

AL Habib Capital Markets (Private) Limited

Financial Statements (Un-Audited)

For the half year ended

June 30, 2021

AL Habib Capital Markets (Private) Limited

Balance Sheet (Un-Audited)

As at 30 June 2021

| | Note | 30 June 2021 (Rupees) |
|---|------|-----------------------------|
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| Property and equipment | 1 | 7,516,534 |
| Intangible assets | 2 | 2,777,158 |
| Long term investments | 3 | 35,761,881 |
| Long term loans, advances and deposits | 4 | 10,110,817 |
| Deferred tax asset - net | | <u>1,179,583</u> |
| | | 57,345,973 |
| CURRENT ASSETS | | |
| Short term investments | 5 | 313,476,153 |
| Trade debts | 6 | 513,186,308 |
| Loans and advances | 7 | 384,977 |
| Deposits and prepayments | 8 | 189,315,000 |
| Other receivables | 9 | 7,676,760 |
| Taxation - net | | 26,119,200 |
| Cash and bank balances | 10 | 305,419,449 |
| | | <u>1,355,577,847</u> |
| | | <u><u>1,412,923,821</u></u> |
| EQUITY AND LIABILITIES | | |
| SHARE CAPITAL AND RESERVES | | |
| Issued, subscribed and paid-up capital | 11 | 300,000,000 |
| Unappropriated profit | | 71,690,996 |
| Unrealized gain on re-measurement of available-for-sale investments | | 8,957,069 |
| | | <u>380,648,064</u> |
| CURRENT LIABILITIES | | |
| Short term borrowing | 12 | 401,406,577 |
| Trade payables, accrued expenses and other liabilities | 13 | 628,387,823 |
| Sales tax and FED payable | | 2,481,356 |
| | | <u>1,032,275,756</u> |
| | | <u><u>1,412,923,821</u></u> |

The annexed notes 1 to 17 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer

AL Habib Capital Markets (Private) Limited
 Profit and Loss Account (Un-Audited)
 For the half year ended 30 June 2021

| | Note | 30 June 2021 (Rupees) |
|--|------|-----------------------------|
| INCOME | | |
| Brokerage revenue | 14 | 72,119,217 |
| Share subscription income | | 114,758 |
| Dividend income | | 2,187,344 |
| Interest income from Pakistan Investment bond | | 9,293,793 |
| Interest income from MFS | | 3,960,739 |
| Profit on saving and deposit accounts | | 76,522 |
| Capital gain/(loss) on sale of equity securities at FVTPL | | 4,311,655 |
| Gain/(Loss) on remeasurement of equity securities at FVTPL | | (1,394,266) |
| Other income | 15 | 6,451,952 |
| | | <u>97,121,714</u> |
| EXPENSES | | |
| Administrative expenses | 16 | (51,971,959) |
| Finance cost | 17 | (10,697,547) |
| | | (62,669,507) |
| Workers' Welfare Fund | | (579,933) |
| PROFIT BEFORE TAXATION | | <u>33,872,274</u> |
| Taxation - current | | (8,855,273) |
| - deferred | | 82,323 |
| | | (8,772,950) |
| PROFIT FOR THE PERIOD | | <u>25,099,324</u> |
| UNAPPROPRIATED PROFIT BROUGHT FORWARD | | 46,591,671 |
| UNAPPROPRIATED PROFIT | | <u><u>71,690,996</u></u> |

The annexed notes 1 to 17 form an integral part of these financial statements.



Chief Executive



Chief Financial Officer

1. PROPERTY AND EQUIPMENT

| | Cost | | Accumulated depreciation | | Written down | | Rate of depreciation per annum | |
|-----------------------|-------------------|-------------------------|--------------------------|-------------------|-------------------------------------|--------------------|--------------------------------|--------------------|
| | As at 01 Jan 2021 | Additions / (disposals) | As at 30 June 2021 | As at 01 Jan 2021 | Charge for the period / (disposals) | As at 30 June 2021 | | As at 30 June 2021 |
| Room and booths | 14,500,000 | - | 14,500,000 | 10,875,033 | 362,502 | 11,237,535 | 3,262,465 | 5 |
| Motor vehicles | 4,340,970 | - | 4,340,970 | 2,189,683 | 434,099 | 2,623,782 | 1,717,188 | 20 |
| Furniture and fixture | 2,435,282 | - | 2,435,282 | 1,924,857 | 36,797 | 1,961,654 | 473,628 | 10 |
| Office equipments | 7,261,169 | 171,540 | 7,432,709 | 5,910,324 | 199,493 | 6,109,817 | 1,322,892 | 20 |
| Computer equipment | 5,901,197 | 585,338 | 6,486,535 | 5,655,950 | 90,224 | 5,746,174 | 740,361 | 20 |
| | <u>34,438,618</u> | <u>756,878</u> | <u>35,195,496</u> | <u>26,555,847</u> | <u>1,123,115</u> | <u>27,678,962</u> | <u>7,516,534</u> | |

2. INTANGIBLE ASSETS

| | Cost | | Accumulated amortisation / impairment | | Written down | | Rate of Amortisation per annum | |
|---------------------------------------|-------------------|---------------|---------------------------------------|-------------------|-----------------------|--------------------|--------------------------------|--------------------|
| | As at 01 Jan 2021 | Additions | As at 30 June 2021 | As at 01 Jan 2021 | Charge for the period | As at 30 June 2021 | | As at 30 June 2021 |
| Website | 275,000 | - | 275,000 | 179,167 | 25,002 | 204,169 | 70,831 | 50 |
| Computer software | 5,092,499 | 75,000 | 5,167,499 | 4,839,260 | 121,912 | 4,961,172 | 206,327 | 50 |
| Trading right entitlement certificate | 2,500,000 | - | 2,500,000 | - | - | - | 2,500,000 | - |
| | <u>7,867,499</u> | <u>75,000</u> | <u>7,942,499</u> | <u>5,018,427</u> | <u>146,914</u> | <u>5,165,341</u> | <u>2,777,158</u> | |

| | <i>Note</i> | Un-Audited 30 June 2021 (Rupees) |
|--|-------------|---|
| 3. LONG TERM INVESTMENTS | | |
| Available for sale investments | | |
| Investment in shares of Pakistan Stock Exchange Limited | | 35,761,881 |
| | | <u>35,761,881</u> |
| 4. LONG TERM LOANS, ADVANCES & DEPOSITS | | |
| Long term loans | | |
| Staff loan | | 212,216 |
| Less: current portion of staff loan | | <u>(106,499)</u> |
| Long term portion of staff loan | | 105,717 |
| Security deposits | | |
| - security deposit | | 1,400,000 |
| -Modarba deposit for vehicle | | 8,593,600 |
| -other deposit | | 11,500 |
| | | - |
| | | 10,005,100 |
| | | <u>10,110,817</u> |
| 5. SHORT TERM INVESTMENTS | | |
| Available-for-sale | | |
| Equity securities-FVOCI | 5.1 | 73,035,186 |
| Equity securities-FVTPL | | 81,302,585 |
| Pakistan Investment bond | | <u>159,138,382</u> |
| | | <u>313,476,153</u> |
| 5.1 * These shares are pledged against BMC requirement/ PSX exposure and Banks financing. Details of shares pledged are as follows: | | |
| | | (Number of Shares) |
| The Hub Power Company Limited * | | 83,609 |
| Pakistan Petroleum Limited * | | 176,778 |
| Habib Bank Limited * | | 87,000 |
| Engro Corporation Limited * | | 35,200 |
| Pakistan Stock Exchange Limited* | | 300,000 |
| Oil & Gas Development Company Limited* | | 38,900 |
| 6. TRADE DEBTS - considered good | | |
| Due from clients against trading of securities | 6.1 | 422,740,628 |
| Due from National Clearing Company of Pakistan Limited | | 17,617,627 |
| Due from clients against Margin Financing | | 72,570,127 |
| Due from associated companies / persons against trading of securities | | 257,926 |
| | | <u>513,186,308</u> |
| 6.1 The aging analysis of the trade debts is as follows: | | |
| Upto 5 days | | 479,438,198 |
| More than 5 days* | | <u>33,748,110</u> |
| | | <u>513,186,308</u> |
| * The custody available against these receivable is Rs.3,314.129 million. | | |
| 7. LOANS AND ADVANCES | | |
| Current portion Loan to employees - secured | | 106,499 |
| Advances to employees - secured | | 245,478 |
| Advance for expenses to contractors & suppliers | | 33,000 |
| | | <u>384,977</u> |
| 8. DEPOSITS AND PREPAYMENTS | | |
| Exposure deposit with National Clearing Company of Pakistan Limited | | 189,315,000 |
| | | <u>189,315,000</u> |

| 9. OTHER RECEIVABLES | Note | Un-Audited 30 June 2021 (Rupees) |
|--|------|---|
| Interest on PLS A/cs. | | 6,806 |
| Dividend Receivable | | 568,400 |
| Interest receivable on Pakistan Investment Bonds | | 5,500,427 |
| Others | | <u>1,601,127</u> |
| | | <u>7,676,760</u> |

10. CASH AND BANK BALANCES

| | | |
|---------------------|------|--------------------|
| Cash in hand | | 109,110 |
| Cash with banks in: | | |
| - Current accounts | | 946,488 |
| - Saving accounts | 10.1 | <u>304,363,851</u> |
| | | <u>305,310,339</u> |
| | | <u>305,419,449</u> |

10.1 This includes Rs. 304.120 million kept in designated bank accounts maintained on behalf of clients.

11. SHARE CAPITAL

11.1 Authorised Capital

| 30 June 2021 (Number of shares) | | 30 June 2021 (Rupees) |
|---------------------------------------|--|-----------------------------|
|---------------------------------------|--|-----------------------------|

| | | |
|-------------------|--|--------------------|
| <u>50,000,000</u> | Ordinary shares of Rs. 10/- each fully paid in cash | <u>500,000,000</u> |
|-------------------|--|--------------------|

11.2 Issued, subscribed and paid-up share capital

| | | |
|-------------------|--|--------------------|
| <u>30,000,000</u> | Ordinary shares of Rs. 10/- each fully paid in cash | <u>300,000,000</u> |
|-------------------|--|--------------------|

11.3 Pattern of shareholding

| Categories of Shareholders | Number of shares held | % of shares held |
|---|--------------------------|---------------------|
| Bank AL Habib Limited (Holding Company) | 19,999,600 | 66.67% |
| Companies | 1,249,900 | 4.17% |
| Individuals | | |
| - Other Individuals/Trust | <u>8,750,500</u> | <u>29.16%</u> |
| | <u>30,000,000</u> | <u>100.00%</u> |

12. SHORT TERM BORROWING

| | | |
|--------------------------------------|------|--------------------|
| Short Term Running Finance - Secured | 12.1 | <u>401,406,577</u> |
|--------------------------------------|------|--------------------|

12.1 The running finance facilities available to the Company at period end amounts to Rs. 450 million and Rs. 100 million from Bank Al Habib Ltd (BAHL) & Bank Alfalah Ltd (BAFL) respectively. The facilities carry mark-up rate at 3 month Avg KIBOR Ask +1 % and 1.5% respectively. These facilities are secured by pledge of listed equity securities, Govt. securities and in case of BAHL there is also secured against hypothecation charge on book debts of the company.

| 13. TRADE PAYABLES, ACCRUED EXPENSES AND OTHER LIABILITIES | Note | Un-Audited 30 June 2021 (Rupees) |
|---|------|---|
| Due to clients against trading of securities | | 394,691,454 |
| Due to NCCPL | | 144,992,300 |
| Workers' Welfare Fund payable | | 1,790,966 |
| Accrued expenses | | 8,805,782 |
| Other liabilities | | <u>78,107,322</u> |
| | | <u>628,387,823</u> |
| | | |
| 14. BROKERAGE REVENUE | | |
| Retail customers | | 41,528,139 |
| Institutional customers | | 30,501,328 |
| Proprietary trade | | <u>89,750</u> |
| | | <u>72,119,217</u> |
| | | |
| 15. OTHER INCOME | | |
| Profit on PSX exposure | | 1,923,452 |
| Interest on staff loans | | 4,828 |
| Fee charged for clients' fund management | | <u>4,523,673</u> |
| | | <u>6,451,952</u> |
| | | |
| 16. ADMINISTRATIVE EXPENSES | | |
| Salaries and other benefits | | 32,017,572 |
| Printing and stationery | | 123,097 |
| Auditors' remuneration | | 352,025 |
| Rent, rates and taxes | | 1,356,400 |
| Vehicles running | | 2,032,931 |
| Utilities | | 1,461,518 |
| Legal and professional charges | | 707,851 |
| Insurance | | 665,620 |
| Newspapers and periodicals | | 36,536 |
| Entertainment | | 161,557 |
| Advertisement and business promotion | | 217,214 |
| Computer expenses | | 850,473 |
| Clearing house charges | | 6,248,482 |
| Office security | | 489,960 |
| Depreciation | 1 | 1,123,115 |
| Amortization | 2 | 146,914 |
| Repairs and maintenance | | 93,950 |
| Conveyance and travelling | | 600 |
| Communication | | 636,195 |
| Fee and subscription | | 2,702,734 |
| Office supplies | | 132,330 |
| Others | | 383,880 |
| Postage | | <u>31,006</u> |
| | | <u>51,971,959</u> |
| | | |
| 17. FINANCE COST | | |
| Mark-up on short term running finance | | 10,548,707 |
| Bank charges | | <u>148,841</u> |
| | | <u>10,697,547</u> |


Chief Executive


Chief Financial Officer