

FIRST NATIONAL EQUITIES LIMITED

第一国家股权有限

**2018**  
**HALF YEARLY REPORT**  
半年报告



(Un-audited) For the Period Ended  
December 31, 2018.

（未经审计）截至截止 2018年12月31日。

**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. Abid Yousaf	Director
7. Mr. Adnan Amjad	Director

### Audit Committee:

1. Mr. Ijaz Mahmood Chaudhary	Chairman
2. Mr. Shahzad Akbar	Member
3. Mr. Adnan Amjad	Member

### HR & Remuneration Committee:

1. Mr. Shahzad Akbar	Member
2. Mr. Ijaz Mahmood Chaudhary	Chairman
3. Mr. Ali A. Malik	Member

### Chief Financial Officer:

Ms. Ammara Zakriya

### Company Secretary:

Mr. Khurram Zahoor

### Head of Internal Audit:

Mr. Muhammad Waleed Ahmed

### Auditors:

IECNET S.K.S.S.S  
Chartered Accountants  
11-Happy Home, 38-A, Main Gulberg,  
Salman Ahmed Rd, Lahore,  
Tel: 042-35776691-5,  
Fax: 042-35776695,  
Email: info@iecnet.com.pk

### Legal Advisor:

Lashari & Co. Advocates  
Tariq Raheem Manzil,  
Turner Road, Lahore,  
Tel: 042-37324296, 042-37113205  
Cell: 0331-4795350, 0345-1000159  
Email: lashariandco@gmail.com

### Shares Registrar:

CorpTec Associates (Pvt.) Limited  
503-E, Johar Town, Lahore  
Tel: 92-042-35170335-7

### Bankers:

Summit Bank Limited  
Bank Alfalah Limited  
Habib Metropolitan Bank Limited  
The Bank of Punjab Limited  
United Bank Limited  
Allied Bank 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, 021-32472014  
Fax: 021- 32472332

## DIRECTORS' REVIEW REPORT

On behalf of the Board of Directors, We are pleased to present the report on the performance of First National Equities Limited for the half year ended on December 31, 2018.

### Economic Review

Economy of Pakistan is still under increasing pressure with decreasing foreign exchange reserves. Trade deficit and circular debt are increasing as well and repayment of foreign loans still taking a toll on Economy's financial stability and growth. Economy witnessed no major improvements in this quarter and no such significant policy steps have been taken to increase competitiveness or attract private sector investments and strengthen the ease of doing business in Pakistan as well as its position in the global markets. Despite several efforts made by current ruling Government, the Rupee fell sharply in Pakistan. Highest erosion was witnessed at 139.50 in the value of the rupee versus the dollar in the local market.

On the other hand, there are some signs of improvements as remittances rose 10% to 10.7 bn in first half of FY19 and country's trade deficit for the period July-Dec 2018 recorded at US\$16.9 bn, down 5.6% or US\$ 1 bn over last year. For the month of Dec 2018, the trade deficit settled at US\$2.4bn, down a significant 17% or US\$500mn over last year, which might bring some relief to twin account deficit.

### Industry Review

The KSE-100 continued to fall amid external account vulnerabilities and interest rate hikes. The Index began the period at 41,734 but ended 11.18 % down at 37,066. The slight optimism in the stock market following the smooth transition to the new government was short lived. The market remains jittery amidst uncertainty about Emerging Markets in general, Pakistan's external sector challenges and lack of policy clarity. The PSX saw a net outflow of over USD 400 million in foreign portfolio investment and has since fallen further. Business news prevailing in the Market and Country at large tries to stable the market but their support couldn't last longer and index graph continued the down trajectory.

### Key Operating and Financial Data

Following is the financial summary of comparative results:

	Six Month Ended	
	December 31, 2018	December 31, 2017
Revenue	11,275,637	14,749,800
Operating Profit/(Loss)	7,526,297	(93,467,770)
(Loss) / Profit before taxation	(17,812,836)	(146,781,002)
Taxation	(716,654)	5,780,131
(Loss) after taxation	(18,529,490)	(152,561,133)
Basic loss per share	(0.07)	(1.08)



## Business Review

The Capital Market continued its unsatisfactory journey due to various factors including but not limited to weak macroeconomic indicators. Our Management Team continued to struggle hard for the achievement of positive outcomes despite of the fact that Market is not giving signals of substantial retrieval. Operating Results of the Company during the period under review, exhibits a declined impression. The Company has suffered a loss after tax of Rs. 18.529 Million. Our revenue has decreased by 23.51% from Rs. 14.74 9million to Rs. 11.275 million and this has affected our bottom line. We have strived to focus on new opportunities which could result in better gross profit figures within the industry constraints.

## Future Prospects

The cost of doing business has continued to show a rising trend. Market always remains uncertain with very volatile graph. It is assumed that the expectation of receiving higher foreign inflows from both private and official sources and deferred oil payment facility will give relief to the consumer and provide support to the overall economy. Moreover, emphasis of SECP to connect microfinance sector with Capital Markets is a vital step to meet its growth and will help in improving the secure environment for investments.

## Acknowledgements

The Board of Directors of FNEL 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**

Place: Lahore  
Date: February 27, 2019

**Ali A. Malik**  
**Chief Executive Officer**

### کاروباری جائزہ

سرمایہ داری مارکیٹ متعدد عوامل کے باعث مسلسل غیر تسلی بخش صورت حال کا شکار ہے۔ جو غیر اطمینان بخش میکرو اکنامک تک محدود نہیں ہے۔ اس حقیقت کے باوجود ہماری انتظامی ٹیم مارکیٹ کے نمایاں بحالی کے منفی اثرات نمایاں ہیں مثبت نتائج حاصل کرنے کے لئے سخت محنت کر رہی ہے۔ زیر جائزہ مدت کے دوران کمپنی کے انتظامی نتائج منفی رجحان ظاہر کر رہے ہیں۔ کمپنی کو 18.529 ملین روپے کا خسارہ علاوہ ٹیکس برداشت کرنا پڑا۔ ہمارے ریونیو میں 14.749 ملین روپے سے بحساب 23.51 فی صد 11.275 ملین روپے کی واقع ہوئی۔ ہم نے صنعتی بندیشوں اور حدود کے اندر رہتے ہوئے نئے مواقع پر بھرپور توجہ مرکوز رکھی ہے جس کے نتیجے میں بہتر مجموعی منافع حاصل کیا جاسکتا ہے۔

### مستقبل کے امکانات

کاروباری لاگت میں مسلسل اضافہ کارحان ہے۔ انتہائی غیر مستحکم گراف کی وجہ سے مارکیٹ غیر یقینی صورت حال کا شکار ہے۔ توقع کی جاتی ہے کہ نجی و سرکاری ذرائع سے حاصل ہونے والی غیر ملکی رقوم اور تیل پرتا خیری ادائیگی کی سہولت صارفین کے لئے اطمینان کا باعث بنے گی اور مجموعی معیشت کو سہارا دے گی۔ مزید برآں، مائیکرو فنانس شعبہ کو سرمایہ داری مارکیٹ کے ساتھ جوڑنے کا SECP کا اہم قدم نمونہ حاصل کرنے میں مددگار ثابت ہوگا اور سرمایہ داری کے لئے محفوظ ماحول برقرار رکھنے میں مدد دے گا۔


### اظہار تشکر

FNEL کے بورڈ آف ڈائریکٹرز حکومت پاکستان، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، CDC، NCCPL اور دیگر ریگولیٹری اداروں کی مسلسل حمایت، کمپنی شیئر ہولڈرز اور صارفین کے بھروسہ اور مسلسل جذبہ اور عزم کے لئے اپنے ملازمین کا تہہ دل سے شکریہ ادا کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



عامر شہزاد  
ایگزیکٹو ڈائریکٹر

  
علی اے ملک  
چیف ایگزیکٹو آفیسر

مقام: لاہور

تاریخ: 27 فروری، 2018ء





## ڈائریکٹرز کی جائزہ رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم 31 دسمبر 2018ء کو اختتام پذیر نصف سال کے لئے فرسٹ نیشنل ایکویٹیز لمیٹڈ کی کارکردگی پر رپورٹ پیش کرنے میں دلی مسرت کا اظہار کرتے ہیں۔

### معاشی جائزہ

پاکستان کی معیشت غیر ملکی زرمبادلہ کے مسلسل کم ہوتے ذخائر میں کمی کے انتہائی دباؤ کا شکار ہے۔ تجارتی خسارہ اور گردشی قرضہ جات میں بھی اضافہ ہو رہا ہے اور غیر ملکی قرضوں کی عدم ادائیگی معاشی استحکام اور نمو پر اثر انداز ہو رہی ہے۔ اس سہ میں معیشت میں خاطر خواہ بہتری نہیں آئی ہے اور مقابلہ کو بڑھانے اور نجی شعبہ میں سرمایہ داری کو مائل کرنے اور عالمی منڈیوں کے لئے پاکستان میں کاروبار میں آسانی پیدا کرنے کی غرض سے ٹھوس پالیسی اقدامات نہیں اٹھائے گئے ہیں۔ موجودہ برسر اقتدار حکومت کی متعدد کوششوں کے باوجود پاکستان میں روپے کی قدر میں تیزی سے کمی آئی۔ مقامی منڈی میں ڈالر کے مقابلہ میں پاکستانی روپے کی قدر میں سب سے زیادہ 139.50 روپے اضافہ دیکھا گیا۔

اس کے برعکس، مالی سال کے پہلے نصف عرصہ میں ترسیلات زر میں بحساب 10 فی صد 10.7 بلین ڈالر اضافے کی امید دکھائی دے رہی ہے اور جولائی تا دسمبر 2018ء کے لئے ملک کا تجارتی خسارہ گزشتہ سال میں 5.6 فی صد یا ایک بلین ڈالر کم کے مقابلہ میں 16.9 بلین ڈالر ریکارڈ ہوا۔ دسمبر 2018ء کے لئے تجارتی خسارہ گزشتہ سال میں 17 فی صد یا 500 ملین ڈالر کے مقابلہ میں 2.4 بلین ڈالر کم ریکارڈ ہوا، نتیجتاً ہرے اکاؤنٹ خسارہ میں کمی کا امکان ہے۔

### صنعتی جائزہ

KSE-100 انڈیکس بیرونی کھاتوں میں عدم استحکام اور شرح سود میں اضافہ کی وجہ سے گرتا جا رہا ہے۔ اس مدت میں انڈیکس کا آغاز 41,734 پوائنٹس سے ہوا اور بحساب 11.18 فی صد کمی کے ساتھ 37,066 پوائنٹس پر بند ہوا۔ اقتدار کی باسانی تبدیلی کے ساتھ سٹاک مارکیٹ میں منافع کارہجان کم عرصہ کے لئے رہا۔ ابھرتی ہوئی منڈیوں سے متعلق غیر یقینی صورت حال، پاکستان کے بیرونی شعبہ کے مسائل اور واضح پالیسی کے فقدان کی وجہ سے مارکیٹ میں مندی کا رجحان رہا۔ فارن پورٹ فولیو سرمایہ داری میں PSX کو 400 ملین ڈالر سے زائد کے آؤٹ فلو کا سامنا رہا۔ مارکیٹ اور ملک میں جاری کاروباری خبریں مارکیٹ کو مستحکم کرنے کی کوشش کرتی رہیں لیکن ان کی مدت زیادہ عرصہ تک برقرار نہیں رہی اور انڈیکس گراف مسلسل نیچے گرتا رہا۔

### بنیادی انتظامی اور مالیاتی اعداد و شمار

مقابل نتائج کا مالیاتی خلاصہ حسب ذیل ہے:

اختتام پذیر نصف سال		
31 دسمبر 2017	31 دسمبر 2018ء	
14,749,800	11,275,637	آمدنی
(93,467,770)	7,526,297	انتظامی منافع/(نقصان)
(146,781,002)	(17,812,836)	(خسارہ)/منافع قبل از ٹیکسیشن
5,780,131	(716,654)	ٹیکسیشن
(152,561,133)	(18,529,490)	(خسارہ) بعد از ٹیکسیشن
(1.08)	(0.07)	فی حصہ بنیادی خسارہ

## 董事会报告

我们很荣幸代表董事会提交第一全国股份有限公司截至2018年12月31日的半年业绩报告。

## 经济回顾

随着外汇储备的减少，巴基斯坦经济仍面临着越来越大的压力。贸易赤字和循环债务也在增加，偿还外国贷款仍然对经济的金融稳定和增长造成损害。本季度经济状况没有出现明显改善，也没有相关重要政策出台以提高竞争力或吸引私营部门投资，并加强在巴基斯坦经商的便利性以及在全球市场的地位。尽管现任执政政府做出了几项努力，但巴基斯坦卢比大幅下跌。在当地市场上，卢比对美元的汇率最高为139.50。

另一方面，出现了一些改善迹象，随着19财年上半年汇款增长10%至107亿美元，以及2018年7月至12月期间国家的贸易逆差达到169亿美元，较去年下降5.6%或10亿美元。2018年12月，贸易逆差结算为24亿美元，较去年大幅下降17%或5亿美元，这可能对双账户逆差有所缓解。

## 行业回顾

由于外部账户的隐患和利率的上升，KSE-100继续下跌。该指数从41734点开始，但收于37066点，跌幅11.18%。在顺利过渡到新政府后，股市曾出现了短暂的乐观情绪。市场因为新兴市场总体上存在不确定性并且巴基斯坦的对外经济面临挑战，以及政策缺乏明晰性而紧张不安。PSX的外国投资组合净流出超过4亿美元，此后进一步下降。在市场和全国范围内流行的商业新闻试图稳定市场，但它们无法支持更长时间，指数图继续下滑。

## 关键运营和财务数据

以下是比较结果的财务摘要：

	六个月结束	
	2018年12月31日	2017年12月31日
收入	11,275,637	14,749,800
营业利润/（亏损）	7,526,297	(93,467,770)
（亏损）/税前利润	(17,812,836)	(146,781,002)
税收	(716,654)	5,780,131
税前（亏损）	(18,529,490)	(152,561,133)
每股基本亏损	(0.07)	(1.08)



### 商业回顾

由于宏观经济指标疲软等各方面因素，资本市场的发展仍然不尽如人意。尽管市场没有给出实质性恢复的信号，但我们的管理团队依然为取得积极成果而努力。公司在审查期间经营业绩下降。公司税后亏损 18.529 万卢比。我们的收入以卢比计算减少了 23.51%。14.749 万卢比, 11.25 万美元，这已经影响了我们的利润。我们致力于抓住新的机遇，在行业限制范围内创造更好的毛利润。

### 未来前景

做生意的成本继续呈上升趋势。市场总是不确定，波动很大。预计从私人 and 官方来源获得更高国外流入量的预期，以及延迟石油支付设施，将减轻消费者的负担，并为整体经济提供支持。此外，SECP 强调将小额信贷经济与资本市场联系起来，是实现其增长的重要步骤，有助于改善投资的安全环境。

### 致谢

FNEL（第一 国民 公平 有限）董事会感谢巴基斯坦政府、巴基斯坦证券交易委员会、NCCPL（巴基斯坦国民清算公司有限）、CDC 和其他监管机构的持续支持，感谢公司所有股东和客户的信任，感谢我们的员工的持续奉献和不懈努力。

### 代表董事会



**Amir Shehzad**  
执行董事



**Ali A. Malik**  
首席执行官

地点：拉合尔

日期：2019年2月27日

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

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of First National Equities Limited ("the Company") as at December 31, 2018 and the related condensed interim statement of profit or loss, 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 (hereinafter referred to as the "condensed interim financial statements") for the half year then ended. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan. 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 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 statements as at and for the half year ended December 31, 2018 are 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 statement of profit or loss and the condensed interim statement of comprehensive income for the quarter ended December 31, 2018 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2018.

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



**IECnet S.K.S.S**

**Chartered Accountants**

Engagement Partner: **Muhammad Aslam Khan**

Lahore.

February 27, 2019.



## CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2018

	Note	(Un-audited) December 31, 2018	(Audited) June 30, 2018
------(Rupees )-----			
<b>NON-CURRENT ASSETS</b>			
Property and equipment		38,535,086	39,073,690
Intangible assets	8	64,415,000	64,415,000
Other receivables		152,219,639	155,512,959
Investment in associate	9	72,989,837	72,989,837
Investments - available for sale	10	14,671,802	21,353,582
Long-term deposits		2,750,000	2,996,000
Deferred taxation		150,328,422	150,785,097
		495,909,786	507,126,166
<b>CURRENT ASSETS</b>			
Short-term investments	11	30,238,692	16,619,935
Trade debts	12	112,502,615	95,564,701
Loans and advances		795,702	4,324,009
Trade deposits and short-term prepayments	13	12,670,038	11,424,336
Other receivables		158,093,588	154,558,932
Advance tax		25,749,694	24,856,344
Cash and bank balances	14	183,464,046	260,197,163
		523,514,375	567,545,420
<b>Total Assets</b>		1,019,424,161	1,074,671,586
<b>NON-CURRENT LIABILITIES</b>			
Long-term financing	15	217,692,641	208,855,923
Loan from sponsors	16	155,175,000	155,175,000
Deferred liabilities		10,924,646	10,924,646
		383,792,287	374,955,569
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17	232,867,221	281,644,007
Unclaimed dividend		3,050,389	9,676,311
Current portion of long-term financing		30,189,674	29,434,769
		266,107,284	320,755,086
<b>Total Liabilities</b>		649,899,571	695,710,655
<b>CONTINGENCIES AND COMMITMENTS</b>			
		-	-
<b>Net Assets</b>		369,524,590	378,960,931
<b>REPRESENTED BY:</b>			
Authorized share capital		5,000,000,000	5,000,000,000
Issued, subscribed and paid-up share capital	19	2,672,863,310	2,672,863,310
Share deposit money	20	17,003,000	-
Discount on issue of right shares		(1,508,754,317)	(1,508,754,317)
Accumulated loss		(815,212,666)	(796,683,176)
		365,899,327	367,425,817
Unrealized gain on re-measurement of investments classified as available for sale		3,625,263	11,535,114
		369,524,590	378,960,931

The annexed notes 01 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 SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2018

Note	Six Months Ended		Three Months Ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
----- (Rupees) -----				
Operating revenue	11,275,637	14,749,800	5,453,686	9,004,464
Gain / (loss) on sale of investments	57,444	(106,653,609)	(286,680)	(104,767,443)
Unrealized (loss) / gain on re-measurement of investments classified at fair value through profit or loss - net	(3,806,784)	(1,563,961)	(1,840,123)	91,504,057
<b>Operating profit / (loss)</b>	<b>7,526,297</b>	<b>(93,467,770)</b>	<b>3,326,883</b>	<b>(4,258,922)</b>
Administrative expenses	25,156,135	26,330,445	13,208,829	12,463,672
Finance cost	13,119,500	16,183,801	10,235,034	4,350,132
Other operating expenses	1,041,856	1,493,284	414,653	459,898
Other operating income / (loss)	13,978,358	(9,305,702)	13,767,354	942,579
<b>(Loss) / profit before taxation</b>	<b>(17,812,836)</b>	<b>(146,781,002)</b>	<b>(6,764,279)</b>	<b>(20,590,045)</b>
Taxation				
- current tax expense	259,980	1,918,205	59,933	1,033,479
- deferred tax / (income)	456,674	3,861,926	4,158,017	16,239,270
	716,654	5,780,131	4,217,950	17,272,749
<b>Loss after taxation</b>	<b>(18,529,490)</b>	<b>(152,561,133)</b>	<b>(10,982,229)</b>	<b>(37,862,794)</b>
Basic loss per share	(0.07)	(1.08)	(0.04)	(0.27)

The annexed notes 01 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 (UN-AUDITED)**  
**FOR THE SIX MONTHS AND QUARTER ENDED DECEMBER 31, 2018**

	Six Months Ended		Three Months Ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	----- (Rupees) -----			
<b>Loss after taxation</b>	<b>(18,529,490)</b>	(152,561,133)	<b>(10,982,229)</b>	(41,635,126)
<b>Items that will not be re-classified to profit or loss</b>	-	-	-	-
<b>Items that are or may be subsequently reclassified to profit or loss</b>				
Unrealized (loss) / gain during the period in the market value of investments classified as available for sale	(8,005,022)	(5,989,602)	(3,222,492)	(1,341,132)
Reclassification adjustment of realized gain / (loss) on sale of investments classified as available for sale	95,171	(10,561)	-	-
<b>Other comprehensive loss for the period</b>	<b>(7,909,851)</b>	(6,000,163)	<b>(3,222,492)</b>	(1,341,132)
<b>Total comprehensive loss for the period</b>	<b>(26,439,341)</b>	(158,561,296)	<b>(14,204,721)</b>	(42,976,258)

The annexed notes 01 to 26 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 SIX MONTHS ENDED DECEMBER 31, 2018**

	Six Months Period Ended	
	(Un-audited) December 31, 2018	(Un-audited) December 31, 2017
	------(Rupees)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(17,812,836)	(146,781,002)
<b>Adjustments for:</b>		
Depreciation	580,599	673,555
Impairment loss on intangible asset	-	2,500,000
Gain / (loss) on sale of investments	(57,444)	106,653,609
Unrealized loss on re-measurement of investments at fair value	3,806,784	1,563,961
Finance cost	13,119,500	16,183,801
Dividend income	(803,035)	(4,050,841)
Loss on disposal of intangible assets	-	11,000,000
Other operating income	(13,978,358)	(1,694,298)
Bad debt expense	2,608,103	1,357,460
Provision for gratuity	-	698,487
	5,276,149	134,885,734
<b>Changes in working capital</b>		
<b>Decrease / (increase) in current assets</b>		
Trade debts	(13,639,236)	(38,447,944)
Loans and advances	3,528,307	(3,719,809)
Trade deposits and short-term prepayments	(41,383)	39,492,351
Other receivable	-	21,924,664
	(10,152,312)	19,249,262
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	(31,773,778)	27,263,969
	(54,462,777)	34,617,963
Finance cost paid	(1,105,878)	(8,575,021)
Gratuity paid	-	(28,000)
Income tax paid	(1,153,329)	(3,658,074)
<b>Net cash generated from / (utilized in) from operating activities</b>	<b>(56,721,984)</b>	<b>22,356,868</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale / (purchase) of marketable securities	(18,786,339)	256,246,142
Sale of investments classified as available for sale	190,171	13,268
Additions of fixed assets	(42,000)	(326,200)
Disposals of intangible assets	-	4,000,000
Long-term deposits received / (paid)	246,000	(500,000)
Dividend received	803,035	4,050,841
<b>Net cash generated from / (utilized in) investing activities</b>	<b>(17,589,133)</b>	<b>263,484,051</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	-	63,863,000
Repayment of long-term loans	(2,422,000)	(3,782,412)
Repayment of sponsor loans	-	(180,001,541)
Repayment of other loans	-	(39,770,955)
Dividend paid	-	(409,396)
<b>Net cash generated from / (utilized in) from financing activities</b>	<b>(2,422,000)</b>	<b>(160,101,304)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(76,733,117)</b>	<b>125,739,615</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>260,197,163</b>	<b>122,349,992</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>183,464,046</b>	<b>248,089,607</b>

The annexed notes 01 to 26 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 SIX MONTHS ENDED DECEMBER 31, 2018

	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, 2017	1,418,098,310	-	(630,418,817)	(621,922,274)	24,933,939	190,691,158
Profit after taxation for the six months ended December	-	-	-	(152,561,133)	-	(152,561,133)
Other comprehensive income for the six months ended December 31, 2017	-	-	-	-	(6,000,163)	(6,000,163)
Issue of share capital - right issue	-	376,429,500	-	-	-	376,429,500
Balance as at December 31, 2017 ( Un-audited)	1,418,098,310	376,429,500	(630,418,817)	(774,483,407)	18,933,776	408,559,362
Issue of share capital - right issue	1,254,765,000	-	(878,335,500)	-	-	376,429,500
Transfer of share deposit money to paid-up capital	-	(376,429,500)	-	-	-	(376,429,500)
Profit after taxation for the six months ended June 30,	-	-	-	(22,199,769)	-	(22,199,769)
Other comprehensive income for the period	-	-	-	-	(7,277,508)	(7,277,508)
Loss on remeasurement of retirement benefits	-	-	-	-	(121,154)	(121,154)
<b>Balance as at June 30, 2018</b>	<b>2,672,863,310</b>	<b>-</b>	<b>(1,508,754,317)</b>	<b>(796,683,176)</b>	<b>11,535,114</b>	<b>378,960,931</b>
<b>Share deposit money</b>	<b>-</b>	<b>17,003,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,003,000</b>
<b>Profit after taxation for the six months ended December 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,529,490)</b>	<b>-</b>	<b>(18,529,490)</b>
<b>Other comprehensive income for the six months ended December 31, 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,909,851)</b>	<b>(7,909,851)</b>
<b>Balance as at December 31, 2018 ( Un-audited)</b>	<b>2,672,863,310</b>	<b>17,003,000</b>	<b>(1,508,754,317)</b>	<b>(815,212,666)</b>	<b>3,625,263</b>	<b>369,524,590</b>

The annexed notes 01 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 (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2018

### 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 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 BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

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, 2018.

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 statement of profit or loss and the condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and December 31, 2018 have not been reviewed by the statutory auditors as they have reviewed the cumulative figures for the six months ended December 31, 2018 and December 31, 2017.

These condensed interim financial statements are being submitted to the shareholders pursuant to the Listing Regulations of Pakistan Stock Exchange Limited vide section 237 of the Companies Act, 2017.

#### 2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except:



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

### 2.3 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.

## 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, 2018 except for certain accounting and reporting standards which became effective for periods beginning on or after July 1, 2018.

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, 2018. 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 JUDGMENTS

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, 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.

In preparing the condensed interim financial information, significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those applied to the preceding annual published financial statements of the Company as at and for the year ended June 30, 2018.

## 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, 2018.

## 6 METHOD OF ACCOUNTING

The Company adopts settlement-date accounting as its method of accounting.

## 7 PROPERTY AND EQUIPMENT

Note	(Un-audited) December 31, 2018	(Audited) June 30, 2018
	----- (Rupees) -----	

Additions during the period	42,000	332,200
Disposals during the period	-	44,500

## 8 INTANGIBLE ASSETS

TRE Certificate	2,500,000	2,500,000
License to use rooms at PSX	47,000,000	47,000,000
Building tenancy rights	14,915,000	14,915,000
	<b>64,415,000</b>	<b>64,415,000</b>

## 9 INVESTMENT IN ASSOCIATE

Coastal Company Limited (formerly National Asset Management Company Limited or "NAMCO")	72,989,837	72,989,837
	<b>72,989,837</b>	<b>72,989,837</b>

## 10 INVESTMENTS - AVAILABLE FOR SALE

<b>Pakistan Stock Exchange Limited</b>		
Opening Balance	21,353,582	41,163,843
Remeasurement to fair value	(6,491,609)	(5,774,944)
Disposal during the period	(190,171)	(14,035,317)
<b>Closing Balance</b>	<b>14,671,802</b>	<b>21,353,582</b>

## 11 SHORT-TERM INVESTMENTS

Available for sale	11.1	5,069,753	6,392,824
At fair value through profit or loss	11.2	25,168,939	10,227,111
		<b>30,238,692</b>	<b>16,619,935</b>

<b>11.1</b> Available-for-sale investments		
- Average cost	2,472,230	4,872,116
- Unrealized gain on re-measurement of investments	2,597,523	1,520,708
- Closing carrying value	<b>5,069,753</b>	<b>6,392,824</b>

<b>11.2</b> Investments at fair value through profit or loss		
- Average cost	28,975,723	10,913,180
- Unrealized loss on re-measurement of investments	(3,806,784)	(686,069)
- Closing carrying value	<b>25,168,939</b>	<b>10,227,111</b>

**11.3** Securities with market value of Rs. 17.608 million (June 30, 2018: Rs. 8.453 million) have been pledged with Pakistan Stock Exchange Limited.

**12 TRADE DEBTS**

	Note	(Un-audited) December 31, 2018	(Audited) June 30, 2018
----- (Rupees) -----			
Considered good	12.1	112,502,615	95,564,701
Considered doubtful		<u>381,934,505</u>	<u>379,326,402</u>
		494,437,120	474,891,103
Less: Provision for doubtful debts		<u>(381,934,505)</u>	<u>(379,326,402)</u>
		<u>112,502,615</u>	<u>95,564,701</u>

**12.1** The Company recognizes provision for doubtful debt on accounts receivable in an amount equal to the estimated probable losses net of recoveries. The allowance is based on an analysis of historical bad debt experience, current receivables aging, and expected future write-offs, as well as an assessment of specifically identifiable customer accounts considered at risk or uncollectible.

The Company holds securities with total fair value of Rs 1,897.047 million (June 2018: Rs. 1,597.964 million) owned by its clients as collateral against trade debts.

**12.2** Securities pertaining to clients amounting to Rs 20.407 million (June 30, 2018: 21.913 million) have been pledged / utilized by the Company for meeting exposure deposit requirements of the Pakistan Stock Exchange Limited, with consent from clients.

**13 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS**

	Note	(Un-audited) December 31, 2018	(Audited) June 30, 2018
----- (Rupees) -----			
Exposure deposits		12,670,038	11,424,336
		<u>12,670,038</u>	<u>11,424,336</u>

**14 CASH AND BANK BALANCES**

	Note	(Un-audited) December 31, 2018	(Audited) June 30, 2018
Cash in hand		15,642	2,944
Cash at bank	14.1	183,448,404	260,194,219
		<u>183,464,046</u>	<u>260,197,163</u>

**14.1** This includes customer assets amounting Rs. 64.055 million (June 30, 2018: Rs. 37.222 million) held in designated bank accounts.

## 15 LONG TERM FINANCING

		(Un-audited) December 31, 2018	(Audited) June 30, 2018
		----- (Rupees) -----	
From banking companies - secured			
Bank Alfalah Limited	15.1	97,471,709	94,063,081
United Bank Limited	15.2	1,193,820	1,193,820
The Bank of Punjab	15.3	141,849,786	137,127,791
Overdue interest on long term financing			
The Bank of Punjab		7,367,000	5,906,000
		<u>247,882,315</u>	<u>238,290,692</u>
<b>Less: Current portion of long term financing</b>		<u>(30,189,674)</u>	<u>(29,434,769)</u>
		<u><b>217,692,641</b></u>	<u><b>208,855,923</b></u>

- 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 offer letter dated June 27, 2014 (and amended on September 08, 2014). 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 average borrowing cost of the Company. The difference between the carrying amount of the liability extinguished and the carrying value of the new liability has been recognized in profit and loss as notional income. The related notional expense is being amortized over the term of the liability (through to June 2021).

The facility was originally secured against pledge of shares (then) amounting to Rs 78.6 million, mortgage of a commercial plot of land (#19-C, Sunset Lane #6, Phase II, DHA, Karachi), mortgage of rooms #135 and #136 at the Stock Exchange Building in Karachi, mortgage of room #306 on the 3rd floor of the Business and Finance Centre in Karachi, mortgage of municipal showroom #2 on the ground floor of Bank Square Chowk Yadgar in Peshawar, and the personal guarantee of Mr. Ali A. Malik (CEO). At present, as a result of repayments to BAF from sale proceeds of properties, all mortgages with the exception of the Peshawar property have been released.

As per the terms of the restructuring offer letter, the principal amount unpaid after the sale of pledged properties (or the settlement of the relevant portion of the liability by payments made otherwise) is to be paid in quarterly installments of Rs 0.3 million from January 2016 to December 2016, and in quarterly installments of Rs. 1.0 million from January 2017 to June 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 (inclusive of 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** 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/biannual installments till December 2025.

DF II (Unserviceable) amounting to 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 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.

Since the restructured loan is partially interest-free and partially at a 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 at 7.5%, the market interest rate of similar loans. The difference between the liability initially recognized (but now extinguished) and the present value calculated through discounting future cash outflows was recognized in FY2016 profit and loss account as notional income and will be amortized during the term of the liability, i.e. through to December 2025.

	Note	(Un-audited) December 31, 2018	(Audited) June 30, 2018
<b>16 LOAN FROM SPONSORS</b>			
<b>----- (Rupees) -----</b>			
Loan from sponsors - Subordinated	<b>16.1</b>	<b>155,175,000</b>	155,175,000
		<b>155,175,000</b>	155,175,000
Less: current portion		-	-
		<b>155,175,000</b>	155,175,000

**16.1** This represents subordinated, unsecured loans received from a Director of the Company.

## 17 TRADE AND OTHER PAYABLES

This includes Rs. 64.954 Million (June 30, 2018: Rs. 37.179 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. 143.35 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.

Note	(Un-audited) December 31, 2018	(Audited) June 30, 2018
----- (Rupees) -----		
<b>18.2 Commitments</b>		
Outstanding settlements against sale of investments in regular market	-	3,415,929
Outstanding settlements against purchase of investments in regular market	<b>60,998</b>	3,146,703

## 19 SHARE CAPITAL

### Authorized capital

500,000,000 (2018: 500,000,000) Ordinary shares of Rs. 10 each **5,000,000,000** 5,000,000,000

### 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

80,500,000 Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount **805,000,000** 805,000,000

3,809,831 Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount **38,098,310** 38,098,310

125,476,500 Ordinary shares of Rs. 10 each issued fully paid in cash as right shares at discount **1,254,765,000** 1,254,765,000

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

## 20 SHARE DEPOSIT MONEY

Trust Investment Bank LTD	<b>10,003,000</b>	-
Mr. Ali Aslam Malik	<b>7,000,000</b>	-
	<b>17,003,000</b>	-

During the period, the Board of Directors of the Company resolved to issue 1.429 Million right shares to Trust Investment Bank Limited and 2.333 Million Right shares to Mr. Ali Aslam Malik against their outstanding loans of Rs. 10 Million and Rs. 7 Million, respectively.

## 21 TURNOVER BY SEGMENT

	(Un-audited) December 31, 2018	(Un-audited) December 31, 2017
----- (Rupees) -----		
Gain / (loss) on proprietary trades	<b>57,444</b>	(106,653,609)
Retail customers	<b>11,025,047</b>	14,588,154
Institutional Customers	<b>250,590</b>	161,646
	<b>11,333,081</b>	<b>(91,903,809)</b>



(Un-audited)  
December  
31, 2018(Un-audited)  
December  
31, 2017

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

**22 OTHER OPERATING INCOME**

Other income / (loss)	<b>13,978,358</b>	(9,305,702)
	<b>13,978,358</b>	(9,305,702)

**23 RELATED PARTY TRANSACTIONS**

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

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

	<u>For the six months ended December 31, 2018 (Un-audited)</u>			
	Key management	Associated undertakings	Other related parties	Total
	----- (Rupees) -----			
Transactions during the period:				
Purchase of marketable securities for and on behalf of	2,408,175,166	1,512,963,607	2,039,994,718	5,961,133,491
Sale of marketable securities for and on behalf of	2,484,433,840	1,509,459,076	2,045,017,793	6,038,910,709
Brokerage income	655,144	13,250	199,250	867,644
Remuneration to key management personnel	7,990,782	-	-	7,990,782

	<u>For the six months ended December 30, 2017 (Un-audited)</u>			
	Key management	Associated undertakings	Other related parties	Total
	----- (Rupees) -----			
Transactions during the period:				
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

**24 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 materially curtail 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 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 are current bid prices.

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.

<b>December 31, 2018</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets</b>				
Financial assets at fair value through profit or loss	<b>25,168,939</b>	-	-	<b>25,168,939</b>
Investment in associates	-	<b>72,989,837</b>	-	<b>72,989,837</b>
Short term Investments classified as available for sale	<b>5,069,753</b>	-	-	<b>5,069,753</b>
Investments in shares of PSX	<b>14,671,802</b>	-	-	<b>14,671,802</b>
<b>December 31, 2017</b>				
<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

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.

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.

**25 SHAREHOLDERS HOLDING 5% OR MORE**

SHAREHOLDERS NAME	Un-audited		Audited		Change
	December 31, 2018		June 30, 2018		
	Shares Held	Percentage	Shares Held	Percentage	
First Florance Developers (Pvt.) Limited	104,426,150	39.07%	104,426,150	39.07%	-
Ali Aslam Malik	74,132,134	27.74%	74,129,374	27.73%	2,760

**26 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.

**27 DATE OF AUTHORISATION**

These condensed interim financial statements were authorized for issue on **February 27, 2019** by the Board of Directors of the Company.

Chief Executive Officer

Chief Financial Officer

Director

## Branches Network

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