

First Capital Mutual Fund

DIRECTORS' REVIEW

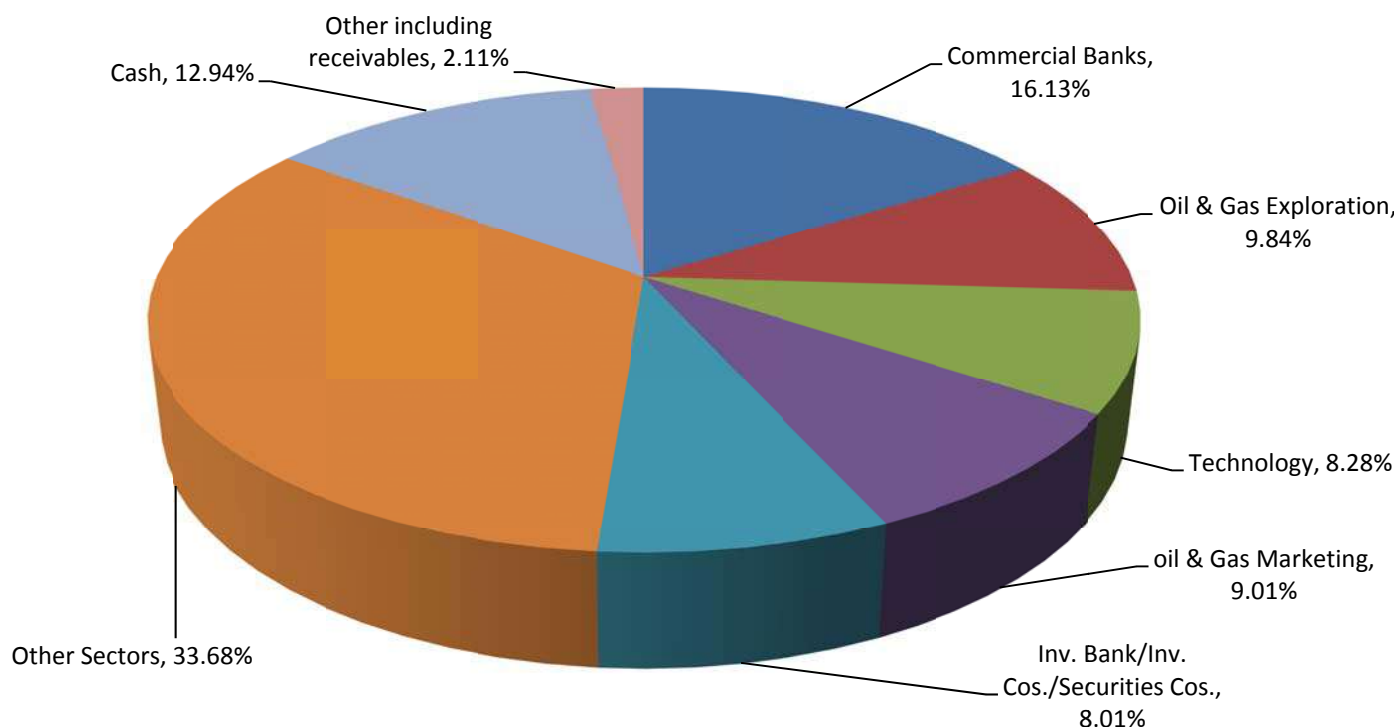
The Board of Directors of First Capital Investments Limited ("FCIL" or "Management Company") is pleased to present the reviewed financial statements of First Capital Mutual Fund ("FCMF" or "the Fund" or "the Scheme") for the half year ended December 31, 2021.

Fund's Performance

During the period under review, the Fund has reported total comprehensive loss of Rs. 15.73 million as compared to gain of Rs. 30.76 million in the corresponding period last year. Capital gain on sale of Investments is Rs. 0.22 million as compared to gain of Rs. 12.77 million in the same period last year. Dividend income has increased to Rs. 4.01 million from Rs. 1.73 million during the period under review. The Fund has also reported unrealized diminution on re-measurement of investments at fair value through loss of Rs. 18.17 million during half year ended December 31, 2020 as compared to profit of Rs. 18.28 million in the same period last year. The total expenses of the Fund for the period under review has decreased to Rs. 2.31 million as compared to Rs. 2.58 million in the same period last year.

The Net Asset Value (NAV) per unit of FCMF has decreased from Rs. 8.1564 to Rs. 7.1351, thus showing a loss of 12.52% as compared to its Benchmark's (KSE-100 index) negative return of 5.83%. The Fund has underperformed its Benchmark by 6.69% mainly on the back of high-weight in Auto Part & Accessories, Cable & Electrical Goods, Cements, Chemicals, Engineering, Insurance, Paper & Board, Pharmaceuticals, Refinery, and Technology & Communication 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, 2021 stood at Rs. 110.484 million as compared to Rs. 125.235 million as at June 30, 2021.

The asset allocation of the Fund as on 31 December 2021 is as under:



First Capital Mutual Fund

Equity Market Review

During the period under review KSE-100 index (the benchmark) has decreased by 5.83% as compared to increase of 27.11% during the same period last year.

The period under review commenced with negative note and posted a loss of 5.19% in 1st quarter, mainly attributable to the sharp currency devaluation and decrease in global commodity prices. Uncertainties about Balance of Payment position over increasing Current Account Deficit; the developments in the neighboring Afghanistan, Pak-US relations and recognition of Taliban government by international powers also deter investor confidence.

During the 2nd quarter KSE-100 Index remained range bound on the back of widening Current Account Deficit, delay in IMF review, rising noise in the domestic politics. Furthermore, the protests, sit-in and later on the march of banned TLP further sent jitters in the market. However, the market bounced back in the second half of the October 2021 on the back of Saudi Arabia announced financial support for Pakistan.

Higher than expected increase in policy rate by SBP, passive outflows on the back of Pakistan's formal downgrade from MSCI Emerging Market Index to Frontier Market, negative sentiments were fueled by delay over completion of IMF's preconditions required for resumption of the IMF program along with uncertainty over outcome of mini-budget also deterred the investor's confidence. Moreover, PTI's surprise local body elections loss in Khyber Pakhtunkhwa created additional jitters amongst the investors.

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, 2021.

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.

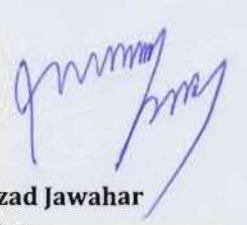
Declaration by Directors

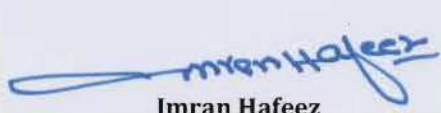
As required under the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of Asset Management Company state that the financial statements of the Fund for the half year ended December 31, 2021 give a true and fair view of the Fund.

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**


Shahzad Jawahar
Director


Imran Hafeez
Chief Executive Officer/Director

Date: February 24, 2022
Place: Lahore

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
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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 (the Fund) are of the opinion that First Capital Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2021 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.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 25, 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNIT HOLDERS OF FIRST CAPITAL MUTUAL FUND

Report on review of 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 **December 31, 2021** and the related condensed 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 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 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.

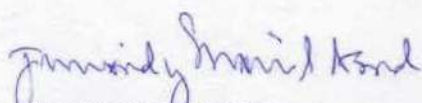
Conclusion

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 Matter

The figures of the condensed interim statement of profit or loss and statement of other comprehensive income for the quarters ended December 31, 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended December 31, 2021.

The engagement partner on the review resulting in the independent auditor's report is Shoaib Ahmad Waseem.



JUNAIDY SHOAIB ASAD
CHARTERED ACCOUNTANTS

Lahore

Dated: **24 FEB 2022**


UDIN: RR202110196I8vH0w4VI

First Capital Mutual Fund
Condensed Interim Statement of Assets and Liabilities (Unaudited)
As at December 31, 2021

		(Un-audited) 31 December 2021	(Audited) 30 June 2021
	Note	-----Rupees-----	
Assets			
Bank balances	6	17,311,389	19,865,176
Investments	7	110,432,874	128,256,260
Dividend and profit receivable – unsecured, considered good	8	164,410	130,840
Advances, deposits, prepayments and other receivables	9	2,452,961	2,283,393
Total assets		130,361,634	150,535,669
Liabilities			
Payable to First Capital Investment Limited – Management Company against remuneration	10	4,378,608	3,970,802
other payables		58,569	121,354
Payable to Central Depository Company of Pakistan Limited - Trustee		21,121	25,140
Payable to Securities and Exchange Commission of Pakistan		12,017	24,466
Accrued and other liabilities	11	1,529,592	2,542,703
Dividend payable	12		4,737,695
Unclaimed dividend	13	13,877,558	13,878,987
Total liabilities		19,877,465	25,301,147
Net assets		110,484,169	125,234,522
Unit holders' fund (as per statement attached)		110,484,169	125,234,522
Contingencies and commitments	14		
(Number of units)			
Number of units in issue		15,484,665	15,354,216
-----Rupees-----			
Net assets value per unit (face value per unit Rs. 10/-)		7.1351	8.1564

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

For First Capital Investments Limited
(Management Company)


Chief Executive Officer


Chief Finance Officer


Director

First Capital Mutual Fund
Condensed Interim Income Statement (Unaudited)
For the half year and quarter ended December 31, 2021

	Note	Half year ended		Quarter year ended	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
Income		-----Rupees-----		-----Rupees-----	
Capital gain / (loss) on sale of investments - net		221,390	12,767,355	(299,175)	3,187,317
Dividend income		4,005,301	1,729,623	2,502,761	1,437,955
Income from government securities		-	165,090	-	161,170
Profit on bank deposits		516,785	403,212	254,305	100,509
Net unrealized (diminution) / appreciation on re-measurement of investments classified as 'at fair value through profit or loss'	7.1	(18,165,056)	18,275,363	(8,387,751)	8,075,732
Total (loss) / income		(13,421,580)	33,340,643	(5,929,860)	12,962,683
Expenses					
Remuneration to First Capital Investment Limited - Management Company		1,204,124	1,147,374	570,568	591,285
Punjab Sales Tax on Management Company's remuneration		192,660	183,580	91,291	94,606
Remuneration to Central Depository Company - <i>Trustee</i>		120,412	114,737	57,057	59,128
Sindh Sales Tax on remuneration of trustee		15,654	14,916	7,418	7,687
Annual fee to Securities and Exchange Commission of Pakistan		12,041	11,474	5,705	5,913
Securities transaction costs		95,826	407,658	20,797	167,181
Accounting and operational charges		60,206	57,369	28,528	29,564
Auditors' remuneration		502,094	532,592	251,047	267,024
Annual listing fee		11,090	11,060	5,545	5,530
Fund's ranking fee		71,766	71,569	35,883	35,784
Bank and other charges		22,394	29,313	1,884	14,476
Total operating expenses		2,308,267	2,581,642	1,075,723	1,278,178
Net (loss) / income from operating activities		(15,729,847)	30,759,001	(7,005,583)	11,684,505
Net (loss) / income for the period before taxation		(15,729,847)	30,759,001	(7,005,583)	11,684,505
Taxation	16	-	-	-	-
Net (loss) / income for the period after taxation		(15,729,847)	30,759,001	(7,005,583)	11,684,505
Allocation of Net Income for the year					
- Net income for the period after taxation		(15,729,847)	30,759,009	-	11,684,513
- Income already paid on units redeemed			(1,251,280)	-	(36,832)
		(15,729,847)	29,507,729	-	11,647,681
Accounting income available for distribution					
- Relating to capital gains		(17,943,666)	31,042,718	-	11,263,049
- Excluding capital gains		2,213,819	(1,534,997)	-	384,624
		(15,729,847)	29,507,721	-	11,647,673

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chief Executive Officer

For First Capital Investments Limited
(Management Company)

Chief Finance Officer


Director

First Capital Mutual Fund
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the half year and quarter ended December 31, 2021

	Half year ended		Quarter year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	-----Rupees-----		-----Rupees-----	
Accounting (loss) / income available for distribution	(15,729,847)	30,759,001	(7,005,583)	11,684,505
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(15,729,847)</u>	<u>30,759,001</u>	<u>(7,005,583)</u>	<u>11,684,505</u>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

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For First Capital Investments Limited
(Management Company)


Chief Executive Officer


Chief Finance Officer


Director

First Capital Mutual Fund
Condensed Interim Cash Flow Statement (Unaudited)
For the half year ended December 31, 2021

		Half year ended	
		31 December 2021	31 December 2020
		-----Rupees-----	
Cash flows from operating activities	Note		
Net (loss) / income for the period before taxation		(15,729,847)	30,759,001
Adjustments for non-cash items:			
Profit on Bank Deposits		(516,785)	(403,212)
Dividend Income		(4,005,301)	(1,729,623)
Capital Loss of sale of Investments		(221,390)	(12,767,355)
Net unrealized diminution / (appreciation) on re-measurement of investments - at fair value through profit or loss		18,165,056	(18,275,363)
		13,421,580	(33,175,553)
Net outflows before working capital changes		(2,308,267)	(2,416,552)
Decrease / (increase) in assets:			
Investments - net		(120,280)	33,416,885
Advances, deposits, prepayments and other receivables		(169,568)	(3,642,554)
		(289,848)	29,774,331
Increase / (decrease) in liabilities:			
Payable to First Capital Investment Limited - Management Company		345,021	11,843
Payable to the Central Depository Company - Trustee		(4,019)	4,464
Payable to the Securities and Exchange Commission of Pakistan		(12,449)	(9,989)
Unclaimed dividend		(1,429)	-
Accrued and other liabilities		(1,013,112)	(226,851)
		(685,988)	(220,533)
Dividend & Profit Received		4,488,516	1,993,205
Net cash generated from operating activities		1,204,413	29,130,451
Cash flow from financing activities			
Payments received against issuance of units		1,020,010	10,000,000
Payments made against redemption of units		(40,515)	(14,648,312)
Cash distribution		(4,737,695)	(2,500,573)
Net cash used in from financing activities		(3,758,200)	(7,148,885)
Net (Decrease) / increase in cash and cash equivalents		(2,553,787)	21,981,566
Cash and cash equivalents at beginning of the period		19,865,176	475,124
Cash and cash equivalents at end of the period	6	17,311,389	22,456,690

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

For First Capital Investments Limited
(Management Company)

Chief Executive Officer

Chief Finance Officer

Director

First Capital Mutual Fund

Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)

For the half year ended December 31, 2021

	Six months period ended					
	31 December 2021			31 December 2020		
	Capital Value	Undistribut d Income (loss)	Net Assets	Capital Value	Undistributed Income (loss)	Net Assets
	-----Rupees-----			-----Rupees-----		
Net assets at the beginning of the period	128,155,449	(2,920,927)	125,234,522	135,251,612	(29,724,786)	105,526,826
Issuance of 135,849 (2020: 1,122,179) units	1,020,000	-	1,020,009	10,000,000	-	10,000,000
Redemption of 5,399 (2020: 271,390) units	(40,515)	-	(40,515)	(13,397,033)	(1,251,280)	(14,648,313)
Dividend Distribution	-	-	-	-	(2,500,573)	(2,500,573)
Total comprehensive (loss) / income for the period	-	(15,729,847)	(15,729,847)	-	30,759,001	30,759,001
Net assets at the end of the period	129,134,943	(18,650,774)	110,484,169	131,854,579	(2,717,638)	129,136,941
Accumulated loss brought forward						
- Realised (loss) / gain		(19,396,093)			(26,742,935)	
- Unrealised loss		16,475,166			(2,981,851)	
		(2,920,927)			(29,724,786)	
Dividend Distribution		-			(2,500,573)	
Accounting income available for distribution						
- Relating to capital gains		(17,943,666)			31,042,718	
- Excluding capital gains		2,213,819			(1,534,997)	
		(15,729,847)			29,507,721	
Accumulated loss carried forward		(18,650,774)			(2,717,638)	
Accumulated loss carried forward comprised of						
- Realised (loss) / gain		(485,718)			(20,993,001)	
- Unrealised gain / (loss)		(18,165,056)			18,275,363	
		(18,650,774)			(2,717,638)	

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

For First Capital Investments Limited
(Management Company)

Chief Executive Officer

Chief Finance Officer

Director

1 Legal status and nature of business

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").

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 96-B/1 Lower Ground Floor, MLM - Alam Road Gulberg - III, Lahore, Pakistan. The Fund is an Open end equity scheme and offers units for public subscription on a continuous basis. The units are transferable and can be redeemed by submitting them into the Fund.

The core objective of the Fund, is to provide investor long term capital growth from an actively managed portfolio invested preliminary in listed companies in Pakistan.

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 was previously listed on Lahore Stock Exchange (LSE) of Pakistan. However due to integration of Karachi, Lahore and Islamabad Stock Exchanges into Pakistan Stock Exchange (PSX) with effect from 11 January 2016 the Fund is now listed on PSX.

Pakistan Credit Rating Agency Limited ("PACRA") has assigned management quality rating of AM4++ to the Management Company on April 05, 2021. 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. PACRA has assigned '3 Star' (short term) and '2 Star' (long term) rating to the Fund on February 04, 2022.

The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted Collective Investment Scheme Trust Deed to Registrar (acting under Sindh Trusts Act, 2020).

2 Basis of Presentation

2.1 Statement of compliance

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017 (the Act) on 30 May 2017. However, the SECP vide its press release dated 20 July 2017 allowed Companies whose financial year closes on or before 30 June 2017 to prepare the financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. The Act does not impact the financial statements of the Fund for the year ended June 30, 2017.

First Capital Mutual Fund**Notes to the Condensed Interim Financial Information (Unaudited)****For the half year ended December 31, 2021**

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2021.

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

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at December 30, 2021 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2021, whereas, the comparatives in condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the condensed interim financial statements of the Fund for the quarter ended December 30, 2021.

2.2 Functional and presentational 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 judgements

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 June 30, 2021.

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 June 30, 2021.

5 Financial risk management

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

	Note	(Unaudited) 31 December 2021	(Audited) 30 June 2021
		-----Rupees-----	
6 Balances with banks			
Cash at bank			
- saving accounts	6.1	17,311,389	19,865,176
- current account			
		<u>17,311,389</u>	<u>19,865,176</u>

- 6.1 The rate of return on these saving accounts is 5.50% to 7.25% (June 30, 2021: 5.49% to 5.50%) per annum.

First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended December 31, 2021

	Note	(Unaudited) 31 December 2021	(Audited) 30 June 2021
		Rupees	
7 Investments			
At fair value through profit or loss			
Listed equity securities	7.1	110,432,874	128,256,260
		<u>110,432,874</u>	<u>128,256,260</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						As at December 31 30, 2021 (Rupees)			(%) Percentage in relation to		
	As at July 01, 2021	Purchases during the period	Bonus shares issued during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at December 31, 2021	Carrying value	Market value	Appreciation/(Diminution)	Net assets of the Fund	Market value of total investments	Paid up capital of investee company
Inv. Bank/Inv. Companies/Securities Co.												
Escorts Investment Bank Limited	96,659	-	-	-	46,500	50,159	506,104	462,968	(43,137)	0.43	0.43	0.004
First Capital Equities Limited	1,005,395	-	-	-	-	1,005,395	9,541,199	9,541,199	-	8.88	8.88	0.071
First National Equities Limited	-	50,000	-	-	-	50,000	507,730	468,000	(39,730)	0.44	0.44	0.001
	<u>1,102,054</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>46,500</u>	<u>1,105,554</u>	<u>10,555,033</u>	<u>10,472,166</u>	<u>(82,867)</u>	<u>9.75</u>	<u>9.75</u>	<u>0.076</u>
Banks												
Bank Alfalah Limited	56,500	-	-	-	16,500	40,000	1,287,200	1,384,000	96,800	1.29	1.29	-
Bank Al Habib Limited	10,000	-	-	-	10,000	-	-	-	-	-	-	-
The Bank of Punjab	50,000	-	-	-	25,000	25,000	210,000	211,750	1,750	0.20	0.20	-
Faysal Bank Limited	30,812	-	-	-	-	30,812	522,880	708,676	185,796	0.66	0.66	-
Habib Bank Limited	45,300	-	-	-	-	45,300	5,543,361	5,282,886	(260,475)	4.91	4.92	-
JS Bank Limited	40,500	-	-	-	40,500	-	-	-	-	-	-	-
MCB Bank Limited	30,000	-	-	-	-	30,000	4,794,900	4,600,500	(194,400)	4.28	4.28	-
Meezan Bank Limited	15,000	-	2,250	-	-	17,250	1,731,150	2,313,398	582,248	2.15	2.15	-
Silkbank Limited	-	370,000	-	-	-	370,000	571,262	536,500	(34,762)	0.50	0.50	0.003
United Bank Limited	37,000	-	-	-	-	37,000	4,521,400	5,053,460	532,060	4.70	4.70	-
	<u>315,112</u>	<u>370,000</u>	<u>2,250</u>	<u>-</u>	<u>92,000</u>	<u>595,362</u>	<u>19,182,153</u>	<u>20,091,170</u>	<u>909,017</u>	<u>18.69</u>	<u>18.70</u>	<u>0.003</u>
Insurance												
The United Insurance Company of Pakistan Limited	1,894	-	-	-	-	1,894	15,152	15,152	-	0.01	0.01	-
	<u>1,894</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,894</u>	<u>15,152</u>	<u>15,152</u>	<u>-</u>	<u>0.01</u>	<u>0.01</u>	<u>-</u>
Textile Composite												
Nishat (Chunain) Limited	30,000	-	-	-	-	30,000	1,508,700	1,366,500	(142,200)	1.27	1.27	0.001
Nishat Mills Limited	30,000	-	-	-	-	30,000	2,799,000	2,387,400	(411,600)	2.22	2.22	0.001
	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>4,307,700</u>	<u>3,753,900</u>	<u>(553,800)</u>	<u>3.49</u>	<u>3.49</u>	<u>0.002</u>
Cement												
Cherat Cement Company Limited	5,000	-	-	-	1,200	3,800	674,044	563,578	(110,466)	0.52	0.52	-
D.G. Khan Cement Company Limited	20,000	-	-	-	5,000	15,000	1,768,800	1,244,100	(524,700)	1.16	1.16	-

Name of Investee company	Number of shares					As at December 31 30, 2021 (Rupees)			(%) Percentage in relation to			
	As at July 01, 2021	Purchases during the period	Bonus shares issued during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at December 31, 2021	Carrying value	Market value	Appreciation/(Diminution)	Net assets of the Fund	Market value of total investments	Paid up capital of investee company
Pecto Cement Limited	10,000	-	-	-	2,500	7,500	249,000	202,275	(46,725)	0.19	0.19	0.015
Flying Cement Company Limited	30,000	-	1,125	-	7,500	23,625	478,800	296,021	(182,779)	0.28	0.28	-
Javedan Corporation Limited	15,000	-	2,300	-	17,300	-	-	-	-	-	-	-
Kohat Cement Company Limited	5,000	-	-	-	1,200	3,800	784,662	716,680	(67,982)	0.67	0.67	-
Lucky Cement Limited	2,000	-	-	-	500	1,500	1,295,160	1,018,920	(276,240)	0.95	0.95	-
Maple Leaf Cement Factory Limited	50,250	-	-	-	12,500	37,750	1,773,495	1,357,113	(416,382)	1.26	1.26	0.002
Pioneer Cement Limited	5,000	-	-	-	5,000	-	-	-	-	-	-	-
Power Cement Limited	150,000	-	-	-	37,500	112,500	1,081,125	715,500	(365,625)	0.67	0.67	0.001
	292,250	-	3,425	-	90,200	205,475	8,105,086	6,114,187	(1,990,899)	5.70	5.70	0.018
Refinery												
Attock Refinery Limited	2,500	-	-	-	-	2,500	641,125	360,075	(281,050)	0.33	0.34	-
Cnergyco PK Limited	70,000	-	-	-	-	70,000	812,700	476,700	(336,000)	0.44	0.44	0.001
National Refinery Limited	3,000	-	-	-	-	3,000	1,569,570	853,770	(715,800)	0.79	0.79	-
Pakistan Refinery Limited	60,000	-	-	-	-	60,000	1,476,600	865,200	(611,400)	0.80	0.81	0.008
	135,500	-	-	-	-	135,500	4,499,995	2,555,745	(1,944,250)	2.36	2.38	0.009
Power Generation & Distribution												
The Hub Power Company Limited	15,693	-	-	-	-	15,693	1,250,261	1,119,539	(130,722)	1.04	1.04	-
Kot Addu Power Company Limited	60,000	-	-	-	-	60,000	2,661,000	1,941,000	(720,000)	1.81	1.81	0.001
	75,693	-	-	-	-	75,693	3,911,261	3,060,539	(850,722)	2.85	2.85	0.001
Oil & Gas Marketing Companies												
Hascol Petroleum Limited	140,366	-	-	-	139,500	866	7,733	5,378	(2,355)	0.01	0.01	-
Hitech Lubricants Limited	10,000	-	-	-	10,000	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	52,064	-	-	-	-	52,064	11,675,352	9,469,921	(2,205,431)	8.81	8.81	0.001
Sui Northern Gas Pipelines Limited	50,000	-	-	-	-	50,000	2,429,000	1,672,500	(756,500)	1.56	1.56	0.005
Sui Southern Gas Company Limited	-	25,000	-	-	-	25,000	305,985	232,250	(73,735)	0.22	0.22	-
	252,430	25,000	-	-	149,500	127,930	14,418,070	11,380,049	(3,038,021)	10.60	10.60	0.006
Oil & Gas Exploration Companies												
Mari Petroleum Company Limited	1,685	-	-	-	1,580	105	158,537	172,040	13,503	0.16	0.16	-
Oil & Gas Development Company Limited	70,500	-	-	-	5,000	65,500	6,224,465	5,646,100	(578,365)	5.25	5.25	-
Pakistan Oilfields Limited	6,000	-	-	-	-	6,000	2,363,160	2,145,720	(217,440)	2.00	2.00	-
Pakistan Petroleum Limited	62,000	-	-	-	5,000	57,000	4,949,310	4,505,280	(444,030)	4.19	4.19	-
	140,185	-	-	-	11,580	128,605	13,695,472	12,469,140	(1,226,332)	11.60	11.60	-
Industrial Engineering												
Amreli Steels Limited	15,000	-	-	-	-	15,000	651,600	671,400	19,800	0.62	0.62	-
International Steels Limited	15,000	-	-	-	-	15,000	1,401,150	991,800	(409,350)	0.92	0.92	0.001
Ittefaq Iron Industries Limited	10,000	10,000	-	-	-	20,000	353,500	239,400	(114,100)	0.22	0.22	0.001
Mughal Iron And Steel Industries Ltd	11,600	-	915	-	5,500	7,015	636,840	730,332	93,492	0.68	0.68	-
	51,600	10,000	915	-	5,500	57,015	3,043,090	2,632,932	(410,158)	2.44	2.44	0.002
Automobile Assembler												
Ghandhara Industries Limited	5,000	-	-	-	-	5,000	1,395,100	883,750	(511,350)	0.82	0.82	0.002
Sazgar Engineering Works Limited	19,500	-	5,850	-	5,000	20,350	2,633,134	1,980,462	(652,672)	1.84	1.84	0.004
	24,500	-	5,850	-	5,000	25,350	4,028,234	2,864,212	(1,164,022)	2.66	2.66	0.006

Name of Investee company	Number of shares						As at December 31 30, 2021 (Rupees)			(%) Percentage in relation to		
	As at July 01, 2021	Purchases during the period	Bonus shares issued during the period	Right shares purchased/subscribed during the period	Sales during the period	As at December 31, 2021	Carrying value	Market value	Appreciation/(Diminution)	Net assets of the Fund	Market value of total investments	Paid up capital of investee company
Miscellaneous												
Tpl Properties Limited	50,000	20,000	7,000	-	30,000	47,000	1,544,000	1,534,550	(9,450)	1.43	1.43	0.033
	50,000	20,000	7,000	-	30,000	47,000	1,544,000	1,534,550	(9,450)	1.43	1.43	0.033
Cables & Electricals Goods												
Pak Elektron Limited	5,000	-	-	-	5,000	-	-	-	-	-	-	-
Tpl Corp Limited	50,000	40,000	-	-	20,000	70,000	1,526,731	1,160,600	(366,131)	1.08	1.08	0.003
Waves Singer Pakistan Limited	15,000	-	-	-	0	15,000	408,900	233,850	(175,050)	0.22	0.22	0.001
	70,000	40,000	-	-	25,000	85,000	1,935,631	1,394,450	(541,181)	1.30	1.30	0.004
Glass And Ceramics												
Tariq Glass Industries Ltd	5,000	-	-	-	-	5,000	531,900	542,600	10,700	0.50	0.50	-
	5,000	-	-	-	-	5,000	531,900	542,600	10,700	0.50	0.50	-
Technology & Communications												
Air Link Communication Limited	-	5,000	375	-	-	5,375	369,173	312,073	(57,100)	0.29	0.29	0.001
Avanceon Limited	40,000	-	-	-	30,000	10,000	916,800	911,200	(5,600)	0.85	0.85	-
Hum Network Limited	-	130,000	-	-	-	130,000	760,317	839,800	79,483	0.78	0.78	-
Netsol Technologies Limited	2,000	-	-	-	-	2,000	339,960	187,720	(152,240)	0.17	0.17	-
Octopus Digital Limited	-	1,288	712	-	2,000	-	-	-	-	-	-	-
Telecard Limited	-	25,000	1,250	-	-	26,250	577,320	416,063	(161,257)	0.39	0.39	0.003
TRG Pakistan Limited - Class 'A'	35,000	40,000	-	-	-	75,000	12,925,734	8,842,500	(4,083,234)	8.23	8.23	0.001
Worldcall Telecom Limited	100,000	-	-	-	50,000	50,000	198,000	104,000	(94,000)	0.10	0.10	-
	177,000	201,288	2,337	-	82,000	298,625	16,087,304	11,613,356	(4,473,948)	10.81	10.81	0.005
Fertilizer												
Engro Fertilizers Limited	20,000	-	-	-	-	20,000	1,405,400	1,521,800	116,400	1.42	1.42	-
Engro Corporation Limited	20,000	2,800	-	-	-	22,800	6,718,872	6,211,176	(507,696)	5.78	5.78	-
Fauji Fertilizer Bin Qasim Limited	30,000	-	-	-	30,000	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	10,000	-	-	-	-	10,000	1,061,000	1,002,600	(58,400)	0.93	0.93	-
	80,000	2,800	-	-	30,000	52,800	9,185,272	8,735,576	(449,696)	8.13	8.13	-
Pharmaceuticals												
Citi Pharma Limited	-	10,000	1,000	-	-	11,000	531,985	393,360	(138,625)	0.37	0.37	0.003
Ferozsons Laboratories Limited	3,600	-	-	-	-	3,600	1,270,152	1,172,988	(97,164)	1.09	1.09	0.001
GlaxoSmithKline Pakistan Limited	3,000	-	-	-	-	3,000	497,010	409,530	(87,480)	0.38	0.38	0.001
Highnoon Laboratories Limited	49	-	-	-	-	49	29,400	30,765	1,365	0.03	0.03	-
The Searle Company Limited	6,223	-	1,866	-	-	8,089	1,509,824	1,162,551	(347,273)	1.08	1.08	-
	12,872	10,000	2,866	-	-	25,738	3,838,371	3,169,194	(669,177)	2.95	2.95	0.005
Chemicals												
Nimir Industrial Chemicals Limited	-	5,000	-	-	-	5,000	650,000	611,650	(38,350)	0.57	0.57	-
	-	5,000	-	-	-	5,000	650,000	611,650	(38,350)	0.57	0.57	-
Paper And Board												
Packages Limited	1,750	-	-	-	-	1,750	954,100	870,223	(83,877)	0.81	0.81	-
Roshan Packages Limited	5,000	-	-	-	-	5,000	164,700	97,950	(66,750)	0.09	0.09	0.001
	6,750	-	-	-	-	6,750	1,118,800	968,173	(150,627)	0.09	0.09	0.001

Name of Investee company	Number of shares						As at December 31 30, 2021 (Rupees)			(%) Percentage in relation to		
	As at July 01, 2021	Purchases during the period	Bonus shares issued during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at December 31, 2021	Carrying value	Market value	Appreciation/(Diminution)	Net assets of the Fund	Market value of total investments	Paid up capital of investee company
Textile Spinning And Weaving												
Kohinoor Spinning Mills Limited	100,000	45,000	-	-	75,000	70,000	377,850	285,600	(92,250)	0.27	0.27	0.044
G3 Technologies Limited	-	25,000	-	371,500	25,000	371,500	3,715,000	3,681,565	(33,435)	3.42	3.43	0.236
Yousaf Weaving Mills Limited	50,000	-	-	-	50,000	-	-	-	-	-	-	-
	150,000	70,000	-	371,500	150,000	441,500	4,092,850	3,967,165	(125,685)	3.69	3.70	0.280
Foods & Personal Care Products												
Al Shaheer Corporation Limited	50,000	-	-	-	-	50,000	996,500	674,000	(322,500)	0.63	0.63	0.003
Fauji Foods Limited	35,000	-	-	34,019	34,019	35,000	632,100	321,650	(310,450)	0.30	0.30	-
Quice Food Industries Limited	50,000	-	-	-	50,000	-	-	-	-	-	-	-
Tacet Corporation Limited	170	10,000	-	-	-	10,170	518,388	423,987	(94,401)	0.39	0.39	0.001
Unity Foods Limited	30,000	10,000	-	-	-	40,000	1,705,600	1,058,800	(646,800)	0.98	0.99	-
Unity Foods Limited (LOR)	-	-	-	8,048	-	8,048	0	8,531	8,531	0.01	0.01	-
	165,170	20,000	-	42,067	84,019	143,218	3,852,588	2,486,968	- 1,365,620	2.31	2.32	0.004
Total as at December 31, 2021	3,168,010	824,088	24,643	413,567	801,299	3,629,009	128,597,962	110,432,874	(18,165,056)			
Total as at June 30, 2021	3,666,826	2,402,133	10,604	-	2,911,553	3,168,010	111,781,099	128,256,260	16,475,161			

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 CIDC 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 0.427 million (June 30, 2021: Rs 0.440 million).

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First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended December 31, 2021

		(Unaudited) 31 December 2021	(Audited) 30 June 2021
	Note	-----Rupees-----	
8 Dividend and profit receivable			
Dividend receivable		72,810	45,224
Profit accrued on bank deposits		91,600	85,616
		<u>164,410</u>	<u>130,840</u>
9 Advances, deposits, prepayments and other receivables			
Security deposit with the CDC		237,500	237,500
Advance Tax deducted		1,852,330	1,825,162
Prepayments		151,815	9,455
Other receivable from the Management Company		211,316	211,276
		<u>2,452,961</u>	<u>2,283,393</u>
10 Remuneration payable to First Capital Investment Limited - Management Company			
Remuneration of Management Company	10.1	573,414	221,857
Punjab Sales tax on Remuneration of Management Company	10.2	91,746	35,497
Federal Excise Duty on Remuneration of Management Company	10.3	3,713,448	3,713,448
		<u>4,378,608</u>	<u>3,970,802</u>

- 10.1 Under the provisions of the 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 two percent per annum of the average annual net assets of the Fund. Management Company has charged remuneration at 2% per annum based on the daily net assets of the Fund during the year ended 30 June 2021.
- 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 01 July 2012.
- 10.3 The status of Federal Excise Duty (FED) is same as disclosed in annual financial statements for the year ended 30 June 2021. Had the said provision for FED not been maintained, the net asset value of the Fund as at December 30, 2021 would have been higher by Rs. 0.2398 (June 30, 2021: Rs. 0.2419) per unit.

		(Unaudited) 31 December 2021	(Audited) 30 June 2021
		-----Rupees-----	
11 Accrued and other liabilities			
Auditors' remuneration payable		630,694	756,100
Payable against redemption of Units		4,105	
Annual listing fee payable		134,863	123,773
Withholding and capital gain tax payable		427,012	1,391,085
Zakat Payable		113,186	113,186
Rating Fee Payable		212,126	140,361
Transaction Charges Payable		658	
Other payable		6,948	18,198
		<u>1,529,592</u>	<u>2,542,703</u>

12 Dividend payable

This represents dividend declared on June 29, 2021 and paid to unit holders during the period.

13 Unclaimed dividend

This mainly includes an amount of Rs. 10.078 million (2021: Rs. 10.078 million) not paid to Salman Taseer (Late) due to pending adjudication for issuance of succession certificate before the Honorable Lahore High Court. Until the Honorable Court reaches a verdict in relation to his succession, the dividend can not be claimed by any party and the transmission of units can not be performed.

14 Contingencies and commitments

There were no contingencies or commitments outstanding as at December 31, 2021 (June 30, 2021: Nil)

15 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 3.83% per annum. Total expense ratio (excluding government levies) is 3.38% per annum.

16 Taxation

The income of the Fund is exempt from income tax under 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 realized or unrealized, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. 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 to the Income Tax Ordinance, 2001. Accordingly, no provision in respect of taxation has been made in these condensed interim financial statements.

17 Earnings per unit

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

18 Transactions with connected persons / related parties

Connected persons include the Management Company, 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 Directors and Key Management Personnel of the Management Company as at December 31, 2021.

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

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First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended December 31, 2021

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

		Half year ended		
	Note	Percentage of Unit Holding	31 December 2021	31 December 2020
			-----Rupees-----	
FCIL - Management Company		68.63%		
Remuneration of the Management Company	18.1.1		1,204,124	1,147,374
Punjab Sales Tax on Remuneration of the Management Company			192,660	183,580
Accounting and operational charges			60,206	57,369
Dividend Paid			3,324,718	1,407,454
Issuance of 133,364 Units (2020: 1,426,028) units			1,000,000	10,000,000
Redemption of Nil units (2020: 2,109,090) units			-	14,600,000
CDC - Trustee				
Remuneration of the Trustee			120,412	114,737
Sindh Sales Tax on Remuneration of the Trustee			15,654	14,916
Settlement Charges inclusive of Sindh Sales Tax			11,027	15,533
Amortization of CDS			-	-
First Capital Equities Limited - Group Company		0.01%		
Dividend Paid			594	263
First Capital Securities Corporation - Group Company		6.04%		
Dividend Paid			310,107	137,004
Key Management Personnel of the Management Company		0.02%		
Dividend Paid			818	362

18.1.1 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.

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First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended December 31, 2021

	Percentage of Unit Holding	(Un audited) December 31 2021	(Audited) June 30 2021
		-----Rupees-----	
18.2 Balance outstanding as at the period end are as follows:			
FCIL - Management Company	68.63%		
Remuneration payable to the Management Company		4,378,608	3,970,802
Other Payables		58,569	121,354
Units Held: 10,627,546 (June 30, 2021: 10,494,182) Units		75,828,603	85,594,750
Dividend payable		-	3,324,718
CDC - Trustee			
Remuneration payable inclusive of taxes thereon		21,121	25,140
Security deposit		237,500	237,500
Prepaid Fee		142,360	-
First Capital Equities Limited - Group Company	0.01%		
Units Held: 1,793 (June 30, 2021: 1,793) Units		12,794	14,626
Dividend payable		-	594
First Capital Securities Corporation - Group Company	6.04%		
Units Held: 935,466 (June 30, 2021: 935,466) Units		6,674,646	7,630,038
Dividend payable		-	310,107
Salman Taseer (Late)- Holder of more than 10%	13.53%		
Units Held: 2,095,028 (June 30, 2021: 2,095,028) Units		14,948,232	17,087,884
Dividend Payable		10,078,453	10,078,453
Key Management Personnel of the Management Company	0.02%		
Units held: 2,467 units (June 30, 2021: 2,363 units)		17,602	19,271
Dividend Payable		-	584

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First Capital Mutual Fund
Notes to the Condensed Interim Financial Information (Unaudited)
For the half year ended December 31, 2021

20 General

Figures have been rounded off to the nearest Rupee.

21 Date of authorization

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 24, 2022.

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For First Capital Investments Limited
(Management Company)


Chief Executive Officer


Chief Finance Officer


Director