



FIRST NATIONAL EQUITIES LIMITED

(Un-Audited)

For The Period Ended on December 31, 2021



**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF FIRST NATIONAL EQUITIES LIMITED
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **First National Equities Limited** ("the Company") as at December 31, 2021 and the related condensed interim profit and loss account, the condensed interim statement of comprehensive income, the condensed interim statement of changes in equity and the condensed interim cash flow statement together with the notes forming part thereof for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standards on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, and consequently does not enable us to obtain assurance 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 statements are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other Matters

As part of our engagement, we were only required to review the cumulative figures for the six-month period ended December 31, 2021. Accordingly, we have not reviewed the figures in the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the three-month period ended December 31, 2021.

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

IECnet S.K.S.S.S.,

Chartered Accountants

Lahore.

February 28, 2022.

FIRST NATIONAL EQUITIES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT DECEMBER 31, 2021



	Note	(Un-audited) December 31, 2021	(Audited) June 30, 2021
------(Rupees)-----			
NON CURRENT ASSETS			
Property and equipment	7	37,402,182	37,345,982
Intangible assets	8	85,277,000	85,277,000
Other receivables		120,813,562	123,321,489
Investment in associate	9	77,120,000	76,434,575
Strategic investment	10	888,099,467	888,099,467
Long-term investment	11	50,890,292	-
Long-term deposits		1,602,400	1,602,400
Deferred taxation		20,363,871	10,497,513
		1,281,568,774	1,222,578,426
CURRENT ASSETS			
Short-term investments	12	82,225,472	173,434,231
Trade debts	13	217,904,074	108,352,371
Loans and advances		1,718,470	587,066
Trade deposits and short-term prepayments	14	81,936,515	114,597,677
Other receivables		29,256,962	112,725,047
Advance tax		30,266,449	27,603,706
Cash and bank balances	15	189,125,175	230,777,747
		632,433,117	768,077,845
Total Assets		1,914,001,891	1,990,656,271
NON-CURRENT LIABILITIES			
Long-term financing	16	210,438,572	277,875,106
Loan from sponsors	17	155,175,000	155,175,000
Deferred liabilities		1,637,453	15,403,373
		367,251,025	448,453,479
CURRENT LIABILITIES			
Trade and other payables	18	281,914,006	337,963,358
Unclaimed dividend		1,399,397	1,399,397
Current portion of long-term financing	16	24,874,000	22,000,000
		308,187,403	361,362,755
Total Liabilities		675,438,428	809,816,234
Contingencies and commitments	19	-	-
Net Assets		1,238,563,463	1,180,840,037
REPRESENTED BY:			
Authorized share capital	20	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up share capital	20	2,672,863,310	2,672,863,310
Discount on right shares		(1,508,754,317)	(1,508,754,317)
Retained earnings/(loss)		69,612,002	(542,378)
		1,233,720,995	1,163,566,615
Actuarial gain from remeasurement of staff retirement benefits - net of tax		263,921	263,921
Unrealized gain on re-measurement of investments classified as fair value through OCI		4,578,547	17,009,501
		1,238,563,463	1,180,840,037

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST NATIONAL EQUITIES LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021



Note	Six Months Period Ended		Three Months Period Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
----- (Rupees) -----				
Operating revenue	43,994,959	35,474,510	14,373,394	17,378,175
(Loss)/ Gain on sale of investments	(12,610,554)	38,491,874	1,629,784	14,383,163
Unrealized (Loss)/ Gain on re-measurement of investments classified at fair value through profit or loss - net	(6,983,398)	1,644,727	(6,600,609)	(1,405,119)
Operating profit	24,401,007	75,611,111	9,402,569	30,356,219
Administrative expenses	(38,893,381)	(33,169,199)	(21,843,954)	(21,843,954)
Finance cost	(9,188,054)	(10,174,837)	(5,111,198)	(5,111,198)
Other operating expenses	(2,274,952)	(2,557,522)	(1,097,155)	(1,097,155)
Other operating income	86,329,994	54,944,989	82,204,450	51,876,461
Changes in fair value of investments at fair value through profit or loss	-	55,241,353	-	55,241,353
Share of Profit/(loss) of associate	685,425	(21,233)	-	-
Profit / (loss) before taxation	61,060,039	139,874,662	63,554,712	109,421,726
Tax income/ (expense)	9,094,341	(48,301,235)	8,958,165	(37,918,794)
Profit / (loss) after taxation	70,154,380	91,573,427	72,512,877	71,502,932
Basic earning per share	0.26	0.34	0.27	0.27

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


Chief Executive Officer


Chief Financial Officer


Director

FIRST NATIONAL EQUITIES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021



Six Months Period Ended		Three Months Period Ended	
December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020

Profit / (loss) after taxation

70,154,380 91,573,427 72,512,877 71,502,932

Items that will not be reclassified subsequently to profit or loss

Unrealized gain / (loss) during the period in the market value
of investments classified as fair value through OCI

(12,430,955)	7,446,989	(6,041,406)	(1,964,702)
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Other comprehensive (Loss)/income for the period

(12,430,955) 7,446,989 (6,041,406) (1,964,702)

Total comprehensive (Loss)/income for the period

57,723,425	99,020,416	66,471,471	69,538,230
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The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

FIRST NATIONAL EQUITIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021



Issued, subscribed and paid-up capital	Discount on issue of right shares	Accumulated loss	Actuarial gain from remeasurement of staff retirement benefits - net of tax	Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI	Total
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Balance as at June 30, 2020 (Audited)	2,672,863,310	(1,508,754,317)	(184,898,786)	105,178	(1,017,918)	978,297,467
Profit after taxation for the six months ended December 31, 2020			91,573,427			91,573,427
Other comprehensive income for the period				-	7,446,989	7,446,989
Balance as at December 31, 2020	2,672,863,310	(1,508,754,317)	(93,325,359)	105,178	6,429,071	1,077,317,883

Profit after taxation for the six months ended June 30, 2021			92,782,981			92,782,981
Other comprehensive loss for the period				158,743	10,580,430	10,739,173

Balance as at June 30, 2021 (Audited)	2,672,863,310	(1,508,754,317)	(542,379)	263,921	17,009,502	1,180,840,038
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Balance as at July 01, 2021	2,672,863,310	(1,508,754,317)	(542,379)	263,921	17,009,502	1,180,840,037
Profit after taxation for the six months ended December 31, 2021	-	-	70,154,380	-	-	70,154,380
Other comprehensive loss for the period	-	-	-	-	(12,430,955)	(12,430,955)
Balance as at December 31, 2021 (Unaudited)	2,672,863,310	(1,508,754,317)	69,612,002	263,921	4,578,548	1,238,563,462

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

Chief Executive Officer

Chief Financial Officer

Director

FIRST NATIONAL EQUITIES LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021



Half year ended	
December 31, 2021	December 31, 2020
----- (Rupees) -----	

CASH FLOWS FROM OPERATING ACTIVITIES

Profit / (loss) before taxation 61,060,039 139,874,662

Adjustments for non cash items:

Depreciation	424,346	317,094
Gain / (loss) on disposal of investments	12,610,554	(38,491,874)
Unrealized gain / (loss) on re-measurement of investments classified at fair value through profit or loss - net	6,983,398	(1,644,727)
Finance cost	9,188,054	10,174,837
Changes in fair value of investments at fair value through profit or loss	-	(55,241,353)
Provision for expected credit losses	5,440,540	46,798,396
Share of loss of associate	(685,425)	21,233
Other operating income	(86,329,994)	(54,944,989)
	(52,368,527)	(93,011,383)
Changes in working capital	8,691,512	46,863,279

Decrease / (Increase) in current assets

Trade debts	(110,590,403)	(40,974,795)
Loans and advances	(1,131,404)	1,070,295
Trade deposits and short-term prepayments	36,810,255	(62,687,295)
Other receivables	41,000,000	(38,221)
	(33,911,552)	(102,630,016)

(Decrease) / Increase in current liabilities

Trade and other payables	(56,049,352)	30,315,113
	(81,269,392)	(25,451,624)
Finance cost paid	(2,614,703)	(1,160,141)
Income tax paid	(3,434,760)	(173,559)

Net cash (utilized in) / generated from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Sale / (purchase) of marketable securities	61,762,753	33,666,346
(Additions) / disposals of fixed assets	(480,550)	(197,000)
Long term deposits received / (paid)	-	(2,400)
Net cash generated from / (utilized in) investing activities	61,282,203	33,466,946

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long-term loans	(1,850,000)	(1,000,000)
Gratuity paid	(13,765,920)	
Net cash utilized in financing activities	(15,615,920)	(1,000,000)
Net increase in cash and cash equivalents	(41,652,572)	5,681,622
Cash and cash equivalents at the beginning of the period	230,777,747	190,181,660
Cash and cash equivalents at the end of the period	189,125,175	195,863,282

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


Chief Executive Officer


Chief Financial Officer


Director



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.

2 STATEMENT OF COMPLIANCE

2.1 These condensed interim financial statements ("the interim financial statements") have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard 34: 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Act will prevail.

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2021.

These condensed interim financial statements are unaudited but subject to limited scope review by the statutory auditors as required by the Code of Corporate Governance. The figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed by the statutory auditors as they have reviewed the cumulative figures for the six months ended December 31, 2021 and December 31, 2020.

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 associate, 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 Functional and presentation currency

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. The condensed interim financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency, unless otherwise stated. All the figures have been rounded off to the nearest rupee.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2021.

In addition, certain amendments to existing accounting and reporting standards as well as new interpretations became effective for periods beginning on or after July 1, 2021. However, such amendments or interpretations are either not relevant to or do not have a significant impact on these condensed interim financial statements.

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 judgments that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments 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.

Judgments 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, 2021.

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, 2021.

6 METHOD OF ACCOUNTING

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

FIRST NATIONAL EQUITIES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021



7 PROPERTY AND EQUIPMENT

Additions during the period
Disposals during the period

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
480,550	664,500

8 INTANGIBLE ASSETS

TRE Certificate
License to use rooms at Pakistan Stock Exchange
Building tenancy rights

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
2,500,000	2,500,000
67,862,000	67,862,000
14,915,000	14,915,000
85,277,000	85,277,000

9 INVESTMENT IN ASSOCIATE

Investment in Coastal Company Limited
Share of (loss) / profit from associate

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
76,434,575	77,031,875
685,425	(597,300)
77,120,000	76,434,575

10 STRATEGIC INVESTMENT

Investment in KingBhai Digisol (Pvt.) Limited

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 (Pvt.) 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 investment is measured at FVTPL, with changes in fair value recognized through profit or loss.

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
888,099,467	888,099,467

11 LONG TERM INVESTMENT

ISE Towers REIT Management Company

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 Switch Securities (Pvt.) Limited. Value of these shares is determined on the basis of breakup value of ISE Towers REIT Management Company (as at June 30, 2021).

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
50,890,292	-

12 SHORT-TERM INVESTMENTS

At FVOCI
At FVTPL

Note

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
20,160,391	32,598,506
62,065,081	140,835,725
82,225,472	173,434,231

12.1 Financial assets at fair value through other comprehensive income

Average cost
Unrealized gain / (loss) on re-measurement of investments
Closing carrying value

15,589,004	15,589,005
4,571,387	17,009,501
20,160,391	32,598,506

12.2 Financial assets at fair value through profit or loss

Average cost
Unrealized gain / (loss) on re-measurement of investments
Closing carrying value

69,048,479	130,959,628
(6,983,398)	9,876,097
62,065,081	140,835,725

12.3 Securities having market value of Rs. 78.319 million (June 30, 2021: Rs. 111.897 million) and Rs. NIL (June 30, 2021: NIL) have been pledged with Pakistan Stock Exchange and various commercial banks respectively.

FIRST NATIONAL EQUITIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE PERIOD ENDED DECEMBER 31, 2021



13 TRADE DEBTS

Note

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
217,904,074	108,352,371
208,383,591	213,824,131
426,287,665	322,176,502
(208,383,591)	(213,824,131)
<u>217,904,074</u>	<u>108,352,371</u>

Considered good
Considered doubtful

Less: Provision for expected credit loss

13.1 Treatment of amount receivable from customer

The Company holds securities having total fair value of Rs 925.722 million (June 2021: Rs. 3,267.567 million) owned by its clients as collateral against trade debts. The Company recognizes provision for expected credit losses under the expected loss model under IFRS 9.

13.2 Securities pertaining to clients amounting Rs 31.002 million (June 30, 2021: Rs. 158.309 million) and Rs. NIL (June 30, 2021: NIL) have been 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, with the consent from clients.

14 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
79,513,033	112,163,207
2,352,899	2,434,470
70,583	70,583
<u>81,936,515</u>	<u>114,597,677</u>

Exposure deposits with Pakistan Stock Exchange Limited
Exposure deposits with National Clearing Company of Pakistan
Prepayments

15 CASH AND BANK BALANCES

Cash in hand
Cash at bank

(Un-audited) December 31 2021	(Audited) June 30 2021
-	-
<u>189,125,175</u>	<u>230,777,747</u>
<u>189,125,175</u>	<u>230,777,747</u>

This includes the balances held in bank accounts designated to customers amounting to Rs. 125.476 million (June 30, 2021: Rs. 186.621 million).

16 LONG-TERM FINANCING

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
95,947,457	93,182,869
124,415,014	164,510,591
-	17,228,545
<u>14,950,101</u>	<u>24,953,101</u>
<u>235,312,572</u>	<u>299,875,106</u>
(24,874,000)	(22,000,000)
<u>210,438,572</u>	<u>277,875,106</u>

From banking companies - secured

Bank Alfalah Limited
The Bank of Punjab

16.1
16.2

Interest on long-term financing
The Bank of Punjab
Other Loans

Less: Current portion of long term financing

16.1 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 period ended December 31, 2021, the Company made a repayment of Rs. 1 million (2021: Rs. 2 million).

16.2 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:

O/S Principle amounting to Rs. 97.504 million with a down payment of Rs. 0.850 million and future COF bearing mark-up quarterly at the rate advised by SBP from time to time. This facility will be repaid in 48 quarterly installments starting from 31/03/2022 till December 2033.

O/S Past M-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 COF, and the related present value gains/(losses) were recognized in the statement of profit or loss.

FIRST NATIONAL EQUITIES LIMITED
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2021**

17 LOAN FROM SPONSORS

Loan from sponsors - Subordinated

17.1

Less: current portion

(Un-audited) December 31 2021	(Audited) June 30 2020
----- (Rupees) -----	

155,175,000	155,175,000
155,175,000	155,175,000
-	-
<u>155,175,000</u>	<u>155,175,000</u>

17.1 This represents subordinated unsecured loans received from a director of the Company.

18 TRADE AND OTHER PAYABLES

This includes amounts of Rs. 122.267 million (June 30, 2021: Rs. 184.794 million) payable to clients of the Company.

19 CONTINGENCIES AND COMMITMENTS
19.1 Contingencies

Trade and other payables of the Company include an amount of Rs. 143.350 million (June 30, 2020: Rs. 143.350 million) payable to a client of the Company. The client 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 client's additional claims against the Company.

19.2 Commitments

Outstanding settlements against sale of investments in regular market
Outstanding settlements against purchase of investments in regular market

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
1,812,743	686,287
710,205	-

20 SHARE CAPITAL
Authorized capital

500,000,000 (June 30, 2021: 500,000,000) Ordinary shares of Rs. 10 each

Issued, subscribed and paid-up share capital

50,000,000 Ordinary shares of Rs. 10 each issued for cash
7,500,000 Ordinary shares of Rs. 10 each issued as fully paid bonus shares
80,500,000 Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount
3,809,831 Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount
125,476,500 Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount

(Un-audited) December 31 2021	(Audited) June 30 2021
----- (Rupees) -----	
5,000,000,000	5,000,000,000
500,000,000	500,000,000
75,000,000	75,000,000
805,000,000	805,000,000
38,098,310	38,098,310
1,254,765,000	1,254,765,000
<u>2,672,863,310</u>	<u>2,672,863,310</u>

21 OPERATING REVENUE

Brokerage income
Dividend income

(Un-audited) December 31 2021	(Un-audited) December 31 2021
----- (Rupees) -----	
43,994,959	35,474,510
-	-
<u>43,994,959</u>	<u>35,474,510</u>

22 TURNOVER BY SEGMENT

Retail customers
Institutional customers

(Un-audited) December 31 2021	(Un-audited) December 31 2021
----- (Rupees) -----	
32,734,101	30,667,605
11,260,858	4,806,905
<u>43,994,959</u>	<u>35,474,510</u>

23 TAX (EXPENSE) / INCOME

Current tax expense
Deferred tax (expense) / income

(Un-audited) December 31 2021	(Un-audited) December 31 2021
----- (Rupees) -----	
(764,857)	(3,328,099)
9,859,198	(44,973,136)
<u>9,094,341</u>	<u>(48,301,235)</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 Period ended December 31, 2021 (Un-audited)

For the Period ended December 31, 2021 (Un-audited)			
Key management	Associates	Other related parties	Total
----- (Rupees) -----			
11,577,566,102	13,021,454,821	26,298,454,594	50,897,475,517
11,583,707,897	13,018,005,897	26,355,899,122	50,957,612,916
1,073,862	13,280,479	9,464,122	23,818,463
12,300,000	-	-	12,300,000

Transactions during the period

Purchase of marketable securities for and on behalf of
Sale of marketable securities for and on behalf of
Brokerage Income
Remuneration to key management personnel

For the Year ended June 30, 2021 (Audited)

For the Year ended June 30, 2021 (Audited)			
Key management	Associates	Other related parties	Total
----- (Rupees) -----			
8,948,183,274	11,832,975,531	10,903,955,883	31,685,114,688
9,103,822,243	12,425,209,811	10,920,512,297	32,449,544,351
1,785,563	5,855,652	6,451,877	14,093,092
24,102,269	-	-	24,102,269

Transactions during the year

Purchase of marketable securities for and on behalf of
Sale of marketable securities for and on behalf of
Brokerage income
Remuneration to key management personnel

25 FINANCIAL RISK MANAGEMENT

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 is.

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.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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, 2021 (Un-audited)	Level 1	Level 2	Level 3	Total
Assets				
Short-term investments - at FVTPL	62,065,081	-	-	62,065,081
Short-term investments - at FVOCI	20,160,391	-	-	20,160,391
Strategic Investment - at FVTPL	-	-	888,099,467	888,099,467
Long-term investment - at FVOCI	-	50,890,292	-	50,890,292

June 30, 2021 (Audited)	Level 1	Level 2	Level 3	Total
Assets				
Short-term investments - at FVTPL	32,598,506	-	-	32,598,506
Short-term investments - at FVOCI	140,835,725	-	-	140,835,725
Strategic Investment - at FVTPL	-	-	888,099,467	888,099,467

26 SHAREHOLDERS HOLDING 5% OR MORE

SHAREHOLDERS NAME	(Un-audited) December 31, 2021		(Audited) June 30, 2021		Change
	Shares Held	Percentage	Shares Held	Percentage	
First Florence 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%	-

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 28, 2022** by the Board of Directors of the Company.

Chief Executive Officer

Chief Financial Officer

Director