

FIRST NATIONAL EQUITIES LIMITED

第一国家股权有限

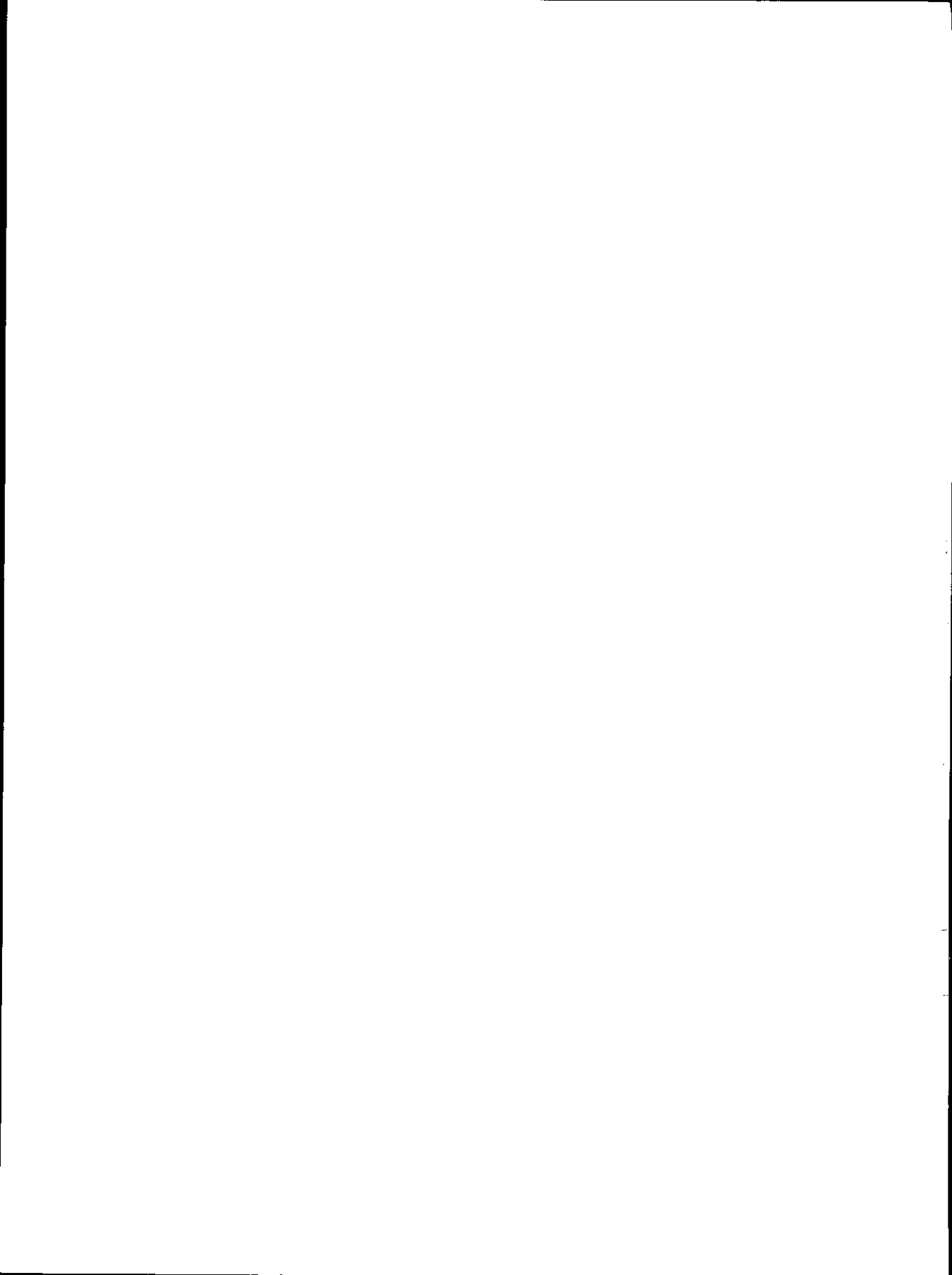
**2017**  
**HALF YEARLY REPORT**  
半年报告



(Un-audited) For the Period Ended  
December 31, 2017.

(未经审计) 截至截止 2017年12月31日。

[www.fnetrade.com](http://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. Shahzad Akbar	Director/Chairman
2. Mr. Ali A. Malik	Director/CEO
3. Mr. Amir Shehzad	Director
4. Mr. Ijaz Mahmood Chaudhary	Director
5. Mr. Naveed Ishaque	Director
6. Mr. Muhammad Asim Mustafa	Director

### Bankers:

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

### Audit Committee:

1. Mr. Ijaz Mahmood Chaudhary	Chairman
2. Mr. Shahzad Akbar	Member
3. Mr. Muhammad Asim Mustafa	Member

### Principal Office:

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

### HR & Remuneration Committee:

1. Mr. Shahzad Akbar	Chairman
2. Mr. Muhammad Asim Mustafa	Member
3. Mr. Ali A. Malik	Member

### Registered Office:

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

### Chief Financial Officer:

Ms. Faiza Khalid

### Company Secretary:

Mr. Hasan Attique

### Head of Internal Audit:

Ms. Ammara Zakriya

### Auditors:

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

### 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

## DIRECTORS' REVIEW REPORT

On behalf of the Board of Directors of First National Equities Limited, I am pleased to present the half year Financial Statements of your company for the period ended on December 31, 2017.

### Economy and Stock Exchange:

Pakistan's economic growth is on track to achieve its highest level in the last eleven years. Average headline inflation remains within the forecast range of SBP. There has been visible improvement in export growth and remittances are marginally higher. Benefiting from both infrastructure and CPEC related investments, industries are expected to maintain their higher growth momentum. Higher tax collection and proceeds from the issuance of Sukuk and Eurobond have led to reduction in net budgetary borrowing. With that said, the outlook for Pakistan's economy remains bright (GDP expected at 5.5) given materialization and implementation of projects and initiatives undertaken by the Government, under the umbrella of CPEC and in sectors of energy and infrastructure.

The KSE-100 index observed another depressing quarter and depicted a negative return of 4.57% in second quarter to close at 40,471 points. During the half year ended December 31, 2017, the KSE-100 index fell by 6,094 points or 13.09%. The deteriorating economic numbers and political uncertainty into the mixture created a perfect recipe for a bear market. Other reasons include increase in international oil prices that leads to higher cost of doing business and heavy outflow of foreign investment.

### Company Performance:

	Six Months Ended	
	December 31, 2017	December 31, 2016
Operating (Loss)/Profit	(93,467,770)	195,914,703
(Loss)/Profit before tax	(146,781,002)	150,853,047
(Loss)/Profit after tax	(152,561,133)	150,964,106
(Loss)/Earning per share	(1.08)	1.06

During the first half of the year, FNEL posted Loss after tax of Rs. 152.56 million as compared to profit after tax of Rs. 150.96 million in same period of last year, which is mainly contributed by decrease in market traded volumes and values due to continuous bearish trend in index.

Other operating expense has been decreased by 47% as compared to same period last year caused by overall decrease in trade activity of the company. Our finance cost for the period has significantly decreased by 68% due to conversion of interest bearing sponsor loan into subscription of pending right shares.



### Future Outlook

Market activity during the remaining period of current year will be impacted owing to upcoming elections and political uncertainties. Nevertheless, your management is determined to increase the market share, customer base and avail full benefits of the profit making market opportunities.

### Appreciation and Acknowledgements

The Board of Directors of FNE would like to thank the Government of Pakistan, the Securities & Exchange Commission of Pakistan, NCCPL, CDC and other regulatory bodies for their continued support, all shareholders and customers of the company for their trust, and our employees for their continuous dedication and commitment.

On behalf of the Board of Directors

**Amir Shehzad**  
Executive Director

**Ali A. Malik**  
Chief Executive Officer

Place: Lahore  
Date: February 24, 2018



سال کے پہلے حصہ کے دوران، FNEL نے گذشتہ سال کی اسی مدت کے دوران 150.96 ملین روپے کے علاوہ ٹیکس منافع کے مقابلہ میں 152.56 ملین روپے کا منافع علاوہ ٹیکس درج کیا گیا۔ جو انڈیکس میں حصص کی قیمت میں مسلسل کمی کا رجحان ہونے پر زیادہ تر منڈی کے تجارتی حجم اور قدر میں کمی کی وجہ سے تھا۔

دیگر آپریٹنگ اخراجات گذشتہ سال کی اسی مدت کے مقابلہ میں 47 فی صد تک کم ہوئے جو کمپنی کی تجارتی سرگرمی میں مجموعی کمی کی وجہ سے تھے۔ مذکورہ مدت کے لئے ہماری مالی لاگت 68 فی صد تک کم ہو گئی ہے جو کہ سپونسرز لون کے رائٹ حصص میں تبدیلی کی وجہ سے ہے۔

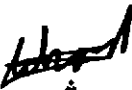
### مستقبل کا پس منظر

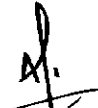
رواں سال کی بقیہ مدت کے دوران منڈی کی سرگرمی آئندہ انتخابات اور سیاسی بے یقینی کی وجہ سے اثر انداز ہوئی ہے۔ تاہم، آپ کی انتظامیہ مارکیٹ حصص، کسٹمر کی تعداد اور منافع حاصل کرنے کی منڈی کے مواقعوں سے مستفید ہونے کے لئے پرعزم ہے۔

### خراج تحسین اور اعترافات

FNEL کے بورڈ آف ڈائریکٹرز حکومت پاکستان، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، NCCPL، CDC اور دیگر ریگولیٹری اداروں کی مسلسل حمایت، کمپنی کے تمام حصص داران اور کسٹمرز کے کمپنی پر بھروسہ اور اپنے ملازمین کے مسلسل عزم اور جذبہ کے لئے شکر گزار ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

  
عامر شہزاد  
ایگزیکٹو ڈائریکٹر

  
علی اے ملک  
چیف ایگزیکٹو آفیسر

مقام: لاہور

تاریخ: 24 فروری 2018ء

## ڈائریکٹرز کی جائزہ رپورٹ

محترم حصص داران!

فرسٹ نیشنل ایکویٹیز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے 31 دسمبر 2017ء کو اختتام پذیر نصف سال کے لئے کمپنی کی مالی ایشیٹمنٹس پیش کرنے میں فخر محسوس کرتا ہوں۔

معیشت اور اسٹاک ایکسچینج

گذشتہ گیارہ سالوں میں پاکستان کی معیشت اپنی اعلیٰ ترین سطح حاصل کرنے کے لئے درست سمت میں گامزن ہے۔ اوسط بنیادی افراط زر SBP کی مجوزہ حدود کے درمیان میں ہے۔ برآمدات کے حجم میں اضافہ اور تریل زر کی مد میں نمایاں بہتری نسبتاً اونچی سطح پر ہے۔ بنیادی ڈھانچے اور CPEC سے متعلقہ سرمایہ داری سے مستفید ہوتے ہوئے صنعتوں میں اپنی پیداواری صلاحیت برقرار رہنے کی توقع ہے۔ ٹیکس کی بہترین وصولی اور سکوک اور یورہ بانڈ کے اجراء کے بعد آمدنی سے مجموعی قرضوں کے حصول میں کمی واقع ہوئی ہے۔ اس طرح، CPEC اور توانائی اور بنیادی ڈھانچے کے شعبوں کی مدد سے منصوبوں کے آغاز اور نفاذ اور حکومتی اقدامات کی وجہ سے پاکستان کی معیشت کا مستقبل روشن نظر آ رہا ہے (مجموعی ملکی پیداوار 5.5 پر آنے کی توقع ہے)۔

KSE-100 انڈیکس نے ایک اور مایوس کن سہ ماہی دیکھی ہے۔ جو دوسری سہ ماہی میں 4.57 فی صد منفی آمدنی کی وجہ سے 40,471 پوائنٹس پر بند ہوا۔ 31 دسمبر 2017ء کو اختتام پذیر نصف سال کے دوران KSE-100 انڈیکس 6,094 پوائنٹس یا 13.09 فی صد تک گر گیا۔ معاشی اعداد و شمار میں گراؤ اور سیاسی غیر یقینی کی صورت حال سے حصص کی قیمتوں میں کمی واقع ہوئی۔ دیگر وجوہات میں بین الاقوامی سطح پر تیل کی قیمتوں میں اضافہ کی وجہ سے کاروباری لاگت میں اضافہ اور غیر ملکی سرمایہ داری میں کمی واقع ہوئی۔

کمپنی کی کارکردگی

اختتام پذیر چھ ماہ		
31 دسمبر 2016	31 دسمبر 2017	
195,914,703	(93,467,770)	آپرینٹنگ (نقصان)/نفع
150,853,047	(146,781,002)	(نقصان)/نفع بعد ٹیکس
150,964,106	(152,561,133)	(نقصان)/نفع علاوہ ٹیکس
1.06	(1.08)	(نقصان)/نفع فی حصص

## 董事审阅报告

亲爱的股东们,

代董事会第一国民股票有限,  
我很高兴呈现半年贵公司在截止的期间的财务报表 十二月31, 2017.

经济和证券交易所:

巴基斯坦的经济增长正在走上轨道 实现 其最高水平  
十一年。平均总体通胀仍然存在 在预测范围内 范围 SBP. 有明显的改善 出口增长 和 汇款  
稍高一些。受益于基础设施 和CPEC 相关投资, 预计行业 保持 其发展势头较高。更高的税收 和  
发行伊斯兰债券所得 和 欧洲债券已经导致减持 净预算借款。这就是说, 巴基斯坦的前景 经济  
遗迹 亮 (GDP 预计在 5.5) 给予物化 和 项目的实施 和 政府采取的举措, 在CPEC的保护下  
和能源部门 和基础设施。

KSE-100 指数观察到另一个压抑 季度和描绘 4.57%的负回报率 在第二季度结束 40,471点。  
在半年结束 十二月 31, 2017, KSE-100 指数下跌了6,094 点或 13.09%。经济恶化 数字和政治  
不确定性 进入混合物 创造了完美 熊市的配方。其他原因 包括增加 国际油价 导致更高 做的成本  
商业 和 大量外流 的外商投资。

公司业绩:		
	六个月结束	
	十二月 31, 2017	十二月 31, 2016
营业 (亏损) /利润	(93,467,770)	195,914,703
(亏损) /利润 税前	(146,781,002)	150,853,047
(亏损) /利润 税前	(152,561,133)	150,964,106
(亏损) /每股收益	(1.08)	1.06

在今年上半年, FUEL发布损失 税后 Rs. 152.56 百万相比之下 获利 税后 Rs. 150.96 百万  
在同一时期 去年, 这主要是 减少贡献 在市场上 交易 数量和价值 由于持  
看跌 指数趋势。

  
**Amir Shehzad**  
执行董事

地点: Lahore  
日期: February 24, 2017

代表董事会

  
**Ali A. Malik**  
首席执行官



## AUDITOR'S REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

### Introduction

We have reviewed the accompanying condensed interim balance sheet of First National Equities Limited as at December 31, 2017 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement together with the notes forming part thereof (hereinafter referred to as the "condensed interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### Scope of Review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

### Other Matters

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended December 31, 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2017.

The financial statements of the Company for the year ended June 30, 2017 and for the half year ended December 31, 2016 were audited / reviewed by another firm of Chartered Accountants.

IECnet S.K.S.S

Chartered Accountants

Engagement Partner: **Muhammad Aslam Khan**


Lahore.

February 21, 2018.

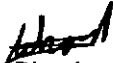
**CONDENSED INTERIM BALANCE SHEET  
AS AT DECEMBER 31, 2017**

	Note	(Un-audited) December 31, 2017	(Audited) June 30, 2017
----- (Rupees) -----			
<b>NON-CURRENT ASSETS</b>			
Property and equipment	7	39,651,644	39,997,781
Capital work-in-progress		33,340,000	33,340,000
Intangible assets	8	64,415,000	41,915,000
Other receivables		142,413,745	142,578,672
Investment in associate	9	71,540,013	71,540,013
Investments - available for sale	10	35,906,152	41,163,843
Long-term deposits		2,996,000	2,496,000
Deferred taxation		160,166,502	164,028,428
		<b>550,429,056</b>	<b>537,059,737</b>
<b>CURRENT ASSETS</b>			
Short-term investments	11	7,829,272	373,048,724
Trade debts	12	90,360,486	53,270,002
Loans and advances		5,348,618	41,628,809
Trade deposits and short-term prepayments	13	11,489,754	50,338,258
Other receivables		172,938,235	189,013,201
Advance tax		28,759,741	27,019,872
Cash and bank balances	14	248,089,607	122,349,992
		<b>564,815,713</b>	<b>856,668,858</b>
<b>Total Assets</b>		<b>1,115,244,769</b>	<b>1,393,728,595</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term financing	15	207,275,668	194,112,882
Loan from sponsors	16	155,175,000	647,743,041
Other loans	17	14,950,101	54,721,056
Deferred liabilities		10,030,604	9,360,117
		<b>387,431,373</b>	<b>905,937,096</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	18	291,013,367	264,158,794
Current portion of long-term financing		28,240,667	32,941,547
		<b>319,254,034</b>	<b>297,100,341</b>
<b>Total Liabilities</b>		<b>706,685,407</b>	<b>1,203,037,437</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
<b>Net Assets</b>	19	<b>408,559,362</b>	<b>190,691,158</b>
<b>REPRESENTED BY:</b>			
Authorized share capital	20	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up share capital	20	1,418,098,310	1,418,098,310
Share deposit money	21	376,429,500	-
Discount on right shares		(630,418,817)	(630,418,817)
Accumulated loss		(774,483,407)	(621,922,274)
		<b>389,625,586</b>	<b>165,757,219</b>
Unrealized gain on re-measurement of investments classified as available for sale		18,933,776	24,933,939
		<b>408,559,362</b>	<b>190,691,158</b>

The annexed notes 01 to 28 form an integral part of these condensed interim financial statements.

  
Chief Executive Officer

  
Chief Financial Officer

  
Director



CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE PERIOD ENDED DECEMBER 31, 2017

Note	Six Months Period Ended		Three Months Period Ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
----- (Rupees) -----				
Operating revenue	<b>14,749,800</b>	36,581,494	<b>9,004,464</b>	27,947,780
(Loss) / Gain on sale of investments	<b>(106,653,609)</b>	48,784,192	<b>(104,767,443)</b>	44,556,204
Unrealized (loss) / gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - held for trading - net	<b>(1,563,961)</b>	110,549,017	<b>91,504,057</b>	100,719,794
<b>Operating (loss) / profit</b>	<b>(93,467,770)</b>	195,914,703	<b>(4,258,922)</b>	173,223,778
Administrative expenses	<b>26,330,445</b>	20,861,833	<b>12,463,672</b>	11,706,690
Finance cost	<b>16,183,801</b>	50,418,539	<b>4,350,132</b>	27,298,441
Other operating expenses	<b>1,493,284</b>	2,863,017	<b>459,898</b>	1,917,704
Other operating (loss) / income	<b>(9,305,702)</b>	28,667,909	<b>942,579</b>	(3,340,084)
Share of profit of associate - net	-	413,823	-	413,823
<b>(Loss) / profit before taxation</b>	<b>(146,781,002)</b>	150,853,047	<b>(20,590,045)</b>	129,374,682
Taxation				
- current tax expense	<b>1,918,205</b>	2,168,073	<b>1,033,479</b>	145,439
- deferred tax expense / (income)	<b>3,861,926</b>	(2,057,013)	<b>16,239,270</b>	(2,057,013)
	<b>5,780,131</b>	111,060	<b>17,272,749</b>	(1,911,574)
<b>(Loss) / profit after taxation</b>	<b>(152,561,133)</b>	150,964,106	<b>(37,862,794)</b>	131,286,256
Basic & diluted (loss) / earnings per share	<b>(1.08)</b>	1.06	<b>(0.27)</b>	0.93

The annexed notes 01 to 28 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE PERIOD ENDED DECEMBER 31, 2017

Note	Six Months Period Ended		Three Months Period Ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	(Rupees)			
(Loss) / profit after taxation	(152,561,133)	150,964,106	(41,635,126)	131,508,376
Items that will not be re-classified to profit or loss	-	-	-	-
Items that are or may be reclassified subsequently to profit or loss				
Unrealized (loss) / gain during the period in the market value of investments classified as 'available for sale'	(5,989,602)	1,384,783	(1,341,132)	1,010,526
Reclassification adjustment of realized gain on sale of investments available for sale	(10,561)	(93,166)		(93,166)
Unrealized gain on re-measurement of PSX shares, net of tax	-	53,506,446	-	-
Other comprehensive (loss) / income for the period	(6,000,163)	54,798,063	(1,341,132)	917,360
Total comprehensive (loss) / income for the period	(158,561,296)	205,762,169	(42,976,258)	132,425,736

The annexed notes 01 to 28 form an integral part of these condensed interim financial statements.

  
Chief Executive Officer

  
Chief Financial Officer

  
Director



CONDENSED INTERIM CASH FLOWS STATEMENT (UN-AUDITED)  
FOR THE PERIOD ENDED DECEMBER 31, 2017

	Six Months Period Ended	
	(Un-audited) December 31, 2017	(Un-audited) December 31, 2016
----- (Rupees) -----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) / profit before taxation	(146,781,002)	150,853,047
Adjustments for :		
Depreciation	673,555	954,117
Impairment loss	2,500,000	-
Loss / (gain) on sale of investments	106,653,609	(48,784,192)
Unrealized loss / (gain) on re-measurement of financial assets carried at fair value through profit or loss	1,563,961	(110,549,017)
Finance cost	16,183,801	50,418,539
Dividend income	(4,050,841)	(10,372,244)
Loss on transfer of PSX rooms licence	11,000,000	-
Miscellaneous Income	(1,894,298)	(28,667,909)
Bad debt expense	1,357,460	-
Provision for gratuity	698,487	516,590
Share of profit from associate	-	(413,823)
	<b>134,885,734</b>	<b>(146,897,939)</b>
Changes in working capital	(11,895,268)	3,955,108
Decrease / (Increase) in current assets		
Trade debts	(38,447,944)	(15,217,162)
Loans and advances	(3,719,809)	(785,722)
Trade deposits and short-term prepayments	39,492,351	(32,778,128)
Other receivables	21,924,664	(1,846,902)
	<b>19,249,262</b>	<b>(50,627,914)</b>
(Decrease) / Increase in current liabilities		
Trade and other payables	27,263,969	44,743,178
	<b>34,817,963</b>	<b>(1,929,628)</b>
Finance cost paid	(8,575,021)	(2,020,871)
Gratuity paid	(28,000)	(175,000)
Income tax paid	(3,658,074)	(5,881,134)
Long term deposits (paid) / received	(500,000)	245,070
<b>Net cash generated / (utilized in) from operating activities</b>	<b>21,856,868</b>	<b>(9,761,563)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of marketable securities	258,246,142	5,093,689
Sale of investments classified as 'available-for-sale' - net	13,268	135,730
(Additions) / disposals of fixed assets	(326,200)	(533,450)
(Additions) / disposals of intangible assets	4,000,000	-
Mark-up income received	-	825,985
Dividend received	4,050,841	10,372,244
<b>Net cash generated from investing activities</b>	<b>263,984,051</b>	<b>15,894,198</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Share deposit money	63,863,000	-
(Repaid) long-term loans	(3,782,412)	100,506,744
(Repaid) sponsor loans	(180,001,541)	-
(Repaid) other Loans	(39,770,955)	4,469,238
Dividend paid	(409,396)	-
<b>Net cash generated from / (utilized in) financing activities</b>	<b>(160,101,304)</b>	<b>104,975,983</b>
<b>Net increase in cash and cash equivalents</b>	<b>125,739,615</b>	<b>111,108,619</b>
Cash and cash equivalents at the beginning of the period	122,349,992	52,230,353
Cash and cash equivalents at the end of the period	<b>248,089,607</b>	<b>163,338,972</b>

The annexed notes 01 to 28 form an integral part of these condensed interim financial statements.

  
Chief Executive Officer

  
Chief Financial Officer

  
Director



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE PERIOD ENDED DECEMBER 31, 2017

	Issued, subscribed and paid-up capital	Share Deposit Money	Discount on Issue of right shares	Accumulated loss	Unrealized surplus / (deficit) on re- measurement of investments classified as available for sale	Total
----- (Rupees) -----						
Balance as at July 01, 2016 (Restated)	1,418,098,310	-	(630,418,817)	(763,014,389)	89,890	24,754,994
Profit after taxation for the year ended June 30,	-	-	-	150,964,106	-	150,964,106
Other comprehensive income for the period	-	-	-	-	54,798,063	54,798,063
<b>Balance as at Dec 31, 2016 (Restated)(Un-audited)</b>	<b>1,418,098,310</b>	<b>-</b>	<b>(630,418,817)</b>	<b>(612,050,283)</b>	<b>54,887,953</b>	<b>230,517,163</b>
Balance as at Jan 01, 2017	1,418,098,310	-	(630,418,817)	(612,050,283)	54,887,953	230,517,163
Profit after taxation for the six months	-	-	-	15,991,081	-	15,991,081
Other comprehensive income for the six months	-	-	-	-	(28,857,479)	(28,857,479)
Interim Dividend of Rs. 0.4 per share	-	-	-	(25,863,072)	-	(25,863,072)
Loss on remeasurement of Staff retirement benefits	-	-	-	-	(1,096,535)	(1,096,535)
<b>Balance as at June 30, 2017</b>	<b>1,418,098,310</b>	<b>-</b>	<b>(630,418,817)</b>	<b>(621,922,274)</b>	<b>24,933,939</b>	<b>190,691,158</b>
Balance as at July 01, 2017	1,418,098,310	-	(630,418,817)	(621,922,274)	24,933,939	190,691,158
Share deposit money Received	-	376,429,500	-	-	-	376,429,500
Profit after taxation for the six months	-	-	-	(152,561,133)	-	(152,561,133)
Other comprehensive income for the six months	-	-	-	-	(6,000,163)	(6,000,163)
<b>Balance as at Dec 31, 2017 (Un-audited)</b>	<b>1,418,098,310</b>	<b>376,429,500</b>	<b>(630,418,817)</b>	<b>(774,483,407)</b>	<b>18,933,776</b>	<b>408,559,362</b>

The annexed notes 01 to 28 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE PERIOD ENDED DECEMBER 31, 2017

**1 THE COMPANY AND ITS OPERATIONS**

First National Equities Limited (the Company) is a limited liability company incorporated in Pakistan under the Companies Ordinance, 1984. 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 listed on the Pakistan Stock Exchange Limited (PSX).

The Company holds Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited. The principal activities of the Company include shares brokerage, consultancy services and portfolio investments.

**2 STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with requirements of Companies Ordinance, 1984 (the Ordinance), the directives issued by Securities and Exchange Commission of Pakistan and approved financial reporting standards as applicable in Pakistan. Approved financial reporting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, and provisions and directives issued under the Ordinance. In case requirements differ, the provisions or directives of the Ordinance prevail.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of annual published financial statements of the company for the year ended June 30, 2017.

**3.1 New/Revised Standards, Interpretations and Amendments which became effective during the period**

The new standards, amendments to the approved accounting standards and interpretations that are mandatory for accounting periods beginning on or after July 01, 2017, were either considered not to be relevant to the Company's operations or did not have significant effect on the accounting policies of the Company.

During the period, certain amendments to Standards or new interpretations became effective; however, the amendments or interpretations were either not relevant to the Company's operations or were not expected to have any significant impact on the Company's financial statements.

**3.2 Improvements to Accounting Standards issued by the IASB**

IFRS 10 – Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements:

	Investment Entities: Applying the Consolidation Exception' (Amendment)
IFRS 11	- Joint Arrangements: Accounting for Acquisition of Interest in Joint Operation (Amendment)
IAS 1	- Presentation of Financial Statements: Disclosure Initiative (Amendment)
IAS 16	- Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
IAS 16	- Property, Plant and Equipment and IAS 41 Agriculture: Agriculture - Bearer Plants (Amendment)
IAS 27	- Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment)

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations are not likely to have any effect on the financial statements.

**3.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective:**

The following amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

		<b>Effective date (annual periods Beginning on or after)</b>
IFRS 15	- Revenue from Contracts with Customers	01 January 2018
IFRS 9	- Financial Instruments	01 January 2018
IFRS 2	- Classification and Measurement of Share-based Payment Transactions - (Amendments)	01 January 2018
IFRS 16	- Leases	01 January 2019

**3.4 Management anticipates that the adoption of the above standards, amendments and interpretations in future periods will have no material impact on the financial statements other than in presentation / disclosures.**

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

IFRS 1	- First time Adoption of International Financial Reporting Standards
IFRS 9	- Financial Instruments: Classification and Measurement
IFRS 14	- Regulatory Deferral Accounts
IFRS 15	- Revenue from Contracts with Customers
IFRS 16	- Leases

**The following interpretations issued by the IASB have been waived off by SECP:**

IFRIC 4	- Determining whether an arrangement contains lease
IFRIC 12	- Service concession arrangements



#### 4 ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Judgements and estimates made by management in the preparation of these condensed interim financial statements are the same as those applied to the preceding annual published financial statements of the Company for the year ended June 30, 2017.

#### 5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the financial statements of the Company for the year ended June 30, 2017.

#### 6 METHOD OF ACCOUNTING

Company adopts 'settlement date accounting' as its method of accounting.

<b>(Un-audited) December 31, 2017</b>	<b>(Un-audited) December 31, 2016</b>
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#### 7 PROPERTY AND EQUIPMENT

----- (Rupees) -----

Additions during the period	332,200	584,340
Disposals during the period	44,500	1,806,572

#### 8 INTANGIBLE ASSETS

Cost			
TRE Certificate	License to use Room at PSX	Tenancy rights- Building	Total

----- (Rupees) -----

Balance as at July 01, 2017	5,000,000	22,000,000	14,915,000	41,915,000
License of Rooms of PSX transferred 8.1	-	(22,000,000)	-	(22,000,000)
Purchase of license of 10 Rooms of PSX 8.2	-	47,000,000	-	47,000,000
Less : Impairment loss	(2,500,000)	-	-	(2,500,000)
Balance as at December 31, 2017	<u>2,500,000</u>	<u>47,000,000</u>	<u>14,915,000</u>	<u>64,415,000</u>

8.1 During the period, the Company transferred the risks and rewards relating to PSX rooms No. 135-136, situated at 3rd floor of Stock Exchange Building, Karachi, having Book value of Rs. 22 million, to Mr. Ghulam Mustafa against lump-sum consideration of Rs. 11 million and recorded a loss of Rs. 11 million in profit and loss account.

8.2 During financial year 2017, the Board of Directors resolved to buy license of 10 Rooms of PSX, located on the 10th floor of New Stock Exchange Building, I.I Chundrigar Road, Karachi for lump-sum consideration of Rs. 47 million, of which Rs. 40.2 million had been paid as advance. The risks and rewards have been substantively transferred to the Company and an intangible asset amounting to Rs. 47 million has been recognized during the period.

Note	(Un-audited) December 31, 2017	(Audited) June 30, 2017
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------(Rupees)-----

## 9 INVESTMENT IN ASSOCIATE

Investment in National Asset Management Company Limited  
Share of profit for the period  
Share in reserves of associate

71,540,013	71,540,013
-	-
-	-
<b>71,540,013</b>	<b>71,540,013</b>

## 10 INVESTMENTS - AVAILABLE FOR SALE

### Pakistan Stock Exchange Limited

Opening Balance

FV Gain/(Loss) on Investment

Disposed of during the year

Closing Balance

41,163,843	40,073,830
(5,257,691)	68,414,047
-	(67,324,034)
<b>35,906,152</b>	<b>41,163,843</b>

## 11 SHORT TERM INVESTMENTS

Available for sale

At fair value through profit or loss - held for trading

11.1	1,932,817	2,677,996
11.2	5,896,455	370,370,728
	<b>7,829,272</b>	<b>373,048,724</b>

### 11.1 Available for sale

- Average cost

- Unrealized gain on re-measurement of investments

- Closing carrying value

2,469,525	2,472,230
(536,708)	205,766
<b>1,932,817</b>	<b>2,677,996</b>

### 11.2 Financial assets at fair value through profit or loss - held for trading

- Average cost

- Unrealized loss on re-measurement of investments

- Closing carrying value

7,460,416	423,601,485
(1,563,961)	(53,230,757)
<b>5,896,455</b>	<b>370,370,728</b>

11.3 The total value of pledged securities is Rs. 635.877 million (June 30, 2017: 1336.426 million), which includes securities pertaining to clients of Rs. 630.575 million (June 30, 2017: 986.275 million)



	Note	(Un-audited) December 31, 2017	(Audited) June 30, 2017
------(Rupees)-----			
<b>12 TRADE DEBTS</b>			
Considered good	12.1	90,360,486	53,270,002
Considered doubtful		417,424,312	416,066,852
		<u>507,784,798</u>	<u>469,336,854</u>
Less: Provision for doubtful debts		<u>(417,424,312)</u>	<u>(416,066,852)</u>
		<u>90,360,486</u>	<u>53,270,002</u>
12.1	The Company holds securities having total fair value of Rs. 906.419 million (June 30 2017: Rs.1,230.155 million) owned by its clients as collateral against trade debts. The provision for doubtful debts has been adjusted in compliance with the requirements of clause 34(2)(h) of the Securities Brokers Licensing and Operations Regulations, 2016, which state that for receivables due for more than 5 days, a provision should be made to the extent by which amount receivable exceeds the collateral held from such customers after applying haircuts. Management believes, however, that a substantial part of debts is recoverable.		
12.2	Movement in trade debtors is hereunder:		
1 to 5 days		22,874,406	24,390,584
Above 5 days		484,910,392	444,946,270
		<u>507,784,798</u>	<u>469,336,854</u>
Less: Doubtful		<u>(417,424,312)</u>	<u>(416,066,852)</u>
Net		<u>90,360,486</u>	<u>53,270,002</u>
<b>13 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS</b>			
Exposure deposits		<u>11,489,754</u>	<u>50,338,258</u>
		<u>11,489,754</u>	<u>50,338,258</u>
<b>14 CASH AND BANK BALANCES</b>			
This includes customer assets amounting Rs. 56.903 million (June 30, 2017: Rs. 41.875 million).			
<b>15 LONG TERM FINANCING</b>			
From banking companies - secured			
Bank Alfalah Limited	15.1	97,148,163	94,613,285
United Bank Limited	15.2	1,193,820	1,554,232
The Bank of Punjab	15.3	132,735,352	127,920,912

	<b>(Un-audited) December 31, 2017</b>	<b>(Audited) June 30, 2017</b>
	----- <b>(Rupees )</b> -----	
Overdue interest on long term financing The Bank of Punjab	<b>4,439,000</b>	<b>2,966,000</b>
	<b>235,516,335</b>	<b>227,054,429</b>
<b>Less: Current portion of long term financing</b>	<b>(28,240,667)</b>	<b>(32,941,547)</b>
	<b>207,275,668</b>	<b>194,112,882</b>

15.1 Financing from Bank Alfalah Limited (BAF) has been restructured/rescheduled vide offer letter dated June 27, 2014 as amended on September 08, 2014 wherein TF-I, TF-II, TF-III and short-term financing have been merged. The restructured loan liability is an interest-free liability and has been recognized at present value discounted at the average borrowing cost of the company. The difference between the carrying amount of the liability extinguished and the fair value of the new liability has been recognized in profit and loss account as notional income. The notional expense will be amortized during the tenure of the liability, i.e. through to June 2021. The finance facility was obtained for working capital requirements and improvement in liquidity. The facility was originally secured against pledge of shares amounting to Rs. 78.6 million and mortgage of commercial plot of land bearing # 19-C, Sun set lane # 6, phase-2, DHA, Karachi; mortgage of room # 135 & 136, Stock Exchange Building, Karachi; mortgage of room # 306, 3rd Floor, Business & Finance Centre, I. I Chundrigar Road, Karachi; mortgage of municipal showroom # 2, ground floor, adjacent to Askari Bank Ltd, Bank Square, Chowk Yadgar, Peshawar City; total valuing Rs. 115 million and personal guarantee of Mr. Ali Aslam Malik (CEO). During previous years, the mortgage of commercial plot of land bearing 19-C, Sun set lane # 6, phase-2, DHA, Karachi, mortgage of room # 135 & 136, Stock Exchange Building, Karachi & mortgage of room # 306, 3rd Floor, Business & Finance Centre, I. I Chundrigar Road, Karachi have been released by making repayment to BAF from their sale proceeds.

As per restructuring offer letter, in the first phase, the company shall get shares released against firm payment as per prevailing market rates, that were pledged from the sub-accounts, up to value of Rs. 30 million, within 30 days of the above offer letter. The company shall get all the remaining pledged shares released piecemeal before December 15, 2014. The bank shall have first right to the company to have above properties released from bank's mortgage by paying average market value for partial settlement of loan liability uptill October 07, 2014, otherwise the bank will be authorized to acquire/purchase/sell these properties. The balance principal amount left unpaid after the these transactions would be paid in increments of Rs. 0.3 million each quarter from January 2015 to December 2016, and Rs. 1.0 million each quarter January 2017 onwards, till final adjustment on or before June 30, 2021.

15.2 The company has negotiated financing agreement with United Bank Limited and has finalized a restructuring agreement to settle its total outstanding liability of amount of Rs.7,333,321 (inclusive of any markup). The borrowing was obtained to finance daily clearing obligations of PSX and settlement of client's trade. The borrowings are secured against pledge of shares through CDC as per list approved by UBL's Treasury Middle Office with minimum margin of 30%.

15.3 During the financial year 2016 financing from Bank of Punjab has been restructured/rescheduled vide offer letter dated June 30, 2016, wherein the Bank has agreed to settle the previous running finance



facility amounting Rs 135 million through restructuring/rescheduling on following terms and conditions:

DF-I (Serviceable) amounting Rs 99.497 million with a down payment of Rs 0.422 million and Future COF bearing markup Quarterly/bi-annually at the rate of 3%, to be deferred for initial three years and subsequently recovered with balance repayments. This facility will be repaid in 28 step-up quarterly/biannual installments till Dec 2025.

DF II (Unserviceable) amounting Rs 94.695 million bears no future mark up. This facility is bifurcated into Rs 36.127 million and Rs 58.568 million. Rs 36.127 million will be repaid in 9 Quarterly/Bi-annual installments from September 2022 till December 2025. The remaining balance of Rs 58.568 million will be waived/written off at the tail end subject to no default.

Other terms and conditions include the disposal of BOP's petition, to maintain intact the existing collateral/sureties during the currency of credit lines, and the unfettered right to demand accelerated repayment with improved rate of markup depending upon the financial growth indicators of the Company by taking June 30, 2015 as base period.

Since the restructured loan is partially interest free and partially at lower interest rate (i.e. 3% quarterly/bi-annually), the present value has been assessed using estimated future cash outflows discounted to their present values @ 7.5 %, which is the market interest rate of similar loans. The difference between the liability initially recognized and the present value calculated through discounting future cash outflows has been recognized in previous year profit and loss account as notional income and will be amortized during the tenure of the liability, i.e. through to Dec 2025.

**16 LOAN FROM SPONSORS**

Note	(Un-audited) December 31, 2017	(Audited) June 30, 2017
------(Rupees)-----		
Loan from sponsors - Subordinated	16.1 155,175,000	247,743,041
Loan from Sponsors - Interest-bearing	16.2 -	400,000,000
	<b>155,175,000</b>	647,743,041
Less: current portion	-	-
	<b>155,175,000</b>	647,743,041

16.1 This represents subordinated loan received from director of the Company. During this period the director of the company provided finance amounting to Rs 70 Million as subordinate loan.

16.2 During the period, company repaid interest bearing loan to the director of company amounting Rs. 400 million, pursuant to circular no 20. of SECP dated August 30, 2017 under which a brokerage company is not allowed to maintain interest bearing loans from directors of company. Company's directors passed resolution to pay Rs. 250 million by selling its portfolio investment and the remaining 150 million was paid by allotting right shares out of its pending unsubscribed right.



Note	(Un-audited) December 31, 2017	(Audited) June 30, 2017
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------(Rupees )-----

## 17 OTHER LOANS

Other Loans	17.1	<u>14,950,101</u>	<u>54,721,056</u>
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17.1 This represents amounts payable to various individuals from whom the Company borrows funds to settle its clearing with NCCPL.

## 18 TRADE AND OTHER PAYABLES

This includes amount Rs. 56.89 Million (June 30,2017: Rs. 41.87 Million) payable to clients of the company.

## 19 CONTINGENCIES AND COMMITMENTS

### 19.1 Contingencies

Trade and Other Payable of the Company includes an amount of Rs. 143.35 million payable to a client of the company against which client has an additional claim of Rs. 25,004,874 on account of 123,762 bonus shares of Pakistan State Oil, which is under scrutiny and negotiation/litigation.

### 19.2 Commitments

In respect of :

Capital expenditure contracted for but not incurred	19.2.1	<u>100,020,000</u>	<u>100,020,000</u>
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19.2.1 This represents amount contracted to be paid to ENSHAA NLC Developers (Private) Limited for acquiring commercial space, being paid in installment, in Karachi Financial Tower.

19.2.2 Outstanding settlements against sale of investments in regular market		2,231,340	37,127,912
Outstanding settlements against purchase of investments in regular market		2,211,750	21,922,394

## 20 SHARE CAPITAL

### Authorized capital

500,000,000 (2017: 500,000,000) Ordinary shares of Rs. 10 each		<u>5,000,000,000</u>	<u>5,000,000,000</u>
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### Issued, subscribed and paid-up share capital

50,000,000 Ordinary shares of Rs. 10 each issued for cash		500,000,000	500,000,000
7,500,000 Ordinary shares of Rs. 10 each issued as fully paid bonus shares		75,000,000	75,000,000



Note	(Un-audited) December 31, 2017	(Audited) June 30, 2017
----- (Rupees) -----		
80,500,000 Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount	<b>805,000,000</b>	805,000,000
3,809,831 Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount	<b>38,098,310</b>	38,098,310
	<b><u>1,418,098,310</u></b>	<u>1,418,098,310</u>

**21 SHARE DEPOSIT MONEY**

Adeela Ali	Related Party	<b>26,643,000</b>	-
First Florance Developers	Associate	<b>133,249,500</b>	-
Ali Aslam Malik	Key Management	<b>216,537,000</b>	-
		<b><u>376,429,500</u></b>	<u>-</u>

During the period, the Board of Directors of the Company resolved to issue 44.416 Million Right shares to First Florance Developers (Pvt.) Limited, 72.179 Million Right shares to a Director of the Company and 8.881 Million Right shares to Ms. Adeela, the spouse of Director of the Company, out of its pending unsubscribed Right, against their outstanding loans of Rs. 133.249 Million, 216.537 Million and 26.643 Million, respectively.

	(Un-audited) December 31, 2017	(Un-audited) December 31, 2016
----- (Rupees) -----		
<b>22 TURNOVER BY SEGMENT</b>		
Proprietary trades	<b>(106,653,609)</b>	59,156,436
Retail customers	<b>14,588,154</b>	24,217,064
Institutional Customers	<b>161,646</b>	1,992,186
	<b><u>(91,903,809)</u></b>	<u>85,365,686</u>

**23 OTHER OPERATING (LOSS)/INCOME**

Loss on transfer of license of PSX Rooms	<b>(11,000,000)</b>	-
Other income	<b>1,694,298</b>	942,579
	<b><u>(9,305,702)</u></b>	<u>942,579</u>

**24 RELATED PARTY TRANSACTIONS**

The Company has related party relationships with its associated undertakings, directors and key management personnel.

The following transactions were carried out with related parties during the period:

For the half year ended December 31, 2017 (Un-audited)

Key Management	Associates	Other related parties	Total
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(Rupees)

**Transactions during the year**

Purchase of marketable securities for and on behalf of	1,429,083,135	-	1,993,187,922	3,422,271,057
Sale of marketable securities for and on behalf of	1,181,142,268	5,251,380	1,985,202,745	3,171,596,393
Brokerage income	129,200	96,425	166,710	392,335
Remuneration to key management personnel	5,017,046	-	-	5,017,046
Loan from Sponsors	70,000,000	-	-	70,000,000
Loan Repaid to Sponsors	400,000,000	-	-	400,000,000
Equity contributions	216,537,000	133,249,500	26,643,000	376,429,500

For the half year ended December 31, 2016 (Un-audited)

Key Management	Associates	Other related parties	Total
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(Rupees)

**Transactions during the year**

Purchase of marketable securities for and on behalf of	3,500,951,470	-	3,768,876,072	7,269,827,542
Sale of marketable securities for and on behalf of	3,491,652,527	-	3,767,684,185	7,259,336,712
Brokerage income	984,357	-	959,374	1,943,731
Remuneration to key management personnel	4,152,423	-	-	4,152,423
Loan from Sponsors	85,175,000	-	-	85,175,000

## 25 FINANCIAL RISK MANAGEMENT

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

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

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) is based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements: Disclosures' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:



- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

December 31, 2017	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through profit or loss - held for	5,896,455	-	-	5,896,455
Investment in associates	-	71,540,013	-	71,540,013
Short term Investments- Available for sale	1,932,817	-	-	1,932,817
Investments in shares of PSX	35,906,152	-	-	35,906,152

December 31, 2016	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through profit or loss - held for	572,969,701	-	-	572,969,701
Investment in associates	-	114,547,003	-	114,547,003
Short term Investments- Available for sale	3,163,336	-	-	3,163,336
Investments in shares of PSX	-	112,206,724	-	112,206,724

Level 2 fair values of Investment in associates are generally derived by using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes. The most significant input into this valuation approach is price per shares available through audited accounts. Investment in shares in PSX was initially valued by PSX; the shares are now listed and hence fair value is readily available, resulting in movement across hierarchy categories.

Level 3 fair valuation is carried out by the team of valuers of the Company who directly report to the CFO of the Company. The valuation is carried out using business valuation techniques such as discounted cash flow-based methods and valuation matrices.

## 26 SHAREHOLDERS HOLDING 5% OR MORE

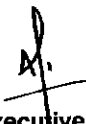
SHAREHOLDERS NAME	Un-audited		Audited		Change
	December 31, 2017		June 30, 2017		
	Shares Held	Percentage	Shares Held	Percentage	
First Florance Developers (Pvt.) Limited	60,009,650	42.32%	77,152,150	54.41%	(17,142,500)
Biofert (Pvt.) Limited	10,035,408	7.33%	12,935,408	9.12%	(2,900,000)
First Pakistan Securities Limited	10,392,808	7.08%	10,396,308	7.33%	(3,500)

**27 GENERAL**

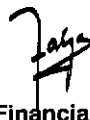
These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. All figures are rounded off to the nearest rupee.

**28 DATE OF AUTHORISATION**

These condensed interim financial statements were authorized for issue on **February 24, 2018** by the Board of Directors of the Company.



Chief Executive Officer



Chief Financial Officer



Director



## Branches Network

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TREC Holder: Pakistan Stock Exchange Limited

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