



FIRST NATIONAL EQUITIES LIMITED



## **VISION**

“Connecting people, ideas and capital, we will be our client’s first choice for achieving their financial aspirations”.

## **MISSION**

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

## **PHILOSOPHY**

Business @ Speed of Thought



# Board of Directors

- ▶ **Mr. Adnan Amjad Khan, Director & Chairman**
- ▶ **Mr. Ali Aslam Malik, Director & Chief Executive**
- ▶ **Mr. Amir Shehzad, Director**
- ▶ **Mr. Abid Yousaf, Director**
- ▶ **Ms. Ayesha Anam, Director**
- ▶ **Mr. Muhammad Bilal, Director**
- ▶ **Mr. Zeeshan Tahir, Director**



# MANAGEMENT

- ▶ **Mr. Ali A. Malik (Chief Executive Officer)**
- ▶ **Ms. Ammara Zakriya (Chief Financial Officer)**
- ▶ **Mr. Amir Shehzad (Executive Director)**
- ▶ **Mr. Ali Nadeem (Head of Sales)**
- ▶ **Mr. Arslan Tahir (Company Secretary)**



# COMPANY INTRODUCTION

- ▶ **FNEL was incorporated in February, 1995.**
- ▶ **FNEL was listed on Karachi Stock Exchange as Public Limited Company in 2004.**
- ▶ **FNEL is engaged in the business of Brokerage and Portfolio Management.**
- ▶ **FNEL was awarded the Top Companies Award by Karachi Stock Exchange Limited in 2006.**

# FINANCIAL DETAILS

ANNUAL REPORT 2022 | 

## STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2022

|   | Note | June, 30<br>2022     | June 30,<br>2021     |
|---|------|----------------------|----------------------|
| ----- <b>(Rupees)</b> -----               |      |                      |                      |
| <b>NON CURRENT ASSETS</b>                 |      |                      |                      |
| Property and equipment                    | 4    | 37,264,260           | 37,345,982           |
| Intangible assets                         | 5    | 71,677,000           | 85,277,000           |
| Long-term other receivable                | 6    | 73,742,541           | 123,321,489          |
| Investment in associate                   | 7    | 76,639,124           | 76,434,575           |
| Long-term investment                      | 8    | 48,797,511           | -                    |
| Strategic investment                      | 9    | 1,069,221,476        | 888,099,467          |
| Long-term deposits                        | 10   | 1,602,400            | 1,602,400            |
| Deferred taxation                         | 11   | -                    | 10,497,513           |
|   |      | <b>1,378,944,312</b> | <b>1,222,578,426</b> |
| <b>CURRENT ASSETS</b>                     |      |                      |                      |
| Short-term investments                    | 12   | 38,699,108           | 173,434,231          |
| Trade debts                               | 13   | 169,899,241          | 108,352,371          |
| Loans and advances                        | 14   | 1,953,105            | 587,066              |
| Trade deposits and short-term prepayments | 15   | 42,770,879           | 114,597,677          |
| Other receivables                         | 16   | 55,179,274           | 112,725,047          |
| Advance tax-net                           |      | 24,810,577           | 27,603,706           |
| Cash and bank balances                    | 17   | 223,177,151          | 230,777,747          |
|   |      | <b>556,489,335</b>   | <b>768,077,845</b>   |
| <b>Total Assets</b>                       |      | <b>1,935,433,647</b> | <b>1,990,656,271</b> |
| <b>NON CURRENT LIABILITIES</b>            |      |                      |                      |
| Long-term financing                       | 18   | 197,102,407          | 277,875,106          |
| Loan from sponsor                         | 19   | 155,175,000          | 155,175,000          |
| Deferred liabilities                      | 20   | 31,602,727           | 15,403,373           |
|   |      | <b>383,880,134</b>   | <b>448,453,479</b>   |

# FINANCIAL DETAILS

## CURRENT LIABILITIES

|  |    |                             |                             |
|--|----|-----------------------------|-----------------------------|
| Trade and other payables               | 21 | 249,318,197                 | 337,963,358                 |
| Unclaimed dividend                     |    | 1,399,397                   | 1,399,397                   |
| Current portion of long-term financing | 18 | 24,704,000                  | 22,000,000                  |
| Provident fund payable                 |    | 529,860                     | -                           |
|  |    | <u>275,951,454</u>          | <u>361,362,755</u>          |
| <b>Total Liabilities</b>               |    | <b>659,831,588</b>          | <b>809,816,234</b>          |
| Contingencies and commitments          | 22 | -                           | -                           |
| <b>Net Assets</b>                      |    | <b><u>1,275,602,059</u></b> | <b><u>1,180,840,037</u></b> |

## REPRESENTED BY:

|   |    |                      |                      |
|---|----|----------------------|----------------------|
| Authorized share capital  | 23 | 5,000,000,000        | 5,000,000,000        |
| Issued, subscribed and paid-up share capital  | 23 | 2,672,863,310        | 2,672,863,310        |
| Discount on right shares  |    | (1,508,754,317)      | (1,508,754,317)      |
| Accumulated profit/(loss)   |    | 114,541,926          | (542,378)            |
|   |    | <u>1,278,650,919</u> | <u>1,163,566,615</u> |
| Actuarial gain from re-measurement of staff retirement benefits - net of tax          |    | -                    | 263,921              |
| Unrealized gain on re-measurement of investments classified as fair value through OCI |    | (3,048,860)          | 17,009,501           |
|   |    | <u>1,275,602,059</u> | <u>1,180,840,037</u> |

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

# FINANCIAL DETAILS

ANNUAL REPORT 2022 | 

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

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

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



# FINANCIAL DETAILS

ANNUAL REPORT 2022 | 

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

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

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

# Strategic/Operational Development

The expansion of the company's operations and further developments for the purpose of betterment of worthy shareholders is the core objective behind any strategic development of the company. Considering this fact, the company has decided to invest Rs. 200 million in Real Estate sector by investing in a wholly owned subsidiary, FNE Developments (Pvt.) Ltd. The yields from this strategic investment is expected to start materializing from current financial year.

# Sale of Investment in Undertaking

By evaluating the market situation and other considerable facts for the utmost benefit of our valuable shareholders, the company has decided the sale of its investment made earlier by company in Kingbhai Digisol (Pvt.) Ltd., subject to the stability of the political and economic environment which could have substantial impact on the defined scenario.



Thank  
you

