

**PROGRESSIVE INVESTMENT MANAGEMENT
(PRIVATE) LIMITED**

Financial Statements

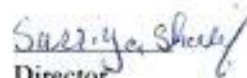
For the Quarter Ended 31 March 2023

PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED**Statement of Financial Position****As at 31 March 2023**

		Unaudited 31-Mar-23 Rupees	Audited 30-Jun-22 Rupees
ASSETS	Note		
Non-current assets			
Property and equipment	5	111,089	111,920
Intangible assets	6	2,500,000	2,500,000
Long term investments	7	52,984,168	52,984,168
Long term deposits	8	1,500,000	1,500,000
		57,095,257	57,096,088
Current assets			
Trade debts - net	9	8,668,242	8,997,223
Trade deposits, prepayments and other receivables	10	1,670,660	2,035,900
Loans and advances	12	935,700	762,500
Income tax refundable	13	785,358	967,035
Short term investments	14	1,761,473	7,103,146
Cash and bank balances	15	7,128,637	9,556,766
		20,950,069	29,422,570
		78,045,326	86,518,658
EQUITY & LIABILITIES			
Share capital and reserves			
Share capital and reserves	16	46,092,320	46,092,320
Accumulated Gain / (loss)		4,642,106	4,301,691
Share Deposit Money			4,000,000
Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI		22,638,138	22,638,138
Total equity		73,372,565	77,032,149
Current liabilities			
Trade and other payables	17	4,672,762	8,904,248
Provision for taxation			582,261
		4,672,762	9,486,509
Contingencies and commitments			
		78,045,326	86,518,658

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


 Chief Executive Officer


 Director

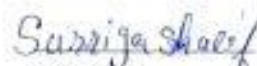
PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED**Statement of Profit or Loss****For the Three Month Period ended March 31, 2023**

		31-Mar-23	31-Mar-22
		(Unaudited)	(Unaudited)
	Note	Rupees	Rupees
Operating revenue	18	679,266	1,456,224
Gain/(loss) on sale of short term investments		94,545	-
Unrealized gain/(loss) on remeasurement of investments classified at FVTPL		(235,221)	153,069
		<u>538,590</u>	<u>1,609,293</u>
Operating and administrative expenses	19	(1,587,312)	(2,510,223)
Operating Profit		(1,048,722)	(900,930)
Financial charges	20	-	(1,500)
Other income	21	167,369	85,927
Profit before taxation		(881,354)	(816,503)
Taxation Expense		-	-
Profit after taxation		(881,354)	(816,503)
Earning per share - basic	23	-0.19	-0.18

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


Chief Executive Officer




Director

PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

Statement of Other Comprehensive Income

For the Three Month Period ended March 31, 2023

	Note	31-Mar-23 (Unaudited) Rupees	31-Mar-22 (Unaudited) Rupees
Profit after taxation		(881,354)	(816,503)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Investments at fair value through other comprehensive income			
Fair value Gain/(Loss) arised during the period			
Total comprehensive income for the half year		<u>-881,354</u>	<u>-816,503</u>

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


Chief Executive Officer




Director

PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

Statement of Changes in Equity

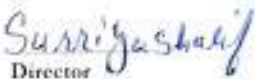
For the Three Month Period ended March 31, 2023

	Revenue reserve	Capital reserve			
Issued, subscribed and paid-up capital	Accumulated profit / (loss)	Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI	Share deposit money	Total	
.....Rupees.....					
Balance as at June 30, 2022	46,092,320	4,301,691	22,638,138	4,000,000	77,032,149
Total comprehensive income for the first six month					
Profit / (loss) for the first six months	1,221,769	-	-	-	1,221,769
Other comprehensive income	-	-	-	-	-
	1,221,769	-	-	-	1,221,769
Amount paid/ received for issue of shares	-	-	(4,000,000)	(4,000,000)	(4,000,000)
	-	-	(4,000,000)	(4,000,000)	(4,000,000)
Balance as at December 31, 2022	46,092,320	5,523,460	22,638,138	-	74,253,918
Total comprehensive income for the Quarter					
Profit / (loss) for the quarter	(881,354)	-	-	-	(881,354)
Other comprehensive income	-	-	-	-	-
	(881,354)	-	-	-	(881,354)
Amount paid/ received for issue of shares	-	-	-	-	-
	-	-	-	-	-
Balance as at March 31, 2023	46,092,320	4,642,106	22,638,138	-	73,372,564

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


Chief Executive Officer




Director

PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

Statement of Cash Flows

For the Three Month Period ended March 31, 2023

	31-Mar-23	30-Jun-22
	For the Quarter	For the year
	(Unaudited)	(Audited)
Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(881,354)	(816,503)
Adjustments:		
Depreciation and impairment	6,192	22,094
Dividend income	(177,240)	(315,800)
Provision for / (reversal of provision for) doubtful debts	12,018	1,179,044
Realized loss / (gain) on sale of investments	(94,545)	-
Unrealized loss / (gain) on short-term investments	235,221	(153,069)
	(18,354)	732,269
Operating profit before working capital changes	(899,708)	(84,234)
(Increase)/decrease in current assets		
Trade debts - net	(863,402)	(8,733,087)
Trade deposits, prepayments and other receivables	546,935	7,350,488
Other receivables	(0)	1,867,307
Loans and advances	(149,400)	(762,500)
Increase/(decrease) in current liabilities		
Trade and other payables	(3,111,753)	(10,797,516)
	(3,577,620)	(11,075,310)
Cash generated from / (used in) operations	(4,477,328)	(11,159,544)
Proceeds from net sales of / (acquisition of) short-term investments	286,690	1,110,470
Dividend received	177,240	3,153,162
Taxes paid	(42,283)	(1,062,256)
	421,647	3,201,376
Net cash from operating activities	(4,055,681)	(7,958,168)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of computer equipment	-	(12,000)
Net cash generated from / (used in) investing activities	-	(12,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share deposit money received	-	-
Net cash generated from / (used in) financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	(4,055,681)	(7,970,168)
Cash and cash equivalents at the beginning of the period	11,184,317	17,139,364
Cash and cash equivalents at the end of the period	7,128,637	9,169,196

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


Chief Executive Officer




Director

PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Three Month Period ended March 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

Progressive Investment Management (Private) Limited (the "Company") was incorporated in Pakistan on June, 1994 as a private limited company, limited by shares, under the Companies Ordinance, 1984 (now the Companies Act, 2017). The Company's registered office is situated at G-9 (C), Mezzanine Floor Islamabad Stock Exchange Towers. The Company is a holder of Trading Rights Entitlement Certificate ("TREC") of Pakistan Stock Exchange Limited. The Company is principally engaged in the business of investment advisory, purchase and sale of securities, financial consultancy, brokerage, underwriting, portfolio management and securities research.

2 ACCOUNTING CONVENTION AND BASIS FOR PREPARATION

2.1 Statement of compliance

These condensed 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:

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provision of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual audited financial statements for the year ended 31 December 2021.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements as at and for the year ended 30 June 2022.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements as at and for the year ended 30 June 2022.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements as at and for the year ended 30 June 2022.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements as at and for the year ended 30 June 2022.

PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the Quarter ended March 31, 2023

5. PROPERTY AND EQUIPMENT

Particulars	2022				2021				Rate of Depreciation %age
	As at 1 Jan 2023	Additions	Cost	Depreciable	As at 31 Mar 2023	As at 1 Jan 2023	Disposals	Accumulated Depreciation For the Qtr	
Office Equipment	164,170				164,170	145,714		461	10
Computer Equipment	447,205				447,205	391,822		4,154	30
Furniture and fixtures	354,500				354,500	324,141		759	10
Office renovation	758,521				758,521	745,436		818	25
	1,724,396	-	-	-	1,724,396	1,607,113	-	6,192	
						1,613,307			

PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the Three Month Period ended March 31, 2023

6 INTANGIBLE ASSETS

Trading Rights Entitlement Certificate ("TREC")

Note	31-Mar-23 (Unaudited) Rupees	30-Jun-22 (Audited) Rupees
6.1	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>

- 6.1** Pursuant to the Stock Exchange (Corporatization, Demutualization and Integration) Act, 2012, stock exchanges operating as guarantee limited companies were converted to public limited companies. Ownership rights in exchanges were segregated from the right to trade on an exchange. As a result of such demutualization and corporatization, the Company received shares of the relevant exchange and a Trading Rights Entitlement Certificate ("TREC") against its membership card.

The TREC has been recorded as an indefinite-life intangible asset pursuant to the provisions and requirements of LAS 38. As the TREC is not a commonly tradable instrument, the value approved by the Board of Directors of the Pakistan Stock Exchange Limited ("PSX") post-mutualization was used as the initial value of the intangible. The TREC, which has been pledged with the PSX to meet Base Minimum Capital ("BMC") requirements, is assessed for impairment in accordance with relevant approved accounting standards.

Vide its notice dated November 10, 2017, the PSX revised the notional value of the TREC to PKR 2.5 million. As a result, the Company recognized an impairment loss on the TREC in the amount of PKR 1.5 million in fiscal year 2018. Since then there is no change in the notional value of the TREC Certificate till 30 June 2022.

7 LONG-TERM INVESTMENTS

Investments at fair value through OCI

ISE REIT Management Company Limited (unquoted) - at fair value

Adjustment for remeasurement to fair value

Note	31-Mar-23 (Unaudited) Rupees	30-Jun-22 (Audited) Rupees
7.1	52,984,168	50,890,292
	-	2,093,876
	<u>52,984,168</u>	<u>52,984,168</u>

- 7.1** As a result of the demutualization and corporatization of stock exchanges as detailed in note 6.1, the Company received 3,034,603 shares at Rs.10 each share, of ISE Towers REIT Management Limited. Of these, 60% (1,820,762 shares) were held in a separate Central Depository Company Limited ("CDC") sub-account, blocked until they are sold to strategic investors, financial institutions and/or the general public. The remaining shares (40% of total, or 1,213,841 shares) were allotted to the Company.

These shares are neither listed on any exchange nor are they actively traded. As a result, fair value has been estimated by reference to the latest break-up value of Rs. 17.46 according to audited financial statements of ISE REIT Management Company Limited for the year ended June 30, 2022 (2021: Rs. 16.77) or net asset value per share of these shares notified by ISE Towers REIT Management Limited.

8 LONG-TERM DEPOSITS

Central Depository Company Limited

National Clearing Company of Pakistan Limited

31-Mar-23 (Unaudited) Rupees	30-Jun-22 (Audited) Rupees
100,000	100,000
1,400,000	1,400,000
<u>1,500,000</u>	<u>1,500,000</u>

PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the Three Month Period ended March 31, 2023

	Note	31-Mar-23 (Unaudited) Rupees	30-Jun-22 (Audited) Rupees
9 TRADE DEBTS			
Considered good - unsecured		8,974,189	10,809,720
Less: Allowance for ECL on trade debts	9.1	(305,947)	(1,812,497)
		<u>8,668,242</u>	<u>8,997,223</u>
10 TRADE DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES			
Margin deposits-Ready Market		310,000	175,000
Other deposits-ISE REIT Management Co. Ltd		120,960	120,960
Margin Deposit- NCSS futures and other receivables		1,239,700	1,739,940
		<u>1,670,660</u>	<u>2,035,900</u>
11 OTHER RECEIVABLES			
Receivable from NCCPL		-	1,867,307
		<u>-</u>	<u>1,867,307</u>
12 LOANS AND ADVANCES			
Loan to employees		935,700	762,500
		<u>935,700</u>	<u>762,500</u>
13 INCOME TAX REFUNDABLE			
Opening balance (as at July 1 2022)		967,035	883,844
Add: Current year additions		(181,677)	524,067
		<u>785,358</u>	<u>1,407,911</u>
Less: Adjustment against provision for taxation		-	(440,876)
Balance at the end of the year		<u>785,358</u>	<u>967,035</u>
14 SHORT TERM INVESTMENTS			
Investments at fair value through profit or loss			
Investments in listed securities			
Cost		1,996,694	6,876,520
Fair value adjustment		(235,221)	226,626
		<u>1,761,473</u>	<u>7,103,146</u>
15 CASH AND BANK BALANCES			
Cash in hand		831,578	6,876,520
Cash at bank			
Current accounts	15.1	6,297,059	226,626
		<u>7,128,637</u>	<u>7,103,146</u>
16 SHARE CAPITAL AND RESERVES			
16.1 Authorized capital			
5,000,000 (2022: 5,000,000) ordinary shares of PKR 10 each.		<u>50,000,000</u>	<u>50,000,000</u>
16.2 Issued, subscribed and paid-up share capital			
4,609,232 (2022: 4,609,232) ordinary shares of PKR 10/- each, issued for cash		<u>46,092,320</u>	<u>46,092,320</u>
		<u>46,092,320</u>	<u>46,092,320</u>

PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the Three Month Period ended March 31, 2023

17 TRADE AND OTHER PAYABLES

	31-Mar-23 (Unaudited) Rupees	30-Jun-22 (Audited) Rupees
Trade creditors	17.1 4,461,761	7,468,937
Accrued expenses and other payables	12,728	1,052,259
Auditor's remuneration payable	7,500	34,176
NCCS future payable	-	137,500
NCCPL DFC payable	106,861	125,140
Other payable	83,912	86,236
	4,672,762	8,904,248

18 OPERATING REVENUE

	31-Mar-23 (Unaudited) Rupees	30-Jun-22 (Audited) Rupees
Brokerage income	502,026	1,140,424
Dividend income	177,240	315,800
	679,266	1,456,224

19 OPERATING & ADMINISTRATIVE EXPENSES

Staff salaries, allowances and other benefits	643,800	351,000
Directors' remuneration	100,000	200,000
Communication expense	68,311	68,126
Postage and courier charges	6,665	4,618
Entertainment	77,556	54,150
Printing and stationery	26,350	24,270
Rent	357,722	307,520
CDL trading charges	9,976	19,730
NCCPL trading charges	95,887	108,958
Provision for / (reversal) of provision for doubtful debts	12,018	1,179,044
PSX trading charges	77,310	90,253
Fee and subscription	-	-
Legal and professional charges	79,065	54,000
Auditor's remuneration	19.1 -	-
Accounting Software Maintenance Charges	26,460	26,460
Depreciation	5 6,192	22,094
	1,587,312	2,510,223

20 FINANCIAL CHARGES

Bank and other charges	-	1,500
	-	1,500

21 OTHER INCOME / LOSSES

Profit on NCCPL Deposits	28,902	85,264
Profit on Bank Deposits	138,467	663
	167,369	85,927

PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Three Month Period ended March 31, 2023

22 RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of shareholders/ directors, key management personnel, entities with common shareholding, entities over which the directors are able to exercise influence and entities under common directorship. Transactions with related parties and the balances outstanding at year end are disclosed in the respective notes to the financial statements.

23 EVENTS AFTER REPORTING PERIOD

No events occurred after the reporting period that would require adjustment or disclosure in the financial statements.

24 NUMBER OF EMPLOYEES

Total number of employees at the end of period was 5 (2022: 5). Average number of employees was 5 (2022: 5).

25 RE-CLASSIFICATION AND RE-ARRANGEMENTS

Corresponding figures have been reclassified and re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison, and in order to improve compliance with disclosure requirements.

26 CAPITAL ADEQUACY

Total Assets

26.1

Less: Total Liabilities

Less: Revaluation Reserves (created upon revaluation of fixed assets)

Capital Adequacy Level

Rupees

78,045,326

4,672,762

73,372,564


Chief Executive




Director