

First Capital Mutual Fund

DIRECTORS' REVIEW

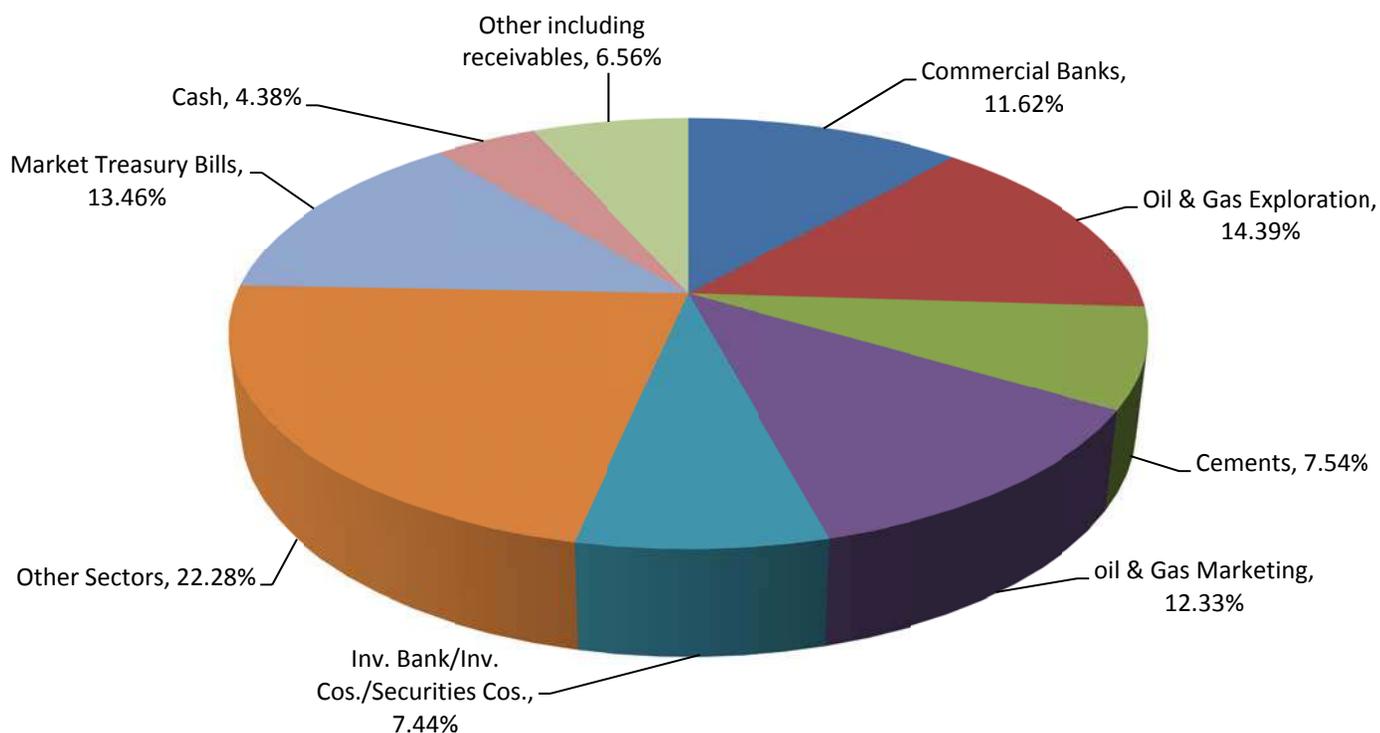
The Board of Directors of First Capital Investments Limited ("FCIL" or "Management Company") is pleased to present the reviewed financial statements of First Capital Mutual Fund ("FCMF" or "the Fund" or "the Scheme") for the half year ended December 31, 2019.

Fund's Performance

During the period under review, the Fund has reported total comprehensive gain of Rs. 26.64 million as compared to loss of Rs. 26.39 million in the corresponding period last year. Capital gain on sale of Investments is Rs. 5.93 million as compared to loss of Rs. 0.47 million in the same period last year. Dividend income has decreased to Rs. 2.51 million from Rs. 2.68 million during the period under review. The Fund has also reported unrealized appreciation on re-measurement of investments at fair value through profit of Rs. 18.60 million during half year ended December 31, 2019 as compared to diminution of Rs. 26.99 million in the same period last year. The total expenses of the Fund for the period under review has decreased to Rs. 2.12 million as compared to Rs. 2.77 million in the same period last year.

The Net Asset Value (NAV) per unit of FCMF has increased from Rs. 6.2298 to Rs. 7.7917, thus showing a return of 25.07% as compared to its Benchmark's (KSE-100 index) return of 20.16%. The Fund has outperformed its Benchmark by 4.91% mainly on the back of high-weight in E&P Sector, OMCs' Sector, and low weight in Banking Sector, Fertilizer sector and Power Sector as compared to benchmark. During the period under review, the Fund changed its exposure in various sectors/ scrips as per their fundamentals to generate better return for their investors. The Fund adjusted its weight in Oil & Gas sector on the back of various factors related to international oil prices and also changed the exposure in Oil & Gas, Power, Cement and Banking sectors due to their fundamentals. Going forward, the management of the Fund intends to focus on augmenting the wealth of investors through investments geared toward securing maximum returns whilst simultaneously offsetting resultant risks through efficient diversification across sectors with low correlation amongst them. The management of the company is continuously striving toward achieving this objective. The Net Assets of FCMF as at December 31, 2019 stood at Rs. 128.46 million as compared to Rs. 97.41 million as at June 30, 2019.

The asset allocation of the Fund as on 31 December 2019 is as under:



First Capital Mutual Fund

Equity Market Review

During the period under review KSE-100 index (the benchmark) has increased by 20.16% as compared to decrease of 11.56% during the same period last year.

The period under review commenced with negative note and posted negative return of -5.38% during the 1st quarter, mainly on the back of decelerating economic activities while growing cost of doing business. Negative return from equity market with expectations of volatile corporation's upcoming results led the investors toward fixed income avenues, such as T-Bills, PIBs and fixed income funds. Further, imposition of curfew/lockdown in Indian occupied Kashmir, led to worse relationship between India-Pakistan, two nuclear-armed neighbors, on account of change in article 370 by Indian Government, also destroyed the investors' confidence.

Although the market had posted negative return during the 1st quarter, the market recovered and posted a gain of 20.16% at the end of 2nd quarter. The gain has accounted on the back positive macro-economic indicators mainly due to decrease in current account deficit from USD4.29 billion in 1QFY2019 to USD1.55 billion during 1QFY2020. It was being expected that interest rate might be decrease, in the upcoming Monetary Policy Review in November, on the back of declining in PIBs yield by 115 bps. Current account surplus of amount 98 million and surging interest in government securities as reflected by inflow of USD 713 million (T-Bills & PIBs) in SCRA account for Nov-19 and expectations for decrease in inflation rate led to boost the investor's confidence.

Income Distribution

The Board of Directors of the Management Company has decided to pay Rs. nil dividends per unit for the period ended December 31, 2019.

Renewal of License of Asset Management Company

The License of Asset Management Company to manage First Capital Mutual Fund has been renewed by Securities and Exchange Commission of Pakistan ("SECP") on December 11, 2019 with effect from September 11, 2019 and is valid till September 10, 2022.

Performance Rating

During the period under review, The Pakistan Credit Rating Agency ("PACRA") has assigned "3 star" performance rating based on one Year performance ranking to the Fund.

Declaration by Directors

As required under the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of Asset Management Company state that the financial statements of the Fund for the half year ended December 31, 2019 give a true and fair view of the Fund.

Change in the Board of Directors

Election of directors was held during the month of February 2020 and all the retiring directors/existing directors were re-elected except Syed Nadeem Hussain.

Miss Fauzia Husain Qureshi was elected on the board of the Company in place of outgoing director subject to approval of Securities of Exchange Commission of Pakistan (SECP).

The Board of Directors of the Company re-appointed Mr. Imran Hafeez as CEO of the company as well as Mr. Jawad Saleem appointed as chairman of Audit committee. Miss Fauzia Husain Qureshi also appointed Chairman of board of directors of the Company.

First Capital Mutual Fund

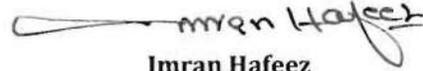
Acknowledgment

The Board would like to take this opportunity to thank and appreciate all the unit-holders for their continued support. The board also wishes to place on record its appreciation for the guidance and support extended by the Securities and Exchange Commission of Pakistan and Mutual Funds Association of Pakistan. Finally, the board would like to appreciate the commitment, hard work and co-operation shown by the staff and the Trustee.

**For and on behalf of the Board of
First Capital Investments Limited**



Asif Pervaiz
Director



Imran Hafeez
Chief Executive Officer/Director

Date: February 25, 2020

Place: Lahore

ڈائریکٹرز کا تجزیہ

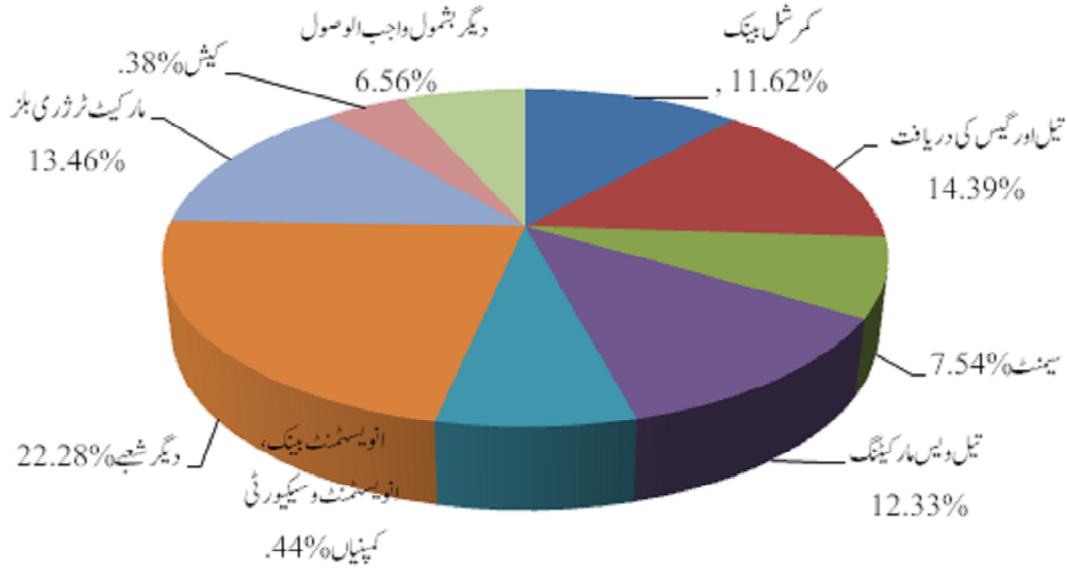
فرسٹ کیپٹل انویسٹمنٹ لمیٹڈ ("FCIL" یا "انتظامی کمپنی") کے بورڈ آف ڈائریکٹرز 31 دسمبر 2019ء کو اختتام پذیر ششماہی کے لئے فرسٹ کیپٹل میوچل فنڈ ("FCMF" یا "فنڈ" یا "سکیم") کی نظر ثانی شدہ مالیاتی اسٹیٹمنٹس از راہ نوازش پیش کرتے ہیں۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران، فنڈ نے گزشتہ برس کی اسی مدت کے دوران 26.39 ملین روپے نقصان کے مقابلہ میں 26.64 ملین روپے کل جامع آمدنی رپورٹ کی۔ سرمایہ داری کی فروخت پر حاصل سرمایہ گزشتہ برس میں 0.47 ملین روپے نقصان کے مقابلہ میں 5.93 ملین روپے منافع رہا۔ منافع منقسمہ آمدنی زیر جائزہ مدت کے دوران 2.68 ملین روپے کم ہو کر 2.51 ملین روپے ہو گئی۔ 31 دسمبر 2019ء کو اختتام پذیر ششماہی کے لئے فنڈ نے سرمایہ داری کے تعین نو پر غیر موصول شدہ رقم کی مد میں 18.60 ملین روپے منافع رپورٹ کیا۔ جب کہ گزشتہ برس اسی مدت میں 26.99 ملین روپے کمی واقع ہوئی۔ زیر جائزہ مدت کے دوران فنڈ کے مجموعی اخراجات گزشتہ برس میں 2.77 ملین روپے سے 2.12 ملین روپے کم ہوئے۔

FCMF کا فی یونٹ NAV، 6.2298 روپے سے 7.7917 روپے تک بڑھ گیا۔ اس طرح KSE-100 انڈیکس ریٹرن میں 20.16 فی صد سے 25.07 فی صد اضافہ رپورٹ کیا گیا۔ فنڈ نے 4.91 فی صد پر اپنے بیچ مارک کو زیر کیا جو E&P سیکٹر، OMC سیکٹر میں پیش رفت، بینکنگ، فرٹیلائز اور توانائی کے شعبہ پر کم دباؤ کی وجہ سے تھا۔ زیر جائزہ مدت کے دوران فنڈ نے متعدد شعبوں/ اداروں میں اپنے سرمایہ داروں کے لئے بہترین منافع حاصل کرنے کی غرض سے اقدامات کئے ہیں۔ فنڈ نے کئی عوامل کی بنیاد پر تیل کی بین الاقوامی قیمتوں کے تناظر میں تیل اور گیس کے شعبہ سے دباؤ میں رد و بدل کیا ہے اور بنیادی امور کی بنا پر تیل و گیس، توانائی، سیمنٹ اور بینکنگ کے شعبہ کے ساتھ تعلقات پر نظر ثانی کی ہے۔ نیز، فنڈ کی انتظامیہ سرمایہ داروں کے نفع کو مستحکم کرنے پر بھرپور توجہ دے رہا ہے جس میں دیگر شعبوں کے ساتھ مؤثر تنوع کے ذریعے ممکنہ خطرات پر قابو پا کر بہترین آمدنی حاصل کرنے کے لئے سرمایہ داری میں اضافہ شامل ہے۔ کمپنی کی انتظامیہ اس مقصد کے حصول کے لئے مسلسل کوشاں ہے۔ 30 جون 2019ء میں 97.41 ملین روپے کے مقابلہ میں 31 دسمبر 2019ء تک FCMF کے خالص اثاثہ جات کی قیمت 128.46 ملین روپے رہی۔

31 دسمبر 2019ء کو فنڈ کے اثاثہ جات کی تقسیم حسب ذیل ہے:



ایکویٹی مارکیٹ کا تجزیہ

زیر جائزہ مدت کے دوران KSE-100 انڈیکس میں گزشتہ برس کی اسی مدت کے دوران 11.56 فی صد نقصان کے مقابلہ میں رواں برس 20.16 فی صد اضافہ ہوا۔

زیر جائزہ مدت کا آغاز منفی رجحان سے ہوا اور پہلی سہ ماہی میں 5.38- فی صد منفی ریٹرن درج ہوا یہ منفی رجحان معاشی سرگرمیوں میں سست روی کے باعث کاروبار کرنے کی لاگت میں اضافہ کی وجہ سے پیدا ہوا۔ متغیر کاروباری اداروں کے متوقع مثبت نتائج کے ساتھ ایکویٹی مارکیٹ سے منفی رجحان کی وجہ سے سرمایہ دار مستقل آمدنی کے ذرائع کی جانب مائل ہوئے جس میں ٹی بلز، PIB اور مستقل آمدنی فنڈز شامل ہیں۔ نیز، بھارتی مقبوضہ کشمیر میں بھارتی حکومت کی جانب سے آرٹیکل 370 میں ترمیم کے بعد کرفیو/بندش کی وجہ سے دوہمسایہ ایٹمی طاقتوں پاکستان اور بھارت کے درمیان تعلقات میں خرابی کے باعث سرمایہ داروں کا اعتماد مجروح ہوا۔

پہلی سہ ماہی میں مارکیٹ کے منفی رجحان کے باوجود مارکیٹ بحال ہوئی اور دوسری سہ ماہی کے اختتام پر 20.16 فی صد آمدنی درج کی۔ مالیاتی سال 2019ء کی پہلی سہ ماہی میں 4.29 بلین روپے کرنٹ اکاؤنٹ خسارہ مالیاتی سال 2020ء کی پہلی سہ ماہی میں کم ہو کر 1.55 بلین روپے رہ گیا اور انہی مثبت معاشی اشاریوں کے باعث آمدنی میں اضافہ ہوا۔ نومبر میں اقتصادی پالیسی جائزہ کے دوران PIB کی پیداوار میں 115 bps کمی کی وجہ سے شرح سود میں کمی کی بھی توقع کی جا رہی تھی۔ 98 بلین روپے کے کرنٹ اکاؤنٹ سرپلس اور نومبر 2019ء کے لئے SCRA کاؤنٹ 713 بلین امریکی ڈالر (ٹی بلز اور PIB) وصولی کی وجہ سے حکومتی سیکورٹیز کے منافع میں اضافہ اور افراط زر کی شرح میں متوقع کمی کی وجہ سے سرمایہ

دار کے اعتماد میں اضافہ ہوا۔

آمدنی کی تقسیم

انتظامی کمپنی کے بورڈ آف ڈائریکٹرز نے 31 دسمبر کو اختتام پذیر مدت کے لئے فی یونٹ صفر منافع منقسمہ کا فیصلہ کیا ہے۔

ایسٹ مینجمنٹ کمپنی کے لائسنس کی تجدید

11 ستمبر 2019ء سے موثر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (”SECP“) نے 11 دسمبر 2019ء کو فرسٹ کیپٹل میوچل فنڈ کے انتظام کے لئے ایسٹ مینجمنٹ کمپنی کے لائسنس کی تجدید کر دی ہے اور یہ 10 ستمبر 2022 تک موثر رہے گا۔

کارکردگی کا درجہ

زیر جائزہ مدت کے دوران پاکستان کریڈٹ ریٹنگ ایجنسی (”PACRA“) نے فنڈ کو ایک سال کی کارکردگی کی بنیاد پر ’3 سٹار ریٹنگ عنایت کی ہے۔

ڈائریکٹرز کا اعلامیہ

نان بینکنگ فنانس کمپنیز اینڈ نوٹیفائیڈ اینٹی ٹیز ریگولیشنز 2008ء کے قواعد کے تحت ایسٹ مینجمنٹ کمپنی کے ڈائریکٹرز حلف دیتے ہیں کہ 31 دسمبر 2019ء کو اختتام پذیر شہماہی کے لئے فنڈ کی مالیاتی اسٹیٹمنٹس فنڈ کی بالکل درست اور جائز تصویر پیش کرتی ہیں۔

بورڈ آف ڈائریکٹرز میں تبدیلی

فروری 2020ء میں ڈائریکٹرز کے انتخابات ہوئے اور ماسوائے سید ندیم حسین ریٹائر ہونے والے اور موجودہ تمام ڈائریکٹرز کو دوبارہ منتخب کر لیا گیا۔

محترمہ فوزیہ حسین قریشی کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی منظوری سے مستعفی ہونے والے ڈائریکٹر کی جگہ کمپنی کے بورڈ میں شامل کر لیا گیا۔

کمپنی کے بورڈ آف ڈائریکٹرز نے محترم عمران حفیظ کو دوبارہ کمپنی کا CEO مقرر کر دیا گیا جب کہ محترم جواد سلیم کی تقرری آڈٹ کمیٹی کے چیئرمین کے طور پر کی گئی۔ محترمہ فوزیہ حسین قریشی کو بھی کمپنی کے بورڈ آف ڈائریکٹرز کی چیئر پرسن مقرر کیا گیا۔

اعتراف

اس موقع پر بورڈ آف ڈائریکٹرز تمام یونٹ ہولڈرز کی مسلسل حمایت کا شکریہ ادا کرتے ہیں۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور میوچل فنڈز ایسوسی ایشن آف پاکستان کی رہنمائی اور حمایت کو بھی قدر کی نگاہ سے دیکھتا ہے۔ آخر میں، بورڈ

عملہ اور ٹرستیز کے عزم، انتھک محنت اور تعاون کا بھی شکر گزار ہے۔

برائے / منجانب بورڈ آف
فرسٹ کیپٹل انویسٹمنٹس لمیٹڈ

عمران حفیظ
چیف ایگزیکٹو آفیسر / ڈائریکٹر

آصف پرویز
ڈائریکٹر

تاریخ: 25 فروری 2020ء

مقام: لاہور

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shakra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

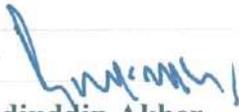
FIRST CAPITAL MUTUAL FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of First Capital Mutual Fund (FCMF) (the Fund) are of the opinion that First Capital Investments Limited (FCIL) being the Management Company of the Fund has in all material respect managed the Fund during the six months period ended December 31, 2019 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

For the purpose of information, we would like to draw the attention of unit holders towards the fact that the Board of Directors of FCIL in their last meeting held on October 03, 2019 has decided to defer the winding up of the Fund and will review the same on later stage when market condition improves.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 28, 2020

First Capital Mutual Fund
(Managed by First Capital Investments Limited)

Condensed Interim Financial Statement for the period ended
31-Dec-19



KPMG Taseer Hadi & Co.
Chartered Accountants
351 Shadman-1, Jail Road,
Lahore 54000 Pakistan
+92 (42) 111-KPMGTH (576484), Fax +92 (42) 3742 9907

INDEPENDENT AUDITOR'S REVIEW REPORT

To the unit holders of First Capital Mutual Fund

Report on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **First Capital Mutual fund ("the Fund")** as at 31 December 2019 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of movement in unit holders' fund and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of these 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 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 Information 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 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 are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended 31 December 2019 and 31 December 2018, have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's review report is Kamran Iqbal Yousafi.

Lahore

Date: 28 February 2020


KPMG Taseer Hadi & Co.
Chartered Accountants

First Capital Mutual Fund

Condensed Interim Statement of Assets and Liabilities (Un-audited)

As at 31 December 2019

		(Un-audited) 31 December 2019	(Audited) 30 June 2019
	Note	-----Rupees-----	
<u>Assets</u>			
Bank balances	6	6,475,541	3,036,789
Investments	7	131,587,775	111,953,138
Dividend and profit receivable - <i>unsecured, considered good</i>	8	142,855	273,217
Advances, deposits, prepayments and other receivables	9	9,546,188	1,992,533
Total assets		147,752,359	117,255,677
<u>Liabilities</u>			
Payable to First Capital Investment Limited - Management Company			
- <i>against remuneration</i>	10	3,966,605	4,109,733
- <i>other payables</i>		52,438	121,649
Remuneration payable to Central Depository Company of Pakistan Limited - <i>Trustee</i>		24,663	65,013
Payable to Securities and Exchange Commission of Pakistan		10,438	115,541
Accrued expenses and other liabilities	11	1,488,881	1,686,050
Unclaimed dividend	12	13,745,579	13,745,579
Total liabilities		19,288,604	19,843,565
Contingencies and commitments	14		
Net assets		128,463,755	97,412,112
Unit holders' fund (as per statement attached)		128,463,759	97,412,112
Number of units in issue		16,487,153	15,636,364
		-----Rupees-----	
Net assets value per unit (face value per unit Rs. 10/-)		7.7917	6.2298

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

Handwritten signature

**For First Capital Investments Limited
(Management Company)**

Handwritten signature: Aman Hakeer
Chief Executive

Handwritten signature: Jig Jardi
Chief Financial Officer

Handwritten signature: Aijaz
Director

First Capital Mutual Fund
Condensed Interim Income Statement (Un-audited)
For the half year and quarter ended 31 December 2019

	Note	Half year ended		Quarter ended	
		31 December 2019	31 December 2018	31 December 2019	31 December 2018
		-----Rupees-----		-----Rupees-----	
Income					
Capital gain / (loss) on sale of investments classified as:					
- at fair value through profit or loss		5,928,703	-	5,862,288	-
- held for trading		-	(474,491)	-	(91,956)
Dividend income		2,514,072	2,679,228	1,519,322	1,847,368
Income from government securities		1,310,934	364,240	654,076	297,486
Profit on bank deposits		411,279	796,331	317,666	601,048
Unrealized appreciation / (diminution) on re-valuation of investment classified as:					
- at fair value through profit or loss		18,601,680	-	21,508,733	-
- held for trading	7.1	-	(26,986,654)	-	(22,471,516)
Total income / (loss)		28,766,668	(23,621,346)	29,862,085	(19,817,570)
Expenses					
Remuneration of the Management Company	10.1	(1,048,743)	(1,282,496)	(597,335)	(758,183)
Punjab Sales Tax on the remuneration of the Management Company	10.2	(167,799)	(205,271)	(95,574)	(121,309)
Remuneration of the Trustee		(104,875)	(352,877)	(59,734)	(176,439)
Sindh Sales Tax on remuneration of Trustee		(13,634)	(45,875)	(7,765)	(22,938)
Annual fee - Securities and Exchange Commission of Pakistan		(10,488)	(60,940)	(5,973)	(36,014)
Securities transaction costs		(221,659)	(110,498)	(185,822)	(73,186)
Accounting and operational charges		(46,404)	(64,147)	(26,430)	(37,909)
Sindh Sales tax on accounting and operational charges		(6,033)	(8,339)	(3,436)	(4,928)
Auditors' remuneration		(532,592)	(530,576)	(277,765)	(265,338)
Annual listing fee - Pakistan Stock Exchange		(11,060)	(15,123)	(5,529)	(7,563)
Legal and professional charges		-	(53,282)	-	(8,282)
Fund's ranking fee		(70,563)	(12,696)	(35,278)	(12,696)
Printing and postage charges	13	112,292	(25,206)	124,895	(12,603)
Bank and settlement charges		(2,303)	(2,722)	(1,589)	(1,776)
Total expenses		(2,123,861)	(2,770,048)	(1,177,335)	(1,539,164)
Net income / (loss) for the period before taxation		26,642,807	(26,391,944)	28,684,750	(21,356,734)
Taxation	15	-	-	-	-
Net income / (loss) for the period after taxation		26,642,807	(26,391,944)	28,684,750	(21,356,734)
Earnings per unit	16				
Allocation of net income for the period					
- Net Income for the period		26,642,807	-	28,684,750	-
income already paid on units redeemed		-	-	-	-
		<u>26,642,807</u>		<u>28,684,750</u>	
Accounting income available for distribution					
- Relating to capital gains		24,530,383	-	27,371,021	-
- Excluding capital gains		2,112,424	-	1,313,729	-
		<u>26,642,807</u>		<u>28,684,750</u>	

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For First Capital Investments Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

First Capital Mutual Fund

Condensed Interim Statement of Comprehensive Income (Un-audited)

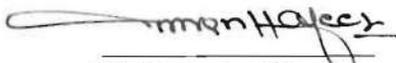
For the half year and quarter ended 31 December 2019

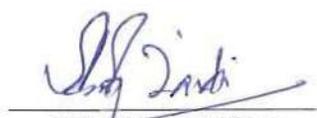
	Half year ended		Quarter ended	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
	-----Rupees-----		-----Rupees-----	
Net income / (loss) for the period before taxation	26,642,807	(26,391,944)	28,684,750	(21,356,734)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	26,642,807	(26,391,944)	28,684,750	(21,356,734)

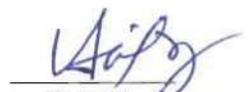
The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

Handwritten mark

For First Capital Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

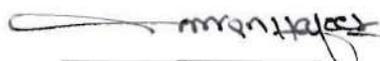
First Capital Mutual Fund
Condensed Interim Cash Flow Statement (Un-audited)
For the half year ended 31 December 2019

	Half year ended	
	31 December 2019	31 December 2018
<u>Cash flows from operating activities</u>	-----Rupees-----	
Net income / (loss) for the period before taxation	26,642,807	(26,391,944)
<u>Adjustments for non-cash items</u>		
Unrealised (appreciation) / diminution on re-measurement of investments classed as:		
- at fair value through profit or loss	7.1 (18,601,680)	-
- held for trading	-	26,986,654
Capital (gain) / loss on sale of investments - net	(5,928,703)	474,491
Dividend income	(2,514,072)	(2,679,228)
Profit on bank deposits	(411,279)	(796,331)
	(27,455,734)	23,985,586
	(812,927)	(2,406,358)
<i>(Increase) / decrease in assets:</i>		
Investments - net	4,895,746	(67,220,490)
Advances, deposits, prepayments and other receivables	(7,553,655)	(640,078)
	(2,657,909)	(67,860,568)
<i>(Decrease) / increase in liabilities:</i>		
Remuneration payable to Management Company	(212,339)	308,297
Remuneration Payable to Trustee	(40,350)	2,172
Payable to the Securities and Exchange Commission of Pakistan	(105,105)	(97,529)
Unclaimed dividend	-	(445,448)
Accrued expenses and other liabilities	(197,169)	(112,338)
	(554,963)	(344,846)
Cash used in operations	(4,025,799)	(70,611,772)
Dividend received	2,738,791	2,790,775
Profit received on bank deposits	316,922	738,788
	3,055,713	3,529,563
Net cash used in operating activities	(970,086)	(67,082,209)
<u>Cash flow from financing activities</u>		
Payments received against issuance of units	6,500,000	123,000,000
Payments made against redemption of units	(2,091,162)	(64,320,637)
Net cash generated from financing activities	4,408,838	58,679,363
Net increase / (decrease) in cash and cash equivalents during the period	3,438,752	(8,402,846)
Cash and cash equivalents at beginning of the period	3,036,789	14,617,436
Cash and cash equivalents at end of the period	6,475,541	6,214,590

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

WONGMA

For First Capital Investments Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

First Capital Mutual Fund

Condensed Interim Statement of Movement in Unit Holder's Fund (Un-audited)

For the half year ended 31 December 2019

	Six months period ended					
	2019			2018		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
----- Rupees -----						
Net assets at beginning of the period	131,256,639	(33,844,527)	97,412,112	92,350,725	9,363,570	101,714,295
<i>Issuance of 1,122,179 (2018: 14,749,946) units</i>						
- Capital value	6,500,000	-	6,500,000	136,624,329	-	136,624,329
- Element of loss	-	-	-	(13,624,329)	-	(13,624,329)
Total proceeds on issuance of units	6,500,000	-	6,500,000	123,000,000	-	123,000,000
<i>Redemption of 271,390 (2018: 7,526,481) units</i>						
- Capital value	(1,690,711)	-	(1,690,711)	(69,714,540)	-	(69,714,540)
- Element of loss	(400,449)	-	(400,449)	5,394,903	-	5,394,903
Total payment on redemption of units	(2,091,160)	-	(2,091,160)	(64,319,637)	-	(64,319,637)
Total comprehensive gain / (loss) for the period	-	26,642,807	26,642,807	-	(26,391,944)	(26,391,944)
Net assets at end of the period	<u>135,665,479</u>	<u>(7,201,720)</u>	<u>128,463,759</u>	<u>151,031,088</u>	<u>(17,028,374)</u>	<u>134,002,714</u>
<i>Undistributed income / (loss) brought forward represented by:</i>						
-Realized gain		11,557,097			21,894,152	
-Unrealized loss		(45,401,624)			(12,530,582)	
		<u>(33,844,527)</u>			<u>9,363,570</u>	
<i>Accounting gain / (loss) available for distribution:</i>						
- Relating to capital gains		-			-	
- Excluding capital gains		26,642,807			(26,391,944)	
		<u>26,642,807</u>			<u>(26,391,944)</u>	
Undistributed (loss) / income carried forward		<u>(7,201,720)</u>			<u>(17,028,374)</u>	
<i>Undistributed (loss) / income represented by:</i>						
-Realized (loss) / Income		(25,803,400)			9,958,280	
-Unrealized Income / (loss)		18,601,680			(26,986,654)	
		<u>(7,201,720)</u>			<u>(17,028,374)</u>	

	----- Rupees -----	
Net asset value per unit at beginning of the period	<u>6.2298</u>	<u>9.2627</u>
Net asset value per unit at end of the period	<u>7.7917</u>	<u>7.3609</u>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

Handwritten signature

**For First Capital Investments Limited
(Management Company)**


Chief Executive Officer


Chief Financial Officer


Director

First Capital Mutual Fund

Notes to the Condensed Interim Financial Information (Un-audited)

For the half year ended 31 December 2019

1 Legal status and nature of business

- 1.1** First Capital Mutual Fund ("the Fund") was constituted by virtue of a scheme of arrangement for conversion of First Capital Mutual Fund Limited into an Open end scheme under a Trust deed executed between First Capital investment Limited ("FCIL") as Management Company and Central Depository Company of Pakistan Limited ("CDC") as Trustee. The trust deed was executed on 06 August 2013 after being approved by the Securities and Exchange Commission of Pakistan ("the SECP") on 30 July 2013 in accordance with the provision of Non-Banking Finance Companies and Notified Entities Regulation, 2008 ("the NBFC Regulations").
- 1.2** The Management Company has been licensed by the SECP to act as an asset management company under the Non Banking Finance Companies (Establishment and Regulations) Rules, 2003 ("the NBFC Rules") through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd and 3rd floor, Pace Mall, Fortress Stadium, Lahore, Pakistan. The fund is an open and equity scheme and offers unit for public subscription on a continuous basis. The units are transferable and can be redeemed by submitting them into the fund.
- 1.3** The Fund has been formed to augment the wealth of investors through investments geared towards securing maximum returns whilst simultaneously offsetting resultant risks through efficient diversification across sectors with low correlation amongst them. The Fund shall invest its assets in high quality dividend yielding stocks. While the remaining assets shall be invested in cash and / or near cash instruments.
- 1.4** Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited ("CDC") as trustee of the Fund and the Fund is listed on Pakistan Stock Exchange ("LSE").
- 1.5** Pakistan Credit Rating Agency Limited ("PACRA") has assigned management quality rating of AM4++ to the Management Company and has assigned "1 Star" to the Fund on 27 September 2019 and 30 August 2019 respectively. PACRA has also placed the ratings of First Capital Investments Limited on "Rating Watch". This rating will be reviewed by PACRA once this matter will be settled.

2 Basis of preparation

2.1 Statement of compliance

2.1.1 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 as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) 34 issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

Handwritten signature

- Non-banking finance companies (Established and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed
- Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

2.1.2 These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2019. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last financial statements.

2.1.3 These condensed interim financial statements are being submitted to the unit holders as required under Regulation 38 (2) (f) of the NBFC regulations.

2.1.4 The comparative in the statement of assets and liabilities presented in these condensed interim financial statements for the period ended 31 December 2019 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2019, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' fund are stated from unaudited condensed interim financial statements for the six months period ended 31 December 2018.

2.1.5 The Directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the Fund.

2.2 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund and rounded to the nearest rupees except when otherwise indicated.

2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention except for Investment which are carried at fair value.

3 Use of estimates and judgments

The preparation of the condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing the condensed unconsolidated interim financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual financial statements for the year ended 30 June 2019.

Handwritten signature

4 Summary of significant accounting policies

4.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are same as those applied in the preparation of the annual audited financial statements for the year ended 30 June 2019.

The Fund has adopted IFRS 16 'Leases' from 01 July 2019 which is effective from the annual periods beginning on or after 01 January 2019. However, this has no impact on Fund's condensed interim unconsolidated financial statements.

4.2 **New standards, interpretations and amendments to accounting and reporting standards that are not yet effective**

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 January 2020 and are not expected to have significant impact on these condensed interim unconsolidated financial statements:

<u>Standard or Interpretation</u>	Effective date (accounting periods beginning on)
Amendment to IFRS 3 - Business Combinations	01 January 2020
Amendment to IAS 1 - Presentation of Financial Statements	01 January 2020
Amendment to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors	01 January 2020
Amendments to IFRS 9, IAS 39 & IFRS 7 - Financial Instrument	01 January 2020

5 Financial risk management

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2019.

	<i>Note</i>	(Un-audited) 31 December 2019	(Audited) 30 June 2019
6 Balances with banks			
<i>Cash at bank</i>			
- saving accounts	6.1	6,470,540	3,031,788
- current account		5,001	5,001
		<u>6,475,541</u>	<u>3,036,789</u>

6.1 The rate of return on these saving accounts is 10.25% to 11.25% (30 June 2019: 4.50% to 10.25%) per annum.

Handwritten signature

7 Investments

At fair value through profit or loss

	Note	(Un-audited) 31 December 2019	(Audited) 30 June 2019
		Rupees	
Listed equity securities	7.1	111,697,235	92,164,638
Government securities - Market Treasury Bills	7.2	19,890,540	19,788,500
		<u>131,587,775</u>	<u>111,953,138</u>

7.1 Listed equity securities

Shares of listed companies - Fully paid ordinary shares with a face value of Rs. 10 each unless stated otherwise

Name of Investee company	Number of shares				Balance as at 31 December 2019				(%) Percentage in relation to		
	As at 01 July 2019	Purchases during the period	Bonus / Rights during the period	Sale during the period	As at 31 December 2019	Carrying value as at 31 December 2019	Market value as at 31 December 2019	Appreciation / (diminution)	Net assets of the Fund (with market value of investments)	Market value of total investments	Paid up capital of investee company (with face value of investments)
- Rupees -											
Inv. Banks / Inv. Cos. / Securities Cos.											
Escorts Investment Bank Limited	47,659	50,000	15,500	15,500	97,659	1,090,191	1,015,654	(74,537)	0.7906	0.7718	0.2472
First Capital Equities Limited	1,005,395	-	-	-	1,005,395	3,770,231	9,541,199	5,770,968	7.4272	7.2508	0.8549
Pakistan Stock Exchange Limited	-	50,000	-	15,000	35,000	402,325	436,800	34,475	0.3400	0.3319	0.0285
	<u>1,053,054</u>	<u>100,000</u>	<u>15,500</u>	<u>30,500</u>	<u>1,138,054</u>	<u>5,262,747</u>	<u>10,993,653</u>	<u>5,730,906</u>	<u>8.56%</u>	<u>8.35%</u>	<u>1.13%</u>
Banks											
Bank Alfalah Limited	16,500	-	-	-	16,500	719,235	754,050	34,815	0.5870	0.5730	0.0041
Faysal Bank Limited	22,812	-	-	-	22,812	490,914	433,884	(57,030)	0.3377	0.3297	0.0032
Habib Bank Limited	42,000	-	-	6,000	36,000	4,077,360	5,667,120	1,589,760	4.4115	4.3067	0.0278
JS Bank Limited	25,000	-	-	-	25,000	137,000	135,000	(2,000)	0.1051	0.1026	0.0011
MCB Bank Limited	25,000	-	-	8,000	17,000	2,965,650	3,483,980	518,330	2.7120	2.6476	0.0250
National Bank Of Pakistan	15,000	5,000	-	5,000	15,000	536,600	649,500	112,900	0.5056	0.4936	0.0025
Summit Bank Limited	-	100,000	-	-	100,000	5,305,680	5,922,000	616,320	4.6099	4.5004	0.0201
United Bank Limited	48,000	-	-	12,000	36,000	125,000	116,000	(9,000)	0.0903	0.0882	0.0010
	<u>194,312</u>	<u>105,000</u>	<u>-</u>	<u>31,000</u>	<u>268,312</u>	<u>14,357,439</u>	<u>17,161,534</u>	<u>2,804,095</u>	<u>13.36%</u>	<u>13.04%</u>	<u>0.08%</u>
Insurance											
The United Insurance Company Of Pakistan Limited	1,670	-	-	-	1,670	14,395	16,032	1,637	0.0125	0.0122	0.0006
	<u>1,670</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,670</u>	<u>14,395</u>	<u>16,032</u>	<u>1,637</u>	<u>0.01%</u>	<u>0.01%</u>	<u>0.00%</u>
Textile Composite											
Kohinoor Textile Mills Limited	35,000	-	-	20,000	15,000	375,750	586,050	210,300	0.4562	0.4454	0.0126
Nishat Mills Limited	33,000	5,000	-	3,000	35,000	3,263,925	3,714,900	450,975	2.8918	2.8231	0.0928
Nishat (Chunian) Limited	-	15,000	-	-	15,000	555,000	639,750	84,750	0.4980	0.4862	0.0158
	<u>68,000</u>	<u>20,000</u>	<u>-</u>	<u>23,000</u>	<u>65,000</u>	<u>4,194,675</u>	<u>4,940,700</u>	<u>746,025</u>	<u>3.85%</u>	<u>3.75%</u>	<u>0.12%</u>
Vanaspati & Allied Industries											
Unity Foods Limited	63,000	50,000	-	28,000	85,000	931,584	1,369,350	437,766	1.0659	1.0406	0.0171
	<u>63,000</u>	<u>50,000</u>	<u>-</u>	<u>28,000</u>	<u>85,000</u>	<u>931,584</u>	<u>1,369,350</u>	<u>437,766</u>	<u>1.07%</u>	<u>1.04%</u>	<u>0.02%</u>

KPMG

Name of Investee company	Number of shares				Balance as at 31 December 2019			(%) Percentage in relation to			
	As at 01 July 2019	Purchases during the period	Bonus / Rights during the period	Sale during the period	As at 31 December 2019	Carrying value as at 31 December 2019	Market value as at 31 December 2019	Appreciation / (diminution)	Net assets of the Fund (with market value of investments)	Market value of total investments	Paid up capital of investee company (with face value of investments)
Rupees											
Cement											
Cherat Cement Company Limited	15,000	-	800	9,712	6,088	171,349	322,968	151,619	0.2514	0.2454	0.0097
D.G. Khan Cement Company Limited	38,000	2,000	-	16,000	24,000	1,396,889	1,782,480	385,591	1.3875	1.3546	0.0319
Fauji Cement Company Limited	100,000	25,000	-	25,000	100,000	1,568,400	1,556,000	(12,400)	1.2112	1.1825	0.0114
Gharibwal Cement Limited	-	25,000	-	-	25,000	287,500	340,750	53,250	0.2652	0.2590	0.0143
Kohat Cement Company Limited	13,000	-	-	8,000	5,000	262,650	387,000	124,350	0.3013	0.2941	0.0081
Lucky Cement Limited	13,000	2,000	-	5,000	10,000	3,853,917	4,284,000	430,083	3.3348	3.2556	0.0584
Maple Leaf Cement Factory Limited	45,250	15,000	63,462	63,462	60,250	1,444,773	1,394,185	(50,588)	1.0853	1.0595	0.0636
Pioneer Cement Limited	16,500	15,000	-	16,500	15,000	468,251	457,350	(10,901)	0.3560	0.3476	0.0206
Power Cement Limited	100,000	-	-	-	100,000	643,000	615,000	(28,000)	0.4787	0.4674	0.0283
	340,750	84,000	64,262	143,674	345,338	10,096,728	11,139,733	1,043,004	8.67%	8.47%	0.25%
Refinery											
Attock Refinery Limited	3,125	9,000	-	3,125	9,000	1,033,685	1,005,210	(28,475)	0.7825	0.7639	0.0970
National Refinery Limited	3,500	2,000	-	3,500	2,000	336,000	282,160	(53,840)	0.2196	0.2144	0.0420
	6,625	11,000	-	6,625	11,000	1,369,685	1,287,370	(82,315)	1.00%	0.98%	0.14%
Power Generation & Distribution											
The Hub Power Company Limited	15,693	-	-	-	15,693	1,235,824	1,464,942	229,118	1.1404	1.1133	0.0107
Tri-Star Power Limited	100,000	-	-	25,000	75,000	195,000	209,250	14,250	0.1629	0.1590	0.0130
	115,693	-	-	25,000	90,693	1,430,824	1,674,192	243,368	1.30%	1.27%	0.14%
Oil & Gas Marketing Companies											
Haseco Petroleum Limited	16,500	3,500	152,866	-	172,866	3,840,795	4,650,095	809,300	3.6198	3.5338	0.1929
Pakistan State Oil Company Limited	23,220	23,500	6,444	3,000	50,164	7,540,852	9,613,429	2,072,577	7.4834	7.3057	0.1927
Sui Northern Gas Pipelines Limited	30,000	5,000	-	-	35,000	2,493,700	2,665,950	172,250	2.0753	2.0260	0.0393
Sui Southern Gas Company Limited	50,000	10,000	-	-	60,000	1,275,000	1,291,200	16,200	1.0051	0.9812	0.0145
	119,720	42,000	159,310	3,000	318,030	15,150,347	18,220,674	3,070,327	14.18%	13.85%	0.44%
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	5,385	620	600	2,600	4,004	3,655,640	5,245,640	1,590,000	4.0834	3.9864	0.3014
Oil & Gas Development Company Limited	25,000	10,000	-	3,000	32,000	4,208,846	4,554,240	345,394	3.5452	3.4610	0.0098
Pakistan Oilfields Limited	7,000	4,000	-	1,000	10,000	4,110,209	4,467,200	356,991	3.4774	3.3948	0.1448
Pakistan Petroleum Limited	35,000	12,600	7,400	4,000	51,000	6,150,081	6,994,140	844,059	5.4444	5.3152	0.0271
	72,385	27,220	8,000	10,600	97,004	18,124,776	21,261,220	3,136,444	16.55%	16.16%	0.48%
Industrial Engineering											
Aisha Steel Mills Limited	150,000	-	-	-	150,000	1,380,000	1,438,785	58,785	1.1200	1.0934	0.0180
Amreli Steels Limited	17,100	2,900	-	5,000	15,000	412,936	541,800	128,864	0.4218	0.4117	0.0139
Dost Steels Limited	137,500	50,000	-	187,500	-	-	-	-	-	-	-
International Steels Limited	25,000	-	-	5,000	20,000	794,200	1,157,800	363,600	0.9013	0.8799	0.0183
Mughal Iron And Steel Industries Ltd	30,000	-	-	10,000	20,000	503,200	819,400	316,200	0.6378	0.6227	0.0200
	359,600	52,900	-	207,500	205,000	3,090,336	3,957,785	867,449	3.08%	3.01%	0.07%
Automobile Assembler											
AJ-Ghazi Tractors Limited	1,500	-	-	1,500	-	-	-	-	-	-	-
Ghani Automobile Industries Limited	-	50,000	-	-	50,000	291,020	241,500	(49,520)	0.1880	0.1835	0.0683
Ghandhara Industries Limited	8,000	2,000	-	7,000	3,000	295,650	399,840	104,190	0.3112	0.3039	0.0519
Ghandhara Nissan Limited	2,000	5,000	-	2,000	5,000	383,750	380,850	(2,900)	0.2965	0.2894	0.0269
Honda Atlas Cars (Pakistan) Limited	5,000	3,500	-	5,000	3,500	781,870	766,290	(15,580)	0.5965	0.5823	0.0995
Indus Motor Company Limited	3,000	-	-	-	3,000	3,611,760	3,484,980	(126,780)	2.7128	2.6484	0.8154
Millat Tractors Limited	4,000	2,000	500	1,000	5,500	4,022,960	3,874,310	(148,650)	3.0159	2.9443	0.4888
Pak Suzuki Motor Company Limited	6,900	2,000	-	6,900	2,000	531,500	461,400	(70,100)	7.1209	6.9518	0.0646
	30,400	64,500	500	23,400	72,000	9,918,510	9,609,170	(309,340)	14.24%	13.90%	1.62%
Automobile Parts & Accessories											
The General Tyre & Rubber Company Of Pakistan Limited	25,840	-	5,168	11,000	20,008	858,843	1,115,646	256,803	0.8685	0.8478	0.0845
	25,840	-	5,168	11,000	20,008	858,843	1,115,646	256,803	1.01%	0.99%	0.10%

Name of Investee company	Number of shares				Balance as at 31 December 2019				(%) Percentage in relation to		
	As at 01 July 2019	Purchases during the period	Bonus / Rights during the period	Sale during the period	As at 31 December 2019	Carrying value as at 31 December 2019	Market value as at 31 December 2019	Appreciation / (diminution)	Net assets of the Fund (with market value of investments)	Market value of total investments	Paid up capital of investee company (with face value of investments)
Rupees											
Cables & Electrical Goods											
Pak Elektron Limited	15,000	-	-	15,000	-	-	-	-	-	-	-
Waves Singer Pakistan Limited	-	25,000	-	25,000	-	-	-	-	-	-	-
	15,000	25,000	-	40,000	-	-	-	-	-	-	-
Transport											
Pakistan International Bulk Terminal Limited	-	25,000	-	25,000	-	-	-	-	-	-	-
	-	25,000	-	25,000	-	-	-	-	-	-	-
Fertilizer											
Engro Fertilizers Limited	25,000	-	-	5,000	20,000	1,279,400	1,468,600	189,200	1.1432	1.1161	0.0096
Engro Corporation Limited	4,000	2,000	-	1,000	5,000	1,446,800	1,726,250	279,450	1.3438	1.3119	0.0251
Fatima Fertilizer Company Limited	5,000	-	-	-	5,000	149,250	132,950	(16,300)	0.1035	0.1010	0.0007
Fauji Fertilizer Bin Qasim Limited	-	20,000	-	-	20,000	404,800	390,400	(14,400)	0.3039	0.2967	0.0032
Fauji Fertilizer Company Limited	15,000	-	-	5,000	10,000	872,000	1,014,700	142,700	0.7899	0.7711	0.0069
	49,000	22,000	-	11,000	60,000	4,152,250	4,732,900	580,650	3.68%	3.60%	0.05%
Pharmaceuticals											
Hightoon Laboratories Limited	41	-	-	-	41	10,380	22,028	11,648	0.0171	0.0167	0.0033
The Searle Company Limited	20,514	7,000	-	23,441	4,073	750,373	768,453	18,080	0.5982	0.5840	0.0353
	20,555	7,000	-	23,441	4,114	760,753	790,481	29,728	0.62%	0.60%	0.04%
Chemicals											
Agri-tech Limited	-	50,000	-	25,000	25,000	107,460	105,750	(1,710)	0.0823	0.0804	0.0012
Itehad Chemicals Limited	-	10,000	-	-	10,000	239,500	230,000	(9,500)	0.1790	0.1748	0.0217
Lotte Chemical Pakistan Limited	-	25,000	-	-	25,000	402,750	350,500	(52,250)	0.2728	0.2664	0.0044
Nimir Industrial Chemicals Limited	20,000	-	-	20,000	-	-	-	-	-	-	-
Sitara Peroxide Limited	-	25,000	-	25,000	-	-	-	-	-	-	-
	20,000	110,000	-	70,000	60,000	749,710	686,250	(63,460)	0.53%	0.52%	0.03%
Glass & Ceramics											
Shabbir Tiles & Ceramics Limited	10,000	-	-	10,000	-	-	-	-	-	-	-
	10,000	-	-	10,000	-	-	-	-	-	-	-
Foods & Personal Care Products											
Treet Corporation Limited	3,400	10,000	-	3,230	10,170	225,994	214,485	(11,509)	0.1670	0.1630	0.0632
	3,400	10,000	-	3,230	10,170	225,994	214,485	(11,509)	0.17%	0.16%	0.06%
Synthetic & Rayon											
Tri-Star Polyester Limited	50,000	25,000	-	25,000	50,000	440,004	445,000	4,996	0.3464	0.3382	0.0774
	50,000	25,000	-	25,000	50,000	440,004	445,000	4,996	0.35%	0.34%	0.08%
Technology & Communications											
Netsol Technologies Limited	21,000	-	-	-	21,000	1,383,690	1,383,060	(630)	1.0766	1.0511	0.4397
Trg Pakistan Limited - Class 'A'	-	30,000	-	10,000	20,000	393,360	491,000	97,640	0.3822	0.3731	0.0185
Worldcall Telecom Limited	250,000	850,000	-	950,000	150,000	185,130	207,000	21,870	0.1611	0.1573	0.0087
	271,000	880,000	-	960,000	191,000	1,962,180	2,081,060	118,880	1.62%	1.58%	0.47%
Total as at 31 December 2019	2,890,004	1,660,620	252,740	1,710,970	3,092,393	93,091,780	111,697,235	18,605,454			
Total as at 30 June 2019	2,108,790	1,212,200	130,938	561,924	2,890,004	137,537,016	92,164,638	(45,372,378)			

KMGA

7.1.1

The Finance Act 2014 brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5% is to be applied on the value of bonus shares determined on the basis of day end price on the first day of book closure. The tax is to be collected at source by the Company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the Management Company of the fund along with other asset management companies and Mutual Fund Association of Pakistan, had filed a petition in the Honorable Sindh High Court ("the Court") to declare the amendments brought into the Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes ("CIS") as null and void and not applicable on mutual funds based on the premise of exemption given to mutual funds under clause 47B of Part IV and clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Court has granted stay order in favor of CIS till the final outcome of the case. Accordingly, the investee companies have withheld the shares equivalent to 5% bonus shares announcement and not deposited in CDC account of department of Income Tax. However, the Fund has included bonus shares withheld by the investee companies in its investment portfolio amounting to Rs. 0.4987 million (30 June 2019: Rs. 0.3372 million)

7.2 Government securities - Market treasury bills

Purchase date	Tenor	Number of shares				Balance as at 31 December 2019				(%) Percentage in relation to		
		As at 01 July 2019	Purchases during the year	Bonus / Rights during the year	Disposed / matured during the period	As at 31 December 2019	Carrying value as at 31 December 2019	Market value as at 31 December 2019	Appreciation / (diminution)	Net assets of the Fund (with market value of investments)	Market value of total investments	Effective rate of return
<i>Market treasury bills</i>												
	3 Months	-	20,000,000	-	20,000,000	-	-	-	-	-	-	-
	3 Months	-	20,000,000	-	20,000,000	-	-	-	-	-	-	-
	3 Months	-	20,000,000	-	-	20,000,000	19,894,314	19,890,540	(3,774)	15.48%	15.12%	-
Total as at 31 December 2019		-	60,000,000	-	40,000,000	20,000,000	19,894,314	19,890,540	(3,774)	15.48%	15.12%	-
Total as at 30 June 2019		-	70,000,000	-	50,000,000	20,000,000	19,817,750	19,788,500	(29,250)	20.31%	17.68%	-

7.2.1 These market treasury bills carry purchase yield of 13.2505% per annum (30 June 2019: 11.0009% per annum) and will mature on 16 January 2020 (30 June 2019: 1 August 2019).

KPMG

		(Un-audited) 31 December 2019	(Audited) 30 June 2019
		-----Rupees-----	
8	Dividend and profit receivable - unsecured, considered good		
		<i>Note</i>	
	Dividend receivable	24,725	249,444
	Profit accrued on bank deposits	118,130	23,773
		<u>142,855</u>	<u>273,217</u>
9	Advances, deposits, prepayments and other receivables		
	Security deposit with the CDC	237,500	237,500
	Receivable against sale of equity securities	7,512,336	-
	Advance Tax deducted	1,585,074	1,530,799
	Prepayments	-	12,958
	Other receivable from the Management Company	211,278	211,276
		<u>9,546,188</u>	<u>1,992,533</u>
10	Payable to FCIL		
	Remuneration of Management Company	218,239	341,625
	Punjab Sales tax on Remuneration of Management Company	34,918	54,660
	Federal Excise Duty ("FED") on Remuneration of Management Company	<i>10.3</i> 3,713,448	3,713,448
		<u>3,966,605</u>	<u>4,109,733</u>
10.1	Under the provision of NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company of the fund is entitled to an accrued remuneration of an amount not exceeding 2% per annum of the average annual net assets of the Fund. Management Company has charged remuneration at 2% on the net assets of the Fund.		
10.2	The Provincial Government of Punjab levied Punjab Sales Tax at the rate of 16% on the remuneration of the Management Company through the Punjab Sales Tax on Services Act, 2012 effective from July 01, 2012.		
10.3	The status of Federal Excise Duty (FED) is same as disclosed in annual financial statements for the year ended 30 June 2019. Had the said provision of FED not been recorded in the books of account of the Fund, the net asset value per unit of the Fund would have been higher by Rs. 0.2253 per unit (June 2019: 0.2375 per unit).		
		(Un-audited) 31 December 2019	(Audited) 30 June 2019
		-----Rupees-----	
11	Accrued and other liabilities		
		<i>Note</i>	
	Auditors' remuneration payable	654,192	816,600
	Payable against purchase of investments	384,346	460,600
	Annual listing fee payable	109,059	97,999
	Withholding and capital gain tax payable	162,628	89,888
	Legal & Professional Charges Payable	45,000	45,000
	Rating Fee Payable	70,563	-
	Printing Charges Payable	-	112,292
	Other payable	63,093	63,671
		<u>1,488,881</u>	<u>1,686,050</u>
12	Unclaimed dividend		
	This mainly includes an amount of Rs. 9.51 million (30 June 2019: 9.51 million) not paid to Salman Taseer (Late) due to pending adjudication for issuance of succession certificate before the Honorable Lahore High Court.		
13	Printing & Postage Charges		
	This represents impact of liabilities written back.		
14	Contingencies And Commitments		
	There were no contingencies or commitments outstanding as at 31 December 2019.		

15 Taxation

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The management intends to distribute at least 90% of the fund's net accounting income earned by the year end, as cash dividend, to the unit holders. The fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of part IV of the Second Schedule of the Income Tax Ordinance, 2001. No provision in respect of taxation has been made in these condensed Interim Financial statements on the basis that management will comply with the requirements of Income Tax Ordinance, 2001 by the year ended 30 June 2020.

16 Earnings per unit

Earnings per unit ("EPU") has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

17 Provision for Worker's Welfare Fund

The status of provision for Workers' Welfare Fund ("WWF") is same as disclosed in annual financial statements for the year ended 30 June 2019.

18 Total Expense Ratio

Total expense ratio (all the expenses, including government, incurred during the year divided by average net assets value for the year) is 4.04% per annum (31 December 2018: 4.31% per annum). Total expense ratio (excluding government levies) is 3.55 % per annum (31 December 2018: 3.74% per annum).

19 Transactions with connected persons / related parties

Connected persons / related parties include FCIL-being the Management Company, First Capital Securities Corporation Limited (FCSC) being the Holding Company of Management Company, all the subsidiaries and associates of FCSC, CDC-being the Trustee of the Fund, any person or company beneficially owning ten percent or more of the capital of the Management Company or net assets of the Fund and the Directors and key management personnel of the Management Company.

Transactions with connected persons / related parties are in the normal course of business and on arm's length basis.

Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and Trust Deed respectively.

19.1 Details of transactions with the connected persons / related parties during the period are as follows:

	Note	Half year ended		Quarter year ended		
		Percentage of Unit Holding	31 December 2019	31 December 2018	31 December 2018	31 December 2018
			-----Rupees-----		-----Rupees-----	
FCIL - Management Company		70.23%				
Remuneration of the Management Company	19.1.1		1,048,743	1,282,496	597,335	758,183
Punjab Sales Tax on Remuneration of the Management Company			167,799	205,271	95,574	121,309
Remuneration Paid			-	1,086,071	-	685,866
Accounting and operational charges			46,404	64,147	26,430	37,909
Dividend Paid			-	-	-	-
Issuance of 1,122,179(2018:14,749,946) units			6,500,000	70,000,000		50,000,000
Redemption of 271.390 (2018:7,526,481) units			2,000,000	14,000,000	2,000,000	13,300,000
CDC - Trustee		-				
Remuneration of the Trustee	19.1.1		104,875	352,877	59,734	176,439
Sindh Sales Tax on Remuneration of the Trustee			13,634	45,875	7,765	22,938
Settlement Charges inclusive of Sindh Sales Tax			4,974	45,451	(9,711)	23,519
Remuneration Paid			-	396,582	-	197,206
CDS Fee			-	76,902	-	76,902
Amortization of CDS Fee			12,956	38,451	12,956	38,451
First Capital Securities Corporation Limited - Holding Company of Management Company		5.67%				
Issuance of Nil (2018:1,534,584) units			-	13,000,000	-	5,000,000
Redemption of Nil (2018: 634397) units			-	5,509,548	-	5,509,548

19.1.1 Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations 2008 and Trust Deed.

18/08/14

	Percentage of Unit Holding	(Un-audited) December 31 2019	(Audited) June 30 2019
-----Rupees-----			
19.2 Balance outstanding as at the period end are as follows:			
	70.23%		
<i>FCIL - Management Company</i>			
Remuneration payable to the Management Company		218,239	341,625
Punjab Sales Tax payable on remuneration to the Management Company		34,918	54,660
Federal Excise Duty payable on Remuneration to the Management Company		3,713,448	3,713,448
Other payables		52,438	121,649
Units held: 11,578,412 (30 June 2019: 10,713,544) Units		90,215,513	66,743,237
<i>CDC - Trustee</i>	-		
Remuneration payable inclusive of taxes thereon		24,665	65,013
Security deposit		237,500	237,500
Settlement charges payable inclusive of taxes thereon		-	576
Prepaid Fee		-	12,958
<i>Salman Taseer (Late) - More than 10% of Unit Holder</i>	12.71%		
Units held: 2,095,028 (30 June 2019: 2,096,201) Units		16,323,828	13,051,604
<i>First Capital Equities Limited - Related party (Common group)</i>	0.01%		
Units held: 1,793 (June 30, 2019: Nil) Units		13,972	11,171
<i>First Capital Securities Corporation Limited - Holding Company of Management Company</i>	5.67%		
Units held: 935,466 (30 June 2019: 1,793) Units		7,288,870	327,122
<i>Key management personnel of the Management Company</i>	0.01%		
Units held: 2,363 (30 June 2019: 2,363) units		18,412	14,719

14/06/19

20 **Financial instruments - fair values and risk management**

Fair value is an amount for which asset can be exchanged, or liability settled, between knowledgeable willing parties in arm's length transaction. Consequently, difference may arise between the carrying values and fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value of underlying financial assets are determined based on requirement of regulation 66(a) of NBFC Regulations, 2008 and directives if any issued by the SECP. The fair value of financial assets traded in active market i.e. listed securities are based on quoted market price at stock exchange as determined in accordance with its regulations.

The Fund measures fair value using the fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Quoted market price (unadjusted) in an active market for an identical assets or liabilities (Level 1)
- Input 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 2)
- Input for the asset or liability that are not based on observable market data (i-e. unobservable) inputs (Level 3)

		31 December 2019 (Un-audited)						
		Carrying amount			Fair value			
		Fair value through profit or loss	At Amotized Cost	Total	Level 1	Level 2	Level 3	Total
Note		Rupees						
<i>Financial assets - measured at fair value</i>								
Investments								
- Listed equity securities	7.1	111,697,235	-	111,697,235	111,697,235	-	-	111,697,235
- Government securities - Market Treasury Bills	7.2	19,890,540	-	19,890,540	-	19,890,540	-	19,890,540
<i>Financial assets - not measured at fair value</i>								
Bank balances	6	-	6,475,541	6,475,541	-	-	-	-
Dividend and profit receivable	8	-	142,855	142,855	-	-	-	-
Advances, Deposits and other receivables	9	-	9,546,188	9,546,188	-	-	-	-
		131,587,775	16,164,584	147,752,359	111,697,235	19,890,540	-	131,587,775
<i>Financial liabilities - not measured at fair value</i>								
Remuneration payable to FCIL	10	-	218,239	218,239	-	-	-	-
Remuneration payable to the CDC		-	24,663	24,663	-	-	-	-
Annual fee payable to the SECP		-	10,438	10,438	-	-	-	-
Accrued and other liabilities		-	1,488,881	1,488,881	-	-	-	-
Unclaimed dividend	12	-	13,745,579	13,745,579	-	-	-	-
		-	15,487,800	15,487,800	-	-	-	-

14/03/2020

		30 June 2019 (Audited)							
		Carrying amount			Fair value				
		Fair value through profit or loss	At Amotized Cost	Total	Level 1	Level 2	Level 3	Total	
Note		----- Rupees -----							
<i>Financial assets - measured at fair value</i>									
	Investments								
	- Listed equity securities	7.1	92,164,638	-	92,164,638	92,164,638	-	-	92,164,638
<i>Financial assets - not measured at fair value</i>									
	Bank balances	6	-	3,036,789	3,036,789	-	-	-	-
	Dividend and profit receivable	8	-	273,217	273,217	-	-	-	-
	Advances, Deposits and other receivables	9	-	1,992,533	1,992,533	-	-	-	-
		20.1	92,164,638	5,302,539	97,467,177	92,164,638	19,788,500	-	111,953,138
<i>Financial liabilities - not measured at fair value</i>									
	Remuneration payable to FCIL	10	-	341,625	341,625	-	-	-	-
	Remuneration payable to the CDC		-	65,013	65,013	-	-	-	-
	Annual fee payable to the SECP		-	115,541	115,541	-	-	-	-
	Accrued and other liabilities		-	1,686,050	1,686,050	-	-	-	-
	Unclaimed dividend	12	-	13,745,579	13,745,579	-	-	-	-
		20.1	-	15,953,808	15,953,808	-	-	-	-

20.1 The Fund has not disclosed the fair values of these financial assets and liabilities as these are for short term or repriced over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

Handwritten signature

21 **Date of authorization**

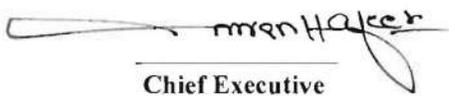
These financial statements were authorized for issue by the Board of Directors of the Management Company on February 25, 2020.

22 **General**

Figures have been rounded off to the nearest rupee.

Handwritten mark

**For First Capital Investments Limited
(Management Company)**


Chief Executive


Chief Financial Officer


Director