



**CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED JUNE 30, 2021
(UN-AUDITED)**



Exceptional | Values · Products · Services

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VISION

To be the leader in the financial services sector

MISSION

To ensure growth of various financial services by creating new products and services in the financial sector

COMPANY INFORMATION

Board of Directors	Mr. Muhammad Kamran Nasir Mr. Muhammad Yousuf Amanullah Mr. Iftikhar Ahmed Rao Mr. Shahab Anwar Khawaja Mr. Salaal Hasan Ms. Shireen Raza Mr. Hasan Saeed Akbar Syed Ghaus Ahmad	Chief Executive Officer Executive Director Independent Director Independent Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Audit Committee	Mr. Shahab Anwar Khawaja Ms. Shireen Raza Mr. Hasan Saeed Akbar	Chairman Member Member
Risk Management Committee	Mr. Muhammad Yousuf Amanullah Mr. Muhammad Kamran Nasir Syed Ghaus Ahmad	Member Member Member
Human Resource & Remuneration Committee	Mr. Iftikhar Ahmed Rao Mr. Muhammad Yousuf Amanullah Mr. Muhammad Kamran Nasir Mr. Hasan Saeed Akbar	Chairman Member Member Member
Chief Financial Officer	Mr. Fahad Muslim	
Company Secretary	Syed Sufyan Ahmed	
External Auditor	KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Buildings, Ground. No 2 Beaumont Rd Civil Lines, Karachi, Karachi City, Sindh 75530	
Bankers	JS Bank Limited MCB Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited Bank Alfalah Limited United Bank Limited National Bank of Pakistan Askari Bank Limited Faysal Bank Limited Sindh Bank Limited Meezan Bank Limited Summit Bank Limited	

Legal Advisors

Bawaney & Partners
3rd & 4th Floors, 68-C, Lane-13,
Bukhari Commercial Area, Phase-VI, D.H.A., Karachi.

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block-B, S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Registered Office

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DIRECTORS' REPORT

We are pleased to present the unaudited, condensed interim financial information of JS Global Capital Limited ("the Company") for the Sixmonths ended June30, 2021.

The summarized results are set out below:-

	For the Six months ended	
	June 30, 2021	June 30, 2020
	Rupees	
Profit before tax	304,517,145	95,881,479
Profit after tax	223,835,575	61,381,202
Earnings per share	7.45	2.01

THE ECONOMY

From an economic lens, the second quarter of the calendar year was riddled with both encouraging and worrisome data flows. On the bright side, the Large Scale Manufacturing (LSM) Index grew by 14.57% during 10MFY21 after incorporating the 36.84% YoY growth recorded in April, 2021. This further improved the prospects of the already surprising 3.9% provisional growth estimates shared by the government. Moreover, supporting the external account during the quarter was Workers' Remittances which rose by an impressive 30% to US\$ 7.96 billion.

On the other hand, the Trade Deficit widened substantially by 82% YoY during the quarter as it reached US\$ 10.30 billion. This was led primarily by higher imports which dwarfed even the impressive 67% YoY growth in exports for the quarter. All in all, the Current Account balance for 2QCY21 remained in a deficit of US\$2.48 billion as opposed to a much smaller deficit of US\$302 million during the same period last year.

Foreign flows remained upbeat in the period under review with the receipt of US\$ 500 million from the IMF after much-awaited resumption of the Extended Fund Facility. Moreover, international investors showed confidence in Pakistan and the country secured US\$2.5 billion through the Euro Bond auction and a further US\$ 500 million in the Green Bond auction by Water and Power Development Authority (WAPDA). Overall, foreign reserves held by the SBP grew by US\$ 3.8 billion to US\$17.30 billion during the quarter.

Inflation remained a thorn in the bush as it averaged at 10.58% during 2QCY21, led primarily by food prices. Nonetheless, the SBP remains resolute that positive real interest rates will gradually be achieved and chose to keep the Policy Rate unchanged at 7.00%.

EQUITY CAPITAL MARKET

The KSE-100 index has recovered graciously during 2QCY21, gaining 6 percent in the second quarter to close the period at 47,356 points, and marking a cumulative gain of 8 percent during 1HCY21. However, a negative 1% performance during the last month of the period under review was reported despite the Federal Budget announcement in June-2021 that was loaded with incentives and relief measures for various industries. Lackluster performance by the Index in the latter part of the period owed to negative developments such as delay in the IMF review, MSCI's proposal to downgrade Pakistan to Frontier Markets, a status quo decision on FATF, US forces' abrupt exit from Afghanistan and rising concerns on the economy due to the fourth wave of COVID-19.

DIRECTORS' REPORT

Activity at the local bourse rebounded as volumes improved by 20 percent in the second quarter as valuations became attractive. Technology stocks (+50 percent) led the rally as COVID-19 raised the possibility of a paradigm shift in the global scenario (potential rise in working from home and remote locations), increasing the demand potential for IT companies, while Textile sector companies were also among the top performers. Similarly, Cement companies posted strong performance (+14 percent) due to increased focus by the government on the construction sector.

COMMODITIES MARKET

The Pakistan Mercantile Exchange (PMEX) faced significant pressure during the six months under review. This was always on the cards, considering the recent rising trend of Coronavirus cases on a global level, coupled with uncertainty in the commodity markets, particularly in the demand and supply of oil and precious metals which ultimately had an impact on their respective prices. Consequently, the volumes at PMEX took a significant hit during the period under review and slid downwards by 87 percent, as the frequently traded crude and gold contracts both faced drastic reductions during the period. In comparison, there was a 63 percent reduction in total value traded at the local bourse, which was led by massive drops in GO10OZ and GO1OZ contracts.

During the period under review, Company's trading activity also underwent a decline as volumes and value traded shrank by 42 percent and 27 percent, respectively. However, the corresponding reduction was significantly less than what was seen at the local bourse, as your Company managed to stifle the decline in crude oil contracts and also generate activity in silver and currency contracts.

MONEY MARKET

To stimulate economic growth and in light of the uncertainty surrounding Covid-19, the State Bank of Pakistan again kept the policy rate at 7% for period ending 20th Sept 2021. In the latest auction of Pakistan Investment Bonds (PIBs) new issue for 3 year was issued due to hefty amount of maturing PIBs. Additionally Rs250bn was raised through fixed coupon bonds with the cut-off rates at 8.88%, 9.1980% and 9.8390% for 3Y, 5Y and 10Y, respectively. Overall pressure remained on the buying side of fixed coupon bonds for the quarter. On the other hand, floating-rate PIBs attracted less interest in semi-annual coupon bonds. A cumulative Rs2.1tn was raised through T-Bill auctions with the last cut off rate at 7.24%, 7.51% and 7.67% for 3M, 6M and 12M, respectively; where accepted amount was matched with pre auction target for the period. Decline in cut-offs resulted due to increased demand and investments in T-bills.

FOREIGN EXCHANGE MARKET

During the second quarter of the calendar year, USD/PKR opened at PKR 152.76 as compared to PKR 159.98 in the corresponding period last year. The lowest USD/PKR parity was recorded at PKR 152.20 at the end of March 2021 and the highest was recorded at PKR 158.50 in June. USD closed the June quarter at PKR 157.55.

The average swaps opened in January, 2021 for 1 Month, 3 Month & 6 Months at 0.85, 2.60 & 5.25 paisa respectively. During this period, 1 Month swap witnessed a downward trend in February 2021 (trading at 0.91 paisa) while 3 Month and 6 Month swaps appreciated in February (trading at 10 paisa and 15 paisa respectively). The central bank has kept the policy rate unchanged at 7% to support economic growth. The average swaps closed in the half year ended June, 2021 at an average of 0.64, 2.19 and 4.46 paisa.

The country's total foreign exchange reserves at the end of March 2021 stood at US\$20.60bn and increased to US\$24.39bn by end of June 2021.

DIRECTORS' REPORT

THE BOARD

The board has three subcommittees namely the Audit Committee, the Risk Management Committee and the Human Resource & Remuneration Committee, which assist the Board in the performance of its functions. The names of Board members and members of subcommittees are as follows;

BOARD OF DIRECTORS

S. No	Name of Director
1	Mr. Muhammad Kamran Nasir (CEO)
2	Mr. Muhammad Yousuf Amanullah
3	Mr. Hasan Saeed Akbar
4	Syed Ghaus Ahmad
5	Mr. Salaal Hasan
6	Ms. Shireen Raza
7	Mr. Iftikhar Ahmed Rao
8	Mr. Shahab Anwar Khawaja

AUDIT COMMITTEE

S. No	Name of Director
1	Mr. Shahab Anwar Khawaja
2	Mr. Hasan Saeed Akbar
3	Ms. Shireen Raza

HUMAN RESOURCE & REMUNERATION COMMITTEE

S. No	Name of Director
1	Mr. Iftikhar Ahmed Rao
2	Mr. Muhammad Kamran Nasir
3	Mr. Muhammad Yousuf Amanullah
4	Mr. Hasan Saeed Akbar

RISK MANAGEMENT COMMITTEE

S. No	Name of Director
1	Mr. Muhammad Kamran Nasir
2	Mr. Muhammad Yousuf Amanullah
3	Syed Ghaus Ahmad

DIRECTORS' REPORT

COMPANY PERFORMANCE REVIEW

The Company earned net income of PKR 223.835 million for the Six months ended June 30, 2021 vis-a-vis net income of PKR 61.381 million in the comparative period last year clocking an increase of 264.66% over the same period. Operating revenue of the Company increased by 128.07% over the same period last year. On the cost front, the Company incurred PKR 332.177 million (up by 25.82%) for the said period in respect of administrative and operating expenses. The Earnings per Share (EPS) of the Company for the period stood at PKR 7.45 against EPS of Rs.2.01 for the corresponding period last year, reflecting an increase of 270.65%. The increase in profitability is directly attributable to the significant higher volumes at the bourse during the period under consideration vis-à-vis comparative period last year.

Despite on-going market-related challenges and the country's economic condition primarily due to COVID-19 pandemic, the Company is focused on maintaining its growth momentum in the long run. Management is acutely monitoring its resources to reap the maximum benefits for its shareholders. This involves optimizing revenue generation from core brokerage and fee-based operations and treasury management.

ACKNOWLEDGEMENT

We express our sincerest appreciation to our employees for their dedication and hard work and to our clients, business partners and shareholders for their support and confidence.

We would like to acknowledge the Securities and Exchange Commission of Pakistan (SECP), Central Depository Company of Pakistan Limited (CDC), National Clearing Company of Pakistan Limited (NCCPL) and Pakistan Stock Exchange (PSX) for their efforts to strengthen capital markets and measures to protect investor rights.

Chief Executive Officer

Director

August 21st, 2021

کمپنی کی کارکردگی کا جائزہ

کمپنی کو ششماہی مدت مختتمہ 30 جون 2021 میں 223.835 ملین روپے کی آمدنی ہوئی جو کہ گزشتہ سال اسی مدت میں 61.381 ملین روپے کی آمدنی ہوئی تھی جس سے سابقہ مدت کے مقابلے میں 264.64 فیصد اضافے کی عکاسی ہوتی ہے۔ کمپنی کے کاروباری محصولات میں گزشتہ مدت کی بد نسبت 128.07 فیصد کا اضافہ ہوا۔ لاگت کے محاذ پر مذکورہ مدت کے دوران کمپنی نے 332.17 ملین روپے انتظامی اور کاروباری اخراجات برداشت کئے۔ کمپنی کی فی حصص آمدن 7.45 روپے رہی جو کہ گزشتہ سال اسی مدت میں 2.01 روپے تھی، جس سے 270.65 فیصد اضافہ کی عکاسی ہوتی ہے۔ زیر جائزہ مدت کے دوران گزشتہ مدت کے مقابلے میں منافع میں اضافہ کا بلا واسطہ تعلق بازار حصص کے قابل ذکر بلند ترین حجم سے تھا۔

مارکیٹ سے متعلق جاری دشواریوں اور بنیادی طور پر COVID-19 وباء کی وجہ سے ملکی معاشی صورتحال کے باوجود کمپنی دور رس نمو کے معیار حرکت کو برقرار رکھنے پر توجہ مرکوز کئے ہوئے ہے۔ انتظامیہ باریک بینی سے وسائل کی نگرانی کر رہی ہے تاکہ حصص یافتگان کو زیادہ سے زیادہ فوائد فراہم کئے جاسکیں۔ اس میں بنیادی بروکریج کے کاروبار کے محصولات میں بہتری اور فیس کی بنیاد پر کاروباری افعال اور ٹریڈری میئنمنٹ سے آمدنی کا حصول شامل ہے

توثیق

ہم اپنے ملازمین کی انتھک محنت اور جدوجہد اور اپنے کلائنٹ، کاروباری شراکت داروں اور حصص یافتگان کے تعاون پر اعتماد پر انہیں مخلصانہ ستائش پیش کرتے ہیں۔

ہم سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP)، سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (CDC)، نیشنل کلیئرنگ کمپنی آف پاکستان لمیٹڈ (NCCPL) اور پاکستان اسٹاک ایکسچینج (PSX) کی بازار زر کو مستحکم کرنے کی کوششوں اور سرمایہ کاروں کے حقوق کے تحفظ کے اقدامات کا اعتراف کرتے ہیں۔

تاریخ: 21 اگست 2021

چیف ایگزیکٹو آفیسر

ڈائریکٹر

بورڈ آف ڈائریکٹرز :

ڈائریکٹر کے نام	نمبر شمار
جناب محمد کامران ناصر (سی ای او)	1
جناب محمد یوسف امان اللہ	2
جناب حسن سعید اکبر	3
سید غوث احمد	4
جناب سلال حسن	5
محترمہ شیریں رضا	6
جناب افتخار احمد راؤ	7
جناب شہاب انور خواجہ	8

آڈٹ کمیٹی:

ڈائریکٹر کے نام	نمبر شمار
جناب شہاب انور خواجہ	1
جناب حسن سعید اکبر	2
محترمہ شیریں رضا	3

انسانی وسائل و معاوضہ کمیٹی:

ڈائریکٹر کے نام	نمبر شمار
جناب افتخار احمد راؤ	1
جناب محمد کامران ناصر	2
جناب محمد یوسف امان اللہ	3
جناب حسن سعید اکبر	4

رسک مینجمنٹ کمیٹی:

ڈائریکٹر کے نام	نمبر شمار
جناب محمد کامران ناصر	1
جناب محمد یوسف امان اللہ	2
سید غوث احمد	3

معنی مارکیٹ کا جائزہ

معاشی نمو کو سہارا دینے اور Covid-19 سے متعلقہ غیر یقینی صورتحال کی وجہ سے اسٹیٹ بینک آف پاکستان نے مدت 20 ستمبر 2021 کے اختتام پر دوبارہ پالیسی نرخ کو 7 فیصد پر ہی برقرار رکھا۔ پاکستان انویسٹمنٹ بانڈز (PIBs) کے 3 سالہ مدت کے نئے اجراء کی حالیہ نیلامی میں بھاری رومات کی PIB میچور ہو گئی تھیں۔ اضافی طور پر 250 بلین روپے بذریعہ جامد کوپن بانڈز 3Y، 5Y اور 10Y کی حامل مدت کے کٹ آف نرخوں کے ساتھ بالترتیب 8.88 فیصد، 9.180 فیصد اور 9.8390 فیصد رہے۔ سہ ماہی میں خریداری کی طرف مجموعی طور پر دباؤ رہا۔ جبکہ دوسری جانب متزلزل نرخوں کی حامل PIBs نے نصف سال کوپن بانڈز نے کم شرح سود کو کشش کیا۔ ایک مجموعی 2.1 ٹریلین روپے ٹی بل کی نیلامیوں سے حاصل کئے گئے جو آخری منقطع شرح پر 7.24، 7.51 فیصد اور 7.67 فیصد تھی 3 ملین، 6 ملین اور 12 ملین پر بلترتیب جس میں قبول شدہ رقم کو نیلامی سے قبل مدت کے ہدف سے موازنہ کیا گیا۔ نرخ کی آخری حد میں کمی کی وجہ ٹی بلز کی طلب اور سرمایہ کاری میں میں اضافہ تھا۔

فارن ایکسچینج مارکیٹ کا جائزہ

ششماہی سال کی دوسری سہ ماہی کے دوران USD/PKR کا آغاز 152.76 روپے سے ہوا جو کہ گزشتہ سال اسی مدت میں 159.98 روپے تھا۔ مارچ 2021 کے اختتام تک USD/PKR کی کم ترین مساواتی قدر 152.20 روپے رہی اور بلند ترین جون میں 158.50 روپے رہی۔ جون کی سہ ماہی میں USD 157.55 روپے پر بند ہوا۔

جنوری 2021 میں 1 ماہی، 3 ماہی اور 6 ماہی اوسطاً سوئیپ کا آغاز 2.60، 0.85 اور 5.25 پیسہ بالترتیب رہا۔ مدت کے دوران، 1 ماہی سوئیپ میں فروری 2021 میں تنزلی کا رجحان دیکھا گیا (0.91 پر تجارت ہوئی) جبکہ 3 ماہی اور 6 ماہی سوئیپ میں فروری میں بہتری آئی (بالترتیب 10 پیسہ اور 15 پیسہ پر تجارت ہوئی)۔ معاشی نمو کو سہارا دینے کے لئے مرکزی بینک نے پالیسی نرخ کو 7 فیصد پر برقرار رکھا۔ اوسطاً سوئیپ ششماہی مدت مختلفتہ جون 2021 میں اوسطاً 2.19، 0.64 اور 4.46 پیسے پر بند ہوئے۔

مارچ 2021 کے اختتام تک ملک کے کل زرمبادلہ کے ذخائر 20.60 بلین یو ایس ڈالر رہے اور جون 2021 کے اختتام تک بڑھ کر 24.39 بلین یو ایس ڈالر تک پہنچ گئے۔

بورڈ

بورڈ کی تین ذیلی کمیٹیاں ہیں جن کا نام آڈٹ کمیٹی، رسک مینجمنٹ کمیٹی اور انسانی وسائل و معاوضہ کمیٹی تھے جنہوں نے بورڈ کے افعال میں مدد کی بورڈ اور اس کی ذیلی کمیٹیوں کے اراکین کے نام درج ذیل ہیں:

افراط زر جھاڑیوں میں ایک کاٹنا بارہا جو کہ 2QCY21 میں اوسطاً 10.58 فیصد رہا جس کی بنیادی وجہ غذائی قیمتیں تھیں۔ تاہم SBP مثبت حقیقی شرح سود بتدریج کے حصول کے لئے پرعزم رہا اور پالیسی نرخ کو 7.00 فیصد پر برقرار رکھتے ہوئے اس میں کوئی تبدیلی نہیں کی۔

ایکیوٹی مارکیٹ کا جائزہ

2QCY21 کے دوران KSE-100 انڈیکس میں شاندار بحالی آئی جس میں سہ مدت کے اختتام پر 47,356 پوائنٹس کا اضافہ ہوا اور 1HCY21 کے دوران مجموعی طور پر 8 فیصد کا اضافہ ہوا۔ تاہم جون 2021 میں مختلف صنعتوں کے لئے بحالی کے اقدامات اور ترغیبات سے بھرپور وفاقی بجٹ کے اعلان کے باوجود زیر جائزہ سہ ماہی کے آخری ماہ کے دوران منفی 1 فیصد کارکردگی دیکھی گئی۔ مدت کے آخری حصے میں انڈیکس میں اتر کارکردگی کی وجہ سے پیشہ میاں جیسے IMF کے جائزے میں تاخیر، فرنیچر مارکیٹوں میں MSCI کی پاکستان کی تنزلی کی تجویز، FATF کا ایک حسب سابق فیصلہ، US کی فوجوں کا افغانستان سے بے ربط انخلاء اور COVID-19 کی چوتھی لہر کی وجہ سے معیشت پر بڑھتے ہوئے خدشات تھے۔

مقامی بازار حصص کی سرگرمی میں بحالی آئی کیونکہ دوسری سہ ماہی میں حجم میں 20 فیصد بہتری سے مالیتیں پرکشش ہو گئیں۔ نیکینالوجی حصص (+50 فیصد) نے ریلی کی قیادت کی کیونکہ COVID-19 کے نتیجے میں پیدا ہونے والے عالمی منظر نامہ میں بنیادی افعال میں تبدیلی کے امکانات بڑھ گئے (یعنی گھروں اور دروازہ جگہوں سے کام کرنے کے امکانات میں اضافہ ہوا) جس سے آئی ٹی کمپنیوں کی طلب کے امکانات بڑھ گئے، جبکہ ٹیکسٹائل کے شعبہ کی کمپنیوں کی کارکردگی سرفہرست رہی۔ اس طرح سیمنٹ کمپنیوں میں مستحکم کارکردگی (14 فیصد) دیکھی گئی جس کی بنیادی وجہ تیراتی شعبہ میں مرکوز توجہ تھی۔

کموڈٹی مارکیٹ کا جائزہ

زیر جائزہ ششماہی مدت کے دوران پاکستان مرکٹسٹائل ایکسچینج (PMEX) میں قابل ذکر دباؤ دیکھا گیا۔ عالمی سطح پر کورونا وائرس کے کیسوں میں بڑھتے ہوئے رجحان کے ساتھ ساتھ ایشیائے صرف کے بازار میں غیر یقینی صورتحال کو مد نظر رکھتے ہوئے یہ ہمیشہ ناقابل عمل رہا، خاص طور پر تیل اور قیمتی دھاتوں کی طلب و رسد نے متعلقہ قیمتوں پر اثرات مرتب کئے۔ نتیجے کے طور پر PMEX کے حجم میں زیر جائزہ مدت کے دوران قابل ذکر متاثر ہوئے اور 87 فیصد کی قابل ذکر تنزلی دیکھی گئی، کیونکہ خام تیل اور سونے دونوں کے کثیر ٹھیکوں میں شدید کمی ہوئی۔ موازنہ کیا جائے گا تو مقامی بازار حصص میں کل تجارتی مالیت میں 63 فیصد کمی ہوئی، جس کے نتیجے میں GO10OZ اور GO1OZ کے ٹھیکوں میں شدید کمی ہوئی۔

جائزہ مدت کے دوران کمپنی کی تجارتی سرگرمی کے حجم میں تنزلی ہوئی اور تجارتی مالیت میں 42 فیصد اور 27 فیصد بالترتیب کمی ہوئی۔ تاہم نتیجے میں ہونے والی کمی سے قابل ذکر طور پر کمی ہوئی جو کہ مقامی بازار حصص میں دیکھی گئی، کیونکہ کمپنی کروڈ آئل کے ٹھیکوں میں تنزلی کو روکنے میں کامیاب رہی اور چاندی اور کرنسی کے ٹھیکوں میں بھی سرگرمیاں دیکھی گئیں۔

ڈائریکٹر کی رپورٹ:

ہم JS گلوبل کیپٹل لمیٹڈ (کمپنی) کے اختصاری عبوری مالیاتی معلومات برائے ششماہی مدت ختمہ 30 جون 2021 پیش کرتے ہوئے اظہار مسرت کرتے ہیں:

مختصر آنتاج درج ذیل ہیں:

برائے ششماہی مدت ختمہ

30 جون 2020	30 جون 2021	
----- روپے -----		
95,881,479	304,517,145	منافع قبل از ٹیکس
61,381,202	223,835,575	منافع بعد از ٹیکس
2.01	7.45	فی حصص آمدن

معیشت

معاشی نقطہ نظر سے سٹشی سال کی دوسری سہ ماہی میں حوصلہ افزاء اور پریشان کن دونوں ہی اعداد و شمار کا بہاؤ جاری رہا۔ روشن پہلو یہ ہے کہ 10MFY21 کے دوران گزشتہ سال کے مقابلے میں اپریل 2021 میں 36.84 نموکوشامل کرنے کے بعد وسیع پیداواری صنعتی انڈیکس (LSM) میں 14.57 فیصد اضافہ ہوا۔ اس سے پہلے سے حیران کن عبوری نمو کے تخمینے کے امکانات میں بہتری پیدا کر دی۔ مزید برآں بیرون ملک ترسیلات 30 فیصد شاندار اضافہ کے ساتھ 7.96 بلین یو ایس ڈالر رہیں جس سے بیرونی کھاتے کو سہارا ملا۔

جبکہ دوسری جانب سہ ماہی کے دوران تجارتی خسارہ میں 82 فیصد قابل ذکر اضافہ ہوا جو کہ 10.30 بلین یو ایس ڈالر تک پہنچ گیا۔ اس کی بنیادی وجہ بلند درآمدات تھیں جنہوں نے سہ ماہی میں برآمدات میں 67 فیصد کے شاندار اضافہ کے باوجود اثرات کو زائل کر دیا۔ لہذا 2QCY21 کے دوران رواں کھاتے کا خسارہ 2.48 بلین یو ایس ڈالر رہا جو کہ گزشتہ سال اسی مدت میں محض 302 ملین یو ایس ڈالر قلیل خسارہ تھا۔

جائزہ مدت کے دوران IMF سے 500 ملین ڈالر کی کی وصولی کے بعد بیرونی ترسیلات خوش کن رہیں۔ مزید برآں، پاکستان پر عالمی سرمایہ کاروں کا اعتماد دیکھا گیا اور ملک نے یورو بانڈ کی نیلامی کے ذریعے 2.5 بلین یو ایس ڈالر حاصل کئے اور مزید وائٹرائینڈ پاور ڈولپمنٹ اتھارٹی (WAPDA) کی جانب سے گرین بانڈ کی نیلامی سے 500 ملین یو ایس ڈالر حاصل ہوئے۔ سہ ماہی کے دوران مجموعی طور پر SBP کے زرمبادلہ کے ذخائر 3.8 بلین یو ایس ڈالر اضافہ کے ساتھ 17.30 بلین یو ایس ڈالر ہو گئے۔



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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of JS Global Capital Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **JS Global Capital Limited** ("the Company") as at June 30, 2021 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-months period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of this condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing as applicable in Pakistan and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.



KPMG Taseer Hadi & Co.

Other matters

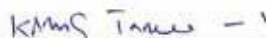
The figures for the quarter ended 30 June 2021 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion thereon.

The condensed interim financial statements of the Company for the period ended 30 June 2020 and the financial statements for the year ended 31 December 2020 were reviewed and audited by another firm of chartered accountants who had expressed an unmodified conclusion and opinion thereon dated 24 August 2020 and 03 April 2021, respectively.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Taufiq.

Date: 25 August 2021

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants

FINANCIAL STATEMENTS

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Note	----- (Rupees) -----	-----
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital: 150,000,000 (December 31, 2020: 150,000,000) ordinary shares of Rs.10 each			
		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid-up share capital	5	274,772,970	305,570,000
Share premium		1,810,104,900	1,810,104,900
Unrealised gain on revaluation of investments at fair value through other comprehensive income		26,242,906	11,441,759
Unappropriated profit		327,578,328	319,321,963
		<u>2,438,699,104</u>	<u>2,446,438,622</u>
LIABILITIES			
Non-current liabilities			
Deferred liability	6	556,773	1,839,560
Long-term financing	7	16,024,194	37,270,009
Liability against assets subject to finance lease	8	12,466,530	16,644,533
		<u>29,047,497</u>	<u>55,754,102</u>
Current liabilities			
Creditors, accrued expenses and other liabilities	9	2,339,466,718	2,807,080,542
Unclaimed dividend		3,361,843	3,361,843
Current maturity of long-term financing		65,565,838	69,585,524
Current maturity of liability against assets subject to finance lease		8,920,773	8,510,261
		<u>2,417,315,172</u>	<u>2,888,538,170</u>
		<u>4,885,061,773</u>	<u>5,390,730,894</u>
Contingencies and Commitments	10		

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Note	----- (Rupees) -----	
ASSETS			
Non-current assets			
Property and equipment	11	862,459,500	895,577,307
Investment property	12	124,913,251	126,504,547
Intangible assets	13	5,000,015	5,000,015
Long term investments	14	83,104,128	112,175,298
Long term loans and deposits		38,535,233	32,488,821
Deferred taxation - net	15	122,182,544	114,765,637
		1,236,194,671	1,286,511,625
Current assets			
Short term investments	16	32,198,655	237,120,103
Trade debts	17	701,401,641	1,097,296,646
Receivable against margin finance		408,348,904	419,521,592
Loans and advances - considered good		43,791,062	21,427,280
Short-term deposits and prepayments		591,289,276	569,432,251
Interest and mark-up accrued	18	6,277,266	6,373,618
Other receivables		3,049,135	14,585,585
Advance tax		51,899,906	116,918,108
Cash and bank balances	19	1,810,611,257	1,621,544,086
		3,648,867,102	4,104,219,269
		4,885,061,773	5,390,730,894

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

	Note	six months ended		three months ended	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
		----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----
Operating revenue	20	533,013,036	233,708,697	262,962,710	110,161,965
Capital gain on sale of investments - net		22,156,059	15,403,745	11,469,581	4,961,007
Unrealised loss on remeasurement of investments at fair value through profit or loss - net		768,275	1,596,412	3,205,944	1,596,412
Unrealised gain on remeasurement of derivatives at fair value through profit or loss - net		(777,479)	(1,531,160)	(4,680,793)	(1,531,160)
Dividend income		5,228,093	9,409,516	4,738,322	10,016
Margin finance income		28,373,468	21,069,345	13,917,398	5,028,745
		588,761,452	279,656,555	291,613,162	120,226,985
Administrative and operating expenses		(332,177,117)	(264,003,369)	(185,158,026)	(131,306,639)
		256,584,335	15,653,186	106,455,136	(11,079,654)
Other operating income - net		59,199,838	94,280,798	34,823,247	57,882,933
		315,784,173	109,933,984	141,278,383	46,803,279
Provision for Sindh Workers' Welfare Fund		(6,214,636)	(1,956,765)	(2,776,915)	(653,819)
Finance cost	21	(5,052,392)	(12,095,740)	(2,432,648)	(2,112,336)
Profit before taxation		304,517,145	95,881,479	136,068,820	44,037,124
Taxation - current		(88,956,038)	(31,188,280)	(40,655,143)	(6,244,440)
- prior		-	-	-	-
- deferred		8,274,468	(3,311,997)	7,323,791	(8,394,947)
	22	(80,681,570)	(34,500,277)	(33,331,352)	(14,639,387)
Profit after taxation		223,835,575	61,381,202	102,737,468	29,397,737
Earnings per share - basic and diluted	23	7.45	2.01	3.47	0.96

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021

	six months ended		three months ended	
	June 30, 2021 (Un-audited) ----- (Rupees) -----	June 30, 2020 (Un-audited)	June 30, 2021 (Un-audited) ----- Rupees -----	June 30, 2020 (Un-audited)
Profit for the period	223,835,575	61,381,202	102,737,468	29,397,737
Other comprehensive income / (loss)				
Items that will not be reclassified to statement of profit or loss subsequently				
Unrealised loss on revaluation of investments at fair value through OCI during the period	16,500,118	(5,683,619)	20,287,418	4,405,906
Less: Related tax	(1,751,709)	762,905	(1,864,209)	62,131
	14,748,409	(4,920,714)	18,423,209	4,468,037
Items that may be reclassified to statement of profit or loss subsequently				
Unrealised gain on revaluation of investments at fair value through OCI during the period	62,045	1,547,144	30,887	807,100
Less: Related tax	(9,307)	(232,072)	(4,633)	(121,065)
	52,738	1,315,072	26,254	686,035
Total comprehensive income / (loss) for the period	238,636,722	57,775,560	121,186,931	34,551,809

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

	Issued, subscribed and paid-up share capital	Share premium	Reserves		Sub-total	Total
			Unrealised gain / (loss) on revaluation of available-for-sale / fair value through other comprehensive income investments - net	Revenue reserve Unappropriated profit		
	(Rupees)					
Balance as at January 01, 2020	305,570,000	1,810,104,900	5,510,021	112,367,591	1,927,982,512	2,233,552,512
Total comprehensive income for the period						
Profit for the six months ended June 30, 2020	-	-	-	61,381,202	61,381,202	61,381,202
Other comprehensive loss - net of tax	-	-	(3,605,642)	-	(3,605,642)	(3,605,642)
Total comprehensive income for the period	-	-	(3,605,642)	61,381,202	57,775,560	57,775,560
Balance as at June 30, 2020	305,570,000	1,810,104,900	1,904,379	173,748,793	1,985,758,072	2,291,328,072
Total comprehensive income for the period						
Profit for the six months ended December 31, 2020	-	-	-	145,573,170	145,573,170	145,573,170
Other comprehensive loss - net of tax	-	-	9,537,380	-	9,537,380	9,537,380
Total comprehensive income for the period	-	-	9,537,380	145,573,170	155,110,550	155,110,550
Balance as at December 31, 2020	305,570,000	1,810,104,900	11,441,759	319,321,963	2,140,868,622	2,446,438,622
Total comprehensive income for the period						
Profit for the six months ended June 30, 2021	-	-	-	223,835,575	223,835,575	223,835,575
Other comprehensive loss - net of tax	-	-	14,801,147	-	14,801,147	14,801,147
Total comprehensive income for the period	-	-	14,801,147	223,835,575	238,636,722	238,636,722
Transactions with owners						
Buy back of 3,079,703 shares having face value of Rs.10 each at a price of Rs.80 each	(30,797,030)	-	-	-	-	(30,797,030)
Amount paid in excess of face value of 3,079,703 shares	-	-	-	(215,579,210)	(215,579,210)	(215,579,210)
Balance as at June 30, 2021	274,772,970	1,810,104,900	26,242,906	327,578,328	2,163,926,134	2,438,699,104

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

Note	June 30, 2021 (Un-audited) ----- (Rupees) -----	June 30, 2020 (Un-Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	304,517,145	95,881,479
Adjustments for:		
Depreciation of operating assets expense	30,673,981	23,118,211
Depreciation of right-of-use assets	4,076,082	18,660,270
Depreciation of investment property	1,591,296	-
Amortisation of intangible assets	-	2,288
Gain on sale of property and equipment	(2,263)	(3,526,667)
Gain on termination of lease	-	(19,755,341)
Unrealised loss on remeasurement of investments at fair value through profit or loss - net	(768,275)	(1,596,412)
Unrealised gain on remeasurement of derivatives at fair value through profit or loss - net	777,479	1,531,160
Provision for Sindh Workers' Welfare Fund	6,214,636	1,956,765
Finance cost	5,052,392	12,095,740
	47,615,328	32,486,014
Cash generated from operating activities before working capital changes	352,132,473	128,367,493
Decrease in current assets		
Trade debts	395,895,005	75,945,004
Receivable against margin finance	11,172,688	172,273,296
Loans and advances	(22,363,782)	(2,072,078)
Short-term deposits and prepayments	(21,857,025)	253,358,268
Interest and mark-up accrued	96,352	10,913,552
Other receivables	10,758,971	(827,885)
	373,702,209	509,590,157
(Decrease) / Increase in current liabilities		
Creditors, accrued expenses and other liabilities	(462,487,641)	(136,367,011)
Cash generated from operations	263,347,041	501,590,639
Finance cost paid	(3,625,629)	(22,039,186)
Taxes paid	(23,937,837)	(31,652,864)
	-	-
Net cash generated from operating activities	235,783,575	447,898,589
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(1,644,989)	(18,815,843)
Advance against purchase of property	-	(374,422,500)
Proceeds from disposal of operating assets	15,000	3,537,716
Long term loans, advances and deposits	(6,046,412)	(668,015)
Long term investments - net	34,676,600	7,060,183
Short term investments - net	204,912,244	394,169,478
Net cash (used in) / generated from investing activities	231,912,443	10,861,019
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(5,194,253)	(4,997,538)
Payment of buy back of shares	(246,376,240)	-
Deferred Liabilities	1,282,787	-
Repayment of long-term financing	(28,341,141)	-
Net cash used in financing activities	(278,628,847)	(4,997,538)
Increase in cash and cash equivalents during the period	189,067,171	453,762,070
Cash and cash equivalents at the beginning of the period	1,621,544,086	1,203,057,736
Cash and cash equivalents at the end of the period	1,810,611,257	1,656,819,806

The annexed notes 1 to 28 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

1. STATUS AND NATURE OF BUSINESS

- 1.1** JS Global Capital Limited (the Company) was incorporated as a private limited company on June 28, 2000. However, the Company commenced its operations in May 2003 and name of the Company was changed from JSCL Direct (Private) Limited to Jahangir Siddiqui Capital Markets (Private) Limited. Subsequently, the Company was converted into a public unquoted company and the holding company, Jahangir Siddiqui & Co. Ltd. (JSCL), offered its 25% shareholding to the general public for subscription in December 2004 and the Company obtained listing on Karachi Stock Exchange Limited and Islamabad Stock Exchange Limited on February 07, 2005. During 2006-07, the Company issued 10,009,700 shares of Global Investment House K.S.C.C Kuwait, ('Global'). The shares were issued to Global without offering right shares on the basis of a special resolution passed on July 11, 2006. The Securities and Exchange Commission of Pakistan vide its letter no. EMD/CI/49/2006-458 dated July 19, 2006 gave its in-principle approval to the scheme.
- 1.2** During the year 2012, JS Bank Limited (the Bank), a subsidiary of JSCL, acquired 25,525,169 shares of the Company from JSCL and other shareholders against issuance of 185,321,537 shares in lieu thereof. As a result, the principal ownership of the Company was transferred to the Bank. Presently, the Company is subsidiary of JS Bank Limited, which is a subsidiary of JSCL, the ultimate parent of the Company.
- 1.3** The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited (PSX) and member of Pakistan Mercantile Exchange Limited (PMEX). The principal activities of the Company are share brokerage, money market brokerage, forex brokerage, commodity brokerage, advisory, underwriting, book running and consultancy services. Other activities include investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions. The registered office of the Company is situated at 17th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan. The Company has eight branches (2020: eight) in seven cities of Pakistan.

2. BASIS OF PREPARATION

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. The accounting and reporting standards applicable in Pakistan 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 (the Act);
- Provisions of and directives issued under the Companies Act, 2017;
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP).

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** These condensed interim financial information does not include all the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements of the Company as at and for the year ended 31 December 2020.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

2.3 The comparative condensed interim statement of financial position presented in these condensed interim financial information have been extracted from the audited annual financial statements of the Company for the year ended 31 December 2020, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the period ended 30 June 2020.

2.4 These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

2.5 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except for certain investments and derivative financial instruments which are stated at fair value.

2.6 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupee, which is also the functional and presentation currency of the Company and rounded off to the nearest rupee.

2.7 Use of estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the annual financial statements for the year ended December 31, 2020.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2020.

3.1 New / Revised Standards, Interpretations and Amendments

There are certain interpretations and amendments that are mandatory for the company's accounting periods beginning on or after January 01, 2021 but are considered not to be relevant or do not have any significant effect on the company's operations and therefore not detailed in these condensed interim financial statements

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

3.1.1 Standards, Interpretations and Amendments to Published Approved Accounting Standards That Are Not Yet Effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2021:

- COVID-19-Related Rent Concessions (Amendment to IFRS 16) – the International Accounting Standards Board (the Board) has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications.

The practical expedient introduced in the 2020 amendments only applied to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021. In light of persistence of economic challenges posed by the COVID-19 pandemic, the Board has extended the practical expedient for COVID-19 related rent concessions by one year i.e. permitting lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022.

Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
 - there is no substantive change to the other terms and conditions of the lease.
- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 is applicable for annual financial periods beginning on or after 1 January 2021, with earlier application permitted. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. The amendments also allow a series of exemptions from the regular, strict rules around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms. The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

Annual Improvements to IFRS standards 2018-2020:

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:

- IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) — the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
 - requiring companies to disclose their material accounting policies rather than their significant accounting policies;
 - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
 - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- Definition of Accounting Estimates (Amendments to IAS 8) — The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) — The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) — The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

4. FINANCIAL RISK MANAGEMENT

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 December 31, 2020.

5. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

June 30, 2021 (Number of shares)	December 31, 2020		June 30, 2021 ————— (Rupees) —————	December 31, 2020
20,009,700	20,009,700	Ordinary shares of Rs.10 each fully paid in cash	200,097,000	200,097,000
29,990,300	29,990,300	Ordinary shares of Rs.10 each issued as bonus shares	299,903,000	299,903,000
(11,993,000)	(11,993,000)	First buy back of 11,993,000 shares having face value of Rs.10 each	(119,930,000)	(119,930,000)
(7,450,000)	(7,450,000)	Second buy back of 7,450,000 shares having face value of Rs.10 each	(74,500,000)	(74,500,000)
(3,079,703)	-	Third buy back of 3,079,703 shares having face value of Rs.10 each	(30,797,030)	-
<u>27,477,297</u>	<u>30,557,000</u>		<u>274,772,970</u>	<u>305,570,000</u>

- 5.1** The Parent company held 25,525,169 (2020: 25,525,169) ordinary shares of Rs.10 each at period end.
- 5.2** Voting rights, board selection, right of first refusal and block voting are in proportion to the respective.
- 5.3** During the period, the company bought back 10.08% of its outstanding ordinary shares under tender offer from the members at a price of Rs 80 per share.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Note	----- (Rupees) -----	
6. DEFERRED LIABILITY			
Government Grant			
Opening balance		6,509,030	-
Received during the year		-	6,509,030
Released to the statement of profit or loss		(3,370,419)	-
Closing balance		3,138,611	6,509,030
		2,581,838	4,669,470
Current portion of Government Grant		556,773	1,839,560
Non-current portion of Government Grant	6.1	3,138,611	6,509,030

6.1 The government grant has been recorded against subsidized rate loan against State Bank of Pakistan's Refinance Scheme for Salaries and Wages to provide working capital loan at concessional interest rates for businesses to finance salary expense during the COVID-19 outbreak. The grant is conditional upon the fact that the Company would not terminate any employee, due / owing to cash flow limitations, for a period of three months from the date of receipt of the first tranche.

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Note	----- (Rupees) -----	
7. LONG-TERM FINANCING			
Salaries and Wages	7.1	81,590,032	106,855,534
Short-term maturity		(65,565,838)	(69,585,525)
		16,024,194	37,270,009

7.1 During the year 2020, the Company utilized Rs.113.365 million against Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns issued by SBP under Covid-19 relief package through its circular IH&SMEFD Circular No. 07 dated April 10, 2020. This carries interest at the subsidised rate of 3% (June 2020 : NIL) and is repayable latest by September 2022. The differential interest has been recognised as government grant (as mentioned in note 6.1) which will be amortised to interest expense over the period of facility. The facility is secured against 1st pari passu charge over Current Assets i.e, Account Receivable with 30% Margin.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
8. LIABILITY AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Opening balance	25,154,794	227,454,320
Interest expense	1,426,763	11,196,788
Disposal	-	(196,234,720)
Payment of rentals	(5,194,254)	(17,261,594)
Closing balance	21,387,303	25,154,794
Less: Current maturity	(8,920,773)	(8,510,261)
	12,466,530	16,644,533

**9. CREDITORS, ACCRUED EXPENSES AND
OTHER LIABILITIES**

Trade creditors	9.1 1,871,336,260	2,353,304,413
Accrued expenses	80,356,002	62,576,919
Staff Provident Fund	2,442,264	2,149,526
Current portion of Government Grant	2,581,838	4,669,470
Provision for staff bonus	9.2 40,661,584	36,117,950
Provision for Workers' Welfare Fund	41,302,865	35,088,229
Unrealised loss on revaluation of future equity transactions	-	-
Interest liability	-	-
Others CREDITORS	300,785,905	313,174,035
	9.3 2,339,466,718	2,807,080,542

9.1 This includes payable to PSX and National Clearing Company of Pakistan Limited (NCCPL) amounting to Rs.0.170 (2020: Rs.0.131) million and Rs.333.407 (2020: Rs.327.858) million respectively in respect of trading in securities, settled subsequent to the period end.

9.2 Movement of provision for staff bonus is as follows:

	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	----- (Rupees) -----	
Balance at the beginning of the year	36,117,950	17,000,000
Paid during the year	(19,456,366)	(13,882,050)
Charged during the year	24,000,000	33,000,000
Balance at the end of the year	40,661,584	36,117,950

9.3 Included herein is a sum of Rs. 10.143 (2020: Rs.5.604) million payable to related parties.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There are no outstanding contingencies as at June 30, 2021 (2020: Nil) other than tax contingencies disclosed in note 22 of these condensed interim financial statements.

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	Note	----- (Rupees) -----	
10.2 Commitments			
Net - future sale transactions of equity securities entered into by the Company in respect of which the settlement is outstanding		24,604,410	201,052,200
Bank Guarantee from a commercial bank in favor of National Clearing Company of Pakistan Limited expiring on May 25, 2021		400,000,000	400,000,000
Outstanding settlements against margin financing contracts - net		41,300,730	57,411,186
11. PROPERTY AND EQUIPMENT			
Operating assets	11.1	845,490,228	874,531,957
Right-of-use assets	11.2	16,969,272	21,045,354
		862,459,500	895,577,311
11.1 Movement in operating assets - owned			
Book value at beginning of the period / year		874,531,957	262,065,267
Cost of additions during the period / year	11.1.1	1,644,989	662,565,563
Book value of deletions during the period / year	11.1.2	(12,737)	(11,055)
Depreciation charge for the period / year		(30,673,981)	(50,087,818)
Book value at end of the period / year		845,490,228	874,531,957
11.1.1 Details of additions during the period / year			
Office equipment		1,256,289	3,068,165
Building on leasehold land		-	639,421,535
Leasehold improvements		-	19,503,277
Office furniture		388,700	572,586
		1,644,989	662,565,563

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
11.1.2 Book value of deletions during the period / year:	Note	----- (Rupees) -----	

Office equipment		(12,737)	(11,053)
Motor vehicle		-	(2)
		(12,737)	(11,055)

11.2 Right-of-use assets

Branches		16,969,272	21,045,354
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12. INVESTMENT PROPERTY

Opening balance		126,504,547	-
Additions		-	127,303,650
Depreciation		(1,591,296)	(799,103)
Closing balance		124,913,251	126,504,547

13. INTANGIBLE ASSETS

Trading Right Entitlement Certificate (TREC) - Pakistan Stock Exchange Limited (PSX)	13.1	2,500,000	2,500,000
Membership card - Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
		5,000,000	5,000,000
Softwares		15	15
		5,000,015	5,000,015

13.1 This represents TREC received from PSX in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012. The Company has also received shares of PSX after completion of the demutualization process.

		June 31, 2021 (Un-audited)	December 31, 2020 (Audited)
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14. LONG TERM INVESTMENTS

**Classified as 'at fair value through Other
Comprehensive Income'**

Shares of PSX - at cost (2020: 2,202,953 shares)		23,060,884	23,060,884
Term finance / sukuk certificates	14.1	33,171,667	106,871,667
		56,232,551	129,932,551
Surplus on revaluation - net		26,871,577	10,309,414
Current maturity of long term investments	16	-	(28,066,667)
		83,104,128	112,175,298

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

14.1 Term finance / sukuk certificates

Number of Certificates	Name of term finance / sukuks certificate	Carrying value	
		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		(Un-audited)	(Audited)
		Note	(Rupees)
Listed debt securities - secured			
	Jahangir Siddiqui & Co. Limited XI - related party	12,000,000	12,500,000
3,000	3,000		
-	520 Dawood Hercules Corporation Limited - Sukuk - I	-	31,200,000
-	600 Dawood Hercules Corporation Limited - Sukuk - II	-	42,000,000
20	20 BYCO Petroleum Pakistan Limited - Sukuk - I	1,166,667	1,166,667
4,001	4,001 BIPL Ehad Sukuk	20,005,000	20,005,000
	14.1.1	<u>33,171,667</u>	<u>106,871,667</u>

14.1.1 The term finance / sukuk certificates held by the Company are secured against pledged listed securities and first ranking pari passu floating charge over all movable properties of the issuer.

	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
15. DEFERRED TAXATION - NET	Note	(Rupees)

Taxable temporary difference

Difference in accounting and tax base of

- intangible assets
- operating assets and investment property

Government grant

(4)	(5)
(1,369,102)	(8,475,926)
(910,197)	(1,887,619)
<u>(2,279,303)</u>	<u>(10,363,550)</u>

Deductible temporary differences

Liability against assets

subject to finance lease - net

Revaluation of investments

Allowance for expected credit losses

1,281,229	1,191,737
526,674	1,283,506
122,653,944	122,653,944
<u>124,461,847</u>	<u>125,129,187</u>
<u>122,182,544</u>	<u>114,765,637</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
16.	SHORT TERM INVESTMENTS		
	At fair value through profit or loss		
	Quoted equity securities - RBFS	16.1 24,419,500	198,970,125
	Exchange Traded Fund	16.2 7,779,155	8,438,561
	Advance against subscription of right shares	-	1,644,750
	At fair value through other comprehensive income		
	Privately placed term finance certificates - unsecured	16.3 -	-
	Current maturity of long term investments - secured	14 -	28,066,667
		<u>32,198,655</u>	<u>237,120,103</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

16.1 Quoted equity securities

Fully paid ordinary shares of Rs. 10 (unless stated otherwise)

				June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
Number of shares	Name of company			Average cost	Fair value
June 30, 2021 (Un-audited)	December 31, 2020 (Audited)			(Rupees)	
-	145,500	Amreli Steels Limited	-	-	7,021,830
-	-	Cherat Cement	-	-	-
-	2,000	Company Limited	-	-	292,380
-	4,000	National Bank of Pakistan	-	-	171,840
-	31,500	Fauji Fertilizer Bin Qasim Limited	-	-	797,580
-	-	Oil & Gas Development	-	-	-
-	12,000	Company Limited	-	-	1,245,240
-	-	Pakistan State Oil	-	-	-
-	3,500	Company Limited	-	-	753,550
-	11,500	The Searle Company Limited	-	-	2,866,145
-	5,000	The Hub Power Company Limited	-	-	396,650
-	1,000	United Bank Limited	-	-	125,860
-	19,000	Attock Refinery Limited	-	-	3,458,950
-	321,500	K-Electric Limited *	-	-	1,257,065
-	75,500	NetSol Technologies Limited	-	-	14,973,160
-	8,500	Pakistan Petroleum Limited	-	-	767,805
-	119,500	International Steels Limited	-	-	11,140,985
-	-	Lotte Chemical	-	-	-
-	77,000	Pakistan Limited	-	-	1,159,620
-	1,000	Nishat Mills Limited	-	-	101,770
-	130,000	Pak Elektron Limited	-	-	5,216,900
-	1,000	Pioneer Cement Limited	-	-	103,300
-	1,000,000	Power Cement Limited	-	-	9,880,000
-	-	Sui Northern Gas	-	-	-
-	6,000	Pipelines Limited	-	-	266,520
-	358,000	Pakistan Refinery Limited	-	-	8,516,820
-	288,500	Avanceon Limited	-	-	26,787,225
-	800,000	Hascol Petroleum Limited	-	-	11,752,000
517,000	-	Azgard Nine Limited	16,414,460	17,521,130	-
-	-	Pakistan International	-	-	-
369,500	1,020,000	Bulk Terminal Limited	4,405,320	4,204,910	13,117,200
60,500	2,395,500	Unity Foods Limited	2,728,980	2,693,460	76,799,730
			23,548,760	24,419,500	198,970,125
		Unrealised gain on remeasurement at fair value through profit or loss - net	870,740	-	-
			24,419,500	24,419,500	198,970,125

* This has a face value of Rs.3.5 per share.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

16.1.1 These shares have been pledged with NCCPL against ready and future exposure.

16.2 Exchange Traded Fund

Fully paid ordinary shares of Rs. 10 (unless stated otherwise)

Number of shares/fund		Name of company	June 30,	December 31,	Average cost	Fair value	
June 30, 2021	December 31, 2020		(Un-audited)	(Audited)		(Rupees)	
(Un-audited)	(Audited)						
-	8	Bank Alfalah Limited	-	-	-	-	283
-	252	D.G. Khan Cement Company Limited	-	-	-	-	28,874
321	380	Engro Fertilizers Limited	26,783	22,557	22,557	22,557	24,027
175	318	Engro Corporation Limited	61,217	51,557	51,557	51,557	97,740
-	413	Fauji Fertilizer Company Limited	-	-	-	-	44,811
384	501	Habib Bank Limited	55,795	46,990	46,990	46,990	66,272
523	799	The Hub Power Company Limited	49,475	41,667	41,667	41,667	63,385
72	191	Lucky Cement Limited	73,816	62,168	62,168	62,168	132,953
266	220	MCB Bank Limited	50,481	42,515	42,515	42,515	40,762
63	-	The Searle Company Limited	18,149	15,285	15,285	15,285	-
239	-	TRG Pakistan Limited	47,202	39,753	39,753	39,753	-
271	413	United Bank Limited	39,321	33,116	33,116	33,116	51,980
		UBL Pakistan Enterprise					
		Exchange Traded Fund	350,336	295,050	295,050	295,050	225,390
21,000	16,500						
1,102	1,539	D.G. Khan Cement Company Limited	111,878	129,948	129,948	129,948	176,339
2,859	3,889	Engro Fertilizers Limited	172,966	200,902	200,902	200,902	245,901
1,007	1,376	Engro Corporation Limited	255,419	296,672	296,672	296,672	422,927
-	6,837	Hascol Petroleum Limited	-	-	-	-	100,436
1,097	-	International Steels Limited	88,222	102,471	102,471	102,471	-
556	931	Lucky Cement Limited	413,317	480,073	480,073	480,073	648,060
2,283	3,429	Maple Leaf Cement Factory Limited	92,341	107,255	107,255	107,255	154,339
1,826	2,396	Oil & Gas Development Company Limited	149,396	173,525	173,525	173,525	248,633
436	589	Pakistan Oilfields Limited	147,844	171,723	171,723	171,723	232,896
1,868	2,371	Pakistan Petroleum Limited	139,644	162,198	162,198	162,198	214,172
1,130	1,566	Pakistan State Oil Company Limited	218,166	253,403	253,403	253,403	337,160
-	2,088	Sui Northern Gas Pipelines Limited	-	-	-	-	92,749
576	931	The Searle Company Limited	120,317	139,749	139,749	139,749	232,033
-	-	Unity Foods Limited	-	-	-	-	-
		Meezan Pakistan					
		Exchange Traded Fund	3,326,697	3,864,000	3,864,000	3,864,000	2,675,660
221	434	Bank Al Habib Limited	30,599	15,497	15,497	15,497	30,206
-	347	Dawood Hercules Corporation Limited	-	-	-	-	42,174
165	472	Engro Fertilizers Limited	23,193	11,595	11,595	11,595	29,845
106	470	Engro Corporation Limited	62,469	31,229	31,229	31,229	144,459
212	619	Fauji Fertilizer Company Limited	44,995	22,493	22,493	22,493	67,162
202	620	Habib Bank Limited	49,446	24,719	24,719	24,719	82,014
309	648	The Hub Power Company Limited	49,245	24,618	24,618	24,618	51,406
42	200	Lucky Cement Limited	72,542	36,264	36,264	36,264	139,218
156	284	Mcb Bank Limited	49,876	24,933	24,933	24,933	52,620
100	-	Meezan Bank Limited	23,086	11,541	11,541	11,541	-
260	614	Oil & Gas Development Company Limited	49,425	24,708	24,708	24,708	63,715
69	377	Pakistan Oilfields Limited	54,363	27,176	27,176	27,176	149,070
186	475	Pakistan Petroleum Limited	32,307	16,150	16,150	16,150	42,907
64	350	Pakistan State Oil Company Limited	28,709	14,352	14,352	14,352	75,355
171	-	TRG Pakistan Limited	56,895	28,442	28,442	28,442	-
207	481	United Bank Limited	50,600	25,295	25,295	25,295	60,539
		NIT Pakistan Gateway					
		Exchange Traded Fund	519,975	259,940	259,940	259,940	200,430
20,500	17,000						
-	440	Bank Alfalah Limited	-	-	-	-	15,545
131	147	Bank Al Habib Limited	13,846	9,186	9,186	9,186	10,231
165	175	Engro Fertilizers Limited	17,477	11,595	11,595	11,595	11,065
83	260	Engro Corporation Limited	36,858	24,453	24,453	24,453	79,914
134	173	Fauji Fertilizer Company Limited	21,430	14,217	14,217	14,217	18,771
162	172	Habib Bank Limited	29,881	19,824	19,824	19,824	22,752
209	181	The Hub Power Company Limited	25,098	16,651	16,651	16,651	14,359
40	94	Lucky Cement Limited	52,059	34,538	34,538	34,538	65,432
74	97	MCB Bank Limited	17,828	11,827	11,827	11,827	17,972
95	104	Meezan Bank Limited	16,526	10,964	10,964	10,964	10,862
39	80	Pakistan Oilfields Limited	23,153	15,361	15,361	15,361	31,633
-	301	Pakistan Petroleum Limited	-	-	-	-	27,189
-	223	Pakistan State Oil Company Limited	-	-	-	-	48,012
-	-	TRG Pakistan Limited	-	-	-	-	-
-	201	United Bank Limited	-	-	-	-	25,298
201	252	Oil & Gas Development Company Limited	28,791	19,101	19,101	19,101	26,150
23,500	20,500	NBP Pakistan Growth Exchange Traded Fund	391,766	259,909	259,909	259,909	224,474
			7,881,620	7,779,155	7,779,155	7,779,155	8,438,561
		Unrealised loss on					
		remeasurement at fair value through profit or loss - net	(102,465)	-	-	-	-
			7,779,155	7,779,155	7,779,155	7,779,155	8,438,561

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

16.3 Privately Placed Term Finance Certificates - Unsecured

June 30, 2021 (Un-audited)					
Number of certificates	Mark-up rate (%)	Name of company	Note	Maturity date	Cost (Rupees)
12	11.00%	Azgard Nine Limited (Privately Placed Term Finance Certificates) Provision for impairment	16.3.1	October 19, 2020	326,456,184 <u>(326,456,184)</u> -
December 31, 2020 (Audited)					-

16.3.1 Considering the financial position of the issuer, the Company has fully provided outstanding amount of the PPTFCs and records mark-up / interest on receipt basis.

	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
17. TRADE DEBTS	Note	(Rupees)
Purchase of shares on behalf of clients	602,206,245	982,592,995
Advisory services	2,253,867	5,671,699
Forex and fixed income commission	7,454,329	4,610,898
Commodity	89,487,200	104,421,054
	701,401,641	1,097,296,646
Considered doubtful	409,285,717	409,285,717
	1,110,687,358	1,506,582,363
Provision for doubtful debts	(409,285,717)	(409,285,717)
	17.1 701,401,641	1,097,296,646

17.1 Included herein is a sum of Rs.6.181 (2020: Rs.215.397) million receivable from related parties.

	(Un-audited) June 30, 2021	(Audited) December 31, 2020
18. INTEREST AND MARK-UP ACCRUED	Note	(Rupees)
Accrued mark-up on margin finance	5,685,064	5,146,280
Accrued mark-up on term finance / sukuk certificates	569,501	1,181,018
Interest receivable on bank deposits	22,701	46,320
	6,277,266	6,373,618

19. CASH AND BANK BALANCES

Cash with banks:		
- Current accounts	88,233,839	2,843,231
- Profit or loss savings (PLS) / deposit accounts	1,722,152,718	1,618,475,655
	1,810,386,557	1,621,318,886
Cash in hand:	224,700	225,200
	19.2 1,810,611,257	1,621,544,086

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

- 19.1** These carry profit / mark-up rates ranging from 2.75% to 6.50% (2020: 2.75% to 12.75%) per annum.
- 19.2** These include balances with the Parent Company amounting to Rs.1,761.374 (2020: Rs.1,602.391) million.
- 19.3** Detail of customer assets held in designated bank accounts and Central Depository Company of Pakistan Limited (CDC) are as follows:

	(Un-audited) June 30, 2021	(Audited) December 31, 2020
	----- (Rupees) -----	
Customers' assets held in the designated bank accounts	<u>1,509,706,003</u>	1,494,532,456
Customers' assets held in the CDC	<u>40,332,531,938</u>	45,502,752,237
19.4 Securities pledged with financial institutions	<u>15,219,053,959</u>	<u>10,104,355,587</u>

	(Un-audited)			
	six months ended		three months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	----- (Rupees) -----			
20. OPERATING REVENUE				
Brokerage and operating income	518,162,666	217,191,072	261,852,924	100,414,572
Advisory and consultancy fee	14,850,370	16,517,625	1,109,786	9,747,393
	<u>533,013,036</u>	233,708,697	<u>262,962,710</u>	110,161,965
21. FINANCE COST				
Commission expense on bank guarantee	2,255,770	2,203,468	1,118,406	1,119,699
Mark-up expense on SBP re-finance scheme against salaries	1,123,539	-	389,775	-
Bank and other charges	40,528	80,378	19,008	24,565
Interest expense on assets subject to finance lease	1,632,555	9,811,894	905,459	968,072
	<u>5,052,392</u>	12,095,740	<u>2,432,648</u>	2,112,336

22. TAXATION

- 22.1** There are no material changes in tax contingencies as disclosed in annual financial statements for the year ended December 31, 2020.

	(Un-audited)			
	six months ended		three months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	----- (Rupees) -----			
23. EARNINGS PER SHARE - BASIC AND DILUTED				
Profit after taxation	223,835,575	61,381,202	102,737,468	29,397,737
	----- (Number) -----			
Weighted average number of shares	30,063,567	30,557,000	29,575,556	30,557,000
	----- (Rupees) -----			
Earnings per share - basic and diluted	7.45	2.01	3.47	0.96

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

24. RELATED PARTY TRANSACTIONS

Related parties comprise of parent company, major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefit fund, directors, key management personnel and their close family members. Contribution to defined contribution plan (provident fund) are made as per the terms of employment. Remuneration of key management personnel are in accordance with their terms of engagements. Transactions with other related parties are entered into at rates negotiated with them (agreed terms).

Details of transactions and balances at year end with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	June 30, 2021 (Un-audited)		December 31, 2020 (Audited)	
	Key management personnel of entity and associated entities	Associated entities other than parent company	Key management personnel of entity and associated entities	Associated entities other than parent company
----- (Rupees) -----				
Trade debts				
Opening balance	79,952	27,348,212	711,750	133,527,922
Invoiced during the year	(1,058,178,461)	393,793,597	6,117,459	9,477,352,451
Received during the year	1,058,111,319	(415,180,150)	(6,749,257)	(9,583,532,161)
Closing balance	12,810	5,961,659	79,952	27,348,212
Trade payable				
Opening balance	6,314,449	777,619	4,819,790	777,619
Invoiced during the year	(21,191,494)	(227,230,217)	6,273,449,209	(6,162,739,837)
Paid during the year	18,602,388	230,047,371	(6,271,954,550)	6,162,745,310
Closing balance	3,725,343	3,594,773	6,314,449	783,092
Loans and advances				
Opening balance	9,613,515	-	9,951,648	-
Disbursements during the year	1,950,000	-	3,632,000	-
Repayments during the year	(1,469,467)	-	(3,970,133)	-
Closing balance	10,094,048	-	9,613,515	-

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	----- (Rupees) -----	
Balances with Parent Company		
Trade debts	206,503	811,692
Bank balances with parent company	1,761,373,540	1,602,390,716
Other payable	6,960	6,960
Loan payable against SBP refinance scheme	85,419,800	113,364,534
Interest payable on SBP refinance scheme	389,776	730,892
Balances with ultimate Parent Company		
Trade debts	-	73,455,500
Trade Payable	2,426,565	-
Other receivables	284,852	281,050
Mark-up receivable on term finance certificates	330,647	344,027
Principal outstanding on term finance certificates	12,000,000	12,500,000
Balances with associated entities of group companies		
Other receivables	61,628	1,334,459
Principal outstanding on term finance certificates	20,005,000	20,005,000

	June 30, 2021 (Un-audited)	June 30, 2020 (Un-Audited)
	----- (Rupees) -----	

Transactions with associated entities of group companies

Nature of transactions

Brokerage income	26,045,283	17,362,756
Rent Received	11,264,022	-

Transactions with the Parent Company

Nature of transactions

Brokerage income	365,140	3,888,112
Bank charges	27,794	40,204
Mark-up on deposit accounts	24,580,290	49,252,263

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

June 30,
2021
(Un-audited)
----- (Rupees) -----

June 30,
2020
(Un-audited)

Transactions with ultimate Parent Company

Nature of transactions

Brokerage income	7,603,732	1,045,145
Reimbursement of expenses by the ultimate parent company	60,000	-
Reimbursement of expenses to the ultimate parent company	5,376,314	1,032,000
Mark-up received on term finance certificates	536,472	1,153,701
Principal received on term finance certificates	500,000	-

Transactions with key management personnel of the Company and its Parent Company

Nature of transactions

Brokerage income	11,960,312	513,243
Directors' remuneration	456,516	1,900,000
Remuneration paid to Chief Executive Officer	15,335,344	16,920,252
Remuneration paid to key management personnel	72,474,127	60,267,929

Transactions with other related parties

Nature of transactions

Royalty expense	7,500,000	7,500,000
Insurance expense	6,758,564	8,421,299
Purchase of Pakistan investment bond	7,970,521	-
Sale of sukuk certificates	581,079,559	43,209,118
Mark-up on sukuk certificates	663,140	-
Capital gain on sale of sukuk certificates	3,764,075	400,000
Contributions to staff provident fund	7,270,285	6,649,680

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2021**

	Brokerage	June 30, 2021 (Un-audited) "Investment and treasury"	(Un-audited) "Other operations"	Total
	(Rupees)			
25. OPERATING SEGMENTS				
Segment revenues	518,162,666	85,724,338	24,328,149	628,215,153
Loss on remeasurement of investments	-	(9,204)	-	(9,204)
Administrative and operating expenses	(159,600,359)	(24,693,103)	(112,544,271)	(296,837,733)
Depreciation	(16,071,870)	(1,577,371)	(17,690,143)	(35,339,384)
Amortisation of intangible assets	-	-	-	-
Finance cost	(5,052,392)	-	-	(5,052,392)
	<u>337,438,045</u>	<u>59,444,660</u>	<u>(105,906,265)</u>	<u>290,976,440</u>
Gain on sale of property and equipment				-
Gain on termination of lease				19,755,341
Provision for Sindh Workers' Welfare Fund				(6,214,636)
Taxation				(80,681,570)
Profit after tax				<u>223,835,575</u>
Segment assets	<u>3,018,140,878</u>	<u>1,199,276,069</u>	<u>667,644,826</u>	<u>4,885,061,773</u>
Segment liabilities	<u>1,930,348,174</u>	<u>-</u>	<u>516,014,495</u>	<u>2,446,362,669</u>

There were no major customer of the Company which derived 10 percent or more of the Company's revenue. All non-current assets of the Company as at June 30, 2021 and December 31, 2020 are located and operating in Pakistan.

	Brokerage	June 30, 2020 (Un-audited) Investment and treasury	Other operations	Total
	(Rupees)			
Segment revenues	217,191,072	103,478,764	31,874,095	352,543,931
Gain on remeasurement of investments	-	1,596,412	-	1,596,412
Administrative and operating expenses	(139,358,064)	(11,660,821)	(78,230,419)	(229,249,304)
Depreciation	(13,264,718)	(12,763,767)	(8,723,580)	(34,752,065)
Amortisation of intangible assets	-	(2,000)	-	(2,000)
Finance cost	(12,095,740)	-	-	(12,095,740)
	<u>52,472,550</u>	<u>80,648,588</u>	<u>(55,079,904)</u>	<u>78,041,234</u>
Gain on sale of property and equipment				41,669
Gain on termination of lease				19,755,341
Provision for Sindh Workers' Welfare Fund				(1,956,765)
Taxation				(34,500,277)
Profit after tax				<u>61,381,202</u>
Segment assets	<u>1,940,287,354</u>	<u>1,240,583,350</u>	<u>590,013,715</u>	<u>3,770,884,419</u>
Segment liabilities	<u>1,233,767,279</u>	<u>-</u>	<u>245,789,068</u>	<u>1,479,556,347</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

26. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction.

The carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair value. The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Fair value of the financial assets that are traded in active markets are based on quoted market prices or dealer price quotations.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

Financial assets at fair value through profit or loss	June 30, 2021 (Un-audited)			Total
	Level 1	Level 2	Level 3	
	(Rupees)			
Quoted equity securities	24,419,500	-	-	24,419,500
Exchange Traded Fund	7,779,155	-	-	7,779,155
	<u>32,198,655</u>	<u>-</u>	<u>-</u>	<u>32,198,655</u>
Fair value through other comprehensive income				
Quoted securities	83,104,128	-	-	83,104,128
	<u>83,104,128</u>	<u>-</u>	<u>-</u>	<u>83,104,128</u>
	December 31, 2020 (Audited)			
Financial assets at fair value through profit or loss	Level 1	Level 2	Level 3	Total
Quoted equity securities	198,970,125	-	-	198,970,125
Exchange Traded Fund	8,438,561	-	-	8,438,561
	<u>207,408,686</u>	<u>-</u>	<u>-</u>	<u>207,408,686</u>
Fair value through other comprehensive income				
Quoted securities	140,241,965	-	-	140,241,965
	<u>140,241,965</u>	<u>-</u>	<u>-</u>	<u>140,241,965</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2021

27. DISCLOSURE UNDER REGULATION 5(4) OF RESEARCH ANALYST REGULATIONS, 2015

At present, JSGCL employs nine members in its research department (including head of research, a senior analysts, a junior analyst, a technical analyst, a librarian and a data administrator). 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.2.669 million, which comprises basic salary, medical allowance, provident fund and other benefits as per company policy.

28. NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors have declared and approved interim cash dividend of Rs.10 per share i.e. 100% (December 31, 2020: Nil) amounting to Rs. 274,772,970 (December 31, 2020: Rs.Nil) in their meeting held on August 21, 2021.

28.1 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue in the Board of Directors' meeting held on August 21, 2021.

Director

Chief Executive Officer

Chief Financial Officer



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JS Global Capital Limited



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