

**PROGRESSIVE INVESTMENT MANAGEMENT  
(PRIVATE) LIMITED**

**Financial Statements**

**For the Half Year Ended 31 December 2024**

# PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

## Statement of Financial Position

As at 31 December 2024

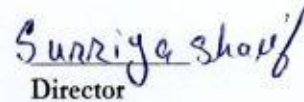
	Note	Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	4	70,185	77,427
Intangible assets	5	2,500,000	2,500,000
Long term investments	6	63,969,431	63,969,431
Long term deposits	7	1,500,000	1,500,000
		<b>68,039,616</b>	<b>68,046,858</b>
<b>Current assets</b>			
Trade debts	8	4,360,734	4,410,412
Trade deposits, prepayments and other receivables	9	29,573,922	15,120,210
Loans and advances	10	1,637,090	982,090
Income tax refundable	11	847,623	1,247,397
Short term investments	12	711,750	496,505
Cash and bank balances	13	16,847,973	14,886,042
		<b>53,979,092</b>	<b>37,142,656</b>
		<b>122,018,708</b>	<b>105,189,514</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Share capital and reserves</b>			
Issued, subscribed and paid-up capital	14	46,092,320	46,092,320
Accumulated Gain / (loss)		6,239,965	3,419,043
Share Deposit Money		-	-
Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI		33,623,401	33,623,401
<b>Total equity</b>		<b>85,955,686</b>	<b>83,134,764</b>
<b>Deferred Liabilities</b>			
	15	-	-
<b>Current liabilities</b>			
Trade and other payables	16	36,063,022	21,316,876
Provision for taxation	17	-	737,874
		<b>36,063,022</b>	<b>22,054,750</b>
<b>Contingencies and commitments</b>			
	18	-	-
		<b>122,018,707</b>	<b>105,189,514</b>

(1)

The annexed notes from 1 to 27 form an integral part of these financial statements.

  
Chief Executive Officer



  
Director

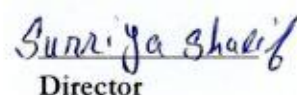
**PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED****Statement of Profit or Loss****For the Half Year Ended December 31, 2024**

		<b>Unaudited 31-Dec-24 Rupees</b>	<b>Audited 30-Jun-24 Rupees</b>
	<b>Note</b>		
Operating revenue	19	7,056,977	10,319,441
Gain/(loss) on sale of short term investments		159,027	419,050
Unrealized gain/(loss) on remeasurement of investments classified at FVTPL		(17,255)	20,190
		<b>7,198,749</b>	<b>10,758,681</b>
Operating and administrative expenses	20	(4,745,610)	(10,091,284)
<b>Operating Profit / (loss)</b>		<b>2,453,139</b>	<b>667,397</b>
Financial charges	21	(50)	(1,790)
Other income	22	367,832	1,217,597
<b>Profit/(Loss) before levies and taxation</b>		<b>2,820,922</b>	<b>1,883,204</b>
Levies	23	-	(86,683)
<b>Profit/ (Loss) before taxation</b>		<b>2,820,922</b>	<b>1,796,521</b>
Taxation	23	-	(651,191)
<b>Profit/(Loss) after taxation</b>		<b>2,820,922</b>	<b>1,145,330</b>
<b>Earning / (loss) per share - basic</b>	24	<b>0.61</b>	<b>0.25</b>

*The annexed notes from 1 to 27 form an integral part of these financial statements.*

  
Chief Executive Officer



  
Director

# PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

## Statement of Other Comprehensive Income

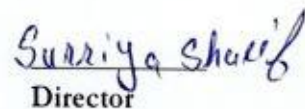
For the Half Year Ended December 31, 2024

	Note	Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
Profit / (loss) after taxation		2,820,922	1,145,330
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Investments at fair value through other comprehensive income			
Fair value Gain/(Loss) arised during the period		-	1,699,377
<b>Total comprehensive income for the year</b>		<u>2,820,922</u>	<u>2,844,707</u>

*The annexed notes from 1 to 27 form an integral part of these financial statements.*

  
Chief Executive Officer



  
Director



# PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

## Statement of Cash Flows

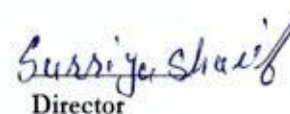
For the Half Year Ended December 31, 2024

	Note	Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) before levies and taxation		2,820,922	1,883,204
<b>Adjustments:</b>			
Depreciation and impairment		7,242	19,170
Amortization		-	-
Dividend income		(1,972,993)	(4,341,272)
Provision for doubtful debts		-	1,628,975
Realized (gain)/ loss on sale of investments		(159,027)	(419,050)
Unrealized (gain)/ loss on short-term investments		17,255	(20,190)
		<b>(2,107,523)</b>	<b>(3,132,367)</b>
<b>Operating loss before working capital changes</b>		<b>713,399</b>	<b>(1,249,163)</b>
<b>(Increase)/decrease in current assets</b>			
Trade debts		49,678	(1,094,551)
Trade deposits, prepayments and other receivables		(14,453,712)	(13,218,050)
Other receivables		-	-
Loans and advances		(655,000)	42,410
<b>Increase/(decrease) in current liabilities</b>			
Trade and other payables		14,746,146	15,502,493
		<b>(312,888)</b>	<b>1,232,302</b>
<b>Cash used in operations</b>		<b>400,511</b>	<b>(16,861)</b>
Proceeds from net sales of / (acquisition of) short-term investments		(73,473)	1,407,791
Dividend received		1,972,993	4,341,272
Taxes paid		(338,099)	(822,075)
		<b>1,561,421</b>	<b>4,926,988</b>
<b>Net cash generated from operating activities</b>		<b>1,961,931</b>	<b>4,910,127</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of computer equipment		-	-
Decrease / (increase) in long-term deposits		-	-
<b>Net cash generated from / (used in) investing activities</b>		<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Share deposit money received / (repaid)		-	-
<b>Net cash generated from / (used in) financing activities</b>		<b>-</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>1,961,931</b>	<b>4,910,127</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>14,886,042</b>	<b>9,975,915</b>
<b>Cash and cash equivalents at the end of the period</b>	13	<b>16,847,973</b>	<b>14,886,042</b>

The annexed notes from 1 to 27 form an integral part of these financial statements.

  
Chief Executive Officer



  
Director

# PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the Half Year Ended December 31, 2024

### 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 financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards ("IFRS" or "IFRSs") issued by the International Accounting Standards Board ("IASB") as are notified under the Companies Act, 2017, provisions of or directives issued under the Companies Act, 2017, and relevant provisions of the Securities Brokers (Licensing and Operations) Regulations 2016 (the "Regulations"). In case requirements differ, the provisions or directives of the Companies Act, 2017 and/or the Regulations shall prevail.

#### 2.2 Basis of measurement

These 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 at fair value through other comprehensive income), which are carried at fair value;
- Investments in unquoted equities, measured at fair value through other comprehensive income;
- 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 Standards, interpretations and amendments to the approved accounting standards

2.3.1 There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2023. However, these do not have any significant impact on the Company's financial statements except as disclosed in note 3 to these financial statements.

#### 2.3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

	Effective date (annual reporting periods beginning on or after)
IAS 1 Presentation of Financial Statements (Amendments)	01-Jan-24
IAS 7 Statement of Cash Flows (Amendments)	01-Jan-24
IFRS 16 Leases (Amendments)	01-Jan-24
IAS 21 The Effects of changes in Foreign Exchange Rates	01-Jan-25
IFRS 7 Financial Instruments: Disclosures (Amendments)	01-Jan-26
IFRS 17 Insurance Contracts	01-Jan-26
IFRS 9 Financial Instruments – Classification and Measurement of Financial Instruments (Amendments)	01-Jan-26

2.3.3 The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements

2.3.4 Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at 30 June 2024:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRIC 12	Service Concession Arrangement
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

# PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the Half Year Ended December 31, 2024

### 2.4 Accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are continually evaluated and are based on historical experience as well as expectations of future events and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Company's financial statements, are as follows:

- (i) Estimates of useful lives and residual values of items of property, plant and equipment;
- (ii) Estimates of useful lives of intangible assets;
- (iii) Allowance for credit losses;
- (iv) Fair values of unquoted equity investments;
- (v) Classification, recognition, measurement / valuation of financial instruments; and
- (vi) Provision for taxation

### 3 MATERIAL ACCOUNTING POLICY INFORMATION

Significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented;

#### 3.1 Financial assets and liabilities

##### Financial assets

The Company classifies its financial assets at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flow represents solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in statement of profit or loss.

##### Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income or assets that are designated a fair value through profit or loss using fair value option, are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in statement of profit or loss in the period in which it arises.

Equity instrument financial assets are measured at fair value and subsequent to initial recognition changes in fair value of these financial assets are normally recognised in statement of profit or loss. Dividends from such investments continue to be recognised in statement of profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the statement of profit or loss for the period in which it arises.

##### Derecognition

Financial assets are derecognized when the Company loses control of the contractual rights that comprise the financial asset. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

##### Financial Liabilities

Financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed on profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

# PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the Half Year Ended December 31, 2024

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in profit or loss.

### 3.2 Impairment

#### Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The Company applies the simplified approach to recognise lifetime expected credit losses for trade debts, due from customers and contract assets. The Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### Non-Financial Assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognized as an expense in the profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### 3.3 Property and equipment

Items of property and equipment are stated at cost less accumulated depreciation (if any) and impairment losses (if any). Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Where such subsequent costs are incurred to replace parts and are capitalized, the carrying amount of replaced parts is derecognized. All other repair and maintenance expenditures are charged to profit or loss during the year in which they are incurred.

Depreciation on all items of property and equipment is calculated using the reducing balance method, in accordance with the rates specified in note 5 to these financial statements and after taking into account residual value, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged on an asset from when the asset is available for use until the asset is disposed of.

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on asset derecognition (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss account in the year in which the asset is derecognized.

### 3.4 Intangible assets

Intangible assets with indefinite useful lives, including Trading Right Entitlement Certificate ("TREC"), are stated at cost less accumulated impairment losses, if any. An intangible asset is considered as having an indefinite useful life when, based on an analysis of all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortized. However, it is tested for impairment at each balance sheet date or whenever there is an indication that the asset may be impaired. Gains or losses on disposal of intangible assets, if any, are recognized in the statement of profit or loss account during the year in which the assets are disposed of.

### 3.5 Investment property

Property that is held for long-term rental yields or for capital appreciation or for both (but not for sale in the ordinary course of business), used in the supply of services or for administrative purposes is classified as investment property. Investment property is initially measured at its cost, including related transaction costs and borrowing costs, if any.

**PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Half Year Ended December 31, 2024**

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

For the purpose of subsequent measurement, the Company determines with sufficient regularity the fair value of the items of investment property based on available active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Valuations wherever needed are performed as of the reporting date by professional valuers who hold recognized and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property. Changes in fair values are recognized in the profit and loss account.

**3.6 Offsetting of financial assets and liabilities**

Financial assets and liabilities are offset (and the net amount is reported in the financial statements) when the Company has a legally enforceable right to offset the recognized amounts and the Company intends to either settle on a net basis or to realize the assets and settle the liabilities simultaneously. When financial assets and financial liabilities are offset in the statement of financial position, the related income and expense items are also offset in the statement of income, unless specifically prohibited by an applicable accounting standard.

**3.7 Investment in associates**

Associates are all entities over which the Company has significant influence but not control. Investments in associates where the Company has significant influence are accounted for using the equity method of accounting. Under the equity method of accounting, investments in associates are initially recognized at cost and the carrying amount of investment is increased or decreased to recognize the Company's share of the associate's post-acquisition profits or losses in income, and its share of the post-acquisition movement in reserves is recognized in other comprehensive income.

**3.8 Taxation**

**Current**

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using rates enacted or substantively enacted at the reporting date, and takes into account tax credits, exemptions and rebates available, if any. The charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessments framed / finalized during the year.

**Deferred**

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering the enacted tax rate.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences and carried forward unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are measured at enacted tax rate that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

**Levy**

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/IAS 37.

# PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the Half Year Ended December 31, 2024

### 3.9 Cash and cash equivalents

Cash and cash equivalents are carried at cost and include cash in hand, balances with banks in current and deposit accounts, stamps in hand, other short-term highly liquid investments with original maturities of less than three months and short-term running finances.

### 3.10 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost using the effective interest method. They are classified as current if payment is due within twelve months of the reporting date, and as non-current otherwise.

### 3.11 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. The amount recognized represents the best estimate of the expenditure required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

### 3.12 Borrowings

These are recorded at the proceeds received. Finance costs are accounted for on accrual basis and are disclosed as accrued interest / mark-up to the extent of the amount unpaid at the reporting date.

### 3.13 Borrowing costs

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of the relevant asset.

### 3.14 Fiduciary assets

Assets held in trust or in a fiduciary capacity by the Company are not treated as assets of the Company.

### 3.15 Trade and settlement date accounting

All "regular way" purchases and sales of listed securities are recognized on the trade date, i.e. the date that the Company commits to purchase/ sell the asset. Regular way purchase or sale of financial assets are those, the contract for which requires delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

### 3.16 Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses. Revenue is recognized on the following basis:

- Brokerage and commission income is recognized when brokerage services are rendered.
- Dividend income is recognized when the right to receive the dividend is established.
- Return on deposits is recognized using the effective interest method.
- Income on fixed term investments is recognized using the effective interest method.
- Gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which they arise.
  
- Unrealized capital gains / (losses) arising from marking to market financial assets are included in profit and loss (for assets measured at FVTPL) or OCI (for assets measured at FVOCI) during the period in which they arise.

### 3.17 Foreign currency transactions

Monetary assets and liabilities in foreign currencies are translated into functional currency at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are translated into functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in income.

### 3.18 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency.

# PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the Half Year Ended December 31, 2024

### 3.19 Derivative financial instruments

Derivative financial instruments are recognized at their fair value on the date on which a derivative contract is entered into. Subsequently, any changes in fair values arising on marking to market of these instruments are taken to the profit and loss account.

### 3.20 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted and recorded at rates that are not less than market.

### 3.21 Capital Management

The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors monitors the return on capital and level of dividends to ordinary shareholders. The company seeks to keep a balance between the higher return that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position. There were no changes in the company's approach to capital management during the year. Further the company is not subject to externally imposed capital requirements.

**PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Half Year ended December 31, 2024

**4 PROPERTY AND EQUIPMENT**

Particulars	2024				Accumulated Depreciation		Net Book Value as at 31 December 2024	Rate of Depreciation	
	Cost		Disposals		As at 31 December 2024	As at 31 December 2024		%	%
	As at 1 July 2024	Additions	As at 31 December 2024	Disposals			For the Period		
Office Equipment	164,170	-	164,170	-	787	149,221	14,949	10	
Computer Equipment	447,206	-	447,206	-	4,110	423,919	23,287	30	
Furniture and fixtures	354,500	-	354,500	-	1,294	329,911	24,589	10	
Office renovation	758,521	-	758,521	-	1,051	751,161	7,360	25	
	1,724,397	-	1,724,397	-	7,242	1,654,212	70,185		

Particulars	2023				Accumulated Depreciation		Net Book Value as at 30 June 2024	Rate of Depreciation	
	Cost		Disposals		As at 30 June 2024	As at 30 June 2024		%	%
	As at 1 July 2023	Additions	As at 30 June 2024	Disposals			For the year		
Office Equipment	164,170	-	164,170	-	1,748	148,434	15,736	10	
Computer Equipment	437,406	-	447,206	-	11,742	419,809	27,397	30	
Furniture and fixtures	354,500	-	354,500	-	2,876	328,617	25,883	10	
Office renovation	758,521	-	758,521	-	2,804	750,110	8,411	25	
	1,714,597	-	1,724,397	-	19,170	1,646,970	77,427		

**PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**5 INTANGIBLE ASSETS**

Trading Rights Entitlement Certificate ("TREC")  
Back office software  
  
Impairment

Note	Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
5.1	2,500,000	2,500,000
	-	-
	2,500,000	2,500,000
	-	-
	<b>2,500,000</b>	<b>2,500,000</b>

- 5.1** 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 IAS 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 Ref no. PSX/N-7178, 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 31 December 2024.

**6 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	Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
6.1	63,969,431	62,270,054
	-	1,699,377
	<b>63,969,431</b>	<b>63,969,431</b>

- 6.1** 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. 21.08 according to audited financial statements of ISE REIT Management Company Limited for the year ended June 30, 2024 (2023: Rs. 20.52) or net asset value per share of these shares notified by ISE Towers REIT Management Limited.

Out of total shares 2,847,650 shares are pledged with Pakistan Stock Exchange for the purpose of Base Minimum Capital (BMC) requirement. Fair value of the shares pledged as at 30th June, 2024 is Rs 60,028,462

**7 LONG-TERM DEPOSITS**

Central Depository Company Limited  
National Clearing Company of Pakistan Limited

Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
100,000	100,000
1,400,000	1,400,000
<b>1,500,000</b>	<b>1,500,000</b>

**PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED**  
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	Note	Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
<b>8 TRADE DEBTS</b>			
Considered good - unsecured		6,295,656	6,345,334
Less: Allowance for ECL on trade debts	8.1	(1,934,922)	(1,934,922)
		<u>4,360,734</u>	<u>4,410,412</u>
<b>8.1 Allowance for ECL on trade debts:</b>			
Opening balance (as at July 1)		1,934,922	305,947
Charged to profit or loss during the year		-	1,628,975
		<u>1,934,922</u>	<u>1,934,922</u>
Allowance increased/(reversed) during the year		-	-
Bad debts written off during the year		-	-
Closing balance (as at June 30)		<u>1,934,922</u>	<u>1,934,922</u>
<b>8.2 Trade debts include due from related party as follows:</b>			
Sara Sharif Zaman		243,183	66,302
Surriya Sharif		373,805	10,085
		<u>616,988</u>	<u>76,387</u>
Less: Allowance for ECL		-	-
		<u>616,988</u>	<u>76,387</u>
<b>9 TRADE DEPOSITS, PREPAYMENTS &amp; OTHER RECEIVABLES</b>			
Margin deposits-Ready Market		7,150,000	2,630,000
Other deposits-ISE REIT Management Co. Ltd		120,960	120,960
Receivable from NCCPL		17,161,977	9,498,731
Margin Deposit- NCSS futures and other receivables		5,140,985	2,870,519
		<u>29,573,922</u>	<u>15,120,210</u>
<b>10 LOANS AND ADVANCES</b>			
Loan to employees		1,637,090	1,024,500
		<u>1,637,090</u>	<u>1,024,500</u>

**PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED**  
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	Note	Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
<b>11 INCOME TAX REFUNDABLE</b>			
Opening balance		1,247,397	813,170
Add: Current year additions		338,100	822,076
		<b>1,585,497</b>	<b>1,635,246</b>
Less: Adjustment against provision for taxation		(737,874)	(387,849)
Balance at the end of the year		<b>847,623</b>	<b>1,247,397</b>
<b>12 SHORT TERM INVESTMENTS</b>			
<b>Investments at fair value through profit or loss</b>			
Investments in listed securities			
Cost		729,005	57,266
Fair value adjustment		(17,255)	439,239
		<b>711,750</b>	<b>496,505</b>
		<b>Market Values</b>	
Artistic Denim: 500 (June 2024: 500) Shares		24,120	23,325
Engro Powergen Qadirpur Limited 25,000 shares		668,000	-
Javed Omer Vohra & Co. Limited 1,000 shares		-	-
Pervez Ahmed Consultancy Services Limited: 13,000 (June 2024: 13,000)		19,630	24,830
Pakistan Stock Exchange Limited: Nil (June 2024: 30,000 Shares)		-	448,350
		<b>711,750</b>	<b>496,505</b>
<b>13 CASH AND BANK BALANCES</b>			
Cash in hand		989,001	945,974
<b>Cash at bank</b>			
Saving accounts	13.1	2,138,497	5,329,659
Current accounts	13.2	13,720,475	8,610,409
		<b>16,847,973</b>	<b>14,886,042</b>
<b>14 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>			
<b>14.1 Authorized capital</b>			
5,000,000 (June 2024: 5,000,000) ordinary shares of PKR 10 each.		<b>50,000,000</b>	<b>50,000,000</b>
<b>14.2 Issued, subscribed and paid-up share capital</b>			
4,609,232 (June 2024: 4,609,232) ordinary shares of PKR 10/- each, issued for cash		46,092,320	46,092,320
		<b>46,092,320</b>	<b>46,092,320</b>
<b>14.3 Shareholders holding 5% or more of total shareholding</b>			
		<b>Number of Shares</b>	<b>Percentage</b>
		2024	2023
Mr. Muhammad Sharif		2,193,232	2,193,232
Mrs. Suraiya Sharif		844,000	844,000
Mr. Ahmed Sharif		844,000	844,000
Ms. Sara Sharif		364,000	364,000
Mrs. Sadia Sharif		364,000	364,000
		<b>48%</b>	<b>48%</b>
		<b>18%</b>	<b>18%</b>
		<b>18%</b>	<b>18%</b>
		<b>8%</b>	<b>8%</b>
		<b>8%</b>	<b>8%</b>
<b>14.4</b>			
The shareholders' are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the company. All shares carry "one vote" per share without restriction. There is no movement in share capital during the year.			

**PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**15 DEFERRED LIABILITIES**

**15.1 Deferred Taxation**

Deferred tax liabilities / (assets) arising due to taxable /(deductible) temporary differences are as follows:

	Note	Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
<b>Taxable temporary differences (deferred tax liabilities):</b>			
Accelerated tax depreciation		6,284	6,284
Short term investments		-	-
<b>Deductible temporary differences (deferred tax assets):</b>			
ECL on Trade debts		(561,127)	(561,127)
Minimum taxes, tax credit and carry forward taxes		(292,638)	(292,638)
Short term investments		12,472	12,472
Brought forward tax losses		(3,130,800)	(3,130,800)
		<b>(3,965,809)</b>	<b>(3,965,809)</b>

**16.1.1** As at December 30, 2024, deferred tax asset amounting to Rs. 3,965,809 (June 30, 2024: Rs. 3,965,809 has not been recognized in these financial statements as the Company does not foresee sufficient taxable profits in future.

	Note	Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
<b>16 TRADE AND OTHER PAYABLES</b>			
Trade creditors	16.1	35,513,525	20,632,483
Accrued expenses and other payables		65,302	64,131
Auditor's remuneration payable		-	162,750
NCSS future payable		-	198,415
NCCPL DFC payable		237,670	199,897
Other payable		246,525	59,200
		<b>36,063,022</b>	<b>21,316,876</b>

**16.1** This includes PKR 1,852,033 (June 2024: PKR 1,184,468) due to related parties.

**17 PROVISION FOR TAXATION**

Balance at the beginning of the year	737,874	387,849
Add: current year provision	-	737,874
	<b>737,874</b>	<b>1,125,723</b>
Less: Paid/Adjustment against advance tax	(737,874)	(387,849)
Balance at the end of the year	<b>-</b>	<b>737,874</b>

**PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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	<b>Unaudited Half Yearly 31-Dec-24 Rupees</b>	<b>Audited Annual 30-Jun-24 Rupees</b>
<b>18 CONTINGENCIES AND COMMITMENTS</b>		
<b>18.1 Commitments</b>		
For purchase of shares	-	2,353,363
For sale of shares	16,315,667	11,783,759
<b>19 OPERATING REVENUE</b>		
Brokerage income	5,874,925	6,934,679
Dividend income	1,972,993	4,341,272
Sales tax on services	(790,941)	(956,510)
	<b>7,056,977</b>	<b>10,319,441</b>
<b>20 OPERATING &amp; ADMINISTRATIVE EXPENSES</b>		
Staff salaries, allowances and other benefits	2,028,713	3,522,038
Directors' remuneration	300,000	666,000
Communication expense	187,261	301,053
Postage and courier charges	20,166	53,124
Entertainment	150,560	272,289
Printing and stationery	85,140	110,594
Rent	781,711	1,523,006
CDC trading charges	31,590	130,527
NCCPL trading charges	390,134	418,444
Provision for doubtful debts	-	1,628,975
PSX trading charges	504,831	505,746
Fee and subscription	50,000	175,025
Legal and professional charges	145,263	467,418
Auditor's remuneration	-	203,375
Accounting Software Maintenance Charges	63,000	94,500
Depreciation	7,242	19,170
	<b>4,745,610</b>	<b>10,091,284</b>
<b>20.1 Auditor's remuneration</b>		
Statutory audit	-	162,750
Certifications and other charges	-	40,625
	<b>-</b>	<b>203,375</b>
<b>21 FINANCIAL CHARGES</b>		
Bank and other charges	50	1,790
	<b>50</b>	<b>1,790</b>
<b>22 OTHER INCOME</b>		
Profit on NCCPL Deposits	173,064	409,776
Profit on bank deposit	194,769	793,208
Sundry / miscellaneous income	-	14,613
	<b>367,832</b>	<b>1,217,597</b>

**PROGRESSIVE INVESTMENT MANAGEMENT (PVT.) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**23 LEVIES AND TAXATION**

	Note	Unaudited 31-Dec-24 Rupees	Audited 30-Jun-24 Rupees
Levies	23.1	-	86,683
Taxation	23.2	-	651,191
		-	737,874
<b>23.1 Levies</b>		-	86,683
<b>23.2 Taxation</b>			
Current tax expense / (income)			
-Current year taxation		-	651,191
		-	651,191
<b>23.3</b> Reconciliation of applicable rate and effective rate of tax has not been made due to the application of minimum tax u/s 113 in current year.			

**24 EARNINGS / (LOSS) PER SHARE-BASIC**

Basic earning per share is calculated by dividing profit after tax for the year by the weighted average number of shares outstanding during the period, as follows:

	Note	Unaudited Half Yearly 31-Dec-24 Rupees	Audited Annual 30-Jun-24 Rupees
Profit / (loss) after taxation, attributable to ordinary shareholders		2,820,922	1,145,330
Weighted average number of ordinary shares in issue during the year		4,609,232	4,609,232
Earnings / (loss) per share		0.61	0.25

No figure for diluted earnings per share has been presented as the Company has not issued any dilutive instruments carrying options which would have an impact on earnings per share when exercised.

**25 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES**

The aggregate amounts charged in the financial statements for remuneration, including benefits, to the chief executive, directors and executives of the Company as per the terms of their employment are as follows:

	Dec-24 Half yearly		Jun-24 Annual	
	Remuneration	No. of persons	Remuneration	No. of persons
Chief Executive Officer	300,000	1	666,000	1
Directors	-	-	-	-

No person falls under the definition of executive.

**26 GENERAL**

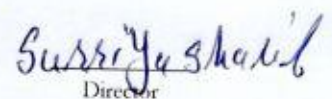
Amounts have been rounded off to the nearest rupee, unless otherwise stated.

**27 AUTHORIZATION**

These financial statements were authorized for issue on **25 FEB 2025** by the Board of Directors of the Company.

  
Chief Executive Officer



  
Director