

FIRST NATIONAL EQUITIES LIMITED

第一国家股权有限

2021
QUARTERLY REPORT
季度报告



(Un-audited) For the Period Ended
September 30, 2021.

(未经审核) 截至期末 2021 年9月30日。

www.fnetrade.com

Contents

Vision	03
Mission	04
Company Information	05
Directors' Report	06

Financial Statements

Condensed Interim Statement of Financial Position	12
Condensed Interim Profit and Loss Account	13
Condensed Interim Statement of Comprehensive Income	14
Condensed Interim Statement of Cash Flows	15
Condensed Interim Statement of Changes in Equity	16
Notes to Condensed Interim Financial Statements	17
Branches Network	22



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
2. Mr. Muhammad Bilal
3. Mr. Amir Shehzad
4. Mr. Abid Yousaf
5. Ms. Syeda Faaiza Akmal Tirimizi
6. Mr. Fusao Yamada
7. Ms. Ayesha Anum

Director/Chairman
Director
Director
Director
Director
Director
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 Aslam Malik

Audit Committee:

1. Mr. Fusao Yamada
2. Mr. Adnan Amjad Khan
3. Mr. Muhammad Bilal
4. Mr. Muhammad Waleed Ahmed

Chairman
Member
Member
Secretary

HR & Remuneration Committee:

1. Mr. Fusao Yamada
2. Mr. Adnan Amjad Khan
3. Mr. Ali A. Malik
4. Ms. Syeda Faaiza Akmal Tirimizi

Chairman
Member
Member
Secretary

Chief Financial Officer:

Ms. Ammara Zakriya

Company Secretary

Mr. Arslan Tahir

Head of Internal Audit:

Mr. Muhammad Waleed Ahmed

Auditors:

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

Bankers:

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

Principal Office:

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

Registered Office:

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



DIRECTORS' REPORT

Directors of First National Equities Limited ("the Company") are pleased to present the report of the company for the period ended September 30, 2021.

A. GENERAL MARKET REVIEW AND FUTURE PROSPECTS:

Global economic momentum continued to display a rebounding bias through the first quarter of 2022. The ongoing rollout and growing availability of COVID-19 vaccinations, coupled with ample market liquidity, resulted in ripe conditions for improving growth following 2020's historic slump. Alongside an improving fundamental backdrop included the establishment of record high price levels across many major global equity indices, as well as strong upward pressure on interest rates, inflation expectations, and the slopes of many sovereign yield curves. As prospects for a continued resumption of economic activity have increased, so has sentiment surrounding the continued need for historically loose monetary policy.

Major global equity indices concluded the quarter at or near record high price levels, with similarly lofty readings across most commonly referenced valuation ratios. Similarly, Pakistan economy started to regain its pre-Covid trajectory in the first quarter of FY22. There was a notable pickup in economic activity, as large-scale manufacturing (LSM) gained traction, demand indicators recorded encouraging growth. Consistent with this, the services sector also showed buoyancy. The external and fiscal sector indicators improved as well, with both the current account deficit and the primary deficit turning into surpluses during Q1- FY21. However, owing mainly to food prices, national CPI inflation remained on the high side.

The overall recovery is attributed to two main factors: the national strategy that contained the pandemic and the timely and well-calibrated support measures of the government and the SBP. The latter gave an extra impetus to the resumption of economic activity in Q1-FY22, after the lifting of lockdowns. In particular, compared to the demand compression focus in Q1-FY21, fiscal and monetary policies were accommodative in Q1-FY22, geared towards mitigating the economic fallout of the Covid shock. Therefore, the contraction in economic activity improved to be short-lived.

We see the current market levels a good entry point for long-term investors. Therefore, we advise investors to look beyond the short-term market turmoil and build positions in the market, while keeping their long-term investment objectives in mind.

B. OPERATING AND FINANCIAL RESULTS:

Following is the summary of comparative financial results:

	Three Months Ended	
	September 30, 2021	September 30, 2020
Rs. In millions.....	
Revenue	29.621	18.096
Operating Profit	14.998	45.254
Profit/ (loss) after Taxation	(8.310)	20.091
Basic Earnings/(Loss) per share	(0.031)	0.075



During the first quarter of the Year, FNEL posted loss after tax of Rs. 8.310 million as compared to profit after tax of Rs. 20.091 million in the same period last year. In comparison with the figures of corresponding period last year Company has generated loss in current year which is mainly contributed by low trading volumes and capital loss in trading due to high inflation and highest commodity prices all across the world.

APPRECIATION AND ACKNOWLEDGEMENT:

The board of First National Equities Limited feels honored on the continued support and appreciation of SECP, PSX, NCCPL, CDC and other regulatory bodies. And of all shareholders and customers of the company for their trust, and our employees for their continuous dedication and commitment.

For and on behalf of Board of Directors

Chief Executive Officer

Director

October 28, 2021
Lahore

董事報告。

First National Equities Limited(以下簡稱“公司”)的董事很高興提交該公司截至2021年9月30日的報。

A. 般市場審查和未來建議:

到2022年第一季度,全球經濟勢頭繼續表現出反彈的偏見。 COVID-19疫苗的持續推出和不斷增長,加上充足的市場流動性,為2021年歷史性低迷後的增長提供了成熟的條件。除了改善的基本背景外,還包括在許多主要的全球股票指數中建立創紀錄的高價格水平,以及對利率,通脹預期以及許多主權收益率曲線的斜率的強烈上行壓力。隨著繼續恢復經濟活動的前景增加,圍繞歷史上寬鬆的貨幣政策的持續需求也引起了人們的關注。

全球主要股票指數在本季度結束時達到或接近創紀錄的高價格水平,在最常引用的估值比率中,其讀數同樣高。同樣,巴基斯坦經濟在21財年第一季度開始恢復其科維德之前的軌跡。隨著大規模製造業(LSM)的吸引,經濟活動顯著回升,需求指標錄得令人鼓舞的增長。與此一致,服務業也表現出浮力。外部和財政部門的指標也有所改善,經常賬戶赤字和主要赤字在21財年第一季度都變成了盈餘。但是,主要是由於食品價格,國家CPI通脹仍然處於高位。

總體復甦歸因於兩個主要因素:包含大流行的國家戰略以及政府和SBP的及時和精心校準的支持措施。在解除封鎖之後,後者進一步推動了第一季度至第二十一季度經濟活動的恢復。特別是,與第一季度至第二十季度的需求壓縮重點相比,第一季度至第二十一季度都採用了財政和貨幣政策,旨在減輕科維德衝擊的經濟影響。因此,事實證明,第四季度至第二十季度經濟活動的收縮是短暫的。

我們認為當前的市場水平是長期投資者的好切入點。因此,我們建議投資者超越短期市場動盪,在市場上建立頭寸,同時牢記其長期投資目標。

B. 經營和財務結果:

以下是比較財務結果的摘要:

	三個月結束	
	2021年9月30日	2020年9月30日
以百萬計...	
收入	29.621	18.096
營業利潤	14.998	45.254
稅後利潤/(虧損)	(8.310)	20.091
每股基本收益/(虧損)	(0.031)	0.075



今年第一季度，FNEL税后亏损831万卢比，而去年同期税后利润为2009.1万卢比。与去年同期相比，公司本年度出现亏损，主要原因是全球高通胀和大宗商品价格居高不下导致交易量低和交易资金损失。

C. 批准和認可:

First National Equities Limited 董事會對 SECP, PSX, NCCPL, CDC 和其他監管機構的持續支持和讚賞感到榮幸。在公司的所有股東和客戶中,他們的信任以及我們的員工對他們的持續奉獻和承諾的信任。

代表董事會

首席執行官董事

2021年10月28日。

拉合爾

ڈائریکٹرز کی رپورٹ

معزز حصص داران

فرسٹ نیشنل ایکویٹی لمیٹیڈ کمپنی کے ڈائریکٹرز 30 ستمبر 2021 کو ختم ہونے والی مدت کے لئے کمپنی رپورٹ پیش کرنے پر مسرت محسوس کرتے ہیں۔

مارکیٹ کا جائزہ اور مستقبل کے امکانات

ویکسین کی جاری رول آؤٹ COVID-19، عالمی معاشی رفتار 2021 کی سہ ماہی میں ایک زبردست نعصب ظاہر کرتی رہی اور بڑھتی ہوئی دستیابی، جس میں کافی مارکیٹ کی لیکویڈیٹی ہے، اس کے نتیجے میں 2020 کی تاریخی خرابی کے بعد نمونہ بہتر بنانے کے لئے مناسب حالات پیدا ہوئے۔ بنیادی پس منظر میں بہتری کے ساتھ ساتھ سارے برے عالمی ایکویٹی انڈیکس میں ریکارڈ اعلیٰ قیمت کی سطح کا قیام، نیز سود کی شرحوں، افراط زر کی توقعات، اور بہت سے خود مختار پیداوار کے منحنی خطوط پر مضبوط اوپر کا دباؤ شامل ہے۔ چونکہ معاشی سرگرمیوں کے مسلسل دوبارہ آغاز کے امکانات بڑھ گئے ہیں۔ اسی طرح تاریخی طور پر ڈھیلی مالیاتی پالیسی کی مسلسل ضرورت کے گرد جذبات بھی بڑھ گئے ہیں۔

بڑے عالمی ایکویٹی انڈیکس نے سہ ماہی کو ریکارڈ اعلیٰ قیمت کی سطح پر یا اس کے قریب ہی ختم کیا، اسی طرح عام طور پر حوالہ جات کی قیمتوں کے تناسب میں اسی طرح کی بلند و بالا ریڈنگ کے ساتھ۔ اسی طرح، پاکستان کی معیشت نے مالی سال 22 کی پہلی سہ ماہی کو ڈیڑھ سال کی اپنی رفتار دوبارہ حاصل کرنا شروع کی۔ معاشی سرگرمیوں میں ایک قابل ذکر انتخاب تھا کیونکہ بڑے پیمانے پر مینوفیکچرنگ (ایل ایس ایم) کے کرشن حاصل کیا، مانگ کے اشارے میں حوصلہ افزا نمود ریکارڈ کیا گیا۔ اس کے مطابق، خدمات کے شعبے میں بھی خوشی کا مظاہرہ ہوا۔ بیرونی اور مالی شعبے کے اشارے میں بھی بہتری آئی ہے، موجودہ کے دوران سرپلس میں تبدیلی ہو گئے ہیں۔ تاہم، بنیادی طور پر کھانے کی Q1-FY21 کاؤنٹ خسارے دونوں قیمتوں کی وجہ سے، قومی سی پی آئی کی افراط زر بہت زیادہ ہے۔

مجموعی طور پر برابری کو دو اہم عوامل سے منسوب کیا گیا ہے: قومی حکمت عملی جس میں وبائی مرض اور حکومت اور ایس پی Q1-FY22 کے بروقت اور اچھی طرح سے کیلیمبر یٹڈ سپورٹ اقدامات شامل تھے۔ موخر الذکر کرنے لاک ڈاؤن کو ختم کرنے کے بعد مین مانگ کمپریشن فوکس کے مقابلے میں Q1-FY21، میں معاشی سرگرمیوں کی بحالی کو ایک اضافی تحریک دی۔ خاص طور پر میں مناسب تھیں، جو کوویڈ جھٹکے کے معاشی نقصان کو کم کرنے کی طرف گامزن ہیں۔ لہذا Q1-FY22 مالی اور مالیاتی پالیسیاں میں معاشی سرگرمیوں میں سکنچن قلیل المدت ثابت ہوا۔

ہم موجودہ مارکیٹ کی سطح کو طویل مدتی سرمایہ کاروں کے لئے ایک اچھا اندراج نقطہ دیکھتے ہیں۔ لہذا ہم سرمایہ کاروں کو مشورہ دیتے ہیں کہ وہ طویل مدتی سرمایہ کاری کے مقاصد کو مد نظر رکھتے ہوئے، قلیل مدتی مارکیٹ میں ہنگامہ آرائی سے بالاتر نظر آئیں اور مارکیٹ میں اپنی پوزیشن بنائیں۔

کارکردگی کا جائزہ

مالیاتی نتائج کا خلاصہ حسب ذیل ہے

اختتام پذیر سہ ماہی		
.....Rs. In millions.....		
30 September 2021	30 September 2020	
29.621	18.096	آمدنی
14.998	45.254	آپریٹنگ منافع / (نقصان)
(8.310)	20.091	نفع / (نقصان) بمعہ ٹیکسیشن
(0.031)	0.075	بنیادی نفع / (نقصان) فی حصص

سال کی پہلی سہ ماہی کے دوران ایف ای ایل نے گزشتہ سال کے اسی عرصے میں 20.091 ملین روپے کے بعد منافع کے مقابلے میں ملین روپے کے بعد نقصان کیا۔ گزشتہ سال کی اسی مدت کے اعداد و شمار کے مقابلے میں کمپنی نے رواں سال میں نقصان 8.310 پیدا کیا ہے جس میں بنیادی طور پر کم تجارتی حجم اور دنیا میں سب سے زیادہ اجناس کی قیمتوں کی وجہ سے کاروبار میں سرمائے کا نقصان ہے۔

منظوری:

فرسٹ نیشنل ایکویٹی لمیٹڈ کا بورڈ ایس ای سی پی، پی ایس ایکس، این پی ایل، سی ڈی سی اور دیگر ریگولیٹری اداروں کی مسلسل حمایت اور تعریف پر فخر محسوس کرتا ہے اور کمپنی کے تمام حصص یافتگان اور صارفین کے اعتماد کے لئے اور ہمارے ملازمین کی مستقل لگن اور وابستگی کا شکریہ ادا کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



ڈائریکٹر



چیف ایگزیکٹو آفیسر

28 اکتوبر 2020

لاہور



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2021

	Note	(Un-audited) September 30, 2021	(Audited) Jun 30, 2021
------(Rupees)-----			
NON CURRENT ASSETS			
Property and equipment	7	37,146,791	37,345,982
Intangible assets	8	85,277,000	85,277,000
Other receivables		119,337,783	123,321,489
Investment in associate	9	76,434,575	76,434,575
Long term investment	10	888,099,467	888,099,467
Long-term deposits		1,602,400	1,602,400
Deferred taxation		11,187,047	10,497,513
		1,219,085,063	1,222,578,426
CURRENT ASSETS			
Short-term investments	11	62,737,357	173,434,231
Trade debts	12	255,878,150	108,352,371
Loans and advances		1,034,178	587,066
Trade deposits and short-term prepayments	13	49,663,679	114,597,677
Other receivables		91,725,047	112,725,047
Advance tax		34,004,647	27,603,706
Cash and bank balances	14	227,942,631	230,777,747
		722,985,689	768,077,845
Total Assets		1,942,070,752	1,990,656,271
NON-CURRENT LIABILITIES			
Long-term financing	15	282,566,163	277,875,106
Loan from sponsors	16	155,175,000	155,175,000
Deferred liabilities		15,403,373	15,403,373
		453,144,536	448,453,479
CURRENT LIABILITIES			
Trade and other payables	17	299,386,402	337,963,358
Unclaimed dividend		1,399,397	1,399,397
Current portion of long-term financing		22,000,000	22,000,000
		322,785,799	361,362,755
Total Liabilities		775,930,335	809,816,234
Contingencies and commitments	18	-	-
Net Assets		1,166,140,417	1,180,840,037
REPRESENTED BY:			
Authorized share capital	19	5,000,000,000	5,000,000,000
Issued, subscribed and paid-up share capital		2,672,863,310	2,672,863,310
Discount on right shares		(1,508,754,317)	(1,508,754,317)
Accumulated loss		(8,852,450)	(542,378)
		1,155,256,543	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		10,619,953	17,009,501
		1,166,140,417	1,180,840,037

The annexed notes from 1 to 26 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 SEPTEMBER 30, 2021

		Three Months Period Ended	
	Note	September 30, 2021	September 30, 2020
<hr style="border-top: 1px dashed black;"/> <div>(Rupees)</div>			
Operating revenue	20	29,621,565	18,096,335
Gain / (loss) on sale of investments		(14,240,338)	24,108,711
Unrealized gain / (loss) on re-measurement of investments classified at fair value through profit or loss - net		(382,789)	3,049,846
Operating profit		14,998,438	45,254,892
Administrative expenses		(19,742,141)	(11,325,245)
Finance cost		(6,508,752)	(5,063,639)
Other operating expenses		(1,319,337)	(1,460,367)
Other operating income		4,125,544	3,068,528
Profit / (loss) before taxation		(8,446,248)	30,474,169
Taxation	22	136,176	(10,382,441)
Profit / (loss) after taxation		(8,310,072)	20,091,728
Basic earning / (loss) per share		(0.031)	0.075

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Three Months Period Ended	
	September 30, 2021	September 30, 2020
Profit / (loss) after taxation	(8,310,072)	20,091,728
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	(6,389,549)	9,411,691
Other comprehensive income / (loss) for the period	(6,389,549)	9,411,691
Total comprehensive income / (loss) for the period	(14,699,621)	29,503,419

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director



CONDENSED INTERIM STATEMENT OF CASH FLOWS UN -AUDITED
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Three Months ended	
	September 30, 2021	September 30, 2020
	------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(8,446,248)	30,474,169
Adjustments for non cash items:		
Depreciation	199,187	206,720
(Gain)/loss on disposal of investments	14,240,338	(24,108,711)
Unrealized (profit)/loss on re-measurement of investments at fair value	(382,789)	(3,049,846)
Finance cost	6,508,752	5,063,639
Other operating income	(4,125,544)	(3,068,528)
	16,439,944	(24,956,726)
Changes in working capital	7,993,696	5,517,443
Decrease / (Increase) in current assets		
Trade debts	(143,373,712)	(35,520,631)
Loans and advances	(447,112)	(13,991,276)
Trade deposits and short-term prepayments	65,673,058	(5,450,527)
Other receivables	24,983,706	197,764
	(53,164,060)	(54,764,670)
(Decrease) / Increase in current liabilities		
Trade and other payables	(38,576,956)	53,567,225
Cash generated from operations	(83,747,320)	4,319,998
Finance cost paid	(1,817,695)	(556,290)
Income tax paid	(6,954,299)	(385,594)
Net cash (utilized in) / generated from operating activities	(92,519,314)	3,378,114
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale / (purchase) of marketable securities	89,684,198	15,262,275
(Additions) / disposals of fixed assets	-	-
Long term deposits received / (paid)	-	(2,400)
Net cash generated from / (utilized in) investing activities	89,684,198	15,259,875
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term loans	-	-
Dividend paid	-	-
Gratuity paid	-	-
Net cash utilized in financing activities	-	-
Net increase in cash and cash equivalents	(2,835,116)	18,637,989
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	227,942,631	208,819,649

Chief Executive Officer

Chief Financial Officer

Director



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 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
	-----Rupees-----				
Balance as at June 30, 2020 (Audited)	2,672,863,310	(1,508,754,317)	(184,898,786)	105,178	(1,017,918)
Profit after taxation for the three months ended September 30, 2020	-	-	20,091,728	-	-
Other comprehensive income for the period					9,411,691
Balance as at September 30, 2020 (unaudited)	2,672,863,310	(1,508,754,317)	(164,807,058)	105,178	8,393,773
Balance as at July 1, 2021	2,672,863,310	(1,508,754,317)	(542,378)	263,921	17,009,501
Loss after taxation for the three months ended September 30, 2021	-	-	(8,310,072)	-	-
Other comprehensive loss for the period					(6,389,549)
Balance as at September 30, 2021 (unaudited)	2,672,863,309	(1,508,754,318)	(8,852,451)	263,920	19,013,726

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chief Financial Officer

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2021

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 (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.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for condensed interim financial reporting. 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.

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, 2021.

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.

7. PROPERTY AND EQUIPMENT

Additions during the period
Disposals during the period

(Un-audited) September 30 2021	(Audited) Sep 30 2020
----- (Rupees) -----	

-	-
-	-

(Un-audited) September 30 2021	(Audited) June 30 2021
----- (Rupees) -----	

8. INTANGIBLE ASSETS

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

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 profits from Associate

	(Un-audited) September 30 2021	(Audited) June 30 2021
	----- (Rupees) -----	
	76,434,575	77,031,875
	-	(597,300)
	<u>76,434,575</u>	<u>76,434,575</u>
	<u>888,099,467</u>	<u>888,099,467</u>

10. LONG TERM INVESTMENT

Investment in KingBhai Digisole (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's expects the investment to yield returns through investment value appreciation as well as dividends.

11. SHORT TERM INVESTMENTS

AtFVOCI
AtFVTPL

11.1
11.2

	(Un-audited) September 30 2021	(Audited) June 30 2021
	----- (Rupees) -----	
	26,208,957	32,598,506
	<u>36,528,400</u>	<u>140,835,725</u>
	<u>62,737,357</u>	<u>173,434,231</u>

11.1 At FVOCI

- Average cost
- Unrealized gain on re-measurement of investments
- Closing carrying value

	15,589,004	15,589,005
	<u>10,619,953</u>	<u>17,009,501</u>
	<u>26,208,957</u>	<u>32,598,506</u>

11.2 Financial assets at fair value through profit or loss

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

	36,911,189	130,959,628
	<u>(382,789)</u>	<u>9,876,097</u>
	<u>36,528,400</u>	<u>140,835,725</u>

11.3 Securities having market value of Rs. 59.384 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.

12. TRADE DEBTS

Considered good
Considered doubtful
Less: Provision for doubtful debts

Note
12.1

	(Un-audited) September 30 2021	(Audited) June 30 2021
	----- (Rupees) -----	
	255,878,150	108,352,371
	<u>213,824,131</u>	<u>213,824,131</u>
	<u>469,702,281</u>	<u>322,176,502</u>
	<u>(213,824,131)</u>	<u>(213,824,131)</u>
	<u>255,878,150</u>	<u>108,352,371</u>

12.1 "The Company applies a three-stage approach to measure allowance for credit losses, using an expected credit loss approach as required under IFRS 9, for financial assets measured at amortized cost. 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.

The Company holds securities having total fair value of Rs 3,521.159 million (June 30 2021: Rs. 3,267.567 million) owned by its clients as collateral against trade debts."

12.2 Securities pertaining to clients amounting Rs 69.406 million (June 30, 2021: Rs. 158.309 million) have been pledged / utilized by the Company for meeting the exposure deposit requirement of the Pakistan Stock Exchange Limited with the consent from clients.

13. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Exposure deposits

(Un-audited) September30 2021	(Audited) June30 2021
------(Rupees)-----	
49,663,679	114,597,677
49,663,679	114,597,677

14. CASH AND BANK BALANCES

This includes customer assets amounting Rs.143.165million (June30,2021:Rs.186.621million).

15. LONG TERM FINANCING

From banking companies-secured

Bank Alfalah Limited

15.1

TheBank of Punjab

15.2

TheBank of Punjab-deferredmarkup

Otherloans

(Un-audited) September30 2021	(Audited) June30 2021
------(Rupees)-----	
95,065,163	93,182,869
167,319,354	164,510,591
17,228,545	17,228,545
24,953,101	24,953,101
304,566,163	299,875,106
(22,000,000)	(22,000,000)
282,566,163	277,875,106

Less: Current portion of longterm financing

15.1 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, 2021, the Company made a repayment of Rs. 2 million (2020: Rs. NIL).

15.2 Financing from the Bank of Punjab has been restructured/rescheduled vide an offer letter dated June 30, 2016, wherein the Bank has agreed to settle the previous running finance facility, amounting to Rs. 135 million, through restructuring/rescheduling on the following terms and conditions:

DF-I (Serviceable) amounting to 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 an initial three years and subsequently recovered with balance repayments. This facility will be repaid in 28 step-up quarterly/bi-annual installments till December 2025.

DF II (Unserviceable) amounting to Rs. 94.695 million bears no future mark-up. This facility is bifurcated into two tranches, equal to Rs. 36.127 million and Rs. 58.568 million, respectively. Rs. 36.127 million is to be repaid in 9 quarterly/bi-annual installments from September 2022 to 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 the lender's petition, the obligation to keep intact existing collateral/sureties, and the unfettered right to demand accelerated repayment with an improved rate of mark-up depending on financial growth indicators of the Company by taking the period ended June 30, 2015 as the base period.

The restructured loan liability, which is partially interest-free and partially at a lower interest rate (i.e. 3% quarterly/bi-annually), 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 December 2025).

During the year ended June 30, 2020, the Company filed a lawsuit against the lender for breach of contract, declaration, specific performance and damages. Based on the advice of the Company's counsel, the Company did not make payments against the liability in the current year. The Company's counsel is of the view that a favorable decision is likely, and further that the likelihood of the liability coming due in the next 12 months is remote.

**16. LOAN FROM SPONSORS**

Loan from sponsors - Subordinated	16.1
Less: current portion	

(Un-audited) September30 2021	(Audited) June30 2021
----- (Rupees) -----	
155,175,000	155,175,000
155,175,000	155,175,000
-	-
155,175,000	155,175,000

16.1 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.

17 TRADE AND OTHER PAYABLES

This includes amount Rs. 142.655 Million (June 30, 2021: Rs. 184. 794 million) payable to clients of the company.

18. CONTINGENCIES AND COMMITMENTS**18.1 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.

18.2 Commitments

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

(Un-audited) September30 2021	(Audited) June30 2021
----- (Rupees) -----	
424,915	686,287
12,567,739	-

19 SHARE CAPITAL

Authorized capital
500,000,000 (2017: 500,000,000) Ordinary shares of Rs. 10 each

(Un-audited) September30 2021	(Audited) June30 2021
----- (Rupees) -----	

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

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
2,672,863,310	2,672,863,310

20. OPERATING REVENUE

Brokerage Income
Dividend Income

(Un-audited) September30 2021	(Audited) June30 2021
----- (Rupees) -----	
29,621,565	18,096,335
-	-
29,621,565	18,096,335

21. TURNOVER BY SEGMENT

Retail customers
Institutional Customers

(Un-audited) September30 2021	(Audited) September30 2020
----- (Rupees) -----	
22,122,020	15,798,676
7,499,545	2,297,659
29,621,565	18,096,335

22. TAXATION

- Current tax (expense)
- deferred tax income/ (expense)

(Un-audited) September30 2021	(Audited) September30 2020
(553,358)	(1,707,594)
689,534	(8,674,847)
136,176	(10,382,441)

23. 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 September 30, 2021 (Un-audited)

Key Management	Associates	Other related parties	Total
----- (Rupees) -----			

Transactions during the period

Purchase of marketable securities for and on behalf of	7,192,929,302	9,672,225,704	19,236,150,327	36,101,305,333
Sale of marketable securities for and on behalf of	7,196,859,738	9,681,299,847	19,182,464,969	36,060,624,554
Brokage Income	949,519	2,537,120	8,530,229	12,016,868
Remuneration to key management personnel	7,773,345	-	-	7,773,345

For the Year ended June 30, 2021 (Audited)

Key Management	Associates	Other related parties	Total
----- (Rupees) -----			

Transactions during the period

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
Brokage Income	1,785,563	5,855,652	6,451,877	14,093,092
Remuneration to key management personnel	24,102,269	-	-	24,102,269

24. SHAREHOLDERS HOLDING 5% OR MORE

SHAREHOLDERS NAME

	Un-audited September 30, 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%	-

25. 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.

26. DATE OF AUTHORISATION

These condensed interim financial statements were authorized for issue on October 28, 2021 by the Board of Directors of the Company.



Chief Executive Officer



Chief Financial Officer



Director



Branches Network

LAHORE OFFICE

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New Garden Town, Lahore-Pakistan
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LAHORE STOCK EXCHANGE OFFICE

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Tel: (92-42) 36280782 - 91

RAWALPINDI OFFICE

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Rania Mall, Bank Road, Saddar,
Rawalpindi.
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
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


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-  Jamapunji application for mobile device
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