

ASA STOCKS (PRIVATE) LIMITED

Un-Audited Statement of Financial Position

As at 31 December, 2021

ASA STOCKS (PRIVATE) LIMITED

Financial Statements

For the Half Yearly Ended 31 December, 2021

		31 December, 2021	30 June, 2021
	Notes	Rp=	Rp=
ASSETS			
Non-current assets			
Investment in subsidiaries	5	3,233,761	496,750
Intangible assets	6	7,805,694	815,534
Long term investments	7	20,533,212	353,317
Long term debt	8	290,982	290,000
		34,963,707	724,673
Current assets			
Trade receivables	9	3,994,114	426,718
Prepaid expenses		1,444,330	253,438
Inventory	10	47,645,264	123,644
Other current assets	11	237,726	208,932
Current tax receivable	12	51,882,563	251,644
		51,098,563	445,701
		86,062,270	1,170,374
EQUITY & LIABILITIES			
Share capital and reserves			
Issued but unissued ordinary Capital	14	45,530,800	430,800
Share premium		(29,477,328)	(298,774)
Retained earnings (loss) net of re-valuation of investments measured at FVOCI		40,980,115	980,176
Long term debt from Directors	15	85,125,000	125,000
Total equity		62,048,587	586,201
Current liabilities			
Trade and other payables	16	1,142,570	1,345,598
Provision for taxation	17	—	270,518
Short term borrowings	18	15,745,913	1,750,321
		26,888,483	3,366,437
Contingencies and commitments	19	—	—
		88,937,070	3,732,878

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Chief Executive Officer



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Director

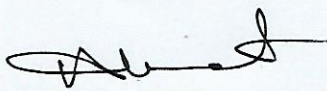
ASA STOCKS (PRIVATE) LIMITED

Un-Audited Statement of Financial Position

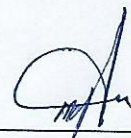
As at 31 December, 2021

ASSETS	Note	(UnAudited) 31 December, 2021 Rupees	(Audited) 30 June, 2021 Rupees
Non-current assets			
Property and equipment	5	3,235,161	3,496,930
Intangible assets	6	7,803,634	7,803,634
Long term investments	7	20,533,912	20,533,912
Long term deposits	8	290,000	890,000
		31,862,707	32,724,475
Current assets			
Trade debts - net	9	-	826,348
Deposits, prepayments and other receivables	10	335,414	295,439
Income tax refundable	11	1,444,533	1,723,834
Short term investments	12	49,645,864	69,068,436
Cash and bank balances	13	256,756	2,531,644
		51,682,568	74,445,701
		83,545,275	107,170,177
EQUITY & LIABILITIES			
Share capital and reserves			
Issued Subscribed paidup Capital.	14	65,520,000	65,520,000
Unappropriated profit		(79,977,323)	(58,036,774)
Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI		10,980,115	10,980,115
Long-term loan from Director	15	66,125,000	66,125,000
Total equity		62,647,792	84,588,341
Current liabilities			
Trade and other payables	16	1,147,570	2,543,998
Provision for taxation	17	(0)	278,518
Short-term borrowings	18	19,749,913	19,759,321
		20,897,483	22,581,837
Contingencies and commitments	19	-	-
		83,545,274	107,170,177

The annexed notes from 1 to 38 form an integral part of these financial statements.



Chief Executive Officer

Director


ASA STOCKS (PRIVATE) LIMITED

Un-Audited Income Statement

For the Year Ended 31 December, 2021

		(UnAudited) 31 December, 2021	(Audited) 30 June, 2021
	Note	Rupees	Rupees
Operating revenue	20	1,881,842	3,917,817
Gain/(loss) on sale of short term investments		-	2,546,818
Unrealized gain/(loss) on remeasurement of investments classified at FVTPL		(20,353,304)	19,095,432
		<u>(18,471,463)</u>	<u>25,560,067</u>
Operating and administrative expenses	21	<u>2,818,941</u>	<u>6,039,732</u>
Operating profit / (loss)		(21,290,403)	19,520,335
Financial charges	22	830,136	3,115,934
Other income and losses	23	179,990	1,425,729
Profit / (loss) before taxation		(21,940,549)	17,830,130
Taxation	24	-	278,518
Profit/(loss) for the Period		(21,940,549)	17,551,612
Earnings/(loss) per share - basic	25	(33.49)	26.79

The annexed notes from 1 to 38 form an integral part of these financial statements.


Chief Executive Officer




Director

ASA STOCKS (PRIVATE) LIMITED

Un-Audited Statement of Comprehensive Income

For the Year Ended 31 December, 2021

	(UnAudited) 31 December, 2021	(Audited) 30 June, 2021
Note	Rupees	Rupees
Profit/(loss) for the Period	(21,940,549)	17,551,612
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Unrealized gain / (loss) during the period in the market value of investments measured at FVOCI	-	928,373
Total comprehensive income/(loss) for the period	(21,940,549)	18,479,985

The annexed notes from 1 to 38 form an integral part of these financial statements.



Chief Executive Officer



Director

ASA STOCKS (PRIVATE) LIMITED

Un-Audited Statement of Changes in Equity

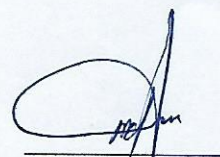
For the Year Ended 31 December, 2021

	Issued, subscribed and paid-up capital	Unappropriated profit/ (loss)	Unrealized surplus / (deficit) on re- measurement of investments measured at FVOCI	Total
Rupees.....			
Balance as at June 30, 2020	54,600,000	(75,588,386)	10,051,742	(38,436,644)
Total comprehensive income for the year				
Shares issued during the period	10,920,000			10,920,000
Difference in opening equity				
Profit/(Loss) for the year		17,551,612	-	17,551,612
Other comprehensive income/(loss)	-	-	928,373	928,373
	10,920,000	17,551,612	928,373	29,399,985
Balance as at June 30, 2021	65,520,000	(58,036,774)	10,980,115	(9,036,659)
Total comprehensive income for the period				
Shares issued during the period	-			-
Difference in opening equity				
Profit/(Loss) for the year		(21,940,549)	-	(21,940,549)
Other comprehensive income/(loss)	-	-	-	-
	-	(21,940,549)	-	(21,940,549)
Balance as at 31 December, 2021	65,520,000	(79,977,323)	10,980,115	(30,977,208)

The annexed notes from 1 to 38 form an integral part of these financial statements.



Chief Executive Officer

Director

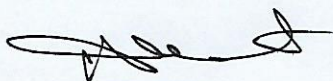
ASA STOCKS (PRIVATE) LIMITED

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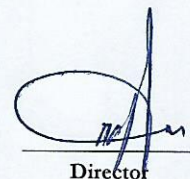
For the Year Ended 31 December, 2021

	(UnAudited) 31 December, 2021	(Audited) 30 June, 2021
Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(21,940,549)	17,830,130
Adjustments:		
Depreciation and impairment	261,769	579,939
Loss / (gain) on sale of fixed assets	-	(1,022,356)
Provision for / (reversal of provision for) doubtful debts	(99,571)	(47,315)
Realized loss / (gain) on sale of short-term investments	-	(2,546,818)
Unrealized loss / (gain) on short-term investments	20,353,304	(19,095,432)
Dividend Income	(1,481,913)	(1,469,366)
Interest income	-	(6,255)
Finance charges	830,136	3,115,934
	19,863,725	(20,491,669)
Operating profit before working capital changes	(2,076,824)	(2,661,539)
(Increase)/decrease in current assets		
Trade debts - net	925,921	2,842,951
Loans and advances	-	-
Deposits, prepayments and other receivables	(39,976)	1,111,134
Increase/(decrease) in current liabilities		
Trade and Other Payable	(1,396,428)	(1,239,556)
	(510,482)	2,714,529
Cash generated from / (used in) operations	(2,587,306)	52,990
Proceeds from net sales of / (acquisition of) short-term investments		
	(930,733)	2,323,360
Finance charges paid	(830,136)	(3,115,934)
Interest income	-	6,255
Taxes paid	783	(225,416)
Dividend Received	1,481,913	1,469,366
	(278,173)	457,630
Net cash from operating activities	(2,865,479)	510,620
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(0)	-
Sale / (acquisition) of fixed assets	-	1,525,000
Decrease / (increase) in long-term deposits	600,000	-
	600,000	1,525,000
Net cash generated from / (used in) investing activities	600,000	1,525,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Share Deposit Money	-	-
Share capital Induction	-	10,920,000
Proceeds from Short Term finance facility	(9,408)	(3,940,134)
Proceeds from long term loan	-	(12,445,000)
	(9,408)	(5,465,134)
Net cash generated from / (used in) financing activities	(9,408)	(5,465,134)
Net (decrease)/increase in cash and cash equivalents	(2,274,887)	(3,429,514)
Cash and cash equivalents at the beginning of the year	2,531,644	5,961,158
Cash and cash equivalents at the end of the year	256,757	2,531,644

The annexed notes from 1 to 38 form an integral part of these financial statements.



Chief Executive Officer

Director

5 PROPERTY AND EQUIPMENT

Description	Cost			
	As at 1 July 2021	Additions	Deletions/ Adjustments	As at 30 June 2022
Office equipment	145,520	-	-	145,520
Computer equipment	550,630	-	-	550,630
Furniture and fixtures	537,830	-	-	537,830
Electrical installations	155,826	-	-	155,826
Vehicles	5,743,000	-	-	5,743,000
	7,132,806	-	-	7,132,806

Description	Cost			
	As at 1 July 2020	Additions	Deletions/ Adjustments	As at 30 June 2021
Office equipment	145,520	-	-	145,520
Computer equipment	454,630	96,000	-	550,630
Furniture and fixtures	537,830	-	-	537,830
Electrical installations	155,826	-	-	155,826
Vehicles	6,888,040	-	1,145,040	5,743,000
	8,181,846	96,000	1,145,040	7,132,806

June-2022 -----

Accumulated Depreciation				Net book value as at 30 June 2022	Rate of depreciation
As at 1 July 2021	For the Year	Adjustments	As at 30 June 2022		
Rupees					%age
90,105	2,771	-	92,876	52,644	10%
348,761	20,187	-	368,948	181,682	20%
355,780	9,103	-	364,882	172,948	10%
140,269	1,556	-	141,825	14,001	20%
2,700,961	228,153	-	2,929,114	2,813,886	15%
3,635,876	261,769	-	3,897,645	3,235,161	

June-2021 -----

Accumulated Depreciation				Net book value as at 30 June 2021	Rate of depreciation
As at 1 July 2020	For the Year	Adjustments	As at 30 June 2021		
Rupees					%age
83,948	6,157		90,105	55,415	10%
316,836	31,925		348,761	201,869	20%
335,552	20,228		355,780	182,050	10%
136,380	3,889		140,269	15,557	20%
2,825,618	517,739	642,396	2,700,961	3,042,039	15%
3,698,334	579,939	642,396	3,635,876	3,496,930	

ASA STOCKS (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

ASA Stocks (Private) Limited (the "Company") was incorporated in Pakistan on January 08, 2007 as a private limited company, limited by shares, under the Companies Ordinance, 1984. The Company's registered office is situated at 79/A-C-1, Gulberg 3, Lahore. 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.

6 INTANGIBLE ASSETS

	Note	Dec-21 Rupees	Jun-21 Rupees
Trading Rights Entitlement Certificate ("TREC")	6.1	2,500,000	2,500,000
Rooms - Lahore Stock Exchange	6.2	5,303,634	5,303,634
		<u>7,803,634</u>	<u>7,803,634</u>
Impairment	6.3	-	-
		<u><u>7,803,634</u></u>	<u><u>7,803,634</u></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 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.

- 6.2 This represents the value of leases of three rooms - two from the PSX and one from the Lahore Stock Exchange. In each case, the lease period is 99 years, commencing April 1, 1992. Given the long duration of the lease term and the fact that it cannot be reliably estimated whether additional amounts will be due upon lease expiry in order to renew the leases, the room rights are treated as an intangible asset with an indefinite useful life.
- 6.3 Based on an assessment of indications of impairment as required under relevant accounting standards, which include a notice by PSX dated November 10, 2017 whereby the notional value of the PSX TREC was revised to notional value, the Company recognized, in fiscal 2021, impairment losses on the PSX and PMEX TRECs / membership cards in the amount necessary to reduce the carrying value of each intangible asset to PKR 2.5 million.

7 LONG-TERM INVESTMENTS

Investments at fair value through OCI

LSE Financial Services Limited (unquoted) - at fair value	7.1	20,533,912	19,605,539
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Adjustment for remeasurement to fair value

-	928,373
<u>20,533,912</u>	<u>20,533,912</u>

- 7.1 As a result of the demutualization and corporatization of stock exchanges as detailed in note 6.1, the Company received 843,975 shares of LSE Financial Services Limited. Of these, 60% (506,385 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 337,590 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 or net asset value per share of these shares notified by LSE Financial Services Limited (PKR XXX/ per share as at 30 June 2021, compared to PKR 24.33 / per share as at June 30, 2021). Remeasurement to fair value resulted in a gain of PKR XXX (2021: PKR 928,373).

8 LONG-TERM DEPOSITS

Note	Dec-21 Rupees	Jun-21 Rupees
Central Depository Company Limited	200,000	200,000
National Clearing Company of Pakistan Limited (Future Trading)	-	-
National Clearing Company of Pakistan Limited (Basic)	-	400,000
Pakistan Stock Exchange Limited	-	200,000
Security deposits- Office Building	90,000	90,000
	290,000	890,000

9 TRADE DEBTS

Considered good	9.1	-	826,348
Considered doubtful		11,418,137	11,517,708
		11,418,137	12,344,056
Less: Provision for doubtful debts	9.2	(11,418,137)	(11,517,708)
		-	826,348

9.1 The Company holds client-owned securities with a total fair value of PKR 7,654,067 as collateral against trade debts. Refer to note 4.7 for details around the Company's methodology for computing estimated credit losses under the expected loss model under IFRS 9.

9.2 Movement in provision against trade debts is as under:

Opening balance (as at July 1)	11,517,708	11,573,024
Charged to profit and loss during the year	(99,571)	(55,316)
	11,418,137	11,517,708
Amounts written off during the year	-	-
Closing balance (as at June 30)	11,418,137	11,517,708

10 TRADE DEPOSITS, SHORT-TERM PREPAYMENTS & OTHER RECEIVABLES

Balance due from NCCPL	-	-
Deposits with NCSS	-	-
Other receivables	335,414	295,439
	335,414	295,439

11 INCOME TAX REFUNDABLE

Opening balance (as at July 1)	1,723,834	2,012,616
Add: Current year additions	(783)	225,416
	1,723,051	2,238,032
Less: Adjustment against provision for taxation	(278,518)	(514,198)
Balance at the end of the year	1,444,533	1,723,834

12 SHORT TERM INVESTMENTS

Note	Dec-21 Rupees	Jun-21 Rupees
Investment in listed securities-Regular	55,782,149	47,426,186
Realized gain/(loss) on remeasurement	-	2,546,818
Gain / (Loss) on remeasurement	(6,136,284)	19,095,432
Investments at fair value through profit or loss	49,645,864	69,068,436

13 CASH AND BANK BALANCES

Cash in hand		201,471	196,328
Cash at bank			
Client accounts	13.1	6,694	2,225,795
House accounts		48,591	109,522
		256,756	2,531,644

13.1 Cash in current accounts includes customers' assets in the amount of PKR 6,694/- (2021:PKR 2,225,795/-) held in designated bank accounts.

14 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Note	Dec-21 Rupees	Jun-21 Rupees
14.1 Authorized capital 660,000 (2021: 660,000) ordinary shares of PKR 100 each.	66,000,000	66,000,000
14.2 Issued, subscribed and paid-up share capital 655,200 (2021: 655,200) ordinary shares of PKR 100/- each, issued for cash	65,520,000	65,520,000
	65,520,000	65,520,000

14.3 Shareholders holding 5% or more of total shareholding

	Number of Shares		Percentage	
	Dec-21	Jun-21	Dec-21	Jun-21
Mr. Ahmad Shoaib Akram	352,800	352,800	54%	54%
Mr. Muhammad Akram	151,200	151,200	23%	23%
Mrs. Zahida Akram	72,000	72,000	11%	11%
Mr. Ahmad Junaid Akram	79,200	79,200	12%	12%

15 LONG-TERM FINANCING

Note	Dec-21 Rupees	Jun-21 Rupees
Loan from Directors - unsecured	15.1 66,125,000	66,125,000
	66,125,000	66,125,000
Less: Current portion of long-term financing	-	-
	66,125,000	66,125,000

15.1 This represents interest-free loans received from Directors of the Company payable at company discretionary power when ability to pay and Long term in nature.

	Note	Dec-21 Rupees	Jun-21 Rupees
Mr. Muhammed Akram		14,775,000	14,775,000
Mrs. Zahida Akram		31,380,000	31,380,000
Mr. Ahmad Shoaib Akram		8,245,000	8,245,000
Mr. Ahmad Junaid Akram		11,725,000	11,725,000
		<u>66,125,000</u>	<u>66,125,000</u>

16 TRADE AND OTHER PAYABLE

	Note	Dec-21 Rupees	Jun-21 Rupees
Trade creditors		5,877	1,351,751
Futures rollover payable		-	-
Payable to NCCPL		-	13,560
Accrued and other payables		1,141,693	1,178,686
		<u>1,147,570</u>	<u>2,543,998</u>

17 PROVISION FOR TAXATION

	Note	Dec-21 Rupees	Jun-21 Rupees
Balance at the beginning of the year		278,518	514,198
Add: Current year provision		-	278,518
		<u>278,518</u>	<u>792,716</u>
Less: Adjustment against advance tax		(278,518)	(514,198)
Balance at the end of the year		<u>(0)</u>	<u>278,518</u>

18 SHORT-TERM BORROWINGS

	Note	Dec-21 Rupees	Jun-21 Rupees
From:			
Banking companies - secured	18.1	19,749,913	19,759,321
		<u>19,749,913</u>	<u>19,759,321</u>

18.1 The balance represents the amount drawn down against. It carries mark-up of 2% per annum + 3-month KIBOR average ask rate.

19 CONTINGENCIES AND COMMITMENTS

19.1 There are no contingencies or commitments of the Company as at June 30, 2022 (2021: Nil).

20 OPERATING REVENUE

	Note	Dec-21 Rupees	Jun-21 Rupees
Brokerage income		399,929	2,448,452
Dividend income		1,481,913	1,469,366
		<u>1,881,842</u>	<u>3,917,817</u>

21 OPERATING & ADMINISTRATIVE EXPENSES

	Note	Dec-21 Rupees	Jun-21 Rupees
Director's remuneration		300,000	1,080,000
Staff salaries, allowances and other benefits		996,999	1,449,500
Utilities		740,111	1,306,153
Postage and Courier		24,504	53,898
Advertisement		9,000	-
Entertainment		102,289	210,131
Legal & professional charges		-	72,000
Provision/(Reversal) of doubtful accounts		-	(47,315)
Auditor's remuneration	21.1	75,000	165,000
Fuel and power expenses		3,414	62,087
Fee and subscription		63,165	123,980
Printing and stationery		17,286	49,349
Rent, rate and taxes		203,502	816,866
NCCPL charges		-	39,437
Newspaper and Periodicals		2,292	5,331
Computer and software charges		11,340	20,570
Repair and maintenance		7,770	27,900
Miscellaneous Expenses		500	24,905
Depreciation	5	261,769	579,939
		<u>2,818,941</u>	<u>6,039,732</u>

21.1. Auditor's remuneration

Statutory audit		75,000	165,000
Certifications and other charges		-	-
		<u>75,000</u>	<u>165,000</u>

22 FINANCIAL CHARGES

	Note	Dec-21 Rupees	Jun-21 Rupees
Mark-up on interest-bearing loans		830,136	3,092,657
Bank and other charges		-	23,278
		<u>830,136</u>	<u>3,115,934</u>

23 OTHER INCOME / LOSSES

	Note	Dec-21 Rupees	Jun-21 Rupees
Income from financial assets			
PSX deposits		594	7,680
Gain on sale of fixed asset		-	1,022,356
Rental Income		79,824	257,405
Profit on bank balances		-	6,255
Miscellaneous income		99,572	132,032
		<u>179,990</u>	<u>1,425,729</u>
Income / losses from non-financial assets/liabilities			
Impairment loss on TREC		-	-
Other income		-	1,418,049
Mark-up received on PSX deposits		2,418	7,680
Gain on sale of fixed assets		-	-
		<u>182,408</u>	<u>1,425,729</u>

24 TAXATION

	Note	Dec-21 Rupees	Jun-21 Rupees
Current tax expense / (income)			

for the year
prior years

-	278,518
-	-
-	278,518

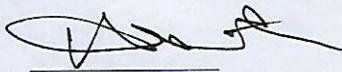
The tax provision made in the financial statements is considered sufficient.

25. EARNINGS PER SHARE

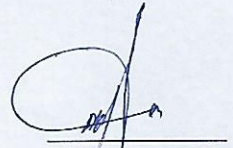
Basic earnings per share is calculated by dividing profit after tax for the year by the weighted average number of shares outstanding during the period, as follows:

Note	Dec-21 Rupees	Jun-21 Rupees
Profit / (loss) after taxation, attributable to ordinary shareholders	(21,940,549)	17,551,612
Weighted average number of ordinary shares in issue during the year	655,200	655,200
Earnings per share	(33.49)	26.79

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.



Chief Executive Officer

Director