

**SUMMIT CAPITAL (PRIVATE) LIMITED
INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021**

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM BALANCE SHEET AS AT JUNE 30, 2021

		June 30, 2021	December 31, 2020
	Note	(Rs. in '000)	
		(Un-audited)	(Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	33,520	35,001
Intangible assets	5	2,550	2,559
Long term advances	6	2,500	2,500
Long term investment	7	47,070	35,401
Investment property		18,319	18,504
Long term deposits	8	3,165	3,166
Deferred tax asset - net		5,695	6,066
		112,819	103,197
CURRENT ASSETS			
Debtors	9	97,986	47,399
Short term loans	10	884	777
Short term deposits, prepayments and others receivables	11	83,374	63,406
Advance tax - net		33,378	33,510
Cash and bank balances	12	199,690	163,469
		415,312	308,561
		528,131	411,758
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		(90,043)	(79,829)
Unrealized gain on revaluation of investment		30,759	19,090
		240,716	239,261
CURRENT LIABILITIES			
Short term borrowing - secured	13	-	-
Creditors and other payables	14	287,415	172,497
		287,415	172,497
CONTINGENCIES AND COMMITMENTS			
		528,131	411,758

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.

Rahat Sultana

CHIEF EXECUTIVE OFFICER

[Signature]
DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

		June 30, 2021	June 30, 2020
Note		------(Rs. in '000)-----	
Income			
Brokerage commission	21	43,207	33,887
Gain/(loss) on sale of operating fixed assets		463	-
Other income	21	2,940	4,490
		46,610	38,377
Expenditure			
Operating and administrative expenses		52,502	53,450
Financial charges	21	373	159
		52,875	53,609
Loss before taxation		(6,265)	(15,232)
Taxation - current		(3,578)	(3,447)
- deferred		(371)	-
		(3,949)	(3,447)
Loss after taxation		(10,214)	(18,679)
Loss per share - basic and diluted (Rupee)		(0.34)	(0.62)

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.

Rahat Saeed

CHIEF EXECUTIVE OFFICER

[Signature]

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

	June 30, 2021	June 30, 2020
	Note	(Rs. in '000)
Cash flows from operating activities		
Loss before taxation	(6,265)	(15,232)
Adjustments for:		
Depreciation	1,129	1,343
Amortization	4	13
(Gain)/loss on sale of operating fixed assets	(463)	-
Financial charges	373	159
	1,043	1,515
	(5,222)	(13,717)
(Increase)/decrease in assets		
Debtors	(50,587)	9,160
Short-term loans	(107)	184
Short-term deposit, prepayments and others receivable	(19,968)	5,020
Long term deposits	1	-
	(70,661)	14,364
Increase/(decrease) in liabilities		
Creditors and other payables	114,918	44,798
Cash (used in)/generated from operations	39,035	45,445
Income tax paid	(3,445)	(3,170)
Financial charges paid	(373)	(159)
Net cash (used in)/inflow from operating activities	35,217	42,116
Cash flows from investing activities		
Capital expenditure incurred	1,004	(41)
Net cash (used in)/inflow from investing activities	1,004	(41)
Cash flows from financing activities		
Long term loan	-	-
Net cash used in financing activities	-	-
Net decrease in cash & cash equivalents	36,221	42,075
Cash and cash equivalents at the beginning of the period	163,469	97,258
Cash and cash equivalents at the end of the period	199,690	139,333
Cash and cash equivalents:		
Cash and bank balances	12 199,690	139,333

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR

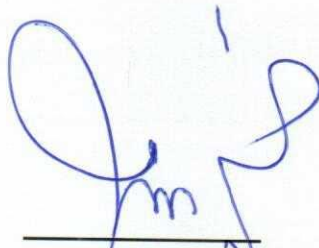
SUMMIT CAPITAL (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2021

	June 30, 2021	June 30, 2020
Note	----- (Rupees in '000) -----	
Loss after taxation	(10,214)	(18,679)
<u>Other comprehensive income / (loss) - net</u>		
Items that may be reclassified to profit and loss account in subsequent periods		
Unrealized loss on revaluation of investment	11,669	(4,136)
Total comprehensive loss for the period	1,455	(22,815)

The annexed notes 1 to 23 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, 2021

	Issued, subscribed and paid up capital	Accumulated profit / (loss)	Total
	(Rs. in 000')		
Balance as on January 01, 2020	300,000	(45,434)	254,566
Total comprehensive income for the period	-	(22,815)	(22,815)
Balance as at June 30, 2020	<u>300,000</u>	<u>(68,249)</u>	<u>231,751</u>
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	<u>300,000</u>	<u>(59,284)</u>	<u>240,716</u>

Rahat S.

CHIEF EXECUTIVE OFFICER

[Handwritten Signature]

DIRECTOR

SUMMIT CAPITAL (PRIVATE) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

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, 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 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, 2020.

June 30, December 31,
2021 2020
(Un-audited) (Audited)
Note -----(Rs. in '000)-----

4. PROPERTY AND EQUIPMENT

Operating fixed assets - tangible

<u>33,520</u>	35,001
<u><u>33,520</u></u>	<u><u>35,001</u></u>

5. INTANGIBLE ASSETS

Computer software

50	59
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Trading Rights Entitlement Certificates

<u>2,500</u>	2,500
<u><u>2,550</u></u>	<u><u>2,559</u></u>

6. LONG TERM ADVANCES

Advance for capital expenditure

<u>2,500</u>	2,500
<u><u>2,500</u></u>	<u><u>2,500</u></u>

7. LONG TERM INVESTMENTS

Long term investment - available for sale

<u>47,070</u>	35,401
<u><u>47,070</u></u>	<u><u>35,401</u></u>

8. LONG TERM DEPOSITS

Long-term deposits - considered good

<u>3,165</u>	3,166
<u><u>3,165</u></u>	<u><u>3,166</u></u>

9. DEBTORS

Considered good

Due from clients in respect of securities transactions - secured

6,143	1,771
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Commission receivable - unsecured

9,267	7,731
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Receivable against sale of securities from clearing house

<u>54,267</u>	10,877
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Considered doubtful

9.1 <u>69,677</u>	20,379
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Due from clients in respect of securities transactions - secured

28,309	27,020
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Due from clients in respect of securities transactions - unsecured

<u>57,176</u>	57,176
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<u>155,162</u>	104,575
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Less: Provision for doubtful debts

<u>57,176</u>	57,176
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<u><u>97,986</u></u>	<u><u>47,399</u></u>
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9.1 Includes Rs.3.055 (2020: 0.127) million due from the holding company.

	June 30, 2021 (Un-audited)	December 31 2020 (Audited)
Note	------(Rs. in '000)-----	

10. SHORT TERM LOANS

Short term loans	10.1	884	777
		<u>884</u>	<u>777</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		92	249
Exposure deposits		83,282	63,157
		<u>83,374</u>	<u>63,406</u>

12. CASH AND BANK BALANCES

Cash with banks:			
- Current accounts	12.1	193,125	154,361
- PLS saving accounts	12.2	6,564	9,107
Cash in hand		1	1
		<u>199,690</u>	<u>163,469</u>

12.1 Includes accounts amounting to Rs. 191.179 (2020: Rs. 148.162) million maintained with the holding company

12.2 Includes accounts amounting to Rs. 6.563 (2020: Rs. 9.048) 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

14. TRADE AND OTHER PAYABLES

Due to clients in respect of securities transactions	14.1	245,445	159,487
Deposit from employees against vehicles		1,667	1,744
Accrued liabilities		13,200	10,878
Others		27,103	388
		<u>287,415</u>	<u>172,497</u>

June 30, December 31,
2021 2020
(Un-audited) (Audited)
------(Rs. in '000)-----

15. Customer Assets - Bank Account & Central Depository System

15.1 Customer Assets - Bank Account

Bank Account Balance - Clients	191,178	148,610
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15.2 Customer Assets - Securities (Number of shares)

Securities held in the name of Clients'	131,203,986	122,400,822
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, 2021.

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	89,766	91,464
Less: provision for doubtful debts	(57,176)	(63,140)
Balance after provision for doubtful debts more than 5 days	32,590	28,324
Value of collateral after applying haircut on the basis of VAR	18,516	22,060

18. Pattern of shareholding with percentage

	Percentage	No. of Shares	No. of Shares
Summit Bank Limited	100%	29,999,997	29,999,996
Rahat Saeed Khan	0%	1	1
Muzammil Hussain	0%	1	1
Zubair Aziz	0%	1	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. Irfan Saleem Awan resigned from the Board of Directors on February 12, 2021.

June 30, 2021 (Un-audited)	June 30, 2020 (Un-audited)
------(Rs. in '000)-----	

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

Proprietary Trades - Turnover	-	-
Retail Customers Trades - Turnover	8,375	8,694
Institutional Trades - Turnover	3,906	5,753
Total Trades - Turnover	<u>12,280</u>	<u>14,447</u>

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

At present, SCPL employs 2 members in its research department (including head of research, one research analyst). 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 June 30, 2021, the personnel employed in the Research Department have drawn an aggregate salary and benefits amounting to Rs. 2,476,744/- which comprises basic salary, medical allowance, provident fund and other benefits as per Company's policy.

June 30, 2021 (Un-audited)	June 30, 2020 (Un-audited)
Note -----(Rs. in '000)-----	

21. 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	<u>3,243</u>	<u>832</u>
Financial charges	<u>370</u>	<u>147</u>
Profit on bank accounts	<u>378</u>	<u>937</u>
Rent paid	<u>1,842</u>	<u>1,674</u>
Service rendered (Generator Fuel - Reimbursement)	<u>128</u>	<u>30</u>
Running finance availed (Highest)	<u>99,998</u>	<u>-</u>
Running finance paid (Highest)	<u>(99,998)</u>	<u>-</u>
Brokerage commission -Key management personnel & Director	<u>294</u>	<u>6</u>
Contribution paid to/(received from) Gratuity Fund	<u>1,500</u>	<u>1,500</u>
Contribution paid to/(received from) Provident Fund	<u>1,540</u>	<u>1,371</u>

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

22. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue in the Board of Directors meeting held on July 23, 2021.

23. GENERAL

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


CHIEF EXECUTIVE OFFICER


DIRECTOR

