

HIGH LAND SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2023

| | DECEMBER 31, 2023 | JUNE 30, 2023 |
|--|----------------------|---------------------|
| Note | ----- Rupees ----- | |
| EQUITY AND LIABILITIES | | |
| SHARE CAPITAL | | |
| Authorized capital | | |
| 6,000,000 (June 30, 2023: 6,000,000) Ordinary shares of Rs.10 each | <u>60,000,000</u> | <u>60,000,000</u> |
| Issued, subscribed and paid-up capital | | |
| 5,580,000 (June 30, 2023: 5,580,000) Ordinary shares of Rs.10 each | <u>55,800,000</u> | <u>55,800,000</u> |
| Unappropriated profits | <u>(19,378,881)</u> | <u>(19,449,719)</u> |
| Gain on investments at FVOCI | <u>(2,491,612)</u> | <u>(55,300)</u> |
| Loan from director | <u>8,303,112</u> | <u>8,396,092</u> |
| | <u>42,232,619</u> | <u>44,691,073</u> |
| CURRENT LIABILITIES | | |
| Trade & other payables | <u>528,875</u> | <u>404,103</u> |
| Provision for taxation | <u>-</u> | <u>-</u> |
| | <u>528,875</u> | <u>404,103</u> |
| CONTINGENCIES AND COMMITMENTS | | |
| | <u>-</u> | <u>-</u> |
| | <u>42,761,493</u> | <u>45,095,176</u> |

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

CHIEF EXECUTIVE

ASSETS

NON CURRENT ASSETS

| | | | |
|------------------------|---|-------------------|-------------------|
| Operating fixed assets | 5 | <u>24,078,015</u> | <u>24,181,064</u> |
| Intangible assets | 6 | <u>2,500,000</u> | <u>2,500,000</u> |
| Long term investment | 7 | <u>3,679,149</u> | <u>8,249,070</u> |
| | | <u>30,257,164</u> | <u>34,930,134</u> |

CURRENT ASSETS

| | | | |
|--|----|-------------------|-------------------|
| Trade debts | 8 | <u>5,714,809</u> | <u>5,714,809</u> |
| Short term investments | 9 | <u>5,065,854</u> | <u>2,565,653</u> |
| Advance income tax | 10 | <u>1,123,825</u> | <u>1,106,590</u> |
| Advances, deposits and other receivables | 11 | <u>564,661</u> | <u>717,280</u> |
| Cash and bank balances | 12 | <u>35,181</u> | <u>60,711</u> |
| | | <u>12,504,330</u> | <u>10,165,043</u> |
| | | <u>42,761,494</u> | <u>45,095,177</u> |

DIRECTOR

HIGH LAND SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR SIX MONTHS ENDED DECEMBER 31, 2023

| | | SIX MONTHS ENDED DECEMBER 31, 2023 | YEAR ENDED JUNE 30, 2023 |
|--|-------------|---|-------------------------------------|
| | Note | ----- Rupees ----- | |
| Operating revenue | 13 | 403,617 | 653,755 |
| Gain / (Loss) on sale of quoted shares - net | | (1,231,072) | 366,842 |
| Fair value gain/(loss) on remeasurement of investments through profit or loss | | 1,559,807 | 1,282,806 |
| Operating and administrative expenses | 14 | (761,996) | (5,668,296) |
| Other Income | 15 | 109,652 | 352,605 |
| Operating income / (loss) | | 80,008 | (3,012,287) |
| Finance cost | | (9,170) | (8,208) |
| Profit / (Loss) before taxation | | 70,838 | (3,020,495) |
| Taxation | 16 | - | (68,716) |
| Profit / (Loss) after taxation | | 70,838 | (3,089,211) |
| Earnings / (Loss) per share - Basic and diluted | 17 | 0.01 | (0.55) |

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

CHIEF EXECUTIVE

DIRECTOR

HIGH LAND SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR SIX MONTHS ENDED DECEMBER 31, 2023

| | SIX MONTHS ENDED DECEMBER 31, 2023 | YEAR ENDED JUNE 30, 2023 |
|---|---|-----------------------------|
| Note | ----- Rupees ----- | |
| Profit / (Loss) after taxation | 70,838 | (3,089,211) |
| Other comprehensive income: | - | - |
| Items that will never be reclassified subsequently to profit or loss | | |
| Investments at fair value through other comprehensive income | | |
| Fair value Gain/(Loss) arised during the period | (2,436,312) | (6,823,978) |
| Impact of deferred tax | - | - |
| | (2,436,312) | (6,823,978) |
| Total comprehensive income for the year | <u>(2,365,474)</u> | <u>(9,913,189)</u> |

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

CHIEF EXECUTIVE

DIRECTOR

HIGH LAND SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR SIX MONTHS ENDED DECEMBER 31, 2023

| | SIX MONTHS ENDED DECEMBER 31, 2023 | YEAR ENDED JUNE 30, 2023 |
|---|---|-----------------------------|
| Note | ----- Rupees ----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit / (Loss) before taxation | 70,838 | (3,020,495) |
| Adjustments for non-cash charges and other items: | | |
| Depreciation | 103,049 | 219,622 |
| Dividend income | (395,518) | (482,790) |
| (Gain) / Loss on sale on investment | 1,231,072 | (366,842) |
| Unrealized gain on remeasurement of investment | (1,559,807) | (1,282,806) |
| Finance cost | 9,170 | 8,208 |
| | (612,034) | (1,904,609) |
| Profit / (loss) before working capital changes | (541,195) | (4,925,104) |
| Effect on cash flow due to working capital changes | | |
| Decrease / (increase) in current assets: | | |
| Trade debts | - | (3,272,908) |
| Advances, deposits and other receivables | 76,905 | 2,114,661 |
| (Decrease) / increase in current liabilities: | | |
| Trade and other payables | 124,772 | (836,994) |
| | 201,677 | (1,995,241) |
| Cash (used in) / generated from operations | (339,519) | (6,920,345) |
| Income tax paid | (17,235) | (78,606) |
| Finance cost paid | (9,170) | (8,208) |
| Net cash (used in) / generated from operating activities | (365,923) | (7,007,159) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Investments- net | 37,856 | 3,547,811 |
| Payment for acquisition of fixed assets | - | (2,000) |
| Decrease in long term deposits | - | 400,000 |
| Dividend received | 395,518 | 482,790 |
| Net cash generated from investing activities | 433,374 | 4,428,601 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceed from / (repayment of) loan from directors | (92,980) | - |
| Net cash generated from / (used in) financing activities | (92,980) | - |
| Net (decrease) / increase in cash and cash equivalents | (25,530) | (2,578,558) |
| Cash and cash equivalents at the beginning of the year | 60,711 | 2,639,269 |
| Cash and cash equivalents at the end of the year | 12 35,181 | 60,711 |

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

CHIEF EXECUTIVE

DIRECTOR

HIGH LAND SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR SIX MONTHS ENDED DECEMBER 31, 2023

| PARTICULARS | SHARE CAPITAL | REVENUE RESERVE ACCUMULATED PROFIT/(LOSS) | GAIN/(LOSS) ON INVESTMENTS AT FVOCI | LOAN FROM DIRECTOR | TOTAL |
|---|--------------------|---|---|-----------------------|-------------------|
| | ----- Rupees ----- | | | | |
| Balance as at June 30, 2022 | 55,800,000 | (15,026,682) | 6,768,678 | 8,396,092 | 55,938,088 |
| Profit/ (loss) for the year | - | (3,089,211) | - | - | (3,089,211) |
| Other comprehensive income/ (loss) for the year | - | - | (8,157,804) | - | (8,157,804) |
| Fair value reserve tranferred on derecogtion | | (1,333,826) | 1,333,826 | | |
| Balance as at June 30, 2023 | 55,800,000 | (19,449,719) | (55,300) | 8,396,092 | 44,691,073 |
| Profit/ (loss) for the period | - | 70,838 | - | - | 70,838 |
| Loan refunded to director | | | | (92,980) | (92,980) |
| Other comprehensive income/ (loss) for the period | - | - | (2,436,312) | - | (2,436,312) |
| Fair value reserve tranferred on derecogtion | | - | - | - | - |
| Balance as at December 31, 2023 | 55,800,000 | (19,378,881) | (2,491,612) | 8,303,112 | 42,232,619 |

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

CHIEF EXECUTIVE

DIRECTOR

HIGH LAND SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS ENDED DECEMBER 31, 2023

1. Loan from director

During the year ended June 30, 2022 Company entered into an agreement with the director Mr.Majid Masood and pursuant to the agreement Company received a subordinated loan of Rs. 8,396,092 from Mr. Majid Masood. This loan is unsecured, interest free and only payable at the discretion of the company. As per agreement the loan shall be utilized towards meeting running expenses of the company. The loan is presented under equity as per Technical Release-32 of The Institute of Chartered Accountants of Pakistan.

| | Note | DECEMBER 31, 2023 | JUNE 30, 2023 |
|---|------|----------------------|----------------|
| | | ----- Rupees ----- | |
| 2. Trade & other payables | | | |
| Payable to clients | | 113,035 | 113,035 |
| Accrued Liabilities | | 291,068 | 291,068 |
| Ecstar services limited | | 124,772 | - |
| | | <u>528,875</u> | <u>404,103</u> |
| 3. Provision for taxation | | | |
| Opening balance | | - | - |
| Provision made during the year | | - | 68,716 |
| | | <u>-</u> | <u>68,716</u> |
| Tax paid / adjusted during the year | | - | (68,716) |
| Closing balance | | <u>-</u> | <u>-</u> |
| 4. Contingencies and commitments | | | |

There were no known contingencies or commitments of the Company as at December 31, 2023 and June 30, 2023.

HIGH LAND SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS ENDED DECEMBER 31, 2023

6. Intangible assets

| | | |
|--|------------------|------------------|
| Trading Right Entitlement Certificate (TREC) | 2,500,000 | 2,500,000 |
| | <u>2,500,000</u> | <u>2,500,000</u> |
| Impairment | - | - |
| | <u>2,500,000</u> | <u>2,500,000</u> |

6.1 Trading Right Entitlement Certificate (TREC)

In accordance with the requirements of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012, the Company received TREC of Pakistan Stock Exchange with indefinite useful life and equity shares of LSE Financial Services Ltd. (LSEFL) in lieu of its membership card of Lahore Stock Exchange Ltd.

The TREC has been recorded as an intangible asset with indefinite useful life pursuant to the provisions and requirements of IAS-38. As TREC is not a commonly tradable instrument, it was initially recognized at the value approved by Board of Directors of PSX post demutualization. In the notice dated November 10, 2017, Ref no. PSX/N-7178, of Pakistan Stock Exchange, the notional value of the TRE certificate was revised from Rs. 5 million to Rs. 2.5 million for the purpose of Base Minimum Capital Requirement. Since then there has been no change in the notional value of TREC until December 31, 2023.

The TREC is pledged with PSX for the purpose of Base Minimum Capital Requirement (BMC) and is assessed for impairment on an annual basis in accordance with 'IAS-36 Impairment of Assets'.

7. Long term investment

| | | DECEMBER 31, 2023 | JUNE 30, 2023 |
|--|------------|----------------------|------------------|
| Investment at F.V through OCI | Note | ----- Rupees ----- | |
| LSE Financial Services Ltd. (LSE) | 7.1 | | |
| Cost (843,975 ordinary shares of Rs.10 each) | | - | - |
| Fair value adjustment | | - | - |
| | | - | - |
| LSE Ventures Limited value at date of Swap (842,810 ordinary shares of Rs.10 each) | | - | 7,135,945 |
| LSE PropTech Limited value at date of Swap (138,000 ordinary shares of Rs.10 each) | | - | 1,168,425 |
| | | - | 8,304,370 |
| Balance as at July 01, 2023 | | | |
| LSE Ventures Limited | | 7,135,945 | |
| LSE PropTech Limited | | 1,168,425 | |
| | | 8,304,370 | |
| Net proceeds from trading of shares | | (843,660) | |
| Realized loss on disposal of securities | | (1,289,949) | |
| Fair Value Adjustment | | (55,300) | (55,300) |
| Unrealized loss on remeasurement of securities | | (2,436,312) | |
| | | <u>3,679,149</u> | <u>8,249,070</u> |

HIGH LAND SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS ENDED DECEMBER 31, 2023

- 7.1** These represent shares of Rs.10/- each of LSE Financial Services Limited received on Corporatization, demutualization and integration of LSE. These shares were not quoted on any stock exchange. In the year ended June 30, 2023, the demerger and reverse merger scheme of LSE FSL was approved by the honorable Lahore High Court. As a result, LSE Ventures Limited, became the new parent company of LSE holding all investments and assets, whereas the real assets of the company were placed into another company named as LSE PropTech Limited. LSE FSL continued its existence but it became the wholly owned subsidiary of LSE Ventures Limited. Under the reverse merger part of the Scheme, LSE Ventures Limited (PSX Ticker: LSEVL) and LSE PropTech Limited (PSX Ticker: LSEPL) became listed companies. As part of the scheme, shareholders of the LSE FSL were allotted shares in LSE Ventures Limited and LSE PropTech Limited against their shareholding in LSE FSL as per the swap ratio of 99.862% and 69.81% respectively. Consequently, High Land Securities (Private) Ltd was allotted 842,810 shares of LSE Ventures Limited and 295,535 shares of LSE PropTech Limited against its shareholding of 843,975 shares of LSE FSL.

Cost of LSE FSL shares held before the scheme is allocated to the shares of LSE Ventures Limited and LSE PropTech Limited on the basis of number of shares allotted.

8. Trade debts

| | | | |
|--|------------|--------------------|-------------|
| Trade Debts-Considered good | | 5,714,809 | 5,714,809 |
| Trade Debts-Considered doubtful | | 2,069,724 | 2,069,724 |
| | | 7,784,533 | 7,784,533 |
| Less: Allowance for ECL on trade debts | 8.1 | (2,069,724) | (2,069,724) |
| | | 5,714,809 | 5,714,809 |

8.1. Allowance for ECL on trade debts

| | | |
|--|------------------|-----------|
| Opening balance | 2,069,724 | 964,332 |
| Allowance for ECL during the year | - | 1,105,392 |
| Allowance no longer required/recovered | - | - |
| Closing balance | 2,069,724 | 2,069,724 |

- 8.2.** Trade debts include Rs. 5,714,809 (June 30, 2023: Rs. 5,714,809) receivable from related parties.

- 8.3.** The maximum aggregate amount outstanding by reference to month end balances is Rs.5,714,809 (June 30, 2023: 5,714,809)

9. SHORT TERM INVESTMENT

| | | |
|--|------------------|-------------|
| Investments at fair value through profit or loss | 2,565,653 | 4,463,814 |
| Investments in listed securities | | |
| Addition/Deletion | 881,516 | (3,547,809) |
| Realized Gain/(loss) | 58,878 | 366,842 |
| Unrealized Gain/(loss) | 1,559,807 | 1,282,806 |
| Investments in listed securities | 5,065,854 | 2,565,653 |

HIGH LAND SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS ENDED DECEMBER 31, 2023

| | | DECEMBER 31, 2023 | JUNE 30, 2023 |
|---|--|------------------------------|----------------------|
| | Note | ----- Rupees ----- | |
| 10. Advance income tax | | | |
| Opening balance | | 1,106,590 | 1,096,700 |
| Add: Payment during the year | | 17,235 | 78,606 |
| | | 1,123,825 | 1,175,306 |
| Adjusted against provision for the year | | - | (68,716) |
| Closing balance | | 1,123,825 | 1,106,590 |
| 11. Advances, deposits and other receivables | | | |
| Regular/Future exposure deposit | | 437,928 | 435,000 |
| Due from NCCPL | | 126,733 | - |
| Eclearn receivable | | - | 282,280 |
| | | 564,661 | 717,280 |
| 12. Cash and bank balances | | | |
| Cash in hand | | - | - |
| Cash at bank | | | |
| -Current accounts | | 34,824 | 60,257 |
| -Saving accounts | 12.1 | 358 | 454 |
| | | 35,181 | 60,711 |
| 12.1. | Cash at bank include customers' assets in the amount of Rs. 358 (June 30, 2023: Rs. 454). | | |
| 12.2. | Saving account carries markup which ranges from 20.55% (June 30, 2023: 12.5% to 20.55%) | | |

HIGH LAND SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS ENDED DECEMBER 31, 2023

| | | SIX MONTHS ENDED DECEMBER 31, 2023 | YEAR ENDED JUNE 30, 2023 |
|--|---|---|-------------------------------------|
| | Note | ----- Rupees ----- | |
| 13. Operating revenue | | | |
| Brokerage income | | 8,100 | 170,965 |
| Dividend income | | 395,518 | 482,790 |
| | | 403,617 | 653,755 |
| 14. Operating and administrative expenses | | | |
| Directors' remuneration | | - | 480,000 |
| Staff salaries, allowances and other benefits | | 112,500 | 832,000 |
| Telephone and internet charges | | 15,495 | 74,080 |
| Postage and telegram | | - | - |
| Printing and stationery | | - | 30,270 |
| Repair and maintenance - building | | - | - |
| Legal and professional charges | | 69,620 | 90,460 |
| C.D.C charges | | 4,342 | 14,093 |
| PSX and NCCPL charges | | 184,621 | 206,368 |
| Eclear charges | | 872 | 124,135 |
| Allowance for ECL on trade debts | | - | 2,809,152 |
| Entertainment | | - | 155,350 |
| Utilities | | 206,497 | 336,467 |
| Repair and maintenance | | - | - |
| Auditors' remuneration | | | |
| - Statutory audit | | - | 100,000 |
| - Certification charges | | - | - |
| | | - | 100,000 |
| Depreciation | 5 | 103,049 | 219,622 |
| Miscellaneous expenses | | 65,000 | 196,299 |
| | | 761,996 | 5,668,296 |
| 15. Other Income | | | |
| Profit on PLS saving accounts | | - | 27,261 |
| Profit on Eclear Exposure deposit | | 109,652 | 13,985 |
| Liabilities written off | | | 311,359 |
| | | 109,652 | 352,605 |
| 16. Taxation | | | |
| Current-current year | 16.1 | - | 74,556 |
| Current-Prior year | | - | (5,840) |
| | | - | 68,716 |
| 16.1 | Provision for current year includes mainly tax on dividend income and commission income under section 150 and 113 respectively of the Income Tax Ordinance, 2001. | | |
| 16.2 | Reconciliation of applicable rate and effective rate of tax has not been made for the year ended June 30, 2023 due to the application of minimum tax u/s 113 in current year. | | |

HIGH LAND SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS ENDED DECEMBER 31, 2023

| | SIX MONTHS ENDED DECEMBER 31, 2023 | YEAR ENDED JUNE 30, 2023 |
|--|---|-------------------------------------|
| 17. Earning per share - Basic and diluted | | |
| Net (loss) / profit for the year (Rupees) | 70,838 | (3,089,211) |
| Weighted average number of shares outstanding during the period | 5,580,000 | 5,580,000 |
| (Loss) / earnings per share - basic and diluted (Rupees per share) | 0.01 | (0.55) |

18. Date of authorization for issue

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

19. Corresponding figures

- Amounts have been rounded off to the nearest rupee, unless otherwise stated.
- Comparative figures are presented for the whole year ended June 30, 2023 and are audited, hence these are not comparable.

CHIEF EXECUTIVE

DIRECTOR

HIGH LAND SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2023

5. Operating fixed assets

| Six Months Ended 31 December, 2023 | | | | | | | | | |
|------------------------------------|---------------------|-------------------------|-------------------------|--------------------------|--------------------------|--------------|-------------------------|--|--------|
| Particulars | Cost | | | Accumulated Depreciation | | | | Net Book Value as at December 31, 2023 | Rate % |
| | As at July 01, 2023 | Additions / (Disposals) | As at December 31, 2023 | As at July 01, 2023 | Disposal during the year | For the year | As at December 31, 2023 | | |
| ----- Rupees ----- | | | | | | | | | |
| Freehold land | 20,370,000 | - | 20,370,000 | - | - | - | - | 20,370,000 | 0 |
| Building | 6,000,000 | - | 6,000,000 | 2,415,457 | - | 89,614 | 2,505,071 | 3,494,929 | 5 |
| Office equipment | 165,525 | - | 165,525 | 106,218 | - | 2,965 | 109,183 | 56,342 | 10 |
| Computer equipment | 264,800 | - | 264,800 | 222,620 | - | 4,218 | 226,838 | 37,962 | 20 |
| Furniture and fixtures | 364,000 | - | 364,000 | 238,966 | - | 6,252 | 245,218 | 118,782 | 10 |
| Decemebr 31, 2023 | 27,164,325 | - | 27,164,325 | 2,983,261 | - | 103,049 | 3,086,310 | 24,078,015 | |

| Year Ended 30 June, 2023 | | | | | | | | | |
|--------------------------|---------------------|-------------------------|---------------------|--------------------------|--------------------------|--------------|---------------------|------------------------------------|--------|
| Particulars | Cost | | | Accumulated Depreciation | | | | Net Book Value as at June 30, 2023 | Rate % |
| | As at July 01, 2022 | Additions / (Disposals) | As at June 30, 2023 | As at July 01, 2022 | Disposal during the year | For the year | As at June 30, 2023 | | |
| ----- Rupees ----- | | | | | | | | | |
| Freehold land | 20,370,000 | - | 20,370,000 | - | - | - | - | 20,370,000 | 0 |
| Building | 6,000,000 | - | 6,000,000 | 2,226,797 | - | 188,660 | 2,415,457 | 3,584,543 | 5 |
| Office equipment | 165,525 | - | 165,525 | 99,628 | - | 6,590 | 106,218 | 59,307 | 10 |
| Computer equipment | 262,800 | 2,000 | 264,800 | 212,141 | - | 10,479 | 222,620 | 42,180 | 20 |
| Furniture and fixtures | 364,000 | - | 364,000 | 225,073 | - | 13,893 | 238,966 | 125,034 | 10 |
| June 30, 2023 | 27,162,325 | 2,000 | 27,164,325 | 2,763,639 | - | 219,622 | 2,983,261 | 24,181,064 | |

5.1. Free hold land of the Company is located at Mehmood Booti Tehsil Shalimar District Lahore with an area of 2 Kanal 4 Marla (June 30, 2023: 2 Kanal 4 Marla).