416
Long term deposits	8	3,535	1,672
Deferred tax asset - net		8,606	8,998
		119,860	101,658
CURRENT ASSETS			
Debtors	9	102,426	100,257
Short term loans	10	-	75
Short term deposits, prepayments and others receivables	11	51,417	22,794
Investments - FVTPL	12	8,832	38,369
Advance tax - net		36,900	33,709
Cash and bank balances	13	145,214	85,425
		344,789	280,629
		464,649	382,287
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 share capital		300,000	300,000
Comprehensive Income		-	-
Accumulated losses		(116,848)	(124,821)
Unrealized gain on revaluation of investment		15,498	7,010
		198,650	182,189
CURRENT LIABILITIES			
Short term borrowing - secured	14	85,183	82,400
Creditors and other payables	15	177,360	115,009
Deposit - Rent		130	130
Accrued markup		3,326	2,559
		265,999	200,098
		464,649	382,287

CONTINGENCIES AND COMMITMENTS

The annexed notes 1 to 25 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, 2024

		September 30, 2024	September 30, 2023
Note		------(Rs. in '000)-----	
Brokerage commission	19	82,822	41,247
Gain / (loss) on sale of securities - net		10,945	18,436
Gain / (loss) on sale of operating fixed assets		-	5
Urealised (loss) on revaluation of investments		(1,508)	-
Dividend income		3,162	26
Other income	20	20,901	11,363
		116,322	71,077
Operating and administrative expenses	21	86,754	75,038
Financial charges	22	9,648	1,969
Loss on sale of operating fixed assets		249	-
		96,651	77,007
Profit / (loss) before taxation		19,671	(5,930)
Taxation - current		(11,305)	(6,116)
- deferred		(393)	1,340
		(11,698)	(4,776)
Profit / (loss) after taxation		7,973	(10,706)
Profit / (loss) per share - basic and diluted (Rupee)		0.27	(0.36)


CHIEF EXECUTIVE OFFICER


DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	September 30, 2024	September 30, 2023
	Note	(Rs. in '000)
Cash flows from operating activities		
Profit / (loss) before taxation	19,671	(5,930)
Adjustments for:		
Depreciation	834	699
Amortization	5	7
(Gain) on sale of securities - net	(10,945)	(18,436)
Loss on sale of operating fixed assets	249	(5)
Provision for staff gratuity fund	900	750
Financial charges	9,648	1,969
	691	(15,016)
	20,362	(20,946)
Decrease in assets		
Debtors	(2,169)	(1,823)
Short-term loans	75	752
Short-term deposit, prepayments and others receivable	(28,623)	10,436
Long term deposits	(2,863)	-
	(33,580)	9,365
(Decrease) / increase in liabilities		
Creditors and other payables	62,351	(2,692)
Short term borrowing	2,783	-
	65,134	(2,692)
Cash generated / (used in) from operations	51,916	(14,273)
Income tax paid	(14,496)	(5,412)
Financial charges paid	(8,881)	(1,629)
Gratuity paid	(900)	(750)
Net cash generated / (used in) from operating activities	27,639	(22,064)
Cash flows from investing activities		
Capital expenditure incurred	(8,631)	-
Proceed from sale of tangible fixed assets	300	75
Short term investments	40,482	18,436
Net cash (used in) / generated from investing activities	32,150	18,511
Net (decrease) / increase in cash & cash equivalents	59,789	(3,553)
Cash and cash equivalents at the beginning of the period	85,425	58,298
Cash and cash equivalents at the end of the period	145,214	54,745
Cash and cash equivalents:		
Cash and bank balances	13 145,214	54,745

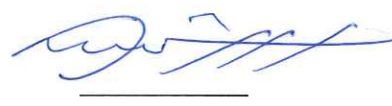

CHIEF EXECUTIVE OFFICER


DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

	September 30, 2024	September 30, 2023
Note	----- (Rupees in '000) -----	
Profit / (loss) after taxation	7,973	(10,706)
<u>Other comprehensive income / (loss) - net</u>		
Items that will not to be reclassified to profit and loss account in subsequent periods		
Actuarial gain on defined benefit plan	-	-
Items that will not be reclassified subsequently to profit or loss		
Unrealized gain / (loss) on revaluation of investment	8,488	(992)
Total comprehensive gain / (loss) for the period	<u>16,461</u>	<u>(11,698)</u>


CHIEF EXECUTIVE OFFICER


DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

	Issued, subscribed and paid-up capital	Unrealized gain on revaluation of investments	Accumulated Losses	Total
	(Rupees in '000)			
Balance as at January 01, 2023	300,000	5,911	(118,873)	187,038
Loss for the period	-	-	(10,706)	(10,706)
Other Comprehensive Income / (loss)				
Actuarial loss on defined benefit plan	-	-	-	-
Unrealized gain on revaluation of investment	-	(992)	-	(992)
Total loss as at September 30, 2023	-	(992)	(10,706)	(11,698)
Balance as at September 30, 2023	300,000	4,919	(129,579)	175,340
Gain for the 4th quarter ended on December 31, 2023	-	-	2,603	2,603
Other Comprehensive Income / (loss)				
Actuarial gain on defined benefit plan	-	-	2,155	2,155
Unrealized loss on revaluation of investment	-	2,091	-	2,091
Balance as at December 31, 2023	300,000	7,010	(124,821)	182,189
Profit for the period ended September 30, 2024	-	-	7,973	7,973
Other Comprehensive Income / (loss)				
Actuarial loss on defined benefit plan	-	-	-	-
Unrealized gain on revaluation of investment	-	8,488	-	8,488
Total gain as at September 30, 2024	-	8,488	7,973	16,461
Balance as at September 30, 2024	300,000	15,498	(116,848)	198,650


Chief Executive Officer


Director

SUMMIT CAPITAL (PRIVATE) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

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, interbank foreign exchange brokerage and commodity brokerage. The company is geographically located in the province of Sindh having its registered office situated at 504-506, 5th Floor, Balad Trade Center III, Plot # D-75, Block 7, Clifton, Karachi. The Company is a wholly owned subsidiary of Bank Makramah Limited [Formerly Summit Bank Limited].

2. BASIS OF PREPARATION

These financial statements have been prepared under the historical cost convention except for long term investments which are carried at fair value through other comprehensive income.

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), provisions of and directives issued under the Companies Act, 2017 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations 2016. Where provisions of and directives issued under the Companies Act, 2017 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations 2016 shall prevail.

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, 2023.

SUMMIT CAPITAL (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

4 PROPERTY AND EQUIPMENT

	Stock exchange rooms	Leasehold improvements	Furniture and fittings	Office equipment	Computer equipment	Electrical equipment	Total
Net Carrying Value basis as at January 1, 2024	24,200	205	277	710	445	1,372	27,209
Opening net book value	-	304	4,200	-	296	3,831	8,631
Additions / Transfer in							
Disposals / Write-Off							
Cost	-	48	298	185	1,011	2,183	3,725
Accumulated Depreciation	-	(40)	(251)	(163)	(954)	(1,768)	(3,176)
	-	8	47	22	57	415	549
Depreciation Charge	-	25	159	52	124	213	573
Closing Net Book Value	24,200	476	4,271	636	560	4,575	34,718
Rate of depreciation	-	10%	10%	10%	30%	10%	

SUMMIT CAPITAL (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2024

Rupees in '000'

5 INTANGIBLE ASSETS

Year Ended December 31, 2023

Computer software	5.1	20
Trading Rights Entitlement Certificates		2,500
		<u>2,520</u>

Period Ended September 30, 2024

Computer software	5.1	16
Trading Rights Entitlement Certificates		2,500
		<u>2,516</u>

5.1 Computer Softwares

Net carrying value basis as at September 30, 2024

Opening net book value	20
Addition during the year	-
Amortisation for the year	(4)
Closing net book value	<u>16</u>

Gross carrying value basis as at September 30, 2024

Cost	5,574
Accumulated amortisation	(5,558)
Net Book Value	<u>16</u>

Rate of amortisation (%)	<u>30%</u>
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Net carrying value basis as at December 31, 2023

Opening net book value	29
Addition during the year	-
Amortisation for the year	(9)
Closing net book value	<u>20</u>

Gross carrying value basis as at December 31, 2023

Cost	5,574
Accumulated amortisation	(5,554)
Net Book Value	<u>20</u>

Rate of amortisation (%)	<u>30%</u>
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		September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	Note	------(Rs. in '000)-----	
6	LONG TERM ADVANCES		
	Advance for office premises in Pakistan Mercantile Exchange Limited and booking of CEO Car	3,500	2,500
		<u>3,500</u>	<u>2,500</u>

7 LONG TERM INVESTMENTS - FAIR VALUE THROUGH OCI

Investment in Quoted Securities	7.1	44,530	36,042
Investment in Unquoted Securities	7.2	5,301	5,301
		<u>49,831</u>	<u>41,343</u>

7.1 QUOTED SECURITIES

2024	2023	Name of Investee	2024	2023
Number of shares			Cost	Market Value
INVESTMENT COMPANY				
1,602,953	1,602,953	Pakistan Stock Exchange Limited	4,666	22,409
1,238,717	1,185,376	The Bank of Khyber	17,781	14,394
8,000	8,000	HBL Investment Fund - Class A	17	19
8,000	8,000	HBL Investment Fund - Class B Segment	51	66
1,250	1,250	Bestway Cemnet Limited	156	294
158	158	Meezan Bank Limited	17	36
842,811	842,811	LSE Ventures Limited	4,697	6,490
245,294	-	LSE Capital Limited	1,647	822
-	295,536	LSE Proptech Limited	-	-
			<u>29,032</u>	<u>44,530</u>
		Unrealized (loss) on re-measurement of investment	(4,212)	
		Unrealized gain on re-measurement of investment	19,710	
		Carrying Value	<u>44,530</u>	

7.1.2 Movement in unrealized gain / (loss) on FVOCI - net

	September 30, 2024	December 31, 2023
Balance as on January 1, 2024	7,010	7,010
Surplus / (Deficit) on remeasurement of investment	8,488	-
Balance as on September 30, 2024	<u>15,498</u>	<u>7,010</u>

7.2 UNQUOTED SECURITIES

2024	2023	Name of Investee	2024	2023
Number of shares			Cost	Cost
INVESTMENT COMPANY				
3,034,603	3,034,603	ISE Towers REIT Management Company Limite	5,301	5,301
			<u>5,301</u>	<u>5,301</u>

		September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	Note	------(Rs. in '000)-----	
8 LONG TERM DEPOSITS			
Considered good			
Central Depository Company of Pakistan Limited		175	175
National Clearing Company of Pakistan Limited		200	200
Pakistan Mercantile Exchange Limited		1,252	1,255
Pakistan Telecommunication Company Limited		42	42
Head Office -Security Deposit		1,866	-
		<u>3,535</u>	<u>1,672</u>
9 DEBTORS			
Considered good			
Due from clients against trading of securities		67,929	58,998
Commission receivable - unsecured		23,842	8,355
Due from NCCPL against unsettled trades		-	22,249
Considered doubtful		<u>91,771</u>	<u>89,602</u>
Due from clients in respect of securities transactions - secured		10,655	10,655
Due from clients in respect of securities transactions - unsecured		55,887	55,887
		<u>158,313</u>	<u>156,144</u>
Less: Provision for doubtful debts		<u>(55,887)</u>	<u>(55,887)</u>
		<u>102,426</u>	<u>100,257</u>
9.1	Includes Rs.3.170 (2023: Rs.3.292) million due from the holding company.		
10 SHORT TERM LOANS			
Short term loans	10.1	<u>-</u>	<u>75</u>
		<u>-</u>	<u>75</u>
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.		
11 SHORT TERM DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Prepayments		1,415	417
Exposure deposits with NCCPL		<u>50,002</u>	<u>22,377</u>
		<u>51,417</u>	<u>22,794</u>
12 SHORT TERM INVESTMENTS - FAIR VALUE THROUGH PROFIT & LOSS			
Investment in Quoted Securities	12.1	<u>8,832</u>	<u>38,369</u>
		<u>8,832</u>	<u>38,369</u>

12.1 QUOTED SECURITIES

2024	2023	Name of Investee	2024	2023
Number of shares	Number of shares		Cost	Market Value
				Market Value
				(Rs. in '000)
INVESTMENT COMPANY				
-	30,000	Ghandra Industries Limited	-	5,063
-	40,000	Honda Atlas Cars (Pakistan) Limited	-	8,549
-	5,000	Octopus Digital Limited	-	238
719,000	719,000	Pakistan International Bulk Terminal Limited	5,775	4,796
573,737	573,737	Telecard Limited	5,990	4,573
150,000	150,000	The Bank of Punjab	972	972
-	600,000	Unity Foods Limited	-	14,178
			12,737	8,832
				38,369
		Unrealized (loss) on re-measurement of investment	(3,905)	
		Unrealized gain on re-measurement of investment	-	
		Carrying Value	8,832	

12.1.1 Movement in unrealized (loss) / gain on FVTPL - net

	September 30, 2024	December 31, 2023
Balance as on January 1, 2024	(6,226)	(6,226)
Reversal of unrealised loss on sale of investment	3,829	-
(Deficit) / surplus on remeasurement of investment	(1,508)	-
Balance as on September 30, 2024	(3,905)	(6,226)

13 CASH AND BANK BALANCES

Cash with banks:

- Current accounts	13.1	598	2,128
- PLS saving accounts	13.2	144,613	83,295
Cash in hand		3	2
		145,214	85,425

13.1 Includes accounts amounting to Rs. 0.100 (2023: Rs.0.100) million maintained with the holding company.

13.2 Includes accounts amounting to Rs. 144.574 (2023: Rs.83.256) million maintained with the holding company.

14 SHORT TERM FINANCE - SECURED

14.1 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%.

15 TRADE AND OTHER PAYABLES

Due to clients in respect of securities transactions	15.1	142,126	103,220
Accrued liabilities		8,401	4,702
Provision for staff compensated absences		4,808	3,901
Payable against purchase of securities		17,662	-
Other taxes payable		3,628	2,451
Others		735	735
		177,360	115,009

September 30, December 31,
2024 2023
(Un-audited) (Audited)
------(Rs. in '000)-----

15.1 Customer Assets - Bank Account & Central Depository System

15.2 Customer Assets - Bank Account

Bank Account Balance - Clients	142,126	80,971
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The customer assets held in the name of Summit Capital (Private) Limited - Clients, maintained current account at Summit Bank Limited, Stock Exchange Branch, Karachi.

15.3 Customer Assets - Securities (Number of shares)

Securities held in the name of Clients'	134,203,358	146,237,281
Securities held in the name of Company's	8,424,523	9,096,424

The securities held in the Company's back office record reconciling with the Central Depository System as at September 30, 2024.

16 Pledged Securities

Pledged with PSX on behalf of Company (for Base Minimum Capital)	30,346	30,346
Pledged with NCCPL on behalf of Company (for Exposure)	4,613	15,389
Pledged with PSX client(s) securities on behalf of client(s)	2,370	13,194
Total value of pledged securities	37,329	58,929

17 Treatment of amount receivable from customers

17.1 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.

17.2 Aging Analysis of Trade Debtors

Amount due from customers for more than 5 days	113,065	123,997
Less: provision for doubtful debts	(55,887)	(55,887)
Balance after provision for doubtful debts more than 5 days	57,178	68,110
Value of collateral after applying haircut on the basis of VAR	55,499	62,032

18 Pattern of shareholding with percentage

	Percentage	No. of Shares	No. of Shares
Bank Makramah Limited (Formerly Summit Bank Limited)	100%	29,999,996	29,999,996
Muzammil Hussain	0%	1	1
Muhammad Kashif Malik	0%	1	1
Ali Kashif Rizvi	0%	1	1
Farhan Baig	0%	1	1
Total	100%	30,000,000	30,000,000

	September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)
	----- (Rs. in '000) -----	
19 Brokerage commission		
Proprietary Trades (Equity)	-	-
Retail Customers Trades (Equity)	26,610	14,848
Institutional Trades (Equity)	7,455	4,308
Institutional Trades (Money Market & Interbank Foreign Exchange)	48,257	20,910
Retail (Commodity Futures)	500	1,181
Total	82,822	41,247
20 Other income		
Mark-up on personal loan to employees	15	44
Profit on bank account	15,026	6,379
Profit on cash margins	3,913	3,214
Miscellaneous income	3	1
Rental Income	1,944	1,725
	20,901	11,363
21 Operating and administrative expenses		
Salaries & benefits	56,502	47,556
Professional fees	2,227	2,756
Postage, telephone & telex	5,977	4,815
Gas, electricity & utilities	3,520	3,444
Rent, rates & taxes	4,159	3,607
Repairs & maintenance	3,578	2,234
Printing & stationery	799	608
Traveling and vehicle	2,195	3,889
Entertainment expenses	1,547	1,374
Membership & subscription	486	534
Insurance Expense	1,891	1,703
Depreciation & Amortization	839	706
Miscellaneous	1,105	245
Central Depository / NCPL / PSX Service charges	1,929	1,567
	86,754	75,038
22 Financial charges		
Mark-up expense on borrowings	9,580	1,889
Other financial charges	68	80
	9,648	1,969

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:

	September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)
	------(Rs. in '000)-----	
Holding Company - Summit Bank Limited		
Brokerage commission	4,113	1,115
Financial charges	9,646	1,966
Profit on bank accounts	15,006	6,369
Rent paid	1,843	3,157
Service rendered (Generator Fuel - Reimbursement)	-	211
Brokerage commission -Key management personnel & Director	8	1
Contribution paid to/(received from) Gratuity Fund	900	750
Contribution paid to/(received from) Provident Fund	2,006	1,811

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 October 25, 2024.

25 GENERAL

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


CHIEF EXECUTIVE OFFICER


DIRECTOR