

**GMI CAPITAL SECURITIES
(PRIVATE) LIMITED**

Un-Audited Condensed Interim
Financial Statements
for the period ended December 31, 2018

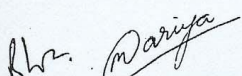
Waris

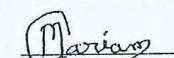
CERTIFIED TRUE COPY
GMI CAPITAL SECURITIES (PVT) LTD.

GMI CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2018

		(Un-audited) December 31, 2018 Rupees	(Audited) June 30, 2018 Rupees
	Note		
<u>ASSETS</u>			
Non-Current Assets			
Property and equipment	5	1,212,943	1,292,202
Investment property		12,223,507	12,866,850
Intangible assets	6	2,500,000	2,500,000
Long term investment - At fair value through comprehensive income	7	14,671,802	21,353,585
Long term deposit		2,210,000	1,710,000
		<u>32,818,252</u>	<u>39,722,637</u>
Current Assets			
Short term investments	8	23,047,150	32,298,826
Trade debts	9	19,795,826	8,933,642
Advances, deposits, prepayments & other receivables		40,100,745	39,958,915
Tax refunds due from government		8,136,996	7,157,654
Cash and bank balances	10	114,397,049	136,027,003
		<u>205,477,766</u>	<u>224,376,040</u>
		<u>238,296,018</u>	<u>264,098,677</u>
Total Assets			
<u>EQUITY AND LIABILITIES</u>			
Capital and Reserves			
Authorized Share Capital			
1,500,000 Ordinary shares of Rs.100 each		150,000,000	150,000,000
Issued, subscribed and paid - up capital		150,000,000	150,000,000
Reserves		75,412,280	91,797,371
		<u>225,412,280</u>	<u>241,797,371</u>
Current Liabilities			
Trade payables		10,456,329	20,019,781
Accrued expenses and other liabilities		2,427,409	2,281,525
		12,883,738	22,301,306
Contingencies & Commitments	11	-	-
Total Equity and Liabilities		<u>238,296,018</u>	<u>264,098,677</u>

The annexed notes from 1 to 14 form an integral part of these condensed financial statements.



Chief Executive

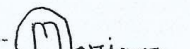

Director

GMI CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018

		(Un-audited) December 31, 2018 Rupees	(Audited) June 30, 2018 Rupees
	Note		
Revenue			
Operating revenue	12	4,485,141	9,777,661
Capital gain on sale of securities - net		2,000	4,652,804
Unrealized loss on re - measurement of investment		(5,358,714)	(13,514,698)
		(871,573)	915,767
Expenses			
Administrative expenses		(6,630,547)	(10,026,408)
Finance cost		(13,667)	(29,165)
Operating loss before tax		(6,644,214)	(10,055,573)
		(7,515,787)	(9,139,806)
Other charges		(1,740,007)	(5,589,447)
Other income		1,670,877	2,754,449
Loss before taxation		(7,584,917)	(11,974,804)
Taxation		(129,920)	(3,204,091)
Loss after taxation		(7,714,837)	(15,178,895)

The annexed notes from 1 to 14 form an integral part of these condensed financial statements.


 Chief Executive



 Director

Rh

GMI CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018

	(Un-audited) December 31, 2018 Rupees	(Audited) June 30, 2018 Rupees
Loss for the year	(7,714,837)	(15,178,895)
Other comprehensive income		
Loss on remeasurement of investment	(8,670,254)	(8,319,509)
Transfer to statement of profit or loss on account of disposal of investment	-	(3,136,000)
	(8,670,254)	(11,455,509)
Total comprehensive loss for the year	<u>(16,385,091)</u>	<u>(26,634,403)</u>

The annexed notes from 1 to 14 form an integral part of these condensed financial statements.


 Chief Executive



 Director

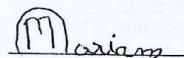
Rhr.

GMI CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018

	<i>Issued subscribed and paid up capital</i>	<i>Unappropriated profit / (loss)</i>	<i>Total</i>
	----- Rupees -----		
Balance as at 01 July, 2017	150,000,000	118,431,774	268,431,774
Comprehensive loss for the year	-	(26,634,403)	(26,634,403)
Balance as at June 30, 2018 - Audited	150,000,000	91,797,371	241,797,371
Comprehensive loss for the year	-	(16,385,091)	(16,385,091)
Balance as at December 31, 2018 - Un-audited	150,000,000	75,412,280	225,412,280

The annexed notes from 1 to 14 form an integral part of these condensed financial statements.


 Chief Executive


 Director


Rm

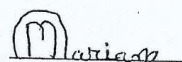
GMI CAPITAL SECURITIES (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018

	(Un-audited) December 31, 2018 Rupees	Audited June 30, 2018 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(7,584,917)	(11,974,804)
Adjustment for non cash items:		
Depreciation - Property & equipment	108,059	246,680
Depreciation - Investment property	643,343	1,429,650
Provision for doubtful debts	156,840	252,450
Loss on disposal of PMEX card	-	150,000
Loss on disposal of office equipment	-	18,182
Decline in value of TREC	-	2,500,000
Liabilities written back	-	(211,960)
Loss on remeasurement of investment	5,358,714	13,514,698
Capital gain	(2,000)	(4,652,804)
Dividend income	(585,969)	(1,816,320)
Financial charges	13,667	29,165
	(1,892,263)	(515,063)
(Increase) / decrease in current assets		
Trade debts	(10,862,184)	17,820,991
Trade deposits, short term prepayments and other receivables	(298,670)	22,248,653
	(11,160,854)	40,069,644
(Decrease) / increase in current liabilities		
Trade payables	(9,563,452)	(1,517,680)
Accrued expenses and other liabilities	145,884	(14,731,612)
	(9,417,568)	(16,249,292)
Taxes paid	(1,109,262)	(3,137,416)
Financial charges paid	(13,667)	(29,165)
	(1,122,929)	(3,166,581)
Net cash (used in) / generated from operating activities	(23,593,614)	20,138,708
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Long term deposits - net	(500,000)	19,250,036
Disposal of PMEX card	-	100,000
Short term investment - net	1,906,491	(7,276,659)
Long term investment - net	-	10,451,423
Fixed capital expenditure	(28,800)	(191,820)
Disposal of office equipment	-	8,000
Dividend income received	585,969	1,816,320
Net cash generated from investing activities	1,963,660	24,157,300

	(Un-audited) December 31, 2018 Rupees	Audited June 30, 2018 Rupees
Net (decrease) / increase in cash and cash equivalents (A+B)	(21,629,954)	44,296,008
Cash and cash equivalents at the beginning of the period	136,027,003	91,730,996
Cash and cash equivalents at the end of the period	<u>114,397,049</u>	<u>136,027,003</u>

The annexed notes from 1 to 14 form an integral part of these condensed financial statements.


Chief Executive


Director

Rh2.

GMI CAPITAL SECURITIES (PRIVATE) LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL REPORT
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018

1 NATURE AND STATUS OF BUSINESS

GMI Capital Securities (Private) Limited (the Company) was incorporated in May 22, 2006 as private limited company. The registered office of the company is situated at 705, 7th Floor, Stock Exchange Building, Stock Exchange Road, Karachi, Pakistan. The company is engaged in the business of financial consultancy, brokerage, underwriting and investment counseling. It is a Trading Right Holder of the Pakistan Stock Exchange Limited.

2 BASIS OF PRESENTATION

2.1 Statement of Compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified Under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed

2.2 Functional and Presentation Currency

This condensed interim financial report has been presented in Pakistan Rupees, which is the functional currency of the Company.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report is the same as those applied in the preparation of the financial statements for the year ended June 30, 2018. Except financial instruments which are being measured in accordance with IFRS 9.

Certain standards, amendments and interpretations to the approved accounting standards are effective for accounting periods beginning on or after July 1, 2018 but are considered not to be relevant or have any significant effect on the Company's operation and are therefore not detailed in this condensed interim financial report except for IFRS 9 whose adoption result in reclassification of AFS investment to "At fair value through other comprehensive income".

Rh2

ESTIMATES

The preparation of this condensed interim financial report in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

In preparing this condensed interim financial report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June, 2018. Except financial instruments which are being measured in accordance with IFRS 9.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

Rhr

	Note	(Un-audited) December 31, 2018 Rupees	(Audited) June 30, 2018 Rupees
5 PROPERTY AND EQUIPMENT			
Opening net book value		1,292,202	1,373,244
Add: Additions		28,800	191,820
Less: Disposals-net			
Cost		-	36,000
Depreciation		-	(9,818)
		-	(26,182)
Depreciation		(108,059)	(246,680)
Closing net book value		<u>1,212,943</u>	<u>1,292,202</u>
6 INTANGIBLE ASSETS			
Trading Rights Entitlement Certificate (TREC)		2,500,000	5,000,000
Less:: Impairment loss		-	(2,500,000)
		<u>2,500,000</u>	<u>2,500,000</u>
7 LONG TERM INVESTMENT			
Investment in shares of Pakistan Stock Exchange Limited - at fair value through other comprehensive income		10,811,940	10,811,940
Unrealized gain on remeasurement		3,859,862	10,541,645
		<u>14,671,802</u>	<u>21,353,585</u>
8 SHORT TERM INVESTMENTS			
<i>At fair value through profit or loss</i>			
Listed equity securities	8.1	18,680,880	25,944,085
<i>At fair value through other comprehensive income</i>			
Shares of PSX	8.2	4,366,270	6,354,741
		<u>23,047,150</u>	<u>32,298,826</u>
8.1 At fair value through profit or loss - Listed equity securities			
(Un-audited) (Audited)			
December 31, June 30,			
2018 2018			
Number of Shares			
14,000 14,000 Attock Refinery Limited		2,065,280	3,014,340
40,000 40,000 D.G. Khan Cement Company Limited		3,206,000	4,579,600
10,000 15,000 Engro Fertilizer Limited		690,500	1,123,650
10,000 10,000 Engro Foods Limited		797,200	890,600
100,000 100,000 Fauji Cement Company Limited		2,093,000	2,285,000
12,500 12,500 Fauji Fertilizer Bin Qasim Limited		465,875	482,500
12,500 12,500 Fauji Fertilizer Company Limited		1,160,625	1,236,125
- 10,000 Gul Ahmed Textile Mills Limited		-	429,300
	c/f.	<u>10,478,480</u>	<u>14,041,115</u>

Rh2

(Un-audited) (Audited)
December 31, June 30,
2018 2018
Number of Shares

(Un-audited) (Audited)
December 31, June 30,
2018 2018
Rupees Rupees

		b/f	10,478,480	14,041,115
7,000	7,000	Ghandhara Nissan Limited	665,210	1,257,690
7,000	7,000	The General Tyre & Rubber Company of Pakistan Limited	565,810	1,163,400
2,000	2,000	Honda Atlas Cars Pakistan	353,080	632,780
10,000	10,000	Hi-Tech Lubricants Limited	661,000	1,013,200
250,000	250,000	K-Electric Limited	1,485,000	1,420,000
10,000	10,000	National Refinery Limited	2,857,800	4,430,100
10,000	10,000	Oil & Gas Development Company Limited	1,280,000	1,556,200
15,000	15,000	TRG Pakistan Limited Class "A"	334,500	429,600
			<u>18,680,880</u>	<u>25,944,085</u>

8.2 At fair value through other comprehensive income - shares of Pakistan Stock Exchange Limited.

(Un-audited) (Audited)
December 31, June 30,
2018 2018
Number of Shares

(Un-audited) (Audited)
December 31, June 30,
2018 2018
Rupees Rupees

<u>321,759</u>	<u>321,759</u>	Pakistan Stock Exchange Limited	<u>4,366,270</u>	<u>6,354,741</u>
----------------	----------------	---------------------------------	------------------	------------------

9 TRADE DEBTS

Considered good	19,316,231	8,454,047
Considered doubtful	<u>1,918,382</u>	<u>1,918,382</u>
	21,234,613	10,372,429
Provision for doubtful receivables	<u>(1,438,787)</u>	<u>(1,438,787)</u>
	<u>19,795,826</u>	<u>8,933,642</u>

10 CASH AND BANK BALANCES

Cash in hand	39,144	18,190
Cash at bank		
In current accounts	<u>114,357,905</u>	<u>136,008,813</u>
	<u>114,397,049</u>	<u>136,027,003</u>

11 CONTINGENCIES & COMMITMENTS

There are no Contingencies & commitments during the period ended (June 30, 2018 : Nil).

Rhn

(Un-audited)	(Audited)
December 31,	June 30,
2018	2018
Rupees	Rupees

12 OPERATING REVENUE

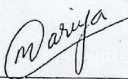
Brokerage commission	2,471,880	4,710,455
Custody / Laga / NCSS Fees	1,427,293	3,250,886
Dividend income	585,969	1,816,320
	<u>4,485,141</u>	<u>9,777,661</u>

13 DATE FOR AUTHORIZATION FOR ISSUE

The Board of Directors of the Company authorized these interim financial statements for issue on _____.

14 GENERAL

Amounts have been rounded off to the nearest rupee unless otherwise stated.


Chief Executive


Director

Rh2.