

**ABBASI & COMPANY (PRIVATE) LIMITED.**

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

AS AT DECEMBER 31, 2022 (UN-AUDITED)

	December 31, 2022	June 30, 2022
Note	Un-Audited	Audited
	-----Rupees-----	
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property and equipment	5. 215,533,849	217,496,444
Intangible assets	6. 1,482,162	1,651,932
Long term deposits	7. 5,441,700	5,441,700
Long term investment	8. 23,842,294	23,842,294
	<b>246,300,005</b>	<b>248,432,370</b>
<b>CURRENT ASSETS</b>		
Trade debts	9. 4,756,206	3,599,549
Short term investments	10. 33,849,390	46,808,267
Investment in Margin Trading System	23,643,014	-
Advances, deposits and prepayments	11. 57,029,558	52,925,683
Cash and bank balances	12. 121,576,414	189,455,458
	<b>240,854,582</b>	<b>292,788,957</b>
<b>TOTAL ASSETS</b>	<b>487,154,587</b>	<b>541,221,327</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorized capital		
20,000,000 (2020: 20,000,000) ordinary shares of Rs. 10 each	200,000,000	200,000,000
Share capital		
Issued, subscribed and paid up capital	70,110,000	70,110,000
Capital reserves		
Share premium reserve	98,350,000	98,350,000
Fair value reserve of long term investment at FVOCI	19,106,394	19,106,394
	117,456,394	117,456,394
Revenue reserves		
General reserve	200,000,000	200,000,000
Unappropriated (Loss)/Profit	(1,016,936)	20,469,193
	<b>198,983,064</b>	<b>220,469,193</b>
	<b>386,549,458</b>	<b>408,035,587</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	13. 100,605,129	133,185,740
<b>CONTINGENCIES AND COMMITMENTS</b>		
	14. -	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>487,154,587</b>	<b>541,221,327</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

\_\_\_\_\_sd\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_sd\_\_\_\_\_  
Director

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Chief Financial Officer



**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Note	Six months ended		Quarter ended	
		December 31, 2022 Un-Audited	December 31, 2021 Un-Audited	December 31, 2022 Un-Audited	December 31, 2021 Un-Audited
-----Rupees-----					
Operating revenue	15.	17,248,515	29,809,503	9,014,297	13,012,257
Capital (loss) / gain on sale of investments at FVTPL - net		(2,307,518)	478,085	(2,894,359)	(61,192)
Net fair value gain / (loss) on re-measurement of investments classified at FVTPL		(3,945,815)	(13,418,386)	(2,668,451)	(4,461,746)
		10,995,182	16,869,202	3,451,487	8,489,319
Finance cost		(28,227)	(29,702)	(17,665)	(16,937)
Administrative and operating expenses		(38,279,969)	(41,719,786)	(19,140,883)	(19,010,495)
Other income		6,285,386	5,676,688	3,432,438	2,993,325
Profit/(Loss) before taxation		(21,027,628)	(19,203,598)	(12,274,623)	(7,544,788)
Taxation		(458,501)	(719,253)	(193,601)	(440,001)
<b>PROFIT/(LOSS) AFTER TAXATION</b>		<b>(21,486,129)</b>	<b>(19,922,851)</b>	<b>(12,468,224)</b>	<b>(7,984,789)</b>
<b>EARNING/(LOSS) PER SHARE - BASIC AND DILUTED</b>	16.	<b>(3.06)</b>	<b>(2.84)</b>	<b>(1.78)</b>	<b>(1.14)</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

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sd  
Chief Executive Officer

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sd  
Director

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sd  
Chief Financial Officer

**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Note	Six months ended		Quarter ended	
		December 31, 2022 Un-Audited	December 31, 2021 Un-Audited	December 31, 2022 Audited	December 31, 2021 Un-Audited
-----Rupees-----					
PROFIT/(LOSS) AFTER TAXATION		(21,486,129)	(19,922,851)	(12,468,224)	(7,984,789)
OTHER COMPREHENSIVE INCOME					
<i>Items that will not be reclassified subsequently to statement of profit or loss</i>		-	-	-	-
<i>Surplus on re-measurement of investment at FVOCI</i>		-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME / (LOSS)</b>		<b>(21,486,129)</b>	<b>(19,922,851)</b>	<b>(12,468,224)</b>	<b>(7,984,789)</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

\_\_\_\_\_sd\_\_\_\_\_  
 Chief Executive Officer

\_\_\_\_\_sd\_\_\_\_\_  
 Director

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 Chief Financial Officer



**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	SHARE CAPITAL	CAPITAL RESERVES			REVENUE RESERVES		TOTAL
	Issued, Subscribed and Paid up Capital	Share Premium Reserve	Fair Value Reserve of Long Term Investment at FVOCI	Surplus / (Deficit) on Remeasurement of Investments Available for Sale	General Reserve	Unappropriated Profit	
	----- (IN RUPEES) -----						
Balance as at July 01, 2021 - as per originally reported	70,110,000	98,350,000	18,309,681.00	-	200,000,000	67,836,986	454,606,667
Adjustment for the first time application of IFRS-9	-	-	-	-	-	-	-
Total comprehensive loss							
Profit/(Loss) after taxation	-	-	-	-	-	(47,367,793)	(47,367,793)
Other comprehensive income for the year	-	-	796,713	-	-	-	796,713
	-	-	796,713	-	-	(47,367,793)	(46,571,080)
<b>Balance as at June 30, 2022</b>	<b>70,110,000</b>	<b>98,350,000</b>	<b>19,106,394</b>	<b>-</b>	<b>200,000,000</b>	<b>20,469,193</b>	<b>408,035,587</b>
<b>Balance as at July 01, 2022</b>	<b>70,110,000</b>	<b>98,350,000</b>	<b>19,106,394</b>	<b>-</b>	<b>200,000,000</b>	<b>20,469,193</b>	<b>408,035,587</b>
Total comprehensive income							
Profit/(Loss) after taxation	-	-	-	-	-	(21,486,129)	(21,486,129)
Other comprehensive income for the year	-	-	-	-	-	-	-
	-	-	-	-	-	(21,486,129)	(21,486,129)
<b>Balance as at December 31, 2022</b>	<b>70,110,000</b>	<b>98,350,000</b>	<b>19,106,394</b>	<b>-</b>	<b>200,000,000</b>	<b>(1,016,936)</b>	<b>386,549,458</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

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Chief Executive Officer

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sd  
Director

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sd  
Chief Financial Officer



**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	December 31, 2022	December 31, 2021
	Un-Audited	Un-Audited
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	(21,027,628)	(19,203,598)
Adjustments for:		
Depreciation	4,784,948	5,026,274
Amortisation	169,770	110,334
Net fair value (gain) / loss on re-measurement of investments	3,945,815	13,418,386
Capital (loss) / gain	2,307,518	(478,085)
Allowances for expected credit loss	-	-
Gain on sale of property and equipment	(95,199)	(977,134)
Dividend income	(1,619,299)	(1,892,578)
Cash flow from operating activities before working capital changes	(11,534,075)	(3,996,401)
Adjustments for working capital changes:		
(Increase) / decrease in current assets		
Trade debts	(1,156,657)	(4,464,028)
Short term investments	6,705,544	(15,291,755)
Short term investments-MTS	(23,643,014)	-
Advances, deposits and prepayments	(4,103,875)	21,121,418
Increase / (decrease) in current liabilities	(22,198,001)	1,365,636
Trade and other payables	(32,580,611)	11,064,450
Cash generated from / (used in) operating activities	(54,778,612)	12,430,086
Income tax paid	(458,501)	(719,254)
<b>Net cash generated from / (used in) operating activities</b>	<b>(66,771,188)</b>	<b>7,714,431</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale proceeds from disposal of property and equipment	356,320	2,425,000
Payment for acquisition of property and equipment	(3,083,475)	(8,665,832)
(Increase) / decrease in long term deposits	-	-
Payment for acquisition of intangible asset	-	(367,500)
Dividend received	1,619,299	1,892,578
<b>Net cash generated from / (used in) investing activities</b>	<b>(1,107,856)</b>	<b>(4,715,754)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(67,879,044)</b>	<b>2,998,677</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>189,455,458</b>	<b>275,444,546</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF HALF YEAR</b>	<b>121,576,414</b>	<b>278,443,223</b>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

\_\_\_\_\_sd\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_sd\_\_\_\_\_  
Director

\_\_\_\_\_sd\_\_\_\_\_  
Chief Financial Officer



**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

**Note**

**1. STATUS AND NATURE OF BUSINESS**

Abbasi and company (private) limited (the Company) was incorporated as a private limited company in Pakistan on February 13, 1999. The Company is a TREC holder of Pakistan Stock Exchange Limited and has also acquired membership of the Pakistan Mercantile Exchange Limited. It is principally engaged in the business of brokerage, underwriting, buying and selling of stocks, shares, modaraba certificates, etc. The Corporate Office of the Company is situated at 6-Shadman, Lahore.

**1.1. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS**

<u>Sr#</u>	<u>Particulars of Immovable Property</u>	<u>Geographical Location</u>
1.	Registered Office	6 - Shadman, Near China Chowk, Lahore, Pakistan

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

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

- Interim Accounting Standards 34: Interim Financial Reporting (IAS 34), issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017 (the Act)
- 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 Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2022. Comparative figures for condensed interim statement of financial position are stated from annual audited financial statement of the company for the year ended June 30, 2022, whereas comparative for condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flow are extracted from the condensed interim financial information of the company for six month ended December 31, 2021.

**2.2 Basis of Measurement**

These condensed interim financial statements have been prepared on the basis of 'historical cost' convention, except for certain short term investments which are stated at fair value and as otherwise stated in respective policy notes.

These condensed interim financial statements have been prepared following accrual basis of accounting except for cash flow information.

**2.3 Functional and presentation currency**

Items included in the condensed interim financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency), which is the Pakistan Rupee (Rs).

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principle accounting policies applied in the preparation of these interim financial statements are the same as those applied in the preparation of the financial statements of the company for the year ended June 30, 2022.

**4. USE OF ESTIMATES AND JUDGEMENTS**

The preparation of condensed interim financial statements in conformity with International Accounting Standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the Company in applying accounting policies and the key sources of estimating uncertainty are the same as those that applied to financial statements as at June 30, 2022.



**ABBASI AND COMPANY (PRIVATE) LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	December 31, 2022	Un- Audited	June 30, 2022 Audited
	Note	Rupees	
<b>5 PROPERTY AND EQUIPMENT</b>			
Owned assets		215,533,849	217,496,444
		215,533,849	217,496,444
<b>6 INTANGIBLE ASSETS</b>			
Computer Software		842,162	1,011,932
Trading rights entitlement certificate		640,000	640,000
		1,482,162	1,651,932
<b>7 LONG TERM DEPOSITS</b>			
Deposit with Central Depository Company of Pakistan Limited		100,000	100,000
Mobile deposit		101,500	101,500
Electricity and Sui gas deposit		110,200	110,200
Deposit with NCCPL		300,000	300,000
Building deposit with PMEX		2,500,000	2,500,000
Deposit for Sialkot and Faisalabad trading floors and booth		50,000	50,000
Security deposit LSE Financial Services Limited		30,000	30,000
Security deposit (NCCPL) - DFC		1,000,000	1,000,000
Deposit with PSO		400,000	400,000
Security deposit - Murabaha shares		100,000	100,000
Security deposit membership card- PMEX		750,000	750,000
		5,441,700	5,441,700
<b>8 LONG TERM INVESTMENT</b>			
<i>Investment at fair value through other comprehensive income - unquoted:</i>			
LSE Financial Services Limited (unquoted) - at cost		-	19,669,681
Adjustment for remeasurement to fair value		23,842,294	796,713
			3,375,900
		23,842,294	23,842,294
<b>9 TRADE DEBTS</b>			
<i>Considered good and secured</i>			
Trade debts		4,756,206	3,599,549
Trade debts - PMEX		-	-
		4,756,206	3,599,549
<i>Considered doubtful</i>		1,339,117	1,339,117
		6,095,323	4,938,666
Less: Allowance for expected credit loss		(1,339,117)	(1,339,117)
		4,756,206	3,599,549
<b>9.1 Ageing Analysis</b>			
Up to fourteen days		265,945	2,049,791
More than fourteen days		5,829,176	2,888,875
		6,095,121	4,938,666
<b>10 SHORT TERM INVESTMENTS</b>			
<i>At fair value through profit or loss:</i>			
Shares of listed companies - at fair value		33,849,390	46,808,267
		33,849,390	46,808,267
<b>11 ADVANCES, DEPOSITS AND PREPAYMENTS</b>			
Advances to employees		8,978,500	8,145,000
Tax refund due from government		7,435,930	6,803,600
Short term deposits	11.1	39,785,035	37,502,124
Other advances		53,871	56,411
Prepayments and Other Receivable		776,222	418,548
		57,029,558	52,925,683
<b>11.1</b> This includes the margin deposit and clearing deposit with PMEX and margin deposit with NCCPL that are shown below:			
Clearing deposit with PMEX		8,435,035	11,952,124
Margin deposit with PSX/NCCPL		31,350,000	25,550,000
		39,785,035	37,502,124



12 **CASH AND BANK BALANCES**

*Cash and cash equivalents*

Cash in hand		1,441,654	904,862
Cash at bank			
-In current accounts		107,626,461	104,799,581
-In saving accounts		12,508,299	83,751,015
	12.1	120,134,760	188,550,596
		121,576,414	189,455,458

12.1	Cash at bank		
	-House account	20,515,759	56,728,947
	-Client account	99,619,001	131,821,648
		120,134,760	188,550,596

13 **TRADE AND OTHER PAYABLES**

Creditors	99,619,001	131,821,648
Provision For Taxation	458,501	544,702
PST payable	447,613	479,505
Other liabilities	80,014	339,885
	100,605,129	133,185,740

14 **CONTINGENCIES AND COMMITMENTS**

There are no contingencies and commitments as at 31 December 2022 (30 June 2022: Nil)

	Six months ended		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Note	Un-Audited	Un-Audited	Un-Audited	Un-Audited
	-----Rupees-----			
15 <b>OPERATING REVENUE</b>				
Brokerage income - Pakistan Stock Exchange	15,966,440	28,328,468	8,293,947	12,342,722
Brokerage income - Pakistan Mercantile Exchange Limited	1,282,075	1,481,035	720,350	669,535
	17,248,515	29,809,503	9,014,297	13,012,257

16 **EARNING/(LOSS) PER SHARE - BASIC AND DILUTED**

There is no dilutive effect on the basic loss per share of the company, which is based on :

Profit/(Loss) after taxation	(21,486,129)	(19,922,851)	(12,468,224)	(7,984,789)
Weighted average number of ordinary shares	7,011,000	7,011,000	7,011,000	7,011,000
Earning/(Loss) per share ( Rupees )	(3.06)	(2.84)	(1.78)	(1.14)

17 **FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

17.1 *Risk management framework*

The Company's financial risk measurement objectives and policies are consistent with those disclosed in the preceding audited annual financial statements of the Company for the year ended June 30, 2022.

17.2 *Fair values estimate*

In case of equity instruments, the Company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 : Quoted market price (unadjusted) in an active market.

Level 2 : Valuation techniques based on observable inputs.

Level 3 : Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

i) Fair value at initial recognition

The Company takes in to account factors specific to the transaction and to the asset or liability, when determining whether or not the fair value at initial recognition equals the transaction price. Except for long term deposits and employee vehicle scheme the fair value of financial assets and financial liabilities recognized in these financial statements equals the transaction price at initial recognition. Due to immaterial effect the fair value of the long-term deposits and employee vehicle scheme has not been determined and their carrying value has been assumed to be equal to their fair value.

ii) Valuation techniques and inputs used

Fair values of financial assets that are traded in active markets are based on quoted market prices. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length. The Company uses widely recognized valuation techniques, for determining the fair value of assets and liabilities, that use only observable market data and require little management judgement and estimation. The short term investments at fair value through profit or loss are measured at level 1 while long term investments at fair value through other comprehensive income are measured at level 2 due to unavailability of active market of blocked shares of LSE financial services limited.

	Level	Dec 31, 2022		Jun 30, 2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value
----- Rupees -----					
<b>Financial assets carried at fair value:</b>					
Long term investment	Level 2	23,842,294	23,842,294	23,842,294	23,842,294
Short term investments	Level 1	33,849,390	33,849,390	46,808,267	46,808,267

iii) Fair value of the Company's financial assets and liabilities that are not measured at fair value after initial recognition

The carrying amount of financial assets and financial liabilities recognized in these financial statements approximate their respective fair values. Fair values of financial assets and liabilities carried at amortized cost.

iv) Determination of fair values:

Fair values of financial assets that are traded in active markets are based on quoted market prices for all other financial instruments the Company determines fair values using valuation techniques unless the instruments do not have a market / quoted price in an active market and for such financial instruments company uses observable inputs like net assets values

18 CASH AND CASH EQUIVALENT

Cash and cash equivalents at the end of reporting periods as shown in the condensed interim statement of cash flows are reconciled to the related items in the condensed interim statement of financial position as follows:

	Note	December 31,	December 31,
		2022	2021
		Un-Audited	Un-Audited
Rupees			
Cash in hand		1,441,654	842,099
Cash at bank		120,134,760	277,601,124
- in house accounts		20,515,759	72,485,228
- at client accounts		99,619,001	205,115,896

19. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 20 February 2023 by the Board of Directors of the Company.

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Chief Executive Officer

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Director

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Chief Financial Officer