

FIRST NATIONAL EQUITIES LIMITED

第一国家股权有限

2022

ANNUAL REPORT

報度告



(Audited) For the Year End
June 30, 2022.

于 2022 年 6 月 30 日的年度计
www.fnetrade.com

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VISION

Connecting people,

ideas and capital,
we will be our clients'

First Choice

for achieving their
financial aspirations"



MISSION

“We will put interest of our stakeholders above our own; and measure our success by how much we help them in achieving theirs”.

Company Information

Board of Directors:

1. Mr. Adnan Amjad Khan	Director/Chairman
2. Mr. Ali A. Malik	Director
3. Mr. Amir Shehzad	Director
4. Mr. Abid Yousaf	Director
5. Mr. Muhammad Bilal	Director
6. Ms. Ayesha Anam	Director
7. Mr. Zeeshan Tahir	Director

Legal Advisor:

Lashari & Co. Advocates

Shares Registrar:

CorpTec Associates (Pvt.) Limited
503-E, Johar Town, Lahore
Tel: 92-042-35170336-7
Fax: 92-042-35170338

Chief Executive Officer:

Mr. Ali A. Malik

Bankers:

Summit Bank Limited
Bank Alfalah Limited
Habib Metropolitan Bank Limited
The Bank of Punjab Limited
Allied Bank Limited
Bank Al Habib Limited

Audit Committee:

1. Mr. Muhammad Bilal	Chairman
2. Mr. Abid Yousaf	Member
3. Mr. Adnan Amjad Khan	Member
4. Mr. Arslan Tahir	Secretary

HR & Remuneration Committee:

1. Mr. Zeeshan Tahir	Chairman
2. Mr. Ali A. Malik	Member
3. Ms. Ayesha Anam	Member
4. Mr. Arslan Tahir	Secretary

Principal Office:

FNE House, 179-B, Abu Bakar Block,
New Garden Town,
Lahore
Tel: 042-35843721-27
Fax: 042-35843730

Chief Financial Officer:

Ms. Ammara Zakriya

Registered Office:

Room No. 1007, 10th Floor,
New Stock Exchange Building,
Karachi
Tel: 021-32472119, 32472014
Fax: 021- 32472332

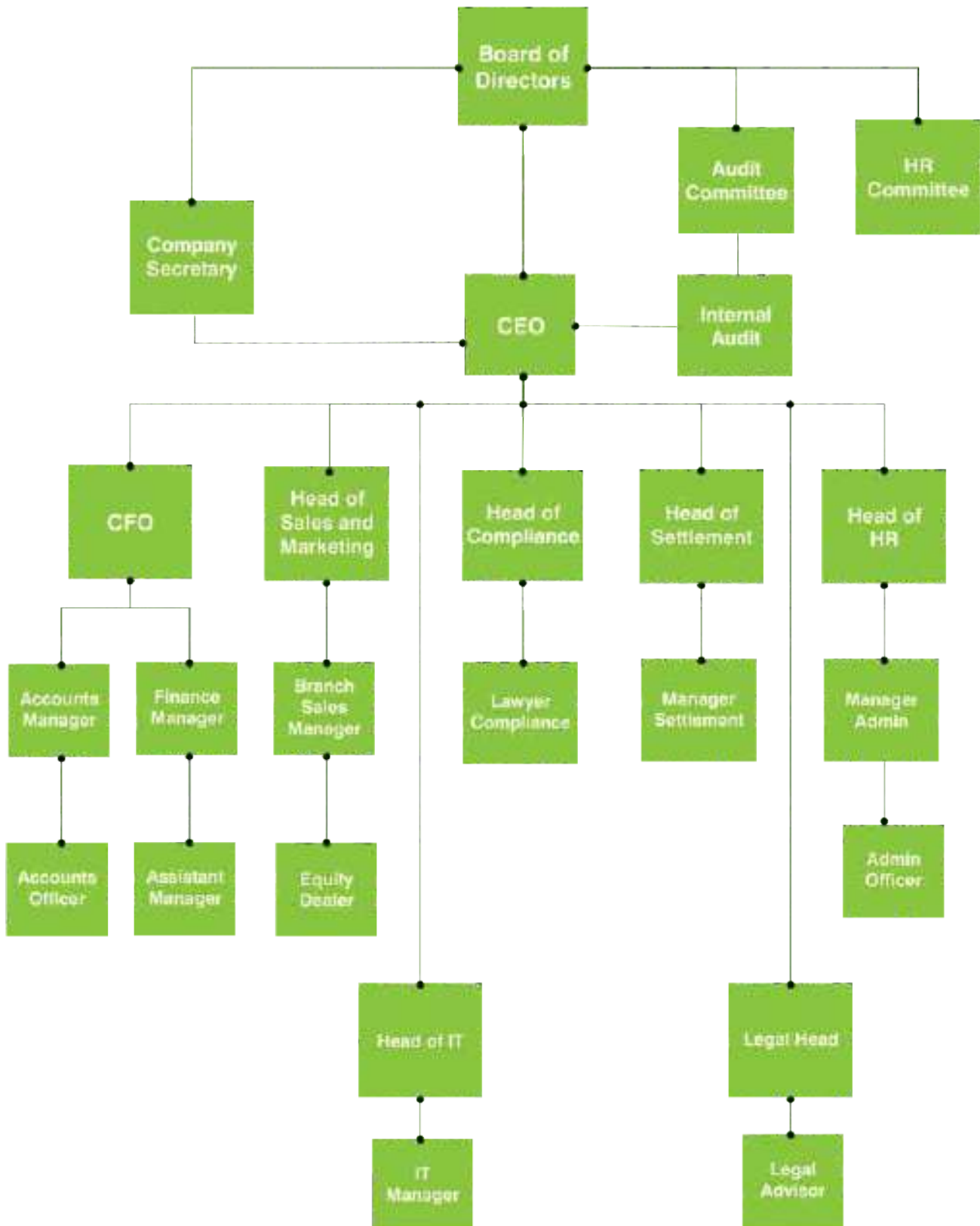
Company Secretary

Mr. Arslan Tahir

Auditors:

Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants Lahore.

Organization Chart



Financial Statistical Summary (2017-2022)

OPERATING RESULTS

Operating Revenues	58,302	105,660	33,745	21,317	25,010	66,185
Gain on sale of investments	(56,534)	66,467	(1,042)	(7,486)	(103,523)	162,890
Unrealised Gain / (Loss) on investments	(4,414)	9,876	(3,074)	(7,084)	(686)	(53,231)
Gross Revenue	(2,646)	182,003	29,629	6,747	(79,199)	175,844
Administrative Expenses	(83,372)	(122,627)	(60,356)	(48,857)	(41,248)	(151,075)
Finance Cost	(47,287)	(26,617)	(22,666)	(50,111)	(24,986)	(179,245)
Other Expenses	(7,997)	(8,520)	(4,746)	(2,720)	(5,586)	(5,790)
Other income	123,324	89,008	76,747	10,240	(4,471)	302,276
	(17,978)	113,247	18,608	(84,701)	(155,490)	142,010
Change in fair value of investment	181,122	178,494	72,054	637,050	1,450	43
Share of (loss)/profit from associates - net of tax	205	(597)	1,672	2,370		-
Profit / (Loss) before Tax	163,348	291,144	92,334	554,719	(154,040)	142,053
Taxation (expense) / income	(48,528)	(106,787)	21,547	(56,815)	(20,721)	24,901
Profit / (Loss) after Tax	114,820	184,357	113,881	497,904	(174,761)	166,954

BALANCE SHEET SUMMARY

Non-Current Asset

Property and equipment	37,264	37,346	37,345	38,074	39,074	39,998
Capital work in progress	-	-	-	-	-	33,340
Intangible assets	71,677	85,277	85,277	85,277	64,415	41,915
Other Receivables	73,743	123,321	131,071	113,010	155,513	142,579
Investment in associate	76,639	76,435	77,032	75,360	72,990	71,540
Long term investments	48,798	-	-	-	-	-
Strategic investment	1,069,221	888,099	709,605	637,550	-	-
Investments - available for sale	-	-	-	14,056	21,354	41,163
Long term deposits	1,602	1,602	1,600	2,250	2,996	2,496
Deferred taxation	-	10,498	116,588	94,255	150,785	164,028
Total Non-CURRENT Assets	1,378,944	1,222,578	1,158,518	1,059,832	507,127	537,059

Current assets

Short term investments	38,699	173,434	56,224	21,746	16,620	373,049
Trade debts	169,899	108,352	129,361	102,612	95,565	53,270
Loans & advances	1,953	587	2,078	1,339	4,324	41,629
Trade deposits & short term prepayments	42,771	114,598	10,509	25,055	11,424	50,338
Other Receivables	55,179	112,725	149,514	144,737	154,559	189,013
Advance tax	24,811	27,604	25,792	26,340	24,856	27,020
Cash and bank balance	223,177	230,778	190,181	180,704	260,197	122,350
Total Current Assets	556,489	768,078	563,659	502,533	567,545	856,669

CURRENT LIABILITIES

Trade & other payables	249,318	337,963	290,190	236,289	281,644	264,159
Unclaimed Dividend	1,399	1,399	1,525	1,525	9,676	-
Current maturity of long term financing	24,704	22,000	3,194	33,991	29,435	32,941
Provident fund payable	530	-	-	-	-	-
Total Current Liabilities	275,951	361,362	294,909	271,805	320,755	297,100

Net Current Assets

	280,538	406,716	268,750	230,728	246,790	559,569
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Non-current liabilities

Long Term Borrowings	197,172	277,875	279,930	238,426	208,856	194,113
Loan from Sponsors	155,175	155,175	155,175	155,175	155,175	647,743
Defferred liabilities	31,603	15,403	13,866	12,572	10,925	9,360
Other Loans	-	-	-	-	-	54,721
Total Non-Current Liabilities	383,880	448,453	448,971	406,173	374,956	905,937

Net Assets

	1,275,602	1,180,841	978,297	884,387	378,961	190,691
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REPRESENTED BY

Issued, subscribed and paid-up capital	2,672,863	2,672,863	2,672,863	2,672,863	2,672,863	1,418,098
Discount on issue of Right Shares	(1,508,754)	(1,508,754)	(1,508,754)	(1,508,754)	(1,508,754)	(630,419)
Share Deposit Money	-	-	-	17,003	-	-
Accumulated Profit/(losses)	114,542	(542)	(184,899)	(298,779)	(796,683)	(621,922)
Unrealized gain/(loss) on remeasurement of investments classified as available for sale	(3,049)	17,274	(913)	2,054	11,535	24,934
Total Equity	1,275,602	1,180,841	978,297	884,387	378,961	190,691

Vertical Analysis

	2022	2021	2020	2019	2018	2017	2022	2021	2020	2019	2018	2017
	(Rupees)						(Percentage)					
Profit and Loss Account												
Operating Revenues	58,302	105,660	33,745	21,317	25,010	66,185	-2203%	58%	114%	316%	-32%	38%
Gain on sale of investments	(56,534)	66,467	(1,042)	(7,486)	(103,523)	162,890	2136%	37%	-4%	-111%	131%	93%
Unrealised Gain / (Loss) on investments	(4,414)	9,876	(3,074)	(7,084)	(686)	(53,231)	167%	5%	-10%	-10%	1%	-30%
Gross Revenue	(2,646)	182,003	29,629	6,747	(79,199)	175,844	99%	100%	100%	100%	100%	99%
Administrative Expenses	(83,372)	(122,627)	(60,356)	(48,857)	(41,248)	(151,075)	3150%	-67%	-204%	-724%	52%	-86%
Finance Cost	(47,287)	(26,617)	(22,666)	(50,111)	(24,986)	(179,245)	1787%	-15%	-76%	-743%	32%	-102%
Other Expenses	(7,997)	(8,520)	(4,746)	(2,720)	(5,586)	(5,790)	302%	-5%	-16%	-40%	7%	-3%
Other income	123,324	89,008	76,747	10,240	(4,471)	302,276	-4660%	49%	259%	152%	6%	172%
	(17,978)	113,248	18,608	(84,701)	(155,490)	142,010	579%	-38%	-37%	-1355%	96%	-19%
Change in fair value of investment	181,122	178,494	72,054	637,050	1,450	43	-6844%	98%	243%	9442%	-2%	0%
Share of (loss)/profit from associates - net of tax	205	(597)	1,672	2,370	-	-	-8%	0%	6%	35%	0%	0%
Profit / (Loss) before Tax	163,348	291,145	92,334	554,719	(154,040)	142,053	678%	62%	63%	-1255%	196%	80%
Taxation (expense) / income	(48,528)	(106,787)	21,547	(56,815)	(20,721)	24,901	1834%	-59%	73%	-842%	26%	14%
Profit / (Loss) after Tax	114,820	184,358	113,881	497,904	(174,761)	166,954	4339%	101%	384%	7380%	221%	95%
BALANCE SHEET SUMMARY												
Assets												
Property and equipment	37,264	37,346	37,345	38,074	39,074	39,998	2%	2%	2%	2%	4%	3%
Capital work in progress	-	-	-	-	-	33,340	0%	0%	0%	0%	0%	2%
Intangible assets	71,677	85,277	85,277	85,277	64,415	41,915	4%	4%	5%	5%	6%	3%
Other Recievables	73,743	123,321	131,071	113,010	155,513	142,579	4%	6%	8%	7%	14%	10%
Investment in associate	76,639	76,435	77,032	75,360	72,990	71,540	4%	4%	4%	5%	7%	5%
Long term investments	48,798	-	-	-	-	-	3%	0%	0%	0%	0%	0%
Strategic investment	1,069,221	888,099	709,605	637,550	-	-	55%	45%	41%	41%	0%	0%
Investment in associate	-	-	-	14,056	21,354	41,163	0%	0%	0%	1%	2%	3%
Long term deposits	1,602	1,602	1,600	2,250	2,996	2,496	0%	0%	0%	0%	0%	0%
Deferred taxation	-	10,498	116,588	94,255	150,785	164,028	0%	1%	7%	6%	14%	12%
Short term investments	38,699	173,434	56,224	21,746	16,620	373,049	2%	9%	3%	1%	2%	27%
Trade debts	169,899	108,352	129,361	102,612	95,565	53,270	9%	5%	8%	7%	9%	4%
Loans & advances	1,953	587	2,078	1,339	4,324	41,629	0%	0%	0%	0%	0%	3%
Trade deposits & short term prepayments	42,771	114,598	10,509	25,055	11,424	50,338	2%	6%	1%	2%	1%	4%
Other Receivables	55,179	112,725	149,514	144,737	154,559	189,013	3%	6%	9%	9%	14%	14%
Advance tax	24,811	27,604	25,792	26,340	24,856	27,020	1%	1%	1%	2%	2%	2%
Cash and bank balance	223,177	230,778	190,181	180,704	260,197	122,350	12%	12%	11%	12%	24%	9%
Total Assets	1,935,434	1,990,656	1,722,177	1,562,365	1,074,672	1,393,728	99%	99%	100%	100%	101%	99%
LIABILITIES												
Trade & other payables	249,318	337,963	290,190	236,289	281,644	264,159	13%	17%	17%	15%	26%	19%
Unclaimed Dividend	1,399	1,399	1,525	1,525	9,676	-	0%	0%	0%	0%	1%	0%
Current maturity of long term financing	24,704	22,000	3,194	33,991	29,435	32,941	1%	1%	0%	2%	3%	2%
Provident fund payable	530	-	-	-	-	-	0%	0%	0%	0%	0%	0%
Long Term Borrowings	197,102	277,875	279,930	238,426	208,856	194,113	10%	14%	16%	15%	19%	14%
Loan from Sponsors	155,175	155,175	155,175	155,175	155,175	647,743	8%	8%	9%	10%	14%	46%
Deffered liabilities	31,603	15,403	13,866	12,572	10,925	9,360	2%	1%	1%	1%	1%	1%
Other Loans	-	-	-	-	-	54,721	0%	0%	0%	0%	0%	4%
Total Liabilities	659,832	809,815	743,880	677,978	695,711	1,203,037	34%	41%	43%	43%	65%	86%
Net Assets	1,275,602	1,180,841	978,297	884,387	378,961	190,691	65%	58%	57%	57%	36%	13%
REPRESENTED BY												
Issued, subscribed and paid-up capital	2,672,863	2,672,863	2,672,863	2,672,863	2,672,863	1,418,098	138%	134%	155%	171%	249%	102%
Discount on issue of Right Shares	(1,508,754)	(1,508,754)	(1,508,754)	(1,508,754)	(1,508,754)	(630,419)	-78%	-76%	-88%	-97%	-140%	-45%
Share Deposit Money	-	-	-	17,003	-	-	0%	0%	0%	1%	0%	0%
Accumulated losses	114,542	(542)	(184,899)	(298,779)	(796,683)	(621,922)	6%	0%	-10%	-18%	-74%	-45%
Unrealized gain/(loss) on remeasurement of investments classified as available for sale	(3,049)	17,274	(913)	2,054	11,535	24,934	0%	1%	0%	0%	1%	2%
Total Equity and Liabilities	1,275,602	1,180,841	978,297	884,387	378,961	190,691	66%	59%	58%	58%	35%	14%

Horizontal Analysis

	2022	2021	2020	2019	2018	2017	2022 Vs 2021	2021 Vs 2020	2020 Vs 2019	2019 Vs 2018	2018 Vs 2017
	(Rupees).....						(Percentage)				
Profit and Loss Account											
Operating Revenues	58,302	105,660	33,745	21,317	25,010	66,185	-45%	213%	58%	-15%	-62%
Gain on sale of investments	(56,534)	66,467	(1,042)	(7,486)	(103,523)	162,890	-185%	-6479%	-86%	-93%	-164%
Unrealised Gain / (Loss) on investments	(4,414)	9,876	(3,074)	(7,084)	(686)	(53,231)	-145%	-421%	-57%	-100%	0%
Gross Revenue	(2,646)	182,003	29,629	6,747	(79,199)	175,844	-101%	514%	339%	-109%	-145%
Administrative Expenses	(83,372)	(122,627)	(60,356)	(48,857)	(41,248)	(151,075)	-32%	103%	24%	18%	-73%
Finance Cost	(47,287)	(26,617)	(22,666)	(50,111)	(24,986)	(179,245)	78%	17%	-55%	101%	-86%
Other Expenses	(7,997)	(8,520)	(4,746)	(2,720)	(5,586)	(5,790)	-6%	80%	74%	-51%	-4%
Other income	123,324	89,008	76,747	10,240	(4,471)	302,276	39%	16%	649%	-329%	-101%
	(17,978)	113,248	18,608	(84,701)	(155,490)	142,010	-116%	509%	-122%	-46%	-209%
Change in fair value of investment	181,122	178,494	72,054	637,050	1,450	43	1%	148%	-89%	43834%	3272%
Share of profit/(loss) of associate	204,549	(597,300)	1,672	-	-	-	0%	-100%	-100%	0%	0%
Profit / (Loss) before Tax	163,348	291,145	92,334	554,719	(154,040)	142,053	-44%	215%	-83%	-460%	-208%
Taxation (expense) / income	(48,528)	(106,787)	21,547	(56,815)	(20,721)	24,901	-55%	-596%	-138%	174%	-183%
Profit / (Loss) after Tax	114,820	184,358	113,881	497,904	(174,761)	166,954	15%	62%	-77%	-385%	-205%
BALANCE SHEET SUMMARY											
Assets											
Property and equipment	37,264	37,346	37,345	38,074	39,074	39,998	0%	0%	-2%	-3%	-2%
Capital work in progress	-	-	-	-	-	33,340	0%	0%	0%	0%	-100%
Intangible assets	71,677	85,277	85,277	85,277	64,415	41,915	-16%	0%	0%	32%	54%
Other Receivables	73,743	123,321	131,071	113,010	155,513	142,579	-40%	-6%	16%	-27%	9%
Investment in associate	76,639	76,435	77,032	75,360	72,990	71,540	0%	-1%	2%	3%	2%
Long term investments	48,798	-	-	-	-	-	100%	0%	0%	0%	0%
Strategic investment	1,069,221	888,099	709,605	637,550	-	-	20%	25%	11%	0%	0%
Investment in associate	-	-	-	14,056	21,354	41,163	0%	0%	-100%	-34%	-48%
Long term deposits	1,602	1,602	1,600	2,250	2,996	2,496	0%	0%	-29%	-25%	20%
Deferred taxation	-	10,498	116,588	94,255	150,785	164,028	-100%	-91%	24%	-37%	-8%
Short term investments	38,699	173,434	56,224	21,746	16,620	373,049	-78%	208%	159%	31%	-96%
Trade debts	169,899	108,352	129,361	102,612	95,565	53,270	57%	-16%	26%	7%	79%
Loans & advances	1,953	587	2,078	1,339	4,324	41,629	233%	-72%	55%	-69%	-90%
Trade deposits & short term prepayments	42,771	114,598	10,509	25,055	11,424	50,338	-63%	990%	-58%	119%	-77%
Other Receivables	55,179	112,725	149,514	144,737	154,559	189,013	-51%	-25%	3%	-6%	-18%
Advance tax	24,811	27,604	25,792	26,340	24,856	27,020	-10%	7%	-2%	6%	-8%
Cash and bank balance	223,177	230,778	190,181	180,704	260,197	122,350	-3%	21%	5%	-31%	113%
Total Assets	1,935,434	1,990,656	1,722,177	1,562,365	1,074,672	1,393,728	-3%	16%	10%	45%	-23%
LIABILITIES											
Trade & other payables	249,318	337,963	290,190	236,289	281,644	264,159	-26%	16%	23%	-16%	7%
Unclaimed Dividend	1,399	1,399	1,525	1,525	9,676	-	0%	-8%	0%	-84%	0%
Current maturity of long term financing	24,704	22,000	3,194	33,991	29,435	32,941	12%	589%	-91%	15%	-11%
Provident fund payable	530	-	-	-	-	-	100%	0%	0%	0%	0%
Long Term Borrowings	197,102	277,875	279,930	238,426	208,856	194,113	-29%	-1%	17%	14%	8%
Loan from Sponsors	155,175	155,175	155,175	155,175	155,175	647,743	0%	0%	0%	0%	-76%
Deffered liabilities	31,603	15,403	13,866	12,572	10,925	9,360	105%	11%	10%	15%	17%
Other Loans	-	-	-	-	-	54,721	0%	0%	0%	0%	100%
Total Liabilities	659,832	809,815	743,880	677,978	695,711	1,203,037	19%	-9%	-10%	3%	42%
Net Assets	1,275,602	1,180,841	978,297	884,387	378,961	190,691	8%	21%	11%	133%	99%
REPRESENTED BY											
Issued, subscribed and paid-up capital	2,672,863	2,672,863	2,672,863	2,672,863	2,672,863	1,418,098	0%	0%	0%	0%	88%
Discount on issue of Right Shares	(1,508,754)	(1,508,754)	(1,508,754)	(1,508,754)	(1,508,754)	(630,419)	0%	0%	0%	0%	139%
Share Deposit Money	-	-	-	17,003	-	-	0%	0%	-100%	0%	0%
Accumulated losses	114,542	(542)	(184,899)	(298,779)	(796,683)	(621,922)	-21233%	-100%	-38%	-62%	28%
Unrealized gain/(loss) on remeasurement of investments classified as available for sale	(3,049)	17,274	(913)	2,054	11,535	24,934	-118%	-1992%	-144%	-82%	-54%
Total Equity and Liabilities	1,275,602	1,180,841	978,297	884,387	378,961	190,691	8%	21%	11%	133%	99%

CHAIRMAN'S REVIEW REPORT

It gives me pleasure to present this review report to the stakeholders of **First National Equities Limited** (the "Company") on the overall performance of the Board of Directors (the "Board") and the effectiveness of its role in achieving the objectives of the Company. The Company follows the best practices relating to corporate governance and complies with all the relevant requirements of Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 with respect to composition, meetings and procedures of the Board of Directors (the "Board") and its committees.

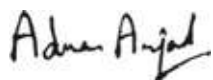
I extend a warm welcome to the members who joined the Board on holding of fresh election of directors and I look forward to endeavoring together with them to assist the Company in achieving its objectives and promoting its success. I would also like to acknowledge appreciation for the valuable contribution by the other members of the Board of Directors who resigned or completed their term at the end of the financial year.

Pakistan's economy recovered in FY21 from the pandemic backed by strong economic and monetary stimulus combined with relief to public and industry. Growth momentum continued in the first half of FY22 as the large-scale industry, agriculture and services all fared well and benefited from the supply side response as well as buoyant demand. Going forward, the government measures designed to stimulate exports and discourage unnecessary imports are expected to constrain the external current account deficit. Complicating the economic scenario however was the global uncertainty aggravated by the ongoing war between Russia and Ukraine that is not only fueling inflation but has downgraded the growth outlook in most countries and disrupted the supply chains.

The annual evaluation of the Board of Directors (the "Board") has been carried out under the Code of Corporate Governance to ensure that the Board's overall performance is in line with the objectives set for the Company. During the year under review, the Board has played an effective role in managing the affairs of the Company depicting successful operational & financial performances elaborated in the Director's Report.

In building an effective governance, risk management and control environment, the Board has put in place a transparent and robust system of compliance with best practices of corporate governance and by promoting ethical and fair behavior across the Company, which has been reinforced in the Organization's culture and values through appropriate dissemination of the Code of Conduct.

The Board shall continue to play a vital role in setting the direction of the Company, promoting its success and improving the performance while upholding the principles of good corporate governance. Despite a challenging macroeconomic environment and a tough business climate, FNEL has continued to excel. It has consolidated and developed avenues for growth and efficiency. We have no doubt that the best is yet to come for FNEL. With our excellent service quality and our emphasis on value creation, the FNEL team remains steadfast in its determination to thrive and flourish.



Adnan Amjad Khan
Chairman

چیئر مین کی جائزہ رپورٹ

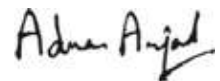
مجھے بورڈ آف ڈائریکٹرز ("بورڈ") کی مجموعی کارکردگی اور کمپنی کے مقاصد کے حصول میں ان کے کردار کی موثرگی کے بارے میں فرسٹ نیشنل ایکویٹیز لمیٹڈ ("کمپنی") کے اسٹیک ہولڈرز کو یہ جائزہ رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔ کمپنی کارپوریٹ گورننس سے متعلق بہترین طریقوں کی پیروی اور بورڈ آف ڈائریکٹرز ("بورڈ") اور اس کی کمیٹیوں کی تشکیل، اجلاسوں اور طریقہ کار کے حوالے سے کمپنیز ایکٹ، 2017 اور سلیڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی تمام متعلقہ ضروریات کی تعمیل کرتی ہے۔

میں ڈائریکٹرز کے نئے انتخاب کے انعقاد پر بورڈ میں شامل ہونے والے ممبران کا پُر تپاک خیر مقدم کرتا ہوں اور میں کمپنی کے مقاصد کو حاصل کرنے اور اس کی کامیابی کو فروغ دینے میں ان کے ساتھ مل کر کوشش کرنے کا خواہاں ہوں۔ میں مالی سال کے اختتام پر مستعفی ہو جانے یا اپنی مدت مکمل کرنے والے بورڈ آف ڈائریکٹرز کے دیگر ممبران کی گراں قدر شراکت کو بھی سراہتا ہوں۔

پاکستان کی معیشت مالی سال 21 میں وبائی بیماری سے بحال ہوتی جس کے باعث مضبوط معاشی اور مالیاتی محرک کے ساتھ عوام اور صنعت کو ریلیف ملا۔ مالی سال 22 کی پہلی ششماہی میں ترقی کی رفتار جاری رہی کیونکہ بڑے پیمانے کی صنعت، زراعت اور خدمات سبھی نے اچھی کارکردگی کا مظاہرہ کیا اور سپلائی کے رد عمل کے ساتھ ساتھ بڑھتی ہوئی طلب سے فائدہ اٹھایا۔ آگے بڑھتے ہوئے، برآمدات کی حوصلہ افزائی اور غیر ضروری درآمدات کی حوصلہ شکنی کے لیے بنائے گئے حکومتی اقدامات سے بیرونی کرنٹ اکاؤنٹ خسارہ محدود ہونے کی توقع ہے۔ روس اور یوکرین کے درمیان جاری جنگ کی وجہ سے پیچیدہ معاشی منظر نامہ تاہم عالمی غیر یقینی صورتحال تھی جو نہ صرف ہنگامی کو بڑھا رہی ہے بلکہ زیادہ تر ممالک میں ترقی کے نقطہ نظر کو کم اور سپلائی چین میں خلل ڈال رہی ہے۔

بورڈ آف ڈائریکٹرز ("بورڈ") کا سالانہ جائزہ کوڈ آف کارپوریٹ گورننس کے تحت لیا گیا ہے تاکہ یہ یقینی بنایا جاسکے کہ بورڈ کی مجموعی کارکردگی کمپنی کے مقرر کردہ مقاصد کے مطابق ہے۔ زیر جائزہ سال کے دوران، بورڈ نے کمپنی کے معاملات کو منظم کرنے میں موثر کردار ادا کیا ہے جس میں ڈائریکٹرز کی رپورٹ میں کامیاب آپریشنل اور مالیاتی کارکردگی کو تفصیل سے ظاہر کیا گیا ہے۔ ایک موثر گورننس، رسک مینجمنٹ اور کنٹرول کے ماحول کی تعمیر میں، بورڈ نے کارپوریٹ گورننس کے بہترین طریقوں کی تعمیل اور پوری کمپنی میں اخلاقی اور منصفانہ رویہ کو فروغ دے کر شفاف اور مضبوط نظام قائم کیا ہے، جسے تنظیم کے کلچر اور ضابطہ اخلاق کے مناسب پھیلاؤ کے ذریعے اقدار میں تقویت ملی ہے۔

بورڈ اچھے کارپوریٹ گورننس کے اصولوں کو برقرار رکھتے ہوئے کمپنی کی سمت متعین کرنے، اس کی کامیابی کو فروغ دینے اور کارکردگی کو بہتر بنانے میں اہم کردار ادا کرتا رہے گا۔ چیلنجنگ میکرو اکنامک ماحول اور سخت کاروباری ماحول کے باوجود، FNEL نے شاندار کارکردگی کا سلسلہ جاری رکھا ہوا ہے۔ اس نے ترقی اور کارکردگی کی راہیں مضبوط اور تیار کی ہیں۔ ہمیں اس میں کوئی شک نہیں ہے کہ FNEL کے لیے ابھی بہترین کام آتا ہے۔ ہمارے سروس کے بہترین معیار اور قدر کی تحقیق پر ہماری توجہ کے ساتھ، FNEL ٹیم ترقی اور آگے بڑھنے کے اپنے عزم میں ثابت قدم ہے۔



عدنان امجد خان

چیئر مین

主席的检讨报告

我很高兴向First National Equities Limited (“公司”)的利益相关者提交这份关于董事会 (“董事会”)的整体表现及其在实现目标的有效性方面的审查报告。公司遵循与公司治理相关的最佳实践，并遵守 2017 年《公司法》和2019年《上市公司(公司治理守则)条例》关于董事会(第“董事会”)及其委员会。

本人热烈欢迎加入董事会的成员举行新一届董事选举，并期待与他们一起努力，协助本公司实现其目标并促进其成功。我还要感谢在财政年度结束时辞职或完成任期的其他董事会成员的宝贵贡献。

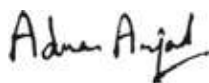
在强大的经济和货币刺激措施以及对公众和工业的救济的支持下，巴基斯坦的经济在 21 财年从大流行中复苏。

22 财年上半年继续保持增长势头，因为大型工业、农业和服务业均表现良好，并受益于供给侧反应和旺盛的需求。展望未来，旨在刺激出口和阻止不必要进口的政府措施预计将限制外部经常账户赤字。然而，使经济形势复杂化的是，俄罗斯和乌克兰之间持续不断的战争加剧了全球不确定性，这不仅助长了通胀，而且降低了大多数国家的经济增长前景并扰乱了供应链。

董事会(「董事会」)的年度评估已根据企业管治守则进行，以确保董事会的整体表现符合本公司设定的目标。于回顾年度内，董事会在管理本公司事务方面发挥了有效作用，展现了董事报告所详述的成功营运及财务表现。

为了建立有效的治理、风险管理和控制环境，董事会建立了一个透明和稳健的系统，以遵守公司治理的最佳实践，并通过促进整个公司的道德和公平行为，这在本组织的文化中得到了加强通过适当传播《行为准则》和价值观。

董事会将继续在制定本公司方向、促进本公司成功及改善业绩方面发挥重要作用，同时坚持良好的企业管治原则。尽管宏观经济环境充满挑战，商业环境艰难，但 FNEL 仍然表现出色。它巩固和发展了增长和效率的途径。我们毫不怀疑，FNEL 最好的时刻还没有到来。凭借我们卓越的服务质量和对价值创造的重视，FNEL 团队坚定不移地致力于蓬勃发展。



阿德南·阿姆贾德·汗

主席

DIRECTORS' REPORT

Directors of First National Equities Limited ("the Company") are pleased to present the annual report of the company for the year ended June 30, 2022 along with the financial statements and auditors' report thereon.

A. Economic Review

The economy of Pakistan rebounded from the pandemic (0.94 percent contraction in FY 2020) and continued to post a V-Shaped economic recovery which is higher than 5.74 percent recorded in last year (FY2021). The real GDP posted a growth of 5.97 percent in FY2022. Still economy is facing underlying macroeconomic imbalances and associated domestic and international risks. Due to depleting foreign exchange reserves, pressure on exchange rate is intensified. For aggregate demand analysis, Nominal GDP i.e., GDP (MP) at current prices is used. For FY 2022, GDP at current market prices stood at Rs. 66,950 billion showing a growth of 20.0 percent over last year (Rs. 55,796 billion). For FY 2022, investment to GDP ratio remained 15.1 percent compared to 14.6 percent recorded in FY 2021. It has been observed over the long time period that the contribution of Net Exports in aggregate demand, usually remained negative except in FY 2020 mainly due to the massive decline in imports on account of the pandemic. As per National Accounts data, Exports of Goods and Services posted a growth of 39 percent and Imports of Goods and Services 46 percent in FY 2022. For FY2022, Real GDP (GVA at basic prices 2015-16) posted a growth of 5.97 percent on account of 4.40 percent growth in Agriculture, while 7.19 and 6.19 percent growth in Industry and Services respectively. This growth is slightly above the growth of 5.74 percent recorded for FY 2022.

External circumstances like highly transmissible Omicron, changes in Afghanistan's government after the withdrawal of US troops, Russia - Ukraine conflict are upending the global economic picture and the consequences uncertainty is considerably increased for a global economy that was still struggling to recover from COVID-19 aftermath.

B. Stock Market Review

Pakistan stock market's performance has posted a boom and bust situation during FY2022 due to geopolitical tension, especially Russia-Ukraine conflict, and domestic political uncertainty. Later (since February 2022), the Russia-Ukraine conflict exacerbated the economic challenges, as the super cycle of commodity prices widened the country's current account deficit (CAD) and worsened the balance of payments crisis.

The benchmark KSE-100 index opened at 47,356 points on 1st July 2021 and declined by 5.1 % in the initial nine (09) months of FY2022. Investors witnessed the wipeout of 16.27% (or Rs1.35 trillion) of investment at the PSX, as market capitalization (the total value of all listed companies) slumped to a multiyear low at Rs6.95 trillion, compared to the peak of Rs8.29 trillion in June 2021. Market capitalization of the PSX was Rs 8,297 billion on 30th June 2021. A total of Rs 714 billion wiped out from the market capitalization of the PSX in just Nine (09) months of FY2022. The major development of FY2022 is the issuance of Initial Public Offerings (IPOs). During FY2022, five companies issued shares through IPOs on main board, while some companies also got them listed on Growth Enterprise Market (GEM) board.

C. Financial Review

Particulars	2022	2021
	Rupees	
Operating revenue	58,302,044	105,659,673
(Loss)/Gain on sale of investments	(56,534,035)	66,466,671
Other income	123,324,206	89,007,612
Profit before tax	163,348,436	291,143,644
Profit after tax	114,820,383	184,356,408
EPS (Rs.)	0.43	0.69

The Company's after-tax profit during the current year was Rs. 114.820 million. This profit includes a pre-tax fair value measurement gain of Rs. 181.122 million on a strategic investment made by the Company (see note 9 for details).. As at June 30, 2022, the Company's accumulated gain was Rs. 114.541 million (2021: Rs. 0.542 million loss).

Company operating revenue and Capital gains have been decreased significantly during the year as compared to last year which is on the account of the heightened economic risks arising from rising inflation, slowing growth, and weakening external account. PKR devaluation, steep surge in fuel and utility rates coupled with record high commodity prices are likely to result in significant inflationary pressure, which means tight monetary setting for an extended period of time. The Company is trying its best to yield better volumes by providing improved quality of services through extensive research, corporate access and advisory services. We are continuously working on expanding our online and retail client base in order to increase the market participation of investors and avail benefits from lucrative market opportunities.

Management continues to expect improvements in economic outcomes in future periods, early signs of which are visible, and has therefore continued with its plans to capitalize on such improvements. The Company continues to monitor and strategize working capital deployment (including the offloading of liabilities, where liquidity and contractual arrangements permit). Numerous business development activities undertaken in the previous fiscal year have been formalized and continued in the current year. As well, the Company continues to strategically manage its investment portfolio.

Directors / sponsors of the Company have historically provided significant financial assistance in the form of subordinated loans for the purpose of maintaining and/or increasing the net worth and liquid capital at the Company's disposal. The Company's sponsors remain committed to additional financial assistance as, when and to the extent necessary until an improvement in external / macro factors and the Company's cost optimization strategies result in improved profitability.

D. RISKS AND OPPORTUNITIES

First National Equities Limited takes risks and creates opportunities in the normal course of business. Taking risk is important to remain competitive and ensure sustainable success. Our risk and opportunity management encompass an effective framework to conduct business in a well-controlled environment where risk is mitigated and opportunities are availed. Each risk and opportunity are properly weighted and considered before making any choice. Decisions are formulated only if opportunities outweigh risks.

Following is the summary of risks and strategies to mitigate those risks:

➤ Strategic Risks:

We are operating in a competitive environment where innovation, performance and effectiveness, especially, in post Covid-19 world is enhanced. This risk is mitigated through continuous research & development and persistent introduction of new techniques. Strategic risk is considered as the most crucial of all the risks. Head of all business departments meet at regular intervals to form an integrated approach towards tackling risks present at the national level.

E. CORPORATE SOCIAL RESPONSIBILITY

➤ The Company takes a number of initiatives regarding the discharge of its responsibility towards society. Following is the brief snapshot of Corporate Social Responsibility (CSR) activities:

➤ Occupational Safety and Health:

Health and safety of the workers and staff is the most important thing for the Company. After the outbreak of coronavirus pandemic, the Company immediately formulated a crisis management team which implemented the directives issued by Government regarding preventing the spread of the disease. The team launched a campaign at all locations of the Company offices for the awareness of appropriate precautions which an individual should take to save himself/herself and colleagues.

➤ Equal Opportunity Employer:

Diversity and ethics are the core value of the Company. The Company provides equal opportunity for employment and career progression to all irrespective of gender, class and religious discrimination.

F. CORPORATE GOVERNANCE

- Best Corporate Practices: Directors are committed to good corporate governance and comply with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Rule Book of Pakistan Stock Exchange. The statement of compliance with the CCG Regulations, 2019 is enclosed.
- Composition of Board of Directors: Clause 34 (2) (i, ii and iii) of Listed Companies (Code of Corporate Governance) Regulations 2019 requires the disclosure of composition of the Board and its Committees. Such disclosures are given in “Statement of Compliance” annexed to the Annual Report.
- Board Committees:
 - **Audit Committee:** The audit committee is performing its duties in line with its terms of reference as determined by the Board of Directors. During the year under review, four (04) Audit Committee Meetings were held, attendance position was as under: -

Sr. No.	Name of Member	Status	No. of Meetings Attended
i.	Mr. Fusao Yamada (Independent Director)	Chairman	04
ii.	Mr. Adnan Amjad Khan (Independent Director)	Member	03
iii.	Mr. Muhammad Bilal (Non-Executive Director)	Member	03
iv.	Mr. Waleed Ahmed	Secretary	02

- **Human Resource & Remuneration (HR&R) Committee:** The Human Resource & Remuneration Committee is performing its duties in line with its terms of reference as determined by the Board of Directors. During the year under review, Two (02) Human Resource & Remuneration Committee Meeting was held, attendance position was as under:

Sr. No.	Name of Member	Status	No. of Meetings Attended
i.	Mr. Fusao Yamada (Independent Director)	Chairman	02
ii.	Mr. Adnan Amjad Khan (Independent Director)	Member	02
iii.	Mr. Ali Aslam Malik (Executive Director)	Member	02
iv.	Ms. Syeda Faaiza Akmal Tirmizi	Secretary	02

- Meetings of the Board of Directors: During the year under review, seven (07) meetings of the Board of Directors of the Company were held in Pakistan and the attendance position is as follows:

Sr. No.	Name of Member	Status	No. of Meetings Attended
i.	Mr. Adnan Amjad Khan	Chairman/Independent Director	07
ii.	Mr. Ali Aslam Malik	Chief Executive Officer	07
iii.	Mr. Amir Shehzad	Executive Director	07
iv.	Mr. Abid Yousaf	Non-Executive Director	07
v.	Ms. Syeda Faiza Akmal Tirmzi	Executive Director	02
vi.	Mrs. Ayesha Anum	Non-Executive Director	07
vii.	Mr. Muhammad Bilal	Non-Executive Director	07
viii.	Mr. Fusao Yamada	Independent Director	03

G. **Directors' Statement**

Following is the Directors' statement on Corporate and Financial Reporting framework:

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

H. **Transactions with related parties**

The company has fully complied with Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018. Kindly refer to note-32 in the Notes to the Financial Statements for further details.

I. Provident Fund

Defined Contributory Plan i.e. the Provident Fund is being maintained by Company through the Trustees of the Provident Fund Trust, which is audited on annual basis. It is fully funded and values of investments (in Rupees million) of employees' retirement funds as per audited accounts for the year ended on June 30, 2022 is as follows:

Provident Fund Trust	Rs. 0.529 million
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J. Election of Directors

The tenure of previous Board ended on June 30, 2022 and accordingly, new election was held on July 01, 2022 to elect Seven (as number of directors was fixed by the Board) directors of the Company for next term of three years commencing from July 01, 2022. The following directors were elected in the extraordinary general meeting held on July 01, 2022.

1) Mr. Ali Aslam Malik 2) Mr. Amir Shehzad 3) Mr. Abid Yousaf 4) Mr. Adnan Amjad Khan
5) Ms. Ayesha Anam 6) Mr. Muhammad Bilal 7) Mr. Zeshan Tahir

* Ms. Syeda Faaiza Akmal Tirmizi and Mr. Fusao Yamada, were subsequently replaced by Mr. Ali Aslam Malik and Mr. Zeshan Tahir respectively.

*The Board of directors in their meeting held on July 15, 2022 has elected, Mr. Adnan Amjad Khan as Chairman and appointed Mr. Ali Aslam Malik as a Chief Executive Officer of the Company.

K. Investment in Associated / Subsidiary

Your Company has made strategic equity investment in the wholly owned subsidiary titled as, **"FNE Developments (Private) Limited"** as approved by the members in the Annual General Meeting of the company dated October 28, 2021.

L. Auditors

Financial Statement of the Company for the year ended June 30, 2022 have been audited by M/s Tariq Abdul Ghani Maqbool & Co. Chartered Accountants who have given an unqualified report. Current auditors will retire on the conclusion of Annual General Meeting of the Company. Being eligible, M/s Tariq Abdul Ghani Maqbool & Co. Chartered Accountants have offered themselves for reappointment for the year ending June 30, 2023.

M. SUBSEQUENT EVENTS

No material changes and commitments affecting the financial position of the Company occurred between June 30, 2022 and September 27, 2022.

N. FUTURE PROSPECTS

Economic and political uncertainty has affected the future planning and current performance of the Company. Management is aware of the ensuing problems and has prepared its strategic plans accordingly.

O. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has established an effective and efficient system of internal and financial controls to safeguard the assets of the Company, prevent and detect fraud and ensure compliance with all statutory and legal requirements. The internal control structure is regularly reviewed and monitored by the Internal Audit function duly established by the Board. Audit Committee reviews the internal control system on quarterly basis in accordance with the term of its reference.

P. DIRECTORS' REMUNERATION

The Board of Directors has approved the amendments in Directors' Remuneration Policy. The main features of the policy are as follows:

- The Company shall not pay remuneration of its non-executive directors including independent directors except for meeting fee for attending the Board and its committees' meetings.
- The Company will reimburse or incur expenses of travelling and accommodation of Directors in relation to attending of the Board and its Committees' meetings.
- Board of Directors will keep on reviewing the Directors' Remuneration Policy from time to time.

Q. PATTERN OF SHAREHOLDING

A statement of the pattern of shareholding as at June 30, 2022, which is required to be disclosed under the reporting framework, is annexed to this report.

R. TRADING IN SHARES OF THE COMPANY BY DIRECTORS AND EXECUTIVES

During the year following trades in the shares of the company were carried out by the Directors, CEO, CFO, Company Secretary and their spouses and minor children:

Name of Director	Designation	Relationship	No. of Shares	Nature of Transaction	From/to whom shares acquired/given
Mr. Adnan Amjad Khan	Chairman	-	-	-	-
Mr. Ali Aslam Malik	Chief Executive Officer	-	-	-	-
Mr. Amir Shehzad	Director	-	-	-	-
Mr. Abid Yousaf	Director	-	-	-	-
Ms. Syeda Faaiza Akmal Tirmizi	Director	-	-	-	-
Mrs. Ayesha Anam	Director	-	-	-	-
Mr. Muhammad Bilal	Director	-	-	-	-
Mr. Fusao Yamada	Director	-	-	-	-
Ms. Ammara Zakriya	Chief Financial Officer	-	-	-	-
Mr. Arslan Tahir	Company Secretary	-	-	-	-
Mr. Ali Aslam Malik	-	Spouse	-	-	-
Mr. Ali Aslam Malik	-	Minor Children	-	-	-

S. ACKNOWLEDGEMENT

Directors are pleased and thankful to the employees for their continued dedication and efforts for the Company.

For and on behalf of the Board of Directors.



Chief Executive Officer



Director

Lahore
September 27, 2022

ڈائریکٹرز کی ممبران کو رپورٹ

فرسٹ نیشنل ایکویٹیٹری لمیٹڈ (کمپنی) کے نظام 30 جون 2022 کو ختم ہونے والے سال کے لیے کمپنی کے مالی گوشواروں اور ان پر آڈیٹرز کی رپورٹ کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

A۔ اقتصادی جائزہ

پاکستان کی معیشت نے وبائی بیماری (مالی سال 2020 میں 0.94 فیصد سکڑاؤ) سے چھٹکارہ حاصل کیا اور V-شکل کی اقتصادی بحالی کو جاری رکھا جو گزشتہ سال (مالی سال 2021) میں درج 5.74 فیصد سے زیادہ ہے۔ حقیقی جی ڈی پی نے مالی سال 2022 میں 5.97 فیصد نمو درج کی۔ اب بھی معیشت کو بنیادی میکرو اکنامک عدم توازن اور متعلقہ ملکی اور بین الاقوامی خطرات کا سامنا ہے۔ زرمبادلہ کے ذخائر میں کمی کی وجہ سے شرح مبادلہ پر دباؤ بڑھ رہا ہے۔ مجموعی طلب کے تجزیہ کے لیے، برائے نام GDP یعنی موجودہ قیمتوں پر GDP (MP) استعمال کیا جاتا ہے۔ مالی سال 2022 کے لیے، موجودہ مارکیٹ کی قیمتوں پر جی ڈی پی 66,950 بلین روپے جو پچھلے سال (55,796 بلین روپے) کے مقابلے میں 20.0 فیصد اضافہ ظاہر کرتا ہے۔ مالی سال 2022 کے لیے، سرمایہ کاری سے جی ڈی پی کا تناسب مالی سال 2021 میں 14.6 فیصد کے مقابلے میں 15.1 فیصد رہا۔ طویل عرصے کے دوران یہ دیکھا گیا ہے کہ مجموعی طلب میں خالص برآمدات کا حصہ سوائے مالی سال 2020 کے عموماً منفی رہا اس کی بنیادی وجہ وبائی بیماری کی وجہ سے درآمدات میں زبردست کمی ہے۔ نیشنل اکاؤنٹس کے اعداد و شمار کے مطابق، مالی سال 2022 میں اشیاء و خدمات کی برآمدات میں 39 فیصد اور اشیاء و خدمات کی درآمدات میں 46 فیصد اضافہ ہوا۔ مالی سال 2022 کے لیے حقیقی جی ڈی پی (بنیادی قیمتوں پر جی وی اے 2015-16) میں 5.97 فیصد اضافہ، زراعت میں 4.40 فیصد اضافہ، جبکہ صنعت اور خدمات میں بالترتیب 7.19 اور 6.19 فیصد اضافہ ہوا۔ یہ نمو مالی سال 2022 میں درج کی گئی 5.74 فیصد نمو سے تھوڑی زیادہ ہے۔

بیرونی حالات جیسے کہ او میکرون کا شدید پھیلاؤ، امریکی فوجیوں کے انخلاء کے بعد افغانستان کی حکومت میں تبدیلیاں، روس یوکرین تنازعہ عالمی اقتصادی حالت کو بگاڑ رہے ہیں اور اس کے نتیجے میں غیر یقینی صورتحال عالمی معیشت کے لیے کافی بڑھ گئی ہے جو ابھی تک COVID-19 کے بعد بحالی کے لیے جدوجہد کر رہی تھی۔

B۔ اسٹاک مارکیٹ کا جائزہ

پاکستان اسٹاک مارکیٹ کی کارکردگی نے مالی سال 2022 کے دوران جغرافیائی سیاسی تناؤ، خاص طور پر روس یوکرین تنازعہ، اور ملکی سیاسی غیر یقینی صورتحال کی وجہ سے تیزی اور ابتری کی صورتحال درج کی ہے۔ بعد ازاں (فروری 2022 سے)، روس۔ یوکرین تنازعہ نے اقتصادی مشکلات کو بڑھادیا، کیونکہ اجناس کی قیمتوں کے سپر سائیکل نے ملک کے کرنٹ اکاؤنٹ خسارہ (CAD) کو بڑھادیا اور ادائیگیوں کے توازن کے بحران کو مزید خراب کر دیا۔

بینچ مارک KSE-100 انڈیکس یکم جولائی 2021 کو 47,356 پوائنٹس پر کھلا اور مالی سال 2022 کے ابتدائی نو (09) مہینوں میں اس میں 5.1 فیصد کمی واقع ہوئی۔ سرمایہ کاروں نے PSX میں سرمایہ کاری کے 16.27% (یا 1.35 ٹریلین روپے) کے خاتمے کا مشاہدہ کیا، کیونکہ مارکیٹ کپٹلا نریشن (تمام مندرجہ کمپنیوں کی کل مالیت) جون 2021 میں بلند ترین 8.29 ٹریلین روپے کے مقابلے میں 6.95 ٹریلین روپے کی کثیر سال کی کم ترین سطح پر آگئی۔ 30 جون 2021 کو PSX کی مارکیٹ کپٹلا نریشن 8,297 بلین روپے تھی۔ مالی سال 2022 کے صرف نو (09) مہینوں میں PSX کی مارکیٹ کپٹلا نریشن سے کل 714 بلین روپے کا خاتمہ ہو گیا۔ مالی سال 2022 کی اہم پیشرفت ابتدائی عوامی پیشکشوں (آئی پی او) کا اجراء ہے۔ مالی سال 2022 کے دوران، پانچ کمپنیوں نے بین بورڈ پر آئی پی او کے ذریعے حصص جاری کیے، جبکہ کچھ کمپنیوں نے خود کو گروتھ انٹرپرائز مارکیٹ (جی ای ایم) بورڈ میں بھی درج کرایا۔

C۔ مالیاتی کارکردگی

2021	2022	پارٹیکلز
روپے		
105,659,673	58,302,044	آپریٹنگ آمدنی

سرمایہ کاری کی فروخت پر منافع / (نقصان)	(56,534,035)	66,466,671
دیگر آمدنی	123,324,206	89,007,612
ٹیکس سے پہلے منافع	163,348,436	291,143,644
ٹیکس کے بعد منافع	114,820,383	184,356,408
فی شیئر آمدنی (روپے)	0.43	0.69

رواں سال کے دوران کمپنی کا بعد از ٹیکس منافع 114.820 ملین روپے تھا۔ اس منافع میں کمپنی کی جانب سے کی گئی اسٹریٹجک سرمایہ کاری پر 181.122 ملین روپے ٹیکس سے پہلے کی فیئر قدر کی پیمائش کا فائدہ شامل ہے (تفصیلات کے لیے نوٹ 9 دیکھیں)۔ 30 جون 2022 کو، کمپنی کا مجموعی منافع 114.541 ملین روپے (2021: 0.542 ملین روپے نقصان) تھا۔

کمپنی کے آپریٹنگ ریونیو اور کیپٹل گین میں گزشتہ سال کے مقابلے میں رواں سال کے دوران نمایاں کمی واقع ہوئی ہے جو کہ زیادہ افراط زر، کم شرح نمو، اور بیرونی اکاؤنٹ کی کمی سے پیدا ہونے والے زیادہ معاشی خطرات کی وجہ سے ہے۔ پاکستانی روپے کی قدر میں کمی، ایندھن اور یوٹیلٹی ریٹس میں بہت زیادہ اضافہ اور اجناس کی ریکارڈ بلند قیمتوں کے نتیجے میں اہم افراط زر کے دباؤ کا امکان ہے، جس کا مطلب ایک طویل مدت کے لیے سخت مالیاتی ترتیب ہے۔ کمپنی وسیع تحقیق، کارپوریٹ رسائی اور مشاورتی خدمات کے ذریعے بہترین معیار کی خدمات فراہم کر کے بہتر حجم حاصل کرنے کی پوری کوشش کر رہی ہے۔ ہم سرمایہ کاروں کی مارکیٹ میں شرکت کو بڑھانے اور مارکیٹ کے منافع بخش مواقع سے فائدہ اٹھانے کے لیے اپنی آن لائن اور ٹیلیفون کلائنٹ بیس کو بڑھانے پر مسلسل کام کر رہے ہیں۔

انتظامیہ مستقبل کے ادوار میں معاشی نتائج میں بہتری کی توقع کرتی ہے، جس کے ابتدائی آثار نمایاں ہیں، اور اس لیے اس نے اس طرح کی بہتری سے فائدہ اٹھانے کے اپنے منصوبوں کو جاری رکھا ہوا ہے۔ کمپنی ورکنگ کیپیٹل کی تعیناتی کی نگرانی اور حکمت عملی بناتی ہے (بشمول واجبات کی ادائیگی، جہاں لیکویڈیٹی اور معاہدہ کے انتظامات اجازت دیتے ہیں)۔ گزشتہ مالی سال میں شروع کی گئی متعدد کاروباری ترقی کی سرگرمیوں کو باقاعدہ شکل دی گئی اور رواں سال میں بھی جاری رکھی گئی ہے۔ اس کے ساتھ ساتھ، کمپنی اپنے سرمایہ کاری کے پورٹ فولیو کو حکمت عملی کے ساتھ منظم کرتی ہے۔

کمپنی کے ڈائریکٹرز/سپانسرز نے تاریخی طور پر کمپنی کے اختیار میں خالص مالیت اور مائع سرمائے کو برقرار رکھنے اور/یا بڑھانے کے مقصد سے ماتحت قرضوں کی شکل میں اہم مالی امداد فراہم کی ہے۔ کمپنی کے سپانسرز اضافی مالی امداد کے لیے پرعزم رہتے ہیں جب تک کہ جب اور جس حد تک ضروری ہو جب تک کہ بیرونی/میکرو عوامل میں بہتری نہ ہو اور کمپنی کی لاگت کو بہتر بنانے کی حکمت عملیوں کے نتیجے میں منافع میں بہتری آجائے۔

D- خطرات اور مواقع

فرسٹ نیشنل ایکویٹی لیڈر خطرات مول لیتی ہے اور کاروبار کے معمول کے مواقع پیدا کرتی ہے۔ مسابقتی رہنے اور پائیدار کامیابی کو یقینی بنانے کے لیے خطرہ مول لینا ضروری ہے۔ ہماری رسک اور مواقع مینجمنٹ میں کاروبار کے اچھے کنٹرول ماحول کا ایک مؤثر فریم ورک شامل ہے جہاں خطرے کو کم اور مواقع سے فائدہ اٹھایا جاتا ہے۔ ہر خطرے اور مواقع کو مناسب طریقے سے اہمیت دی جاتی ہے اور کسی بھی انتخاب سے پہلے غور و فکر کیا جاتا ہے۔ فیصلے صرف اس صورت کیے جاتے ہیں جب مواقع خطرات سے زیادہ ہوں۔

خطرات کو کم کرنے کے لیے خطرات اور حکمت عملیوں کا خلاصہ درج ذیل ہے:

اسٹریٹجک خطرات:

ہم ایک مسابقتی ماحول میں کام کر رہے ہیں جہاں جدت، کارکردگی اور مؤثرگی، خاص طور پر کوویڈ-19 کا خطرہ دنیا میں بڑھ گیا ہے۔ اس خطرے کو مسلسل تحقیق اور ترقی اور نئی ٹیکنیکوں کے ذریعے کم کیا جاتا ہے۔ سٹریٹجک رسک کو تمام خطرات میں سب سے اہم سمجھا جاتا ہے۔ تمام کاروباری محکموں کے سربراہ قومی سطح پر موجود خطرات سے نمٹنے کے لیے ایک مربوط نقطہ نظر تشکیل دینے کے لیے کئی بار ملے ہیں۔

E-کارپوریٹ سماجی ذمہ داری

کمپنی معاشرے کے تئیں اپنی ذمہ داری کو نبھانے کے سلسلے میں متعدد اقدامات کرتی ہے۔ کارپوریٹ سماجی ذمہ داری (CSR) کی سرگرمیوں کا مختصر خلاصہ درج ذیل ہے:

پیشہ ورانہ حفاظت اور صحت:

کمپنی کارکنوں اور عملے کی صحت اور حفاظت کو بہت اہمیت دیتی ہے۔ کورونا وائرس وبائی بیماری کے پھیلنے کے بعد، کمپنی نے فوری طور پر کرائسٹل ٹیم تشکیل دی جس نے بیماری کے پھیلاؤ کو روکنے کے حوالے سے حکومت کی طرف سے جاری کردہ ہدایات پر عمل درآمد کیا۔ ٹیم نے مناسب احتیاطی تدابیر کی آگاہی کے لیے کمپنی کے تمام دفاتر پر ایک مہم شروع کی جسے ہر ایک فرد کو خود اور ساتھیوں کو بچانے کے لیے اختیار کرنا چاہیے۔

مساوی مواقع کا آجر:

تنوع اور اخلاقیات کمپنی کی بنیادی اقدار ہیں۔ کمپنی صنف، طبقاتی اور مذہبی امتیاز کے بغیر سب کو ملازمت اور کیریئر میں ترقی کے یکساں مواقع فراہم کرتی ہے۔

F-کارپوریٹ گورننس

بہترین کارپوریٹ عوامل: ڈائریکٹرز اچھے کارپوریٹ گورننس کے لیے پرعزم ہیں اور سڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 اور پاکستان اسٹاک ایکسچینج کی رول بک کے تقاضوں کی تعمیل کرتے ہیں۔ CCG ریگولیشنز، 2019 کی تعمیل کا بیان منسلک ہے۔

بورڈ آف ڈائریکٹرز کی تشکیل: سڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی شق (i, ii and iii) (2) کے مطابق بورڈ اور اس کی کمیٹیوں کی تشکیل کا انکشاف ضروری ہوتا ہے۔ اس طرح کے انکشافات سالانہ رپورٹ کے ساتھ منسلک "تعمیل کے بیان" میں دیئے گئے ہیں۔

بورڈ کی کمیٹیاں

آڈٹ کمیٹی: آڈٹ کمیٹی بورڈ آف ڈائریکٹرز کی طرف سے مقرر کردہ شرائط کے مطابق اپنے فرائض سرانجام دے رہی ہے۔ زیر جائزہ سال کے دوران، آڈٹ کمیٹی کے چار (04) اجلاس منعقد ہوئے، حاضری کی پوزیشن حسب ذیل ہے:-

نمبر شمار	نام رکن	عہدہ	اجلاسوں میں حاضری کی تعداد
i	Mr. Fusao Yamada (آزاد ڈائریکٹر)	چیئر مین	04
ii	جناب عدنان امجد خان (آزاد ڈائریکٹر)	ممبر	03
iii	جناب محمد بلال (نان۔ ایگزیکٹو ڈائریکٹر)	ممبر	03
iv	جناب ولید احمد	سیکرٹری	02

ہیومن ریسورس اینڈ ریمنڈیشن (HR&R) کمیٹی

ہیومن ریسورس اینڈ ریمنڈیشن کمیٹی بورڈ آف ڈائریکٹرز کی طرف سے مقرر کردہ شرائط کے مطابق اپنے فرائض سرانجام دے رہی ہے۔ زیر جائزہ سال کے دوران، ہیومن ریسورس اینڈ ریمنڈیشن کمیٹی کے دو (02) اجلاس منعقد ہوئے، حاضری کی پوزیشن حسب ذیل ہے:-

نمبر شمار	نام رکن	عہدہ	اجلاسوں میں حاضری کی تعداد
i	Mr. Fusao Yamada (آزاد ڈائریکٹر)	چیئر مین	02
ii	جناب عدنان امجد خان (آزاد ڈائریکٹر)	ممبر	02

بورڈ آف ڈائریکٹر کے اجلاس:

G۔ ڈائریکٹرز کا بیان

۱۱. متعلقہ یارٹی کے ساتھ لین دین

پراویڈنٹ فنڈ

24|

پراویٹمنٹ فنڈ ٹرسٹ

0.529 ملین روپے

J-ڈائریکٹرز کا انتخاب

سابقہ بورڈ کی میعاد 30 جون 2022 کو ختم ہوگئی اور اس کے مطابق جولائی سے شروع ہونے والی تین سال کی اگلی مدت کے لیے کمپنی کے سات (بورڈ کی طرف سے ڈائریکٹرز کی تعداد مقرر کی گئی) ڈائریکٹرز کے انتخاب کے لیے نئے انتخابات یکم جولائی 2022 کو منعقد کیے گئے۔ یکم جولائی 2022 کو منعقدہ غیر معمولی اجلاس عام میں درج ذیل ڈائریکٹرز کا انتخاب کیا گیا۔

(1) جناب علی اسلم ملک (2) جناب عامر شہزاد (3) جناب عابد یوسف (4) جناب عدنان امجد خان

(5) محترمہ عائشہ انعم (6) جناب محمد بلال (7) جناب ذیشان طاہر

* محترمہ سیدہ فائزہ اکمل ترمذی اور Mr. Fusao Yamada کی جگہ بالترتیب جناب علی اسلم ملک اور جناب ذیشان طاہر نے لی۔

* بورڈ آف ڈائریکٹرز نے 15 جولائی 2022 کو منعقدہ اپنے اجلاس میں جناب عدنان امجد خان کو بطور چیئر مین منتخب کیا اور جناب علی اسلم ملک کو کمپنی کا چیف ایگزیکٹو آفیسر مقرر کیا۔

K-شریک اذیلی کمپنیوں میں سرمایہ کاری

آپ کی کمپنی نے "FNE ڈیولپمنٹس (پرائیویٹ) لمیٹڈ" کے نام سے مکمل ملکیتی ذیلی کمپنی میں اسٹریٹجک ایکویٹی سرمایہ کاری کی ہے جیسا کہ 128 اکتوبر 2021 کو کمپنی کے سالانہ اجلاس عام میں ممبران نے منظوری دی تھی۔

L-آڈیٹرز

30 جون 2022 کو ختم ہونے والے سال کے لیے کمپنی کے مالیاتی گوشواروں کا آڈٹ میسرز طارق عبدالغنی مقبول اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے کیا ہے جنہوں نے ایک غیر کوالیفائیڈ رپورٹ دی ہے۔ موجودہ آڈیٹرز کمپنی کے سالانہ اجلاس عام کے اختتام پر ریٹائر ہو گئے۔ اہل ہونے کی بنا پر، میسرز طارق عبدالغنی مقبول اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے خود کو 30 جون 2023 کو ختم ہونے والے سال کے لیے دوبارہ تقرری کے لیے خود کو پیش کیا ہے۔

M-بعد کے واقعات

30 جون 2022 سے 19 ستمبر 2022 کے درمیان کمپنی کی مالی حالت کو متاثر کرنے والی کوئی مادی تبدیلیاں اور وعدے نہیں ہوئے۔

N-مستقبل کے امکانات

اقتصادی اور سیاسی غیر یقینی صورتحال نے کمپنی کی مستقبل کی منصوبہ بندی اور موجودہ کارکردگی کو متاثر کیا ہے۔ انتظامیہ پیش آنے والے مسائل سے آگاہ ہے اور اس کے مطابق اس نے اپنے اسٹریٹجک منصوبے تیار کیے ہیں۔

O-کانی اندرونی مالیاتی کنٹرول

کمپنی نے کمپنی کے اثاثوں کی حفاظت، دھوکہ دہی کو روکنے اور اس کا پتہ لگانے اور تمام قانونی اور قانونی تقاضوں کی تعمیل کو یقینی بنانے کے لیے اندرونی اور مالیاتی کنٹرول کا ایک کارگر اور مؤثر نظام قائم کیا ہے۔ اندرونی کنٹرول کے ڈھانچے کا باقاعدگی سے جائزہ لیا جاتا ہے اور بورڈ کے ذریعہ قائم کردہ اندرونی آڈٹ فنکشن کے ذریعے نگرانی کی جاتی ہے۔ آڈٹ کمیٹی اپنے ریفرنس کی مدت کے مطابق سہ ماہی بنیادوں پر اندرونی کنٹرول نظام کا جائزہ لیتی ہے۔

P-ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضے کی پالیسی میں ترامیم کی منظوری دی ہے۔ پالیسی کی اہم خصوصیات درج ذیل ہیں:

- کمپنی اپنے آزاد ڈائریکٹرز سمیت اپنے نان ایگزیکٹو ڈائریکٹرز کو بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے اجلاس فیس کے علاوہ کوئی معاوضہ ادا نہیں کرے گی۔
- کمپنی بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے سلسلے میں ڈائریکٹرز کے سفر اور رہائش کے اخراجات کی ادائیگی یا برداشت کرے گی۔
- بورڈ آف ڈائریکٹرز وقتاً فوقتاً ڈائریکٹرز کے معاوضے کی پالیسی کا جائزہ لیتے رہیں گے۔

Q۔ نمونہ حصص داری

30 جون 2022 کو نمونہ حصص داری کا بیان، جسے رپورٹنگ فریم ورک کے تحت ظاہر کرنا ضروری ہے، رپورٹ ہذا کے ساتھ منسلک ہے۔


R۔ ڈائریکٹرز اور ایگزیکٹوز کے ذریعے کمپنی کے حصص میں تجارت


سال کے دوران کمپنی کے حصص میں ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور نابالغ بچوں کی طرف سے مندرجہ ذیل تجارت کی گئی:

نام ڈائریکٹر	عہدہ	رشتہ	حصص کی تعداد	ٹرانزیکشن کی نوعیت	از/تک جس کے حصص حاصل دیے گئے
جناب عدنان امجد	چیئرمین	-	-	-	-
جناب علی اسلم ملک	چیف ایگزیکٹو آفیسر	-	-	-	-
جناب عامر شہزاد	ڈائریکٹر	-	-	-	-
عابد یوسف	ڈائریکٹر	-	-	-	-
محترمہ مسیدہ فائزہ اکمل ترمذی	ڈائریکٹر	-	-	-	-
جناب محمد بلال	ڈائریکٹر	-	-	-	-
Mr. Fusao Yamada	ڈائریکٹر	-	-	-	-
محترمہ معمارہ زکریا	چیف فنانشل آفیسر	-	-	-	-
جناب ارسلان طاہر	کمپنی سیکرٹری	-	-	-	-
جناب علی اسلم ملک	-	زوج	-	-	-
جناب علی اسلم ملک	-	نابالغ بچے	-	-	-

تعریف اور اعتراف

ڈائریکٹرز عملے اور ان کی کمپنی کے لیے مسلسل لگن اور کوششوں کے شکرگزار ہیں۔


منجانب بورڈ آف ڈائریکٹرز


چیف ایگزیکٹو آفیسر ڈائریکٹر

لاہور

تاریخ: 27 ستمبر 2022

董事报告

First National Equities Limited (“本公司”) 董事谨此呈报本公司截至 2022 年 6 月 30 日止年度的年度报告及其财务报表和审计报告。

A. 经济评论

巴基斯坦经济从大流行中反弹（2020 财年收缩 0.94%），并继续呈现 V 型经济复苏，高于去年（2021 财年）重新编码的 5.74%。2022 财年实际 GDP 增长 5.97%。尽管如此，经济仍面临着潜在的宏观经济失衡以及相关的国内和国际风险。由于外汇储备枯竭，汇率压力加大。对于总需求分析，使用名义 GDP，即当前价格的 GDP（MP）。2022 财年，按当前市场价格计算的 GDP 为卢比。669,500 亿，比去年（557,960 亿卢比）增长 20.0%。2022 财年，投资与 GDP 的比率保持在 15.1%，而 2021 财年为 14.6%。长期以来，人们观察到净出口对总需求的贡献除 2020 财年后通常为负数，这主要是由于受疫情影响，进口大幅下降。根据国民经济核算数据，2022 财年商品和服务出口增长 39%，商品和服务进口增长 46%。2022 财年，实际 GDP（按 2015-16 年基本价格计算的 GVA）增长 5.97% 农业增长 4.40%，工业和服务业分别增长 7.19% 和 6.19%。这一增长略高于 2022 财年记录的 5.74% 的增长。

外部环境，如高度传播的 Omicron、美军撤军后阿富汗政府的变化、俄乌冲突正在颠覆全球经济格局，对于仍在努力从 COVID-19 后果中恢复的全球经济而言，后果的不确定性大大增加。

B. 股市回顾

由于地缘政治紧张，尤其是俄罗斯-乌克兰冲突，以及国内政治不确定性，巴基斯坦股市在 2022 财年呈现涨跌互现的局面。后来（自 2022 年 2 月以来），俄罗斯与乌克兰的冲突加剧了经济挑战，因为商品价格的超级周期扩大了该国的经常账户赤字（CAD）并加剧了国际收支危机。

基准 KSE-100 指数于 2021 年 7 月 1 日开盘于 47,356 点，在 2022 财年的前九（09）个月下跌 5.1%。投资者目睹了 PSX 16.27%（或 1.35 万亿卢比）的投资消失，因为市值（所有上市公司的总价值）从 8 卢比的峰值跌至 6.95 万亿卢比的多年低点。2021 年 6 月为 29 万亿卢比。PSX 的市值在 2021 年 6 月 30 日为 82,970 亿卢比。在 2022 财年的短短九（09）个月内，PSX 的市值总共蒸发了 7,140 亿卢比。2022 财年的主要发展是首次公开募股（IPO）的发行。2022 财年，有五家公司通过主板首次公开募股发行股票，而一些公司还让它们在创业板（GEM）上市。

C. 财务业绩

细节	2022	2021
	百万卢比	
营业收入	58,302,044	105,659,673
出售投资的收益/（损失）	(56,534,035)	66,466,671
其他的收入	123,324,206	89,007,612
税前利润	163,348,436	291,143,644
税后利润	114,820,383	184,356,408
每股收益（卢比）	0.43	0.69

公司本年度的税后利润为卢比。11482.0万。该利润包括 Rs 的税前公允价值计量收益。公司战略投资 18,112.2万元（详见附注 9）。截至2022年6月30日，公司累计收益为 300万元人民币。11454.1 万（2021 年：亏损 54.2 万卢比）。

本年度公司营业收入和资本收益较去年大幅下降，主要是由于通胀上升、增长放缓和外部账户疲软等因素导致经济风险加大。PKR 贬值、燃料和公用事业费率的急剧上涨以及创纪录的大宗商品价格可能会导致巨大的通胀压力，这意味着货币政策将在很长一段时间内收紧。公司正在**尽最大努力**通过广泛的研究、企业访问和咨询服务提供更高质量的服务，从而提高产量。我们正在不断努力扩大我们的在线和零售客户群，以增加投资者的市场参与度并从有利可图的市场机会中获益。

管理层继续预计未来时期的经济成果会有所改善，早期迹象是显而易见的，因此继续实施其利用这些改善的计划。公司继续监控营运资金部署并制定战略（包括在流动性和合同安排允许的情况下减轻负债）。上一财政年度开展的多项业务发展活动已正式确定并在本年度继续进行。此外，公司继续战略性地管理其投资组合。

本公司董事／保荐人历来以次级贷款的形式提供**重大**财务援助，以维持及 / 或增加本公司可支配的净值及流动资金。公司的发起人将继续承诺在必要的时间和范围内提供额外的财务援助，直到外部/宏观因素的改善和公司的成本优化策略导致盈利能力提高。

D. 风险和机遇

First National Equities Limited 在正常的业务过程中承担风险并创造机会。承担风险对于保持竞争力和确保可持续成功非常重要。我们的风险和机会管理包含一个有效的框架，可以在一个控制良好的环境中开展业务，在该环境中降低风险并利用机会。在做出任何选择之前，每个风险和机会都经过适当的加权和**考虑**。只有当机会大于风险时，才会制定决策。以下是风险和减轻这些风险的策略的摘要：

战略风险：

我们在竞争激烈的环境中运营，尤其是在 Covid-19 后的世界中，创新、绩效和效率得到了增强。通过不断的研究和开发以及不断引入新技术，可以减轻这种风险。战略风险被认为是所有风险中最关键的。所有业务部门负责人定期开会，形成应对国家层面风险的综合方法。

E. 企业社会责任

公司在履行社会责任方面采取了多项举措。以下是企业社会责任 (CSR) 活动的简要介绍：

职业安全与健康：

工人和员工的健康和安全是公司最重要的事情。冠状病毒大流行爆发后，公司立即组建了危机管理小组，执行政府发布的关于防止疾病传播的指令。该团队在公司办公室的所有地点发起了一场运动，以提高个人应该采取适当的预防措施来拯救自己和同事的意识。

平等机会雇主：

多元化和道德是公司的核心价值。公司为所有人提供平等的就业和职业发展机会，不分性别、阶级和宗教歧视。

F. 公司治理

最佳公司实践：董事致力于良好的公司治理，并遵守 2019 年上市公司（公司治理准则）条例和巴基斯坦证券交易所规则手册的要求。随附 2019 年 CCG 法规合规声明。

董事会的组成：《2019 年上市公司（公司治理准则）条例》第 34 条第（2）款（i、ii 和 iii）要求披露董事会及其委员会的组成。此类披露在年度报告所附的“合规声明”中给出。

董事会委员会：

- 审计委员会：审计委员会根据董事会确定的职权范围履行职责。于回顾年度内，审计委员会共召开四（04）次会议，出席情况如下： -

先生号	会员姓名	地位	出席会议次数
i.	Fusao Yamada 先生（独立董事）	主席	04
ii.	Adnan Amjad Khan 先生（独立董事）	成员	03
iii.	Muhammad Bilal 先生（非执行董事）	成员	03
iv.	瓦利德·艾哈迈德先生	秘书	02

• **人力资源与薪酬 (HR&R) 委员会：**人力资源与薪酬委员会根据董事会确定的职权范围履行职责。回顾年度内，召开了两（02）次人力资源与薪酬委员会会议，出席情况如下：

先生号	会员姓名	地位	出席会议次数
i.	Fusao Yamada先生（独立董事）	主席	02
ii.	Adnan Amjad Khan 先生（独立董事）	成员	02
iii.	Ali Aslam Malik 先生（执行董事）	成员	02
iv.	Syeda Faaiza Akmal Tirmizi 女士	秘书	02

• **董事会会议：**回顾年度内，本公司董事会在巴基斯坦召开了七（07）次会议，出席情况如下：

先生号	会员姓名	地位	出席会议次数
i.	Mr. Adnan Amjad Khan	主席/独立董事	07
ii.	Mr. Ali Aslam Malik	首席执行官	07
iii.	Mr. Amir Shehzad	执行董事	07
iv.	Mr. Abid Yousaf	非执行董事	07
v.	Ms. Syeda Faiza Akmal Tirmzi	执行董事	02
vi.	Mrs. Ayesha Anum	非执行董事	07
vii.	Mr. Muhammad Bilal	非执行董事	07
viii.	Mr. Fusao Yamada	独立董事	03

G. 董事声明

以下是董事关于公司和财务报告框架的声明：

- 1、**本公司管理层**编制的财务报表，公允地反映了公司的财务状况、经营成果、现金流量和权益变动。
- 2、**公司账簿**保存完好。
- 3、**本财务报表**的编制始终采用适当的会计政策，会计估计以合理、审慎的判断为基础。
4. 编制财务报表时遵循了适用于巴基斯坦的国际财务报告准则，任何偏离该准则的情况均已充分披露。
- 5、**内部控制制度**设计完善，得到有效实施和监控。
- 6、**公司持续经营能力**不存在重大疑虑。
7. **公司治理的最佳实践**没有出现重大偏离，详见上市规则。

H、与关联方的交易

公司已完全遵守 2018 年《公司（关联方交易和相关记录的维护）条例》。所有交易均在正常业务过程中按公平原则进行。详情请参阅财务报表附注中的附注 07

一、公积金

固定缴款计划，即公积金由公司通过公积金信托的受托人进行维护，并每年进行审计。根据截至 2022 年 6 月 30 日的年度经审计账目，该公司资金充足，员工退休基金的投资价值（单位：百万卢比）如下：

公积金信托卢比。 52.9 万

J. 选举董事

上届董事会任期于 2022 年 6 月 30 日结束，因此，于 2022 年 7 月 1 日举行新一届选举，选举七名（由董事会确定董事人数）本公司董事，自 7 月起任期三年2022 年 01 月 01 日，下列董事经 2022 年 7 月 1 日召开的临时股东大会选举产生。

J. 选举董事

上届董事会任期于 2022 年 6 月 30 日结束，因此，于 2022 年 7 月 1 日举行新一届选举，选举七名（由董事会确定董事人数）本公司董事，自 7 月起任期三年 2022 年 01 月 01 日，下列董事经 2022 年 7 月 1 日召开的临时股东大会选举产生。

1) Ali Aslam Malik 先生 2) Amir Shehzad 先生 3) Abid Yousaf 先生 4) Adnan Amjad Khan 先生
5) Ayesha Anam 女士 6) Muhammad Bilal 先生 7) Zeshan Tahir 先生

* Syeda Faaiza Akmal Tirmizi 女士和 Fusao Yamada 先生随后分别由 Ali Aslam Malik 先生和 Zeshan Tahir 先生取代。

*董事会在 2022 年 7 月 15 日举行的会议上选举 Adnan Amjad Khan 先生为董事长，并任命 Ali Aslam Malik 先生为公司首席执行官。

K. 战略投资

贵公司已于 2021 年 10 月 28 日召开的公司年度股东大会上经股东批准，对全资子公司“FNE Developments (Private) Limited”进行战略性股权投资。

L. 审计师

本公司截至 2022 年 6 月 30 日止年度的财务报表已经过 M/s Tariq Abdul Ghani Maqbool & Co. 特许会计师审计，并出具了无保留意见的报告。现任审计师将在公司年度股东大会结束时退休。符合条件的 M/s Tariq Abdul Ghani Maqbool & Co. 特许会计师已提出重新任命，任期截至 2023 年 6 月 30 日。

M. 后续事件

2022 年 6 月 30 日至 2022 年 9 月 27 日期间，未发生影响公司财务状况的重大变化和承诺。

N. 未来前景

经济和政治的不确定性影响了公司的未来规划和当前业绩。管理层意识到随之而来的问题，并相应地制定了战略计划。

O. 内部财务控制的充分性

公司已建立有效和高效的内部和财务控制系统，以保护公司资产，防止和发现欺诈行为，并确保遵守所有法定和法律要求。内部监控架构由董事会正式设立的内部审计职能定期检讨及监察。审核委员会按其职权范围每季检讨内部监控制度。

P. 董事薪酬

董事会已批准修订董事薪酬政策。该政策的主要特点如下：

- 公司不向包括独立董事在内的非执行董事支付报酬，但出席董事会及其委员会会议的会议费除外。
- 本公司将报销或承担董事因出席董事会及其委员会会议而产生的差旅和住宿费用。
- 董事会将不时检讨董事薪酬政策。

持股模式

本报告附有按报告框架要求披露的截至 2022 年 6 月 30 日的持股情况说明。

R. 董事及执行人员买卖本公司股份

年内，董事、首席执行官、首席财务官、公司秘书及其配偶和未成年子女进行了以下公司股票交易：

董事姓名	指定	关系	股数	交易性质	从/向谁获得/
					给予股份
Mr. Adnan Amjad Khan	主席	-	-	-	-
Mr. Ali Aslam Malik	首席执行官	-	-	-	-
Mr. Amir Shehzad	导向器	-	-	-	-
Mr. Abid Yousaf	导向器	-	-	-	-
Ms. Syeda Faaiza Akmal Tirmizi	导向器	-	-	-	-
Mrs. Ayesha Anam	导向器	-	-	-	-
Mr. Muhammad Bilal	导向器	-	-	-	-
Mr. Fusao Yamada	导向器	-	-	-	-
Ms. Ammara Zakriya	首席财务官	-	-	-	-
Mr. Arslan Tahir	公司秘书	-	-	-	-
Mr. Ali Aslam Malik	-	伴侣	-	-	-
Mr. Ali Aslam Malik	-	未成年人	-	-	-

R. 致谢

董事们对员工对公司的持续奉献和努力表示高兴和感谢
代表董事会。


首席执行官
Lahore
September 27, 2022


导向器

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

FIRST NATIONAL EQUITIES LIMITED

FOR THE YEAR ENDED JUNE 30, 2022

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are as per the following:

Male: 6

Female: 1

2. The composition of board is as follows:

CATEGORY	NAMES
Independent Directors	Mr. Adnan Amjad Khan Mr. Muhammad Bilal Mr. Zeeshan Tahir
Non-Executive Directors	Mr. Abid Yousaf Ms. Ayesha Anam
Executive Director	Mr. Amir Shehzad Mr. Ali Aslam Malik
Female Director	Ms. Ayesha Anam

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particular of significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.

8. The Board of directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board has arranged directors training program as a result of which Mr. Abid Yousaf, Mr. Ali Aslam Malik, Mr. Amir Shehzad and Mr. Adnan Amjad Khan have attended the approved directors training program.
10. The Board has approved appointment of Chief Financial officer, Company Secretary, Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of regulation.
11. The financial statements of the Company were duly endorsed by the CEO, a Director and CFO, before approval of the Board.

The board has formed committees comprising of members given below:

- **Audit Committee:** The audit committee is performing its duties in line with its terms of reference as determined by the Board of Directors. During the year under review, four (04) Audit Committee Meetings were held. Audit committee comprises of following members: -

Sr. No.	Name of Member	Status
i.	Mr. Muhammad Bilal (Independent Director)	Chairman
ii.	Mr. Adnan Amjad Khan (Independent Director)	Member
iii.	Mr. Abid Yousaf (Non-Executive Director)	Member
iv.	Mr. Arslan Tahir	Secretary

- **Human Resource & Remuneration (HR&R) Committee:** The Human Resource & Remuneration Committee is performing its duties in line with its terms of reference as determined by the Board of Directors. During the year under review, two (02) Human Resource & Remuneration Committee Meeting was held. Human Resource committee comprises of following members: -

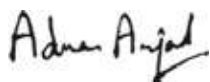
Sr. No.	Name of Member	Status
i.	Mr. Zeeshan Tahir (Independent Director)	Chairman
ii.	Ms. Ayesha Anam (Non-Executive Director)	Member
iii.	Mr. Ali Aslam Malik (CEO/Executive Director)	Member
iv.	Mr. Arslan Tahir	Secretary

13. The terms of reference of the Audit and HR and Remunerations Committees have been formed, documented and advised to the committees.

13 the frequency of meetings of the committees were as per following,

Audit Committee	Quarterly
HR and Remuneration Committee	Twice a year

- 14 the Board has set up an effective internal audit function/ or has outsourced the internal audit function to who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;
- 15 The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
- 16 The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
- 17 We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with;



Adnan Amjad Khan
Chairman

Dated: September 27, 2022

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **FIRST NATIONAL EQUITIES LIMITED** ("the Company") for the period from July 1, 2021 to June 30, 2022 in accordance with requirement of regulation 36 of this regulation.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the period from July 1, 2021 to June 30, 2022.



Tariq Abdul Ghani Maqbool & Co.

Chartered Accountants

Name of Engagement Partner: Muhammad Safdar

Lahore

Date: September 27, 2022

INDEPENDENT AUDITORS' REPORT**To the members of First National Equities Limited
Report on the Audit of the Financial Statements****Opinion**

We have audited the annexed financial statements of First National Equities Limited (the Company), which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matter(s):

Sr. No.	Key Audit Matter(s)	How the matter was addressed in our audit
01.	Valuation of unquoted investment in equity shares As stated in Note 9 to the financial statements, in fiscal year 2019, the company made an equity investment in Kingbhai Digisol (Private) Limited (the investee), a technology-based start-up. The investee and the company are related entities. The Company valued its investment in	Our audit procedures included the following: <ul style="list-style-type: none"> • Understood and evaluated the process by which the cash flow forecast was prepared and approved, including confirming the mathematical accuracy of the underlying calculations; • Evaluated the cash flow forecast by obtaining an understanding of

<p>unquoted ordinary shares of M/s Kingbhai Digisol (Private) Limited based on the valuation carried out by independent external valuer engaged by management through the use of Discounted Free Cash Flow to Equity model for business valuation. Since the use of such valuation model requires management to make significant estimates and assumptions, the degree of subjectivity and complexity involved in the valuation increases to a considerable extent. This, in turn, affected our assessment of the risk that the financial statements may be materially misstated due to error and, hence, necessitated us to devote our significant time and resources to address the risk successfully.</p>	<p>respective business of Kingbhai Digisol (Private) Limited;</p> <ul style="list-style-type: none"> • Obtained an understanding of the work performed by the management's expert on the model used for the purpose of valuation; • Obtained corroborating evidence relating to the values as determined by the valuer by challenging key assumptions for the growth rates in the cash flow forecast by comparing them to historical results and economic forecasts and challenging the discount rate by independently estimating a range based on market data; • Involved auditor's expert to assist in evaluating the assumptions and judgements adopted by the professional valuer in its discounted cash flow analysis used to derive the fair value of investment in unquoted equity; • Performed sensitivity analysis around key assumptions to ascertain the extent of change individually in the value of the investment; and • Examined the adequacy of the disclosures made by the Company in this area with regard to applicable accounting and reporting standards.
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Other Matter Paragraph

The financial statements of the Company for the year ended June 30, 2021 were audited by another firm of auditors who expressed an unmodified opinion on those statements on September 27, 2021.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that, in our opinion:

- Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- The statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business;
- No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVI of 1980); and
- The Company was in compliance with the requirement of section 78 of the Securities Act 2015, and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the Financial Statements were prepared.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Muhammad Safder, FCA.



Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants
Lahore

Date: September 27, 2022
UDIN:AR202210233RVZNDUIKI

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2022

	Note	June, 30 2022	June 30, 2021
NON CURRENT ASSETS			
------(Rupees)-----			
Property and equipment	4	37,264,260	37,345,982
Intangible assets	5	71,677,000	85,277,000
Long-term other receivable	6	73,742,541	123,321,489
Investment in associate	7	76,639,124	76,434,575
Long-term investment	8	48,797,511	-
Strategic investment	9	1,069,221,476	888,099,467
Long-term deposits	10	1,602,400	1,602,400
Deferred taxation	11	-	10,497,513
		1,378,944,312	1,222,578,426
CURRENT ASSETS			
Short-term investments	12	38,699,108	173,434,231
Trade debts	13	169,899,241	108,352,371
Loans and advances	14	1,953,105	587,066
Trade deposits and short-term prepayments	15	42,770,879	114,597,677
Other receivables	16	55,179,274	112,725,047
Advance tax-net		24,810,577	27,603,706
Cash and bank balances	17	223,177,151	230,777,747
		556,489,335	768,077,845
Total Assets		1,935,433,647	1,990,656,271
NON CURRENT LIABILITIES			
Long-term financing	18	197,102,407	277,875,106
Loan from sponsor	19	155,175,000	155,175,000
Deferred liabilities	20	31,602,727	15,403,373
		383,880,134	448,453,479
CURRENT LIABILITIES			
Trade and other payables	21	249,318,197	337,963,358
Unclaimed dividend		1,399,397	1,399,397
Current portion of long-term financing	18	24,704,000	22,000,000
Provident fund payable		529,860	-
		275,951,454	361,362,755
Total Liabilities		659,831,588	809,816,234
Contingencies and commitments	22	-	-
Net Assets		1,275,602,059	1,180,840,037
REPRESENTED BY:			
Authorized share capital	23	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up share capital	23	2,672,863,310	2,672,863,310
Discount on right shares		(1,508,754,317)	(1,508,754,317)
Accumulated profit/(loss)		114,541,926	(542,378)
		1,278,650,919	1,163,566,615
Actuarial gain from re-measurement of staff retirement benefits - net of tax		-	263,921
Unrealized (loss)/gain on re-measurement of investments classified as fair value through OCI		(3,048,860)	17,009,501
		1,275,602,059	1,180,840,037

The annexed notes from 1 to 44 form an integral part of these financial statements.


 Chief Executive Officer


 Chief Financial Officer



 Director

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	June, 30 2022	June 30, 2021
		----- (Rupees) -----	
Operating revenue	24	58,302,044	105,659,673
(Loss)/gain on sale of investments		(56,534,035)	66,466,671
Unrealized (loss)/gain on re-measurement of investments classified at fair value through profit or loss - net		(4,414,483)	9,876,097
Operating (loss)/profit		(2,646,474)	182,002,441
Administrative expenses	25	(83,372,175)	(122,627,153)
Finance cost	27	(47,286,824)	(26,616,642)
Other operating expenses	28	(7,996,855)	(8,519,634)
Other operating income	29	123,324,206	89,007,612
Changes in fair value of investments at fair value through profit or loss	9	181,122,009	178,494,320
Share of profit/(loss) of associate	7	204,549	(597,300)
Profit before taxation		163,348,436	291,143,644
Taxation	30	(48,528,053)	(106,787,236)
Profit after taxation		114,820,383	184,356,408
Basic earning per share	31	0.43	0.69

The annexed notes from 1 to 44 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer



Director

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	Note	June, 30 2022	June 30, 2021
		------(Rupees)-----	
Profit after taxation		114,820,383	184,356,408
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain from re-measurement of staff retirement benefits		-	158,743
Unrealized (loss)/gain during the year in the market value of investments classified at fair value through OCI-net of tax		(20,058,361)	18,027,419
Other comprehensive (loss)/ income for the year		(20,058,361)	18,186,162
Total comprehensive income for the year		94,762,022	202,542,570

The annexed notes from 1 to 44 form an integral part of these financial statements.


 Chief Executive Officer


 Chief Financial Officer


 Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2022

	Issued, subscribed and paid-up capital	Discount on issue of right shares	Accumulated profit/(loss)	Actuarial gain from re-measurement of staff retirement benefits - net of tax	Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI	Total
	-----Rupees-----					
Balance as at July 01, 2020	2,672,863,310	(1,508,754,317)	(184,898,786)	105,178	(1,017,918)	978,297,467
Profit after taxation for the year ended June 30, 2021	-	-	184,356,408	-	-	184,356,408
Other comprehensive income for the year	-	-	-	158,743	18,027,419	18,186,162
Balance as at June 30, 2021	2,672,863,310	(1,508,754,317)	(542,378)	263,921	17,009,501	1,180,840,037
Balance as at July 01, 2021	2,672,863,310	(1,508,754,317)	(542,378)	263,921	17,009,501	1,180,840,037
Profit after taxation for the year ended June 30, 2022	-	-	114,820,383	-	-	114,820,383
Other comprehensive loss for the year	-	-	-	-	(20,058,361)	(20,058,361)
Transferred from actuarial gain from remeasurement of staff retirement benefits- net of tax	-	-	263,921	(263,921)	-	-
Balance as at June 30, 2022	2,672,863,310	(1,508,754,317)	114,541,926	-	(3,048,860)	1,275,602,059

The annexed notes from 1 to 44 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED JUNE 30, 2022

	Note	June, 30 2022	June 30, 2021
----- (Rupees) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		163,348,436	291,143,644
Adjustments for non cash items:			
Depreciation	25	887,347	663,445
Loss/(gain) on sale of investments		56,534,035	(66,466,671)
Change in fair value of investment through profit or loss		(181,122,009)	(178,494,320)
Finance cost	27	47,286,824	26,616,642
Unrealized loss/(profit) on re-measurement of investments at fair value		4,414,483	(9,876,097)
Provision for other receivable		-	61,115,483
Dividend income	24	(1,131,551)	(9,651,659)
Share of loss of associate	7	(204,549)	597,300
Provision for gratuity		-	1,703,353
Provision on long term other receivable		2,607,040	-
Provision expense for expected credit losses		5,197,790	-
Other operating income	29	(108,989,976)	(83,612,460)
		(174,520,566)	(257,404,984)
Changes in working capital		(11,172,130)	33,738,660
Decrease / (Increase) in current assets			
Trade debts	13	(66,744,660)	86,370,206
Loans and advances	14	(1,366,039)	1,490,605
Trade deposits and short-term prepayments	15	71,826,798	(104,088,184)
Other receivables		(922,312)	-
Long-term other receivable		41,000,000	1,673,727
		43,793,787	(14,553,646)
(Decrease) / Increase in current liabilities			
Trade and other payables	21	(88,645,161)	47,772,944
Provident fund payable		529,860	-
		(88,115,301)	47,772,944
Cash (utilized in)/generated from operations		(55,493,644)	66,957,958
Finance cost paid		(4,845,817)	(6,671,525)
Income tax paid		(3,863,387)	(2,515,488)
Net cash (utilized in)/generated from operating activities		(64,202,848)	57,770,945
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale/(purchase) of marketable net		56,051,699	(22,839,922)
Additions of fixed assets	4	(805,625)	(664,500)
Disposals/(additions) of intangible assets		20,000,000	(2,400)
Dividend received	24	1,131,551	9,651,659
Net cash generated from/(utilized in) investing activities		76,377,625	(13,855,163)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term loans		(4,372,000)	(3,193,820)
Dividend paid		-	(125,875)
Gratuity paid		(15,403,373)	-
Net cash utilized in financing activities		(19,775,373)	(3,319,695)
Net (decrease)/increase in cash and cash equivalents		(7,600,596)	40,596,087
Cash and cash equivalents at the beginning of the year		230,777,747	190,181,660
Cash and cash equivalents at the end of the year		223,177,151	230,777,747

The annexed notes from 1 to 44 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED JUNE 30, 2022****1 THE COMPANY AND ITS OPERATIONS**

First National Equities Limited ("the Company") is a public listed company incorporated in Pakistan under the Companies Ordinance, 1984 (now the Companies Act, 2017). Shares of the Company are quoted on the Pakistan Stock Exchange Limited ("PSX"). The registered office of the Company is situated at Room No. 1007, 10th Floor, New Stock Exchange Building, Stock Exchange Road, Karachi.

The Company is a holder of Trading Rights Entitlement Certificate ("TREC") of Pakistan Stock Exchange Limited. The principal activities of the Company include shares brokerage, consultancy services and portfolio investment.

The Company's branch network consists of the following branches:

Lahore Branches	FNE House, 179-B, Abu Bakar Block, New Garden Town, Lahore. Room No. 314 & 417 LSE Plaza, 19 Khayaban-e-Aiwan-e-Iqbal, Lahore.
Rawalpindi Branch	Office No. 329-330, third floor, Rania Mall, Saddar, Rawalpindi.
Gujrat facilitation center	Office No. 2, First floor, City plaza attached GPO building near Jail Chowk Gujrat.

2 ACCOUNTING CONVENTION AND BASIS FOR PREPARATION**2.1 Statement of compliance**

These financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. Accounting and reporting standards applicable in Pakistan comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") as are notified under the Companies Act, 2017 (the "Act"), and provisions of and directives issued under the Act. If and where provisions of and directives issued under the Act differ from IFRSs, the provisions of and directives issued under the Act will prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for the following material items:

- Investments in quoted equity securities (whether measured at fair value through profit or loss, or at fair value through other comprehensive income), which are carried at fair value;
- Investments in unquoted equities, measured at fair value through profit or loss;
- Investments in associates, which are recorded in accordance with the equity method of accounting for such investments; and
- Derivative financial instruments, which are marked-to-market as appropriate under relevant accounting and reporting standards.

2.3 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period

The following standards, amendments and interpretations are effective for the year ended June 30, 2022. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

Standards or Interpretations with no significant impact	Effective from annual period beginning on or after:
IAS 16 - Property plant and equipment (Amendments)	January 01, 2022
IAS 37 - Provisions, contingent liabilities and contingent assets (Amendments)	January 01, 2022
IFRS 3 - Business combinations (Amendments)	January 01, 2022

New accounting standards / amendments and IFRS interpretations that are not yet effective

The following new accounting standards, interpretations and amendments to accounting and reporting standards are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments, interpretations and standards are, either not relevant to the Company's operations, or are not expected to have a significant impact on the Company's financial statements other than certain additional disclosures.

Standards or Interpretations	Effective from annual period beginning on or after:
IAS 1 - Presentation of financial statements (Amendments)	January 01, 2023
IAS 12 - Deferred tax related to assets and liabilities arising from single transaction (Amendments)	January 01, 2023

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expense. It also requires management to exercise judgment in the process of applying the Company's accounting policies.

Estimates and judgments are continually evaluated and are based on historical experience as well as expectations of future events that are believed to be reasonable under the circumstances. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are as follows:

- Useful lives and residual values of items of property and equipment (note 3.2)
- Allowance for expected credit losses (note 3.7)
- Classification, recognition, measurement / valuation of financial instruments (note 3.1)
- Fair values of unquoted equity investments (note 3.1)
- Provision for taxation (note 3.8)
- Staff retirement benefits (note 3.13).

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED JUNE 30, 2022****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless stated otherwise.

3.1 Financial assets and liabilities**Recognition and initial measurement**

The Company, on the date of initial recognition, recognizes loans, debt securities, equity securities and deposits at the fair value of consideration paid. Regular-way purchases and sales of financial assets are recognized on the settlement date. All other financial assets and liabilities, including derivatives, are initially recognized on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The initial measurement of a financial asset or liability is at fair value plus transaction costs that are directly attributable to its purchase or issuance. For instruments measured at fair value through profit or loss, transaction costs are recognized immediately in profit or loss.

Classification and Measurement of Financial Assets

IFRS 9 eliminates the IAS 39 categories for financial assets (held-to-maturity, loans and receivables, held-for-trading and available-for-sale). Instead, IFRS 9 classifies financial assets into the following categories:

- Fair value through profit or loss ("FVTPL");
- Fair value through other comprehensive income ("FVOCI");
- Amortized cost;
- Elected at fair value through other comprehensive income (equities only); or
- Designated at FVTPL

Financial assets include both debt and equity instruments.

Debt Instruments

Debt instruments are classified into one of the following measurement categories:

- Amortized cost;
- FVOCI;
- FVTPL; or
- Designated at FVTPL

Classification of debt instruments is determined based on:

- (i) The business model under which the asset is held; and
- (ii) The contractual cash flow characteristics of the instrument

Debt instruments are measured at amortized cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortized cost. Interest income on these instruments is recognized in interest income using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortized cost is calculated by taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Impairment on debt instruments measured at amortized cost is calculated using the expected credit loss approach. Loans and debt securities measured at amortized cost are presented net of the allowance for credit losses / provision for doubtful debts in the statement of financial position.

Debt instruments are measured at FVOCI if they are held within a business model whose objective is to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that are solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI are recorded in other comprehensive income. Upon derecognition, realized gains and losses are reclassified from other comprehensive income and recorded in the statement of income. Premiums, discounts and related transaction costs are amortized over the expected life of the instrument to the income statement using the effective interest rate method. Impairment on debt instruments measured at FVOCI is calculated using the expected credit loss approach.

Debt instruments are measured at FVTPL if assets are held for trading purposes, are held as part of a portfolio managed on a fair value basis, or whose cash flows do not represent payments that are solely payments of principal and interest. Transaction costs for such instruments are recognized immediately in profit or loss.

Finally, debt instruments in the "designated at FVTPL" category are those that have irrevocably designated by the Company upon initial recognition. This designation is available only for those debt instruments for which a reliable estimate of fair value can be obtained. Instruments are designated at FVTPL typically if doing so eliminates or reduces accounting mismatch which would otherwise arise.

Equity Instruments

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon initial recognition, with transaction costs recognized immediately in profit or loss. Subsequent to initial recognition, changes in fair value are recognized through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

An initial recognition, there is an irrevocable option for the Company to classify non-trading equity instruments at FVOCI. This election is typically used for equity instruments for strategic or longer-term investment purposes. The election is made on an instrument-by-instrument basis and is not available to equity instruments that are held for trading purposes. Gains and losses on these instruments are recorded in OCI and are not subsequently reclassified to profit or loss. As such, there is no specific impairment requirement. Dividends received are recorded in profit or loss. Any transaction costs incurred upon purchase are added to the cost basis of the security and are not reclassified to profit or loss upon the sale of the security.

Classification and Measurement of Financial Liabilities

Financial liabilities are classified into one of the following measurement categories:

- FVTPL;
- Amortized cost; or
- Designated at FVTPL.

Financial liabilities measured at FVTPL are held principally for the purpose of repurchasing in the near term, or form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Financial liabilities are recognized on a trade date basis and are accounted for at fair value, with changes in fair value and any gains or losses recognized in profit or loss. Transaction costs are expensed as incurred.

Financial liabilities may also be designated at FVTPL if a reliable estimate of fair value can be obtained and when (a) the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise, (b) a group of financial liabilities are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, or (c) the financial liability contains one or more embedded derivatives which significantly modify the cash flows required. Any changes in fair value are recognized in profit or loss, except for changes in fair value arising from changes in the Company's own credit risk, which are recognized in OCI. Changes in fair value due to changes in the Company's own credit risk are not subsequently reclassified to profit or loss upon derecognition or extinguishment of liabilities.

Determination of Fair Value

The fair value of a financial asset or liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or, in its absence, the most advantageous market to which the Company has access at the measurement date. The Company values instruments carried at fair value using quoted market prices, where available. Unadjusted quoted market prices for identical instruments represent a Level 1 valuation. When quoted prices are not available, the Company maximizes the use of observable inputs within valuation models. When all significant inputs are observable, the valuation is classified as Level 2. Valuations that require the significant use of unobservable inputs are considered Level 3.

Derecognition of Financial Assets and Financial Liabilities

A financial asset is derecognized when the contractual rights to the cash flows from asset have expired, or the Company transfers the contractual rights to receive the cash flows from the financial asset, or has assumed an obligation to pay those cash flows to an independent third party, or the Company has transferred substantially all the risks and rewards of ownership of that asset to an independent third-party. Management determines whether substantially all the risks and rewards of ownership have been transferred by quantitatively comparing the variability in cash flows before and after the transfer. The variability in cash flows remains significantly similar subsequent to the transfer, the Company has retained substantially all of the risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount and the sum of (a) the consideration received (including any new asset obtained less any new liability assumed) and (b) the cumulative gain or loss that had been recognized in OCI, is recognized in profit or loss.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. If an existing financial liability is replaced by another from the same counterparty on substantially different terms, or the terms of the existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability at fair value. The difference in the respective carrying amount of the existing liability and the new liability is recognized as a gain/loss in profit or loss.

3.2 Property and equipment

Items of property and equipment are stated at cost less accumulated depreciation and/or impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Where such subsequent costs are incurred to replace parts and are capitalized, the carrying amount of replaced parts is derecognized. All other repairs and maintenance expenditures are charged to the profit and loss account during the year in which they are incurred.

Depreciation on all items of property and equipment is calculated using the straight-line method, in accordance with the rates specified in note 4 to these financial statements and after taking into account residual value, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged on an asset from the date when the asset is available for use until the date the asset is disposed of.

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on asset derecognition (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account in the year in which the asset is derecognized.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

3.3 Intangible assets

Intangible assets with indefinite useful lives, including Trading Right Entitlement Certificate ("TREC"), licenses and tenancy rights, are stated at cost less accumulated impairment losses, if any. An intangible asset is considered as having an indefinite useful life when, based on an analysis of all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortized. However, it is tested for impairment at each reporting date or whenever there is an indication that the asset may be impaired. Gains or losses on disposal of intangible assets, if any, are recognized in the profit and loss account during the year in which the assets are disposed of.

3.4 Investment property

Property that is held for long-term rental yields or for capital appreciation or for both (but not for sale in the ordinary course of business), used in the supply of services or for administrative purposes is classified as investment property. Investment property is initially measured at its cost, including related transaction costs and borrowing costs, if any. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

For the purpose of subsequent measurement, the Company determines with sufficient regularity the fair value of the items of investment property based on available active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Valuations wherever needed are performed as of the reporting date by professional valuers who hold recognized and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property. Changes in fair values are recognized in the profit and loss account.

3.5 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset (and the net amount is reported in the financial statements) when the Company has a legally enforceable right to offset the recognized amounts and the Company intends to either settle on a net basis or to realize the assets and settle the liabilities simultaneously. When financial assets and financial liabilities are offset in the statement of financial position, the related income and expense items are also offset in the statement of income, unless specifically prohibited by an applicable accounting standard.

3.6 Investment in associates

Associates are all entities over which the Company has significant influence but not control. Investments in associates where the Company has significant influence are accounted for using the equity method of accounting. Under the equity method of accounting, investments in associates are initially recognized at cost and the carrying amount of investment is increased or decreased to recognize the Company's share of the associate's post-acquisition profits or losses in income, and its share of the post-acquisition movement in reserves is recognized in other comprehensive income.

3.7 Impairment

Financial assets

The company recognises a loss allowance for expected losses in respect of financial assets measured at amortised cost.

For trade debts, the Company applies the IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected loss allowance.

For other amortized cost financial assets, the Company applies a three-stage approach to measure allowance for credit losses, using an expected credit loss approach as required under IFRS 9. The Company's expected credit loss impairment model reflects the present value of all cash shortfalls related to default events, either over the following twelve months, or over the expected life of a financial instrument, depending on credit deterioration from inception. The allowance / provision for credit losses reflects an unbiased, probability-weighted outcomes which considers multiple scenarios based on reasonable and supportable forecasts.

Where there has not been a significant decrease in credit risk since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to the remaining term to maturity is used.

When a financial instrument experiences a significant increase in credit risk subsequent to origination but is not considered to be in default, or when a financial instrument is considered to be in default, expected credit loss is computed based on lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue effort or cost. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessments, including forward-looking information.

Forward-looking information includes reasonable and supportable forecasts of future events and economic conditions. These include macro-economic information, which may be reflected through qualitative adjustments or overlays. The estimation and application of forward-looking information may require significant judgment.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. The Company makes this assessment on an individual asset basis, after consideration of multiple historical and forward-looking factors. Financial assets that are written off may still be subject to enforcement activities in order to comply with the Company's processes and procedures for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount - defined as the higher of the asset's fair value less costs of disposal and the asset's value-in-use (present value of estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and asset-specific risk) - is estimated to determine the extent of the impairment loss. For the purpose of assessing impairment, assets are grouped into cash-generating units: the lowest levels for which there are separately identifiable cash flows.

3.8 Taxation

Current

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using rates enacted or substantively enacted at the reporting date, and takes into account tax credits, exemptions and rebates available, if any. The charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessments framed/finalized during the year.

Deferred

Deferred tax is recognized using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities used for financial reporting purposes and amounts used for taxation purposes. Deferred tax is calculated using rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the balance sheet date. In this regard the effects on deferred taxation on the portion of income expected to be subject to final tax regime is adjusted in accordance with the requirements of Accounting Technical Release-27 of the Institute of Chartered Accountants of Pakistan.

Deferred tax liabilities are recognized for all taxable temporary differences. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefits will be realized.

Deferred tax is charged or credited to the income statement, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

3.9 Cash and cash equivalents

Cash and cash equivalents are carried at cost and include cash in hand, balances with banks in current and deposit accounts, stamps in hand, other short-term highly liquid investments with original maturities of less than three months and short-term running finances.

3.10 Trade debts

These are carried at their transaction price less any allowance for lifetime expected credit losses. A receivable is recognized on the settlement date as this is the point in time that the payment of the consideration by the customer becomes due.

3.11 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost using the effective interest method. They are classified as current if payment is due within twelve months of the reporting date, and as non-current otherwise.

3.12 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. The amount recognized represents the best estimate of the expenditure required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

3.13 Staff retirement benefits

Unfunded gratuity scheme

The Company operates an unfunded gratuity scheme covering all eligible permanent employees. The liability recognized in the balance sheet in respect of the defined benefit gratuity scheme is the present value of the defined benefit obligation at the balance sheet date together with the adjustments for unrecognized actuarial gains or losses and past service costs, if any. The defined benefit obligation is calculated by an independent actuary using the Projected Unit Credit Method. During the year, the Company has curtailed gratuity scheme and paid off the respective liability.

Defined contribution plans

Effective from Oct 1, 2021 the Company operates an approved contributory provident fund for all eligible employees. Equal monthly contributions are made by the company and the employee to the fund at the rate of 5% of basic salary. Retirement benefits are payable to staff on completion of prescribed qualifying period of service under this scheme.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

3.14 Borrowings

These are recorded at the proceeds received. Finance costs are accounted for on accrual basis and are disclosed as accrued interest / mark-up to the extent of the amount unpaid at the reporting date.

3.15 Proposed dividend and transfers between reserves

Dividends declared and transfers between reserves made subsequent to the balance sheet date are considered as non-adjusting events and are recognized in the financial statements in the period in which such dividends are declared / transfers are made.

3.16 Borrowing cost

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of the relevant asset.

3.17 Fiduciary assets

Assets held in trust or in a fiduciary capacity by the Company are not treated as assets of the Company.

3.18 Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses. Revenue is recognized on the following basis:

Brokerage income is recognized when brokerage services are rendered

Dividend income is recognized when the right to receive the dividend is established.

Commission income is recognized on an accrual basis.

Return on deposits is recognized using the effective interest method.

Income on fixed term investments is recognized using the effective interest method.

Gains / (losses) arising on sale of investments are included in the statement of profit or loss in the period in which they arise.

Unrealized capital gains / (losses) arising from marking to market financial assets are included in the statement of profit or loss (for assets measured at FVTPL) or OCI (for assets measured at FVOCI) during the period in which they arise.

Income / profit on exposure deposits is recognized using the effective interest rate.

3.19 Foreign currency transaction and translation

Monetary assets and liabilities in foreign currencies are translated into functional currency at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are translated into functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in income.

3.20 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency.

3.21 Derivative financial instruments

Derivative financial instruments are recognized at their fair value on the date on which a derivative contract is entered into. Subsequently, any changes in fair values arising on marking to market of these instruments are taken to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

4 PROPERTY AND EQUIPMENT

Description	Office Building	Residential Apartments	Furniture and Fittings	Office Equipment	Computer and Accessories	Vehicles	Total
	Rupees						
Cost							
Balance as at July 01, 2020	36,156,614	4,260,000	13,496,841	14,481,867	18,189,288	15,118,711	101,703,321
Additions during the year	-	-	96,500	64,000	504,000	-	664,500
Balance as at June 30, 2021	36,156,614	4,260,000	13,593,341	14,545,867	18,693,288	15,118,711	102,367,821
Balance as at July 01, 2021	36,156,614	4,260,000	13,593,341	14,545,867	18,693,288	15,118,711	102,367,821
Additions during the year	-	-	40,000	373,075	392,550	-	805,625
Balance as at June 30, 2022	36,156,614	4,260,000	13,633,341	14,918,942	19,085,838	15,118,711	103,173,446
Accumulated Depreciation							
Balance as at July 01, 2020	3,109,569	544,513	13,438,647	14,014,242	18,132,712	15,118,711	64,358,394
Charge for the year	388,684	106,504	21,256	85,729	61,272	-	663,445
Balance as at June 30, 2021	3,498,253	651,017	13,459,903	14,099,971	18,193,984	15,118,711	65,021,839
Balance as at July 01, 2021	3,498,253	651,017	13,459,903	14,099,971	18,193,984	15,118,711	65,021,839
Charge for the year	390,491	106,500	21,868	92,482	276,006	-	887,347
Balance as at June 30, 2022	3,888,744	757,517	13,481,771	14,192,453	18,469,990	15,118,711	65,909,186
Depreciation rate	1.08%	2.5%	10%	10%	33.33%	20%	
Written down value as at June 30, 2022	32,267,870	3,502,483	151,570	726,489	615,848	-	37,264,260
Written down value as at June 30, 2021	32,658,361	3,608,983	133,438	445,896	499,304	-	37,345,982

5 INTANGIBLE ASSETS

Particulars	Cost			Total
	Building Tenancy Rights	License to use Room at Pakistan Stock Exchange Limited	Trading Right Entitlement Certificate (TREC) from Pakistan Stock Exchange Limited	
	5.1	5.2	5.3	
	Rupees			
Balance as at July 01, 2021	14,915,000	67,862,000	2,500,000	85,277,000
Less: Impairment loss	-	-	-	-
Less: Disposal	(13,600,000)	-	-	(13,600,000)
Net Balance as at June 30, 2022	1,315,000	67,862,000	2,500,000	71,677,000
Net Balance as at June 30, 2021	14,915,000	67,862,000	2,500,000	85,277,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

- 5.1 Building tenancy rights represent consideration paid by the Company in connection with the transfer of tenancy rights in favor of the Company for properties situated at Bank Square, Peshawar and Mall Road, Nowshera. The ownership of these properties continues to vest with the original owner. During the year Company has transferred the tenancy rights of Bank Square Peshawar property to independent third party.
- 5.2 During the year ended June 30, 2019, the Company has acquired four rooms of Rs. 20.862 million situated at the Lahore Stock Exchange Building from First Pakistan Securities Limited and Switch Securities (Pvt.) Limited (collectively, "the sellers") against long-standing receivables from the sellers. Under an arrangement between the Company and the sellers, the risks and rewards of ownership have been substantively transferred to the Company. The transaction has been recorded at fair value, consistent with the requirements of applicable accounting standards and the Companies Act, 2017. It also includes license of 10 Rooms of PSX, located on the 10th floor of New Pakistan Stock Exchange Building, I.I. Chundrigar Road, Karachi for lump-sum consideration of Rs. 47 million.
- 5.3 Pursuant to demutualization of the Pakistan Stock Exchange Limited ("PSX"), the ownership rights in the Exchange were segregated from the right to trade on an exchange. As a result of such demutualization the Company received shares and a Trading Rights Entitlement Certificate ("TREC") from the PSX against its membership card.
- An active market for TREC is currently not available. The TREC has been accounted for as intangible asset as per provisions of IAS 38. As the TREC is not a commonly tradable instrument, the value approved by the Board of Directors of PSX post-demutualization and later on has been used as its current value.

6 LONG-TERM OTHER RECEIVABLE

	Note	June 30, 2022	June 30, 2021
		----- (Rupees) -----	
Long-term receivable	6.1	113,349,581	169,899,282
Less: Current portion		(37,000,000)	(46,577,793)
		<u>76,349,581</u>	<u>123,321,489</u>
Less: Provision for expected credit losses	6.2	(2,607,040)	-
		<u>73,742,541</u>	<u>123,321,489</u>

- 6.1 This amount pertains to a long term outstanding trade debt amounting to Rs. 230.635 million, owed by an ex-client of the Company. The debt has been reclassified, with the approval of the Board, as a long-term receivable in view of both the current legal form and the substance of the asset. The debt, which is repayable in quarterly installments up to December 2026, is considered good.
- 6.2 The Company has recorded provision of expected credit losses according to the company's methodology for computing expected credit losses under IFRS 9 as provided in note No. 3.7.

Movement in provision for expected credit losses

	Note	June 30, 2022	June 30, 2021
		----- (Rupees) -----	
Opening balance		-	-
Provision for expected credit losses		2,607,040	-
Closing balance		<u>2,607,040</u>	<u>-</u>

7 INVESTMENT IN ASSOCIATE

	Note	June 30, 2022	June 30, 2021
		----- (Rupees) -----	
Coastal Company Limited (formerly National Asset Management Company Limited or "NAMCO")	7.1	76,639,124	76,434,575
		<u>76,639,124</u>	<u>76,434,575</u>

- 7.1 The Company holds 4,000,000 ordinary shares (2021: 4,000,000 ordinary shares), at Rs. 10 per share fully paid-up, in Coastal Company Limited incorporated in Pakistan. The shareholding represents 28.17% (2021: 28.17%) of Coastal Company Limited's total shareholding. The cost of the investment in Coastal Company Limited was Rs. 40 million (2021: Rs. 40 million).

	Note	June 30, 2022	June 30, 2021
		----- (Rupees) -----	
Opening balance		76,434,575	77,031,875
Share of profit/(loss) from associate	7.1.1	204,549	(597,300)
Closing balance		<u>76,639,124</u>	<u>76,434,575</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

- 7.1.1 The Company's investment in Coastal Company Limited (formerly National Asset Management Company Limited or "NAMCO" an associated undertaking/related party) has been accounted for under the equity method of accounting. The Company's investment has been adjusted by its share of Coastal Company Limited's profits/losses, based on Coastal Company Limited's management financial statements (i.e. management's accounts), in accordance with IAS 28.

Summarized financial information of the associate, extracted from the associate's financial statements, is presented below.

Summarized financial information for associate

Note	June 30, 2022	June 30, 2021
----- (Rupees) -----		
Summarized Balance Sheet:		
Current Assets		
Cash and cash equivalents	29,666	38,798
Other current assets	47,427,701	47,432,021
Total Current Assets	47,457,367	47,470,819
Non-Current Assets	233,233,470	234,758,177
Current Liabilities		
Other current liabilities	8,631,468	10,895,750
Total Current Liabilities	8,631,468	10,895,750
Closing Net Assets	272,059,369	271,333,246
Company's Share in %	28.17%	28.17%
Carrying Amount	76,639,124	76,434,575
Reconciliation to carrying amount:		
Opening net assets	271,333,246	273,453,584
Profit/(loss) for the year	726,123	(2,120,338)
Closing Net Assets	272,059,369	271,333,246
Summarized income statement:		
Revenue	869	24,712
Interest expense	-	-
General & admin expense	(1,717,389)	(2,069,521)
Income tax expense	(87)	(156)
Prior year adjustment	2,442,730	(75,373)
Profit/(loss) for the year	726,123	(2,120,338)

8 LONG-TERM INVESTMENT

At fair value through OCI
Unquoted:

ISE Towers REIT Management Company

Note	June 30, 2022	June 30, 2021
----- (Rupees) -----		
8.1 & 8.3	48,797,511	-

- 8.1 Company has received 3,034,603 number of shares of M/s ISE Towers REIT Management Company as settlement of outstanding markup from a related party M/s Switch Securities (Pvt.) Limited. The investment was initially recorded at cost determined on the basis of breakup value available in the audited financial statements of the ISE Towers REIT Management Company as at June 30, 2021. Subsequently this investment was measured at fair value and gain/(loss) charged to OCI.
- 8.2 The company as per its policy, carried out the valuation of the aforementioned investments. In this connection, the valuation technique used by the company was Discounted Cash Flow to Equity model for business valuation. Assumptions and inputs used in the valuation technique mainly include risk free rate, equity risk premium, long term growth rate and projected rate of increase in revenues, other income and expenses. Principal assumptions used in the valuation of above unquoted investments are as under:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

June 30, 2022

Name of investee company	Long term growth rate	Cost of equity	Projection period	Value per share (Rs.)	Valuation technique used
ISE Towers REIT Management Company	4%-6%	13.58%	5 years	16.080	Discounted Cash Flow to Equity Model

8.3 Reconciliation of gain/(loss) on remeasurement of long term investments as of the reporting date

	Note	June 30, 2022	June 30, 2021
		(Rupees)	
Cost of investment		50,890,292	-
Unrealised loss:			
Opening balance		-	-
Net unrealized loss in the value of investment for the year		(2,092,781)	-
		(2,092,781)	-
Closing balance		48,797,511	-

9 STRATEGIC INVESTMENT

	Note	June 30, 2022	June 30, 2021
		(Rupees)	
Investment in Kingbhai Digisol (Private) Limited		1,069,221,476	888,099,467

As part of the Company's strategy to effectively deploy capital in order to deliver returns to investors in an otherwise depressed economic environment, the Company capitalized on an opportunity to invest in Kingbhai Digisol (Private) Limited ("KingBhai"), a technology-enabled business operating in the real estate and technology services sectors. Given the growth trajectory of these sectors and the Company's assessment of the service gap in the sectors, the Company expects the investment to yield returns through investment value appreciation as well as dividends.

The Company and KingBhai are related, as described in note 32. However, the Company holds 7.70% (2021: 7.7%) of KingBhai's voting shares and, as such, does not exert control or exercise significant influence. The Company has chosen to forego the irrevocable election available under IFRS 9 to designate the investment at FVOCI upon purchase. Instead, the investment is measured at FVTPL, with changes in fair value recognized through profit or loss.

The table below sets out information about reconciliation of opening and closing balances and significant unobservable inputs used in measuring financial instruments categorized as Level 3 investments in the fair value hierarchy.

Description	Valuation technique	Significant unobservable inputs	Range
Investment in Kingbhai Digisol (Private) Limited	Discounted cash flows	Weighted average cost of capital Long term revenue growth rate Discount for lack of marketability	20% - 25% 1% - 3% 2% - 4%

Significant unobservable inputs used in the fair value measurement of the investment in Kingbhai Digisol (Private) Limited include the weighted-average cost of capital or equity, the terminal revenue growth rate and a discount for lack of marketability. Significant increases or decreases in any of these inputs in isolation will result in significantly different fair values. An increase in the cost of capital or discount for lack of marketability will result in a lower fair value measurement, whereas an increase in the long-term revenue growth rate will result in a higher fair value measurement. As well, there is an interdependency between the discount for lack of marketability and the cost of capital - an increase in the former will result in a directionally consistent movement in the latter.

	Note	June 30, 2022	June 30, 2021
		(Rupees)	
Strategic investment			
Opening balance		888,099,467	709,605,147
Fair value gain through profit or loss		181,122,009	178,494,320
Closing balance		1,069,221,476	888,099,467

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

10 LONG-TERM DEPOSITS

Central Depository Company Limited
Pakistan Stock Exchange Limited
National Clearing Company of Pakistan Limited
Other security deposits

Note	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
	100,000	100,000
	1,200,000	1,200,000
	200,000	200,000
	102,400	102,400
	<u>1,602,400</u>	<u>1,602,400</u>

11 DEFERRED TAXATION

Deferred tax liabilities-Taxable temporary differences

Short-term investments at FVOCI	-	63,503
Short-term investments at FVTPL	-	426,266
Accelerated tax depreciation	3,190,933	-
Long-term other receivable	-	431,617
Strategic investment	117,773,107	38,310,272
Investment in associate	4,037,631	1,572,577
	<u>125,001,671</u>	<u>40,804,235</u>

Deferred tax assets-Deductible temporary differences

Provision for gratuity	-	(657,675)
Accelerated tax depreciation	-	(179,567)
Intangible assets	(1,377,500)	(539,521)
Short-term investments at FVTPL	(486,476)	-
Provision for doubtful debts	(24,136,216)	(14,264,833)
Long-term investment at FVOCI	(230,624)	-
Long-term other receivable	(287,296)	-
Other receivables	(7,043,122)	-
Capital loss on sale of investments at FVTPL	(9,880,721)	-
	<u>(43,441,955)</u>	<u>(15,641,596)</u>
Deferred tax liability-net	81,559,716	25,162,639
Effect of carried-forward tax losses/tax credits	11.1 (49,956,989)	(35,660,152)
Deferred tax liability/(asset)-net	<u>31,602,727</u>	<u>(10,497,513)</u>

11.1 The deferred tax asset involves an amount of Rs. 39.496 (2021: 24.680) million which relates to carry forward losses of the company relating to the losses incurred over the previous financial years as well as other carry-forward adjustable amounts allowed under section 113 and 113C of the Income Tax Ordinance, 2001 amounting to Rs. 10.460 million (2021: Rs. 10.980 million).

The tax losses and other carry forward adjustable amounts would expire as follows:

Accounting year	Category	Amount (Rs.)	Accounting year in which benefit expires
2015	Alternate corporate tax	2,977,989	2025
2017	Alternate corporate tax	4,776,538	2027
2018	Business loss	5,247,772	2024
2019	Business loss	18,606,472	2025
2020	Business loss	8,015,343	2026
2020	Minimum tax	493,998	2023
2021	Business loss	91,065,216	2027
2021	Minimum tax	1,497,244	2024
2022	Business loss	13,260,332	2028
2022	Minimum tax	714,631	2025

12 SHORT-TERM INVESTMENTS

At FVOCI
At FVTPL

Note	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
12.1	14,863,600	32,598,506
12.2	23,835,508	140,835,725
	<u>38,699,108</u>	<u>173,434,231</u>

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED JUNE 30, 2022****12.1 Equity investments at fair value through other comprehensive income**

The investments are strategic investments made by the Company to achieve objectives other than short-term profit-taking. Consistent with the Company's strategy, its historical treatment of these investments and the fact that these equity investments are neither held for trading nor are they contingent consideration recognized pursuant to an acquisition in a business combination to which IFRS 3 (*Business Combinations*) applies, it has elected to account for these equity investments at FVOCI.

No. of Shares		Name of Scrip / Company	30-Jun-22		30-Jun-21	
30-Jun-22	30-Jun-21		Avg. Cost	Market Value	Avg. Cost	Market Value
10,000	10,000	Pioneer Cement Limited	201,900	603,300	201,900	1,310,700
453,525	453,525	SME Leasing Limited	2,267,625	839,021	2,267,625	2,018,187
1,311,953	1,311,953	Pakistan Stock Exchange Limited	13,119,530	13,421,279	13,119,480	29,269,619
1,775,478	1,775,478		15,589,055	14,863,600	15,589,005	32,598,506

Unrealized (loss)/gain on remeasurement of investments measured at FVOCI	(725,455)	17,009,501
	14,863,600	14,863,600
	32,598,506	32,598,506

12.1.1 Unrealized gain/(loss) on equity instruments at FVOCI:

	----- (Rupees) -----
Unrealized gain on short-term investments as at June 30, 2021	17,009,501
Unrealized loss during the year in the market value of investments measured at FVOCI	(17,734,957)
Unrealized loss on short-term investments as at June 30, 2022	(725,456)

12.2 Equity investments at fair value through profit or loss

No. of Shares		Name of Scrip / Company	30-Jun-22		30-Jun-21	
30-Jun-22	30-Jun-21		Avg. Cost	Market Value	Avg. Cost	Market Value
500	-	Oil & Gas Marketing Companies Pakistan State Oil Company Limited	101,637	85,950	-	-
1,994,000	3,258,500	Banks The Bank of Punjab	15,352,604	10,807,480	30,008,504	27,371,400
20,000	20,000	Investment Banks CYAN Limited	878,800	558,200	1,087,876	878,800
-	895,000	Cable and Electrical Goods Waves Singer Pakistan Limited	-	-	21,214,096	24,397,636
-	33,855	Technology And Communication TRG Pakistan Limited	-	-	5,614,090	5,631,102
603,133	-	Property TPL Properties Limited	11,396,500	12,159,161	-	-
501	-	Agricultural Textile Pak Agro Packaging Limited (GEM)	9,223	7,520	-	-
-	1,657,500	Food and Personal Care Products Treet Corporation Limited	-	-	72,781,488	82,029,675
452	495	Unity Foods Limited	10,602	9,072	15,290	22,037
112,500	113,500	Leasing Companies SME Leasing Limited	500,625	208,125	238,284	505,075
2,731,086	5,978,850		28,249,991	23,835,508	130,959,628	140,835,725

Unrealized (loss)/gain on re-measurement of investments classified at fair value through profit or loss - net	(4,414,483)	9,876,097
	23,835,508	23,835,508
	140,835,725	140,835,725

12.3 The company holds 39,390 (2021: 39,390) shares of different inactive companies having no fair value at year end.

12.4 Securities having market value of Rs. 36.467 million (2021: Rs 107.635 million) have been pledged with Pakistan Stock Exchange Limited and National Clearing Company of Pakistan Limited to meet trading requirements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

12.5 Equity investments measured at fair value through other comprehensive income includes 10,000 shares (2021: Nil) of Pioneer Cement Limited having market value of Rs. 0.603 million (2021: Nil) are under litigation with Sindh Industrial Trading Estate as disclosed in note 22.1 to these financial statements.

13 TRADE DEBTS

Note	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
Considered good	169,899,241	108,352,371
Considered doubtful	219,021,921	213,824,131
13.1	388,921,162	322,176,502
Less: Provision for expected credit losses	13.3 (219,021,921)	(213,824,131)
	169,899,241	108,352,371

13.1 This includes Rs. 37.958 million (2021: Rs. 5.921 million) due from related parties and maximum aggregate amount outstanding at any time during the year from related parties was Rs. 226.809 million (2021: Rs. 73.908 million)

13.2 The Company holds securities with a cumulative fair value of Rs. 2,031.752 million (2021: Rs. 3,267.567 million) owned by its clients as collateral against trade debts. Refer to note 3.7 for details around the Company's methodology for computing expected credit losses under the expected loss model under IFRS 9.

13.3 Movement in provision for expected credit losses

Opening balance	213,824,131	395,853,766
Reversal of provision expense against expected credit losses previously recognised	-	(80,061,982)
Reversal of provision for balances that have been written off	-	(101,967,653)
Provision expense for expected credit losses	5,197,790	-
Closing balance	219,021,921	213,824,131

14 LOANS AND ADVANCES

Note	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
Advances - unsecured, considered good		
- to employees against salary and expenses-net	1,953,105	587,066

15 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Note	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
Exposure deposit	15.1 42,770,879	114,597,677

15.1 This represents amounts deposited with Pakistan Stock Exchange Limited against exposure arising out of MTS, Future and Ready transactions entered into by the Company in respect of which settlements have not taken place as at the reporting date. The Company has deposited the exposure amount in accordance with the regulations of the Pakistan Stock Exchange Limited.

16 OTHER RECEIVABLES

Note	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
Mark-up on receivable from associates	16.1 76,423,964	127,314,257
Current portion of long term other receivable	6 37,000,000	46,577,793
Others	5,667,489	2,745,176
Provision	16.3 (63,912,179)	(63,912,179)
	55,179,274	112,725,047

16.1 Detail of the mark-up due from each associate is as follows. Corporate guarantees have been provided by the parent / sponsor companies of the associates.

First Pakistan Securities Limited	63,918,859	63,918,859
Switch Securities (Private) Limited	12,505,105	63,395,398
	76,423,964	127,314,257

16.2 The maximum aggregate receivable amount outstanding at any time during the year from First Pakistan Securities Limited and Switch Securities (Private) Limited was Rs. 63.919 million (2021: Rs. 63.919 million) and Rs. 12.505 million (2020: Rs. 63.395 million) respectively. Company has received 3,034,603 number of shares of M/s ISE Towers REIT Management Company as settlement of outstanding markup from related party M/s Switch Securities (Pvt.) Limited..

16.3 Provision amount of Rs. 61.115 million was recognized in the statement of profit or loss against mark-up on receivable balances from associates and Rs. 2.797 million was recognised against others balances in prior years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

17 CASH AND BANK BALANCES

	Note	June 30, 2022	June 30, 2021
		----- (Rupees) -----	
Cash at bank			
Proprietary accounts		133,635,282	44,156,336
Customer accounts		89,541,869	186,621,411
Cash in hand		-	-
		<u>223,177,151</u>	<u>230,777,747</u>

18 LONG-TERM FINANCING

	Note	June 30, 2022	June 30, 2021
		----- (Rupees) -----	
From banking companies - secured			
Bank Alfalah Limited	18.1	78,969,938	93,182,869
The Bank of Punjab	18.2	127,886,368	181,739,136
Other loans		14,950,101	24,953,101
		<u>221,806,407</u>	<u>299,875,106</u>
Less: Current portion of long-term financing		<u>(24,704,000)</u>	<u>(22,000,000)</u>
		<u>197,102,407</u>	<u>277,875,106</u>

- 18.1 The Company obtained financing from Bank Alfalah Limited ("BAF") for working capital requirements and in order to improve liquidity. The liability was restructured/rescheduled vide an agreement dated June 08, 2020. Under the terms of the restructuring, multiple loan tranches were merged. The restructured loan liability, which is interest-free, has been recognized at the present value of future payments, discounted at the KIBOR, and the related present value gains/(losses) were recognized in the statement of profit or loss. The related notional expense is being amortized over the term of the liability (through to June 2027). During the year ended June 30, 2022, the Company made a repayment of Rs. 2 million (2021: Rs. 2 million). This facility is secured against pledged shares of different companies, hypothecation charge over present and future receivables of the company and personal guarantee of directors/mortgagors of the company.

	Note	June 30, 2022	June 30, 2021
		----- (Rupees) -----	
Reconciliation of fair value of BAF facility			
Opening balance		93,182,869	90,591,224
Accrued notional interest		7,529,176	6,794,342
Payments made during the year		(2,000,000)	(2,000,000)
Present value adjustment		(19,742,107)	(2,202,697)
End of year balance		<u>78,969,938</u>	<u>93,182,869</u>

- 18.2 Financing from the Bank of Punjab has been restructured/rescheduled vide an offer letter dated December 22, 2021, wherein the Bank has agreed to settle the previous running finance facility amounting Rs. 200 million through restructuring/rescheduling on the following terms and conditions:

Outstanding principle amounting to Rs. 97.504 million will be repaid in 48 quarterly installments starting from March 31, 2022 till December 2033 with a down payment of Rs. 0.850 million. Future COF bearing mark-up quarterly at the rate advised by SBP from time to time will be waived/ written off at tail end subject to regular repayment of entire outstanding principle without any default.

Outstanding past mark-up amounting to Rs. 103.198 million bears no future mark-up. This balance of Rs. 103.198 million will be waived/written off at the tail end subject to no default.

The restructured loan liability, which is interest-free, has been recognized at the present value of future payments, discounted at the cost of funds defined by Bank, and the related present value gains/(losses) were recognized in the statement of profit or loss.

	Note	June 30, 2022	June 30, 2021
		----- (Rupees) -----	
Reconciliation of fair value of BOP facility			
Opening balance		181,739,136	166,385,659
Payments made during the year		(2,372,000)	-
Liability written off		(59,282,885)	-
Accrued notional interest		7,802,117	11,310,950
Present value adjustment		-	4,042,527
Closing balance		<u>127,886,368</u>	<u>181,739,136</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

19 LOAN FROM SPONSOR

	Note	June 30, 2022	June 30, 2021
		(Rupees)	
Loan from sponsor - subordinated	19.1	155,175,000	155,175,000
		155,175,000	155,175,000
Less: current portion		-	-
		155,175,000	155,175,000

19.1 The loan has been obtained for working capital purpose and utilized for the same. This loan is interest free as per the requirements of the Section 71 (1) (a) of the Securities Act, 2015.

20 DEFERRED LIABILITIES

	Note	June 30, 2022	June 30, 2021
		(Rupees)	
Gratuity payable	26	-	15,403,373
Deferred tax liability	11	31,602,727	-
		31,602,727	15,403,373

21 TRADE AND OTHER PAYABLES

	Note	June 30, 2022	June 30, 2021
		(Rupees)	
Creditors	21.1	87,681,355	184,794,423
Other trade payables - net of commission and taxes		143,352,836	143,352,836
Accrued expenses		10,027,318	6,599,343
Others		8,256,688	3,216,756
		249,318,197	337,963,358

21.1 This includes Rs. 0.637 million (2021: Rs. 7.232 million) due to related parties.

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

- Trade and other payables of the company include an amount of Rs. 143.353 million payable to M/S Abandoned Properties Organization (APO) against which APO has additional claims against the company and the matter is under litigation in the Sindh High Court since April 5, 2013. The company's legal counsel is of the view that the company has a favorable case based on merit. Accordingly, the company has not provided for the APO's additional claims against the Company.
- Civil litigation in the Sindh High Court is under process between Sindh Industrial Trading Estate (S.I.T.E.) and the Company for dispute of over and above mark-up after full repayment as per agreement. The company has settled its liability in line of court order dated October 21, 2013 by making payments amounting to Rs. 220 million. The company based on reasonable grounds, expects that the ultimate outcome of the case will be in the favour of the company.
- The Assistant Commissioner, Sindh Revenue Board has started audit proceedings on the basis of audited accounts for the tax period July 2014 to June 2020 and consequently passed order dated 2 February, 2022 creating a demand of Rs. 12.028 million. The company has challenged the order before Commissioner (Appeals) Sindh Revenue Board. The Company, based on reasonable grounds, expects that the ultimate outcome of the case will be in the favour of the company.
- Securities & Exchange Commission of Pakistan has filed a petition in January 2016 against the Company under Companies Jurisdiction in High Court with a prayer to seek directions of the Hon'ble Court to compel the company to repurchase its shares from the minority shareholders, because of deteriorating financial condition of the company in 2016. The Company, based on reasonable grounds and advice of legal counsel expects that the ultimate outcome of the case will be in the favour of the company and the said petition will be dismissed.
- Company has filed writ petition in Lahore High Courts against SECP for impugned investigation order dated 02-03-2021 and court has granted stay on it.

22.2 Commitments

Commitments	Note	June 30, 2022	June 30, 2021
----- (Rupees) -----			
Settlement Commitments			
Outstanding settlements against sale of investments in regular market		2,140	686,287
Outstanding settlements against purchase of investments in regular market		-	-
Provident Fund Commitment			
As per rules of Approved Contributory Provident fund, Company is liable to make the contribution to provident fund after completion of one year employees service from the participation in the employees provident scheme.		529,860	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

23 SHARE CAPITAL

Note	June 30, 2022	June 30, 2021
----- (Rupees) -----		

23.1 Authorized share capital

500,000,000 (2021: 500,000,000) Ordinary shares of Rs. 10 each	5,000,000,000	5,000,000,000
--	---------------	---------------

23.2 Issued, subscribed and paid-up share capital

50,000,000 (2021: 50,000,000) Ordinary shares of Rs. 10 each issued for cash	500,000,000	500,000,000
7,500,000 (2021: 7,500,000) Ordinary shares of Rs. 10 each issued as fully paid bonus shares	75,000,000	75,000,000
80,500,000 (2021: 80,500,000) Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount	805,000,000	805,000,000
3,809,831 (2021: 3,809,831) Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount	38,098,310	38,098,310
125,476,500 (2021: 125,476,500) Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount	1,254,765,000	1,254,765,000
	<u>2,672,863,310</u>	<u>2,672,863,310</u>

There is no agreement with shareholders for voting rights, board selection, rights of refusal, and block voting.

23.3 The following shares were held by the related parties of the Company:

	June 30, 2022		June 30, 2021	
	Shares held	Percentage	Shares held	Percentage
First Florance Developers (Pvt.) Limited	82,972,650	31.04%	82,972,650	31.04%
Ali Aslam Malik	29,756,134	11.13%	29,756,134	11.13%
MCD Pakistan Limited	2,452,950	0.92%	2,452,950	0.92%
First Pakistan Securities Limited	8,711,308	3.26%	9,244,308	3.46%
Switch Securities (Pvt.) Limited	3,527,006	1.32%	4,194,006	1.57%
Biofert (Pvt.) Limited	-	0.00%	348	0.00%

The Company's directors hold 29,873,034 shares as at June 30, 2022 (2021: 29,928,410 shares).

24 OPERATING REVENUE

Note	June 30, 2022	June 30, 2021
----- (Rupees) -----		

Brokerage income	24.1	57,170,493	96,008,014
Dividend income		1,131,551	9,651,659
		<u>58,302,044</u>	<u>105,659,673</u>

24.1 Brokerage income

Gross Sales	64,622,407	108,460,542
Less: Sales tax	7,451,914	12,452,528
	<u>57,170,493</u>	<u>96,008,014</u>

25 ADMINISTRATIVE EXPENSES

Note	June 30, 2022	June 30, 2021
----- (Rupees) -----		

Salaries, allowances and other benefits	25.1 & 25.2	31,257,865	31,056,181
Rent, rates and taxes		1,230,674	1,354,696
Fuel, repairs and maintenance		10,146,483	6,914,353
Utilities		9,075,607	4,989,704
Fees and subscription		3,240,683	1,851,760
Travelling and conveyance		1,434,953	226,488
Depreciation	4	887,347	663,445
Legal and professional charges		4,965,035	10,804,332
Entertainment		2,968,648	1,403,284
Provision on other receivables		-	61,115,483
Provision on long term other receivable	6	2,607,040	-
Provision expense for expected credit losses	13	5,197,790	-
Others		10,360,050	2,247,427
		<u>83,372,175</u>	<u>122,627,153</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

25.1 Salaries, allowances and other benefits include Nil (2021: Rs. 1.703 million) in respect of staff retirement benefits.

26 EMPLOYEE BENEFITS

Unfunded gratuity scheme:

During the year, the Board of Directors ("Board") of the company has decided to opt for a Contributory Provident Fund Scheme effective from October 01, 2021 and in continuation of approval of this proposed scheme for the benefits of the employees of FNEL, the company has decided to terminate the Gratuity Scheme by settling the rights of all concerned individuals on the closure of this scheme from December 01, 2021.

26.1 Balance sheet reconciliation

Note	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
Present value of defined benefit obligation	-	10,736,334
Add: Payables	-	4,667,039
Net Liability at the end of year	-	15,403,373

26.1.1 Movement in present value of defined benefit obligation

Present value of defined benefit obligation at the beginning of the year	-	9,198,885
Current service cost	-	852,456
Past service cost credit	-	-
Interest cost on defined benefit obligations	-	850,897
Benefits due but not paid	-	-
Benefits paid	-	-
Actuarial gain	-	17,796
Premeasurement: experience adjustments	-	(183,700)
Present value of defined benefit obligation at the end of the year	-	10,736,334

26.1.2 Expenses charged to the statement of profit or loss

Current service cost	-	852,456
Interest cost on defined benefit obligations	-	850,897
Expense for the year	-	1,703,353

26.1.3 Premeasurement losses/(gains) recognized in other comprehensive income

Actuarial gain	-	17,796
Experience adjustments	-	(183,700)
	-	(165,904)

26.1.4 Net recognized liability

Net liability at the beginning of the year	15,403,373	13,865,924
Remeasurement losses/(gains) recognized in the statement of profit or loss	-	1,703,353
Remeasurement losses/(gains) recognized in the statement of other comprehensive income	-	(165,904)
Benefits paid	(15,403,373)	-
Net liability at the end of the year	-	15,403,373

26.1.5 Income tax related to the actuarial gain in 2022 is Nil (2021: Rs. 7161).

26.2 The principal assumptions used in the actuarial valuations carried out using the Projected Unit Credit method are as follows:

Note	June 30, 2022	June 30, 2021
Discount rate per annum	-	10.25%
Expected per annum rate of increase in future salaries	-	10.25%
Expected mortality rate	-	SLIC 2001-2005
Expected withdrawal rate	-	Setback 1 Year
	-	Age-based

Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in weighted principal assumptions is as follows:

Discount Rate +100 bps	-	9,582,210
Discount Rate -100 bps	-	12,124,925
Salary Increase +100 bps	-	12,130,321
Salary Increase -100 bps	-	9,555,733

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Expected benefit payments for the next 10 years and beyond

FY 2022	-	559,368
FY 2023	-	562,247
FY 2024	-	562,827
FY 2025	-	942,253
FY 2026	-	568,064
FY 2027	-	596,333
FY 2028	-	626,169
FY 2029	-	656,320
FY 2030	-	695,175
FY 2031	-	9,529,150
FY 2032 onwards	-	112,174,772

The average duration of the defined benefit obligation is 12 years.

Five year data on experience adjustments

	2022	2021	2020	2019	2018	2017
	Rupees					
Present value of defined benefit obligation, June 30	-	15,403,373	13,865,924	12,572,088	10,924,646	9,360,117
Experience adjustment arising on plan liabilities gains	-	183,700	770,163	46,225	142,600	1,289,431

27 FINANCE COST

Mark-up on:

Margin financing

Bank and other charges

Notional expenses

Note	June 30, 2022	June 30, 2021
	(Rupees)	
	4,745,288	6,580,542
	100,529	90,979
	<u>4,845,817</u>	<u>6,671,521</u>
	42,441,007	19,945,121
	<u>47,286,824</u>	<u>26,616,642</u>

28 OTHER OPERATING EXPENSES

Auditors' remuneration

Other

Commission to trading agents

Note	June 30, 2022	June 30, 2021
	(Rupees)	
28.1	4,135,156	2,144,025
	-	7,200
	<u>3,861,699</u>	<u>6,368,409</u>
	<u>7,996,855</u>	<u>8,519,634</u>

28.1 Auditors' remuneration

IECNET S.K.S.S.S. Chartered Accountants

Statutory audit fee

Half yearly review fee

Other certifications and out-of-pocket expenses

1,244,000	500,000
900,000	700,000
731,156	944,025
<u>2,875,156</u>	<u>2,144,025</u>

Tariq Abdul Ghani Maqbool and Co.

Statutory audit fee

Half yearly review fee

Other certifications and out-of-pocket expenses

1,260,000	-
-	-
-	-
<u>1,260,000</u>	<u>-</u>
<u>4,135,156</u>	<u>2,144,025</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

29 OTHER OPERATING INCOME

Mark-up on:

Note	June 30, 2022	June 30, 2021
	(Rupees)	
Return on fixed deposits	-	21,906
Amortization income	11,560,013	18,250,620
Change in present value due to rescheduling	59,282,885	-
Change in present value due to rate change	19,742,107	-
Reversal of provision against expected credit losses previously recognised	-	65,361,840
Gain on sale of intangible asset	8,400,000	-
Credit balance written off	10,006,942	-
Others	14,332,259	5,373,246
	<u>123,324,206</u>	<u>89,007,612</u>

30 TAXATION

Note	June 30, 2022	June 30, 2021
	(Rupees)	
Current tax expense		
for the year	884,364	457,809
prior year adjustment	5,774,073	245,580
Deferred tax expense		
owing to temporary differences	41,869,616	106,083,847
	<u>48,528,053</u>	<u>106,787,236</u>

The tax provision made in the financial statements is considered sufficient.

30.1 Relationship between tax expenses and accounting profit:

Profit before taxation	163,348,436	291,143,644
Tax at the applicable rate	47,371,046	84,431,657
Tax effect of amounts that are inadmissible for tax purposes	(46,328,265)	(83,973,848)
Tax effect of income subject to final tax regime	(158,417)	-
Tax effect of prior years	5,774,073	245,580
Tax effect of timing differences	41,869,616	106,083,847
Tax expense	<u>48,528,053</u>	<u>106,787,236</u>

30.2 Except as disclosed in note 22.1 to these financial statements, income tax assessments of the Company are deemed to have been finalized up to, and including, the tax year 2021 (accounting year ended June 30, 2021) based on the returns of the income filed by the Company with concerned taxation authority. As per section 120 of the Income Tax Ordinance, 2001 ("the Ordinance"), a tax return filed by the taxpayer is treated as an assessment order issued by the concerned taxation authority unless the same is selected for re-assessment / audit as per the legal provisions stipulated in the Ordinance.

31 EARNINGS PER SHARE - BASIC AND DILUTED

Basic earnings per share is calculated by dividing profit after tax for the year by weighted average number of shares outstanding during the period, as follows:

Note	June 30, 2022	June 30, 2021
	(Rupees)	
Profit after taxation attributable to ordinary shareholders	114,820,383	184,356,408
Weighted average number of ordinary shares in issue during the year	267,286,331	267,286,331
Earnings per share	0.43	0.69

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

31.1 No figure for diluted earnings per share has been presented as the Company has not issued any dilutive instruments carrying options which would have an impact on earnings per share when exercised.

32 RELATED PARTY TRANSACTIONS

Related parties comprise of the Associated Companies, staff retirement funds, directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties at mutually agreed terms and conditions. Detail of related parties to whom the Company have transacted along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

June 30, 2022			
Key Management	Associates	Other related parties	Total
Rupees			

Transactions during the year

Purchase of marketable securities for and on behalf of	16,190,349,696	16,873,511,492	44,915,648,182	77,979,509,370
Sale of marketable securities for and on behalf of	16,197,525,322	16,778,696,741	44,954,767,924	77,930,989,987
Brokerage income	1,115,248	2,947,840	9,762,178	13,825,266
Remuneration to key management personnel	16,080,000	-	-	16,080,000
Advance provided for purchase of IT equipments	-	-	9,400,000	9,400,000
Advance received back	-	-	9,400,000	9,400,000
Provident fund trust-contribution accrued to staff provident fund	-	-	529,860	529,860

June 30, 2021			
Key Management	Associates	Other related parties	Total
Rupees			

Transactions during the year

Purchase of marketable securities for and on behalf of	8,948,183,274	11,832,975,531	10,903,955,883	31,685,114,688
Sale of marketable securities for and on behalf of	9,103,822,243	12,425,209,811	10,920,512,297	32,449,544,351
Brokerage income	1,785,563	5,855,652	6,451,877	14,093,092
Remuneration to key management personnel	24,102,269	-	-	24,102,269

Name and nature of relationship with related parties

Name / Description	Basis of Relationship	Aggregate percentage of holding
MCD Pakistan (Pvt.) Limited	Common Directorship	1%
First Florance Developers (Pvt.) Limited	Significant Influence	31%
Mrs. Adeela Ali	Spouse of CEO	0%
Ms. Fatima Ali	Daughter of CEO	0%
Mr. Umer Malik	Son of CEO	0%
Mr. Essa Malik	Son of CEO	0%
First National Energy Limited	Son of CEO is the member of Company	0%
Biofert Pvt Limited	Son of CEO is the member of Company	0%
Switch Securities (Private) Limited	Significant Influence	1%
First Pakistan Securities Limited	CEO is the member of Company	3%

Kingbhai Digisol (Private) Limited

Note 31.1

7.7%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

- 32.1 Lineal descendants of the Chief Executive Officer of the Company control Kingbhai Digisol (Private) Limited ("Kingbhai") and are related to the Company by virtue of their relationship with the Chief Executive Officer of the Company. Accordingly, Kingbhai and the Company are related under prevalent law and under applicable accounting standards. As well, shareholding figures presented reflect shareholding in Kingbhai's ordinary, voting shares only.
- 32.2 With effect from February 2022 the Company has not charged brokerage commission on trading of marketable securities by sponsors, directors and their immediate family members in pursuance of PSX notice No. PSX/N-1258.

33 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration including benefits to the chief executive, directors and executives of the Company as per terms of the employment are as follows:

June 30, 2022			June 30, 2021		
Chief Executive	Executive Directors	Executives	Chief Executive	Executive Directors	Executives
Rupees					

Managerial remuneration	6,000,000	3,000,000	7,080,000	6,000,000	3,780,000	9,060,000
Medical allowances		-	-	3,026,828	-	-
Utilities	-	-	-	1,652,749	-	8,000
Conveyance and traveling	113,850	114,584	-	214,400	282,882	77,410
Number of persons	1	2	4	1	2	5

The chief executive, executive directors and executives are provided with the free use of Company's owned and maintained cars.

Remuneration to other directors

No amount charged in the financial statements for fee to Directors for the year ended June 30, 2022 (2021: Rs. Nil).

34 FINANCIAL INSTRUMENTS BY CATEGORY

June 30, 2022			
Amortized cost	FVOCI	FVTPL	Total
Rupees			

Assets

Non-current assets

Long-term deposits	1,602,400	-	-	1,602,400
Strategic investment	-	-	1,069,221,476	1,069,221,476
Long-term other receivable	73,742,541	-	-	73,742,541
Long-term investment	-	48,797,511	-	48,797,511

Current assets

Short-term investments	-	14,863,600	23,835,508	38,699,108
Trade debts	169,899,241	-	-	169,899,241
Loans and advances	1,953,105	-	-	1,953,105
Trade deposits and short-term prepayments	42,770,879	-	-	42,770,879
Other receivables	55,179,274	-	-	55,179,274
Cash and bank balances	223,177,151	-	-	223,177,151

Liabilities

Current liabilities

Trade and other payables	249,318,197	-	-	249,318,197
Unclaimed dividend	1,399,397	-	-	1,399,397
Current portion of long-term financing	24,704,000	-	-	24,704,000
Provident Fund Payable	529,860	-	-	529,860

Non-current liabilities

Long-term financing	197,102,407	-	-	197,102,407
Loan from sponsor	155,175,000	-	-	155,175,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

June 30, 2021			
Amortized cost	FVOCI	FVTPL	Total
Rupees			

Assets

Non-current assets

Long-term deposits	1,602,400	-	-	1,602,400
Strategic investment	-	-	888,099,467	888,099,467
Other receivables	123,321,489	-	-	123,321,489

Current assets

Short-term investments	-	32,598,506	140,835,725	173,434,231
Trade debts - net	108,352,371	-	-	108,352,371
Loans and advances	587,066	-	-	587,066
Trade deposits	114,597,677	-	-	114,597,677
Other receivables	112,725,047	-	-	112,725,047
Cash and bank balances	230,777,747	-	-	230,777,747

Liabilities

Current liabilities

Trade and other payables	337,963,358	-	-	337,963,358
Unclaimed dividend	1,399,397	-	-	1,399,397
Current maturity of long term financing	22,000,000	-	-	22,000,000

Non-current liabilities

Long-term financing	277,875,106	-	-	277,875,106
Loan from sponsor	155,175,000	-	-	155,175,000
Deferred liabilities	15,403,373	-	-	15,403,373

35 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities are exposed to a variety of financial risks, namely market risk, credit risk and liquidity risk. The Company has established adequate procedures to manage each of these risks as explained below.

35.1 Market risk

Market risk is the risk that the value of financial instruments may fluctuate as a result of changes in market interest rates, changes in the credit rating of the issuer of the instruments, change in market sentiments, speculative activities, supply and demand of securities and/or changes in liquidity in the market.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

35.1.1 Currency risk

Currency risk mainly arises where receivables and payables exist due to transactions with foreign undertakings. The Company is not exposed to major foreign exchange risk in this respect.

35.1.2 Yield / Interest rate risk

Yield risk is the risk of decline in earnings due to adverse movements of the yield curve. Interest rate risk is the risk that the value of the financial instruments will fluctuate due to changes in market interest rates. Sensitivity to interest / mark-up rate risk arises from mismatches or gaps in the amounts of interest / mark-up based assets and liabilities that mature or reprice in a given period. The Company manages this risk by matching the maturity / repricing of financial assets and liabilities through appropriate policies. At the reporting date the interest / mark-up rate profile of the Company's significant interest / mark-up bearing financial instruments was as follows:

	Effective interest rate (%)		Carrying amounts	
	2022	2021	2022	2021
	----Percentage----		----Rupees----	
Fixed rate of financial instruments				
-	-	-	-	-
Floating rate of financial instruments				
Financial assets:				
Long-term other receivable	15.73	8.08	110,742,541	169,899,282
Trade deposits	2.00-4.00	2.00-4.00	42,770,879	114,597,677
Financial liabilities:				
Long-term financing	15.73	8.08	221,806,407	299,875,106

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

35.1.2.1 Sensitivity analysis for variable rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate will not affect the fair value of any financial instruments. For cash flow sensitivity analysis of variable rate instruments, a hypothetical change of 100 basis points in interest rates at the reporting date would have decreased/(increased) profit for the year by the amounts shown below. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. Variation in market interest rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

	Profit and loss 100 bps	
	Increase	Decrease
Cash flow sensitivity - variable rate financial instruments- net As at June 30, 2022	478,051	(478,051)
As at June 30, 2021	107,647	(107,647)

The sensitivity analysis prepared as of June 30, 2022 is not necessarily indicative of the impact on Company's net assets of future movements in interest rates.

35.1.3 Price Risk

The Company is exposed to equity price risk in respect of investments measured at fair value (whether through other comprehensive income or profit or loss). To manage price risk arising from these equity investments, the Company applies appropriate internal policies.

Investments of the Company measured at fair value would normally be affected due to fluctuation of equity prices in the stock exchange. In the event of a 10% (2021: 10%) increase/ decrease in the KSE 100 index on June 30, 2022, the value of securities measured at fair value through the statement of profit or loss would decrease / increase by Rs. 2.383 million (2021: Rs. 14.084 million) and net assets of the Company would increase / decrease by the same amount. In the event of a 10% (2021: 10%) increase/ decrease in the KSE 100 index on June 30, 2022, the value of securities measured at fair value through other comprehensive income would increase/ decrease by Rs. 1.486 million (2021: Rs. 3.260 million), with a corresponding increase / decrease in other components of equity and net assets of the Company.

The above analysis is based on the assumption that if the equity index increases / decreases by 10% (2021: 10%) with all other variables held constant, the Company's equity instruments will move according to the historical correlation of such instruments with the index. This represents management's best estimate of a reasonable possible shift in the KSE 100 index, having considered the historical volatility of the index. The composition of the Company's investment portfolio and the correlation thereof to the KSE 100 index is expected to change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2022 is not necessarily indicative of the effect on the Company's net assets of future movements in the level of KSE 100 index.

35.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties fail to perform as contracted. All the financial assets of the Company are exposed to credit risk. To manage exposure to credit risk, the Company applies credit limits to its customers and, in certain cases, obtains margins and deposits in the form of cash and marketable securities. Management is confident that credit quality of debts which are not past due nor impaired remains sound at the balance sheet date.

A portion of the outstanding amounts of trade debts are secured against pledge of customers securities. The Company is entitled to sell these securities, at its own discretion, in case of default by customers.

The Company holds certain collaterals, which are permitted by the customer for repledge in the absence of default. The fair value of such collateral held as at June 30, 2022 and those which have been repledged, along with the details of the Company's obligation as to their return and the significant terms and conditions associated with their use, are given in note 36 to the financial statements.

An analysis of the significant financial assets that are individually impaired is as under. The factors in determining the impairment loss mainly comprises management's assessment of potential loss which is expected to arise on these financial assets. Such assessment is mainly based on the potential recoveries/cash flow from customers.

June 30, 2022			
Total outstanding amount	Up to one month	One to three months	More than three months
Rupees			

Financial instruments:

Trade debts	388,921,162	27,253,357	35,518,264	326,149,541
-------------	-------------	------------	------------	-------------

June 30, 2021			
Total outstanding amount	Up to one month	One to three months	More than three months
Rupees			

Financial instruments:

Trade debts	322,176,502	20,936,458	6,599,587	294,640,457
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

Although the Company has made provision against the aforementioned portfolio, the Company still holds certain collateral to be able to enforce recovery. The credit quality of Company's liquid funds can be assessed with reference to external credit ratings as follows:

Banks	Short term	Agency	June 30, 2022	June 30, 2021
			----- (Rupees) -----	
BANK AL FALAH	A1+	PACRA	12,651,020	37,787,497
MCB	A1+	PACRA	33,171	33,171
HABIB METROPOLITAN BANK	A1+	PACRA	15,368	15,368
ALLIED BANK LIMITED	A1+	PACRA	2,279	7,279
BANK OF PUNJAB	A1+	PACRA	14,466	14,466
SUMMIT BANK LIMITED	-	-	210,442,650	192,894,749
NIB BANK LIMITED	-	-	4,706	4,705
SONERI BANK	A1+	PACRA	5,000	-
BANK AL HABIB	A1+	PACRA	8,491	20,512
			<u>223,177,151</u>	<u>230,777,747</u>

35.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company currently is not exposed to significant level of liquidity risk, keeping in view the current market situation. Negotiations are in progress with financial institutions to meet any deficit associated with short-term liquidity commitments, should such a deficit arise.

The table below classifies the Company's financial liabilities into relevant maturity groupings based on the time to contractual maturity date, as at the balance sheet date. The amounts in the table are contractual undiscounted cash flows.

June 30, 2022			
Up to three months	More than three months and up to one year	More than one year	Total
Rupees			

Current liabilities

Trade and other payables	105,965,361	-	143,352,836	249,318,197
Unclaimed dividend	-	1,399,397	-	1,399,397
Current portion of long-term financing	-	24,704,000	-	24,704,000
Provident fund payable	-	529,860	-	529,860

Non current liabilities

Long-term financing	-	-	197,102,407	197,102,407
Loan from sponsor	-	-	155,175,000	155,175,000

June 30, 2021			
Up to three months	More than three months and up to one year	More than one year	Total
Rupees			

Current liabilities				
Trade and other payables	194,610,522	143,352,836	-	337,963,358
Unclaimed dividend	-	1,399,397	-	1,399,397
Current maturity of long term financing	-	22,000,000	-	22,000,000

Non current liabilities

Long-term financing	-	-	277,875,106	277,875,106
Loan from sponsor	-	-	155,175,000	155,175,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

35.4 Fair value of financial assets and liabilities

Various judgments and estimates are made in determining the fair value of financial instruments that are recognized and measured at fair value in the Company's financial statements. To provide an indication about the reliability of inputs used in determining fair value, financial instruments have been classified into three levels, as prescribed under accounting standards. An explanation of each level follows the table:

Recurring Fair Value Measurement as at June 30, 2022	Level 1	Level 2	Level 3	Total
Short-term investment - at FVOCI	14,863,600	-	-	14,863,600
Short-term investment - at FVTPL	23,835,508	-	-	23,835,508
Strategic investment - at FVTPL	-	-	1,069,221,476	1,069,221,476
Long-term investment	-	-	48,797,511	48,797,511
Recurring Fair Value Measurement as at June 30, 2021	Level 1	Level 2	Level 3	Total
Short-term investment - at FVOCI	32,598,506	-	-	32,598,506
Short-term investment - at FVTPL	140,835,725	-	-	140,835,725
Strategic investment - at FVTPL	-	-	888,099,467	888,099,467

In the fair value hierarchy in the preceding table, inputs and valuation techniques are as follows:

- Level 1: Quoted market price (unadjusted) in an active market
- Level 2: Valuation techniques based on observable inputs
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

There were no transfers amongst the levels during the current and preceding year.

36 CAPITAL RISK MANAGEMENT

36.1 The objective of managing capital is to ensure the Company's ability to continue as a going concern so that it can continue to provide adequate return to shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company manages its capital risk by monitoring its debt levels and liquid assets, and keeping in view future investment requirements as well as shareholder expectations.

Note	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
Total borrowings	376,981,407	455,050,106
Total equity	1,278,650,919	1,163,566,615
Total capital	1,655,632,326	1,618,616,721
Gearing ratio	22.77%	28.10%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

36.2 STATEMENT OF LIQUID CAPITAL

S.-No.	Head-of-Account	Value-in Pak-Rupees	Hair-Cut/ Adjustments	Net-Adjusted Value
1.-Assets				
1.1	Property-&-Equipment	37,264,260	100%	-
1.2	Intangible-Assets	71,677,000	100%	-
1.3	Investment-in-Govt.-Securities			
	Investment-in-Debt.-Securities			
	If-listed-than:			
	i.-5%-of-the-balance-sheet-value-in-the-case-of-tenure-up-to-1-year.			
	ii.-7.5%-of-the-balance-sheet-value,-in-the-case-of-tenure-from-1-3-years.			
	iii.-10%-of-the-balance-sheet-value,-in-the-case-of-tenure-of-more-than-3-years.			
1.4	If-unlisted-than:			
	i.-10%-of-the-balance-sheet-value-in-the-case-of-tenure-up-to-1-year.			
	ii.-12.5%-of-the-balance-sheet-value,-in-the-case-of-tenure-from-1-3-years.			
	iii.-15%-of-the-balance-sheet-value,-in-the-case-of-tenure-of-more-than-3-years.			
	Investment-in-Equity-Securities			
	i.-If-listed-15%-or-VaR-of-each-securities-on-the-cutoff-date-as-computed-by-the-Securities-Exchange-for-respective-securities-whichever-is-higher.	38,699,108	27,260,727	11,438,381
1.5	ii.-If-unlisted,-100%-of-carrying-value.	48,797,511	100%	-
	iii.Subscription-money-against-Investment-in-IPO/offer-for-Sale:-Amount-paid-as-subscription-money-provided-that-shares-have-not-been-allotted-or-are-not-included-in-the-investments-of-securities-broker.			
	iv.100%-Haircut-shall-be-applied-to-Value-of-Investment-in-any-asset-including-shares-of-listed-securities that-are-in-Block,-Freeze-or-Pledge-status-as-on-reporting-date.-(July-19,-2017) Provided-that-100%-haircut-shall-not-be-applied-in-case-of-investment-in-those-securities-which-are Pledged-in-favor-of-Stock-Exchange/-Clearing-House-against-Margin-Financing-requirements-or-pledged in-favor-of-Banks-against-Short-Term-financing-arrangements.-In-such-cases,-the-haircut-as-provided-in schedule-III-of-the-Regulations-in-respect-of-investment-in-securities-shall-be-applicable-(August-25,-2017)			
1.6	Investment-in-subsidaries			
	Investment-in-associated-companies/undertaking			
1.7	i.-If-listed-20%-or-VaR-of-each-securities-as-computed-by-the-Securities-Exchange-for-respective-securities-whichever-is-higher.			
	ii.-If-unlisted,-100%-of-net-value.	1,145,860,600	100%	-
1.8	Statutory-or-regulatory-deposits/basic-deposits-with-the-exchanges,-clearing-house-or-central-depository-or-any-other-entity.(hair cut 100%)	1,500,000	100%	-
1.9	Margin-deposits-with-exchange-and-clearing-house.	42,770,879	0%	42,770,879
1.10	Deposit-with-authorized-intermediary-against-borrowed-securities-under-SLB.			
1.11	Other-deposits-and-prepayments	102,400	100%	-
1.12	Accrued-interest,-profit-or-mark-up-on-amounts-placed-with-financial-institutions-or-debt-securities-etc.(Nil)			
	100%-in-respect-of-markup-accrued-on-loans-to-directors,-subsidiaries-and-other-related-parties			
1.13	Dividends-receivables.	-	0%	-
	Amounts-receivable-against-Repo-financing.			
1.14	Amount-paid-as-purchaser-under-the-REPO-agreement.-(Securities-purchased-under-repo-arrangement-shall-not-be-included-in-the-investments.)			
1.15	i.-Short-Term-Loan-To-Employees:-Loans-are-Secured-and-Due-for-repayment-within-12-months-No haircut may be applied to advance tax to the extent it is netted with provision of taxation	1,157,000		1,157,000
		24,810,577	0%	24,810,577
	ii.-Receivables-other-than-trade-receivables	129717920	100%	-
	Receivables-from-clearing-house-or-securities-exchange(s)			
1.16	100%-value-of-claims-other-than-those-on-account-of-entitlements-against-trading-of-securities-in-all-markets-including-MtM-gains.			
	claims-on-account-of-entitlements-against-trading-of-securities-in-all-markets-including-MtM-gains.			
	Receivables-from-customers			
	i.-In-case-receivables-are-against-margin-financing,-the-aggregate-if-(i)-value-of-securities-held-in-the-blocked-account-after-applying-VAR-based-Haircut,-(ii)-cash-deposited-as-collateral-by-the-finance-(iii)-market-value-of-any-securities-deposited-as-collateral-after-applying-VaR-based-haircut.			
	i.-Lower-of-net-balance-sheet-value-or-value-determined-through-adjustments.			
	ii.-Incase-receivables-are-against-margin-trading,-5%-of-the-net-balance-sheet-value.			
	ii.-Net-amount-after-deducting-haircut			
1.17	iii.-Incase-receivables-are-against-securities-borrowings-under-SLB,-the-amount-paid-to-NCCPL-as-collateral-upon-entering-into-contract,			
	iii.-Net-amount-after-deducting-haircut			
	iv.-Incase-of-other-trade-receivables-not-more-than-5-days-overdue,-0%-of-the-net-balance-sheet-value.	15,885,049		15,885,049
	iv.-Balance-sheet-value			
	v.-Incase-of-other-trade-receivables-are-overdue,-or-5-days-or-more,-the-aggregate-of-(i)-the-market-value-of-securities-purchased-for-customers-and-held-in-sub-accounts-after-applying-VAR-based-haircuts,-(ii)-cash-deposited-as-collateral-by-the-respective-customer-and-(iii)-the-market-value-of-securities-held-as-collateral-after-applying-VaR-based-haircuts.	154,014,192	121,645,285	32,368,907
	v.-Lower-of-net-balance-sheet-value-or-value-determined-through-adjustments			
	vi.-100%-haircut-in-the-case-of-amount-receivable-form-related-parties.			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

1.18	Cash-and-Bank-balances			
	i.-Bank-Balance-proprietary-accounts	133,635,282	0%	133,635,282
	ii.-Bank-balance-customer-accounts	89,541,869	0%	89,541,869
	iii.-Cash-in-hand	-	0%	-
1.19	Total-Assets	1,935,433,647		351,607,944
2.-Liabilities				
2.1	Trade-Payables			
	i.-Payable-to-exchanges-and-clearing-house-			
	ii.-Payable-against-leveraged-market-products			
	iii.-Payable-to-customers	87,681,355	0%	87,681,355
2.2	Current-Liabilities			
	i.-Statutory-and-regulatory-dues-			
	ii.-Accruals-and-other-payables-	163,566,099	0%	163,566,099
	iii.-Short-term-borrowings			
	iv.-Current-portion-of-subordinated-loans			
	v.-Current-portion-of-long-term-liabilities	24,704,000	0%	24,704,000
	vi.-Deferred-Liabilities			
	vii.-Provision-for-bad-debts			
	viii.-Provision-for-taxation			
	ix.-Other-liabilities-as-per-accounting-principles-and-included-in-the-financial-statements			
2.3	Non-Current-Liabilities			
	i.-Long-Term-financing			
	a.-Long-Term-financing-obtained-from-financial-institution:-Long-term-portion-of-financing-obtained-from-a-financial-institution-including-amount-due-against-finance-lease	182,152,306	100%	-
	b.-Other-long-term-financing-			
	ii.-Staff-retirement-benefits-			
	iii.-Advance-against-shares-for-Increase-in-Capital-of-Securities-broker:-100%-haircut-may-be-allowed-in-respect-of-advance-against-shares-if: a.-The-existing-authorized-share-capital-allows-the-proposed-enhanced-share-capital- b.-Board-of-Directors-of-the-company-has-approved-the-increase-in-capital- c.-Relevant-Regulatory-approvals-have-been-obtained- d.-There-is-no-unreasonable-delay-in-issue-of-shares-against-advance-and-all-regulatory-requirements-relating-to-the-increase-in-paid-up-capital-have-been-completed. e.-Auditor-is-satisfied-that-such-advance-is-against-the-increase-of-capital-			
	iv.-Other-liabilities-as-per-accounting-principles-and-included-in-the-financial-statements	14,950,101	0%	14,950,101
2.4	Subordinated-Loans			
	i.-100%-of-Subordinated-loans-which-fulfill-the-conditions-specified-by-SECP-are-allowed-to-be-deducted:-The-Schedule-III-provides-that-100%-haircut-will-be-allowed-against-subordinated-Loans-which-fulfill-the-conditions-specified-by-SECP.-In-this-regard,-following-conditions-are-specified: a.-Loan-agreement-must-be-executed-on-stamp-paper-and-must-clearly-reflect-the-amount-to-be-repaid-after-12-months-of-reporting-period b.-No-haircut-will-be-allowed-against-short-term-portion-which-is-repayable-within-next-12-months. c.-In-case-of-early-repayment-of-loan,-adjustment-shall-be-made-to-the-Liquid-Capital-and-revised-Liquid-Capital-statement-must-be-submitted-to-exchange.-	155,175,000	100%	-
	ii.-Subordinated-loans-which-do-not-fulfill-the-conditions-specified-by-SECP	-	-	-
2.5	Total-Liabilities-	659,831,588		290,901,555
3.-Ranking-Liabilities-Relating-to:-				
3.1	Concentration-in-Margin-Financing			
	The-amount-calculated-client-to-client-basis--by-which-any-amount-receivable-from-any-of-the-finances-exceed-10%-of-the-aggregate-of-amounts-receivable-from-total-finances.			
3.2	Concentration-in-securities-lending-and-borrowing			
	The-amount-by-which-the-aggregate-of:			
	(i)-Amount-deposited-by-the-borrower-with-NCCPL			
	(ii)-Cash-margins-paid-and (iii)-The-market-value-of-securities-pledged-as-margins-exceed-the-110%-of-the-market-value-of-shares-borrowed			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

3.3	Net-underwriting-Commitments			
	(a)-in-the-case-of-right-issues:-if-the-market-value-of-securities-is-less-than-or-equal-to-the-subscription-price;			
	the-aggregate-of:			
	(i)-the-50%-of-Haircut-multiplied-by-the-underwriting-commitments--and			
	(ii)-the-value-by-which-the-underwriting-commitments-exceeds-the-market-price-of-the-securities.			
	In-the-case-of-rights-issues-where-the-market-price-of-securities-is-greater-than-the-subscription-price,-			
	5%-of-the-Haircut-multiplied-by-the-net-underwriting			
	(b)-in-any-other-case:-12.5%-of-the-net-underwriting-commitments			
3.4	Negative-equity-of-subsiary			
	The-amount-by-which-the-total-assets-of-the-subsiary-(excluding-any-amount-due-from-the-subsiary)-			
	exceed-the-total-liabilities-of-the-subsiary			
3.5	Foreign-exchange-agreements-and-foreign-currency-positions			
	5%-of-the-net-position-in-foreign-currency.Net-position-in-foreign-currency-means-the-difference-of-total-			
	assets-denominated-in-foreign-currency-less-total-liabilities-denominated-in-foreign-currency			
3.6	Amount-Payable-under-REPO			
	Repo-adjustment			
3.7	In-the-case-of-financier/purchaser-the-total-amount-receivable-under-Repo-less-the-110%-of-the-market-			
	value-of-underlying-securities.			
	In-the-case-of-financee/seller-the-market-value-of-underlying-securities--after-applying-haircut-less-the-			
	total-amount--received-,less-value-of-any-securities-deposited-as-collateral-by-the-purchaser-after-applying-			
	haircut-less-any-cash-deposited-by-the-purchaser.			
3.8	Concentrated-proprietary-positions			
	If-the-market-value-of-any-security-is-between-25%-and-51%-of-the-total-proprietary-positions-then-5%-of-	-	1,215,916	1,215,916
	the-value-of-such-security.-If-the-market-of-a-security-exceeds-51%-of-the-proprietary-position,-then-10%-			
	of-the-value-of-such-security			
	Opening-Positions-in-futures-and-options-			
3.9	i.-In-case-of-customer-positions,-the-total-margin-requirements-in-respect-of-open-positions-less-the-			
	amount-of-cash-deposited-by-the-customer-and-the-value-of-securities-held-as-collateral/-pledged-with-			
	securities-exchange-after-applying-VaR-haircuts			
	ii.-In-case--of-proprietary-positions,-the-total-margin-requirements-in-respect-of-open-positions-to-the-			
	extent-not-already-met			
	Short-sell-positions			
3.10	i.-Incase-of-customer-positions,-the-market-value-of-shares-sold-short-in-ready-market-on-behalf-of-			
	customers-after-increasing-the-same-with-the-VaR-based-haircuts-less-the-cash-deposited-by-the-customer-			
	as-collateral-and-the-value-of-securities-held-as-collateral-after-applying-VAR-based-Haircuts			
	ii.-Incase-of-proprietary-positions,-the-market-value-of-shares-sold-short-in-ready-market-and-not-yet-			
	settled-increased-by-the-amount-of-VAR-based-haircut-less-the-value-of-securities-pledged-as-collateral-			
	after-applying-haircuts.			
3.11	Total-Ranking-Liabilities	-	1,215,916	1,215,916
		1,275,602,059		59,490,473

36.3 CAPITAL ADEQUACY LEVEL

The Capital adequacy level as required by CDC is calculated as follows:

Note	June 30, 2022	June 30, 2021
	(Rupees)	
Total assets	1,935,433,647	1,990,656,271
Less: Total liabilities	(659,831,588)	(809,816,234)
Less: Revaluation reserve	-	-
Capital Adequacy Level	1,275,602,059	1,180,840,037

While determining the value of the total assets of the TREC Holder, notional value of the TRE certificate held by the Company as at year ended June 30, 2022 as determined by Pakistan Stock Exchange Limited has been considered.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

37 USE OF COLLATERAL AND TRADING SECURITIES

The Company utilizes customers marginable securities for meeting the exposure deposit requirements of the Pakistan Stock Exchange Limited, for meeting securities shortfall at the time of settlement on behalf of the customers and for securing financing facilities from bank. These securities are utilized by the Company with the consent of its customers. As at June 30, 2022, securities amounting to Rs. 337.919 million (2021: Rs. 158.309 million) and Rs. Nil (2021: Rs. Nil) were pledged / utilized by the Company for meeting the exposure deposit requirement of the Pakistan Stock Exchange Limited and for securing financing facilities from banks, respectively.

38 FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISKS

The Company purchases and sells securities as either principal or agent on behalf of its customers. If either the customer or a counterparty fails to perform, the Company may be required to discharge the obligation on behalf of the non-performing party. In such circumstances, the Company may sustain a loss if the market value of the security is different from the contracted value of the transaction. The Company also gives customer securities to brokers. If a broker fails to return a security on time, the Company may be obligated to purchase the securities in order to return to the owner. In such circumstances, the Company may incur a loss equal to the amount by which the market value of the security on the date of non-performance exceeds the value of the collateral received from the broker.

The majority of the Company's transactions (and, consequently, the concentration of its credit exposure) are with customers, brokers and other financial institutions. These activities primarily involve collateralized arrangements and may result in credit exposure in the event of potential outcomes mentioned above or if the counterparty fails to meet its contracted obligations. The Company's exposure to credit risk can also be directly impacted by volatile securities markets, which may impair the ability of counterparties to satisfy their contractual obligations. The Company seeks to control its credit risk through a variety of reporting and controls procedures, including establishing credit limits based upon a review of the counterparties' financial condition. The Company monitors collateral levels on a regular basis and requests changes in collateral level as appropriate or if considered necessary.

39 TURNOVER BY SEGMENT

Note	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
Retail customers	52,495,824	84,733,398
Institutional customers	4,674,669	11,274,616
	<u>57,170,493</u>	<u>96,008,014</u>

40 SHAREHOLDERS HOLDING 5% OR MORE

	Shares Held		Percentage	
	2022	2021	2022	2021
First Florance Developers (Pvt.) Limited	82,972,650	82,972,650	31.04%	31.04%
Ali Aslam Malik	29,756,134	29,756,134	11.13%	11.13%

41 NUMBER OF EMPLOYEES

	June 30, 2022	June 30, 2021
Number of employees at year end	34	53
Average number of employees	<u>37</u>	<u>42</u>

42 SUBSEQUENT EVENTS

Subsequent to year end, the incorporation of subsidiary company has been proceeded with the approved reservation by the members at annual general meeting held on October 28, 2021. The principle line of the subsidiary is marketing and development of all type of real estate including housing or commercial buildings. The set subsidiary has been incorporated with the approved name of FNE Developments (Private) Limited by SECP on July 15, 2022.

43 GENERAL AND CORRESPONDING FIGURES

Amounts have been rounded off to the nearest rupee, unless otherwise stated. Certain comparative amounts have been reclassified to conform to the current year's presentation.

44 DATE OF AUTHORIZATION

These financial statements have been authorized for issue on 27-Sep-2022 by the Board of Directors of the Company.


Chief Executive Officer


Chief Financial Officer


Director

The Companies ACT, 2017
The Companies (General Provisions and Forms) Regulations,
2018[Section 227(2)(f)]

Pattern of Shareholding

Summary

PART -I

Form - 34

1.1 Name of The Company **First National Equities Limited**

PART -II

2.1 Pattern of Holding of the Shares held by the Shareholders as at :June 30, 2022

2.2

No. of Shareholders	Shareholding		Total Shares held
	From	To	
182	1	100	3,774
370	101	500	170,502
439	501	1,000	415,842
1,184	1,001	5,000	3,549,390
544	5,001	10,000	4,501,487
244	10,001	15,000	3,217,341
197	15,001	20,000	3,687,001
115	20,001	25,000	2,673,128
89	25,001	30,000	2,566,141
60	30,001	35,000	1,984,561
47	35,001	40,000	1,827,500
31	40,001	45,000	1,341,500
64	45,001	50,000	3,168,610
27	50,001	55,000	1,434,500
23	55,001	60,000	1,349,000
14	60,001	65,000	890,500
21	65,001	70,000	1,452,000
26	70,001	75,000	1,923,096
19	75,001	80,000	1,494,769
12	80,001	85,000	1,002,500
5	85,001	90,000	437,500
12	90,001	95,000	1,115,100
33	95,001	100,000	3,273,001
11	100,001	105,000	1,141,000
10	105,001	110,000	1,089,400
8	110,001	115,000	904,500
7	115,001	120,000	837,000
7	120,001	125,000	868,226
7	125,001	130,000	899,500
6	130,001	135,000	800,000
6	135,001	140,000	831,000
2	140,001	145,000	286,000

No. of Shareholders	Shareholding		Total Shares held
	From	To	
5	145,001	150,000	749,500
5	150,001	155,000	764,500
4	155,001	160,000	639,000
2	165,001	170,000	340,000
2	175,001	180,000	355,350
2	180,001	185,000	363,500
2	185,001	190,000	379,000
4	190,001	195,000	771,500
4	195,001	200,000	800,000
2	200,001	205,000	403,000
1	205,001	210,000	209,000
1	210,001	215,000	215,000
3	215,001	220,000	652,500
1	220,001	225,000	225,000
1	225,001	230,000	230,000
1	240,001	245,000	240,500
2	245,001	250,000	500,000
2	250,001	255,000	510,000
2	255,001	260,000	517,500
1	260,001	265,000	263,500
1	270,001	275,000	275,000
2	275,001	280,000	551,000
2	280,001	285,000	563,500
5	295,001	300,000	1,500,000
1	300,001	305,000	305,000
1	305,001	310,000	309,500
2	310,001	315,000	625,500
1	315,001	320,000	315,500
2	330,001	335,000	669,500
1	335,001	340,000	337,700
3	345,001	350,000	1,050,000
1	355,001	360,000	357,950
1	370,001	375,000	375,000
1	375,001	380,000	380,000
1	380,001	385,000	381,000
2	390,001	395,000	785,000
1	395,001	400,000	400,000
2	400,001	405,000	805,500
1	405,001	410,000	410,000
1	415,001	420,000	418,000
1	435,001	440,000	436,500
2	440,001	445,000	882,500

No. of Shareholders	Shareholding		Total Shares held
	From	To	
1	445,001	450,000	450,000
1	450,001	455,000	455,000
1	490,001	495,000	492,000
2	495,001	500,000	998,500
1	510,001	515,000	511,000
1	540,001	545,000	541,000
1	545,001	550,000	546,150
1	570,001	575,000	575,000
1	600,001	605,000	600,500
1	685,001	690,000	690,000
1	695,001	700,000	700,000
2	745,001	750,000	1,500,000
1	765,001	770,000	770,000
1	785,001	790,000	790,000
1	795,001	800,000	800,000
1	835,001	840,000	836,500
1	995,001	1,000,000	1,000,000
1	1,335,001	1,340,000	1,340,000
1	1,340,001	1,345,000	1,345,000
1	1,405,001	1,410,000	1,410,000
1	1,570,001	1,575,000	1,573,000
1	1,840,001	1,845,000	1,840,500
1	1,895,001	1,900,000	1,900,000
1	2,090,001	2,095,000	2,095,000
1	2,475,001	2,480,000	2,476,525
1	2,485,001	2,490,000	2,490,000
1	2,785,001	2,790,000	2,785,500
1	2,945,001	2,950,000	2,950,000
1	3,395,001	3,400,000	3,400,000
1	3,525,001	3,530,000	3,527,006
1	4,765,001	4,770,000	4,765,990
1	4,995,001	5,000,000	5,000,000
1	5,760,001	5,765,000	5,765,000
1	5,785,001	5,790,000	5,786,000
1	5,995,001	6,000,000	6,000,000
1	8,705,001	8,710,000	8,707,808
1	17,995,001	18,000,000	18,000,000
1	19,995,001	20,000,000	20,000,000
1	28,285,001	28,290,000	28,289,333
1	51,185,001	51,190,000	51,186,650
3,946			267,286,331

First National Equities Limited

As On: June 30, 2022

2.3 Categories of Shareholder	Folios	Physical	CDC	Share held	Percentage
<u>2.3.1 - Directors, CEO, Their Spouse and Minor Children</u>	13	650	29,930,759	29,931,409	11.20
<u>2.3.2 - Associated Companies, Undertakings & Related Parties</u>	11	-	97,700,262	97,700,262	36.55
<u>2.3.4 - Banks, DFIs, NBFCs</u>	2		185,500	185,500	0.07
<u>2.3.5 - Insurance Companies</u>	1	-	46,591	46,591	0.02
<u>2.3.6 - Modarabas and Mutual Funds</u>	1		50,000	50,000	0.02
<u>2.3.8 - A. General Public (Local)</u>	3,878	31,303	114,851,809	114,883,112	42.98
<u>2.3.8 - B. General Public (Foreigner)</u>	1		575	575	-
<u>2.3.9 - A. Other Companies (Local)</u>	39		24,488,882	24,488,882	9.16
	3,946	31,953	267,254,378	267,286,331	100.00

Shareholders More Than 10.00%			
MIS. FIRST FLORANCE DEVELOPERS (PVT.) LIMITED	4	82,972,650	31.04
MR. ALI ASLAM MALIK	4	29,756,134	11.13

NOTICE



NOTICE IS HEREBY GIVEN THAT ANNUAL GENERAL MEETING OF THE MEMBERS OF FIRST NATIONAL EQUITIES LIMITED WILL BE HELD ON FRIDAY, OCTOBER 28, 2022 AT 04:00 P.M., AT ROOM # 1007, 10th FLOOR, NEW STOCK EXCHANGE BUILDING, STOCK EXCHANGE ROAD, KARACHI-PAKISTAN, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

ITEM - 01: Confirmation of Minutes of Last Extra Ordinary General Meeting held on July 01, 2022

ITEM - 02: Adoption of Financial Statements:

To consider and adopt the audited financial statements of the Company for the financial year ended June 30, 2022 and the reports of the Board of Directors ('the Board') and auditors thereon. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT the audited financial statements of the Company for the financial year ended June 30, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

ITEM - 03: Appointment/Re-Appointment of Auditor

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2017, and the Rules framed there under, as amended from time to time, M/s. Tariq Abdul Ghani Maqbool & Co. Chartered Accountants, be and is hereby appointed/re-appointed as Auditor of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2023, at such remuneration as may be agreed upon between the Board of Directors and Statutory Auditor.

SPECIAL BUSINESS:

ITEM NO. 04: Investment in Associated/Subsidiary Companies and undertaking

To consider and seek approval of the members of the company in respect of proposed investment by the company amounting to Rs. 200 million in its wholly owned subsidiary FNE Developments (Private) Limited and the principal line of business of the wholly owned subsidiary company is marketing and development of all type of real estate projects, as approved by the Board of Directors in the meeting held on September 27, 2022, if deemed fit, as Special Resolution, with or without modification, addition(s) or deletion(s):

“RESOLVED THAT approval of the members of First National Equities Limited (the “Company”) be and is hereby accorded in terms of applicable provisions of the Companies Act, 2017 and the Company be and is hereby authorized to invest up to PKR 200 million (Rupees Two Hundred Million Only) from time to time in its wholly owned subsidiary FNE Developments (Private) Limited by subscribing at Par for fully paid-up ordinary shares, as per terms and conditions disclosed to the members.

“RESOLVED FURTHER THAT this resolution shall be valid for a period of four (04) years starting from the date of approval by members and the Chief Executive Officer and/or Chief Financial Officer and/or Company Secretary of the Company be and are hereby singly empowered and authorized to do all acts, matters, deeds and things, take any or all necessary actions including signing and execution of agreement(s) and to complete all legal formalities including filing of applications for no objection certificate/permission from any authority / Commission as may be necessary or incidental or expedient for the purpose of implementing the aforesaid resolution.”

Statement under Section 134(3) of the Companies Act, 2017 concerning special business is annexed to the notice of meeting circulated to the members of the Company.

ITEM NO. 05: Sale of Investment in Undertaking

To consider and seek approval of the members of the company in respect of sale of investment made by the company amounting in Kingbhai Digisol (Private) Limited in part or full disinvestment as approved by the Board of Directors in the meeting held on September 27, 2022, if deemed fit, as a Special Resolution, with or without modification, addition(s) or deletion(s):

“RESOLVED THAT approval of the members of First National Equities Limited (the “Company”) be and is hereby accorded in terms of applicable provisions of the Companies Act, 2017 and the Company be and is hereby authorized to sale investment in Kingbhai Digisol (Private) Limited in part or full at the current market rate and by adopting any manner as may be deemed appropriate in the best interest of the company.

“RESOLVED FURTHER THAT this resolution shall be valid for a period of one (01) year starting from the date of approval by members and the Chief Executive Officer and/or Chief Financial Officer and/or Company Secretary of the Company be and are hereby singly empowered and authorized to do all acts, matters, deeds and things, take any or all necessary actions including signing and execution of agreement(s) and to complete all legal formalities including filing of applications for no objection certificate/permission from any authority / Commission as may be necessary or incidental or expedient for the purpose of implementing the aforesaid resolution.”

Statement under Section 134(3) of the Companies Act, 2017 concerning special business is annexed to the notice of meeting circulated to the members of the Company.

**By the Order of the Board of Directors for
First National Equities Limited**

Date: October 07, 2022
Place: Karachi

Arslan Tahir
Company Secretary

Notes:

1. In view of the continuing COVID-19 pandemic, the Securities and Exchange Commission of Pakistan ('SECP') has vide its circulars advised the companies to share an operative link for access through VC/OAVM to participate in AGM without physical presence, if any opted for. In compliance with the provisions of the Companies Act, 2017 (the 'Act'), and SECP Circulars, the members of the company will also have access to this Annual General Meeting of the Company in the manner specified in this notice through VC/OAVM.
2. Members who are interested to join this meeting through VC/OAVM are requested to join by usage of following credentials:

Join Zoom

Meeting <https://us05web.zoom.us/j/4969746779?pwd=R2ZGQmFlRytoU1FUZ041SHFhUkFmQT09>

Meeting ID: 496 974 6779

Passcode: 179179

*Permission to join meeting through VC/OAVM will be allowed to only those members who have properly submitted the attendance slip form with company through emailing a clear scanned copy of attendance slip accompanied by valid CNIC (Identity Card) within the stipulated time at following Email ID, "agm@fnetrade.com"

3. In pursuance of the directions given by the Securities and Exchange Commission of Pakistan (SECP) vide SRO 787 (I) / 2014 dated September 8, 2014, those shareholders who desire to receive Annual Financial Statements in future through email instead of receiving the same by Post are advised to give their formal consent along with their valid email address on a standard request form which is available at the Company's website i.e. www.fnetrade.com and send the said form duly signed by the shareholder along with copy of his/her CNIC to the Company's Share Registrar M/s Corptec Associates (Private) Limited. Please note that giving email address for receiving of Annual Financial Statements instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice, Financial Statements will be sent in compact disk to the registered address of the shareholders.
4. Pursuant to the SECP's notification SRO 470 (1)/2016 dated 31st May, 2016, the Members of First National Equities Limited in AGM held on October 28, 2017 had accorded their consent for transmission of annual reports including audited annual financial statements and other information contained therein of the Company through CD/DVD/USB instead of transmitting the same in hard copies. The shareholders who wish to receive hard copies of the aforesaid documents may send to the Company Secretary/Share registrar, the standard request form available on the Company's website and the Company will provide the aforesaid documents to the shareholders on demand, free of cost, within one week of such demand.
5. All the listed companies to replace the shares issued in physical form with the shares to be issued in the Book-Entry-Form. Therefore, under guidance of the Commission, it is requested to all the members to apply for the conversion of their respective physical shares, if any, to Book-Entry-Form.

6. Deduction of Withholding Tax on Dividend in case of Joint Account Holders:

All shareholders who hold shares jointly are requested to provide following information regarding shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to our Share Registrar Corptec Associates (Private) Limited, Lahore Office: 503, Block-E. Johar Town, Lahore, Pakistan, latest by October 20, 2022, otherwise each joint holder shall be assumed to have an equal number of shares.

Name of the Company		First National Equities Limited
Folio No. / CDS A/C No.		
No. of Shares Held		
Principal Shareholder	Name & CNIC	
	Shareholding Proportion (No. of Shares)	
Joint Shareholder(s)	Name & CNIC	
	Shareholding Proportion (No. of Shares)	

Signature of Primary Shareholder _____

7. Exemption Of Withholding Tax:

Withholding tax exemption from dividend income, shall only be allowed if copy of valid tax exemption certificate is made available to our Share Registrar Office, Share Registrar Corptec Associates (Private) Limited, Lahore Office: 503, Block-E. Johar Town, Lahore, Pakistan, up to October 20, 2022.

Zakat will be deducted from the dividends at source under the Zakat & Usher Laws and will be deposited within the prescribed period with the relevant authority. Please submit your Zakat declarations under Zakat and Usher Ordinance, 1980 & Rule 4 of Zakat (Deduction & Refund) Rules, 1981 CZ-50 Form, in case you want to claim exemption, with your brokers or the Central Depository Company of Pakistan Limited (in case the shares are held in CDC-Sub Account or CDC Investor Account) or to our Share Registrar, M/s. Corptec Associates (Private) Limited, Lahore Office: 503, Block-E. Johar Town, Lahore, Pakistan. The Shareholders while sending the Zakat Declarations, as the case may be must quote company name and their respective folio numbers.

8. The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. The shareholders who have not provided their bank account details so far are advised to provide their below electronic dividend mandate information to Company's Share Registrar at the address given above and update their CDC accounts/Sub accounts as the case may be, enabling the company to credit your future dividend promptly, if any.

Folio No. / Investor Account Number / CDC Sub Account No.																				
Title of Account																				
IBAN Number																				
Bank Name																				
Branch																				
Branch Address																				
Mobile Number																				
Name of Network (if ported)																				
Email Address																				

Signature of Shareholder _____

9. Shareholders should also notify our Share Registrar, Corptec Associates (Private) Limited regarding any change in their addresses.
10. The Share Transfer Books will remain close from Friday, October 21, 2022 to October 28, 2022 (both days inclusive) and no transfer of shares will be accepted for registration during this period.
11. The deemed venue for AGM shall be the Registered Office of the Company.

12. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote on his behalf and the proxy need not be a member of the company.

The form of proxy to be valid should be duly completed, stamped and signed and must be deposited with the Company at least 48 hours before the time scheduled for the Meeting accompanied by the valid attested copy of CNIC. Members are requested to note that only one person can act as a proxy on behalf of Member in specified general meeting.

Members / Proxies are requested to present the Attendance Slip duly filled in.

13. Members are requested to register their e-mail address, including changes therein from time to time, with the Company to enable the Company to service various notice, reports, documents etc. to the members in electronic mode.
14. The Notice of the Annual General Meeting along with the Attendance slip and Proxy form is being sent by electronic mail to all members whose email addresses are registered with the Company unless a member has requested for a hard copy of the same.
15. The Notice of Annual General Meeting is also available on the website of the Company www.fnetrade.com
16. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.
17. Members who need technical assistance in use of VC/OAVM before or during the AGM can contact at agm@fnetrade.com
18. Instructions for attending/joining the AGM through VC/OAVM:

Members will be able to attend AGM through VC/OAVM by following procedure:

- The link for AGM will be made available on the Email ID of the shareholders as registered with the company. Enter the login credentials i.e. User ID and password mentioned in your email. After entering the details appropriately, click on LOGIN.
- Members are advised that facility of joining the AGM through VC shall be kept open 15 minutes before the time scheduled for the AGM and shall not be closed till the expiry of 15 minutes after scheduled time. The video-conference shall allow for two-way teleconferencing for the ease of participation of the members and the participants.
- Members are requested to cast their vote by a show of hands in the meeting unless demand for poll is made by any Member or Chairman. If demand for poll is made by Chairman or any Member, Members who are present through VC/OAVM are requested to convey their assent or dissent on the resolution by sending emails through their registered email address on agm@fnetrade.com. The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
- Members are encouraged to join the meeting through Laptops for better experience.
- Further, members are advised to use internet with a good speed to avoid any disturbance during the meeting.

- While all efforts will be made to make the VC/OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may, at times, experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

1.STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

- A. The placement of amount of Rs. 200 million by the company in Real Estate sector by investing in a subsidiary company. Accordingly, management has decided to take the approval from shareholders in our forthcoming Annual General Meeting. Information required under section 134 (3) and Section 199 of Companies Act, 2017 read Regulation 3 of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, are given below:

Name of the Investee Company	FNE Developments (Private) Limited
Basis of Relationship	Wholly owned subsidiary
Nature of the Investee Company	Real Estate Sector
Amount and Extent of Investment	PKR 200 million only
Period of the investment	Not applicable
Nature of investment intended to be made	Ordinary Shares
Break-up value of the shares intended to be purchased on the basis of last published financial statement	Not applicable
Price at which shares will be purchased	At Par
Earnings per share for the last three years	Not applicable
Terms and conditions	According to the written agreement
Sources of funds from which shares will be purchased	Company's own sources/External Finance Facility
Period for which investment will be made	Long term Investment
Purpose of investment	Revenue Generation by way of Dividend/ Bonus
Benefits likely to accrue to the company and the shareholders from the proposed investment	Dividend/ Capital Gains
Interest of Directors, directly or indirectly	Common Directorship/Shareholding
Time and place for inspection of concerning documents	The documents relevant to such disclosure can be inspected at the principal office of the company during business hours on a written request to the company before inspection and after the communication of date and time by the Company.

- B. The sale of investment at current market value by the company in Kingbhai Digisol (Private) Limited. Accordingly, management has decided to take the approval from our shareholders in our forthcoming Annual General Meeting. Information required under section 134 (3) are given below:

Name of Investee Company	Kingbhai Digisol (Private) Limited
Nature, Amount and Extent of Investment	To be calculated on the basis of Fair Market Value (FMV)
Description/Name of Asset	Ordinary Shares
Acquisition date of Asset	27-06-2019
Cost	Rs. 500,000/-
Revalued amount and date of revaluation	Rs 1,069,221,476 (30-06-2022)
Book value	Carried out at Fair Value
Approximate current market price	Negotiable market price which can be estimated on the basis of prevailing market parameters and is based on open market standards.
In case of sale, if the expected sale price is lower than book value or fair value, then the reasons thereof;	Not Applicable
In case of lease of assets, tenure, lease rentals, increment rate; mode/basis of determination of lease rentals; and other important terms and conditions of the lease;	Not Applicable
Average market price of the shares intended to be sold during preceding six months	On the basis of Fair Market Value (FMV)
Break-up value of the shares intended to be sold on the basis of last audited financial statement	Rs. 1,216.24
Price at which shares will be sold	On the basis of Fair Market Value (FMV)
Terms and conditions	Not applicable
Benefits likely to accrue to the company and the shareholders from the proposed investment	Capital Gains
Time and place for inspection of concerning documents	The documents relevant to such disclosure can be inspected at the principal office of the company during business hours on a written request to the company before inspection and after the communication of date and time by the Company.

2. Information to be disclosed u/s (4) (2) of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017. The subsidiary company with title of "FNE Developments (Private) Limited, has been incorporated with SECP. The approved investment was PKR 200 million only in this regard. Further, no investment is made in the FY 2022, as structural developments and project assessments are under process.

First National Equities Limited (CUIN: 0033402)

Registered Office: Room # 1007, 10th Floor, New Stock Exchange Building, Karachi-Pakistan

Principal Office: 179/B, Abu Bakar Block, New GardenTown, Lahore

Tel: 042-35843721-27; **Fax:** 042-35843730

Website: www.fnetrade.com; **Email:** info@fnetrade.com

ATTENDANCE SLIP

Registered Folio/ Client ID	
Name and address of the shareholder(s)	
Joint Holder 1	
Joint Holder 2	

I/ We hereby record my/ our presence at the ANNUAL GENERAL MEETING of the Company on Friday, October 28, 2022, at 04:00 P.M.

Member's Folio/ Client ID No.	Member's/ Proxy's name in BlockLetters	Member's/Proxy's Signature

NOTE:

kindly complete the Folio/ Client ID No. and name of the Member/ Proxy, sign this Attendance Slip and submit it, duly signed, in advance by emailing at agm@fnetrade.com or forwarding the hard copy to the registered office of the company.

First National Equities Limited (CUIN: 0033402)

Registered Office: Room # 1007, 10th Floor, New Stock Exchange Building, Karachi-Pakistan

Principal Office: 179/B, Abu Bakar Block, New GardenTown, Lahore

Tel: 042-35843721-27; **Fax:** 042-35843730

Website: www.fnetrade.com; **Email:** info@fnetrade.com

PROXY FORM

[Pursuant to Section 137 of the Companies Act, 2017 and rules thereunder;

Name of the member(s):
Registered Address:
E-mail Id:
Folio No / Client ID No:

I/ We, being the member(s) of the above-named Company, hereby appoint:

Name: Address:

E-mail: Signature:

CNIC:

as my/ our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Annual General Meeting of the Company, to be held on Friday, October 28, 2022, at 04:00 P.M and at any adjournment thereof in respect of the following resolutions as are indicated below:

Resolution No.	Description of Resolutions
Ordinary Business	
1.	Adoption of Financial Statements for year ending on June 30, 2022
2.	Appointment of Auditors for next financial year ending on June 30, 2023
Special Business	
3.	Investment in Associated/Subsidiary companies
4.	Sale of investment in Undertaking

Signed this _____ day of _____ 2022

Signature of Shareholder(s): _____

Signature of Proxy holder(s): _____

Affix
Revenue
Stamp

NOTE:

This form of Proxy, in order to be effective, should be duly completed and deposited to the Company, not less than FORTY-EIGHT HOURS (48) before the commencement of the Meeting.

For the Resolution, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.

اطلاع سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ فرسٹ نیشنل ایکویٹی لمیٹڈ کے ممبران کا سالانہ اجلاس عام بروز جمعہ، 28 اکتوبر، 2022 کو شام 04:00 بجے، کمرہ نمبر 1007، 10th فلور، نیو اسٹاک ایکسچینج بلڈنگ، اسٹاک ایکسچینج روڈ، کراچی پاکستان میں درج ذیل امور کی انجام دہی کے لئے منعقد ہوگا۔

آئٹم-01: یکم جولائی 2022 کو منعقدہ گزشتہ غیر معمولی اجلاس عام کی کارروائی کی توثیق کرنا۔

آئٹم-02: مالی گوشواروں کو منظور کرنا

30 جون 2022 کو ختم ہونے والے مالی سال کے لیے کمپنی کے نظر ثانی شدہ مالیاتی گوشواروں اور اس پر بورڈ آف ڈائریکٹرز ('بورڈ') اور آڈیٹرز کی رپورٹس پر غور و خوض اور منظور کرنا۔ غور و خوض اور اگر مناسب سمجھا جائے تو، درج ذیل قرارداد کو ترمیم کے ساتھ یا اس کے بغیر بطور عام قرارداد پاس کرنا:

"قرار پایا کہ 30 جون 2022 کو ختم ہونے والے مالی سال کے لیے کمپنی کے نظر ثانی شدہ مالیاتی گوشواروں اور اس پر بورڈ آف ڈائریکٹرز اور آڈیٹرز کی رپورٹس کو اس اجلاس کے رو برو رکھا جائے اور اس پر غور و خوض اور منظور کیا جائے۔"

آئٹم-03: آڈیٹرز کی تقرری/دوبارہ تقرری

غور و خوض اور اگر مناسب سمجھا جائے تو، ترمیم کے ساتھ یا اس کے بغیر، درج ذیل قرارداد کو ایک عام قرارداد کے طور پر منظور کرنا:

"قرار پایا کہ کمپنیز ایکٹ، 2017 کے قابل اطلاق دفعات، جیسا کہ وقتاً فوقتاً ترمیم کی گئی، اور اس کے تحت بنائے گئے قواعد، کے مطابق میسرز طارق عبدالغنی مقبول اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس، اس سالانہ اجلاس عام (AGM) کے اختتام سے سال 2023 میں منعقد ہونے والے کمپنی کے اگلے AGM کے اختتام تک، بورڈ آف ڈائریکٹرز اور قانونی آڈیٹرز کے درمیان متفقہ معاوضہ پر اپنے عہدے پر فائز رہنے کے لیے کمپنی کے آڈیٹرز کے طور پر مقرر/دوبارہ تقرر کیے گئے ہیں۔"

خصوصی امور:

آئٹم نمبر-04: شریک/ذیلی کمپنیوں اور انڈر ٹیکنگ میں سرمایہ کاری

کمپنی کی طرف سے اس کی مکمل ملکیتی ذیلی کمپنی FNE ڈویلپمنٹ (پرائیویٹ) لمیٹڈ میں 200 ملین روپے مجوزہ سرمایہ کاری کے سلسلے میں غور و خوض اور کمپنی کے ممبران کی منظوری لینا اور مکمل ملکیتی ذیلی کمپنی کے کاروبار کی اصل لائن ہر قسم کے ریل اسٹیٹ پروجیکٹس کی مارکیٹنگ اور ترقی ہے، جیسا کہ بورڈ آف ڈائریکٹرز نے 27 ستمبر، 2022 کو منعقدہ اجلاس میں منظوری دی تھی، اگر مناسب سمجھا جاتا ہے، خصوصی قرارداد کے طور پر، ترمیم، اضافہ یا حذف کے ساتھ یا اس کے بغیر منظور کرنا:

"قرار پایا کہ فرسٹ نیشنل ایکویٹی لمیٹڈ ("کمپنی") کے ممبران کی منظوری کمپنیز ایکٹ 2017 کے قابل اطلاق دفعات کے مطابق ہو اور بذریعہ ہذا اس کی منظوری دی جائے اور کمپنی وقتاً فوقتاً اس کی مکمل ملکیتی ذیلی کمپنی FNE ڈویلپمنٹ (پرائیویٹ) لمیٹڈ میں ممبران کو بتائی گئی شرائط و ضوابط کے مطابق مکمل طور پر ادا شدہ عام حصص کے لیے مساوی پرسسکرائب کر کے 200 ملین روپے (دو سو ملین روپے صرف) تک کی سرمایہ کاری کرنے کی مجاز ہے۔"

"مزید قرار پایا کہ یہ قرارداد ممبران اور چیف ایگزیکٹو آفیسر اور/یا چیف فنانسل آفیسر اور/یا کمپنی کے کمپنی سیکریٹری کی طرف سے منظوری کی تاریخ سے شروع چار (04) سال کی مدت کے لیے کارآمد ہوگی جو تمام کاموں، معاملات، اعمال اور چیزوں کو کرنے، معاہدہ (معاہدوں) پر دستخط کرنے اور اس پر عمل درآمد سمیت تمام ضروری اقدامات کرنے اور کسی اتھارٹی/کمیشن سے نواؤنچیکیشن سرٹیفکیٹ/اجازت کے لیے درخواستیں دائر کرنے سمیت تمام قانونی رمی کارروائیوں کو مکمل کرنے کے لیے واحد مختار اور مجاز ہیں۔ جیسا کہ مذکورہ قرارداد پر عمل درآمد کے مقصد کے لیے ضروری یا اتفاقی یا مصلحت ہو کمپنیز ایکٹ 2017 کے سیکشن (3) 134 کے تحت خصوصی امور سے متعلق بیان کمپنی کے ممبران کو بھیجے گئے نوٹس اجلاس کے ساتھ منسلک ہے۔"

آئٹم نمبر-05: انڈر ٹیکنگ میں سرمایہ کاری کی فروخت

کنگ بھائی ڈیجیٹل سول (پرائیویٹ) لمیٹڈ میں کمپنی کی طرف سے کی گئی سرمایہ کاری جزوی یا مکمل ڈس انویسٹمنٹ کی فروخت کے سلسلے میں غور و خوض اور کمپنی کے ممبران سے منظوری حاصل کرنا جیسا کہ بورڈ آف ڈائریکٹرز نے 27 ستمبر 2022 کو منعقدہ اجلاس میں منظوری دی تھی۔، اگر مناسب سمجھا جاتا ہے، بطور خصوصی قرارداد، ترمیم، اضافہ یا حذف کے ساتھ یا اس کے بغیر منظور کرنا:

"قرار پایا کہ فرسٹ نیشنل ایکویٹی لمیٹڈ ("کمپنی") کے ممبران کی منظوری کمپنیز ایکٹ 2017 کے قابل اطلاق شقوق کے لحاظ سے دی گئی ہے اور بذریعہ ہذا کمپنی کنگ بھائی ڈیجیٹل سول (پرائیویٹ) لمیٹڈ میں سرمایہ کاری موجودہ مارکیٹ ریٹ پر جزوی یا مکمل طور پر اور کمپنی کے بہترین مفاد میں مناسب سمجھا جانے والا کوئی بھی طریقہ اختیار کر کے فروخت کرنے کی مجاز ہے۔"

"مزید قرار پایا کہ یہ قرارداد ممبران اور چیف ایگزیکٹو آفیسر اور/یا چیف فنانسل آفیسر اور/یا کمپنی کے کمپنی سیکریٹری کی طرف سے منظوری کی تاریخ سے شروع ایک (01) سال کی مدت کے لیے کارآمد ہوگی جو تمام کاموں، معاملات، اعمال اور چیزوں کو کرنے، معاہدہ (معاہدوں) پر دستخط کرنے اور اس پر عمل درآمد سمیت تمام ضروری اقدامات کرنے اور کسی اتھارٹی/کمیشن سے نواؤنچیکیشن سرٹیفکیٹ/اجازت کے لیے درخواستیں دائر

کرنے سمیت تمام قانونی رسمی کارروائیوں کو مکمل کرنے کے لیے جیسا کہ مذکورہ قرارداد پر عمل درآمد کے مقصد کے لیے ضروری یا اتفاقی یا مصلحت ہو کے واحد بااختیار اور مجاز ہیں۔ کمپنیز ایکٹ 2017 کے سیکشن (3) 134 کے تحت خصوصی امور سے متعلق بیان کمپنی کے ممبران کو بھیجے گئے نوٹس اجلاس کے ساتھ منسلک ہے۔

حکام بورڈ آف ڈائریکٹرز

فرسٹ نیشنل ایکویٹیز لمیٹڈ

ارسلان طاہر

کمپنی سیکرٹری

تاریخ: 07 اکتوبر 2022

مقام: کراچی

نوٹس:

1۔ جاری COVID-19 وبائی بیماری کے پیش نظر، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ('SECP') نے اپنے سرکلر کی رُو سے کمپنیوں کو ہدایت کی ہے کہ وہ بغیر کسی جسمانی موجودگی کے AGM میں شرکت کے لیے VC/OAVM کے ذریعے رسائی کے لیے آپریٹونلک کا اشتراک کریں کمپنیز ایکٹ، 2017 ('ایکٹ') کی دفعات اور ایس ای سی پی کے سرکلرز کے مطابق، کمپنی کے اراکین کو کمپنی کے اس غیر معمولی اجلاس عام تک اس نوٹس میں بیان کردہ انداز میں VC/OAVM کے ذریعے رسائی حاصل ہوگی۔

2۔ جو ممبران VC/OAVM کے ذریعے اس اجلاس میں شرکت کرنے میں دلچسپی رکھتے ہیں ان سے درخواست کی جاتی ہے کہ وہ درج ذیل اسناد کا استعمال کرتے ہوئے شرکت کریں:

Join Zoom Meeting

<https://zoom.us/j/4969746779?pwd=R2ZGQmFIRytoU1FUZ041SHFhUkFmQT09>

Meeting ID: 496 974 6779

Passcode: 179179

*VC/OAVM کے ذریعے اجلاس میں شرکت کی اجازت صرف ان ممبروں کو دی جائے گی جنہوں نے حاضری سلیپ کی واضح اسکین شدہ کاپی موثر CNIC (شناختی کارڈ) کے ہمراہ درج ذیل ای میل آئی ڈی، "agm@fnetrade.com" پر مقررہ وقت کے اندر ای میل کے ذریعے کمپنی کے ہاں موزوں طریقے سے جمع کرائی ہے۔

3۔ SRO 787 (I) / 2014 مورخہ 8 ستمبر 2014 کے ذریعے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی طرف سے دی گئی ہدایات کی تعمیل میں، وہ شیئر ہولڈرز جو سالانہ مالیاتی گوشوارے ڈاک کے ذریعے وصول کرنے کے بجائے مستقبل میں ای میل کے ذریعے وصول کرنا چاہتے ہیں گوشورہ دیا جاتا ہے کہ وہ کمپنی کی ویب سائٹ یعنی www.fnetrade.com پر دستیاب معیاری درخواست فارم پر اپنے درست ای میل ایڈریس کے ساتھ اپنی رسمی رضامندی دیں اور شیئر ہولڈر کے دستخط شدہ مذکورہ فارم کو کمپنی کے شیئر رجسٹرار میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ کے ہاں اپنے CNIC کی کاپی کے ساتھ بھیجیں۔ براہ کرم نوٹ فرمائیں کہ سالانہ مالیاتی گوشوارے وصول کرنے کے لیے ڈاک کے ذریعے وصول کرنے کی بجائے ای میل ایڈریس دینا اختیاری ہے، اگر آپ اس سہولت سے فائدہ نہیں اٹھانا چاہتے تو براہ کرم اس نوٹس کو نظر انداز کر دیں، مالیاتی گوشواروں کو کمپیکٹ ڈسک میں شیئر ہولڈرز کے رجسٹرڈ ایڈریس پر بھیج دیا جائے گا۔

4۔ ایس ای سی پی کے نوٹیفکیشن SRO 470 (1) / 2016 مورخہ 31 مئی 2016 کے مطابق، 28 اکتوبر 2017 کو منعقدہ AGM میں فرسٹ نیشنل ایکویٹیز لمیٹڈ کے اراکین نے کمپنی کی سالانہ رپورٹس بشمول آڈٹ شدہ سالانہ مالیاتی گوشواروں اور اس میں موجود دیگر معلومات کو ہارڈ کاپیوں میں منتقل کرنے کی بجائے CD / DVD / USB کے ذریعے ترسیل کے لیے اپنی رضامندی ظاہر کی تھی۔ حصص یافتگان جو مذکورہ دستاویزات کی ہارڈ کاپیاں حاصل کرنا چاہتے ہیں وہ معیاری درخواست فارم جو کمپنی کی ویب سائٹ پر دستیاب ہے کمپنی کے سیکرٹری/شیئر رجسٹرار کو بھیج سکتے ہیں، اور کمپنی مذکورہ دستاویزات شیئر ہولڈرز کو طلب کرنے پر اس طرح کی طلب کے ایک ہفتہ کے اندر مفت فراہم کرے گی۔

5۔ تمام لسٹڈ کمپنیاں فزیکل فارم میں جاری کردہ شیئرز کو بک-انٹری-شکل میں جاری کیے جانے والے حصص سے بدل لیں۔ لہذا، کمیشن کی ہدایت کے مطابق، تمام اراکین سے درخواست کی جاتی ہے کہ وہ اپنے متعلقہ فزیکل شیئرز، اگر کوئی ہیں، کو بک-انٹری-شکل میں تبدیل کرنے کی درخواست گزاریں۔

6۔ جوائنٹ اکاؤنٹ ہولڈرز کی صورت میں ڈیویڈنڈ پروویڈنٹنگ ٹیکس کی کوٹوتی:

تمام شیئر ہولڈرز جو مشترکہ طور پر حصص رکھتے ہیں ان سے درخواست کی جاتی ہے کہ وہ ہمارے شیئر رجسٹرار کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، لاہور آفس: 503، بلاک-ای-جوہر ٹاؤن، لاہور، پاکستان، کو اپنے ملکیتی شیئرز کی بابت اصل شیئر ہولڈر اور جوائنٹ ہولڈر کے شیئر ہولڈنگ تناسب کے سلسلے میں مندرجہ ذیل معلومات کم از کم 20 اکتوبر 2022 تک فراہم کریں، بصورت دیگر جوائنٹ ہولڈر کے پاس حصص کی مساوی تعداد تصور کی جائے گی۔

کمپنی کا نام	فرسٹ نیشنل ایکویٹیز لمیٹڈ
فولیو نمبر/ای ایس اکاؤنٹ نمبر	

ملکیتی حصص کی تعداد	
پرنسپل شیئر ہولڈر	نام اور CNIC
شیئر ہولڈنگ کا تناسب (حصص کی تعداد)	
مشترکہ شیئر ہولڈر	نام اور CNIC
شیئر ہولڈنگ کا تناسب (حصص کی تعداد)	

پرائمری شیئر ہولڈر کے دستخط

7۔ ود ہولڈنگ ٹیکس کی چھوٹ:

ڈیویڈنڈ آمدنی سے ود ہولڈنگ ٹیکس اسٹشٹی کی اجازت صرف اس صورت میں دی جائے گی جب مؤثر ٹیکس اسٹشٹی ٹیچ کیٹ کی کاپی ہمارے شیئر رجسٹرار آفس، شیئر رجسٹرار کورپریٹ ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، لاہور آفس: 503، بلاک ای جو ہر ٹاؤن، لاہور، پاکستان، کو 20 اکتوبر 2022 تک فراہم کی گئی ہے۔

زکوٰۃ و عشر توامین کے تحت منافع منقسمہ سے زکوٰۃ منہا اور مقررہ مدت کے اندر متعلقہ اتھارٹی کے پاس جمع کرایا جائے گا۔ براہ کرم زکوٰۃ و عشر آرڈیننس، 1980 اور زکوٰۃ (ڈیڈکشن اینڈ ریفرنڈ) رولز، 1981 کے رول 4 کے تحت CZ-50 فارم میں اپنے زکوٰۃ ڈیکلیریشن، اگر آپ اسٹشٹی کا دعویٰ کرنا چاہتے ہیں، تو اپنے بروکر یا سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ (اگر حصص سی ڈی سی - سب اکاؤنٹ یا سی ڈی سی انویسٹر اکاؤنٹ میں رکھے گئے ہیں) یا ہمارے شیئر رجسٹرار، میسرز کارپریٹ ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، لاہور آفس: 503، بلاک ای - جو ہر ٹاؤن، لاہور، پاکستان کے پاس جمع کروائیں۔ حصص یافتگان کو زکوٰۃ ڈیکلیریشن بھیجے وقت، جیسا کہ معاملہ ہو، کمپنی کا نام اور ان کے متعلقہ فونیومبرز کا حوالہ لازماً دینا چاہیے۔

8 کمپنیز ایکٹ، 2017 کے سیکشن 242 کی دفعات مندرجہ کمپنیوں سے تقاضا کرتی ہیں کہ نقد میں قابل ادائیگی کوئی بھی ڈیویڈنڈ صرف الیکٹرانک موڈ کے ذریعے براہ راست حقدار شیئر ہولڈرز کے نامزد کردہ بینک اکاؤنٹ میں ادا کیا جائے گا۔ جن شیئر ہولڈرز نے اب تک اپنے بینک اکاؤنٹ کی تفصیلات فراہم نہیں کی ہیں انہیں ہدایت کی جاتی ہے کہ وہ درج ذیل اپنی الیکٹرانک ڈیویڈنڈ مینڈیٹ کی معلومات کمپنی کے شیئر رجسٹرار کو اوپر دیئے گئے پتے پر فراہم کریں اور اپنے CDC اکاؤنٹس/سب اکاؤنٹس کو اپ ڈیٹ کریں جیسا کہ معاملہ ہو، آپ کا مستقبل کا منافع، اگر کوئی ہو، فوری طور پر کمپنی کو کریڈٹ کرنے کے قابل بنائیں۔

فونیومبر/سرماہ کار اکاؤنٹ نمبر/ CDC								
ذیلی اکاؤنٹ نمبر								
اکاؤنٹ کا عنوان								
IBAN نمبر								
بینک کا نام								
شاخ								
برانچ کا پتہ								
موبائل نمبر								
نیٹ ورک کا نام (اگر پورٹ ہو)								
ای میل ایڈریس								

شیئر ہولڈر کے دستخط

9۔ شیئر ہولڈرز اپنے پتوں میں کسی تبدیلی کے بارے ہمارے شیئر رجسٹرار، کارپریٹ ایسوسی ایٹس (پرائیویٹ) لمیٹڈ کو بھی مطلع کریں۔

10۔ حصص منتقلی کتاب میں بروز جمعہ 21 اکتوبر 2022 تا 28 اکتوبر 2022 (دونوں دن شامل) بند رہیں گی اور اس مدت کے دوران رجسٹریشن کے لئے حصص کی کوئی منتقلی قبول نہیں کی جائے گی۔

11۔ AGM کے لیے موزوں مقام کمپنی کا رجسٹرڈ آفس ہوگا۔

12۔ اجلاس میں شرکت کرنے اور ووٹ دینے کا اہل رکن اپنی جانب سے شرکت کرنے اور ووٹ دینے کے لیے ایک پراکسی مقرر کرنے کا بھی حقدار ہے اور پراکسی کو کمپنی کا رکن ہونا ضروری نہیں ہے۔

پراکسی فارم درست طریقے سے مکمل، مہر اور دستخط شدہ CNIC کی تصدیق شدہ کاپی کے ہمراہ ہونا چاہیے اور اجلاس کے لیے مقررہ وقت سے کم از کم 48 گھنٹے پہلے کمپنی کے ہاں لازماً جمع کرانا چاہیے۔ ممبران

سے گزارش ہے کہ وہ نوٹ فرمائیں کہ مخصوص اجلاس عام میں ممبر کی جانب سے صرف ایک شخص پراکسی کے طور پر کام کر سکتا ہے۔

ممبران/پراکسیز سے درخواست کی جاتی ہے کہ وہ صحیح طریقے سے پُر شدہ حاضری سلیپ پیش کریں۔

13۔ اراکین سے درخواست کی جاتی ہے کہ وہ اپنا ای میل ایڈریس، بشمول وقتاً فوقتاً اس میں ہونے والی تبدیلیاں رجسٹر کریں، تاکہ کمپنی اراکین کو برقی طریقہ سے مختلف نوٹس، رپورٹس، دستاویزات وغیرہ فراہم کر سکے۔

14۔ حاضری سلیپ اور پراکسی فارم کے ساتھ غیر معمولی اجلاس عام کانوٹس برقی طریقہ کے ذریعے تمام ممبران کو بھیجا جا رہا ہے جن کے ای میل ایڈریس کمپنی کے ہاں رجسٹرڈ ہیں الا یہ کہ کسی ممبر نے اس کی ہارڈ کاپی کی درخواست نہ کی ہو۔

15۔ سالانہ اجلاس عام کانوٹس کمپنی کی ویب سائٹ www.fnetrade.com پر بھی دستیاب ہے۔

16۔ نوٹس میں جن تمام دستاویزات کا حوالہ دیا گیا ہے وہ سالانہ اجلاس عام کی تاریخ تک یوم کار کو عام کاروباری اوقات میں کمپنی کے رجسٹرڈ آفس میں معائنہ کے لیے دستیاب ہوں گے۔

17۔ جن اراکین کو AGM سے پہلے یا اس کے دوران VC/OAVM کے استعمال میں تکنیکی مدد کی ضرورت ہو وہ agm@fnetrade.com پر رابطہ کر سکتے ہیں۔

18۔ VC/OAVM کے ذریعے AGM میں شرکت/شامل ہونے کے لیے ہدایات:

ممبران مندرجہ ذیل طریقہ کار سے VC/OAVM کے ذریعے AGM میں شرکت کر سکیں گے۔

• AGM کانک کمپنی کے ہاں شیئر ہولڈرز کے رجسٹرڈ ای میل آئی ڈی پر دستیاب کر دیا جائے گا۔ لاگ ان کی اسناد یعنی یوزر آئی ڈی اور پاس ورڈ اپنے ای میل میں درج کریں۔ مناسب طریقے سے تفصیلات درج کرنے کے بعد، LOGIN پر کلک کریں۔

• اراکین کو ہدایت کی جاتی ہے کہ VC کے ذریعے AGM میں شامل ہونے کی سہولت کو AGM کے لیے مقررہ وقت سے 15 منٹ پہلے کھولا اور مقررہ وقت کے بعد 15 منٹ کی میعاد ختم ہونے پر بند نہیں کیا جائے گا۔ ویڈیو کانفرنس اراکین اور شرکاء کی آسانی کے لیے دوطرفہ ٹیلی کانفرنسنگ کی اجازت دے گی۔

• اراکین سے درخواست کی جاتی ہے کہ وہ اجلاس میں ہاتھ دکھا کر اپنا ووٹ کاسٹ کریں جب تک کہ کسی ممبر یا چیئر مین کی طرف سے رائے شماری کا مطالبہ نہ کیا جائے۔ اگر چیئر مین یا کسی ممبر کی طرف سے رائے شماری کا مطالبہ کیا جاتا ہے تو، جو ممبران VC/OAVM کے ذریعے موجود ہیں، ان سے درخواست کی جاتی ہے کہ وہ agm@fnetrade.com پر اپنے رجسٹرڈ ای میل ایڈریس کے ذریعے ای میل بھیج کر قرارداد پر اپنی رضامندی یا اختلاف رائے دیں۔ رائے شماری کو اس قرارداد پر اجلاس کا فیصلہ سمجھا جائے گا جس پر رائے شماری کرائی گئی تھی۔

• اراکین کو بہتر تجربہ کے لیے لیپ ٹاپ کے ذریعے اجلاس میں شامل ہونے کی ترغیب دی جاتی ہے۔

• مزید، اراکین کو ہدایت کی جاتی ہے کہ وہ اچھی رفتار کا انٹرنیٹ استعمال کریں تاکہ اجلاس کے دوران کسی قسم کا خلل نہ پڑے۔

• جب کہ VC/OAVM اجلاس کو ہموار بنانے کے لیے تمام کوششیں کی جائیں گی، موبائل ڈیوائسز، ٹیلیفون، لیپ ٹاپ وغیرہ کے ذریعے شرکت کرنے والے شرکاء کو، بعض اوقات، اپنے متعلقہ نیٹ ورکس میں اتار چڑھاؤ کی وجہ سے آڈیو/ویڈیو کی خرابی کا سامنا کرنا پڑ سکتا ہے۔ ایک مستحکم وائی فائی LAN کنکشن کا استعمال کچھ تکنیکی خرابیوں کو کم کر سکتا ہے۔

1۔ کمپنیز ایکٹ، 2017 کے سیکشن (3) 134 کے تحت بیان

A۔ ذیلی کمپنی میں سرمایہ کاری کر کے ریئل اسٹیٹ سیکٹر میں کمپنی کی طرف سے 200 ملین روپے کی رقم کی جگہ کا تعین کرنا۔ اسی مناسبت سے، انتظامیہ نے ہمارے آئندہ سالانہ اجلاس عام میں شیئر ہولڈرز سے منظوری لینے کا فیصلہ کیا ہے کمپنیز ایکٹ 2017 کے سیکشن (3) 134 اور سیکشن 199 اور ملا کر پڑھیں کمپنیز (ایسوسی ایٹڈ کمپنیوں یا ایسوسی ایٹڈ انڈر ٹیکنگز میں سرمایہ کاری) ریگولیشنز، 2017، کے ریگولیشن 3 کے تحت درکار معلومات، ذیل میں دی گئی ہیں:

سرمایہ کار کمپنی کا نام	FNE ڈیولپمنٹ (پرائیویٹ) لمیٹڈ
تعلقات کی بنیاد	مکمل ملکیتی ماتحت ادارہ
سرمایہ کار کمپنی کی نوعیت	ریئل اسٹیٹ سیکٹر
سرمایہ کاری کی رقم اور حد	صرف 200 ملین روپے
سرمایہ کاری کی مدت	قابل اطلاق نہیں ہے
سرمایہ کاری کے مقصد کی نوعیت	عام حصص
آخری شائع شدہ مالیاتی گوشوارہ کی بنیاد پر خریدے جانے والے حصص کی بریک اپ ویلیو	قابل اطلاق نہیں ہے
جس قیمت پر حصص خریدے جائیں گے	مساوی قیمت پر
پچھلے تین سالوں کی فی شیئر آمدنی	قابل اطلاق نہیں ہے
شرائط و ضوابط	تحریری معاہدے کے مطابق
فنڈز کے ذرائع جن سے حصص خریدے جائیں گے	کمپنی کے اپنے ذرائع/بیرونی مالیاتی سہولت

مدت جس کے لیے سرمایہ کاری کی جائے گی	طویل مدتی سرمایہ کاری
سرمایہ کاری کا مقصد	ڈیویڈنڈ/بونس کے ذریعے ریونیو جنریشن
مجوزہ سرمایہ کاری سے کمپنی اور شیئر ہولڈرز کو حاصل ہونے والے فوائد	ڈیویڈنڈ/کمپنل گینئر
ڈائریکٹرز کا مفاد، بالواسطہ یا بلاواسطہ	مشترکہ ڈائریکٹر شپ/شیئر ہولڈنگ
متعلقہ دستاویزات کے معائنے کا وقت اور جگہ	اس طرح کے انکشاف سے متعلقہ دستاویزات کا معائنہ کمپنی کے پرنسپل آفس میں کاروباری اوقات کے دوران معائنہ سے پہلے اور کمپنی کو تحریری درخواست پر کمپنی کی طرف سے تاریخ اور وقت کی اطلاع کے بعد کیا جاسکتا ہے۔

B- کنگ بھائی (پرائیویٹ) لمیٹڈ میں کمپنی کی طرف سے موجودہ مارکیٹ ویلیو پر سرمایہ کاری کی فروخت۔ اسی مناسبت سے، انتظامیہ نے ہمارے آئندہ سالانہ اجلاس عام میں ہمارے شیئر ہولڈرز سے منظوری لینے کا فیصلہ کیا ہے۔ سیکشن (3) 134 کے تحت مطلوبہ معلومات درج ذیل ہیں:

سرمایہ کار کمپنی کا نام	کنگ بھائی ڈیجیٹل (پرائیویٹ) لمیٹڈ
سرمایہ کاری کی نوعیت، رقم اور حد	فیئر مارکیٹ ویلیو (FMV) کی بنیاد پر شمار کیا جائے گا
اثاثہ کی تفصیل/ نام	عام حصص
اثاثہ کے حصول کی تاریخ	27-06-2019
لاگت	500,000/- روپے
تجید شدہ رقم اور دوبارہ تشخیص کی تاریخ	1,069,221,476 روپے (30-06-2022)
کتابی قیمت	فیئر ویلیو پر کی گئی
تقریباً موجودہ مارکیٹ قیمت	قابل تبادلہ مارکیٹ قیمت جس کا اندازہ مارکیٹ کے مروجہ پیرامیٹرز کی بنیاد پر لگایا جاسکتا ہے اور یہ اوپن مارکیٹ کے معیارات پر مبنی ہے
فروخت کی صورت میں، اگر متوقع فروخت قیمت کتابی قیمت یا مناسب قیمت سے کم ہے، تو اس کی وجوہات	قابل اطلاق نہیں
اثاثوں کی لیز کی صورت میں، مدت، لیز کرایہ، اضافہ کی شرح، لیز کرائے کے تعین کا طریقہ/ بنیاد؛ اور لیز کی دیگر اہم شرائط و ضوابط	قابل اطلاق نہیں
بچھلے چھ ماہ کے دوران فروخت کیے جانے والے حصص کی اوسط مارکیٹ قیمت	فیئر مارکیٹ ویلیو (FMV) کی بنیاد پر
آخری نظر ثانی شدہ مالیاتی گوشوارہ کی بنیاد پر فروخت کیے جانے والے حصص کی بریک اپ ویلیو	1216.24 روپے
جس قیمت پر حصص فروخت کیے جائیں گے	فیئر مارکیٹ ویلیو (FMV) کی بنیاد پر
شرائط و ضوابط	لاگو نہیں ہیں
مجوزہ سرمایہ کاری سے کمپنی اور شیئر ہولڈرز کو حاصل ہونے والے فوائد	کمپنل گینئر
متعلقہ دستاویزات کے معائنے کا وقت اور جگہ	اس طرح کے انکشاف سے متعلقہ دستاویزات کا معائنہ کمپنی کے پرنسپل آفس میں کاروباری اوقات کے دوران معائنہ سے پہلے اور کمپنی کو تحریری درخواست پر کمپنی کی طرف سے تاریخ اور وقت کی اطلاع کے بعد کیا جاسکتا ہے

2. کمپنیوں کے ذیلی سیکشن (ایسوسی ایٹڈ کمپنیوں یا ایسوسی ایٹڈ انڈرٹیکنگز میں سرمایہ کاری) ریگولیشنز، 2017 کے تحت ظاہر کی جانے والی معلومات۔ "FNE ڈویلپمنٹ پرائیویٹ لمیٹڈ" کے عنوان کے ساتھ ذیلی کمپنی SECP کے ساتھ کارپوریٹ رہی ہے۔ اس سلسلے میں منظور شدہ سرمایہ کاری صرف 200 PKR ملین تھی۔ مزید یہ کہ مالی سال 2022 میں کوئی سرمایہ کاری نہیں کی گئی ہے، کیونکہ ڈھانچہ جاتی پیش رفت اور پراجیکٹ کے جائزے زیر عمل ہیں۔

فرسٹ نیشنل ایکویٹیٹیز لمیٹڈ (CUIN:0033402)

رجسٹرڈ آفس: کمرہ نمبر 1007، 10 ویں منزل، نیواسٹاک ایکسچینج بلڈنگ، کراچی۔ پاکستان

پرنسپل آفس: 179/B، ابو بکر بلاک، نیو گارڈن ٹاؤن، لاہور

ٹیلی فون: 27-042-35843721; فیکس: 042-35843730

ویب سائٹ: www.fnetrade.com: ای میل: info@fnetrade.com

حاضری سلیپ

رجسٹرڈ فولیو/کلائنٹ آئی ڈی	
شیئر ہولڈر کا نام اور پتہ	
جوائنٹ ہولڈر 1	
جوائنٹ ہولڈر 2	

میں/ہم بذریعہ ہذا بروز جمعہ، 28 اکتوبر 2022 کو شام 04:00 بجے کمپنی کے سالانہ اجلاس عام میں اپنی/ہماری موجودگی ریکارڈ کرتے ہیں۔

ممبر کا فولیو/کلائنٹ آئی ڈی نمبر	ممبر کا/پراکسی کا نام بڑے حروف میں	ممبر کے/پراکسی کے دستخط

نوٹ:

برائے مہربانی فولیو/کلائنٹ آئی ڈی نمبر اور ممبر/پراکسی کا نام مکمل کریں، اس حاضری سلیپ پر دستخط کریں اور اسے پیشگی طور پر agm@fnetrade.com پر ای میل کر کے یا ہارڈ کاپی کو کمپنی کے رجسٹرڈ آفس میں بھیج کر جمع کرائیں۔

فرسٹ نیشنل ایکویٹیٹریڈ (CUIN:0033402)
رجسٹرڈ آفس: کمرہ نمبر 1007، 10 ویں منزل، نیواسٹاک ایکسچینج بلڈنگ، کراچی۔ پاکستان
پرنسپل آفس: 179/B، ابوبکر بلاک، نیوگارڈن ٹاؤن، لاہور
ٹیلی فون: 042-35843721-27؛ فیکس: 042-35843730
ویب سائٹ: www.fnetrade.com؛ ای میل: info@fnetrade.com

پراکسی فارم کمپنی ایکٹ، 2017 کے سیکشن 137 اور اس کے تحت قواعد کے مطابق؛

ممبر کا نام:

رجسٹرڈ پتہ:

ای میل آئی ڈی:

فولیو نمبر / کلائنٹ آئی ڈی نمبر:

میں/ہم، مذکورہ کمپنی کے ممبر (ممبرز) ہونے کے ناطے، بذریعہ ہذا کو مقرر کرتا ہوں / کرتے ہیں:

نام:

ای میل:

دستخط:

CNIC:

میرے/ہمارے لیے اور میری/ہماری طرف سے بروز جمعہ 28 اکتوبر 2022 شام 04:00 بجے منعقد ہونے والے کمپنی کی سالانہ اجلاس عام میں شرکت کرنے اور ووٹ دینے کے لیے اور مندرجہ ذیل قراردادوں کے سلسلے میں اس کے کسی بھی التوا کے لئے میرے/ہمارے پراکسی کے طور پر، جیسا کہ ذیل میں ظاہر کیا گیا ہے:

قرارداد نمبر	قراردادوں کی تفصیل
عام امور	
1	30 جون 2022 کو ختم ہونے والے سال کے لئے مالی گوشواروں کی منظوری
2	30 جون 2022 کو ختم ہونے والے اگلے مالی سال کے لئے آڈیٹرز کا تقرر
خصوصی کاروبار	
3	وابستہ / ماتحت کمپنیوں میں سرمایہ کاری
4	انڈر ٹیکنگ میں سرمایہ کاری کی فروخت

آج بروز _____ مورخہ _____ 2022 کو دستخط کئے گئے۔

شیر ہولڈرز کے دستخط: _____
رسیدی ٹکٹ کے لئے جگہ

پراکسی ہولڈرز کے دستخط: _____

نوٹ:

یہ پراکسی فارم، مؤثر ہونے کے لیے، اجلاس کے آغاز سے کم از کم اڑتالیس (48) گھنٹے پہلے، مناسب طریقے سے مکمل اور کمپنی کو جمع کرایا جانا چاہیے۔
قرارداد، وضاحتی بیان اور نوٹس کے لیے، براہ کرم سالانہ اجلاس عام کانوٹس ملاحظہ کریں۔



Branches Network

LAHORE OFFICE

FNE House, 179/B, Abu Bakar Block,
New Garden Town, Lahore-Pakistan
Tel: (92-42) 35843721-27
Fax: (92-42) 35843730

LAHORE STOCK EXCHANGE OFFICE

LSE Plaza, Office No.314 & 417,
19-Khayaban-e-Aiwan-e-Iqbal, Lahore.
Tel: (92-42) 36280782 - 91

RAWALPINDI OFFICE

Office No. 329-330, Third Floor,
Rania Mall, Bank Road, Saddar,
Rawalpindi.
Tel: (92-51) 5563194-96

GUJRAT FACILITATION CENTER

Office No. 2, First Floor, City Plaza Attached
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
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


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