


SPINZER EQUITIES (PRIVATE) LIMITED
UN-AUDITED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

SPINZER EQUITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

		31-Dec-22 Un-audited	30-Jun-22 Audited
	Note	----- (Pak Rupees) -----	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	4,042,836	4,377,111
Right of use asset	5	32,838,231	34,427,178
Investment property	6	16,419,114	17,213,588
Intangible asset	7	2,500,000	2,500,000
Long term investments	9	52,984,174	52,984,174
Long term deposits	10	2,640,000	2,640,000
		111,424,355	114,142,051
CURRENT ASSETS			
Trade and other receivable - net	11	29,321,603	21,135,889
Advances, deposits and prepayments	12	485,261	4,009
Short term investments	13	14,481,053	14,999,059
Cash and bank balances	14	9,892,896	13,184,388
		54,180,813	49,323,345
		<u>165,605,168</u>	<u>163,465,396</u>
EQUITY & LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		100,000,000	100,000,000
Issued, subscribed and paid-up capital	15	94,968,380	94,968,380
Revenue reserve			
Unappropriated profit		37,561,269	28,395,580
Capital reserve			
Fair value reserve		17,714,348	17,714,348
		<u>150,243,997</u>	<u>141,078,308</u>
NON-CURRENT LIABILITIES			
Deferred tax liability - net		-	5,975,141
CURRENT LIABILITIES			
Trade and other payables	16	15,361,171	16,390,306
Provision for taxation		-	21,641
		15,361,171	16,411,947
CONTINGENCIES AND COMMITMENTS			
	17	<u>165,605,168</u>	<u>163,465,396</u>

The annexed notes 1 to 23 form an integral part of these financial statements.


Chief Executive Officer




Director

SPINZER EQUITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

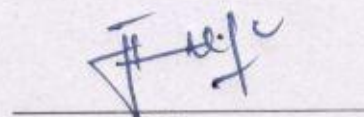
	Note	31-Dec-22 Un-audited ------(Pak Rupees)-----	30-Jun-22 Audited
Revenue	18	11,360,432	18,290,371
Operating and administrative expenses	19	(9,394,747)	(21,231,688)
Operating profit / (loss)		<u>1,965,685</u>	<u>(2,941,317)</u>
Other income	20	7,200,004	2,257,841
Profit / (loss) before taxation		<u>9,165,689</u>	<u>(683,476)</u>
Taxation	21	-	(1,705,549)
Profit / (loss) for the period		<u><u>9,165,689</u></u>	<u><u>(2,389,025)</u></u>

The annexed notes 1 to 23 form an integral part of these financial statements.



Chief Executive Officer





Director

**SPINZER EQUITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022**

	31-Dec-22	30-Jun-22
	Un-audited	Audited
	----- (Pak Rupees) -----	
Profit / (loss) for the period	9,165,689	(2,389,025)
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Fair value gain on equity instruments at FVTOCI	-	2,093,877
Deferred tax	-	(455,418)
Total comprehensive income / (loss) for the period	<u>9,165,689</u>	<u>(750,566)</u>

The annexed notes 1 to 24 form an integral part of these financial statements.



Chief Executive Officer





Director

**SPINZER EQUITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022**

	Share Capital Issued, subscribed and paid-up capital	Revenue reserve		Capital reserve		Total
		Unappropriated profit	Fair value reserve of financial assets at FVOCI			
	----- (Pak Rupee) -----					
	----- Restated -----					
Balance as at July 01, 2021	94,968,380	30,784,605	16,075,889			141,828,874
Total comprehensive income for the year						
Loss for the year	-	(2,389,025)	-	-	-	(2,389,025)
Other comprehensive income	-	-	2,093,877	-	-	2,093,877
Deferred tax	-	-	(455,418)	-	-	(455,418)
		(2,389,025)	1,638,459	-	-	(750,566)
Balance as at June 30, 2022	94,968,380	28,395,580	17,714,348			141,078,308
Total comprehensive income for the year						
Profit for the period	-	9,165,689	-	-	-	9,165,689
Other comprehensive income/(loss)	-	-	-	-	-	-
		9,165,689	-	-	-	9,165,689
Balance as at December 31, 2022	94,968,380	37,561,269	17,714,348			150,243,997

The annexed notes 1 to 24 form an integral part of these financial statements.

Chief Executive Officer

Director



SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

Spinzer Equities (Private) Limited (the "Company") is a private limited company incorporated in Pakistan on January 01, 2004 under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017). 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.

Business Unit	Geographical location
Head Office	Office #1113, 11th floor, ISE Towers, Jinnah Avenue, Islamabad
Branch Office	1st Floor, Chakdara trade Centre, University Road, Chakdara, Dir (Lower), KPK

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards ("IFRS") 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").

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS standards, the provision of and directives issued under the Companies Act, 2017 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

2.3 Functional & Presentation Currency

These financial statements are presented in Pakistan Rupee (PKR) which is the Company's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rupees, unless otherwise stated.

2.4 Use of Judgment and Estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and amortization method of intangible assets – Note 3.3 & 6;
- Provision for expected credit losses – Note 3.5;
- Estimation of provisions - Note 3.11;
- Classification, recognition, measurement / valuation of financial instruments Note: 3.4 and
- provision for taxation - Note 3.7.

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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, except as described otherwise.

3.1 Property and equipment

Initial Recognition

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

Subsequent measurement

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

Depreciation on all items of property and equipment is calculated using the reducing balance method, in accordance with the rates specified in note 4 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 the date when the asset is available for use until the asset is disposed off.

Disposal

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 profit and loss account in the year in which the asset is derecognized.

Judgments and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Change in estimate

The Company reviews useful lives of property and equipment on a regular basis. Any change in estimates in future years which might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on the depreciation charge and impairment loss. Further, management also on a year basis reviews the carrying amounts of certain classes of property and equipment which are carried at revalued amounts. Any change in estimate in future years which might affect the carrying amount of these classes with a corresponding effect on the surplus on revaluation of property and equipment, related deferred tax liability and related charge of incremental depreciation.

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

3.2 Investment property

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at historical cost less accumulated depreciation and impairment. Depreciation is charged to income, applying the straight line method to write off the cost of the investment property over its estimated useful life, at the rate specified in note 5.2. A full month's depreciation is charged in the month of addition, while no depreciation is charged in the month of disposal.

Maintenance and normal repairs are charged to the income and expenditure statement as and when incurred. Major renewals and improvements, if any, are capitalized when it is probable that the respective future economic benefits will flow to the Company.

Investment property is derecognised either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in income and expenditure statement in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying amount at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

3.3 Intangible Asset - Acquired

TREC Certificate

These are stated at cost less impairment losses (if any). Cost includes expenditure that is directly attributable to the acquisition of the items. Trading Right Entitlement Certificate has indefinite useful life and accordingly not amortized however it is tested for impairment only. Impairment loss is recognized in profit and loss account.

Judgments and estimates

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

3.4 Financial instruments

All financial assets and financial liabilities are recognized at the time when the Company becomes a party to

Financial Assets

(a) Classification

The Company classifies its financial assets in the following measurement categories:

- (i) Amortized cost, where the effective interest rate method will apply;
- (ii) Fair value through profit or loss (FVTPL);
- (iii) Fair value through other comprehensive income (FVTOCI).

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVTOCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Further, assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Debt instruments

Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other operating income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other operating gains / (losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss.

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other operating gains/(losses). Interest income from these financial assets is included in other operating income using the effective interest rate method. Impairment expenses are presented as separate line item in the profit or loss.

Fair value through profit and loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net within other operating gains/(losses) in the period in which it arises. The company carries its short-term investments at FVTPL.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other operating income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognized in other gains/(losses) in the profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortized cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and other receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The Company recognizes life time ECL for trade debts and other receivables, using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors and other receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

The Company recognizes an impairment gain or loss in the profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Financial liabilities

Classification, initial recognition and subsequent measurement

The Company classifies its financial liabilities in the following categories:

- (i) at fair value through profit or loss; and
- (ii) other financial liabilities

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

- (i) Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss.
- (ii) After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed is recognized in profit or loss.

3.5 Trade receivable

Measurement

Trade receivable are recognized initially at original invoice amount being the fair value and subsequently measured at cost less allowance for ECL.

Allowance for ECL

The company records the allowance for ECL in accordance with the simplified approach of IFRS 9. The amount of the allowance is recognized in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

Judgments and estimates

Management reviews its trade debtors on a continuous basis to identify receivables where collection of the amount is no longer probable. These estimates are based on historical experience and are subject to change in condition at the time of actual recovery.

3.6 Advances, deposits and prepayments

Advances, deposits and prepayments are initially recognised and carried at cost.

3.7 Tax refundable due from Government

The company has paid the taxes in advance more than its actual liability. It is refundable/adjustable in future.

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

3.8 Taxation

Income tax expense comprises current and deferred tax.

Current

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management yearly evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse, based on tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is charged or credited in the statement of profit or loss account, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognized deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Off-setting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.9 Cash and cash equivalents

These are measured at cost which is the fair value. For the purposes of cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, balances with banks on current and savings accounts and short term investment and running finance.

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

3.10 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the

Trade and other payables - amortized cost

Trade and other payables are recognized initially at cost plus directly attributable costs, if any, which is the fair value and subsequently carried at amortized cost financial liability until the payment is due.

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 will be required to settle the obligation; and the amount could be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest

Judgment and estimates

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Contingent liabilities

A contingent liability is disclosed when the company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the company or the company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

3.12 Revenue recognition

Revenue is recognized when the performance obligations are met to the extent that will result in a probable inflow of economic benefits 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 Commission

Brokerage, consultation and advisory fee and commission on securities and commodities is recognized as and when related services are rendered.

Income on bank deposits

Mark-up / interest on bank deposits and return on investments is recognized on accrual basis.

Profit on exposure deposits

Profit on exposure deposits is recognized using the effective interest rate.

Dividend income

Dividend income is recognized in profit or loss as other income when:

- the Company's right to receive payment have been established;
- it is probable that the economic benefits associated with the dividend will flow to the company; and
- the amount of the dividend can be measured reliably.

Others

Gain / loss on sale of investment is recognized in the year in which they arise.

3.13 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.

3.14 Borrowing costs

Borrowing costs are recognized as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which such costs are capitalized as part of the cost of that asset. Borrowing costs includes exchange differences arising from foreign currency borrowings to the extent these are regarded as an adjustment to borrowing costs and net gain / loss on the settlement of derivatives hedging instruments.

3.15 Fiduciary assets

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

3.16 Earnings per share

The Company presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit and loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by using profit and loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

3.17 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.

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

4 PROPERTY AND EQUIPMENT

	Owned				Total
	Office equipment	Computer equipment	Furniture and fixtures	Vehicles	
	------(Pak Rupee)-----				
Cost					
Balance as at July 01, 2021	778,938	535,075	288,920	5,209,184	6,812,117
Additions	-	-	-	2,032,362	2,032,362
Balance as at June 30, 2022	778,938	535,075	288,920	7,241,546	8,844,479
Balance as at July 01, 2022	778,938	535,075	288,920	7,241,546	8,844,479
Additions	-	25,000	57,390	-	82,390
Balance as at December 31, 2022	778,938	560,075	346,310	7,241,546	8,926,869
Depreciation					
Balance as at July 01, 2021	205,781	353,758	106,249	3,075,502	3,741,290
For the year	57,316	54,395	18,267	596,100	726,078
Balance as at June 30, 2022	263,097	408,153	124,516	3,671,602	4,467,368
Balance as at July 01, 2022	263,097	408,153	124,516	3,671,602	4,467,368
For the half-year	25,792	22,788	11,090	356,994	416,664
Balance as at December 31, 2022	288,889	430,942	135,606	4,028,596	4,884,033
Carrying amount as at December 30, 2022	490,048	129,133	210,704	3,212,950	4,042,836
Carrying amount as at June 30, 2022	515,841	126,922	164,404	3,569,944	4,377,111
Rate of Depreciation (half-year)	5%	15%	5%	10%	

4.1 Depreciation has been allocated to administrative expenses.

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

5 RIGHT OF USE ASSET	Note	31-Dec-22	30-Jun-22
		Un-audited	Audited
		------(Pak Rupees)-----	
Opening balance		34,427,178	37,605,071
Additions during the year	5.1		
Depreciation	5.2	(1,588,947)	(3,177,893)
		<u>32,838,231</u>	<u>34,427,178</u>

- 5.1 Right of use asset acquired at fair value against issue of ordinary shares of Rs 10 each.
5.2 The rate of depreciation applicable is 8% per annum on straight line basis.

6 INVESTMENT PROPERTY

Opening balance		17,213,588	18,802,535
Additions during the year	6.1		
Depreciation	6.2	(794,473)	(1,588,947)
		<u>16,419,114</u>	<u>17,213,588</u>

- 6.1 Investment property is rented out and is stated at historical cost.
6.2 The rate of depreciation applicable is 8% per annum on straight line basis.

7 INTANGIBLE ASSET

Trading Right Entitlement Certificate ("TREC")	7.1	2,500,000	2,500,000
		<u>2,500,000</u>	<u>2,500,000</u>

- 7.1 These are carried at notional value. Notional values of these Trading Right Entitlement Certificates is Rs. 2.5 million (2022 Rs.2.5 million), as published by the PSX.
7.2 The Company has pledged/hypothecated Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited (PSX) at a notional value of Rs.2.5 million to meet Base Minimum Capital (BMC) requirement.

8 FINANCIAL ASSETS OTHER THAN CASH AND BANK

<i>Equity instruments designated at FVTOCI</i>	9	52,984,174	52,984,174
<i>Financial Assets designated at FVTPL</i>	13	14,481,053	14,999,059
<i>Debt instruments at amortised cost</i>			
- Long term deposits	10	2,640,000	2,640,000
- Trade and Other receivable - net	11	29,321,603	21,135,880
- Deposits, prepayments and other receivables	12	485,261	4,000
		<u>32,446,864</u>	<u>23,779,898</u>
		<u>99,912,091</u>	<u>91,763,131</u>

9 LONG TERM INVESTMENT AT FVTOCI

Opening Balance	9.1	52,984,174	50,890,298
Adjustment for remeasurement to fair value	9.2	-	2,093,876
		<u>52,984,174</u>	<u>52,984,174</u>

- 9.1 This include 60% (1,820,762 shares) which are held in a separate Central Depository Company Limited ("CDC") sub-account marked as blocked.
9.2 This represents investment in the shares of ISE REIT Management Company Limited. The shares are non-listed and there is no evidence of existence of an active market or transactions amongst the participants at an arms length basis. As an alternative approach, the break-up value of shares (calculated as per TR-22 issued by ICAP) of ISE REIT Management Company Limited as per their latest audited financial statements has been taken with adjustment for unobservable inputs related to percentage of assets of REIT stated at fair value and risk factors related to marketability of shares.

SPINZER EQUITIES (PRIVATE) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

		31-Dec-22 Un-audited	30-Jun-22 Audited
	Note	----- (Pak Rupees) -----	
10 LONG TERM DEPOSITS			
Central Depository Company Limited	10.1	100,000	100,000
National Clearing Company of Pakistan Limited	10.2	2,340,000	2,340,000
Pakistan Stock Exchange Limited	10.3	200,000	200,000
		<u>2,640,000</u>	<u>2,640,000</u>

10.1 This represents security deposit held with Central Depository Company.

10.2 This represents security deposit held with National Clearing Company of Pakistan Limited. Rs. 1 Million for trading of futures, Rs. 205,000 for regular trading and Rs. 1,335,000 for margin trading.

10.3 This represents deposit held with Pakistan Stock Exchange Limited.

		31-Dec-22 Un-audited	30-Jun-22 Audited
	Note	----- (Pak Rupees) -----	
11 TRADE AND OTHER RECEIVABLE - NET			
Clients		24,841,894	22,183,296
Related parties		-	-
		<u>24,841,894</u>	<u>22,183,296</u>
Add: Other receivable		4,479,709	1,545,476
		<u>29,321,603</u>	<u>23,728,772</u>
Less: Allowance for expected losses Customer		-	(2,592,883)
		<u>29,321,603</u>	<u>21,135,889</u>

12 ADVANCES, DEPOSITS AND PREPAYMENTS

Short-term and advances

- Other advances

485,261	4,009
<u>485,261</u>	<u>4,009</u>

13 SHORT TERM INVESTMENT AT FVTPL

Listed equity Securities

13.1	14,481,053	14,999,059
	<u>14,481,053</u>	<u>14,999,059</u>

13.1 Fair values of these equity shares are determined by reference to published price quotations in an active market.

14 CASH AND BANK BALANCES

Cash in hand

2,515	41,609
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Cash at bank - Local currency

Current accounts

9,890,381	13,142,779
<u>9,892,896</u>	<u>13,184,388</u>

SPINZER EQUITIES (PRIVATE) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

	31-Dec-22	30-Jun-22
	Un-audited	Audited
	----- (Pak Rupees) -----	
15 SHARE CAPITAL		
15.1 Authorized capital		
10,000,000 (2022: 10,000,000) ordinary shares of PKR 10 each	<u>100,000,000</u>	<u>100,000,000</u>

	31-Dec-22	30-Jun-22		31-Dec-22	30-Jun-22
	Un-audited	Audited		Un-audited	Audited
	(Number)			----- (Pak Rupees) -----	
15.2 Issued, subscribed and paid-up share capital					
3,538,288	3,538,288	Ordinary shares of Rs.10 each, issued for cash	35,382,880	35,382,880	
5,958,550	5,958,550	Ordinary shares of Rs.10 each, issued for consideration other than cash (against fair value of the lease hold building)	59,585,500	59,585,500	
<u>9,496,838</u>	<u>9,496,838</u>	Total balance	<u>154,553,880</u>	<u>154,553,880</u>	

15.3 Shareholders holding 5% or more of total shareholding

	Number of Shares		Percentage	
	2022	2022	2022	2022
	Un-audited	Audited	Un-audited	Audited
Mr. Liaquat Ali Khan	1,592,235	1,592,235	10%	10%
Mr. Jibran Ali Khan	3,793,079	3,793,079	25%	25%
Mr. Safwan Ali Khan	3,474,634	3,474,634	22%	22%

15.4 All shares carry equal rights to vote, dividends and right & bonus issue.

16 TRADE AND OTHER PAYABLES

Trade creditors	12,445,391	14,088,848
Advance from employees	15,445	15,178
Income tax employees	37,305	32,616
Other taxes payable	1,892,498	1,335,201
Accrued and Other payables	970,532	918,463
	<u>15,361,171</u>	<u>16,390,306</u>

17 CONTINGENCIES AND COMMITMENTS

There are no contingencies or commitments of the Company as at December 31, 2022 (2022: Nil)

18 REVENUE

	31-Dec-22	30-Jun-22
	Un-audited	Audited
	----- (Pak Rupees) -----	
Note		
Commission Income Equity Trading	<u>8,527,310</u>	<u>15,010,159</u>
	8,527,310	15,010,159
Dividend income from equity instruments at FVTOCI	<u>2,833,122</u>	<u>3,280,212</u>
Dividend income from equity instruments at FVTPL	2,833,122	3,280,212
	<u>11,360,432</u>	<u>18,290,371</u>

SPINZER EQUITIES (PRIVATE) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

		31-Dec-22	30-Jun-22
	Note	Un-audited	Audited
		----- (Pak Rupees) -----	
19 OPERATING AND ADMINISTRATIVE EXPENSES			
Staff salaries, allowances and other benefits		2,978,699	4,895,242
Director's remuneration		1,348,590	2,298,884
Communication expense		104,855	168,727
Entertainment		192,146	160,078
Printing and stationery		92,430	59,561
CDC trading charges		42,320	163,185
NCCPL trading charges		165,217	553,656
PSX trading charges		321,839	647,919
Allowance for expected credit losses		-	266,528
Travelling and conveyance		274,280	155,339
Legal and professional charges		413,710	1,303,750
Taxes, rates and cess		16,226	2,060,080
Fee and Subscription		-	110,278
Website charges		-	38,000
EOBI Expense		82,500	124,250
Software charges		52,920	106,081
Repair and maintenance		93,754	222,624
Auditor Remuneration		-	385,000
Utilities		197,186	893,235
Bank and other charges		5,340	21,968
Service charges		177,329	1,002,025
Misc. Expenses		35,322	102,361
Depreciation	4	416,664	726,078
Depreciation on ROU asset	5	1,588,947	3,177,893
Depreciation on investment property	6	794,473	1,588,947
		<u>9,394,747</u>	<u>21,231,688</u>
20 OTHER INCOME			
Income from Financial Assets			
Fair value gain / (loss) on equity instruments at FVTPL		(518,006)	977,676
Income from Non-Financial Assets			
Miscellaneous income		7,318,310	487,615
Rental income		399,700	792,550
		<u>7,718,010</u>	<u>1,280,165</u>
Total other income		<u>7,200,004</u>	<u>2,257,841</u>
21 INCOME TAX EXPENSE			
Current tax		-	679,650
Deferred tax		-	1,025,890
		<u>-</u>	<u>1,705,540</u>

SPINZER EQUITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED DECEMBER 31, 2022

22 GENERAL

22.1 The figures have been rounded off to the nearest Rupees.

22.2 Number of persons employed

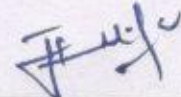
31-Dec-22	30-Jun-22
12	8

23 DATE OF AUTHORIZATION

These financial statements have been authorized by the Board of Directors of the Company on 27-Feb-2021



Chief Executive Officer



Director