



AKD Securities Limited



# ANNUAL **REPORT** 2024



# COMPANY INTRODUCTION

AKD Securities Limited (AKDSL) stands as Pakistan's largest brokerage firm and a leading non-bank advisory institution, offering a diverse range of financial services and expert advisory solutions.

AKDSL's core strategy is driven by an unwavering focus on exceeding client expectations through unparalleled excellence across the financial services spectrum. At AKDSL, technology drives innovation and has marked key milestones, such as the introduction of Pakistan's first online trading platform. Our market-leading domestic and foreign institutional brokerage is supported by a globally recognized independent research unit. Our ECM/DCM desks represent one of the largest advisory businesses outside of commercial banks in Pakistan, with notable achievements including transactions for the Government of Pakistan under various privatization programs and capital raising for the country's largest private sector corporations. Our Investment Banking and Advisory business has achieved a 30% market share in all fresh capital raised over the past decade, driving growth across Pakistan's capital markets through growth capital.

AKD Securities Limited has consistently maintained a market-leading share of approximately 12.5% of the Daily Traded Volume at the Pakistan Stock Exchange. AKDSL's high-touch trading covers nearly 300 institutions, both domestic and international, alongside high-net-worth clients across various sectors. Our large and diversified institutional and retail client base enables us to execute regular orders, large block trades, and private placements with speed, efficiency, and minimal impact cost.

Our sales teams are trained to be proactive, providing clients with real-time actionable updates by analyzing breaking news, followed by impact assessments through our research team. This ensures our clients stay ahead of the curve in terms of information efficiency.

Our International Institutional Desk partners with various global entities, with whom we work in close coordination. However, our primary objective has always been to maintain a strong service relationship with end-clients, allowing them to route business to us through our multiple execution arrangements with a broad global partner network. We focus on marketing Pakistan's promising economic story by actively organizing reserve roadshows and consistently facilitating corporate access to major global financial centers.

AKD Securities is the pioneering full-service brokerage house offering specialized services in Equities, Corporate Finance/Advisory, Money Market, Forex, and Commodities. With a highly experienced team and dedicated infrastructure, AKDSL is well-equipped to meet the diversified needs of its clients as the market leader.



# TABLE OF CONTENTS

|  |    |
|--|----|
| 1. Vision & Mission                      | 05 |
| 2. Core Values                           | 06 |
| 3. Service Offered                       | 07 |
| 4. Company Information                   | 08 |
| 5. Business Ethics & Practices           | 09 |
| 6. Our Policies                          | 10 |
| 7. Awards and Recognitions               | 11 |
| 8. Company Milestones                    | 12 |
| 9. Our location & Branch Network         | 13 |
| 10. Chairperson's Message                | 15 |
| 11. CEO'S Message                        | 16 |
| 12. Directors' Profile                   | 17 |
| 13. Corporate Social Responsibility(CSR) | 20 |
| 14. Chairperson's Review                 | 21 |
| 15. Directors' Report to the Members     | 22 |
| 16. Finanical Highlights                 | 33 |
| 17. Graphical Presentation               | 34 |
| 18. Independent Auditor's Review Report  | 35 |
| 19. Statement Of Compliance              | 36 |
| * Standalone Financial Statments         |    |
| 20.Independent Auditor's Report          | 43 |

# TABLE OF CONTENTS

|   |     |
|---|-----|
| 21. Statement of Financial Position .....                                 | 49  |
| 22. Statement of Profit & Loss Account & Other Comprehensive Income ..... | 50  |
| 23. Statement Of Changes In Equity .....                                  | 51  |
| 24. Cash Flow Statement .....   | 52  |
| 25. Notes Of Financial Statement .....                                    | 53  |
| 26. Gender Pay Gap Statement .....  | 85  |
| * Consolidated Financial Statements                                       |     |
| 27. Directors' Report .....   | 87  |
| 28. Independent Auditors' To The Member .....                             | 88  |
| 29. Consolidated Statement Of Financial Position .....                    | 94  |
| 30. Statement of Profit & Loss Account & Other Comprehensive Income ..... | 95  |
| 31. Statement Of Changes In Equity .....                                  | 96  |
| 32. Cash Flow Statement .....   | 97  |
| 33. Notes Of Financial Statement .....                                    | 98  |
| 34. Pattern Of Shareholding .....   | 131 |
| 35. Notice Of Annual General Meeting .....                                | 133 |
| 36. Directors' Report To The Members (Urdu) .....                         | 137 |
| 37. Form Of Proxy (Urdu) .....  | 148 |
| 38. Form Of Proxy (English) .....   | 149 |



# VISION & MISSION

## OUR VISION

To be the leading financial services company generating consistent value for its stakeholders.

## OUR MISSION

To be the preferred advisor across various business platforms providing leadership in market and product development.



# CORE VALUES



## INTEGRITY

Acting with honesty and transparency in the best interest of our clients and other stakeholders



## EXCELLENCE

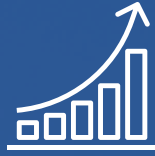
Working diligently to deliver the very best in terms of products and service to our clients on a consistent basis.



## LEADERSHIP

Innovate and be the change agent that exceeds client expectations by providing new, diverse and complete range of products and services

# SERVICES OFFERED



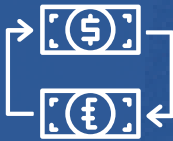
## EQUITIES

- TREC Holder of Pakistan Stock Exchange.
- Pakistan's largest online equities platform.
- Nationwide retail branch network.
- One of the largest institutional brokerage platform.
- Relationship with global investors and broker dealers.



## MONEY MARKET

- One of the top brokers in the market.
- Actively advice diverse clients such as banks, corporates, insurance companies, mutual funds, DFIs, NBFCs etc.
- Active across multiple products such as sukuks, T-Bills, commercial papers, promisory notes, overnight, term funding etc



## FOREX

- Actively catering to FX needs of bank treasuries.
- Research backed investment advice based on macro economic fundamentals.



## COMMODITIES

- One of the leading brokers on the Pakistan Mercantile Exchange.
- Amongst the largest team in the business. Night desk facility for investors.
- Professional investment advice based on research and technicals.



## CORPORATE FINANCE & ADVISORY

- Mergers & acquisitions / divestitures and privatizations.
- IPOs, bookbuilding, block transactions and private placements.
- Corporate & financial restructuring.



## RESEARCH

- Award winning research recognized locally and internatinoally.
- Industry wide coverage supported by macro economic research.
- Detailed company insights supplemented by strategy reports

# COMPANY INFORMATION

## BOARD OF DIRECTORS

Hina Junaid Dhedhi – Chairperson  
Muhammad Farid Alam – FCA – C.E.O  
Sikander Kasim  
Ayesha Aqeel Dhedhi  
Afsheen Aqeel  
Kamal Uddin Tipu  
Tariq Ghumra

## AUDIT COMMITTEE

Kamal Uddin Tipu  
Ayesha Aqeel Dhedhi  
Afsheen Aqeel

## HR & R COMMITTEE

Sikander Kasim  
Muhammad Farid Alam – FCA  
Ayesha Aqeel Dhedhi

## CHIEF EXECUTIVE OFFICER

Muhammad Farid Alam – FCA

## COMPANY SECRETARY

Dabeer Ullah Sheikh

## CHIEF FINANCIAL OFFICER

Zafar Ahmed Khan

## HEAD OF INTERNAL AUDIT

Muhammad Noman

## CREDIT RATING

JCR-VIS Credit Rating  
Company Limited

## TAX ADVISOR

A.Qadir & Company  
Office Nos.206 and 209, Business Arcade,  
Shahrah-e-Faisal Block 6 P.E.C.H.S.,  
Karachi, Karachi City, Sindh  
(021) 34315163

## STATUTORY AUDITOR

RSM Avais Hyder Liaquat Nauman  
Chartered Accountants  
407, Progressive Plaza, Beaumont Road  
Karachi, Pakistan  
ICAP/SBP Category-A

## LEGAL ADVISORS

Siddiqui & Raza  
Barristers and Legal Consultants  
Office No. 301, 3rd Floor, The Plaza,  
Block No. 9, Clifton, Karachi Pakistan  
Tel No. 021-35303030  
Fax No. 021 35308303  
mail@siddiquiraza.com

## SHARE REGISTRAR

THK Associates (Private) Limited  
Plot no. 32-C, Jami Commercial Street  
2, D.H.A Phase VII, Karachi, 75500 Pakistan.  
Phone: +92 (021) 111 000 322  
Direct: +92 (021) 35310191-6  
sfc@thk.com.pk

## BANKERS

Allied Bank Limited  
Askari Bank Limited  
Bank Al-Habib Limited  
Bank Al-Falah Limited  
Bank Islami Pakistan Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
United Bank Limited  
Bank of Khyber Limited  
Dubai Islamic Bank Limited  
Habib Bank Limited  
MCB Islamic Bank Limited  
Summit Bank Limited

## REGISTERED OFFICE

Address: Suite # 602, 6th Floor,  
Continental Trade Center,  
Block-8, Clifton, Karachi.  
75600, Pakistan.  
UAN: 92-21 111-253-111- 606-649  
info@akdsl.com



# BUSINESS ETHICS & PRACTICES

AKDSL is a strong supporter of corporate decorum and ensures that its employees endeavor to maintain highest ethical standards during the discharge of their duties. The Company has adopted a Code of Ethics and Business Practices applicable to all its employees which is regularly circulated within the Company. A summary of the Code is as follows:

## Code of Conduct

Employees must act at all times in the Company's best interests and are expected to avoid situations in which their financial or other personal interests or dealings are in conflict with the interests of the Company. Matters involving conflict of interest are prohibited as a matter of policy and any conflict that arises in a specific situation or transaction must be disclosed and resolved.

## Gifts or Entertainment

Employees must act at all times in the Company's best interests and are expected to avoid situations in which their financial or other personal interests or dealings are in conflict with the interests of the Company. Matters involving conflict of interest are prohibited as a matter of policy and any conflict that arises in a specific situation or transaction must be disclosed and resolved.

## Bribery

The making or receiving of facilitation payments or inducements such as bribes and similar acts in cash or kind are prohibited and the resources of the Company are not utilized for any such purpose.

## Accounting Standards

Compliance with applicable accounting standards and procedures is always necessary. The information supplied to the external auditors, shareholders and other third parties must be complete and not misleading.

## Human Resources

Human Resource policies are consistent, transparent and fair and staff members are encouraged to make suggestions or raise business concerns. Selection for employment and promotion is based on objective assessment of ability, qualification and experience, free from discrimination on any grounds. Discrimination on the basis of caste, culture, religion, disability or sex is intolerable.

## Compliance with Regulatory Requirements

AKDSL transacts its business in accordance with the applicable laws, rules and regulations and cooperates fully with the government and regulatory bodies.

## Confidentiality

Employees are bound to protect the confidentiality of information and are obliged to keep delicate information confidential. Use of Company information for personal gain is strictly prohibited. Confidential information must ONLY be used for the intended purpose.

## Community Responsibility

AKDSL aims to operate as a responsible corporate citizen, supporting the communities locally and globally and recognizes its responsibilities towards these communities.

## Environmental Responsibility

AKDSL is concerned with the conservation of the environment in its broadest sense, recognizing its role in this respect by maintaining responsibility for the building and land which it occupies and it aims to limit its use of all finite resources.

# OUR POLICIES

## No Trading on Possession of Insider Information

No person in AKDSL is permitted to trade in any security, either in his own personal account or in the account of his spouse or dependent children, if he / she is in possession of any inside information and neither should they encourage others to do so including his / her relatives, spouse, dependent children or/and close associates.

Also they should refrain from communicating insider information to any outsider, customer or a third party.

All Dealers shall take extra care in sharing information from the trading desk to clients and should be careful not to disseminate any inside information, whether acquired directly or otherwise, or which may, if disseminated, be construed as a leakage of inside information.

## Business Practices

Honesty and integrity are the hallmarks of AKD Securities Limited (AKDSL) and adherence is expected on part of each employee. AKDSL must compete for business on an honest and open basis – this is integral to ethical behavior.

A conflict occurs when an employee's private interest interfaces with the interest of the Company or its clients. No employee shall transact any business on behalf of himself or any person other than AKDSL with any supplier of goods or services to AKDSL in circumstances that could give rise to a conflict of interest or be prejudicial to the company.

In placing or accepting any business and in entering into contracts on behalf of AKDSL, employees are expected to observe the highest standards of integrity and to act in the best interests of the company. Business should not be placed or accepted, or contracts or arrangements entered into, for any improper motive.

No employee shall use the resources of AKDSL for any purpose other than to conduct AKDSL lawful and proper business. In particular, the company's resources must not be used for illegal purposes or for the gain of anyone other than AKDSL. Employees should endeavor to protect the assets of AKDSL and its sponsors and customers and ensure efficient utilization in a transparent manner and as per applicable rules and regulations.

# REWARDS & RECOGNITION

## PMEX BROKER AWARDS

- ★ Best Broker Award

## 21<sup>st</sup> CFA ANNUAL EXCELLENCE AWARDS

- ★ Best Investment Forecast Award

## EUROMONEY

- ★ Pakistan's Best Equities House.

## ★ WORLD FINANCE

Best Investment Bank, Pakistan.

## ★ EUROMONEY

Pakistan's Best Equities House.

## ★ WORLD FINANCE

Best Investment Bank, Pakistan.

## ★ EUROMONEY

Pakistan's Best Equities House.

## ★ WORLD FINANCE

Best Investment Bank, Pakistan.

## ASIAMONEY

- ★ Best Brokerage House in Pakistan for the period 1990-2013 25th Anniversary Poll of Polls
- ★ Best Domestic Equities House
- ★ Best Strategy Analyst

## WORLD FINANCE

- ★ Best Investment Bank, Pakistan

## EUROMONEY

- ★ Pakistan's Best Equities House

## ASIAMONEY

- ★ Best Country Research
- ★ Best Domestic Equities House
- ★ Best Analyst

## WORLD FINANCE

- ★ Best Investment Bank, Pakistan

## CFA INSTITUTE

- ★ Best Research Analyst
- ★ Best Corporate Finance House of the year, Equity & Advisory, Banks

## EUROMONEY

- ★ Pakistan's Best Equities House

## ASIAMONEY

- ★ Best Country Research
- ★ Best Bank Brokerage
- ★ Best Energy Coverage
- ★ Best Domestic Equities House
- ★ Best Strategy Analyst
- ★ Best Analyst

## WORLD FINANCE

- ★ Best Investment Bank, Pakistan

## CFA INSTITUTE

- ★ Pakistan's Best Equities House
- ★ Best Research Analyst Runner-up, Corp. Finance House of the year, Equity & Advisory, Banks

## ★ EUROMONEY

Pakistan's Best Equities

2024

2015

2013

2011

2009

2021

2014

2012

2010

2008

Winner

Best Retail Brokerage & Best Analyst/Commentator

Runner up

Best Domestic Brokerages, Best Brokerages for Research, Best Brokerages for Corporate Access, Best Brokerages for Execution & Best Brokerages for Sales

## CFA SOCIETY PAKISTAN

Runner up  
Corporate Finance House  
Equity & Advisory

## EURO MONEY

- ★ Pakistan's Best Equities House

## WORLD FINANCE

- ★ Best Investment Bank, Pakistan

## ASIAMONEY

- ★ Best Domestic Equities House

## CFA INSTITUTE

- ★ Best Research Analyst
- ★ Best Corporate Finance House of the year, Equity & Advisory, Banks

## WORLD FINANCE

- ★ Best Investment Bank, Pakistan

## EUROMONEY

- ★ Pakistan's Best Equities House

## ASIAMONEY

- ★ Best Country Research
- ★ Best Energy Coverage
- ★ Best Domestic Equities House
- ★ Best Analyst

## EUROMONEY

- ★ Pakistan's Best Equities House

## WORLD FINANCE

- ★ Best Investment Bank, Pakistan

## THE ASSET

- ★ Best Finance Deal

## CFA INSTITUTE

- ★ Runner-up, Best Research Analyst

## ASIAMONEY

- ★ Best Country Research
- ★ Research
- ★ Best Bank Brokerage
- ★ Best Domestic Equities House
- ★ Best Strategy Analyst
- ★ Runner-up, Best Analyst

## THE ASSET

- ★ Best Domestic Investment Bank
- ★ Best Corporate Finance House

## CFA INSTITUTE

- ★ Pakistan's Best Equities House
- ★ Best Research Analyst

## EUROMONEY

- ★ Pakistan's Best Equities House

## WORLD FINANCE

- ★ Best Investment Bank, Pakistan



# COMPANY MILESTONES

## EQUITY CAPITAL MARKET



PKR 3127 mn

Fast Cables  
Limited  
Initial Public  
Offering-Book  
Building

**2024**

PKR 1764 mn

International  
Packaging  
Films Limited  
Initial Public  
Offering-  
Book Building

**2024**

The logo for IPAK, featuring the letters "IPAK" in a bold, green, sans-serif font, followed by a graphic of three green chevron-like shapes pointing to the right.



PKR 2500 mn

Treet  
Corporation  
Limited  
Issuance  
of Right Shares

**2023**

# BRANCH NETWORK

serving YOU, where YOU are...

**Stock Office Karachi:**

Suite-529 5th Floor Stock Exchange Building,  
Stock Exchange Road, Karachi, Pakistan.  
Tel.:+92-21 32426651-2

**Karachi (North Nazimabad):**

Suite # 2/a, 2nd Floor JF Plaza, Plot # D-1/1,  
Block D, North Nazimabad, Karachi, Pakistan  
Tel.:021-36630646-51

**Lahore:**

64-A, 2nd Floor, Fountain Avenue Building,  
Main Boulevard, Main Gulberg, Lahore.  
UAN: 92-42 111-222-000, Fax: (+92-42) 35787545

**Lahore:**

Suite # 512-513, 5th Floor PSX Regional Office,  
19 Khayaban-e-Aiwan-e-Iqbal, Lahore - 54000.  
UAN: 92-42 111-253-111

**Islamabad:**

Suite # 302-303, 3rd Floor Islamabad Stock Exchange  
Tower, Block J F 7/1 Blue Area, Islamabad, Pakistan.  
UAN: 92-51 111-253-111

**Islamabad:**

90-91, Raiza Sharif Plaza, Jinnah Avenue,  
Blue Area, Islamabad, Pakistan  
UAN: 92-51-111-222-000, Fax:(+92-51) 2272841

**Faisalabad:**

Suite # 3, 1st Floor Mezan Executive Tower,  
Liaqat Road, Faisalabad, Pakistan.  
Tel.:92-41 2620361-68

**Multan:**

Ground Floor, State life Building,  
Abdali Road, Multan, Pakistan  
Tel.: 92 61-47830300-1, Fax:(+92-61) 4500272

**Gujranwala:**

Shop # 81, Ground Floor, GDA Trust  
Palza, Gujranwala, Pakistan  
Tel.: 92-55-3822501-04, Fax: (+92-61) 3822505

**Rahim Yar Khan:**

Plot # 24, City Park Chowk, Model Town,  
Rahim Yar Khan, Pakistan  
Tel.: 92-68-5873251 (2-4)

**Peshawar:**

1st Floor, State Life Building, 34-The Mall,  
Peshawar Cantt, Peshawar, Pakistan  
Tel.: 92 91-5276025-27, Fax: (+92-92) 5273683

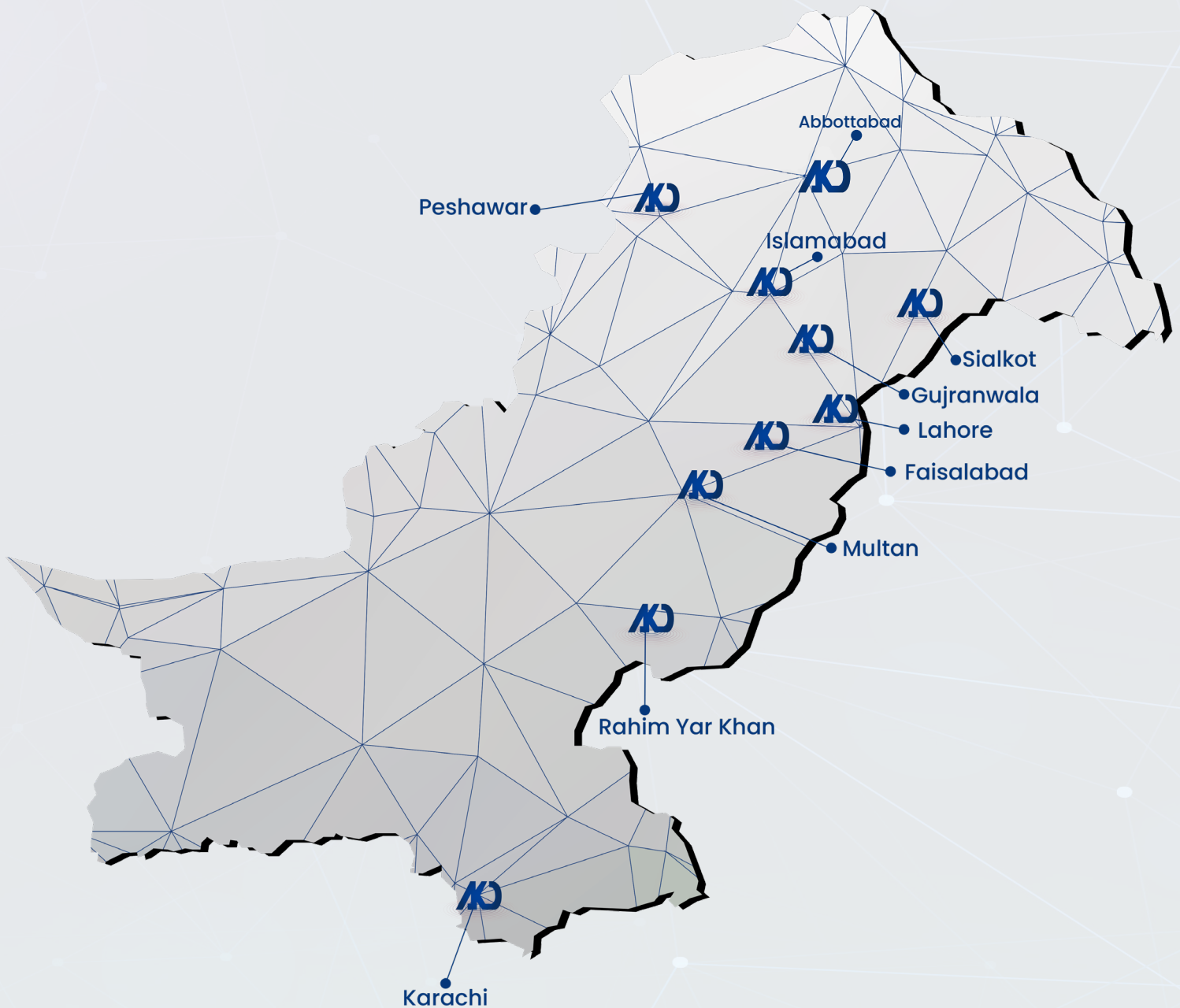
**Sialkot:**

Ground Floor, City Tower, Shahab Pura  
Road, Sialkot, Pakistan  
Tel.: 92 52-325035-37, Fax: (+92-52) 3256038

**Abbottabad:**

Suite- 2, 2nd Floor, Zaman Plaza, near Ayub Teaching  
hospital Main Mansehra Road, Abbottabad, Pakistan.  
Tel.: 92-992 414120-22

A robust network of 13 branches and further expanding to better assist you with your investment needs.







## Hina Junaid

### Chairperson

I warmly welcome you all to the AKD Securities Profile, which provides a concise overview of our organization's breadth, introduces our people, and highlights our past performance, positioning us uniquely to grow alongside Pakistan's developmental milestones.

Embodying the principles of resilience, AKD Securities has always been a truly Pakistani organization at heart, a value we wish to share with you in this profile. You will also see our consistent drive to expand boundaries, including innovations such as Pakistan's first online trading portal, the index tracker fund, and B2C telecommunication services.

The substantial inflow of foreign portfolio investments during the year, in contrast to last year's modest buying and the continuous outflow from FY16 to FY22, further strengthens positive sentiment. The potential of the domestic industry is no longer a secret, with foreign interest only recently beginning to highlight it.

At AKD Securities, we specialize in sharing our on-the-ground acumen, insights honed over more than five decades in some of Pakistan's high-growth, nascent, and emerging business sectors. We have taken bold risks and built our company's strength through continuous dedication to expanding the nation's service industry, marking AKD Securities as a pillar of Pakistan's resilient family-run business community.

We commend you for taking the first step in examining this profile, and we look forward to forming a trusted, mutually beneficial business relationship."

Hina Junaid  
Chairperson  
AKD Securities Limited





## Muhammad Farid Alam-FCA

### Chief Executive Officer

With the grace of Allah SWT, I begin by expressing my deep appreciation for our achievements, strengthened by an unwavering commitment to attaining sustained success and consistently embracing change.

As we reflect on the past year, I am filled with immense gratitude for the steadfast support of our clients, partners, and dedicated team members at AKD Securities. We have navigated through a year that, while not without its challenges, has proven to be remarkably transformative for our equity markets and, consequently, for our company's performance.

The significant rise in equity markets, driven by a confluence of factors, is a testament to the potential within our domestic economy. The unwavering confidence of our clients has played a pivotal role in capitalizing on these positive dynamics, resulting in growth for our company. Over the past year, we have witnessed a healthy transformation of our economic landscape, with efforts primarily focused on fostering relationships with foreign investors and partners. This confidence from our bilateral and multilateral partners led to the replenishment of our foreign reserves to over two-year highs, providing essential stability to the domestic currency and significantly improving the inflation outlook. Additionally, a successful election year has further intensified optimism for the economic outlook in the periods to come. As Bernard Baruch aptly noted about overcoming challenges, "The art of living lies not in eliminating, but in growing with troubles."

Our team at AKD Securities faces a bright future, with opportunities for sustainable growth, superior value delivery for clients, and enhanced competition within the industry. As a corporate brokerage house and investment bank, it is critical for the company to secure its fair share of the ever-increasing business volumes and financial market products.

We at AKD Securities present this corporate profile as an overview of our achievements and extend an invitation to form a profitable relationship with us.

Muhammad Farid Alam, FCA  
Chief Executive Officer  
AKD Securities Limited

# BOARD OF DIRECTORS



**Hina Junaid**  
Chairperson

Serving for over a decade as the Chairperson of AKD Securities Ltd. Ms. Hina Junaid has a deeply rooted career in Pakistan's capital markets. With wide-ranging exposure to private investments, real estate developments, investment banking and commodities trading she has effectively governed Pakistan's premier financial services brokerage. Prioritizing forging strong network of service oriented client relationships with the nation's foremost institutions, family offices, private investors and foreign portfolio investors.

Establishing AKD Commodities (Pvt.) Limited in 2011 she led the Group's efforts to extend financial market expertise to the nascent mercantile market. Steadily augmenting the AKD Group's portfolio, she serves as a Non-Executive Director for AKD Analytics, an integrated provider of back-end services to international financial services intermediaries with clients throughout the MENA region.

Mrs. Junaid also serves as Director AKD Venture Fund Ltd. which is Pakistan's First Venture Capital Fund, Creek Developers (Pvt.) Ltd an associated Group Company developing a premium multipurpose real-estate project in DHA Phase 8, Karachi and Oil & Gas Investment Limited (OGIL) which has exploration and development concessions across Pakistan.

As a socially aware business leader, Hina is an active philanthropist pursuing various charitable causes and social welfare projects in the domains of primary education, medical research and poverty alleviation. In a unique position as the first female chairperson of a Pakistani brokerage, she champions women empowerment initiatives including building financial awareness and promoting investment avenues. Recently she has been involved with renowned institutions and foundations including HANDS, SIUT, WWF and ORANGE TREE.



**Muhammad Farid Alam – FCA**  
Chief Executive Officer

An unwavering proponent of Pakistan's development story, Mr. Muhammad Farid Alam has over two decades of capital market experience, playing a leading role in promoting a positive narrative for the country's capital markets both at home and abroad. Under his leadership, AKD Securities Limited has garnered several industry accolades, pioneered public market capital-raising exercises, led corporate finance consulting, and executed tailored private placements. Mr. Alam remains a staunch advocate of the nation's potential to deliver growth for all.

Prior to joining AKD Securities, Mr. Alam was associated with the Pakistan Industrial Credit and Investment Corporation (PICIC), where he led the first buyout of state-owned mutual funds by the Privatization Commission, managed the combined entity, and launched two new funds. Earlier, he served as the Domestic Consultant for the Asian Development Bank (ADB) on the Financial Sector Intermediation Loan (FSIL) in 2004. In this role, he conducted extensive reviews and reported on monetary policies, external account management, and FX treasury policies, coordinating with various Pakistani government officials and the multilateral lender.

Before his time at PICIC, Mr. Alam was the Head of Finance and Secretary to the Executive Committee and Board of Directors at the Corporate & Industrial Restructuring Corporation (CIRC), Government of Pakistan, where he was also actively involved in remedial banking. He facilitated the placement of government funds with private sector banks, adhering to strict criteria, which boosted institutional income and set a precedent for other public organizations. Mr. Alam gained extensive investment banking experience during his decade at Crescent Investment Bank Limited—Pakistan's first investment bank—where he held roles such as Treasurer, Equity Strategist, Chief Financial Officer, and Manager of Corporate Finance.

A Fellow of the Institute of Chartered Accountants, Mr. Muhammad Farid Alam serves on various committees of the Institute of Chartered Accountants and holds positions on the Boards of Bahria Foundation and Hamdard University. He also reviews PhD theses for the Board of Advanced Studies & Research at the Institute of Business Management.

In addition to maintaining an in-depth knowledge of local and global financial market developments, he is an ardent competitor in team sports and has a deep appreciation for art and literature. A dynamic communicator, Mr. Alam has participated in numerous media platforms, conferences, panels, and industry roundtables throughout his career.





**Sikander Kasim**  
Director

Sikander Kasim is a fellow member of Institute of Chartered Accountants of Pakistan with over 30 years of experience in cross sector of listed companies. He joined Ford Rhodes Robson Morrow to pursue Accounting Certification after his B.Com from University of Karachi. He was admitted as an Associate Member of ICAP in the year 1991. His work experience revolves around financial and corporate affairs, including the office of Chief Financial Officer. He has major insight of public offerings, treasury functions and mobilization of funds for enterprise. Majority of his experience pertains to refinery sector.



**Kamal Uddin Tipu**  
Director

Kamal Uddin Tipu is a PhD scholar in International Relations & Politics, Masters in Conflict Transformation from Eastern Mennonite University, VA USA, a Fulbright scholar, diploma in Human Rights Law from Human Rights Center Peshawar and MSc in Civil Engineering from Wayne State University Detroit MI USA having over 30 years of experience of law enforcement operations, management and planning, International Peacekeeping, electronic media regulation, project management, training and research administration.

His experience includes member of National Counter Terrorism Authority (NACTA), Executive Member and Chairman PEMRA, Police Planning Advisor at United Nations Office to the African Union UNOAU Addis Ababa Ethiopia, Deputy Inspector general of Police, Islamabad, Sector Commander and Director Planning National Highways & Motorway Police, Islamabad and many other command and staff assignments in Police Service of Pakistan.

He has written various papers on the subjects of Conflict Analysis, Nonviolence, Negotiations, Dialogue, Peace building, Community Policing, and Restorative Justice as requirement of the Masters Degree in the field of Conflict Transformation under the Fulbright program at Eastern Mennonite University Virginia, USA. He was a Visiting speaker National Institute of Public Administration, National Police Academy and Pakistan Institute of Manpower Islamabad. He also works on the Executive Body of Association of Former Inspectors General of Police AFIGP.



**Tariq Adam Ghumra**  
Director

Mr. Tariq Adam Ghumra commenced his services at AKD Group as Manager Operations – Capital Markets Division in July 1995. Currently, he serves as Director, Head of Equity Operations & Registered Agent of SECP. He plays a vital role to monitor trade executions and clients' exposure, developing relationships with financial institutions, local high net worth clients, and investors. Mr. Ghumra is also responsible for conducting reviews and evaluations for cost-reduction opportunities and analyzing regulatory changes advises accordingly for system development.

He offers his expertise in liaising with SECP & CDC auditors to ensure annual monitoring along with arranging new sources of financing for the company's debt facilities.

Mr. Ghumra holds a master's degree in Business Administration majoring in Finance. He also serves as a Director of Metropolitan Steel Limited after being associated earlier as a Manager Customer Services with Bear Sterns Jahangir Siddiqui Limited (JS).



Ms. Ayesha Aqeel Dhedhi is the youngest female CEO in real estate sector in Pakistan. She is currently working as a CEO in Creek Developers (Private) Limited. She has got 11 years of work experience. By qualification she holds a Master of Business Administration.

**Ayesha Aqeel Dhedhi**  
Director



Ms. Afsheen has been associated with AKD Securities Limited for more than 7 years and is currently part of the Investment Banking team. She has been actively involved in various successful transactions that have been floated through the AKDSL platform.

Her work domain is predominantly equity and debt advisory with transaction spectrum ranging from capital market transactions to private equity play.

She has completed her undergraduate studies from the University of Nottingham - United Kingdom.

**Afsheen Dhedhi**  
Director



# CORPORATE SOCIAL RESPONSIBILITY (CSR)

## CORPORATE SOCIAL RESPONSIBILITY

The Company continued its contribution to the society and business community as a socially responsible organization through a number of philanthropic activities. AKDSL is committed towards fulfilment of its Corporate Social Responsibility and continues its involvement in projects focusing on healthcare, environment and community welfare. Our aim is to continue our involvement and contribution to such noble causes in the future as well.



# CHAIRPERSON'S REVIEW

It gives me immense pleasure to present this review report to the stakeholders of AKD Securities Limited ("the Company") on the overall performance of the Board and effectiveness of the role played by the Board in achieving the company's objectives.

The Board of Directors ("the Board") of the Company has performed their duties meticulously in safeguarding the best interest of shareholders' of the Company and has managed the affairs of the Company in an effective and efficient manner, towards achieving its objective, in accordance with applicable laws and regulations.

The composition of the Board of Directors reflects mix of varied backgrounds and highly experienced individuals in the fields of Finance, Audit, Business and Banking. As required under the Code of Corporate Governance, the Board evaluates its own performance through a mechanism developed by it. The Board is fully involved in company's progress and provides strategic direction to the management and will continue to play its role in ensuring high standards of governance.

The Board has ensured that the meetings of the Board and that of its committee were held with the requisite quorum, all the decision making were taken through Board resolution and that the minutes of all the meetings including its committee are appropriately recorded and maintained.

The Board has actively participated in strategic planning process enterprise risk management system, policy development, and financial structure, monitoring and approval.

All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process.

The Board has ensured that the adequate system of internal control is in place and its regular assessment through self-assessment mechanism and /or internal audit activities.

The Board has ensured that adequate information is shared among its members in a timely manner and the Board members are kept abreast of developments between meetings.

The Board has exercised its powers in light of the power assigned to the Board in accordance with the relevant laws and regulation applicable on the Company and the Board has always prioritized the Compliance with all the applicable laws and regulation in terms of their conduct as directors and exercising their powers and decision making

I would like to acknowledge the contribution of the Board of Directors and all the employees of AKD Securities Limited for their hard work, dedication and commitment towards achieving organizational goals.



-----  
Hina Junaid  
Chairperson

Karachi: October 02, 2024

# DIRECTORS' REVIEW TO THE MEMBERS

The Board of Directors of **AKD Securities Limited** ("the Company") is pleased to present the audited financial statements together with the Auditors' report thereon for the year ended 30 June 2024.

The comparison of the audited results for the year ended 30 June 2024 with the corresponding period of last year is as under:

| -----In Rupees-----                |               |              |
|------------------------------------|---------------|--------------|
|                                    | -----         |              |
| Particulars                        | 30 June 2024  | 30 June 2023 |
| Operating revenue                  | 1,269,670,699 | 627,360,171  |
| Operating profit                   | 1,783,599,746 | 460,229,052  |
| Profit before income and final tax | 1,665,769,931 | 359,083,507  |
| Profit after tax                   | 1,259,395,545 | 406,755,721  |
| Earnings per share                 | 2.26          | 0.78         |

During the year, the Company earned operating revenue of PKR 1,269.67 million, compared to PKR 627.36 million in the corresponding period of the previous year, marking a significant 102% YoY increase.

The brokerage division performed well, posting total brokerage revenue of PKR 1,161 million (FY23: PKR 592.79 million), reflecting a remarkable increase of over 96%.

Equity brokerage remained the primary component of operating revenue, while the money market and commodity brokerage segments also demonstrated impressive growth over the same period.

The short-term investment portfolio performed well, posting a gain of PKR 431 million in FY24, compared to a gain of PKR 287 million in FY23.

## Economic Review

Pakistan's economy has shown signs of stabilization in FY24, with inflation easing, a primary fiscal surplus, a controlled current account deficit, and a stable exchange rate. On the real economy side, the agriculture sector has performed exceptionally well, while large-scale manufacturing is poised for growth. In Jun'24, CPI inflation nearly fell into the single-digit range. The external account has improved due to reduced imports driven by prudent fiscal and monetary policies, along with significant growth in exports and remittances. To reinforce this stability, the government has recently secured a staff-level agreement with the IMF for a 37-month, US\$7bn Extended Fund Facility (EFF) arrangement.

On the fiscal front, revenue collection for FY24 reached PkR13.3tn, while the fiscal deficit stood at PkR7.2tn, or 6.8% of GDP. Notably, the primary balance turned positive for the first time in 20 years due to government efforts to achieve fiscal consolidation, with a primary surplus of PkR953bn compared to a deficit of PkR825bn in FY23.

In FY24, the current account deficit narrowed to US\$0.7bn, down from US\$3.3bn the previous year. Goods exports grew by 11.6%YoY, reaching US\$31.1bn, while imports remained stable at US\$53.2bn compared to US\$52.7bn in FY23. As a result, the goods trade deficit declined to US\$22.1bn from US\$24.8bn the prior year. Remittances also saw a 10.7%YoY increase, surpassing US\$30.3bn in FY24.

GDP growth rebounded to 2.4% in FY24, driven by sound policy management, improved agricultural performance, and the resumption of multilateral and bilateral inflows. The agricultural sector, in particular, was a key driver of this growth, expanding by 6.2%, its highest rate in 19 years. Both the industrial and services sectors saw modest growth of 1.21%. Per capita income rose by US\$129, reaching US\$1,680 compared to US\$1,551 last year, supported by increased economic activity and exchange rate appreciation.

### **Equity Market Review**

Adoption of tight fiscal and monetary policies, along with timely external payments amid a smooth transition of govt., has led to the strong performance of the KSE-100 index during this fiscal year. Subsequently, the KSE-100 index witnessed its highest return since FY03, achieving 89.2% in FY24 (94.4% in US\$ terms), with the majority of the return attributed to capital appreciation. Capital gains provided 66.7% of the return, while 22.4% was explained by dividends. Notably, the Rupee gained 2.7% in FY24, countering cumulative losses of 51.7% over the last two years due to a significant reduction in the current account deficit amid slight decrease in external borrowing. Moreover, market performance came with improvement in volumes, which increased by 129% YoY to 597.9mn shares, a high of three years.

In terms of sector performances, Power, Banks, and Fertilizer sectors reported strong returns driven by dividend plays and cheaper valuations while E&Ps performance also reflected improved cash flows. Power generation achieved a return of 119% in FY24, followed by Banks, E&Ps, and Fertilizer with robust annual returns of 115%, 73%, and 65%, respectively. In terms of index points, Banks contributed the most with 13,262 points during FY24, followed by Fertilizer with 5,074 points, E&Ps with 4,300 points, and Power with 4,192 points. However, the Technology sector had a negative impact on the KSE-100, contributing -52 points in FY24.

On the flows front, Foreigners have continued to be buyers for the second consecutive year, with net purchases totaling US\$140.8mn, excluding debt of US\$157.4mn, in FY24. This contrasts with last year's modest net buying of US\$1.6mn as currency pressures eased. To



highlight, between FY16 and FY22, foreigners trimmed their positions by US\$2.5bn. In FY24, banks saw the highest net inflows at US\$59.8mn, followed by other sectors and Fertilizer, which received inflows of US\$36.1mn and US\$18.4mn, respectively. Additionally, Power, Cement, Food, OMCs, and E&Ps sectors received inflows of US\$16.5mn, US\$12.9mn, US\$4.4mn, US\$3.8mn, and US\$3.3mn, respectively. Notably, the Technology and Textile sectors received the least inflows of US\$1.3mn and US\$0.8mn, respectively. Insurance and companies cumulatively bought US\$162.0mn worth of stakes in FY24. Meanwhile, all other participants trimmed their positions, with banks leading the sell-off by US\$141.3mn shares. Individuals, mutual funds, others, and brokers followed with sales of US\$59.6mn, US\$46.9mn, US\$33.2mn, and US\$20.8mn, respectively, in FY24.

### **Debt and Currency Market Review**

The current account deficit narrowed sharply in FY24, and SBP's FX reserves improved significantly from US\$4.4bn at end-Jun'23 to above US\$9.0bn. Moreover, the country reached a staff level agreement with the IMF for a 37-month EFF program of about US\$7.0bn.

The SBP initiated monetary easing, driven by a falling inflation, stability in the external account, and fiscal consolidation, after maintaining the policy rate at an all-time high of 22% for one year. We expect monetary easing to continue into FY25 as real interest rates are nearly 800bps positive, and the current account balance remains under control. Successful entry into the IMF program will allow Pakistan to continually unlock financing from official partners, sufficient to meet its external obligations and further support the rebuilding of its foreign exchange reserves.

### **Commodity Market Review**

Geopolitical tensions and unrest kept commodities through a volatile cycle throughout the year. Brent oil prices surged to a peak of US\$96.5/bbl during the initial stages of the MEA conflict but settled at US\$86.4/bbl by year-end, as weakening demand and rising inventories signaled towards a well-supplied market. Overall, major crude benchmarks including WTI and Arab Light closed the year at US\$81.5/88.0 per bbl, up by 15%/12%YoY. In summary, despite sustained economic headwinds, expectations of global monetary easing and supply shortages driven by OPEC's insistence to prolong supply cuts, alongside geopolitical conflict, sustained upward demand for oil towards by end of period. Gold prices, however, have continued to hit fresh highs in FY24 peaking at US\$2,438/t-oz, in light of global monetary easing. The precious metal's appeal typically rises in a weakening US\$ scenario, closing the year at US\$2,440/t-oz (up 21%YoY). As of Jun'24, the trends for other major commodities were as follows: Coal US\$108.5/ton (↑5%YoY), RLNG US\$ 13.0/mmbtu (↑5%YoY), Urea US\$345/ton (↑12%YoY), PVC US\$850/ton (↑9%YoY) and Cotton US\$69.8/lb (↓16%YoY), respectively.

## Future Outlook

The continuation of aggressive monetary easing by the SBP, as inflation drops into single digits for the first time in three years, is expected to stimulate economic activity, particularly in the industrial and services sectors. However, the agriculture sector is likely to face challenges due to a high base and increased input costs, limiting its growth. The fiscal deficit is expected to remain near last year's level due to efforts to achieve a 40% YoY increase in FBR revenues for FY25, despite high debt servicing costs. On the external front, the account is anticipated to stay stable, bolstered by strong worker remittances, export growth, and the country's participation in the IMF's Extended Fund Facility (EFF) amid support from friendly and development partners. Additionally, the PSX is expected to perform well over the coming year due to the shifting of funds from fixed income to equities, supported by the prospect of ongoing monetary easing.

## Corporate Governance

The directors confirm compliance with the Corporate & Financial Reporting Framework of the Securities and Exchange Commission of Pakistan (SECP's) Code of Corporate Governance in respect of the following:

- Proper books of account of the Company have been maintained;
- The financial statements prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and the changes in equity;
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment;
- Approved Accounting Standards, as applicable in Pakistan, Companies Act, 2017 and the directives issued by the Commission have been followed in the preparation of the financial statements;
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements;
- The system of internal control is sound in design and has been effectively implemented and monitored;

- The Company is financially sound and is a going concern and that there are no doubts about its ability to continue as a going concern;
- There has not been any material departure from the best practices of Corporate Governance, as detailed in the listing regulations;
- The composition of Board of Directors is as per the best practices of Code of Corporate Governance;
- Executive Directors do not number more than one third of the elected directors. Details of the composition of the Board of Directors have been provided below;
- The Board of Directors has ensured that all regulations concerning responsibilities, powers and functions of the Directors have been carefully considered and acted upon. In addition, Company Secretary, CFO and Head of Internal Audit who meet the requirements laid out in the Code have been appointed;
- Key operating and financial data of the preceding years is disclosed in the financial statements.
- There are no statutory payments on account of taxes, duties, levies and charges which are outstanding as on 30 June 2024 except for those disclosed in the financial statements;
- Related-party transactions have been placed before the Audit Committee and their recommendations placed before the BOD.
- There are no transactions entered into by the Broker during the year which are fraudulent, illegal or in violation of any securities market law;
- The Company has paid amount of Rupees 15.26 million in the provident fund of the employees of the Company. The Company operates approved contributory provident fund for its eligible employees;
- No material changes and commitments affecting the financial position of your Company have occurred between the balance sheet date and the date of the Directors' Report.

## **The Board**

The total numbers of directors are Seven (7) as per the following:



Male: 4  
Female : 3

The composition of board is as follow:

Independent Directors: 2  
Non-Executive Directors: 3  
Executive Director: 2

The positions of the Chairperson and the Chief Executive Officer are kept separate in line with the best governance practices and the Chairperson has been elected from among the Non-executive Directors. The Board has established a separate Audit Committee and Human Resource & Remuneration Committee to assist the Board in the performance of its functions. Further, none of the Directors is elected or nominated in more than seven listed companies.

### Board Meeting and Attendance

During the year, four meetings of the Board of Directors were held. As per the requirements of the Code of Corporate Governance, written notices were circulated at least 7 days in advance. Attendance record of the meetings is as follow:

| Name of Directors                        | Invited for Meetings held during 2024 | Meetings attended during 2024* |
|--|---------------------------------------|--------------------------------|
| Ms. Hina Junaid – Chairperson            | 4                                     | 3                              |
| Mr. Farid Alam – Chief Executive Officer | 4                                     | 4                              |
| Mr. Kamal Uddin Tipu                     | 4                                     | 3                              |
| Mr. Sikander Kasim                       | 4                                     | 4                              |
| Ms. Ayesha Aqeel Dhedhi                  | 4                                     | -                              |
| Ms. Afsheen Aqeel                        | 4                                     | 4                              |
| Mr. Tariq Adam                           | 4                                     | 4                              |

\*Against all absences, leave of absence was duly granted by the Board of Directors.

### Audit Committee

As per the requirements of the Code of Corporate Governance, the Audit Committee consists entirely of non-executive directors with Chairman being an Independent Director. The attendance of Directors at the Committee's meetings was as follows:

| Name of Committee Members      | Invited for Meetings held during 2024 | Meetings attended during 2024* |
|--------------------------------|---------------------------------------|--------------------------------|
| Mr. Kamal Uddin Tipu- Chairman | 4                                     | 3                              |
| Ms. Ayesha Aqeel Dhedhi        | 4                                     | -                              |
| Ms. Afsheen Aqeel              | 4                                     | 4                              |

\*Against all absences, leave of absence was duly granted by the Committee.

#### Human Resource & Remuneration Committee

The Human Resource & Remuneration Committee consists of majority of non-executive directors with Chairman being an Independent Director. The attendance of Directors at the Committee's meetings was as follows:

| Name of Committee members    | Invited for Meetings held during 2024 | Meetings attended during 2024 |
|------------------------------|---------------------------------------|-------------------------------|
| Mr. Sikander Kasim- Chairman | 1                                     | 1                             |
| Ms. Ayesha Aqeel Dhedhi      | 1                                     | -                             |
| Mr. Muhammad Farid Alam      | 1                                     | 1                             |

\*Against all absences, leave of absence was duly granted by the Committee.

#### Trading in Shares of the Company by Directors, Executives and their Spouses and Minor Children

The Company's Directors, executives and their spouses and minor children did not trade in the Company's Shares during the year ended 30 June 2024 other than those disclosed on Pakistan Stock Exchange.

#### Adequacy of Internal Financial Controls

The Board of Directors has established a system of sound internal financial controls, for achieving the effectiveness and efficiency in the operations, reliable financial reporting and compliance with applicable laws and regulations. The internal audit function regularly monitors the implementation of financial controls whereas the Audit Committee reviews the effectiveness of internal control framework and financial statements on quarterly basis.

### **Credit Rating**

VIS Credit Rating Company Ltd. (VIS) has reaffirmed entity ratings of AKD Securities Limited at 'AA-/A-1' (Double A Minus/A-One). Rating of 'AA-' reflects high credit quality, strong protection factors, and moderate risk but may vary slightly because of economic conditions. Short Term Rating of 'A-1' indicates high certainty of timely payment, excellent liquidity factors supported by good fundamental protection factors and minor risk factors.

### **Management Rating**

VIS Credit Rating Company Ltd. (VIS) has reaffirmed the Broker Management Rating of AKD Securities Limited at 'BMR1'. Outlook on the assigned rating is 'Stable'. The rating signifies strong supervision framework, external controls, risk and compliance levels, strong customer service, HR and IT infrastructure while financial management, internal control environment; compliance and risk management and regulatory frameworks are considered sound.

### **Broker Fiduciary Rating**

VIS Credit Rating Company Ltd. (VIS) has reaffirmed the Broker Fiduciary Rating of AKD Securities Limited at 'BFR2++'. Outlook on the assigned rating is 'Stable'.

### **Human Resource**

The backbone of any organization is its people. AKDSL firmly believes in hiring talent while nurturing, investing in and promoting its employees with the ultimate objective of ensuring a very high level of employee satisfaction and efficiency, which in turn translates into high levels of customer satisfaction. The Management shall continue to work towards understanding and integrating employee objectives with the corporate goals in a harmonious manner.

### **Risk Management**

Risks are unavoidable in our business and include liquidity, market, credit, operational, legal, regulatory and reputational risks. AKDSL's risk management governance starts with our Board, which plays an integral role in reviewing and approving risk management policies and practices. Our risk management framework and systems are longstanding, standardized and robust. We believe that effective risk management is of primary importance to the success of the Company. Accordingly, we have initiated comprehensive risk management processes through which we monitor, evaluate and manage the risks we assume in conducting our activities. A rigorous framework of limits is applied to control risk across multiple



transactions, products, businesses and markets in which we deal. This includes setting credit and market risk limits at a variety of levels and monitoring these limits on a regular basis.

### **Corporate Social Responsibility**

The Company continued its contribution to the society and business community as a socially responsible organization through a number of philanthropic activities. AKDSL is committed towards fulfilment of its Corporate Social Responsibility and continues its involvement in projects focusing on healthcare, environment and community welfare. Our aim is to continue our involvement and contribution to such noble causes in the future as well.

### **Contribution to the National Exchequer**

The Company has contributed Rupees 311,828,925 to the National Exchequer in the form of Income Tax, Sales Tax, other taxes, duties and levies during the financial year.

### **Future Prospects**

The future prospects of the Company are thoroughly promising on account of the Management's efforts towards continuing to increasing the Company's market share and through wider participation in all its business segments. The Company is striving to yield better volumes from its existing clientele as well as prospective foreign and domestic clients by expanding and growing relationships with them through the Company's premium suite of services. This includes offering novel products and services through supplementing the Company's high quality Research. The Management also foresees increased activity on account of new equity and debt listings for which the Investment Banking Division is well equipped.

### **Audit Committee**

The Audit Committee of the Board continued to perform its duties and responsibilities in an effective manner as per its terms of reference duly approved by the Board.

### **Ethics and Business Practices**

As per the requirements of the Securities Brokers Licensing and Operations Regulations 2016, the Company has circulated a "Code of Ethics" for compliance. It has been signed by all directors and employees of the Company acknowledging their understanding and acceptance of the Code.

### **Related Party Transactions**

In order to comply with the requirements of Company Act 2017, the Company has presented all related party transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and Board in their respective meetings. The details of all related party transactions have been provided in notes 7.3, 8.2, 15.1, 17.2, 17.3, 22.1, 22.2 & 35 of the annexed audited financial statements.

### **Remuneration of Directors and Chief Executive Officer**

The Company does not pay any remuneration to its non-executive Directors. The Independent Directors are entitled for meeting fee for attending the Board and its Committee meetings. The Independent Directors are also provided or reimbursed for travelling, boarding and lodging expenses incurred, if any, for attending the meetings. Disclosure of remuneration of all the directors and chief executive officer has been provided in detail in Note 34 of the annexed audited financial statements.

### **Financial Responsibility**

The management of the Company is responsible for the preparation of financial statements and the related notes contained therein. These financial statements are reviewed by the Audit Committee before being approved by the Board of Directors.

The Audit Committee assists the Board in monitoring and managing risks associated with the business and the internal controls put in place to mitigate these risks. The Committee operates in accordance with the requirements laid down in the Code of Corporate Governance and the terms of reference approved by the Board. The Committee comprises of three Non-Executive Directors with Chairman being an Independent Director and held four meetings during the year.

The Human Resource & Remuneration committee assists the Board in the Human Resources management including selection, evaluation and compensation of key management personnel. The Committee operates in accordance with the requirements laid down in the Code of Corporate Governance. The Committee comprises of three Non-Executive Directors with Chairman being an Independent Director and held one meeting during the year.

### **Appointment of External Auditors**

The external auditors Messrs. RSM Avais Hyder Liaquat Nauman, Chartered Accountants stand retired following expiry of their tenure. As per the recommendations of the Audit

Committee, the Board endorses the re-appointment of Messrs. RSM Avais Hyder Liaquat Nauman, Chartered Accountants as external auditors for the financial year 2025.

### Shareholding

The pattern of shareholding and categories of shareholders of the Company as on 30 June 2024 has been appended to this annual report.

### Dividends

The directors are pleased to propose a final cash dividend for ordinary shareholders for the year ended June 30, 2024 at Rs. 2 per share i.e 20% to minority shareholders (other than sponsors).

### Acknowledgement

The Board of Directors of your company **AKD Securities Limited** wishes to recognize the efforts of all the stakeholders and employees of the company who contributed towards the betterment of the company.

**Chief Executive Officer**

**Director**

Karachi: October 02, 2024

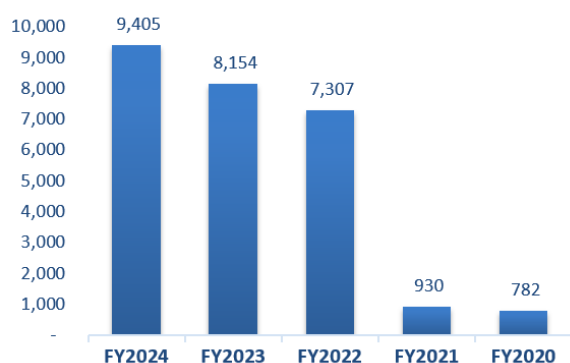


# Financial Highlights

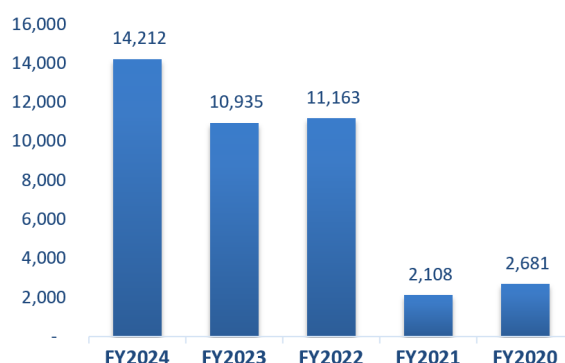
|  | Year ended<br>June 30,<br><br>FY2024 | Year ended<br>June 30,<br><br>FY2023 | Year ended<br>June 30,<br><br>FY2022 | ----- Year ended December 31, -----<br><br>FY2021<br><br>FY2020 |           |
|--|--------------------------------------|--------------------------------------|--------------------------------------|---|-----------|
| Operating Performance<br>(Rupees in '000)        |                                      |                                      |                                      |   |           |
| Revenue  | 2,632,693                            | 1,500,782                            | 1,075,312                            | 654,823   | 501,703   |
| Operating and administrative expenses            | (927,075)                            | (902,774)                            | (999,047)                            | (384,678)   | (344,149) |
| (Provision) / reversal of provision / impairment | 77,981                               | (137,778)                            | (58,343)                             | 244   | 4,255     |
| Finance cost                                     | (146,240)                            | (116,679)                            | (105,195)                            | (22,312)  | (25,381)  |
| Other income                                     | 28,411                               | 15,533                               | 4,851                                | 3,062   | 1,568     |
| profit/(Loss)before taxation                     | 1,665,769                            | 359,084                              | (82,422)                             | 251,139   | 137,996   |
| profit /(Loss)after taxation                     | 1,259,395                            | 406,756                              | (324,229)                            | 179,730   | 94,000    |
| Per Ordinary Share<br>(Rupees)                   |                                      |                                      |                                      |   |           |
| Earning / (loss) per share                       | 2.26                                 | 0.78                                 | (3.24)                               | 1.80  | 0.94      |
| Break-up value per share                         | 16.86                                | 14.62                                | 73.07                                | 9.30  | 7.82      |
| Dividends (Percentage)                           |                                      |                                      |                                      |   |           |
| Final dividend                                   | 20%                                  | -                                    | -                                    | 5%  | -         |
| Assets and Liabilities<br>(Rupees in '000)       |                                      |                                      |                                      |   |           |
| Total assets                                     | 14,211,710                           | 10,934,777                           | 11,163,189                           | 2,108,374   | 2,680,713 |
| Current assets                                   | 8,049,066                            | 5,087,487                            | 7,320,278                            | 1,755,494   | 2,264,101 |
| Current liabilities                              | 4,783,293                            | 2,253,889                            | 3,670,390                            | 1,026,297   | 1,744,281 |
| Financial Position<br>(Rupees in '000)           |                                      |                                      |                                      |   |           |
| Shareholders equity                              | 9,405,319                            | 8,154,081                            | 7,307,044                            | 930,319   | 782,199   |
| Share capital                                    | 5,578,342                            | 5,578,342                            | 1,000,000                            | 1,000,000   | 1,000,000 |
| Share premium                                    | 2,302,906                            | 2,302,906                            | 2,302,906                            | -   | -         |
| Reserves   | 1,524,072                            | 272,833                              | (574,203)                            | (69,681)  | (217,801) |
| Share outstanding (Number in '000)               | 557,834                              | 557,834                              | 100,000                              | 100,000   | 100,000   |
| Return on capital employed - (%)                 | 17.71                                | 4.40                                 | (1.13)                               | 26.99   | 17.64     |
| Return on total assets - (%)                     | 12.75                                | 4.35                                 | 0.20                                 | 12.97   | 6.09      |
| Current ratio-times                              | 1.68                                 | 2.26                                 | 1.99                                 | 1.71  | 1.30      |
| Interest cover ratio-times                       | 12.39                                | 4.08                                 | 0.22                                 | 12.26   | 6.44      |

# Graphical Presentation

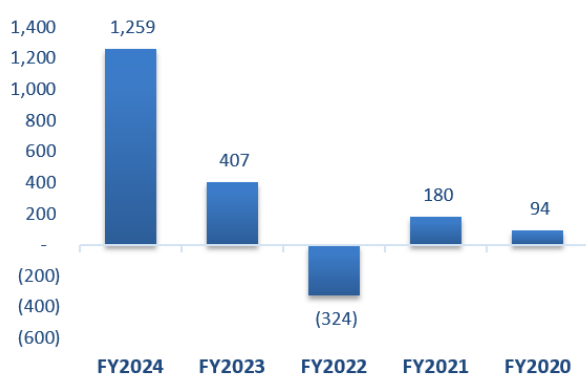
**SHARE HOLDERS EQUITY**  
RUPEES IN MILLION



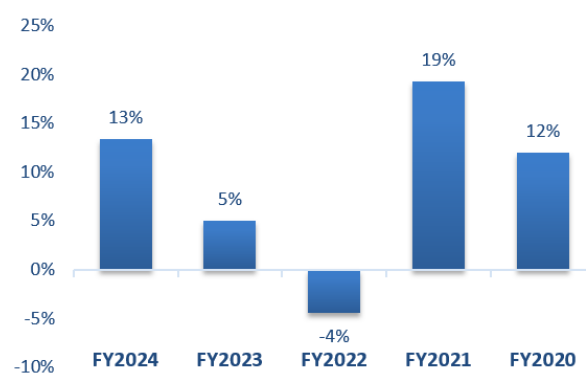
**TOTAL ASSETS**  
RUPEES IN MILLION



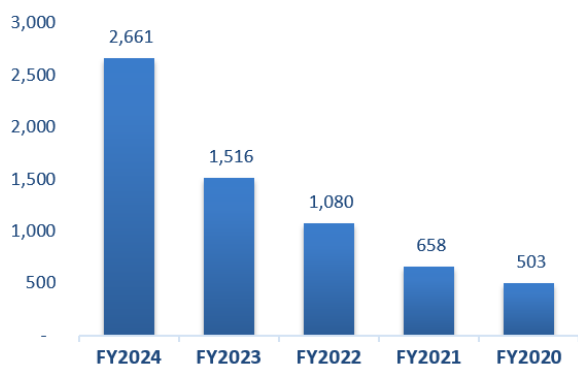
**(LOSS) / PROFIT AFTER TAX**  
RUPEES IN MILLION



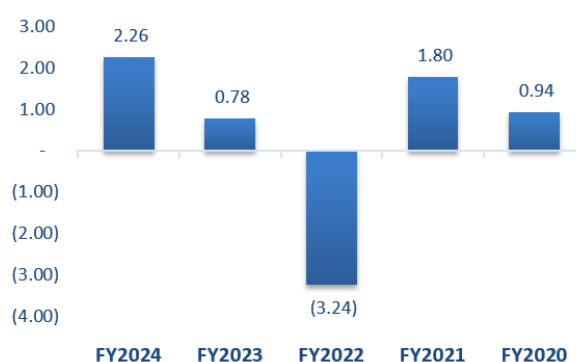
**RETURN ON EQUITY**  
RUPEES IN MILLION



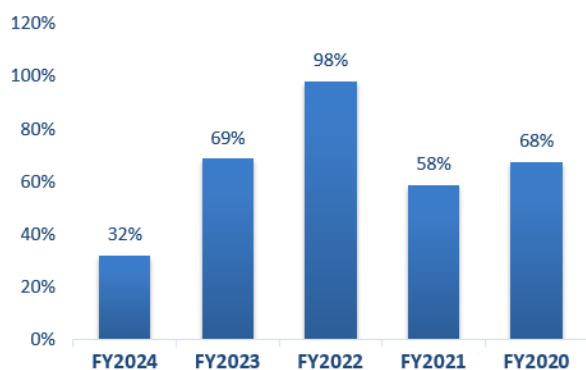
### TOTAL REVENUE RUPEES IN MILLION



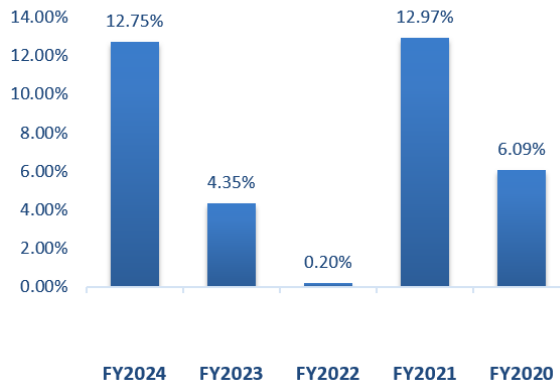
### EARNINGS / (LOSS) PER SHARE IN RUPEES



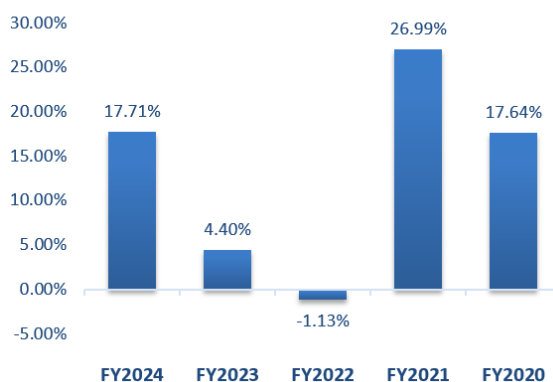
### COST TO INCOME RATIO RUPEES IN MILLION



### RETURN ON ASSETS



### RETURN ON CAPITAL EMPLOYED





**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF AKD SECURITIES LIMITED****Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **AKD Securities Limited** for the year ended **June 30, 2024** in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with these Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

— Sd —

Chartered Accountants

Karachi.

Date: October 04, 2024

UDIN: CR202410239plbZigeBh

# STATEMENT OF COMPLIANCE

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

AKD Securities Limited  
For the year ended June 30, 2024

The Company has complied with the requirements of the Regulations in the following manner:

1. The total numbers of directors are Seven (7) as per the following:

- a. Male: Four (4)
- b. Female: Three (3)

2. The composition of board is as follow:

| Category                | Names   |
|-------------------------|---|
| Independent Directors   | Mr. Kamal Uddin Tipu<br>Mr. Sikander Kasim                      |
| Non-Executive Directors | Ms. Hina Junaid<br>Ms. Ayesha Aqeel Dhedhi<br>Ms. Afsheen Aqeel |
| Executive Director      | Mr. Muhammad Farid Alam<br>Mr. Tariq Ghumra                     |
| Female Director         | Ms. Hina Junaid<br>Ms. Ayesha Aqeel Dhedhi<br>Ms. Afsheen Aqeel |

The Board comprised of minimum number of members which is seven (7) hence it fulfills the requirement of minimum two (2) independent directors and the fraction (0.33) for independent directors has not been rounded up as one. Further, the existing independent directors have the requisite skills and knowledge to take independent decisions.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/ mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. There are two directors from the Board have attended the Directors' Training Program.
  - Ms. Hina Junaid
  - Ms. Afsheen Aqeel
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:



#### Audit Committee

Mr. Kamal Uddin Tipu – Chairman

Ms. Ayesha Aqeel Dhedhi – Member

Ms. Afsheen Aqeel – Member

#### HR and Remuneration Committee

Mr. Sikander Kasim – Chairman

Mr. Muhammad Farid Alam - Member

Ms. Ayesha Aqeel Dhedhi – Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;
14. The frequency of meetings of the committee were as per following;
  - a) Audit Committee Quarterly
  - b) HR and Remuneration Committee at least yearly and as and when need arose
15. The Board has set up an internal audit function, comprising of personnel who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27 32, 33 and 36 of the Regulations have been complied;



Ms. Hina Junaid  
Chairperson / Director



Mr. Muhammad Farid Alam  
Chief Executive Officer / Director

Karachi: October 02, 2024

# COMPLIANCE OF CORPORATE GOVERNANCE CODE FOR THE SECURITIES AND FUTURE BROKERS\*

To the best of my knowledge and belief, there are no transaction entered into by the Company during the year, which are fraudulent, illegal or in violation of any securities and future market laws.



Muhammad Farid Alam  
**Chief Executive officer**

\*This statement is given as per the requirements of the regulations of Securities Brokers (Licensing & operations) Regulations 2016 and Future Brokers (Licensing and Operations) Regulations 2018.





# Standalone Financial Statements

- Independent Auditor's Report to the Members
- Statement of Financial Position
- Statement of Profit and Loss Account and Other Comprehensive Income
- Statement of Changes in Equity
- Cashflow Statement
- Notes to the Financial Statement



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AKD SECURITIES LIMITED REPORT ON THE AUDIT OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the annexed financial statements of **AKD Securities Limited** (the Company), which comprise the statement of financial position as at **June 30, 2024**, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

| Sr. No. | Key Audit Matters  | How the matter was addressed in our audit  |
|---------|--|--|
| 1       | <p><b>Advance against Properties:</b></p> <p>As disclosed in Note 7.3 the company has given advance against property amounting to Rs. 920 million to a related party.</p> <p>As the transactions are with a related party therefore by nature and significance of amounts involved in our course of audit this was considered as a key audit matter.</p>               | <p>Our audit procedures, amongst others, included the following:</p> <p>Obtained agreements of sale to understand nature of transaction of such advance.</p> <p>Obtained minutes of meetings of the board of directors to trace approval of such transactions.</p> <p>Traced the amount paid against such properties.</p> <p>Validated that the transactions were carried out at arm's length by obtaining independent reports for valuation of properties.</p> <p>Obtained confirmation from related party for the amount paid as advance against property.</p> <p>Checked that appropriate disclosures were made in the financial statements.</p> <p>Checked compliance of the Companies Act, 2017 and obtained necessary documents in this respect.</p> |
| 2       | <p><b>Valuation of Goodwill and its impairment</b></p> <p>As disclosed in note 9 the company has recorded goodwill amounting to Rs. 3,137.82 million on merger.</p> <p>The valuation of goodwill was significant to the audit due to the amount involved and its valuation requires complex calculations therefore the matter was addressed as a key audit matter.</p> | <p>Our audit procedures, amongst others, included the following:</p> <p>We obtained independent valuers' report used by the management to calculate the carrying value and recoverable amount of the cash generating units involved.</p> <p>Tested the data used by the valuer for assessing the reasonableness of assumptions.</p> <p>Performed other audit procedures as per requirements of International Auditing Standards as applicable in Pakistan.</p> <p>Checked that appropriate disclosures were made in the financial statements.</p>  |
| 3       | <p><b>Investment Property Revaluation.</b></p> <p>As disclosed in Note 8 the company recognized investment property for the first time and subsequently engaged an independent valuer to assess its fair value amounting to Rs. 361.651 million.</p>   | <p>Our audit procedures, amongst others, included the following:</p> <p>We evaluated the methodologies employed by the independent valuer, ensuring they align with applicable accounting standards and industry practices.</p>  |



|   |  |  |
|---|--|--|
|   | <p>The valuation involved significant judgment regarding the identification and valuation of the property, which included determining the appropriate valuation methodology and assumptions used by the valuer, therefore the matter was addressed as a key audit matter.</p>  | <p>Tested the data used by the valuer for assessing the reasonableness of assumptions.</p> <p>We checked the ownership of the property and conducted physical inspections, where feasible, to confirm the existence and condition of the investment property.</p> <p>We checked that the recognition and measurement of the investment property in the financial statements comply with relevant accounting standards and that any related disclosures are in accordance with respect of applicable law and accounting policy.</p>   |
| 4 | <p><b>Valuation of Al Jomaih Power Limited (AJPL).</b></p> <p>As disclosed in Note 10.3.2 the company's financial statements include investment at fair value through other comprehensive income in unquoted foreign company AJPL amounting to Rs. 612.35 million.</p> <p>The valuation of investment in AJPL was significant to the audit due to foreign currency risk involved in the investment and the categorization of the investment is level 3 of the Fair Value hierarchy which uses input other than the observable market date.</p> | <p>Our audit procedures, amongst others, included the following:</p> <p>We obtained confirmation of AJPL in respect of shareholding of the company in AJPL and net assets value per share as at year end, as per books and records of AJPL.</p> <p>We checked that the investment at the year-end has been translated using appropriate exchange rate.</p> <p>We checked that at the year end, the investment is adjusted for changes if any in the net assets value on the basis of information received from AJPL.</p> <p>We checked that basis of valuation of investment is adequately disclosed in the financial statements of the company.</p> |
| 5 | <p><b>Recognition and realization of deferred tax asset:</b></p> <p>As disclosed in note 13, the company has recognized deferred tax asset amounting to Rs. 80.964 million.</p> <p>In order to ascertain that sufficient future taxable profit will be available, the management has prepared future projections of taxable profit by taking into account various assumptions mainly comprising of expected future revenues, business and operational assumptions and timing of reversals.</p> <p>The analysis of the recognition and</p>      | <p>Our audit procedures, amongst others, included the following:</p> <p>We obtained working of the deferred taxation and re-performed calculations.</p> <p>We checked and examined components of deferred taxation from relevant tax records.</p> <p>We checked the realization of deductible temporary differences and unused tax losses during the year against current taxation.</p> <p>We tested and documented the process used by management to assess the likelihood of realizing the deferred tax asset.</p> <p>We tested whether any subsequent events or</p>   |



|  |  |  |
|--|--|--|
|  | <p>recoverability of the deferred tax asset was significant to our audit because of the material amount of deferred tax asset and because the assessment of future taxable income involves significant management judgment about future business and economic factors.</p> | <p>transactions have occurred up to the date of our report that could affect the likelihood of realizing the deferred tax assets.</p> <p>We used our internal tax specialist and considered the appropriateness of the application of relevant tax laws by the Company.</p> <p>We also assessed the adequacy of the related disclosures pertaining to deferred taxation in accordance with applicable financial reporting framework.</p> |
|--|--|--|

### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of directors is responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,



individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- (a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) The statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business;
- (d) No zakat was deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980),
- (e) The Company was in compliance with the requirements of Section 78 of Securities Act, 2015 and Section 62 of the Futures Market Act, 2016, and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the statement of financial position was prepared.

The engagement partner on the audit resulting in this independent auditor's report is Syed Naveed Abbas.

———Sd———  
Chartered Accountants  
Karachi  
Dated: October 4, 2024  
UDIN: AR202410239n1BVUa0FG

**AKD SECURITIES LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

|   | Note | June-24              | June-23        |
|---|------|----------------------|----------------|
|   |      | ----- (Rupees) ----- |                |
| <b>ASSETS</b>                               |      |                      |                |
| <b>Non-current assets</b>                   |      |                      |                |
| Property and equipment                      | 7    | 1,657,816,491        | 1,829,667,116  |
| Investment property                         | 8    | 339,519,781          | -              |
| Intangible assets                           | 9    | 3,155,130,867        | 3,153,169,929  |
| Long-term investments                       | 10   | 632,884,468          | 641,077,326    |
| Long-term loans and advances                | 11   | 256,780,000          | -              |
| Long-term deposits and prepayments          | 12   | 39,548,541           | 39,879,051     |
| Deferred tax asset - net                    | 13   | 80,964,020           | 183,496,225    |
|   |      | 6,162,644,168        | 5,847,289,647  |
| <b>Current assets</b>                       |      |                      |                |
| Short-term investments                      | 14   | 2,191,508,306        | 2,318,892,393  |
| Trade debts                                 | 15   | 223,114,231          | 230,157,314    |
| Deposits, prepayments and other receivables | 16   | 3,893,681,007        | 1,117,041,837  |
| Loans and advances                          | 17   | 937,654,771          | 544,565,734    |
| Cash and bank balances                      | 18   | 803,108,217          | 876,830,002    |
|   |      | 8,049,066,532        | 5,087,487,280  |
|   |      | 14,211,710,700       | 10,934,776,927 |
| <b>TOTAL ASSETS</b>                         |      |                      |                |
| <b>EQUITY AND LIABILITIES</b>               |      |                      |                |
| <b>Share capital and reserves</b>           |      |                      |                |
| <b>Authorized Capital</b>                   |      |                      |                |
| 700,000,000 Ordinary shares of Rs. 10 each  |      | 7,000,000,000        | 7,000,000,000  |
| Issued, subscribed and paid-up capital      | 19   | 5,578,341,710        | 5,578,341,710  |
| Share premium                               |      | 2,302,905,878        | 2,302,905,878  |
| Fair value reserve                          |      | 415,620,114          | 423,776,599    |
| General reserve                             |      | 18,752,260           | 18,752,260     |
| Accumulated profit / (loss)                 |      | 1,089,699,870        | (169,695,675)  |
|   |      | 9,405,319,832        | 8,154,080,772  |
| <b>Non-current liabilities</b>              |      |                      |                |
| Long-term financing-secured                 | 20   | -                    | 500,000,000    |
| Lease liability                             | 21   | 23,097,193           | 26,807,015     |
|   |      | 23,097,193           | 526,807,015    |
| <b>Current liabilities</b>                  |      |                      |                |
| Trade and other payables                    | 22   | 4,189,716,496        | 2,048,700,109  |
| Short term financing-secured                | 23   | 500,000,000          | 150,000,000    |
| Current portion of lease liability          | 21   | 12,415,405           | 16,542,970     |
| Unclaimed dividend                          |      | 1,927,156            | 1,927,815      |
| Taxation - net                              |      | 78,309,770           | 35,460,383     |
| Accrued mark-up                             | 24   | 924,847              | 1,257,863      |
|   |      | 4,783,293,675        | 2,253,889,140  |
|   |      | 14,211,710,700       | 10,934,776,927 |
| <b>TOTAL EQUITY AND LIABILITIES</b>         |      |                      |                |
| Contingencies and Commitments               | 25   |                      |                |

The annexed notes 1 to 46 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer



**AKD SECURITIES LIMITED**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT AND**  
**OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2024**

|   | Note   | June-24              | June-23         |
|---|--------|----------------------|-----------------|
|   |        | ----- (Rupees) ----- |                 |
| Operating revenue   | 26     | 1,269,670,699        | 627,360,171     |
| <b>Net gain on investments</b>  |        |                      |                 |
| Gain on sale of short term investments 'at fair value through profit and loss'  | 27     | 451,666,202          | 562,212,467     |
| Unrealised loss on re-measurement of short term investments 'at fair value through profit or loss' -net                         | 14.1   | (20,645,356)         | (275,089,927)   |
|   |        | 431,020,846          | 287,122,540     |
| Dividend income   |        | 288,939,429          | 199,536,495     |
| Mark-up / Profit On Bank Deposits And Other Income  | 28     | 643,062,926          | 386,762,670     |
|   |        | 2,632,693,900        | 1,500,781,876   |
| Operating and administrative expenses   | 29     | (927,075,272)        | (902,774,410)   |
| Impairment on long-term investment - subsidiary   | 10.2   | (36,373)             | (239,116)       |
| Reversal/(Allowance) against expected credit loss   | 15.2   | 78,017,491           | (137,539,298)   |
|   |        | (849,094,154)        | (1,040,552,824) |
| Operating profit  |        | 1,783,599,746        | 460,229,052     |
| Finance cost  | 30     | (146,240,824)        | (116,678,584)   |
|   |        | 1,637,358,922        | 343,550,468     |
| Other income  | 31     | 28,411,009           | 15,533,039      |
| <b>Profit before income and final taxes</b>   |        | 1,665,769,931        | 359,083,507     |
| Final taxes   | 32.1   | (4,823,914)          | (4,333,174)     |
| <b>Profit before Income Tax</b>   |        | 1,660,946,017        | 354,750,333     |
| <b>Income tax</b>   |        |                      |                 |
| Current Tax- For the year   |        | (313,682,145)        | (98,911,519)    |
| -Prior year   |        | 14,663,880           | 65,475,354      |
| Deferred tax  |        | (102,532,207)        | 85,441,553      |
|   | 32.2   | (401,550,472)        | 52,005,388      |
| <b>Profit for the year</b>  |        | 1,259,395,545        | 406,755,721     |
| <b>Other comprehensive income for the year</b>  |        |                      |                 |
| <b>Items that will not be reclassified subsequently to profit or loss:</b>  |        |                      |                 |
| Unrealized (loss) / gain arising on re-measurement of long term investment at fair value through other comprehensive income-net | 10.3.4 | (8,156,485)          | 440,280,713     |
| <b>Total comprehensive income for the year</b>  |        | 1,251,239,060        | 847,036,434     |
| Earnings per share - basic and diluted  | 33     | 2.26                 | 0.78            |

The annexed notes 1 to 46 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

**AKD SECURITIES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2024**

| Share capital        | Shares to be issued in accordance with scheme of merger | Share premium | Revenue reserves |                             | Fair value reserve | Total         |
|----------------------|---|---------------|------------------|-----------------------------|--------------------|---------------|
|                      |   |               | General reserve  | Accumulated (loss) / profit |                    |               |
| ----- (Rupees) ----- |   |               |                  |                             |                    |               |
| 1,000,000,000        | 4,578,341,710   | 2,302,905,878 | 18,752,260       | (576,451,391)               | (16,504,115)       | 7,307,044,342 |
| 4,578,341,710        | (4,578,341,710)   | -             | -                | (5)                         | -                  | (5)           |
| -                    | -   | -             | -                | 406,755,721                 | -                  | 406,755,721   |
| -                    | -   | -             | -                | -                           | 440,280,713        | 440,280,713   |
| 5,578,341,710        | -   | 2,302,905,878 | 18,752,260       | (169,695,675)               | 423,776,599        | 8,154,080,772 |
| -                    | -   | -             | -                | 1,259,395,545               | -                  | 1,259,395,545 |
| -                    | -   | -             | -                | -                           | (8,156,485)        | (8,156,485)   |
| 5,578,341,710        | -   | 2,302,905,878 | 18,752,260       | 1,089,699,870               | 415,620,114        | 9,405,319,832 |

Note

Balance as at July 01, 2022

Shares issued in accordance of scheme of merger

Profit for the year

Other comprehensive income for the year

Balance as at 30 June, 2023

Profit for the year

Other comprehensive loss for the year

Balance as at 30 June, 2024

**Note**

The annexed notes 1 to 46 form an integral part of these financial statements.



**Chief Executive Officer**



**Director**



**Chief Financial Officer**

**AKD SECURITIES LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**CASH FLOW FROM OPERATING ACTIVITIES**

**Profit before income and final taxes**

**Non-cash adjustments to reconcile loss before tax to net cash flows:**

Depreciation  
Amortization  
Loss on sale of short term investments 'at fair value through profit and loss' - net  
Gain on sale of property and equipment  
Unrealised loss on re-measurement of short term investments 'at fair value through profit or loss' - net  
Impairment on long-term investment - subsidiary  
(Reversal)/ Provision of doubtful debts-net  
Impairment of BIPL Securities Limited- TREC  
Finance cost  
Dividend income

**Working capital adjustments:**

**(Increase)/ decrease in current assets**

Trade debts  
Deposits, prepayments and other receivables  
Loan and advances

**Increase/ (Decrease) in current liabilities**

Trade and other payables

Finance cost paid

Income and final tax paid

**Net cash flows used in operating activities**

**CASH FLOW FROM INVESTING ACTIVITIES**

Investments 'at fair value through profit or loss' - net  
Purchase of property and equipment  
Purchase of intangible assets  
Proceeds from disposal of property and equipment  
Additions to investment property  
Dividend received

**Net cash flows generated from investing activities**

**CASH FLOW FROM FINANCING ACTIVITIES**

Long-term loans and advances  
Repayment of Loan  
Lease Payments  
Long-term deposits and prepayments  
Dividend paid

**Net cash flows used in financing activities**

**Net decrease in cash and cash equivalents**

Cash and cash equivalents at the beginning of the year

**Cash and cash equivalents at the end of the year**

**Cash and cash equivalents comprises of:**

Cash and bank balances

Short term financing-secured

| Note | June-24              | June-23         |
|------|----------------------|-----------------|
|      | ----- (Rupees) ----- |                 |
|      | 1,665,769,931        | 359,083,507     |
|      | 121,919,782          | 72,258,868      |
|      | 1,789,243            | 1,337,764       |
|      | (451,666,202)        | (562,212,467)   |
|      | (5,564,446)          | (12,517,722)    |
|      | 20,645,356           | 275,089,927     |
|      | 36,373               | 239,116         |
|      | (78,017,491)         | 137,539,298     |
|      | 250,000              | 1,350,000       |
|      | 146,240,824          | 116,678,584     |
|      | (288,939,429)        | (199,536,495)   |
|      | (533,305,988)        | (169,773,127)   |
|      | 1,132,463,943        | 189,310,379     |
|      | 85,060,574           | (45,804,157)    |
|      | (2,776,639,171)      | 375,571,146     |
|      | (393,089,037)        | 286,896,911     |
|      | (3,084,667,634)      | 616,663,900     |
|      | 2,141,016,386        | (584,988,253)   |
|      | 188,812,695          | 220,986,027     |
|      | (138,324,466)        | (135,104,396)   |
|      | (260,992,793)        | (130,042,497)   |
|      | (210,504,563)        | (44,160,867)    |
|      | 558,404,934          | 1,502,988,678   |
|      | 58,324,514           | (1,583,545,072) |
|      | (3,750,181)          | (687,554)       |
|      | 15,040,237           | 21,841,638      |
|      | (357,389,243)        | -               |
|      | 288,939,429          | 199,536,495     |
|      | 559,569,689          | 140,134,185     |
|      | (256,780,000)        | 341,000         |
|      | (150,000,000)        | (515,000,000)   |
|      | (16,086,761)         | (14,753,773)    |
|      | 80,510               | 19,892,800      |
|      | (659)                | (7,891)         |
|      | (422,786,909)        | (509,527,865)   |
|      | (73,721,785)         | (413,554,547)   |
|      | 876,830,002          | 1,140,384,549   |
|      | 803,108,217          | 726,830,002     |
| 18   | 803,108,217          | 876,830,002     |
| 23   | -                    | (150,000,000)   |
|      | 803,108,217          | 726,830,002     |

The annexed notes 1 to 46 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

**AKD SECURITIES LIMITED**  
**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

**1 STATUS AND NATURE OF BUSINESS**

- 1.1** AKD Securities Limited (the company) was incorporated in Pakistan on 24 October 2000 under the Companies Ordinance, 1984 [(repealed with the enactment of Companies Act, 2017 (the Act)] and commenced its operations effective from 01 January 2003. On 03 June 2022 the transfer of assets and liabilities of AKD Securities Limited under a Scheme of Arrangement approved by the High Court of Sindh. The shares of the company are listed on the Pakistan Stock Exchange Limited (PSX). The company is licensed to operate as securities broker, consultant to the issue, and underwriter from the Securities Exchange Commission of Pakistan and holds a Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited and Membership card of Pakistan Mercantile Exchange Limited. The principal activities of the company are brokerage of shares and/or commodities/ money market / forex trading, financial research, book building, underwriting, investments in securities/commodities, corporate advisory and consultancy services. The registered office of the company is situated at 602 Continental Trade Center, Block-8, Clifton, Karachi.

The detail of immovable fixed assets / owned property are given below :

- Room No 501 to 508, 5th floor, Trade Centre, I.I. Chundrigar Road, Karachi. Covered Area 6,000 Sq. Ft.
- Room No 601 to 608, 6th floor, Trade Centre, I.I. Chundrigar Road, Karachi. Covered Area 6,500 Sq. Ft.
- Room No 1005 to 1008, 10th floor, Trade Centre, I.I. Chundrigar Road, Karachi. Covered Area 3,081 Sq. Ft.
- Room No 206 to 208, 214, 215, 2nd floor, Continental Trade Centre, Block-8, Clifton, Karachi. Covered Area 8,177 Sq. Ft.
- Room No 314, 3rd floor, Continental Trade Centre, Block-8, Clifton, Karachi. Covered Area 1,250 Sq. Ft.
- Room No 416 to 418, 4th floor, Continental Trade Centre, Block-8, Clifton, Karachi. Covered Area 3,607 Sq. Ft.
- Room No 506 to 507, 511 to 518, 5th floor, Continental Trade Centre, Block-8, Clifton, Karachi. Covered Area 11,738 Sq. Ft.
- Room No 601, 603 to 609, 617 to 618, 6th floor, Continental Trade Centre, Block-8, Clifton, Karachi. Covered Area 12,650 Sq. Ft.
- Room No 93 to 95, 2nd floor, PSX Building, Stock Exchange Road, Covered Area 690 Sq. Ft.
- Booth No. 25, 30 & 54, located in the Trading Hall of the Pakistan Stock Exchange.

The branch offices are situated at;

| S.No | City           | Address  |
|------|----------------|--|
| 1    | Abbottabad     | Office No.2, 2nd Floor, Zaman Plaza, Main Mansehra Road,   |
| 2    | Faisalabad     | Suit No. 3, 1st Floor, Mezaan Executive Tower, Liaquat Road  |
| 3    | Gujranwala     | Shop # 81, Ground Floor, Gujranwala Development Authority, Trust Plaza                             |
| 4    | Islamabad      | Room No.302, 303, 3rd Floor, ISE Tower, Jinnah Avenue,   |
| 5    | Islamabad      | Office at 90-91, Razia Sharif Plaza, Jinnah Avenue, Blue Area,                                     |
| 6    | Karachi        | Room No. 529, 5th Floor, Room Nos. 93-95, 2nd Floor, Stock Exchange Building, Stock Exchange Road, |
| 7    | Karachi        | Plot # D-1, 2nd Floor, J.F. Plaza, North Nazimabad,  |
| 8    | Lahore         | 512, 513, 5th Floor, LSE Plaza, 19 Khayaban-e-Aiwan-e-Iqbal Road,                                  |
| 9    | Lahore         | 64-A, 2nd Floor, Fountain Avenue Building, Main Boulevard Road, Gulberg,                           |
| 10   | Multan         | Ground Floor, State Life Building, Abdali Road,  |
| 11   | Peshawar       | 1st Floor, SLIC Building # 34, The Mall, Peshawar Cantt,   |
| 12   | Rahim Yar Khan | Plot No.24, City Park Chowk, Model Town,   |
| 13   | Sialkot        | Ground Floor, City Tower, Shahab Pura Road,  |

- 1.2** The company is a subsidiary of AKD Group Holdings (Pvt) Limited (the Parent), who holds 95.87% (2023: AKD Securities Limited 95.87%) shares of the company.
- 1.3** These are separate Financial Statements of the company in which investment in subsidiary is reported on the basis of cost.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These unconsolidated financial statements of the company for the year ended June 30, 2024 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of such International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017 (the Act); and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.2 Basis of measurement**

These unconsolidated financial statements have been prepared under the historical cost convention, except for certain assets and liabilities as specified in the relevant notes.

**3 Functional and presentation currency**

These unconsolidated financial statements are presented in Pakistani Rupees, which is company's functional and presentation currency.



## 4 NEW ACCOUNTING PRONOUNCEMENTS

### 4.1 Initial application of a standard, amendment or an interpretation to an existing standard

#### Amendments to accounting and reporting standards and interpretation / guidance which became effective during the year ended June 30, 2024

There were certain amendments that became applicable for the Company during the year but are not considered to be relevant or did not have any significant effect on the Company's operations and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Company which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the guidance, the Company has changed its accounting policy to recognize minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognized as 'Income tax'.

### 4.2 Standard, amendments to published accounting and reporting standards and interpretations that are not yet effective and have not been early adopted by the company

There is a standard and certain other amendments to accounting and reporting standards that are not yet effective and are considered either not to be relevant or to have any significant impact on the company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

## 5 MATERIAL ACCOUNTING POLICY INFORMATION

### 5.1 IFRS 8: Operating Segments

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components. An operating segment's operating results are reviewed regularly by the Board of Directors and Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The company applied IFRS 8 and presented income from its business segments as per the requirements of the standard. The main operating segments identified are:

- (i) Brokerage
- (ii) Financial Advisory
- (iii) Underwriting
- (iv) Other Operations

These segments are based on the percentage of gross revenue.

#### Brokerage

The brokerage activities include services provided in respect of share brokerage, money market brokerage, forex brokerage, commodity brokerage and share subscription commission.

#### Financial Advisory

It consists of advisory and consultancy to various clients.

#### Underwriting

It consists of underwriting fee for shares issues, IPOs and debt securities etc.

#### Other operations

The activities include profit / mark-up on bank deposit, term deposit receipts, capital gains on equity and debt securities, mark-up income on margin financing, term finance certificates, profit and dividend income.

### 5.2 Property and equipment

These are stated at cost less accumulated depreciation and impairment, if any. Such costs include the cost of replacing parts of property and equipment when that cost is incurred. Maintenance and normal repairs are charged to income as and when incurred. Depreciation is charged to income over the useful life of the asset on a systematic basis applying the straight line method at the rates specified in note 7 to the financial statements.

Property and equipment are assessed for impairment whenever there is an indication that the same are impaired. Depreciation is charged from the day of purchase and no depreciation is charged from the day of disposal.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

The asset's residual values, useful lives and methods are reviewed and adjusted, if appropriate at each financial year end.

Gains and losses on disposals, if any, of assets are included in income currently.

### 5.3 Intangible assets

#### - Goodwill

Goodwill arising on the acquisition of business represents future economic benefits arising from assets that are not capable of being individually identified and separately recognized. Goodwill is initially recognized at a cost which is determined as the excess of the cost of the business combination over the net fair value of the identifiable assets, liabilities, and contingent liabilities of the acquire. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses, if any.

#### - Other intangible assets

Intangible assets with definite useful lives are stated at cost less accumulated amortization and impairment, if any. Amortization is charged over the useful life of the asset on a systematic basis to income applying the straight line method at the rate specified in note 9 to the financial statements.

Intangible assets with indefinite useful lives are not amortized. These are annually tested for impairment to assess whether these are in excess of their recoverable amounts, and where the carrying amounts exceeds the estimated recoverable amounts, the carrying amounts are written down to the estimated recoverable amounts.

Intangible assets are assessed for impairment whenever there is an indication that the same are impaired. Costs associated with maintaining assets are recognized as an expense in the period in which these are incurred. Gains and losses on disposals, if any, of assets are included in income currently.

### 5.4 Investment properties

Investment properties are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged at specified rates. Subsequent expenditures, depreciation and gains or losses on disposals are accounted for in the same manner as property and equipment.

### 5.5 Financial Instruments

#### 5.5.1 The company classifies its financial assets in the following three categories

- (a) financial assets measured at amortized cost;
- (b) financial assets measured at fair value through other comprehensive income (FVOCI); and
- (c) financial assets measured at fair value through profit or loss (FVTPL).

##### (a) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

##### (b) Financial assets at FVOCI

A financial asset is classified as at fair value through other comprehensive income when either:

- (i) It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; or
- (ii) It is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the company at initial recognition.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

**(c) Financial assets at FVTPL**

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income, as aforesaid.

Such financial assets are initially measured at fair value.

**5.5.2 Initial recognition**

Financial assets and liabilities, with the exception of bank balances, loans and advances to employees / counterparties and due to counterparties, are initially recognized on the settlement date, i.e., the date that the company settles the transaction. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded as 'at fair value through profit or loss'.

**5.5.3 Subsequent measurement**

**(a) Financial assets measured at amortized cost**

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses. Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the profit and loss account.

**(b) Equity investments at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

**(c) Debt investments at FVOCI**

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest method. Foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

**(d) Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in profit and loss account.

**5.5.4 Impairment of Financial assets**

The company's financial assets that are subject to the impairment requirements of IFRS 9 are trade receivables, debt instruments accounted for at amortized cost or at FVTOCI, most loan commitments, financial guarantee contracts, and lease receivables under IFRS 16 Leases.

For trade and other receivables, the company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The company has established a provision matrix that is based on the company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**5.6 Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the balance sheet date, which are classified as non-current assets.

## 5.7 Impairment

The carrying amount of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of any asset or a group of assets. If any such indication exists, the recoverable amount of that asset is estimated and impairment losses are recognized in the profit and loss account.

## 5.8 Off-setting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the company has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses arising from such assets and liabilities are also accordingly offset.

## 5.9 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer.

- Brokerage, consultancy and advisory fee, underwriting commission etc. are recognized as and when such services are provided.
- Capital gains and losses on sale of securities is recognized as and when transaction occurred.
- Mark-up income, return on bank deposits and balances are recognized on accrual basis.
- Dividend income is recorded when the right to receive the dividend is established.

## 5.10 Taxation

### Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21/IAS 37 and accordingly have been classified as levy in these unconsolidated financial statements, except for taxes on dividends on the Company's investments in subsidiaries and associates which are specifically within the scope of IAS 12 and hence these continue to be categorized as current income tax.

### Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits, rebates and tax exemptions available, if any. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessment framed / finalized during the year.

### Deferred

Deferred tax is recognized using the balance sheet liability method on all temporary differences arising between tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

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 substantively enacted by the balance sheet date. Deferred tax is charged or credited to the profit and loss account.

Deferred tax, if any, on revaluation of investments is recognized as an adjustment to surplus arising on revaluation.

## 5.11 Dividend distributions and appropriations

Dividend distributions and appropriations are recorded in the period in which the distributions and appropriations are approved.



## 5.12 Employees' benefits

### Defined contribution plan

The company operates a defined contribution plan i.e. recognized provident fund ("the Fund") for all of its eligible employees in accordance with trust deed and rules made there under. Monthly contributions at the rate of 5% of basic salary are made to the Fund by the company and the employees. Whereas after sanction of merger scheme monthly contribution rate has been increased from 5% to 10% of basic salary.

### Employee compensated absences

The company allows its management and non-management employees' to avail 30 days annual earned leave. The unutilized portion of the earned leave is accumulated but not encashable.

## 5.13 Cash and cash equivalents

Cash in hand and at banks is carried at cost. For the purposes of cash flow statement, cash and cash equivalents consist of cash in hand and bank balances. For the purposes of statement of cash flows, cash and cash equivalents are presented net of short term borrowings which are repayable on demand or in the short term and form an integral part of the company's cash management.

## 5.14 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange prevailing on the balance sheet date. Gains and losses on translation are taken into income currently. Non monetary-items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

## 5.15 Provisions

Provisions are recognized when the company has the legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

## 5.16 Trade and other receivables

Trade and other receivables are recognized and carried at transaction price less an allowance for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognized in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

The allowance for doubtful debts of the company is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realization of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer.

## 5.17 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable costs, if any, and subsequently measured at carrying value.

## 5.18 Ijarah

An agreement under Islamic mode in which a significant portion of the risks and rewards of ownership is retained by the Muj'ir is classified as Ijarah. Payments made under Ijarah are charged to profit or loss on a straight-line basis over the period of Ijarah.

### 5.19 Borrowing costs

Borrowing costs incurred on long term finances directly attributable for the construction / acquisition of qualifying assets are capitalized up to the date the respective assets are available for intended use. All other mark-up, interest and other related charges are taken to the statement of profit or loss directly.

### 5.20 Right-of-use assets

The company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

### 5.21 Lease liabilities

At the commencement date of the lease, the company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

### 5.22 Short term leases and leases of low-value assets

The company applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### 5.23 Fiduciary Assets

Assets held in trust or in a fiduciary capacity by the company are not treated as assets of the company and accordingly are not included in these financial statements.

### 5.24 Related Party Transactions

Related party transactions are carried out on an arm's length basis and exceptions are backed by the approval of board of directors. Pricing of these transactions are determined on the basis of comparable uncontrolled price methods, which sets the price by reference to the comparable goods and services sold

### 5.25 Investment in subsidiary

Investments in subsidiary are stated at cost less accumulated impairment losses, if any

## 6 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates, judgments and assumptions that have significant effect on the financial statements are as

|   | Notes           |
|---|-----------------|
| Useful lives of property & equipment and methods of depreciation and impairment | 5.2 & 7         |
| Useful lives of goodwill and other intangibles and methods of amortization      | 5.3 & 9         |
| Classification of investments   | 5.5, 10 & 14    |
| Provision for doubtful debts  | 5.15, 5.16 & 15 |
| Deferred taxation and taxation  | 5.10, 13 & 32   |

## 7 PROPERTY AND EQUIPMENT

|                                     |     | June-24              | June-23              |
|-------------------------------------|-----|----------------------|----------------------|
|                                     |     | ----- (Rupees) ----- |                      |
| Property and equipment              | 7.1 | 704,012,901          | 157,996,336          |
| Right to use asset under IFRS 16    | 7.2 | 33,803,590           | 42,370,780           |
| Advance against capital expenditure | 7.3 | 920,000,000          | 1,629,300,000        |
|                                     |     | <b>1,657,816,491</b> | <b>1,829,667,116</b> |

### 7.1 PROPERTY AND EQUIPMENT

|  |       | June-24                            |                        |                                |                     |                    |
|--|-------|------------------------------------|------------------------|--------------------------------|---------------------|--------------------|
|  |       | Office premises on lease hold land | Furniture and fixtures | Computers and office equipment | Motor vehicles      | Total              |
| Note   |       | ----- (Rupees) -----               |                        |                                |                     |                    |
| As at July 01, 2023                                |       |                                    |                        |                                |                     |                    |
| Cost   |       | 47,932,654                         | 90,246,797             | 270,243,692                    | 175,758,745         | 584,181,888        |
| Accumulated depreciation                           |       | (37,428,446)                       | (59,725,567)           | (210,538,627)                  | (118,492,913)       | (426,185,552)      |
| <b>Net book value at the beginning of the year</b> |       | <b>10,504,209</b>                  | <b>30,521,231</b>      | <b>59,705,065</b>              | <b>57,265,832</b>   | <b>157,996,336</b> |
| <b>Changes during the year</b>                     |       |                                    |                        |                                |                     |                    |
| Additions during the year                          | 7.3.1 | 612,610,757                        | 6,852,111              | 13,104,418                     | 345,522             | 632,912,808        |
| Disposals during the year                          |       | -                                  | (1,243,000)            | (4,106,560)                    | (44,889,372)        | (50,238,932)       |
| -Cost  |       | -                                  | 1,051,506              | 3,305,841                      | 36,405,794          | 40,763,141         |
| -Depreciation                                      |       | -                                  | (191,494)              | (800,719)                      | (8,483,579)         | (9,475,791)        |
| Transferred from Lease                             |       | -                                  | -                      | -                              | 21,684,922          | 21,684,922         |
| -Cost  |       | -                                  | -                      | -                              | (12,336,933)        | (12,336,933)       |
| -Depreciation                                      |       | -                                  | -                      | -                              | 9,347,989           | 9,347,989          |
| Depreciation charge for the year                   |       | (32,341,524)                       | (6,796,216)            | (27,051,531)                   | (20,579,170)        | (86,768,441)       |
| <b>Net book value at the end of the year</b>       |       | <b>580,269,233</b>                 | <b>(135,600)</b>       | <b>(14,747,832)</b>            | <b>(19,369,237)</b> | <b>546,016,565</b> |
| <b>Analysis of net book value</b>                  |       | <b>590,773,442</b>                 | <b>30,385,631</b>      | <b>44,957,233</b>              | <b>37,896,595</b>   | <b>704,012,901</b> |
| <b>As at June 30, 2024</b>                         |       |                                    |                        |                                |                     |                    |
| Cost   |       | 660,543,411                        | 95,855,908             | 279,241,550                    | 152,899,817         | 1,188,540,686      |
| Accumulated depreciation                           |       | (69,769,969)                       | (65,470,277)           | (234,284,317)                  | (115,003,222)       | (484,527,785)      |
| <b>Net book value</b>                              |       | <b>590,773,442</b>                 | <b>30,385,631</b>      | <b>44,957,233</b>              | <b>37,896,595</b>   | <b>704,012,901</b> |
| <b>Depreciation rate (% per annum)</b>             |       | <b>5</b>                           | <b>10</b>              | <b>20-45</b>                   | <b>20</b>           |                    |

|   | June-23                       |                        |                                |                |               |
|---|-------------------------------|------------------------|--------------------------------|----------------|---------------|
|   | Office premises on lease hold | Furniture and fixtures | Computers and office equipment | Motor vehicles | Total         |
|   | (Rupees)                      |                        |                                |                |               |
| As at July 01, 2022                         |                               |                        |                                |                |               |
| Cost  | 47,932,654                    | 89,785,143             | 265,179,809                    | 170,641,834    | 573,539,440   |
| Accumulated depreciation                    | (35,722,137)                  | (56,016,453)           | (199,478,455)                  | (82,379,166)   | (373,596,210) |
| Net book value at the beginning of the year | 12,210,517                    | 33,768,690             | 65,701,355                     | 88,262,668     | 199,943,230   |
| Changes during the year                     |                               |                        |                                |                |               |
| Additions during the year                   | -                             | 1,065,606              | 13,880,191                     | 272,400        | 15,218,197    |
| Disposals during the year                   |                               |                        |                                |                |               |
| -Cost                                       | -                             | (603,952)              | (8,816,308)                    | (28,138,755)   | (37,559,015)  |
| -Depreciation                               | -                             | 264,357                | 8,093,176                      | 19,877,566     | 28,235,099    |
|   | -                             | (339,595)              | (723,132)                      | (8,261,189)    | (9,323,916)   |
| Transferred from Lease                      |                               |                        |                                |                |               |
| -Cost                                       | -                             | -                      | -                              | 32,983,267     | 32,983,267    |
| -Depreciation                               | -                             | -                      | -                              | (32,409,511)   | (32,409,511)  |
|   | -                             | -                      | -                              | 573,756        | 573,756       |
| Depreciation charge for the year            | (1,706,309)                   | (3,973,471)            | (19,153,348)                   | (23,581,803)   | (48,414,930)  |
|   | (1,706,309)                   | (3,247,460)            | (5,996,290)                    | (30,996,836)   | (41,946,893)  |
| Net book value at the end of the year       | 10,504,209                    | 30,521,231             | 59,705,065                     | 57,265,832     | 157,996,337   |
| As at June 30, 2023                         |                               |                        |                                |                |               |
| Cost  | 47,932,654                    | 90,246,797             | 270,243,692                    | 175,758,745    | 584,181,889   |
| Accumulated depreciation                    | (37,428,446)                  | (59,725,567)           | (210,538,627)                  | (118,492,913)  | (426,185,552) |
| Net book value                              | 10,504,209                    | 30,521,231             | 59,705,065                     | 57,265,832     | 157,996,337   |
| Depreciation rate (% per annum)             | 5                             | 10                     | 20-45                          | 20             |               |

**7.1.1** During the year the Company has transferred its properties, comprising 14 offices of 14,119 square feet on the 4th & 5th Floor, Continental Trade Centre Block 8, Clifton, Karachi, Pakistan to investment properties, commencing from July 01, 2023.

#### 7.1.2 Disposal of Operating Assets

Net book value of assets disposed off during the current year having book value of Rs 5mn and individual book value of Rs 0.5mn

#### 2024

| Particular of Assets | Cost              | Written Down Value | Sale Proceeds     | Gain             | Particulars of Buyers | Mode of Disposal | Relationship |
|----------------------|-------------------|--------------------|-------------------|------------------|-----------------------|------------------|--------------|
| (Rupees)             |                   |                    |                   |                  |                       |                  |              |
| Vehicle              | 3,643,931         | 531,966            | 1,269,947         | 737,981          | Khurram Kazmi         | Company Policy   | Ex- Employee |
| Vehicle              | 6,728,991         | 960,229            | 1,075,121         | 114,893          | Khurram Shahid        | Company Policy   | Ex- Employee |
| Vehicle              | 5,656,000         | 3,880,584          | 6,000,000         | 2,119,416        | Raheel Sawani         | Company Policy   | Ex- Employee |
| Vehicle              | 5,656,000         | 3,110,800          | 3,344,004         | 233,204          | Faysal Dawood         | Company Policy   | Ex- Employee |
|                      | <b>21,684,922</b> | <b>8,483,579</b>   | <b>11,689,072</b> | <b>3,205,494</b> |                       |                  |              |

#### 2023

| Particular of Assets | Cost              | Written Down Value | Sale Proceeds     | Gain             | Particulars of Buyers | Mode of Disposal | Relationship |
|----------------------|-------------------|--------------------|-------------------|------------------|-----------------------|------------------|--------------|
| (Rupees)             |                   |                    |                   |                  |                       |                  |              |
| Vehicle              | 4,938,764         | 552,510            | 654,151           | 101,641          | Muhammad Haris Aslam  | Company Policy   | Ex- Employee |
| Vehicle              | 5,881,000         | 4,704,800          | 6,400,000         | 1,695,200        | Jawad Safdar          | Negotiation      | Ex- Employee |
| Vehicle              | 3,305,000         | 2,038,083          | 4,950,000         | 2,911,917        | Muhammad Ishaq        | Negotiation      | Ex- Employee |
|                      | <b>14,124,764</b> | <b>7,295,393</b>   | <b>12,004,151</b> | <b>4,708,758</b> |                       |                  |              |

#### 7.2 RIGHT-OF-USE ASSETS

|                                 | June-24      | June-23      |
|---------------------------------|--------------|--------------|
|                                 | (Rupees)     |              |
| Opening balance                 | 42,370,780   | 56,035,043   |
| Additions during the year-net   | 19,306,605   | 17,262,712   |
| Deletions during the year-net   | (1,243,927)  | (6,509,280)  |
| Transferred to Owned- Net       | (9,347,989)  | (573,756)    |
| Depreciation for the year       | (17,281,879) | (23,843,938) |
| Closing balance                 | 33,803,590   | 42,370,780   |
| Depreciation rate (% per annum) | 20 - 33.33   | 20 - 33.33   |

#### 7.3 ADVANCE AGAINST CAPITAL EXPENDITURE

|                                    | June-24       | June-23       |
|------------------------------------|---------------|---------------|
|                                    | (Rupees)      |               |
| Opening                            | 1,629,300,000 | 71,726,556    |
| Additions                          | 260,700,000   | 1,557,573,444 |
| Transfer to Property and Equipment | (612,610,757) | -             |
| Transfer to Investment Property    | (357,389,243) | -             |
|                                    | 920,000,000   | 1,629,300,000 |



- 7.3.1** The Company has made full payment to Mr. Aqeel Karim Dhedhi (related party) against the purchase of office premises measuring 38,322 square feet at an agreed price of Rupees 970 million. During the year said office premises has transferred to own property and investment property ( note7 and note 9 respectively). The title of these properties are held in the name of Mr. Aqeel Karim Dhedhi and it will be transferred to the company after its clearance from financial institution with which it is mortgaged against the financing used by the company. However, the rent collected on such properties will also be transferred to the company by the previous owner (Mr. Aqeel Karim Dhedhi).
- 7.3.2** This represent the advance paid to Mr. Aqeel Karim Dhedhi against purchase of office premises measuring 4,888 square feet for a total agreed price of Rs 920 million.

## 8 INVESTMENT PROPERTY

As at July 01, 2023

Cost

Accumulated depreciation

**Net book value at the beginning of the year**

**Addition/Transfer during the year**

Additions (at Cost)

Depreciation charge for the year

Carrying amount as at 30 June, 2024.

**Analysis of net book value**

**As at June 30, 2024**

Cost

Accumulated depreciation

Net book value

Depreciation rate (% per annum)

|  | June-24             | June-23 |
|--|---------------------|---------|
|  | ------(Rupees)----- |         |
|  | -                   | -       |
|  | -                   | -       |
|  | -                   | -       |
|  | -                   | -       |
|  | 357,389,243         | -       |
|  | (17,869,462)        | -       |
|  | 339,519,781         | -       |
|  | 5                   | 5       |

- 8.1** Investment property comprises 14 offices of 14,119 square feet on the 4th & 5th Floor, Continental Trade Centre Block 8, Clifton, Karachi, Pakistan, the fair value of which has been determined based on the valuation carried out by an independent professional valuer as of June 30, 2024 which amounting to Rs.361.651 million (2023: Nil ) and has a forced sale value amounting to Rs 289.230 million (2023: Nil)
- 8.2** The said property is rented out by Mr. Aqeel Karim Dhedhi related party. The company has made an agreement with Mr. Aqeel Karim Dhedhi to receive the rent of the said property (refer note 31.1) from Mr. Aqeel Karim Dhedhi till the said property is transferred to the company's name after its clearance from financial institution with which it is mortgaged till June 30, 2025.

## 9 INTANGIBLE ASSETS

**As at July 01, 2023**

Cost

Accumulated amortization

**Net book value at the beginning of the year**

Deletion / Surrender

- Cost

- Accumulated amortization

Addition during the year

Amortization for the year

**Net book value at the end of the year**

**Analysis of Net Book Value**

Cost

Accumulated amortization

**Net Book Value as at 30 June 2024**

Amortization rate (% per annum)

|  | June-24             |                              |               |                       |                            |               |               |
|--|---------------------|------------------------------|---------------|-----------------------|----------------------------|---------------|---------------|
|  | Computer software   | Membership and booth of PMEX | Booths at PSX | License and trademark | TREC -PSX (Note 9.1 & 9.2) | Goodwill      | Total         |
|  | ------(Rupees)----- |                              |               |                       |                            |               |               |
|  | 29,056,191          | 8,500,000                    | 950,200       | 1,223,050             | 2,500,000                  | 3,137,826,767 | 3,180,056,208 |
|  | (26,363,279)        | -                            | -             | (523,000)             | -                          | -             | (26,886,279)  |
|  | 2,692,912           | 8,500,000                    | 950,200       | 700,050               | 2,500,000                  | 3,137,826,767 | 3,153,169,929 |
|  |                     | (250,000)                    |               |                       | -                          |               | (250,000)     |
|  | -                   | (250,000)                    | -             | -                     | -                          | -             | (250,000)     |
|  | 4,000,181           | -                            | -             | -                     | -                          | -             | 4,000,181     |
|  | (1,788,963)         | -                            | -             | (280)                 | -                          | -             | (1,789,243)   |
|  | 4,904,130           | 8,250,000                    | 950,200       | 699,770               | 2,500,000                  | 3,137,826,767 | 3,155,130,867 |
|  | 33,056,372          | 8,250,000                    | 950,200       | 1,223,050             | 2,500,000                  | 3,137,826,767 | 3,183,806,389 |
|  | (28,152,242)        | -                            | -             | (523,280)             | -                          | -             | (28,675,522)  |
|  | 4,904,130           | 8,250,000                    | 950,200       | 699,770               | 2,500,000                  | 3,137,826,767 | 3,155,130,867 |
|  | 25-33.33            | -                            | -             | 0 - 33.33             | -                          | -             |               |
|  | June-23             |                              |               |                       |                            |               |               |
|  | Computer software   | Membership of PMEX           | Booths at PSX | License and trademark | TREC -PSX (Note 9.1 & 9.2) | Goodwill      | Total         |
|  | ------(Rupees)----- |                              |               |                       |                            |               |               |
|  | 28,368,637          | 8,500,000                    | 950,200       | 1,223,050             | 3,850,000                  | 3,137,826,767 | 3,180,718,653 |
|  | (25,025,515)        | -                            | -             | (523,000)             | -                          | -             | (25,548,515)  |
|  | 3,343,122           | 8,500,000                    | 950,200       | 700,050               | 3,850,000                  | 3,137,826,767 | 3,155,170,139 |
|  | -                   | -                            | -             | -                     | (1,350,000)                | -             | (1,350,000)   |
|  | -                   | -                            | -             | -                     | (1,350,000)                | -             | (1,350,000)   |
|  | 687,554             | -                            | -             | -                     | -                          | -             | 687,554       |
|  | (1,337,764)         | -                            | -             | -                     | -                          | -             | (1,337,764)   |
|  | 2,692,912           | 8,500,000                    | 950,200       | 700,050               | 2,500,000                  | 3,137,826,767 | 3,153,169,929 |
|  | 29,056,191          | 8,500,000                    | 950,200       | 1,223,050             | 2,500,000                  | 3,137,826,767 | 3,180,056,208 |
|  | (26,363,279)        | -                            | -             | (523,000)             | -                          | -             | (26,886,279)  |
|  | 2,692,912           | 8,500,000                    | 950,200       | 700,050               | 2,500,000                  | 3,137,826,767 | 3,153,169,929 |
|  | 33.33               | -                            | -             | 0 - 33.33             | -                          | -             |               |

- 9.1** The company has pledged / hypothecated its TREC in favor of PSX to meet the requirement of Base Minimum Capital (BMC) under clause 19.2 of the Risk Management Regulation of PSX Rule Book.

During the period, Company engaged an independent valuer for determination of separately identifiable intangible assets. Based on the valuation report, provisional goodwill has been allocated to 'Goodwill' amounting to Rs. 3.138 billion.

## 9.2 Impairment testing

Company engaged an independent valuer for impairment testing of the recoverable amount of goodwill amounting to Rs. 3.138 billion including intangible assets acquired through a business combination has been tested for impairment as at 30 June 2024. This represents excess over fair value of net assets of AKD Securities Limited (AKDSL) on its acquisition. The recoverable amount of goodwill was tested for impairment by allocating the amount of goodwill to respective assets on which it arose, based on value in use in accordance with IAS-36 "Impairment of Assets". The value in use calculations are based on cash flow projections. These are then extrapolated for a period of 5 years using a steady long term expected demand growth of 3% and terminal value determined based on long term earning multiples. The cash flows are discounted using a discount rate of 17.44%. Based on this calculation no impairment is required to be accounted for against the carrying amount of goodwill.

## 10 LONG TERM INVESTMENTS

Subsidiary company -Structured Venture (Private) Limited  
At fair value through Other Comprehensive Income  
Investment in other entity at amortized cost

| Note | June-24              | June-23            |
|------|----------------------|--------------------|
|      | ----- (Rupees) ----- |                    |
| 10.2 | -                    | 36,373             |
| 10.3 | <b>632,884,468</b>   | 641,040,953        |
| 10.4 | -                    | -                  |
|      | <b>632,884,468</b>   | <b>641,077,326</b> |

- 10.1** Structured Venture (Private) Limited (SVPL) is a subsidiary of the company. The total amount of investment approved by the shareholders of the Company in the extra-ordinary general meeting held on June 22, 2010 was Rs. 625 million. As of the balance sheet date, the Company has invested a total sum of Rs. 488.581 million.

### 10.2 Subsidiary Company

|                                |                      |               |
|--------------------------------|----------------------|---------------|
| Cost                           | <b>488,581,200</b>   | 488,581,200   |
| Less: Provision for impairment | <b>(488,581,200)</b> | (488,544,827) |
|                                | -                    | 36,373        |

The net assets of the subsidiary company have reduced due to full impairment of investment of Rs. 81.567 million in an associated company New Horizon Exploration and Production Limited (NHEPL), and provision against advance for purchase of land of Rs. 375 million.

Structured Venture (Private) Limited (SVPL) had given advance against purchase of property Rs. 375 million which was being developed as a Housing Scheme (the 'Project') by M/s. Noor Developer (Private) Limited (the 'Developer'), the majority shareholder of which is Mr. Arif Ali Shah Bukhari. This amount includes development charges of Rs. 75 million paid to the Developer. The Developer had communicated in the previous years that the Project was pending final approval from the Cantonment Board Korangi Creek (CBKC) for last few years due to modification and revision required by the CBKC in the Project.

During the year 2015, the Developer cancelled provisional booking vide its letter dated June 15, 2015 and in response, SVPL has filed legal suit for specific performance, declaration, injunction, partition and damages in the Sindh High Court.

In addition to the above, as per CBKC letter to Military Lands & Cantonments dated July 04, 2011, the land on which provisional booking was made is not eligible for the type of allotment made to SVPL as per sale agreement dated November 10, 2010 between SVPL and the Developer. Further, the development work on the Project, as communicated by the Developer vide their letter dated December 28, 2013, has also not been undertaken.

Moreover, verification from the Registrar of Housing Society has revealed that no record exists for the said Project, namely Noor Town, situated at survey number 288, 289 and 290 at Deh Korangi Township Karachi. Prima facie a fraud was committed with the Company against which, criminal and civil proceedings have already been initiated.

Considering the facts stated above, the history of this transaction and legal implications, SVPL as a matter of prudence, has fully provided this amount. Hence, the Company's investment in SVPL stands impaired.

On request of the Company for complaints against Criminal Acts of M/s. Noor Developers (Private) Limited, SECP vide its letter dated September 27, 2017, has informed that appropriate steps have been taken as to referring the matter to National Accountability Bureau (NAB) under Section 41-B of Securities and Exchange Commission of Pakistan (Amendment) Act, 2016. On the recommendation/approval of SECP, NAB has initiated enquiry into the matter.

During the period, the Company has recognized further impairment as the net assets of SVPL has decreased due to operating losses.

### 10.3 Investment 'at fair value through Other Comprehensive Income

| June-24                | June-23    |  | Note             | June-24             |                    | June-23      |                |
|------------------------|------------|--|------------------|---------------------|--------------------|--------------|----------------|
| Number of shares       |            | Name of the Investee Company                                   |                  | Cost                | Carrying value     | Cost         | Carrying value |
| <b>Quoted shares</b>   |            |  |                  |                     |                    |              |                |
| <b>1,602,953</b>       | 1,602,953  | Pakistan Stock Exchange Limited                                | 10.3.1, & 10.3.4 | <b>1,438,000</b>    | <b>20,533,828</b>  | 1,438,000    | 11,861,852     |
| <b>Unquoted shares</b> |            |  |                  |                     |                    |              |                |
| <b>3,370</b>           | 3,370      | Al Jomaih Power Limited  | 10.3.2 & 10.3.4  | <b>184,196,957</b>  | <b>612,350,640</b> | 184,196,957  | 629,179,100    |
|                        |            | New Horizon Exploration and Production Limited (Related Party) | 10.3.3           |                     |                    |              |                |
| <b>14,760,000</b>      | 14,760,000 | - Class 'A' ordinary shares                                    |                  | <b>31,628,571</b>   | -                  | 31,628,571   | -              |
|                        |            | Less: impairment   |                  | <b>(31,628,571)</b> | -                  | (31,628,571) | -              |
|                        |            |  |                  | -                   | -                  | -            | -              |
|                        |            |  |                  | <b>185,634,957</b>  | <b>632,884,468</b> | 185,634,957  | 641,040,953    |

**10.3.1** Fair value of the investment as the year end was Rs. 12.81 per share (2023: 7.40 per share) as per quoted market price.

**10.3.2** The Company's investment in unquoted shares of Al Jomaih Power Limited (AJPL) incorporated in Cayman Island are valued at its fair value based on the net assets value of the investee Company as at June 30, 2023. The company holds 1.55% of total issued certificates of AJPL. To date company has received a return of Rs 72mn in forms of dividends and the total cost of investment is Rs 184.19mn (2023: 184.19mn).

**10.3.3** In year 2015, the management recorded impairment of its investment in New Horizon Exploration and Production Limited (NHEPL) in accordance with IAS-36 which was again tested for impairment as required by IFRS 9 adopted by the company on January 01, 2019. The recoverable amount of investment was estimated using "Value in use" approach. In considering the impairment, various business assumptions for estimating cash flows were used, which includes but are not limited to, historical performance of the investment, development and production activity in NHEPL's working interests, recoverability of future cash flows from the investment etc. Based on such analysis, the Company fully impaired its investment in NHEPL and an impairment loss of Rs. 31.63 million was recognized up to year 2016. As of reporting date there is no change in management assumption of recoverability of this investment, accordingly no impairment loss has been reversed.

| <b>10.3.4 Reconciliation of unrealized (loss) / gain on investment 'at fair value through Other</b> | <b>Note</b> | <b>June-24</b>              | <b>June-23</b> |
|---|-------------|-----------------------------|----------------|
|   |             | <b>------(Rupees )-----</b> |                |
| <b>Pakistan Stock Exchange Limited</b>  |             |                             |                |
| Opening   |             | <b>10,423,852</b>           | 14,960,209     |
| Unrealized Gain/(Loss) during year  | 10.3.1      | <b>8,671,976</b>            | (4,536,357)    |
| Closing   |             | <b>19,095,828</b>           | 10,423,852     |
| <b>Al Jomaih Power Limited</b>  |             |                             |                |
| Opening   |             | <b>444,982,143</b>          | 165,073        |
| Unrealized (loss) / gain during year  | 10.3.2      | <b>(16,828,460)</b>         | 444,817,070    |
| Closing   |             | <b>428,153,683</b>          | 444,982,143    |
| <b>Total unrealized (loss) / gain during year</b>   |             | <b>(8,156,485)</b>          | 440,280,713    |

#### **10.4 Investment in other entity - At amortized cost**

|                         |        |   |           |
|-------------------------|--------|---|-----------|
| Kashaf Foundation PPTFC | 10.4.1 | - | 833,334   |
| Current portion         | 10.4.1 | - | (833,334) |
|                         |        | - | -         |

**10.4.1** The Company in pursuant of scheme of merger, has acquired privately placed term finance certificates (PPTFCs) with the face value of Rupees 10 million. These certificates carry profit equal to 3 month KIBOR plus 2.25% receivable quarterly in arrears with a grace period of one year and will mature in December 2023. The Company holds these certificates in the business model with the objective to collect cash flows (principal and interest) over the term of these certificates till maturity.

| <b>11 LONG-TERM LOANS AND ADVANCES - CONSIDERED GOOD</b> | <b>Note</b> | <b>June-24</b>              | <b>June-23</b> |
|--|-------------|-----------------------------|----------------|
|  |             | <b>------(Rupees )-----</b> |                |
| <b>Loans and advances to:</b>                            |             |                             |                |
| Employees  | 11.1        | <b>722,344</b>              | 4,310,435      |
| Current maturity shown in current assets                 | 17          | <b>(722,344)</b>            | (4,310,435)    |
| <b>Advance Against Investment</b>                        |             |                             |                |
| Advance Against Investment - Park View REIT scheme       | 11.2        | <b>256,780,000</b>          | -              |
|  |             | <b>256,780,000</b>          | -              |

**11.1** These are given to employees for general purpose in accordance with their terms of employment. The loans and advances are secured against staff provident fund balance.

**11.2** During the period company has purchased 25,678,000 units of Park View REIT scheme at a price of Rs. 10 per unit. However company received securities of Park View Apartment REIT in August 02, 2024 in CDC. The REIT is being managed by Arif Habib REIT Management Company Limited.

#### **12 LONG-TERM DEPOSITS AND PREPAYMENTS**

##### **Deposits with:**

|   |      |                   |            |
|---|------|-------------------|------------|
| - Pakistan Stock Exchange Limited (PSX)                 | 12.1 | <b>21,611,500</b> | 21,611,500 |
| - National Clearing Company of Pakistan Limited (NCCPL) |      | -                 | -          |
| - Pakistan Mercantile Exchange Limited (PMEX)           |      | <b>4,000,000</b>  | 4,000,000  |
| - Central Depository Company of Pakistan Limited (CDC)  |      | <b>200,000</b>    | 200,000    |
| - Rent deposits against rented premises                 |      | <b>7,359,277</b>  | 5,932,640  |
| - Others  |      | <b>6,537,715</b>  | 8,294,862  |
|   |      | <b>39,708,492</b> | 40,039,002 |
| <b>Prepayments</b>                                      |      | <b>18,000</b>     | 18,000     |
| -Impact of expected credit loss                         | 12.2 | <b>(177,951)</b>  | (177,951)  |
|   |      | <b>39,548,541</b> | 39,879,051 |

**12.1** It represents cash deposit with PSX to fulfill the Base Minimum Capital (BMC) requirement in Compliance with clause 19.2 of the Risk Management Regulation of PSX Rule Book.

**12.2 Impact of expected credit loss**

- Rent deposits

|           |           |
|-----------|-----------|
| (177,951) | (177,951) |
|-----------|-----------|

**13 DEFERRED TAX ASSET - NET**

| June-24   |                    |   |  |                   |
|---|--------------------|---|--|-------------------|
|   | Opening balance    | (Charge) / reversal to statement of profit / (loss) | (Charge) / reversal to statement of other comprehensive income | Closing balance   |
| -----Rupees-----  |                    |   |  |                   |
| <b>Deductible temporary differences</b>                       |                    |   |  |                   |
| Allowance for expected credit losses                          | 86,445,128         | (40,668,968)  | -  | 45,776,161        |
| Re-measurement of investments                                 | 41,263,489         | (38,166,686)  | -  | 3,096,803         |
| Losses available for offsetting against future taxable income |                    |   |  |                   |
| -carry forward of minimum tax and ACT                         | 61,966,266         | (30,913,036)  | -  | 31,053,230        |
| <b>Taxable temporary differences</b>                          |                    |   |  |                   |
| Accelerated tax depreciation / amortization                   | (6,462,627)        | 7,004,840   | -  | 542,213           |
| Lease liability net   | 283,969            | 211,643   | -  | 495,612           |
|   | <u>183,496,225</u> | <u>(102,532,206)</u>                                | <u>-</u>   | <u>80,964,019</u> |

| June-23   |                   |   |  |                    |
|---|-------------------|---|--|--------------------|
|   | Opening balance   | (Charge) / reversal to statement of profit / (loss) | (Charge) / reversal to statement of other comprehensive income |                    |
| -----Rupees-----  |                   |   |  |                    |
| <b>Deductible temporary differences</b>                       |                   |   |  |                    |
| Allowance for expected credit losses                          | 98,062,966        | (11,617,838)  | -  | 86,445,128         |
| Re-measurement of investments                                 | 29,968,531        | 11,294,958  | -  | 41,263,489         |
| Losses available for offsetting against future taxable income |                   |   |  |                    |
| -carry forward of minimum tax and ACT                         | -                 | 61,966,266  | -  | 61,966,266         |
| <b>Taxable temporary differences</b>                          |                   |   |  |                    |
| Accelerated tax depreciation / amortization                   | (13,726,665)      | 7,264,038   | -  | (6,462,627)        |
| Lease liability net   | (16,250,162)      | 16,534,131  | -  | 283,969            |
|   | <u>98,054,670</u> | <u>85,441,556</u>                                   | <u>-</u>   | <u>183,496,225</u> |

**14 SHORT-TERM INVESTMENTS**

**'At fair value through profit or loss'**

|  |      |                      |               |
|--|------|----------------------|---------------|
| - Quoted Equity Securities                       | 14.1 | 2,186,008,306        | 2,318,059,059 |
| - Term finance certificates - Pace Pakistan Ltd. | 14.2 |                      |               |
|  |      | <b>2,186,008,306</b> | -             |

**'At amortized cost'**

|  |      |                      |                      |
|--|------|----------------------|----------------------|
| Privately Placed Term Finance Certificate - Kashaf Foundation. | 14.3 | -                    | 833,334              |
| Term deposit receipts-Habib Metropolitan Bank Limited          |      | 5,500,000            | -                    |
|  |      | <b>5,500,000</b>     | <b>833,334</b>       |
|  |      | <b>2,191,508,306</b> | <b>2,318,892,393</b> |

**14.1 Quoted Equity Securities**

| 2024   |                      | 2023                 |                |
|--|----------------------|----------------------|----------------|
| Cost   | Carrying value       | Cost                 | Carrying value |
| ----- (Rupees) -----                             |                      | ----- (Rupees) ----- |                |
| Investment In shares of quoted equity securities | <b>2,206,653,662</b> | 2,593,148,987        | 2,318,059,059  |

This includes shares with carrying value of Rs. 159.75 million (2023: 152.97 million) pledged with NCCPL against exposure margin.



## 14.2 Term finance certificates

| 2024                   | 2023  |  | Note   | June-24              | June-23      |
|------------------------|-------|--|--------|----------------------|--------------|
| Number of certificates |       | Name of Investee Company                         |        | ----- (Rupees) ----- |              |
|                        |       | Pace Pakistan Ltd. (Face value Rs. 5,000/- each) |        |                      |              |
| 4,000                  | 4,000 | Opening  |        | 18,147,464           | 18,147,464   |
|                        |       | Less : Sold during the year                      |        |                      |              |
|                        |       | Closing  |        | 18,147,464           | 18,147,464   |
|                        |       | Less : Provision for impairment                  | 14.2.1 | (18,147,464)         | (18,147,464) |
| 4,000                  | 4,000 |  |        |                      |              |

### 14.2.1 Impairment

|                                 |            |            |
|---------------------------------|------------|------------|
| Opening balance                 | 18,147,464 | 18,147,464 |
| Impairment: balance written off |            |            |
|                                 | 18,147,464 | 18,147,464 |

## 14.3 Privately placed term finance certificate - at amortized cost

|   |      |   |         |
|---|------|---|---------|
| Current portion of PPTFC of Kashaf Foundation | 10.4 | - | 833,334 |
|---|------|---|---------|

## 15 TRADE DEBTS

|  | Note | June-24              | June-23       |
|--|------|----------------------|---------------|
|  |      | ----- (Rupees) ----- |               |
| Receivable against purchase of marketable securities - net of provisions |      | 105,974,780          | 191,511,678   |
| Receivable from National Clearing Company of Pakistan Limited            |      | 66,181,660           | -             |
| Inter-bank brokerage   |      | 29,439,610           | 13,718,436    |
| Receivable against consultancy, advisory & underwriting                  |      | 21,518,182           | 24,927,200    |
| Considered good  |      | 223,114,231          | 230,157,314   |
| Considered doubtful  |      | 154,255,406          | 294,493,225   |
|  | 15.1 | 377,369,637          | 524,650,539   |
| Less: Allowance against expected credit loss                             | 15.2 | (154,255,406)        | (294,493,225) |
|  |      | 223,114,231          | 230,157,314   |

15.1 These receivables include Rs. 105,215 (2023: Rs. 153,800,488) due from the related parties. The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs. 72,909,710 (2023: Rs. 153,800,488).

### 15.2 Reconciliation of provisions against trade debts

|  |               |               |
|--|---------------|---------------|
| Opening balance  | 294,493,225   | 334,554,733   |
| (Reversal) / Allowance against expected credit loss for the year | (78,017,491)  | 142,796,501   |
| Debts written off during the year                                | (62,220,329)  | (182,858,009) |
|  | (140,237,820) | (40,061,507)  |
|  | 154,255,406   | 294,493,225   |

## 16 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

### Deposits:

|                                   |               |               |
|-----------------------------------|---------------|---------------|
| Exposure deposit with -NCCPL      | 3,834,986,346 | 1,053,530,734 |
| Exposure deposit with -PMEX       | 17,657,616    | 10,956,124    |
| Others                            | 2,100,000     | 2,100,000     |
|                                   | 3,854,743,961 | 1,066,586,858 |
| -Impact of expected credited loss | (2,100,000)   | (2,100,000)   |
|                                   | 3,852,643,961 | 1,064,486,858 |

### Prepayments:

|                                      |            |            |
|--------------------------------------|------------|------------|
| Insurance                            | 2,816,449  | 3,623,481  |
| Software development and maintenance | 746,050    | 2,598,050  |
| Rent                                 | 3,729,014  | 3,371,004  |
| Others                               | 4,888,080  | 12,780,622 |
|                                      | 12,179,593 | 22,373,157 |

### Other receivables:

|                                   |               |               |
|-----------------------------------|---------------|---------------|
| Profit on bank deposits           | 3,023,431     | 2,576,731     |
| Rent receivable                   | 16,943,712    | -             |
| Others                            | 14,139,223    | 32,854,003    |
|                                   | 34,106,366    | 35,430,735    |
| -Impact of expected credited loss | (5,248,912)   | (5,248,912)   |
|                                   | 28,857,454    | 30,181,822    |
|                                   | 3,893,681,007 | 1,117,041,837 |

- 16.1** This includes amounts deposited with the Honorable District and Sessions Court Karachi South in the form of Defense Saving Certificates (DSCs) having face value Rs. 2.1 million. These DSCs carry yield of 7.34% per annum and will mature in August 2026 (June 30, 2023 :7.34%). These certificates are in name of ex-employee who, by a letter has accepted to surrender the principal amount and the interest accrued on them to the entity upon maturity.

**16.2 Impact of credit loss**

|                   |                  |                  |
|-------------------|------------------|------------------|
| Deposits          | 2,100,000        | 2,100,000        |
| Other receivables | 5,248,912        | 5,248,912        |
|                   | <b>7,348,912</b> | <b>7,348,912</b> |

**17 LOANS AND ADVANCES**

| Note  | June-24              | June-23            |
|---|----------------------|--------------------|
|   | ----- (Rupees) ----- |                    |
| <b>Advances to:</b>   |                      |                    |
| Current portion of long-term loans and advances to employees and executives | 11                   | 722,344            |
| Short term advances to employees against commission & expenses              | 17.1                 | 14,847,236         |
|   |                      | <b>15,569,580</b>  |
| <b>Short term loan to:</b>  |                      |                    |
| Holding company   | 17.2                 | 891,247,505        |
| Creek Developers (Private) Limited  | 17.3                 | 28,074,855         |
|   |                      | <b>919,322,360</b> |
| <b>Markup on short term loan to:</b>  |                      |                    |
| Holding company   | 17.2                 | 1,738,822          |
| Creek Developers (Private) Limited  | 17.3                 | 1,024,009          |
|   |                      | <b>937,654,771</b> |
|   |                      | <b>544,565,734</b> |

- 17.1** These represent interest free loans to executives and staff for the purchase of vehicles and for other purposes in accordance with the terms of employment repayable over a year through deduction from salaries. These loans are secured against commission payable and balance of respective employees in Staff Provident Fund of respective employees.
- 17.2** The company has reclassified its balance receivable from holding company to short term loan receivable on demand under the authority of a special resolution passed in extra ordinary general meeting of the company held on 28 November 2015 whereby it was resolved that the company may lend its surplus funds to Aqeel Karim Dhedhi Securities (Private) Limited (Holding company). Mark-up on outstanding balance of such loan is 3MK+2% per annum receivable in arrears. The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs. 967,986,986 (2023: Rs. 989,053,990).
- 17.3** This represents loan provided to Creek Developers Private Limited (a related party) on request and is receivable on demand. This carries mark-up on outstanding balance of 3MK+2% per annum receivable in arrears. The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs.28,074,855 (2023: Rs. 41,770,253).

**18 CASH AND BANK BALANCES**

**Company accounts**

|                  |      |                   |                   |
|------------------|------|-------------------|-------------------|
| Current accounts | 18.1 | 19,802,989        | 20,846,789        |
| Saving accounts  |      | 2,943,205         | 3,015,663         |
|                  |      | <b>22,746,194</b> | <b>23,862,452</b> |

**Client accounts**

|                  |  |                    |                    |
|------------------|--|--------------------|--------------------|
| Current accounts |  | 737,922,328        | 829,234,355        |
| Saving accounts  |  | 41,976,720         | 23,419,465         |
|                  |  | <b>779,899,048</b> | <b>852,653,820</b> |
|                  |  | <b>802,645,242</b> | <b>876,516,273</b> |
| Cash in hand     |  | 459,678            | 310,432            |
| Stamps in hand   |  | 3,297              | 3,297              |
|                  |  | <b>803,108,217</b> | <b>876,830,002</b> |

- 18.1** These carry profit at rates ranging from 4.69% to 20.5% (2023: 3.40% to 19.50%) per

**19 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**

|                    |                    |   |                      |                      |
|--------------------|--------------------|---|----------------------|----------------------|
| 89,867,900         | 89,867,900         | Ordinary shares of Rs. 10 each fully paid-up in cash                          | 898,679,000          | 898,679,000          |
| 10,132,100         | 10,132,100         | Ordinary shares of Rs. 10 each fully paid-up as part of the scheme of arrange | 101,321,000          | 101,321,000          |
| 457,834,171        | 457,834,171        | Ordinary shares of Rs. 10 each fully paid-up as part of the scheme of merger  | 4,578,341,710        | 4,578,341,710        |
| <b>557,834,171</b> | <b>557,834,171</b> |   | <b>5,578,341,710</b> | <b>5,578,341,710</b> |

The Company has single class of ordinary shares which carry no right to fixed income. The Holders are entitled to receive dividends as declared from time to time and are entitled to single vote at the Company. All shares rank equal with regards to the Company's residual assets.

## 20 LONG-TERM FINANCING - SECURED

Al-Baraka Bank Limited- Diminishing musharakah facility  
Less: Current Portion

|      |               |             |
|------|---------------|-------------|
| 20.1 | 500,000,000   | 500,000,000 |
|      | (500,000,000) | -           |
|      | -             | 500,000,000 |

- 20.1** The AKD Securities Ltd obtained a diminishing musharakah facility from Al-Baraka Bank (Pakistan) Limited (ABPL) amounting to Rupees 500 million under mark-up arrangement at the rate of 3 months KIBOR + 2% to be charged and paid on quarterly basis. The principal is repayable quarterly in 2 years including grace period of 1 year. This loan is secured against the equitable mortgage of properties of the sponsor and pledge of shares and personal guarantees of the sponsor and director.

## 21 LEASE LIABILITIES

|                                       | Note | June-24              | June-23      |
|---------------------------------------|------|----------------------|--------------|
|                                       |      | ------(Rupees )----- |              |
| Opening                               |      | 43,349,984           | 52,965,412   |
| Additions during the year             |      | 19,306,605           | 17,262,712   |
| Deletions \ Transfers during the year |      | (10,591,916)         | (6,509,280)  |
| Payments made during the year         |      | (16,552,075)         | (20,368,859) |
|                                       |      | 35,512,598           | 43,349,984   |
| Transferred to current maturity       |      | (12,415,405)         | (16,542,970) |
|                                       |      | 23,097,193           | 26,807,015   |

- 21.1** The future minimum lease payments to which the company is committed to is as follows:

|   | Not later<br>than one year | Later than one<br>year not later<br>than five years | More than<br>five years |
|---|----------------------------|---|-------------------------|
| <b>As at 30 June 2024</b>                 |                            |   |                         |
| Principal                                 | 12,415,405                 | 23,097,193  | -                       |
| Finance charges allocated to future years | 7,899,169                  | 9,270,409   | -                       |
|   | 20,314,574                 | 32,367,602  | -                       |
| <b>As at June 30, 2023</b>                |                            |   |                         |
| Principal                                 | 16,542,970                 | 26,807,015  | -                       |
| Finance charges allocated to future years | 5,687,038                  | 6,472,779   | -                       |
|   | 22,230,008                 | 33,279,794  | -                       |

This represents present value of multiple lease commitments entered into with financial institutions and individuals for vehicles and office premises having a lease term ranging between 3 to 5 years. When measuring lease liability for office premises, the company discounted lease payments using an estimated incremental borrowing rate of 10% - 24.66%. However, monthly lease rentals of vehicles included finance charge ranging from 17.20% - 23.60% per annum which is used as discounting factor for vehicles.

Taxes, repairs and insurance costs are to be borne by the company. In case of early termination of lease of vehicles, the company shall pay entire amount of rentals for unexpired period of respective lease agreements.

## 22 TRADE AND OTHER PAYABLES

|  | Note | June-24              | June-23       |
|--|------|----------------------|---------------|
|  |      | ------(Rupees )----- |               |
| Trade creditors  | 22.1 | 3,622,749,573        | 1,755,799,710 |
| Payable to National Clearing Company of Pakistan Limited |      | 3,170                | -             |
| Accrued liabilities                                      |      | 198,444,089          | 164,974,886   |
| Withholding tax  |      | 48,611,352           | 35,680,901    |
| Provision for Workers' Welfare Fund - Sindh              |      | 49,495,122           | 17,769,394    |
| Payable to Staff Provident Fund                          |      | 11,635,611           | 15,862,590    |
| Unclaimed deposits by clients                            |      | 31,311,642           | 29,132,842    |
| Others   | 22.2 | 227,465,936          | 29,479,786    |
|  |      | 4,189,716,496        | 2,048,700,109 |

- 22.1** This includes Rs. 4,380,998 (2023: 16,237,903) payable to related parties.

- 22.2** This includes Rs. 7,522,671 (2023: 1,049,453) payable to related parties.

- 22.2** This includes clients Capital Gain Tax Payable to NCCPL amounting to Rs.205,320,877 (2023: Nil)

|  | Note | June-24                     | June-23            |
|--|------|-----------------------------|--------------------|
| <b>23 SHORT TERM FINANCING- SECURED</b>                    |      | <b>----- (Rupees) -----</b> |                    |
| Loan from Financial Institution                            | 23.1 | -                           | 150,000,000        |
| Current Portion of Loan of Diminishing musharakah facility | 20.1 | <b>500,000,000</b>          | -                  |
|  |      | <b>500,000,000</b>          | <b>150,000,000</b> |

**23.1** This represents long-term financing was obtained from Bank Islami Pakistan Ltd on December 31, 2015. The financing was secured by way of Exclusive Charge over DM Assets along with equitable mortgage over all other commercial properties of the Company as disclosed in note 7. The said financing had been rescheduled according to which company will pay off the financing as a bullet payment in December 2023, keeping other terms and conditions same. The same has been repaid by the company during the current year.

**23.2** The AKD Securities Ltd obtained a diminishing musharakah facility from Al-Baraka Bank (Pakistan) Limited (ABPL) amounting to Rupees 500 million under mark-up arrangement at the rate of 3 months KIBOR + 2% to be charged and paid on quarterly basis. The principal is repayable quarterly in 2 years including grace period of 1 year. This loan is secured against the equitable mortgage of properties of the sponsor and pledge of shares and personal guarantees of the sponsor and director.

#### **24 ACCRUED MARK-UP:**

|                 |                |                  |
|-----------------|----------------|------------------|
| Accrued mark-up | <b>924,847</b> | <b>1,257,863</b> |
|-----------------|----------------|------------------|

#### **25 CONTINGENCIES AND COMMITMENTS**

##### **25.1 Contingencies:**

**25.1.1** For tax year 2013, an amended assessment order has been passed under section 122(5A) of the Income Tax Ordinance, 2001 by the Additional Commissioner Inland Revenue (ACIR), raised a demand of Rs 17.39 million dated June 28, 2019. In pursuance of such order, Company filed an appeal before CIR-A, Upon Appeal filed, CIR-Appeal maintained the order of ACIR's order vide its order No. 97 dated October 23, 2020. In pursuance of the order of CIR-A, the Company has filed appeal before ATIR which is pending for hearing.

**25.1.2** The Securities and Exchange Commission of Pakistan served a show cause notice dated 25 February 2016 wherein several alleged contravention of the laws of SECP are leveled against the Company. The Company filed suit against the show cause in the Honourable High Court of Sindh. The Honourable High Court of Sindh via order dated 03 March 2016 directed SECP to refrain from taking any coercive action against the Company in relation to the instant matter. No further progress on the matter has been made during the year. The management and legal counsel of the Company are of the view that ultimate outcome will be in our favour.

**25.1.3** Burj Bank Limited (previously, Dawood Islamic Bank Limited) filed a Suit against the number of brokers including the Company in Sindh High Court on the termination of "Underwriting Agreement" in the year 2008 and prayed to declare the act of the Company as unlawful / unauthorized, to pass judgment for damages to the tune of Rupees 200 million with applicable mark-up at the State Bank Rate, to recover the cost of the Suit and for any other relief. The management and the legal counsel of the Company are confident that the suit will be decided in the favor of the Company; therefore, no provision has been made in these financial statements.

**25.1.4** Order in original No. 23/34/2015 dated 27 June 2015 was passed by the Deputy Commissioner Sindh Revenue Board and demand of Rupees 90,542,868 as sales tax for the tax years 2010 to 2013 has been raised. The Company along with other stock brokers has instituted a Writ Petition before the Honourable Sindh High Court, Karachi, which has been pleased to direct the respondents to restrain from initiating any coercive action against the petitioners (including the Company) on the basis of impugned order till the next date of hearing.

**25.1.5** Return of Income for the tax year 2012 has been selected for tax audit of the Company's income tax affairs under section 177 of the Ordinance by the learned Commissioner Inland Revenue, Zone - 1, Regional Tax Office, Karachi. The Company has filed a Writ Petition under Article 199 of the Constitution of the Islamic Republic of Pakistan, 1973 challenging the vires of selection of case for tax audit of income tax affairs of the company under aforesaid section vide C.P No. D-2867/2014 dated May 27, 2014 which is subjudice before the Honourable Sindh High Court, Karachi. However, the amended assessment order has been passed by the learned Deputy Commissioner Inland Revenue, Audit Unit - 01, Zone - 1, Corporate Regional Tax Office, Karachi vide his order bearing D/C No.15/15 dated April 5, 2017. The Company being dissatisfied of the aforesaid order has instituted an appeal before the Honourable Commissioner Inland Revenue (Appeals - III), Regional Tax Office, Karachi, which is subjudice.



**25.1.6** Return of Income for the tax year 2015 has been selected for tax audit of the Company's income tax affairs under section 177 of the Ordinance. In this regard, the Company has complied with the notices received from the department from time to time and the proceedings are pending. However, at this stage, as per the tax advisor of the Company, it is not possible to assess the outcome of the aforesaid proceedings.

**25.1.7** The Securities and Exchange Commission of Pakistan (SECP) has imposed penalties of Rs. 2,075,000 on the company for contravening the provisions of Anti Money Laundering Regulations & Licensing Regulations. The management of the company has filed an appeal against the order in the Appellate Tribunal of SECP. The hearing of the tribunal is yet to be started but the management is confident that the ultimate outcome will be in favour of the company.

SECP has imposed penalty of Rs. 100,000 on the company for contravening the provisions of Anti Money Laundering Regulations and Licensing Regulations. The management of the company has filed an appeal against the order in the Appellate Tribunal of SECP and the Appellate Tribunal upheld the order of SECP. The Company is filing an appeal with the High Court against the order of the Appellate Tribunal. The management is confident that the ultimate outcome will be in favour of the company.

**25.1.8** For the tax year 2016, an amended assessment order passed under section 122(1) of the Income Tax Ordinance, 2001 by the Deputy Commissioner Inland Revenue (DCIR), raised a demand of Rs. 194,845,167/- dated June 30, 2022. In pursuance of such order, the company filed an appeal before CIR-A, Upon Appeal filed, CIR- Appeal passed appellate order dated December 22, 2022, through which the company was granted partial relief, As a result, the tax payable was reduced from Rs. 194,845,167/- to Rs. 155,682,240/-. That being aggrieved of the appellate order issued by CIR- Appeals, the company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) dated January 13, 2013, against which ATIR granted a stay subsequent to the balance sheet date on August 03, 2023, against recovery of impugned tax demand. However, ATIR has passed the order dated 06-11-2023 by disposing off the case and remand back the case to the assessing officer for fresh proceeding and subsequently the re-examination / re-verification of the facts are now in field and have been responded accordingly. However, no response have been received from the department till yet.

## 25.2 Commitments:

|                                     | Note | June-24              | June-23     |
|-------------------------------------|------|----------------------|-------------|
|                                     |      | ------(Rupees )----- |             |
| Advance Against Capital Expenditure | 7.3  | -                    | 260,700,000 |

## 26 OPERATING REVENUE

|                             |                      |                    |
|-----------------------------|----------------------|--------------------|
| Brokerage                   | 1,311,486,635        | 669,849,832        |
| Financial advisory fee      | 110,505,201          | 19,649,575         |
| Underwriting commission     | 12,736,054           | 19,417,588         |
| Less: sales tax on services | (165,057,191)        | (81,556,822)       |
|                             | <u>1,269,670,699</u> | <u>627,360,171</u> |

## 27 GAIN ON SALE OF SHORT TERM INVESTMENTS 'AT FAIR VALUE THROUGH PROFIT AND LOSS' - NET

|                          |                    |                    |
|--------------------------|--------------------|--------------------|
| Quoted equity securities | 450,809,086        | 556,859,349        |
| Debt securities          | 857,116            | 5,353,118          |
|                          | <u>451,666,202</u> | <u>562,212,467</u> |

## 28 MARK-UP / PROFIT ON BANK DEPOSITS AND OTHER INCOME

|                                    |                    |                    |
|------------------------------------|--------------------|--------------------|
| Profit on bank deposits            | 374,271,756        | 190,317,480        |
| Margin finance income              | -                  | 14,074,988         |
| Mark up on loan to related parties | 222,378,649        | 163,975,799        |
| Profit on PPTFCs                   | 52,847             | 535,884            |
| Custody charges                    | 46,108,269         | 17,624,353         |
| Others                             | 251,405            | 234,166            |
|                                    | <u>643,062,926</u> | <u>386,762,670</u> |

## 29 OPERATING AND ADMINISTRATIVE EXPENSES

|   | Note | June-24              | June-23     |
|---|------|----------------------|-------------|
|   |      | ------(Rupees )----- |             |
| Salaries, allowances and other benefits | 29.1 | 364,483,929          | 428,277,209 |
| Commission expense                      |      | 95,626,267           | 63,637,227  |
| Rent, rates and taxes                   |      | 12,408,895           | 14,861,958  |
| Insurance charges                       |      | 3,671,525            | 2,938,122   |
| Depreciation                            | 29.2 | 121,919,782          | 72,258,868  |
| Amortization of intangible assets       |      | 1,789,243            | 1,337,764   |

|                                      |      |                    |                    |
|--------------------------------------|------|--------------------|--------------------|
| Repairs and maintenance              |      | <b>23,042,346</b>  | 19,185,070         |
| Power and utilities                  |      | <b>36,657,030</b>  | 20,410,796         |
| Communication                        |      | <b>35,547,801</b>  | 43,682,509         |
| Trading costs                        |      | <b>53,275,594</b>  | 64,317,845         |
| Information technology related cost  |      | <b>13,772,339</b>  | 23,071,875         |
| Fees and subscription                |      | <b>17,100,377</b>  | 63,359,819         |
| Director fee                         |      | <b>720,000</b>     | 1,248,000          |
| Printing and stationery              |      | <b>6,658,671</b>   | 5,017,881          |
| Papers and periodicals               |      | <b>421,984</b>     | 315,215            |
| Advertisement and business promotion |      | <b>3,840,450</b>   | 1,903,198          |
| Sales and marketing                  |      | <b>11,859,565</b>  | 3,376,324          |
| Travelling and conveyance            |      | <b>5,917,276</b>   | 10,762,131         |
| Entertainment                        |      | <b>1,264,251</b>   | 3,618,201          |
| Legal and professional charges       |      | <b>4,487,229</b>   | 4,597,850          |
| Auditor's remuneration               | 29.3 | <b>6,672,119</b>   | 5,825,101          |
| Stamp charges                        |      | -                  | 4,567              |
| Donations                            | 29.4 | <b>10,600,000</b>  | 4,197,000          |
| Workers' welfare fund                |      | <b>33,995,305</b>  | 7,328,235          |
| Kitchen expenses                     |      | <b>8,355,778</b>   | 7,794,643          |
| Profit -paid to clients              | 29.5 | <b>51,144,152</b>  | 26,508,886         |
| TREC impairment                      |      | <b>250,000</b>     | 1,350,000          |
| Others                               |      | <b>1,593,363</b>   | 1,588,117          |
|                                      |      | <b>927,075,272</b> | <b>902,774,410</b> |

**29.1** Salaries, allowances and benefits include company's contribution to provident fund amount to Rs 15.26 million (2023):

#### **29.2 Depreciation**

|                        |     |                    |                   |
|------------------------|-----|--------------------|-------------------|
| Property and equipment | 7.1 | <b>86,768,441</b>  | 48,414,930        |
| Right-of-use assets    | 7.2 | <b>17,281,879</b>  | 23,843,938        |
| Investment Property    | 8   | <b>17,869,462</b>  | -                 |
|                        |     | <b>121,919,782</b> | <b>72,258,868</b> |

#### **29.3 Auditor's Remuneration (inclusive of sales tax)**

|  |  |                  |                  |
|--|--|------------------|------------------|
| Statutory audit                                  |  | <b>2,300,000</b> | 2,300,000        |
| Half yearly review                               |  | <b>550,000</b>   | 550,000          |
| Review of compliance with COCG                   |  | <b>75,000</b>    | 75,000           |
| Other Certifications                             |  | <b>2,738,658</b> | 2,111,908        |
| Out of pocket expenses and Sales tax on Services |  | <b>1,008,461</b> | 788,193          |
|  |  | <b>6,672,119</b> | <b>5,825,101</b> |

**29.4** None of the directors or their spouses had any interest in donee. The particulars of the donees are as under:

|   |  |                   |                  |
|---|--|-------------------|------------------|
| National University of Science & Technology |  | <b>5,000,000</b>  | -                |
| Millions Smile Foundation                   |  | <b>5,100,000</b>  | 4,197,000        |
| Others                                      |  | <b>500,000</b>    | -                |
|   |  | <b>10,600,000</b> | <b>4,197,000</b> |

**29.5** This relates to share of client in mark-up income earned against their unutilized fund balances in PLS bank accounts of the Company as per the notice no. KSE/N-1479 dated March 17, 2015 of Pakistan Stock Exchange Limited .The gross markup earned is recorded as profit on bank deposits and client share is charged as expense.

|                        | Note | June-24              | June-23            |
|------------------------|------|----------------------|--------------------|
|                        |      | ------(Rupees )----- |                    |
| <b>30 FINANCE COST</b> |      |                      |                    |
| Mark-up on:            |      |                      |                    |
| Long-term loan         |      | <b>137,727,532</b>   | 111,046,828        |
| Short-term loan-RF     |      | -                    | 282,264            |
| Lease liabilities      |      | <b>8,249,374</b>     | 5,138,347          |
| Bank charges           |      | <b>263,918</b>       | 211,146            |
|                        |      | <b>146,240,824</b>   | <b>116,678,584</b> |

### 31 OTHER INCOME

|  |       |                   |                   |
|--|-------|-------------------|-------------------|
| Gain on disposal of property and equipment |       | 5,564,446         | 12,517,722        |
| Mark up staff loan                         |       | -                 | 86,249            |
| Rental Income                              | 7.3.1 | 16,943,712        | -                 |
| Others                                     |       | 5,902,851         | 2,929,068         |
|  |       | <u>28,411,009</u> | <u>15,533,039</u> |

### 32 LEVIES AND INCOME TAXATION

|                               |      |                    |                     |
|-------------------------------|------|--------------------|---------------------|
| Levy                          | 32.1 | 4,823,914          | 4,333,174           |
| Taxation                      | 32.2 | 401,550,472        | (52,005,388)        |
| Net Levy and Taxation charged |      | <u>406,374,386</u> | <u>(47,672,214)</u> |

**32.1** This represents final taxes paid under sections 150 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

#### 32.2 TAXATION

|                      |  |                    |                     |
|----------------------|--|--------------------|---------------------|
| Current for the year |  | 313,682,145        | 98,911,519          |
| for the prior year   |  | (14,663,880)       | (65,475,354)        |
| Deferred             |  | 102,532,207        | (85,441,553)        |
|                      |  | <u>401,550,472</u> | <u>(52,005,388)</u> |

**32.3** Income tax assessments of the company have been finalized up to and including the tax year 2023 (income year ended June 30, 2023). Tax returns filed with the revenue authority are deemed to be assessed under the provisions of section 120 of the Income Tax Ordinance, 2001 unless a return is selected for re-assessment by the revenue authority. The Commissioner of Inland Revenue may, at any time during a period of five years from the date of filing of return, select a deemed assessment order for the purpose of issuing an amended assessment order.

#### 32.4 Relationship between income tax expense and accounting profit:

|   |  |                      |                     |
|---|--|----------------------|---------------------|
| <b>Profit before income and final taxes</b>                   |  | <b>1,665,769,931</b> | 359,083,507         |
| Tax at the applicable rate of 29% (2023 : 29%)                |  | 483,073,280          | 104,134,217         |
| Tax effect of non- deductible expenses                        |  | (2,336,361)          | 23,798,169          |
| Tax effect of Income at reduced rate                          |  | (112,035,857)        | (21,205,928)        |
| Tax effect of Minimum Tax and Alternative Corporate tax (ACT) |  | (146,504,142)        | (43,740,894)        |
| Exempt Income   |  | (74,466,201)         | (49,488,114)        |
| Tax effect of prior year charges                              |  | (14,663,880)         | (65,475,354)        |
| Tax effect of Super Tax u/s 4C                                |  | 92,951,741           | 4,768,116           |
| Others  |  | 180,355,807          | (462,427)           |
|   |  | <u>406,374,386</u>   | <u>(47,672,214)</u> |

### 33 EARNINGS PER SHARE-BASIC AND DILUTED

#### 33.1 Basic earnings per share

|   |             |                             |                    |
|---|-------------|-----------------------------|--------------------|
| Profit for the year attributable to ordinary shareholders |             | <u>1,259,395,545</u>        | <u>406,755,721</u> |
|   |             | <b>Number of Shares</b>     |                    |
| Weighted average number of ordinary shares                |             | <u>557,834,171</u>          | <u>519,681,323</u> |
|   | <b>Note</b> | <b>June-24</b>              | <b>June-23</b>     |
|   |             | ----- <b>(Rupees)</b> ----- |                    |
| <b>Earnings per share - Basic and diluted</b>             | 33.2        | <u>2.26</u>                 | <u>0.78</u>        |

#### 33.2 Diluted earnings per share

Diluted earnings per share has not been presented as the company does not have any convertible instruments in issue as at 30 June 2024 (2023: Nil) which would have any effect on the earnings per share if the option to convert is exercised.

### 34 REMUNERATION OF DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

|                                | 2024                 |                   |                    | 2023                 |                   |                    |
|--------------------------------|----------------------|-------------------|--------------------|----------------------|-------------------|--------------------|
|                                | Chief Executive      | Directors         | Executives         | Chief Executive      | Directors         | Executives         |
|                                | ----- (Rupees) ----- |                   |                    | ----- (Rupees) ----- |                   |                    |
| Managerial remuneration        | 9,000,000            | 9,000,000         | 97,334,304         | 9,000,000            | 9,000,000         | 130,939,290        |
| Fee (note 34.2)                | -                    | 720,000           | -                  | -                    | 1,248,000         | -                  |
| Bonus / commission             | 8,000,000            | 870,686           | 15,751,846         | 3,399,046            | 466,383           | 25,600,252         |
| Contribution to provident fund | 545,496              | 545,496           | 5,431,172          | 545,496              | 545,496           | 6,642,561          |
|                                | <b>17,545,496</b>    | <b>11,136,182</b> | <b>118,517,322</b> | <b>12,944,542</b>    | <b>11,259,879</b> | <b>163,182,103</b> |
| Number of persons              | <b>1</b>             | <b>1</b>          | <b>25</b>          | <b>1</b>             | <b>1</b>          | <b>31</b>          |

34.1 Certain executives of the Company are provided Company owned and maintained car.

34.2 The fee was paid to the independent Directors for attending the Board of Directors, Audit Committee and HR&R committee meetings of the Company.

34.3 The change in Directors' offices during the year has been disclosed in the Statement of Compliance with the Code of Corporate Governance.

34.4 As per the requirement under Regulation 5(4) of Research Analyst Regulation 2015, following are the details of Research Analyst employed by the Company;

|                         | 2024                 | 2023              |
|-------------------------|----------------------|-------------------|
|                         | ----- (Rupees) ----- |                   |
| Managerial remuneration | <b>15,659,720</b>    | <b>19,182,750</b> |

#### Managerial remuneration

All Research Analyst reports to Head of Research who in turn reports to the Chief Executive Officer of the company.

### 35 RELATED PARTY TRANSACTIONS

Related parties comprise of Parent company, major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefit fund, directors, key management personnel and their close family members. Contribution to defined contribution plan (provident fund) are made as per the terms of employment. Remuneration of key management personnel are in accordance with their terms of engagements. Transactions with other related parties are entered into at rates negotiated with them (agreed terms).

Details of transactions and balances at year end with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

| Relationship with the Company                                | Nature of transactions / balances                | June-24<br>Rupees | June-23<br>Rupees |
|--|--|-------------------|-------------------|
| <b>Holding Company</b><br>(AKD Group Holding (Pvt.) Limited) | Opening balance/ balance acquired through merger | 505,904,014       | 771,626,846       |
|  | Mark up accrued on loan during the year          | 218,969,493       | 157,454,846       |
|  | Mark up received on loan during the year         | (218,556,675)     | (200,234,151)     |
|  | Rent paid  | (2,949,600)       | (2,949,600)       |
|  | Disbursement during the year                     | 1,229,371,441     | 3,204,139,994     |
|  | Receipts during the year                         | (839,752,346)     | (3,424,133,920)   |
|  | Balance receivable at year end                   | 892,986,327       | 505,904,014       |
| <b>Other Related Parties</b>                                 | Opening balance/ balance acquired through merger | (13,954,114)      | 15,098,510        |
|  | Mark up accrued on loan during the year          | 3,409,156         | 6,520,953         |
|  | Mark up received on loan during the year         | (2,400,388)       | (7,555,736)       |
|  | Rent paid  | (360,000)         | (360,000)         |
|  | Brokerage earned                                 | 3,629,025         | 264,278           |
|  | Company contribution to provident fund           | (15,256,638)      | (17,396,678)      |
|  | Disbursement / adjustments during the year       | 1,637,495,878     | 226,628,085       |
|  | Receipts / adjustment during the year            | (1,576,770,501)   | (237,153,526)     |
|  | Balance payable / receivable at year end         | 35,792,418        | (13,954,114)      |
| <b>Key Personnel</b>   | Brokerage earned                                 | 2,262,683         | 11,632,891        |
|  | Managerial and commission                        | 30,221,271        | 32,379,428        |
|  | Meeting fee                                      | 720,000           | 1,248,000         |
|  | company contribution to provident fund           | 1,283,800         | 1,472,830         |
|  | Balance receivable at year end                   | -                 | 153,798,628       |
|  | Balance payable at year end                      | (1,421,482)       | -                 |

Particulars relating to remuneration of Chief Executive Officer, Directors and Executives who are key management personnel are disclosed in note 34.



Following are the name of associated companies, related parties and associated undertakings with whom the Company had entered into transactions or had agreements in place during the year:

| Name of Related parties  | Relationship                                | % equity interest |
|--|---|-------------------|
| AKD Group Holdings (Private) Limited                                   | Parent company                              | 95.87%            |
| AKD Investment Management Limited                                      | Associate                                   | -                 |
| Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund | Post Employment Benefit plan of the Company | -                 |
| KASB Employees Provident Fund  | Post Employment Benefit plan of the Company | -                 |
| Structure Venture (Private) Limited                                    | Subsidiary                                  | -                 |
| Oil & Gas investments Limited  | Associate                                   | -                 |
| AKD Capital Limited  | Associate                                   | -                 |
| DVCOM Limited  | Associate                                   | -                 |
| Post Amazar (Private) Limited  | Associate                                   | -                 |
| TMT Ventures Limited   | Associate                                   | -                 |
| AKD REITS Management company Limited                                   | Associate                                   | -                 |
| AKD Commodities (Private) Limited                                      | Associate                                   | -                 |
| Creek Developers (Private) Limited                                     | Associate                                   | -                 |
| AKD Farms (Private) Limited  | Associate                                   | -                 |
| AKD Analytics (Private) Limited  | Associate                                   | -                 |
| AKD-ICA (Private) Limited  | Associate                                   | -                 |
| Transgas Limited   | Associate                                   | -                 |
| Mr. Aqeel Karim Dhedhi   | Ultimate Beneficial Owner                   | -                 |
| Ms. Anum Dhedhi  | Ultimate Beneficial Owner                   | -                 |
| Ms. Ayesha Dhedhi  | Non-Executive Director                      | -                 |
| Ms. Hina Junaid  | Non-Executive Director                      | -                 |
| Ms. Afsheen Dhedhi   | Non-Executive Director                      | -                 |
| Mr. Tariq Adam Ghumra  | Executive Director                          | -                 |
| Mr. Junaid Balaghama Wala  | Spouse of Director                          | -                 |
| Mr. Muhammad Farid Alam  | Chief Executive                             | -                 |
| Ms. Sadaf Farid  | Spouse of CEO                               | -                 |

### 36 PROVIDENT FUND RELATED DISCLOSURE

36.1 The following information is based on latest un-audited Financial Statements of the KASB Employees Provident Fund:

| Note                           | Un-Audited<br>2024   | Un-Audited<br>2023 |
|--------------------------------|----------------------|--------------------|
|                                | ----- (Rupees) ----- |                    |
| Size of the fund-Net assets    | 51,814,146           | 45,419,628         |
| Cost of investments made       | 44,830,778           | 37,355,092         |
| Percentage of investments made | 95.56%               | 99.95%             |
| Fair value of investments      | 49,515,408           | 45,396,793         |

#### 36.1.1 Break-up value of fair value of investments is:

|  | 2024 (Un-Audited) |         | 2023 (Un-Audited) |         |
|--|-------------------|---------|-------------------|---------|
|  | (Rs. )            | %       | (Rs. )            | %       |
| Investments in various Funds / Government Securities | 46,907,381        | 94.73%  | 40,487,382        | 89.19%  |
| Saving accounts                                      | 2,608,026         | 5.27%   | 4,909,411         | 10.81%  |
|  | 49,515,408        | 100.00% | 45,396,793        | 100.00% |

The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose. The above figures are unaudited.

### 36.2 PROVIDENT FUND RELATED DISCLOSURE

The following information is based on latest un-audited Financial Statements of the Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund:

| Note                           | Un-Audited<br>2024   | Un-Audited<br>2023 |
|--------------------------------|----------------------|--------------------|
|                                | ----- (Rupees) ----- |                    |
| Size of the fund-Net assets    | 341,166,664          | 213,124,096        |
| Cost of investments made       | 269,082,900          | 208,847,423        |
| Percentage of investments made | 90.11%               | 78.78%             |
| Fair value of investments      | 307,421,388          | 167,890,639        |

#### 36.2.1 Break-up value of fair value of investments is:

|  | 2024 (Un-Audited) |         | 2023 (Un-Audited) |         |
|--|-------------------|---------|-------------------|---------|
|  | (Rs. )            | %       | (Rs. )            | %       |
| Investments in various Funds / Government Securities | -                 | 0.00%   | -                 | 0.00%   |
| Saving accounts                                      | 2,728,081         | 0.89%   | 16,362,281        | 9.75%   |
| Term finance certificates (PPTFC)                    | -                 | 0.00%   | 416,667           | 0.25%   |
| Mutual funds units                                   | 75,187,370        | 24.46%  | 25,657,875        | 15.28%  |
| Listed shares  | 229,505,937       | 74.66%  | 125,453,816       | 74.72%  |
|  | 307,421,388       | 100.00% | 167,890,639       | 100.00% |

36.2.2 The above investment / placement of funds has not been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose. These investments / placements shall be regularized in due course. Further, the above figures are unaudited.

## 37 OPERATING SEGMENTS

2024

|   | Brokerage     | Financial Advisory | Underwriting | Other Operation | Total          |
|---|---------------|--------------------|--------------|-----------------|----------------|
| Segment revenues  | 1,311,486,635 | 110,505,201        | 12,736,054   | 1,385,869,763   | 2,820,597,652  |
| Administrative and operating expenses (other than depreciation and amortization)                  | (373,539,308) | (31,474,233)       | (3,627,499)  | (394,725,206)   | (803,366,246)  |
| Impairment on long-term investment - subsidiary (Provision) / reversal against doubtful debts-net | (36,373)      | -                  | -            | -               | (36,373)       |
| Depreciation  | 78,017,491    | -                  | -            | -               | 78,017,491     |
| Amortisation of intangible assets   | (56,688,754)  | (4,776,566)        | (550,513)    | (59,903,950)    | (121,919,782)  |
| Finance cost  | (831,940)     | (70,099)           | (8,079)      | (879,125)       | (1,789,243)    |
| Sales Tax on Services   | (67,997,251)  | (5,729,414)        | (660,332)    | (71,853,827)    | (146,240,824)  |
|   | (150,878,993) | (12,712,988)       | (1,465,210)  | -               | (165,057,191)  |
| Gain on sale of operating assets  | 739,531,507   | 55,741,901         | 6,424,420    | 858,507,655     | 1,660,205,484  |
| Taxation  |               |                    |              |                 | 5,564,446      |
| <b>Profit after taxation</b>  |               |                    |              |                 | (406,374,386)  |
| <b>Segment assets</b>   | 4,345,126,933 | 285,898,484        | 32,950,653   | 9,547,734,630   | 14,211,710,700 |
| <b>Segment liabilities</b>  | 3,940,190,629 | 26,747,423         | 3,082,720    | 836,370,096     | 4,806,390,868  |

2023

|   | Brokerage     | Financial Advisory | Underwriting | Other Operation | Total          |
|---|---------------|--------------------|--------------|-----------------|----------------|
| Segment revenues  | 669,849,832   | 19,649,575         | 19,417,588   | 876,350,773     | 1,585,267,767  |
| Administrative and operating expenses (other than depreciation and amortization)                  | (350,366,422) | (10,277,753)       | (10,156,412) | (458,377,191)   | (829,177,777)  |
| Impairment on long-term investment - subsidiary (Provision) / reversal against doubtful debts-net | (239,116)     | -                  | -            | -               | (239,116)      |
| Depreciation  | (137,539,298) | -                  | -            | -               | (137,539,298)  |
| Amortisation of intangible assets   | (30,532,754)  | (895,657)          | (885,083)    | (39,945,375)    | (72,258,868)   |
| Finance cost  | (565,268)     | (16,582)           | (16,386)     | (739,528)       | (1,337,764)    |
| Sales Tax on Services   | (49,302,163)  | (1,446,244)        | (1,429,170)  | (64,501,007)    | (116,678,584)  |
|   | (77,062,370)  | (2,260,571)        | (2,233,882)  | -               | (81,556,822)   |
| Gain on sale of operating assets  | 24,242,441    | 4,752,768          | 4,696,656    | 312,787,672     | 346,479,537    |
| Mark up staff loan  |               |                    |              |                 | 12,517,722     |
| Taxation  |               |                    |              |                 | 86,249         |
| Profit after taxation   |               |                    |              |                 | 47,672,214     |
| Segment assets  | 2,654,729,093 | 46,842,332         | 46,289,302   | 8,186,916,200   | 10,934,776,927 |
| Segment liabilities   | 1,913,679,499 | 4,631,293          | 4,576,615    | 857,808,748     | 2,780,696,155  |

## 38 NUMBER OF EMPLOYEES

|   |     |
|---|-----|
| Average number of employees during the year | 226 |
| Total number of employees as at year end    | 221 |

256  
244

## 39 FINANCIAL INSTRUMENTS

### Financial Risk Factors

The company's activities expose it to a variety of financial risks: market risk (interest/mark-up rate risk, foreign currency and price risk), liquidity risk and credit risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the company's financial assets and liabilities are limited. The company consistently manages its exposure to financial risk without any material change from previous periods in the manner described in notes below.

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. All treasury related transactions are carried out within the parameters of these policies.

### 39.1 Market risk

Market risk means that the future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, equity prices and interest rates. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company's market risk comprises of three types of risk: interest/markup rate risk, foreign exchange or currency risk and equity price risk. The market risks associated with the Company's business activities are discussed as under:

#### (i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of the financial instruments. As of the balance sheet date, the company is exposed to such risk mainly in respect of bank balances, lease liabilities, short term and long term loan. Effective interest rates on such instruments are disclosed in respective notes to the financial statements.

With 1% increase / (decrease) in the market interest rate, with all other factors remaining constant, would decrease the company's total comprehensive income by Rs. 4.906 million (2023: Rs. 6.699 million).

#### (ii) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of change in foreign exchange rates relates only to the investment in Al Jomaih Power Limited maintained in US dollars amounting to Rs.612.35 million (2023: Rs. 629.17 million) [US dollars 2.2 million (2023: US dollars 2.2 million)].

With 10% increase / (decrease) in the exchange rate between US dollars and Pak Rupees, comprehensive income of the company would have increased / (decreased) by Rs. 61.24 million (2023: Rs. 62.91 million).

#### (iii) Equity price risk

Equity price risk is the risk of volatility in share prices resulting from their dependence on market sentiments, speculative activities, supply and demand for shares and liquidity in the market. The management believes that 10% increase or decrease in the value of investments at fair value through profit and loss, with all other factors remaining constant would result in increase or decrease of the company's profit by Rs. 218.60 million (2023: Rs. 231.81) and 10% of such increase or decrease would result in increase or decrease of unrealized gain on re-measurement of long term investment at fair value through other comprehensive income by Rs. 2.053 million (2023: Rs 1.186 million).

### 39.2 Liquidity risk

Liquidity risk is the risk that an enterprise may encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity risk by following internal guidelines of the company executive committee such as monitoring maturities of financial assets and financial liabilities and investing in liquid financial assets.

On the reporting date, the company has liquid asset of Rs. 808.61 million (2023:Rs. 877.63 million), unutilized credit lines nil (2023: nil) to manage the liquidity issues (details of credit facility as under) and liquid assets in the form of short term securities Rs. 2,186 million (2023: 2,318.89 million).

The following are the contractual maturities of financial liabilities, including estimated interest payments:

The table below summaries the maturity profile of the Company's financial liabilities:

|                          | 2024                 |                    |   |                    |               |
|--------------------------|----------------------|--------------------|---|--------------------|---------------|
|                          | On Demand            | Up to three months | More than three months and up to one year | More than one year | Total         |
|                          | ------(Rupees )----- |                    |   |                    |               |
| Long-term loan           | -                    | -                  | -   | -                  | -             |
| Trade and other payables | 4,141,105,143        | -                  | -   | -                  | 4,141,105,143 |
| Lease liability          | -                    | -                  | 12,415,406                                | 23,097,193         | 35,512,599    |
| Accrued mark-up          | 924,847              | -                  | -   | -                  | 924,847       |
| Short term loan          | -                    | -                  | 500,000,000                               | -                  | 500,000,000   |
|                          | 4,142,029,990        | -                  | 512,415,406                               | 23,097,193         | 4,677,542,589 |

|                          | 2023                 |                    |   |                    | Total                |
|--------------------------|----------------------|--------------------|---|--------------------|----------------------|
|                          | On Demand            | Up to three months | More than three months and up to one year | More than one year |                      |
|                          | (Rupees)             |                    |   |                    |                      |
| Long-term loan           | -                    | -                  | -   | 500,000,000        | 500,000,000          |
| Trade and other payables | 2,013,019,208        | -                  | -   | -                  | 2,013,019,208        |
| Lease liability          | -                    | -                  | 16,542,970                                | 26,807,015         | 43,349,984           |
| Accrued mark-up          | 1,257,863            | -                  | -   | -                  | 1,257,863            |
| Short term loan          | -                    | 150,000,000        | -   | -                  | 150,000,000          |
|                          | <u>2,014,277,071</u> | <u>150,000,000</u> | <u>16,542,970</u>                         | <u>526,807,015</u> | <u>2,707,627,055</u> |

### 39.3 Credit risk

Credit risk is the risk that a party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continuously assessing the credit worthiness of counter parties. The Company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. The table below analyses the Company's maximum exposure to credit risk:

|   | Note   | June-24              | June-23              |
|---|--------|----------------------|----------------------|
|   |        | (Rupees)             |                      |
| Short term investments in debt securities   |        | 5,500,000            | 833,334              |
| Trade debts                                 | 39.3.1 | 377,369,637          | 524,650,539          |
| Bank balances                               | 39.3.2 | 802,645,242          | 876,516,273          |
| Long-term deposits and prepayments          |        | 39,708,492           | 40,039,002           |
| Deposits, prepayments and other receivables |        | 3,881,501,415        | 1,094,668,680        |
| Loans and advances                          |        | 937,654,771          | 544,565,734          |
|   |        | <u>6,301,159,557</u> | <u>3,081,273,563</u> |

39.3.1 The aging analysis of trade debts are as follows:

|                            | 2024               |                    | 2023               |                    |
|----------------------------|--------------------|--------------------|--------------------|--------------------|
|                            | (Rupees)           |                    | (Rupees)           |                    |
|                            | Gross              | Impairment         | Gross              | Impairment         |
| Past due 1 - 30 days       | 145,510,831        | 9,028,396          | 94,328,860         | 18,547,293         |
| Past due 31 - 180 days     | 35,420,152         | 6,186,874          | 108,817,626        | 40,474,922         |
| Past due 181 days - 1 year | 19,967,400         | 5,798,055          | 190,931,403        | 140,823,489        |
| More than one year         | 176,471,253        | 133,242,080        | 130,572,651        | 94,647,521         |
|                            | <u>377,369,637</u> | <u>154,255,405</u> | <u>524,650,539</u> | <u>294,493,225</u> |

39.3.2 The analysis below summarizes the credit quality of the Company's bank balances with banks / financial institutions:

|   | 2024               | 2023               |
|---|--------------------|--------------------|
|   | (Rupees)           |                    |
| <b>Rating (short-term) of Banks and Financial Institutions*</b> |                    |                    |
| A-1   | 34,051,195         | 507,981,856        |
| A-1+  | 768,318,379        | 367,519,758        |
| Unrated   | 275,669            | 1,014,658          |
|   | <u>802,645,243</u> | <u>876,516,272</u> |

\*Rating of banks performed by PACRA & JCR - VIS

### 39.4 Financial instruments by categories

| Financial assets as per balance sheet       | As at June 30, 2024                         |                                 |                      |                      |
|---|---|---------------------------------|----------------------|----------------------|
|   | Asset at fair value through profit and loss | Asset at fair value through OCI | Amortized cost       | Total                |
|   | (Rupees)                                    |                                 |                      |                      |
| Long term investment                        | -   | 632,884,468                     | -                    | 632,884,468          |
| Long term deposits                          | -   | -                               | 39,708,492           | 39,708,492           |
| Long term loans an advances                 | -   | -                               | 256,780,000          | 256,780,000          |
| Short term investments                      | 2,186,008,306                               | -                               | 5,500,000            | 2,191,508,306        |
| Trade debts                                 | -   | -                               | 223,114,231          | 223,114,231          |
| Deposits, prepayments and other receivables | -   | -                               | 3,881,501,415        | 3,881,501,415        |
| Loans and advances                          | -   | -                               | 937,654,771          | 937,654,771          |
| Cash and bank balances                      | -   | -                               | 803,104,920          | 803,104,920          |
|   | <u>2,186,008,306</u>                        | <u>632,884,468</u>              | <u>6,147,363,830</u> | <u>8,966,256,603</u> |



As at June 30, 2024

Financial liabilities at amortized cost

Financial liabilities as per balance sheet

----- Rupees -----

|                          |                      |
|--------------------------|----------------------|
| Short-term loan-secured  | 500,000,000          |
| Lease liability          | 35,512,599           |
| Trade and other payables | 4,141,105,143        |
| Accrued mark-up          | 924,847              |
|                          | <u>4,677,542,589</u> |

As at June 30, 2023

Financial assets as per balance sheet

|   | Asset at fair value through profit and loss | Asset at fair value through OCI | Amortized cost       | Total                |
|---|---|---------------------------------|----------------------|----------------------|
|   | ----- (Rupees ) -----                       |                                 |                      |                      |
| Long term investment                        | -   | 641,040,953                     | 36,373               | 641,077,326          |
| Long term deposits                          | -   | -                               | 40,039,002           | 40,039,002           |
| Short term investments                      | 2,318,059,059                               | 833,334                         | -                    | 2,318,892,393        |
| Trade debts                                 | -   | -                               | 230,157,314          | 230,157,314          |
| Deposits, prepayments and other receivables | -   | -                               | 1,094,668,680        | 1,094,668,680        |
| Loans and advances                          | -   | -                               | 544,565,734          | 544,565,734          |
| Cash and bank balances                      | -   | -                               | 876,826,705          | 876,826,705          |
|   | <u>2,318,059,059</u>                        | <u>641,874,287</u>              | <u>2,786,293,808</u> | <u>5,746,227,154</u> |

As at June 30, 2023

Financial liabilities at amortized cost

Financial liabilities as per balance sheet

----- Rupees -----

|                          |                      |
|--------------------------|----------------------|
| Long-term loan-secured   | 500,000,000          |
| Short-term loan-secured  | 150,000,000          |
| Lease liability          | 43,349,984           |
| Trade and other payables | 2,013,019,208        |
| Accrued mark-up          | 1,257,863            |
|                          | <u>2,707,627,055</u> |

#### 40 CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital include :

- Reinforcing Company's ability to continue as a going concern in order to provide returns to all its stakeholders with their corresponding risk profiles;
- Maintaining a strong capital base - resulting in enhancement of Company's business operations.

In order to maintain the balance of its capital structure, the Company may consider adjusting its dividend payouts, controlling non-developmental cash outflows and issuing fresh debt or capital instruments.

The Company monitors capital on the basis of the gearing ratio and its related profitability ratios. Gearing is calculated as debt divided by debt plus equity. Debt represents redeemable capital and other long-term borrowings, if any, as shown in the balance sheet. Equity represents paid-up capital of the Company, general reserve and unappropriated profit and loss.

Net capital requirements of the Company are set and regulated by PSX. These requirements are put in place to ensure sufficient solvency margins and are based on excess of current assets over current liabilities. the Company manages its net capital requirements by assessing its capital structure against required capital level on a regular basis.

#### 41 FAIR VALUE OF FINANCIAL INSTRUMENT

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying value and fair value estimates. The carrying values of all the financial assets and liabilities reflected in the financial statements approximate their fair values.

Under the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

##### 41.1 Financial Assets Fair Value Hierarchy

All financial instruments carried at fair value are categorized in three categories defined as follows:

Level 1 - quoted prices in active markets for identical assets.

Level 2 - other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 - techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at year end, the Company held the following financial instruments measured at fair value:

|  | 2024                 |               |         |             |
|--|----------------------|---------------|---------|-------------|
|  | Total                | Level 1       | Level 2 | Level 3     |
|  | ----- (Rupees) ----- |               |         |             |
| <b>Financial assets at fair value through profit or loss</b> |                      |               |         |             |
| Short Term Investment  | 2,191,508,306        | 2,191,508,306 | -       | -           |
| <b>Fair value through other comprehensive income</b>         |                      |               |         |             |
| Long Term Investment   | 632,884,468          | 20,533,828    | -       | 612,350,640 |
|  | 2023                 |               |         |             |
|  | Total                | Level 1       | Level 2 | Level 3     |
|  | ----- (Rupees) ----- |               |         |             |
| <b>Financial assets at fair value through profit or loss</b> |                      |               |         |             |
| Short Term Investment  | 2,318,059,059        | 2,318,059,059 | -       | -           |
| <b>Fair value through other comprehensive income</b>         |                      |               |         |             |
| Long Term Investment   | 641,874,287          | 11,861,852    | -       | 630,012,434 |

**41.1.1** The company's investment in unquoted shares of Al Jomaih Power Limited (AJPL) incorporated in Cayman Island are valued at its fair value based on the net assets value of the investee company as at June 30, 2023. The reconciliation from the beginning to ending balances for assets measured at fair value using level 3 valuation technique is given below:

|  | 2024                 | 2023                 |
|--|----------------------|----------------------|
|  | ----- (Rupees) ----- | ----- (Rupees) ----- |
| Opening balance  | 629,179,100          | 184,362,030          |
| Unrealized (loss) / gain arising on re-measurement of long term investment at fair value through OCI | (16,828,460)         | 444,817,070          |
| Closing balance  | 612,350,640          | 629,179,100          |
| Total outstanding shares   | 217,217              | 217,217              |
| NAV per share  | 181,706              | 186,700              |
| AKDSL Holding  | 3,370                | 3,370                |
| AKDSL % of holding   | 1.55%                | 1.55%                |

## 42 OTHER DISCLOSURES UNDER REGULATION 34(2) OF THE SECURITIES BROKER (LICENSING AND OPERATIONS) REGULATION 2016:

The disclosures under the regulation 34(2), other than disclosed elsewhere in these annual financial statements are as follows:

### 42.1 Person holding more than 5% of shares

|  | 2024         | 2023         | 2024          | 2023          |
|--|--------------|--------------|---------------|---------------|
|  | % of holding | % of holding | No. of shares | No. of shares |
| M/s. AKD Group Holdings (Pvt) Ltd. ( the Parent) | 95.87%       | 95.87%       | 534,806,196   | 534,806,196   |

**42.2** As at June 30, 2024, the value of shares pledged with financial institutions amounted to Rs. 589.92 million out of which the value of company's shares pledged with banks amounted to Rs. 408.19 million (2023: 579.26) and the value of customer shares maintained with the company pledged with financial institution is Rs. 181.73 million (2023:Rs. 484.83 million).

**42.3** As at June 30, 2024, the value of customer shares maintained with the company sub-Accounts held in the Central Depository company of Pakistan Limited is Rs.60,778.47million (June 30, 2023: Rs. 42,466.88 million).

## 43 CAPITAL ADEQUACY

Following is the Level of Capital Adequacy as required under clause 6.8.3 of CDC Regulations:

|   | Note | 2024                 | 2023                 |
|---|------|----------------------|----------------------|
|   |      | ----- (Rupees) ----- | ----- (Rupees) ----- |
| Total Assets  |      | 14,211,710,700       | 10,934,776,928       |
| Adjustment for Notional value of TRE Certificate                      | 9    | -                    | -                    |
| Less: Total Liabilities   |      | (4,806,390,868)      | (2,780,696,155)      |
| Less: Revaluation Reserves (created upon Revaluation of fixed assets) |      | -                    | -                    |
|   |      | 9,405,319,832        | 8,154,080,773        |

**43.1** While determining the value of the total assets of the TREC Holder, Notional value of the TRE certificate held by the company as at the year ended June 30, 2024 as determined by Pakistan Stock Exchange has been considered.

#### 44 LIQUID CAPITAL BALANCE

The below statement has been prepared in accordance with regulation 6(3) and schedule III of the Securities Brokers (Licensing and Operations) Regulations, 2016.

| S. No.           |   | Value in<br>Pak Rupees | Hair Cut /<br>Adjustments | Net Adjusted<br>Value |
|------------------|---|------------------------|---------------------------|-----------------------|
| <b>1. Assets</b> |   |                        |                           |                       |
|                  | Property & Equipment  | 1,997,336,271          | 100%                      | -                     |
|                  | Intangible Assets   | 3,155,130,867          | 100%                      | -                     |
|                  | Investment in Govt. Securities  | -                      |                           |                       |
|                  | <b>Investment in Debt. Securities</b>   |                        |                           |                       |
|                  | <b>If listed than:</b>  |                        |                           |                       |
|                  | i. 5% of the balance sheet value in the case of tenure upto 1 year.   |                        |                           |                       |
|                  | ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.  |                        |                           |                       |
|                  | iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.  |                        |                           |                       |
| 1.4              | <b>If unlisted than:</b>  |                        |                           |                       |
|                  | i. 10% of the balance sheet value in the case of tenure upto 1 year.  | 5,500,000              | 550,000                   | 4,950,000             |
|                  | ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.   | -                      | -                         | -                     |
|                  | iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.  |                        | -                         | -                     |
|                  | <b>Investment in Equity Securities</b>  |                        |                           |                       |
| 1.5              | i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher. (Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital | 2,169,928,227          | 798,121,899               | 1,371,806,328         |
|                  | ii. If unlisted, 100% of carrying value.  | 612,350,640            | 612,350,640               | -                     |
|                  | Investment in subsidiaries  | -                      | -                         | -                     |
|                  | <b>Investment in associated companies/undertaking</b>   |                        |                           |                       |
| 1.7              | i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.  | 36,613,907             | 9,336,546                 | 27,277,361            |
|                  | ii. If unlisted, 100% of net value.   | -                      | -                         | -                     |
| 1.8              | <b>Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.</b>  |                        |                           |                       |
|                  | (i) 100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirements of base minimum capital may be taken in the calculation of LC   |                        |                           | -                     |
|                  | Margin deposits with exchange and clearing house.   | 3,852,643,961          | -                         | 3,852,643,961         |
|                  | Deposit with authorized intermediary against borrowed securities under SLB.   |                        |                           |                       |
|                  | Other deposits and prepayments  | 51,750,656             | 51,750,656                | -                     |
| 1.12             | Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)  | 3,023,431              |                           | 3,023,431             |
|                  | 100% in respect of markup accrued on loans to directors, subsidiaries and other related parties   | 2,762,830              | 2,762,830                 | -                     |
| 1.13             | Dividends receivables.  | -                      | 0%                        | -                     |
|                  | Amounts receivable against Repo financing.<br>Amount paid as purchaser under the REPO agreement. ( <b>Securities purchased under repo arrangement shall not be included in the investments.</b> )   |                        |                           |                       |
|                  | <b>Advances and receivables other than trade Receivables;</b>   |                        |                           |                       |

|      |   |                       |               |                      |
|------|---|-----------------------|---------------|----------------------|
|      | <b>Advances and receivables other than trade Receivables;</b>   |                       |               |                      |
| 1.15 | (i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months.   | 15,569,580            | -             | 15,569,580           |
|      | (ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation .   |                       |               |                      |
|      | (iii) In all other cases 100% of net value  | 1,257,066,380         | 1,257,066,380 | -                    |
| 1.16 | <b>Receivables from clearing house or securities exchange(s)</b>  |                       |               |                      |
|      | 100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.  |                       |               |                      |
|      | <b>Receivables from customers</b>   |                       |               |                      |
|      | i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the finance (iii) market value of any securities deposited as collateral after applying VaR based haircut.   | -                     | -             | -                    |
|      | i. Lower of net balance sheet value or value determined through adjustments.  |                       |               |                      |
|      | ii. In case receivables are against margin trading, 5% of the net balance sheet value.  |                       |               |                      |
|      | <b>ii. Net amount after deducting haircut</b>   |                       |               |                      |
|      | iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, iii. Net amount after deducting haircut   |                       |               |                      |
|      | iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value.   | 34,583,925            | -             | 34,583,925           |
|      | <b>iv. Balance sheet value</b>  |                       |               |                      |
| 1.17 | v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts.   | 188,425,092           | 84,223,163    | 84,223,163           |
|      | v. Lower of net balance sheet value or value determined through adjustments   |                       |               |                      |
|      | vi. In the case of amount of receivables from related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner;<br>(a) Up to 30 days, values determined after applying var based haircuts.<br>(b) Above 30 days but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher.<br>(c) above 90 days 100% haircut shall be applicable. | 105,215               | 105,215       | -                    |
|      | vi. Lower of net balance sheet value or value determined through adjustments  |                       |               |                      |
| 1.18 | <b>Cash and Bank balances</b>   |                       |               |                      |
|      | i. Bank Balance-proprietary accounts  | 22,746,194            | -             | 22,746,194           |
|      | ii. Bank balance-customer accounts  | 779,899,048           | -             | 779,899,048          |
|      | iii. Cash in hand   | 462,975               | -             | 462,975              |
| 1.19 | <b>Subscription money against investment in IPO/ offer for sale (asset)</b>   |                       |               |                      |
|      | (i) No haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.  |                       |               |                      |
|      | (ii) In case of Investment in IPO where shares have been allotted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities.   |                       |               |                      |
|      | (iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares.  |                       |               |                      |
| 1.20 | <b>Total Assets</b>   | <b>14,211,710,700</b> |               | <b>6,197,185,966</b> |



|   |   |                      |            |                      |
|---|---|----------------------|------------|----------------------|
| <b>2. Liabilities</b>                       |   |                      |            |                      |
| 2.1   | <b>Trade Payables</b>   |                      |            |                      |
|   | i. Payable to exchanges and clearing house  | 3,170                | -          | 3,170                |
|   | ii. Payable against leveraged market products   | -                    |            |                      |
|   | iii. Payable to customers   | 3,622,749,573        | -          | 3,622,749,573        |
| 2.2   | <b>Current Liabilities</b>  |                      |            |                      |
|   | i. Statutory and regulatory dues  | 48,611,352           | -          | 48,611,352           |
|   | ii. Accruals and other payables   | 518,352,400          | -          | 518,352,400          |
|   | iii. Short-term borrowings  | -                    | -          | -                    |
|   | iv. Current portion of subordinated loans   | 500,000,000          |            | 500,000,000          |
|   | v. Current portion of long term liabilities   | 12,415,405           | -          | 12,415,405           |
|   | vi. Deferred Liabilities  |                      |            |                      |
|   | vii. Provision for taxation   | 78,309,770           | -          | 78,309,770           |
| 2.3   | viii. Other liabilities as per accounting principles and included in the financial statements   | 2,852,007            | -          | 2,852,007            |
|   | <b>Non-Current Liabilities</b>  |                      |            |                      |
|   | i. Long-Term financing  | 23,097,193           | 23,097,193 | -                    |
|   | ii. Other liabilities as per accounting principles and included in the financial statements   |                      |            |                      |
| 2.4   | iii. Staff retirement benefits  |                      |            |                      |
|   | Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases.<br>(b) Nil in all other cases   |                      |            |                      |
| 2.5   | <b>Subordinated Loans</b>   |                      |            |                      |
|   | i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:  |                      |            |                      |
| 2.6   | <b>Advance against shares for Increase in Capital of Securities broker:</b>   |                      |            |                      |
|   | 100% haircut may be allowed in respect of advance against shares if:<br>a. The existing authorized share capital allows the proposed enhanced share capital<br>b. Board of Directors of the company has approved the increase in capital<br>c. Relevant Regulatory approvals have been obtained<br>d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed.<br>e. Auditor is satisfied that such advance is against the increase of capital. |                      |            |                      |
| 2.6   | <b>Total Liabilities</b>  | <b>4,806,390,868</b> |            | <b>4,783,293,675</b> |
| <b>3. Ranking Liabilities Relating to :</b> |   |                      |            |                      |
| 3.1   | <b>Concentration in Margin Financing</b>  |                      |            |                      |
|   | The amount calculated client-to- client basis by which any amount receivable from any of the finances exceed 10% of the aggregate of amounts receivable from total finances. (Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million)<br>Note: Only amount exceeding by 10% of each finance from aggregate amount shall be include in the ranking liabilities  |                      | -          | -                    |
| 3.2   | <b>Concentration in securities lending and borrowing</b>  |                      |            |                      |
|   | The amount by which the aggregate of:<br>(i) Amount deposited by the borrower with NCCPL<br>(ii) Cash margins paid and<br>(iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed<br>(Note only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities)   |                      |            |                      |

|   |  |                    |                    |
|---|--|--------------------|--------------------|
| <b>Net underwriting Commitments</b>                               |  |                    |                    |
| 3.3   | <p>(a) in the case of right issues : if the market value of securities is less than or equal to the subscription price; the aggregate of:</p> <p>(i) the 50% of Haircut multiplied by the underwriting commitments and</p> <p>(ii) the value by which the underwriting commitments exceeds the market price of the securities.</p> <p>In the case of rights issues where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment</p> <p>(b) in any other case : 12.5% of the net underwriting commitments</p> |                    |                    |
| <b>Negative equity of subsidiary</b>                              |  |                    |                    |
| 3.4   | The amount by which the total assets of the subsidiary ( excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary  | 161,662            | 161,662            |
| <b>Foreign exchange agreements and foreign currency positions</b> |  |                    |                    |
| 3.5   | 5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency  |                    |                    |
| 3.6   | Amount Payable under REPO  |                    |                    |
| <b>Repo adjustment</b>  |  |                    |                    |
| 3.7   | <p>In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities.</p> <p>In the case of finance/seller the market value of underlying securities after applying haircut less the total amount received ,less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.</p>  |                    |                    |
| <b>Concentrated proprietary positions</b>                         |  |                    |                    |
| 3.8   | If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security .If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security   | 150,045,115        | 150,045,115        |
| <b>Opening Positions in futures and options</b>                   |  |                    |                    |
| 3.9   | i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts  | -                  | -                  |
|   | ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met  | -                  | -                  |
| <b>Short sell positions</b>                                       |  |                    |                    |
| 3.10  | i. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts   |                    |                    |
|   | ii. Incase of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.  |                    |                    |
| 3.11  | <b>Total Ranking Liabilities</b>   | <b>150,206,777</b> | <b>150,206,777</b> |

#### Calculations Summary of Liquid Capital

|  |                      |
|--|----------------------|
| (i) Adjusted value of Assets (serial number 1.20)            | 6,197,185,966        |
| (ii) Less: Adjusted value of liabilities (serial number 2.6) | (4,783,293,675)      |
| (iii) Less: Total ranking liabilities (series number 3.11)   | <u>(150,206,777)</u> |
|  | <u>1,263,685,514</u> |

#### 45 DATE OF AUTHORISATION

These financial statements have been authorized for issue by the Board of Directors of the Company on October 02, 2024.

#### 46 SUBSEQUENT EVENT AND GENERAL

##### 46 A SUBSEQUENT EVENT

The Board of Directors in its meeting held on October 02, 2024, has recommended a final cash dividend of PKR 2/- per share for the year ended June 30, 2024 to minority shareholders (other than sponsors). This will amount to rupees 46,055,950/- which represents 20% on a minority interest/shares basis. These unconsolidated financial statements do not reflect the effect of dividend payable.

##### 46 B GENERAL

**46 B.1** Corresponding figures have been rearranged and reclassified, wherever necessary.

**46 B.2** Figures have been rounded off to the nearest Rupees.



Chief Executive Officer



Director



Chief Financial Officer

## Gender Pay Gap Statement

### AKD Securities Ltd

#### Gender Pay Gap Statement under Securities and Exchange Commission of Pakistan (SECP) Circular 10 of 2024

Following is gender pay gap calculated for the year ended June 30, 2024

(i) Mean Gender Pay Gap: 49.51%

(ii) Median Gender Pay Gap: 25.62%

(iii) Any other data/detail as deemed relevant: The above ratios reflect the overall employee gender pay gap across the organization. The Company ensures equitable compensation for female members in their respective roles, based on experience, qualifications and performance.

For and behalf of the  
Board of Directors



Karachi: October 02, 2024

Muhammad Farid Alam  
Chief Executive Officer



A hand is shown balancing a stack of coins on a small plant growing from a pile of coins on grass. The background is a dark blue gradient.

# Consolidated Financial Statements

- Independent Auditor's Report to the Members
- Statement of Financial Position
- Statement of Profit and Loss Account and Other Comprehensive Income
- Statement of Changes in Equity
- Cashflow Statement
- Notes to the Financial Statement

# DIRECTORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors presents the report on consolidated financial statements of AKD Securities Limited and its wholly owned subsidiary, Structured Venture (Private) Limited, for the year ended June 30, 2024.

The consolidated financial results of the group for the year ended June 30, 2024, under review, are summarized as follows:

|   | 2024                         | 2023    |
|---|------------------------------|---------|
|   | ----- (Rupees in '000) ----- |         |
|   | ----                         |         |
| <b>Operating revenue</b>                  | <b>1,269,671</b>             | 627,360 |
| <b>Operating profit</b>                   | <b>1,783,438</b>             | 460,229 |
| <b>Profit before income and final tax</b> | <b>1,665,608</b>             | 359,084 |
| <b>Profit after tax</b>                   | <b>1,259,234</b>             | 406,756 |
|   | ----- (Rupees) -----         |         |
| <b>Earnings per share</b>                 | <b>2.26</b>                  | 0.78    |

## Summary of changes in equity

The Group's profit after tax was PKR 1,259 Million, with earnings per share of 2.26 in FY24 compared to profit after tax of PKR 406.76 million, with earnings per share of 0.78 in FY 23.

## Pattern of Shareholding

The pattern of shareholding as of June 30, 2024, along with disclosure required under the code of Corporate Governance is annexed to the report.

On behalf of the Board of Directors



Director

Karachi: October 02, 2024



Chief Executive Officer



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AKD SECURITIES LIMITED REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the annexed consolidated financial statements of **AKD Securities Limited** and its subsidiary (the Group), which comprise the consolidated statement of financial position as at **June 30, 2024** and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

| S.No. | Key Audit Matters  | How the matter was addressed in our audit  |
|-------|--|--|
| 1.    | <p><b>Advance against Properties:</b></p> <p>As disclosed in Note 7.3 the company has given advance against property amounting to Rs. 920 million to a related party.</p> <p>As the transactions are with a related party therefore by nature and significance of amounts involved in our course of audit this was considered as a key audit matter.</p>               | <p>Our audit procedures, amongst others, included the following:</p> <p>Obtain agreements of sale to understand nature of transaction of such advance.</p> <p>Obtained minutes of meetings of board of directors to trace approval of such transactions.</p> <p>Traced the amount paid against such properties.</p> <p>Validated that the transactions were carried out at arm's length by obtaining independent reports for valuation of properties.</p> <p>Obtained confirmation from related party for the amount paid as advance against property.</p> <p>Checked that appropriate disclosures were made in the financial statements.</p> <p>Checked compliance of the Companies Act, 2017 and obtain necessary documents in this respect.</p> |
| 2.    | <p><b>Valuation of Goodwill and its impairment</b></p> <p>As disclosed in note 9 the company has recorded goodwill amounting to Rs. 3,137.82 million on merger.</p> <p>The valuation of goodwill was significant to the audit due to the amount involved and its valuation requires complex calculations therefore the matter was addressed as a key audit matter.</p> | <p>Our audit procedures, amongst others, included the following:</p> <p>We obtained independent valuers' report used by the management to calculate the carrying value and recoverable amount of the cash generating units involved.</p> <p>Test the data used by the valuer for assessing the reasonableness of assumptions.</p> <p>Perform other audit procedures as per requirements of International Auditing Standards as applicable in Pakistan.</p> <p>Checked that appropriate disclosures were made in the financial statements.</p>  |



|           |   |   |
|-----------|---|---|
| <p>3.</p> | <p><b>Valuation of Al Jomaih Power Limited (AJPL).</b></p> <p>As disclosed in Note 10.3.2 the company's financial statements include investment at fair value through other comprehensive income in unquoted foreign company AJPL amounting to Rs. 612.35 million.</p> <p>The valuation of investment in AJPL was significant to the audit due to foreign currency risk involved in the investment and the categorization of the investment is level 3 of the Fair Value hierarchy which uses input other than the observable market date.</p>  | <p>Our audit procedures, amongst others, included the following:</p> <p>We obtained confirmation of AJPL in respect of shareholding of the company in AJPL and net assets value per share as at year end, as per books and records of AJPL.</p> <p>We checked that the investment at the year-end has been translated using appropriate exchange rate.</p> <p>We checked that at the year end, the investment is adjusted for changes if any in the net assets value on the basis of information received from AJPL.</p> <p>We checked that basis of valuation of investment is adequately disclosed in the financial statements of the group.</p>  |
| <p>4.</p> | <p><b>Recognition and realization of deferred tax asset:</b></p> <p>As disclosed in note 13, the company has recognized deferred tax asset amounting to Rs. 80.964 million.</p> <p>In order to ascertain that sufficient future taxable profit will be available, the management has prepared future projections of taxable profit by taking into account various assumptions mainly comprising of expected future revenues, business and operational assumptions and timing of reversals.</p> <p>The analysis of the recognition and recoverability of the deferred tax asset was significant to our audit because of the material amount of deferred tax asset and because the assessment of future taxable income involves significant management judgment about future business and economic factors.</p> | <p>Our audit procedures, amongst others, included the following:</p> <p>We obtained working of the deferred taxation and re-performed calculations.</p> <p>We checked and examined components of deferred taxation from relevant tax records.</p> <p>We checked the realization of deductible temporary differences and unused tax losses during the year against current taxation.</p> <p>We tested and documented the process used by management to assess the likelihood of realizing the deferred tax asset.</p> <p>We tested whether any subsequent events or transactions have occurred up to the date of our report that could affect the likelihood of realizing the deferred tax assets.</p> <p>We used our internal tax specialist and considered the appropriateness of the application of relevant tax laws by the Group.</p> <p>We also assessed the adequacy of the related</p> |

|    |  |  |
|----|--|--|
|    |  | disclosures pertaining to deferred taxation in accordance with applicable financial reporting framework.   |
| 5. | <p><b>Investment Property Revaluation.</b></p> <p>As disclosed in Note 8 the company recognized investment property for the first time and subsequently engaged an independent valuer to assess its fair value amounting to Rs. 361.651 million.</p> <p>The valuation involved significant judgment regarding the identification and valuation of the property, which included determining the appropriate valuation methodology and assumptions used by the valuer, therefore the matter was addressed as a key audit matter.</p> | <p>Our audit procedures, amongst others, included the following:</p> <p>We evaluated the methodologies employed by the independent valuer, ensuring they align with applicable accounting standards and industry practices.</p> <p>Tested the data used by the valuer for assessing the reasonableness of assumptions.</p> <p>We checked the ownership of the property and conducted physical inspections, where feasible, to confirm the existence and condition of the investment property.</p> <p>We checked that the recognition and measurement of the investment property in the financial statements comply with relevant accounting standards and that any related disclosures are in accordance with respect of applicable law and accounting policy.</p> |

### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the unconsolidated and consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with the statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statement of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public benefits of such communications.

The engagement partner on the audit resulting in this independent auditor's report is Syed Naveed Abbas.

\_\_\_\_Sd\_\_\_\_  
Chartered Accountants  
Karachi  
Dated: October 04, 2024  
UDIN: AR202410239OhNodaAnb



**AKD SECURITIES LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

|   | Note | June-24               | June-23               |
|---|------|-----------------------|-----------------------|
|   |      | ----- (Rupees) -----  |                       |
| <b>ASSETS</b>                               |      |                       |                       |
| <b>Non-current assets</b>                   |      |                       |                       |
| Property and equipment                      | 7    | 1,657,816,491         | 1,829,667,116         |
| Investment property                         | 8    | 339,519,781           | -                     |
| Intangible assets                           | 9    | 3,155,130,867         | 3,153,169,929         |
| Long-term investments                       | 10   | 632,884,468           | 641,040,953           |
| Long-term loans and advances                | 11   | 256,780,000           | -                     |
| Long-term deposits and prepayments          | 12   | 39,548,541            | 39,879,051            |
| Deferred tax asset - net                    | 13   | 80,964,020            | 183,496,225           |
|   |      | <b>6,162,644,168</b>  | <b>5,847,253,274</b>  |
| <b>Current assets</b>                       |      |                       |                       |
| Short-term investments                      | 14   | <b>2,191,508,306</b>  | 2,318,892,393         |
| Trade debts                                 | 15   | <b>223,114,231</b>    | 230,157,314           |
| Deposits, prepayments and other receivables | 16   | <b>3,893,682,902</b>  | 1,117,043,837         |
| Loans and advances                          | 17   | <b>937,654,771</b>    | 544,565,734           |
| Cash and bank balances                      | 18   | <b>803,415,126</b>    | 877,396,098           |
|   |      | <b>8,049,375,336</b>  | <b>5,088,055,376</b>  |
|   |      | <b>14,212,019,504</b> | <b>10,935,308,650</b> |
| <b>TOTAL ASSETS</b>                         |      |                       |                       |
| <b>EQUITY AND LIABILITIES</b>               |      |                       |                       |
| <b>Share capital and reserves</b>           |      |                       |                       |
| <b>Authorized Capital</b>                   |      |                       |                       |
| 700,000,000 Ordinary shares of Rs. 10 each  |      | <b>7,000,000,000</b>  | 7,000,000,000         |
| Issued, subscribed and paid-up capital      | 19   | <b>5,578,341,710</b>  | 5,578,341,710         |
| Share premium                               |      | <b>2,302,905,878</b>  | 2,302,905,878         |
| Fair value reserve                          |      | <b>372,249,233</b>    | 380,405,718           |
| General reserve                             |      | <b>18,752,260</b>     | 18,752,260            |
| Accumulated profit / (loss)                 |      | <b>1,132,909,089</b>  | (126,324,794)         |
|   |      | <b>9,405,158,170</b>  | <b>8,154,080,772</b>  |
| <b>Non-current liabilities</b>              |      |                       |                       |
| Long-term financing-secured                 | 20   | -                     | 500,000,000           |
| Lease liability                             | 21   | <b>23,097,193</b>     | 26,807,015            |
|   |      | <b>23,097,193</b>     | <b>526,807,015</b>    |
| <b>Current liabilities</b>                  |      |                       |                       |
| Trade and other payables                    | 22   | <b>4,190,421,396</b>  | 2,049,462,157         |
| Short term financing-secured                | 23   | <b>500,000,000</b>    | 150,000,000           |
| Current portion of lease liability          | 21   | <b>12,415,406</b>     | 16,542,970            |
| Unclaimed dividend                          |      | <b>1,927,157</b>      | 1,927,815             |
| Taxation - net                              |      | <b>78,075,335</b>     | 35,230,058            |
| Accrued mark-up                             | 24   | <b>924,847</b>        | 1,257,863             |
|   |      | <b>4,783,764,141</b>  | <b>2,254,420,863</b>  |
|   |      | <b>14,212,019,504</b> | <b>10,935,308,650</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>         |      |                       |                       |
| Contingencies and Commitments               | 25   |                       |                       |

The annexed notes 1 to 46 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

**AKD SECURITIES LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT AND**  
**OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2024**

|   | Note   | June-24              | June-23         |
|---|--------|----------------------|-----------------|
|   |        | ----- (Rupees) ----- |                 |
| Operating revenue   | 26     | 1,269,670,699        | 627,360,171     |
| <b>Net gain on investments</b>  |        |                      |                 |
| Gain on sale of short term investments 'at fair value through profit and loss' - net  | 27     | 451,666,202          | 562,212,467     |
| Unrealised loss on re-measurement of short term investments 'at fair value through profit or loss' -net                         | 14.1   | (20,645,356)         | (275,089,927)   |
|   |        | 431,020,846          | 287,122,540     |
| Dividend income   |        | 288,939,429          | 199,536,495     |
| Mark-up / Profit On Bank Deposits And Other Income  | 28     | 643,090,213          | 386,785,709     |
|   |        | 2,632,721,187        | 1,500,804,915   |
| Operating and administrative expenses   | 29     | (927,300,594)        | (903,036,565)   |
| Reversal/(Allowance) against expected credit loss   | 15.2   | 78,017,491           | (137,539,298)   |
|   |        | (849,283,103)        | (1,040,575,863) |
| Operating profit  |        | 1,783,438,084        | 460,229,052     |
| Finance cost  | 30     | (146,240,824)        | (116,678,584)   |
|   |        | 1,637,197,260        | 343,550,468     |
| Other income  | 31     | 28,411,009           | 15,533,039      |
| <b>Profit before income and final taxes</b>   |        | 1,665,608,269        | 359,083,507     |
| Final taxes   | 32.1   | (4,823,914)          | (4,333,174)     |
| <b>Profit before Income Tax</b>   |        | 1,660,784,355        | 354,750,333     |
| <b>Income tax</b>   |        |                      |                 |
| Current Tax- For the year   |        | (313,682,145)        | (98,911,519)    |
| -Prior year   |        | 14,663,880           | 65,475,354      |
| Deferred tax  |        | (102,532,207)        | 85,441,553      |
|   | 32.2   | (401,550,472)        | 52,005,388      |
| Profit for the year   |        | 1,259,233,883        | 406,755,721     |
| <b>Other comprehensive income for the year</b>  |        |                      |                 |
| <b>Items that will not be reclassified subsequently to profit or loss:</b>  |        |                      |                 |
| Unrealized (loss) / gain arising on re-measurement of long term investment at fair value through other comprehensive income-net | 10.1.4 | (8,156,485)          | 440,280,713     |
| <b>Total comprehensive income for the year</b>  |        | 1,251,077,398        | 847,036,434     |
| Earnings per share - basic and diluted  | 33     | 2.26                 | 0.78            |

The annexed notes 1 to 46 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

**AKD SECURITIES LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2024**

|   | Share capital | Shares to be issued in accordance with scheme of merger | Share premium | Revenue reserves |                             | Fair value reserve | Total         |
|---|---------------|---|---------------|------------------|-----------------------------|--------------------|---------------|
|   |               |   |               | General reserve  | Accumulated (loss) / profit |                    |               |
| ----- (Rupees) -----                            |               |   |               |                  |                             |                    |               |
| Balance as at July 01, 2022                     | 1,000,000,000 | 4,578,341,710   | 2,302,905,878 | 18,752,260       | (533,080,510)               | (59,874,996)       | 7,307,044,342 |
| Shares issued in accordance of scheme of merger | 4,578,341,710 | (4,578,341,710)   | -             | -                | (5)                         | -                  | (5)           |
| Profit for the year                             | -             | -   | -             | -                | 406,755,721                 | -                  | 406,755,721   |
| Other comprehensive income for the year         | -             | -   | -             | -                | -                           | 440,280,714        | 440,280,714   |
| Balance as at 30 June, 2023                     | 5,578,341,710 | -   | 2,302,905,878 | 18,752,260       | (126,324,794)               | 380,405,718        | 8,154,080,772 |
| Profit for the year                             | -             | -   | -             | -                | 1,259,233,883               | -                  | 1,259,233,883 |
| Other comprehensive loss for the year           | -             | -   | -             | -                | -                           | (8,156,485)        | (8,156,485)   |
| Balance as at 30 June, 2024                     | 5,578,341,710 | -   | 2,302,905,878 | 18,752,260       | 1,132,909,089               | 372,249,233        | 9,405,158,170 |

**Note**

**Balance as at July 01, 2022**

Shares issued in accordance of scheme of merger

Profit for the year

Other comprehensive income for the year

**Balance as at 30 June, 2023**

**Profit for the year**

**Other comprehensive loss for the year**

**Balance as at 30 June, 2024**

The annexed notes 1 to 46 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

**AKD SECURITIES LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**CASH FLOW FROM OPERATING ACTIVITIES**

Profit before income and final taxes

Non-cash adjustments to reconcile loss before tax to net cash flows:

Depreciation  
Amortization  
Amortization of asset under lease  
Loss on sale of short term investments 'at fair value through profit and loss' - net  
Gain on sale of property and equipment  
Unrealised loss on re-measurement of short term investments 'at fair value through profit or loss' - net  
Impairment on long-term investment - subsidiary  
(Reversal)/ Provision of doubtful debts-net  
Bad debts written off during the year  
Impairment of BIPL Securities Limited- TREC  
Finance cost  
Dividend income

Working capital adjustments:

(Increase)/ decrease in current assets

Trade debts  
Deposits, prepayments and other receivables  
Loan and advances

Increase/ (Decrease) in current liabilities

Trade and other payables

Finance cost paid

Income and final tax paid

**Net cash flows used in operating activities**

**CASH FLOW FROM INVESTING ACTIVITIES**

Investments 'at fair value through profit or loss' - net  
Purchase of property and equipment  
Purchase of intangible assets  
Net Cash Flows from Merger  
Proceeds from disposal of property and equipment  
Additions to investment property  
Dividend received

**Net cash flows generated from investing activities**

**CASH FLOW FROM FINANCING ACTIVITIES**

Long-term loans and advances  
Long-term Financing  
Repayment of Loan  
Lease Payments  
Long-term deposits and prepayments  
Dividend paid

**Net cash flows used in financing activities**

**Net decrease in cash and cash equivalents**

Cash and cash equivalents at the beginning of the year

**Cash and cash equivalents at the end of the year**

**Cash and cash equivalents comprises of:**

Cash and bank balances

Short term financing-secured

| Note | June-24             | June-23         |
|------|---------------------|-----------------|
|      | ------(Rupees)----- |                 |
|      | 1,665,608,269       | 359,083,507     |
|      | 121,919,782         | 72,258,868      |
|      | 1,789,243           | 1,337,764       |
|      | (451,666,202)       | (562,212,467)   |
|      | (5,564,446)         | (12,517,722)    |
|      | 20,645,356          | 275,089,927     |
|      | -                   | -               |
|      | (78,017,491)        | 137,539,298     |
|      | -                   | -               |
|      | 250,000             | 1,350,000       |
|      | 146,240,824         | 116,678,584     |
|      | (288,939,429)       | (199,536,495)   |
|      | (533,342,363)       | (170,012,243)   |
|      | 1,132,265,906       | 189,071,264     |
|      | 85,060,574          | (45,804,157)    |
|      | (2,776,639,065)     | 375,570,782     |
|      | (393,089,037)       | 286,896,911     |
|      | (3,084,667,528)     | 616,663,536     |
|      | 2,140,959,238       | (584,791,413)   |
|      | 188,557,616         | 220,943,387     |
|      | (138,324,466)       | (135,104,396)   |
|      | (260,996,902)       | (130,045,897)   |
|      | (210,763,752)       | (44,206,906)    |
|      | 558,404,932         | 1,502,988,678   |
|      | 58,324,514          | (1,583,545,072) |
|      | (3,750,181)         | (687,554)       |
|      | -                   | -               |
|      | 15,040,237          | 21,841,638      |
|      | (357,389,243)       | -               |
|      | 288,939,429         | 199,536,495     |
|      | 559,569,688         | 140,134,185     |
|      | (256,780,000)       | 341,000         |
|      | -                   | -               |
|      | (150,000,000)       | (515,000,000)   |
|      | (16,086,760)        | (14,753,773)    |
|      | 80,510              | 19,892,800      |
|      | (659)               | (7,891)         |
|      | (422,786,909)       | (509,527,865)   |
|      | (73,980,972)        | (413,600,588)   |
|      | 877,396,098         | 1,140,996,686   |
|      | 803,415,126         | 727,396,098     |
| 18   | 803,415,126         | 877,396,098     |
| 23   | -                   | (150,000,000)   |
|      | 803,415,126         | 727,396,098     |

The annexed notes 1 to 46 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer



## **1 STATUS AND NATURE OF BUSINESS**

The Group comprises of:

- Holding Company - AKD Securities Limited - AKDSL
- Subsidiary Company - Structured Venture (Private) Limited (SVPL)

- 1.1** AKD Securities Limited (the Holding Company) was incorporated in Pakistan on 24 October 2000 under the Companies Ordinance, 1984 [(repealed with the enactment of Companies Act, 2017 (the Act)] and commenced its operations effective from 01 January 2003. On 03 June 2022 the transfer of assets and liabilities of AKD Securities Limited under a Scheme of Arrangement approved by the High Court of Sindh. The shares of the company are listed on the Pakistan Stock Exchange Limited (PSX). The company is licensed to operate as securities broker, consultant to the issue, and underwriter from the Securities Exchange Commission of Pakistan and holds a Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited and Membership card of Pakistan Mercantile Exchange Limited. The principal activities of the company are brokerage of shares and/or commodities/ money market / forex trading, financial research, book building, underwriting, investments in securities/commodities, corporate advisory and consultancy services. The registered office of the company is situated at 602 Continental Trade Center, Block-8, Clifton, Karachi.

The detail of immovable fixed assets / owned property are given below :

- Room No 501 to 508, 5th floor, Trade Centre, I.I. Chundrigar Road, Karachi. Covered Area 6,000 Sq. Ft.
- Room No 601 to 608, 6th floor, Trade Centre, I.I. Chundrigar Road, Karachi. Covered Area 6,500 Sq. Ft.
- Room No 1005 to 1008, 10th floor, Trade Centre, I.I. Chundrigar Road, Karachi. Covered Area 3,081 Sq. Ft.
- Room No 206 to 208, 214, 215, 2nd floor, Continental Trade Centre, Block-8, Clifton, Karachi. Covered Area 8,177 Sq. Ft.
- Room No 314, 3rd floor, Continental Trade Centre, Block-8, Clifton, Karachi. Covered Area 1,250 Sq. Ft.
- Room No 416 to 418, 4th floor, Continental Trade Centre, Block-8, Clifton, Karachi. Covered Area 3,607 Sq. Ft.
- Room No 506 to 507, 511 to 518, 5th floor, Continental Trade Centre, Block-8, Clifton, Karachi. Covered Area 11,738 Sq. Ft.
- Room No 601, 603 to 609, 617 to 618, 6th floor, Continental Trade Centre, Block-8, Clifton, Karachi. Covered Area 12,650 Sq. Ft.
- Room No 93 to 95, 2nd floor, PSX Building, Stock Exchange Road, Covered Area 690 Sq. Ft.
- Booth No. 25, 30 & 54, located in the Trading Hall of the Pakistan Stock Exchange.

The branch offices are situated at;

| <b>S.No</b> | <b>City</b>    | <b>Address</b>  |
|-------------|----------------|---|
| 1           | Abbottabad     | Office No.2, 2nd Floor, Zaman Plaza, Main Mansehra Road,  |
| 2           | Faisalabad     | Suit No. 3, 1st Floor, Mezaan Executive Tower, Liaquat Road                                       |
| 3           | Gujranwala     | Shop # 81, Ground Floor, Gujranwala Development Authority, Trust Plaza                            |
| 4           | Islamabad      | Room No.302, 303, 3rd Floor, ISE Tower, Jinnah Avenue,  |
| 5           | Islamabad      | Office at 90-91, Razia Sharif Plaza, Jinnah Avenue, Blue Area,                                    |
| 6           | Karachi        | Room No. 529, 5th Floor, Room Nos. 93-95, 2nd Floor, Stock Exchange Building, Stock Exchange Road |
| 7           | Karachi        | Plot # D-1, 2nd Floor, J.F. Plaza, North Nazimabad,   |
| 8           | Lahore         | 512, 513, 5th Floor, LSE Plaza, 19 Khayaban-e-Aiwan-e-Iqbal Road,                                 |
| 9           | Lahore         | 64-A, 2nd Floor, Fountain Avenue Building, Main Boulevard Road, Gulberg,                          |
| 10          | Multan         | Ground Floor, State Life Building, Abdali Road,   |
| 11          | Peshawar       | 1st Floor, SLIC Building # 34, The Mall, Peshawar Cantt   |
| 12          | Rahim Yar Khan | Plot No.24, City Park Chowk, Model Town,  |
| 13          | Sialkot        | Ground Floor, City Tower, Shahab Pura Road  |

- 1.2** The group is a subsidiary of AKD Group Holdings (Pvt) Limited (the Parent), who holds 95.87% (2023: AKD Securities Limited 95.87%) shares of the company.
- 1.3** These are separate Financial Statements of the company in which investment in subsidiary is reported on the basis of cost.

## **2 BASIS OF PREPARATION**

### **2.1 Statement of compliance**

These consolidated financial statements of the company for the year ended June 30, 2024 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of such International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017 (the Act); and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### **2.2 Basis of measurement**

These consolidated financial statements have been prepared under the historical cost convention, except for certain assets and liabilities as specified in the relevant notes.

## **3 Functional and presentation currency**

These consolidated financial statements are presented in Pakistani Rupees, which is company's functional and presentation currency.

## 4 NEW ACCOUNTING PRONOUNCEMENTS

### 4.1 Initial application of a standard, amendment or an interpretation to an existing standard

#### Amendments to accounting and reporting standards and interpretation / guidance which became effective during the year ended June 30, 2024

There were certain amendments that became applicable for the Company during the year but are not considered to be relevant or did not have any significant effect on the Company's operations and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Company which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the guidance, the Company has changed its accounting policy to recognize minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognized as 'Income tax'.

### 4.2 Standard, amendments to published accounting and reporting standards and interpretations that are not yet effective and have not been early adopted by the company

There is a standard and certain other amendments to accounting and reporting standards that are not yet effective and are considered either not to be relevant or to have any significant impact on the company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

## 5 MATERIAL ACCOUNTING POLICY INFORMATION

### 5.1 IFRS 8: Operating Segments

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components. An operating segment's operating results are reviewed regularly by the Board of Directors and Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The company applied IFRS 8 and presented income from its business segments as per the requirements of the standard. The main operating segments identified are:

- (i) Brokerage
- (ii) Financial Advisory
- (iii) Underwriting
- (iv) Other Operations

These segments are based on the percentage of gross revenue.

#### Brokerage

The brokerage activities include services provided in respect of share brokerage, money market brokerage, forex brokerage, commodity brokerage and share subscription commission.

#### Financial Advisory

It consists of advisory and consultancy to various clients.

#### Underwriting

It consists of underwriting fee for shares issues, IPOs and debt securities etc.

#### Other operations

The activities include profit / mark-up on bank deposit, term deposit receipts, capital gains on equity and debt securities, mark-up income on margin financing, term finance certificates, profit and dividend income.

### 5.2 Property and equipment

These are stated at cost less accumulated depreciation and impairment, if any. Such costs include the cost of replacing parts of property and equipment when that cost is incurred. Maintenance and normal repairs are charged to income as and when incurred. Depreciation is charged to income over the useful life of the asset on a systematic basis applying the straight line method at the rates specified in note 7 to the financial statements.

Property and equipment are assessed for impairment whenever there is an indication that the same are impaired. Depreciation is charged from the day of purchase and no depreciation is charged from the day of disposal.

An item of property and equipment is derecognized upon disposal or when no future economic benefits  
The asset's residual values, useful lives and methods are reviewed and adjusted, if appropriate at each  
Gains and losses on disposals, if any, of assets are included in income currently.

### **5.3 Intangible assets**

#### **- Goodwill**

Goodwill arising on the acquisition of business represents future economic benefits arising from assets that are not capable of being individually identified and separately recognized. Goodwill is initially recognized at a cost which is determined as the excess of the cost of the business combination over the net fair value of the identifiable assets, liabilities, and contingent liabilities of the acquire. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses, if any.

#### **- Other intangible assets**

Intangible assets with definite useful lives are stated at cost less accumulated amortization and impairment, if any. Amortization is charged over the useful life of the asset on a systematic basis to income applying the straight line method at the rate specified in note 9 to the financial statements.

Intangible assets with indefinite useful lives are not amortized. These are annually tested for impairment to assess whether these are in excess of their recoverable amounts, and where the carrying amounts exceeds the estimated recoverable amounts, the carrying amounts are written down to the estimated recoverable amounts.

Intangible assets are assessed for impairment whenever there is an indication that the same are impaired. Costs associated with maintaining assets are recognized as an expense in the period in which these are incurred. Gains and losses on disposals, if any, of assets are included in income currently.

### **5.4 Investment properties**

Investment properties are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is charged at specified rates. Subsequent expenditures, depreciation and gains or losses on disposals are accounted for in the same manner as property and equipment.

### **5.5 Financial Instruments**

#### **5.5.1 The group classifies its financial assets in the following three categories**

- (a) financial assets measured at amortized cost;
- (b) financial assets measured at fair value through other comprehensive income (FVOCI); and
- (c) financial assets measured at fair value through profit or loss (FVTPL).

##### **(a) Financial assets measured at amortized cost**

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

#### **(b) Financial assets at FVOCI**

A financial asset is classified as at fair value through other comprehensive income when either:

- (i) It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; or
- (ii) It is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the group at initial

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

#### **(c) Financial assets at FVTPL**

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income, as aforesaid.

Such financial assets are initially measured at fair value.

### **5.5.2 Initial recognition**

Financial assets and liabilities, with the exception of bank balances, loans and advances to employees / counterparties and due to counterparties, are initially recognized on the settlement date, i.e., the date that the group settles the transaction. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded as 'at fair value through profit or loss'.

### **5.5.3 Subsequent measurement**

#### **(a) Financial assets measured at amortized cost**

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses. Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the profit and loss

#### **(b) Equity investments at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

#### **(c) Debt investments at FVOCI**

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest method. Foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

#### **(d) Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in profit and loss account.



#### 5.5.4 Impairment of Financial assets

The group's financial assets that are subject to the impairment requirements of IFRS 9 are trade receivables, debt instruments accounted for at amortized cost or at FVTOCI, most loan commitments, financial guarantee contracts, and lease receivables under IFRS 16 Leases.

For trade and other receivables, the group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The group has established a provision matrix that is based on the group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

#### 5.6 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the balance sheet date, which are classified as non-current assets.

#### 5.7 Impairment

The carrying amount of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of any asset or a group of assets. If any such indication exists, the recoverable amount of that asset is estimated and impairment losses are recognized in the profit and loss account.

#### 5.8 Off-setting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the group has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses arising from such assets and liabilities are also accordingly offset.

#### 5.9 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring goods or services to a customer.

- Brokerage, consultancy and advisory fee, underwriting commission etc. are recognized as and when such services are provided.
- Capital gains and losses on sale of securities is recognized as and when transaction occurred.
- Mark-up income, return on bank deposits and balances are recognized on accrual basis.
- Dividend income is recorded when the right to receive the dividend is established.

#### 5.10 Taxation

##### Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21/IAS 37 and accordingly have been classified as levy in these unconsolidated financial statements, except for taxes on dividends on the group's investments in subsidiaries and associates which are specifically within the scope of IAS 12 and hence these continue to be categorized as current income tax.

### **Current**

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits, rebates and tax exemptions available, if any. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessment framed / finalized during the year.

### **Deferred**

Deferred tax is recognized using the balance sheet liability method on all temporary differences arising between tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

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 substantively enacted by the balance sheet date. Deferred tax is charged or credited to the profit and loss account.

Deferred tax, if any, on revaluation of investments is recognized as an adjustment to surplus arising on revaluation.

## **5.11 Dividend distributions and appropriations**

Dividend distributions and appropriations are recorded in the period in which the distributions and appropriations are approved.

## **5.12 Employees' benefits**

### **Defined contribution plan**

The group operates a defined contribution plan i.e. recognized provident fund ("the Fund") for all of its eligible employees in accordance with trust deed and rules made there under. Monthly contributions at the rate of 5% of basic salary are made to the Fund by the group and the employees. Whereas after sanction of merger scheme monthly contribution rate has been increased from 5% to 10% of basic

### **Employee compensated absences**

The group allows its management and non-management employees' to avail 30 days annual earned leave. The unutilized portion of the earned leave is accumulated but not encashable.

### **Cash and cash equivalents**

## **5.13 Cash and cash equivalents**

Cash in hand and at banks is carried at cost. For the purposes of cash flow statement, cash and cash equivalents consist of cash in hand and bank balances. For the purposes of statement of cash flows, cash and cash equivalents are presented net of short term borrowings which are repayable on demand or in the short term and form an integral part of the group's cash management.

## **5.14 Foreign currency transactions**

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange prevailing on the balance sheet date. Gains and losses on translation are taken into income currently. Non-monetary-items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

### 5.15 Provisions

Provisions are recognized when the group has the legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

### 5.16 Trade and other receivables

Trade and other receivables are recognized and carried at transaction price less an allowance for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognized in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

The allowance for doubtful debts of the group is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realization of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer.

### 5.17 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable costs, if any, and subsequently measured at carrying value.

### 5.18 Ijarah

An agreement under Islamic mode in which a significant portion of the risks and rewards of ownership is retained by the Muj'ir is classified as Ijarah. Payments made under Ijarah are charged to profit or loss on a straight-line basis over the period of Ijarah.

### 5.19 Borrowing costs

Borrowing costs incurred on long term finances directly attributable for the construction / acquisition of qualifying assets are capitalized up to the date the respective assets are available for intended use. All other mark-up, interest and other related charges are taken to the statement of profit or loss directly.

### 5.20 Right-of-use assets

The group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

### 5.21 Lease liabilities

At the commencement date of the lease, the group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

### 5.22 Short term leases and leases of low-value assets

The group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### 5.23 Fiduciary Assets

Assets held in trust or in a fiduciary capacity by the group are not treated as assets of the group and accordingly are not included in these financial statements.

### 5.24 Related Party Transactions

Related party transactions are carried out on an arm's length basis and exceptions are backed by the approval of board of directors. Pricing of these transactions are determined on the basis of comparable uncontrolled price methods, which sets the price by reference to the comparable goods and services sold in an economical comparable market to the buyer unrelated to the seller.

### 5.25 Investment in subsidiary

Investments in subsidiary are stated at cost less accumulated impairment losses, if any

## 6 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates, judgments and assumptions that have significant effect on the financial statements are as follows:

|   | <b>Notes</b>    |
|---|-----------------|
| Useful lives of property & equipment and methods of depreciation and impairment | 5.2 & 7         |
| Useful lives of goodwill and other intangibles and methods of amortization      | 5.3 & 9         |
| Classification of investments   | 5.5, 10 & 14    |
| Provision for doubtful debts  | 5.15, 5.16 & 15 |
| Deferred taxation and taxation  | 5.10, 13 & 32   |



## 7 PROPERTY AND EQUIPMENT

Property and equipment 7.1  
Right to use asset under IFRS 16 7.2  
Advance against capital expenditure 7.3

|  | June-24              | June-23       |
|--|----------------------|---------------|
|  | ----- (Rupees) ----- |               |
|  | 704,012,901          | 157,996,336   |
|  | 33,803,590           | 42,370,780    |
|  | 920,000,000          | 1,629,300,000 |
|  | 1,657,816,491        | 1,829,667,116 |

### 7.1 PROPERTY AND EQUIPMENT

As at July 01, 2023

Cost  
Accumulated depreciation  
**Net book value at the beginning of the year**

**Changes during the year**

Additions during the year

Disposals during the year

-Cost

-Depreciation

Transferred from Lease

-Cost

-Depreciation

Depreciation charge for the year

**Net book value at the end of the year**

**Analysis of net book value**

**As at June 30, 2024**

Cost 660,543,411 95,855,908 279,241,550 152,899,817 1,188,540,686  
Accumulated depreciation (69,769,969) (65,470,277) (234,284,317) (115,003,222) (484,527,785)  
Net book value 590,773,442 30,385,631 44,957,233 37,896,595 704,012,901

**Depreciation rate (% per annum)**

|  | June-24                            |                        |                                |                |               |
|--|------------------------------------|------------------------|--------------------------------|----------------|---------------|
|  | Office premises on lease hold land | Furniture and fixtures | Computers and office equipment | Motor vehicles | Total         |
|  | ----- (Rupees) -----               |                        |                                |                |               |
|  | 47,932,654                         | 90,246,797             | 270,243,692                    | 175,758,745    | 584,181,888   |
|  | (37,428,446)                       | (59,725,567)           | (210,538,627)                  | (118,492,913)  | (426,185,552) |
|  | 10,504,209                         | 30,521,231             | 59,705,065                     | 57,265,832     | 157,996,336   |
|  | 612,610,757                        | 6,852,111              | 13,104,418                     | 345,522        | 632,912,808   |
|  | -                                  | (1,243,000)            | (4,106,560)                    | (44,889,372)   | (50,238,932)  |
|  | -                                  | 1,051,506              | 3,305,841                      | 36,405,794     | 40,763,141    |
|  | -                                  | (191,494)              | (800,719)                      | (8,483,579)    | (9,475,791)   |
|  | -                                  | -                      | -                              | 21,684,922     | 21,684,922    |
|  | -                                  | -                      | -                              | (12,336,933)   | (12,336,933)  |
|  | -                                  | -                      | -                              | 9,347,989      | 9,347,989     |
|  | (32,341,524)                       | (6,796,216)            | (27,051,531)                   | (20,579,170)   | (86,768,441)  |
|  | 580,269,233                        | (135,600)              | (14,747,832)                   | (19,369,237)   | 546,016,565   |
|  | 590,773,442                        | 30,385,631             | 44,957,233                     | 37,896,595     | 704,012,901   |
|  | 660,543,411                        | 95,855,908             | 279,241,550                    | 152,899,817    | 1,188,540,686 |
|  | (69,769,969)                       | (65,470,277)           | (234,284,317)                  | (115,003,222)  | (484,527,785) |
|  | 590,773,442                        | 30,385,631             | 44,957,233                     | 37,896,595     | 704,012,901   |
|  | 5                                  | 10                     | 20-45                          | 20             |               |

As at July 01, 2022

Cost 47,932,654 89,785,143 265,179,809 170,641,834 573,539,440  
Accumulated depreciation (35,722,137) (56,016,453) (199,478,455) (82,379,166) (373,596,210)  
Net book value at the beginning of the year 12,210,517 33,768,690 65,701,355 88,262,668 199,943,230

**Changes during the year**

Additions during the year

Disposals during the year

-Cost

-Depreciation

Transferred from Lease

-Cost

-Depreciation

Depreciation charge for the year

**Net book value at the end of the year**

**As at June 30, 2023**

Cost 47,932,654 90,246,797 270,243,692 175,758,745 584,181,889  
Accumulated depreciation (37,428,446) (59,725,567) (210,538,627) (118,492,913) (426,185,552)  
Net book value 10,504,209 30,521,231 59,705,065 57,265,832 157,996,337  
Depreciation rate (% per annum) 5 10 20-45 20

|  | June-23                            |                        |                                |                |               |
|--|------------------------------------|------------------------|--------------------------------|----------------|---------------|
|  | Office premises on lease hold land | Furniture and fixtures | Computers and office equipment | Motor vehicles | Total         |
|  | ----- (Rupees) -----               |                        |                                |                |               |
|  | 47,932,654                         | 89,785,143             | 265,179,809                    | 170,641,834    | 573,539,440   |
|  | (35,722,137)                       | (56,016,453)           | (199,478,455)                  | (82,379,166)   | (373,596,210) |
|  | 12,210,517                         | 33,768,690             | 65,701,355                     | 88,262,668     | 199,943,230   |
|  | -                                  | 1,065,606              | 13,880,191                     | 272,400        | 15,218,197    |
|  | -                                  | (603,952)              | (8,816,308)                    | (28,138,755)   | (37,559,015)  |
|  | -                                  | 264,357                | 8,093,176                      | 19,877,566     | 28,235,099    |
|  | -                                  | (339,595)              | (723,132)                      | (8,261,189)    | (9,323,916)   |
|  | -                                  | -                      | -                              | 32,983,267     | 32,983,267    |
|  | -                                  | -                      | -                              | (32,409,511)   | (32,409,511)  |
|  | -                                  | -                      | -                              | 573,756        | 573,756       |
|  | (1,706,309)                        | (3,973,471)            | (19,153,348)                   | (23,581,803)   | (48,414,930)  |
|  | (1,706,309)                        | (3,247,460)            | (5,996,290)                    | (30,996,836)   | (41,946,893)  |
|  | 10,504,209                         | 30,521,231             | 59,705,065                     | 57,265,832     | 157,996,337   |
|  | 47,932,654                         | 90,246,797             | 270,243,692                    | 175,758,745    | 584,181,889   |
|  | (37,428,446)                       | (59,725,567)           | (210,538,627)                  | (118,492,913)  | (426,185,552) |
|  | 10,504,209                         | 30,521,231             | 59,705,065                     | 57,265,832     | 157,996,337   |
|  | 5                                  | 10                     | 20-45                          | 20             |               |

**7.1.1** During the year the Company has transferred its properties, comprising 14 offices of 14,119 square feet on the 4th & 5th Floor, Continental Trade Centre Block 8, Clifton, Karachi, Pakistan to investment properties, commencing from July 01, 2023.

### 7.1.2 Disposal of Operating Assets

Net book value of assets disposed off during the current year having book value of Rs 5mn and individual book value of Rs 0.5mn each is as follows:

| 2024                 |                   |                    |                   |                  |                       |                  |              |
|----------------------|-------------------|--------------------|-------------------|------------------|-----------------------|------------------|--------------|
| Particular of assets | Cost              | Written Down Value | Sale Proceeds     | Gain             | Particulars of Buyers | Mode of Disposal | Relationship |
| Vehicle              | 3,643,931         | 531,966            | 1,269,947         | 737,981          | Khurram Kazmi         | Company Policy   | Ex- Employee |
| Vehicle              | 6,728,991         | 960,229            | 1,075,121         | 114,893          | Khurram Shahid        | Company Policy   | Ex- Employee |
| Vehicle              | 5,656,000         | 3,880,584          | 6,000,000         | 2,119,416        | Raheel Sawani         | Company Policy   | Ex- Employee |
| Vehicle              | 5,656,000         | 3,110,800          | 3,344,004         | 233,204          | Faysal Dawood         | Company Policy   | Ex- Employee |
|                      | <b>21,684,922</b> | <b>8,483,579</b>   | <b>11,689,072</b> | <b>3,205,494</b> |                       |                  |              |

| 2023                 |                   |                    |                   |                  |                       |                  |                   |
|----------------------|-------------------|--------------------|-------------------|------------------|-----------------------|------------------|-------------------|
| Particular of assets | Cost              | Written Down Value | Sale Proceeds     | Gain             | Particulars of Buyers | Mode of Disposal | Relationship      |
| Vehicle              | 4,938,764         | 552,510            | 654,151           | 101,641          | Muhammad Haris Aslam  | Company Policy   | Ex- Employee      |
| Vehicle              | 5,881,000         | 4,704,800          | 6,400,000         | 1,695,200        | Jawad Safdar          | Negotiation      | Independent Buyer |
| Vehicle              | 3,305,000         | 2,038,083          | 4,950,000         | 2,911,917        | Muhammad Ishaq        | Negotiation      | Independent Buyer |
|                      | <b>14,124,764</b> | <b>7,295,393</b>   | <b>12,004,151</b> | <b>4,708,758</b> |                       |                  |                   |

### 7.2 RIGHT-OF-USE ASSETS

|                                 | June-24             | June-23      |
|---------------------------------|---------------------|--------------|
|                                 | ------(Rupees)----- |              |
| Opening balance                 | 42,370,780          | 56,035,043   |
| Additions during the year-net   | 19,306,605          | 17,262,712   |
| Deletions during the year-net   | (1,243,927)         | (6,509,280)  |
| Transferred to Owned- Net       | (9,347,989)         | (573,756)    |
| Depreciation for the year       | (17,281,879)        | (23,843,938) |
| Closing balance                 | 33,803,590          | 42,370,780   |
| Depreciation rate (% per annum) | 20 - 33.33          | 20 - 33.33   |

### 7.3 ADVANCE AGAINST CAPITAL EXPENDITURE

|                                    | June-24             | June-23       |
|------------------------------------|---------------------|---------------|
|                                    | ------(Rupees)----- |               |
| Opening                            | 1,629,300,000       | 71,726,556    |
| Additions                          | 260,700,000         | 1,557,573,444 |
| Transfer to Property and Equipment | (612,610,757)       | -             |
| Transfer to Investment Property    | (357,389,243)       | -             |
|                                    | 920,000,000         | 1,629,300,000 |

- 7.3.1 The Company has made full payment to Mr. Aqeel Karim Dhedhi (related party) against the purchase of office premises measuring 38,322 square feet at an agreed price of Rupees 970 million. During the year said office premises has transferred to own property and investment property (note 7 and note 9 respectively). The title of these properties are held in the name of Mr. Aqeel Karim Dhedhi and it will be transferred to the company after its clearance from financial institution with which it is mortgaged against the financing used by the company. However, the rent collected on such properties will also be transferred to the company by the previous owner (Mr. Aqeel Karim Dhedhi).

- 7.3.2 This represent the advance paid to Mr. Aqeel Karim Dhedhi against purchase of office premises measuring 4,888 square feet for a total agreed price of Rs 920 million.

### 8 INVESTMENT PROPERTY

|   | June-24             | June-23 |
|---|---------------------|---------|
|   | ------(Rupees)----- |         |
| As at July 01, 2023                         |                     |         |
| Cost  | -                   | -       |
| Accumulated depreciation                    | -                   | -       |
| Net book value at the beginning of the year | -                   | -       |
| Addition/Transfer during the year           |                     |         |
| Additions (at Cost)                         | 357,389,243         | -       |
| Depreciation charge for the year            | (17,869,462)        | -       |
| Carrying amount as at 30 June, 2024.        | 339,519,781         | -       |
| Analysis of net book value                  |                     |         |
| As at June 30, 2024                         |                     |         |
| Cost  | 357,389,243         | -       |
| Accumulated depreciation                    | (17,869,462)        | -       |
| Net book value                              | 339,519,781         | -       |
| Depreciation rate (% per annum)             | 5                   | 5       |

- 8.1 Investment property comprises 14 offices of 14,119 square feet on the 4th & 5th Floor, Continental Trade Centre Block 8, Clifton, Karachi, Pakistan, the fair value of which has been determined based on the valuation carried out by an independent professional valuer as of June 30, 2024 which amounting to Rs.361.651 million (2023: Nil) and has a forced sale value amounting to Rs 289.230 million (2023: Nil)

- 8.2 The said property is rented out by Mr. Aqeel Karim Dhedhi related party. The company has made an agreement with Mr. Aqeel Karim Dhedhi to receive the rent of the said property (refer note 31.1) from Mr. Aqeel Karim Dhedhi till the said property is transferred to the company's name after its clearance from financial institution with which it is mortgaged till June 30, 2025.

## 9 INTANGIBLE ASSETS

### As at July 01, 2023

|   | June-24             |                              |               |                       |                            |               |               |
|---|---------------------|------------------------------|---------------|-----------------------|----------------------------|---------------|---------------|
|   | Computer software   | Membership and booth of PMEX | Booths at PSX | License and trademark | TREC -PSX (Note 9.1 & 9.2) | Goodwill      | Total         |
|   | ------(Rupees)----- |                              |               |                       |                            |               |               |
| Cost  | 29,056,191          | 8,500,000                    | 950,200       | 1,223,050             | 2,500,000                  | 3,137,826,767 | 3,180,056,208 |
| Accumulated amortization                    | (26,363,279)        | -                            | -             | (523,000)             | -                          | -             | (26,886,279)  |
| Net book value at the beginning of the year | 2,692,912           | 8,500,000                    | 950,200       | 700,050               | 2,500,000                  | 3,137,826,767 | 3,153,169,929 |
| Deletion / Surrender                        |                     |                              |               |                       |                            |               |               |
| - Cost                                      |                     | (250,000)                    |               |                       | -                          |               | (250,000)     |
| - Accumulated amortization                  |                     |                              |               |                       |                            |               |               |
|   | -                   | (250,000)                    | -             | -                     | -                          | -             | (250,000)     |
| Addition during the year                    | 4,000,181           | -                            | -             | -                     | -                          | -             | 4,000,181     |
| Amortization for the year                   | (1,788,963)         | -                            | -             | (280)                 | -                          | -             | (1,789,243)   |
| Net book value at the end of the year       | 4,904,130           | 8,250,000                    | 950,200       | 699,770               | 2,500,000                  | 3,137,826,767 | 3,155,130,867 |
| Analysis of Net Book Value                  |                     |                              |               |                       |                            |               |               |
| Cost  | 33,056,372          | 8,250,000                    | 950,200       | 1,223,050             | 2,500,000                  | 3,137,826,767 | 3,183,806,389 |
| Accumulated amortization                    | (28,152,242)        | -                            | -             | (523,280)             | -                          | -             | (28,675,522)  |
| Net Book Value as at 30 June 2024           | 4,904,130           | 8,250,000                    | 950,200       | 699,770               | 2,500,000                  | 3,137,826,767 | 3,155,130,867 |
| Amortization rate (% per annum)             | 25-33.33            | -                            | -             | 0 - 33.33             | -                          | -             |               |

### As at July 01, 2022

|   | June-23             |                    |               |                       |                            |               |               |
|---|---------------------|--------------------|---------------|-----------------------|----------------------------|---------------|---------------|
|   | Computer software   | Membership of PMEX | Booths at PSX | License and trademark | TREC -PSX (Note 9.1 & 9.2) | Goodwill      | Total         |
|   | ------(Rupees)----- |                    |               |                       |                            |               |               |
| Cost  | 28,368,637          | 8,500,000          | 950,200       | 1,223,050             | 3,850,000                  | 3,137,826,767 | 3,180,718,653 |
| Accumulated amortization                    | (25,025,515)        | -                  | -             | (523,000)             | -                          | -             | (25,548,515)  |
| Net book value at the beginning of the year | 3,343,122           | 8,500,000          | 950,200       | 700,050               | 3,850,000                  | 3,137,826,767 | 3,155,170,139 |
| Deletion / Surrender                        |                     |                    |               |                       |                            |               |               |
| -Cost                                       | -                   | -                  | -             | -                     | (1,350,000)                | -             | (1,350,000)   |
| -Accumulated amortization                   | -                   | -                  | -             | -                     | -                          | -             | -             |
|   | -                   | -                  | -             | -                     | (1,350,000)                | -             | (1,350,000)   |
| Addition during the year                    | 687,554             | -                  | -             | -                     | -                          | -             | 687,554       |
| Amortization for the year                   | (1,337,764)         | -                  | -             | -                     | -                          | -             | (1,337,764)   |
| Net book value at the end of the year       | 2,692,912           | 8,500,000          | 950,200       | 700,050               | 2,500,000                  | 3,137,826,767 | 3,153,169,929 |
| Analysis of Net Book Value                  |                     |                    |               |                       |                            |               |               |
| Cost  | 29,056,191          | 8,500,000          | 950,200       | 1,223,050             | 2,500,000                  | 3,137,826,767 | 3,180,056,208 |
| Accumulated amortization                    | (26,363,279)        | -                  | -             | (523,000)             | -                          | -             | (26,886,279)  |
| Net book value as at June 30, 2023          | 2,692,912           | 8,500,000          | 950,200       | 700,050               | 2,500,000                  | 3,137,826,767 | 3,153,169,929 |
| Amortization rate (% per annum)             | 33.33               | -                  | -             | 0 - 33.33             | -                          | -             |               |

9.1 The company has pledged / hypothecated its TREC in favor of PSX to meet the requirement of Base Minimum Capital (BMC) under clause 19.2 of the Risk Management Regulation of PSX Rule. During the period, Company engaged an independent valuer for determination of separately identifiable intangible assets. Based on the valuation report, provisional goodwill has been allocated to 'Goodwill' amounting to Rs. 3.138 billion.

### 9.2 Impairment testing

Company engaged an independent valuer for impairment testing of the recoverable amount of goodwill amounting to Rs. 3.138 billion including intangible assets acquired through a business combination has been tested for impairment as at 30 June 2024. This represents excess over fair value of net assets of AKD Securities Limited (AKDSL) on its acquisition. The recoverable amount of goodwill was tested for impairment by allocating the amount of goodwill to respective assets on which it arose, based on value in use in accordance with IAS-36 "Impairment of Assets". The value in use calculations are based on cash flow projections. These are then extrapolated for a period of 5 years using a steady long term expected demand growth of 3% and terminal value determined based on long term earning multiples. The cash flows are discounted using a discount rate of 17.44%. Based on this calculation no impairment is required to be accounted for against the carrying amount of goodwill.

## 10 LONG TERM INVESTMENTS

At fair value through Other Comprehensive Income

Investment in other entity at amortized cost

| Note | June-24             | June-23            |
|------|---------------------|--------------------|
|      | ------(Rupees)----- |                    |
| 10.1 | 632,884,468         | 641,040,953        |
| 10.2 | -                   | -                  |
|      | <b>632,884,468</b>  | <b>641,040,953</b> |

### 10.1 Investment 'at fair value through Other Comprehensive Income

| June-24                | June-23  | Note             | June-24            |                    | June-23            |                    |
|------------------------|--|------------------|--------------------|--------------------|--------------------|--------------------|
| Number of shares       | Name of the Investee Company                                   |                  | Cost               | Carrying value     | Cost               | Carrying value     |
| <b>Quoted shares</b>   |  |                  |                    |                    |                    |                    |
| 1,602,953              | 1,602,953 Pakistan Stock Exchange Limited                      | 10.1.1, & 10.1.4 | 1,438,000          | 20,533,828         | 1,438,000          | 11,861,852         |
| <b>Unquoted shares</b> |  |                  |                    |                    |                    |                    |
| 3,370                  | 3,370 Al Jomaih Power Limited                                  | 10.1.2 & 10.1.4  | 184,196,957        | 612,350,640        | 184,196,957        | 629,179,100        |
|                        | New Horizon Exploration and Production Limited (Related Party) | 10.1.3           |                    |                    |                    |                    |
| 14,760,000             | 14,760,000 - Class 'A' ordinary shares                         |                  | 75,000,000         | -                  | 75,000,000         | -                  |
|                        | Less: impairment   |                  | (75,000,000)       | -                  | (75,000,000)       | -                  |
|                        |  |                  | -                  | -                  | -                  | -                  |
|                        |  |                  | <b>185,634,957</b> | <b>632,884,468</b> | <b>185,634,957</b> | <b>641,040,953</b> |

**10.1.1** Fair value of the investment as the year end was Rs. 12.81 per share (2023: 7.40 per share) as per quoted market price.

**10.1.2** The Company's investment in unquoted shares of Al Jomaih Power Limited (AJPL) incorporated in Cayman Island are valued at its fair value based on the net assets value of the investee Company as at June 30, 2023. The company holds 1.55% of total issued certificates of AJPL. To date company has received a return of Rs 72mn in forms of dividends and the total cost of investment is Rs 184.19mn (2023: 184.19mn).

**10.1.3** In year 2015, the management recorded impairment of its investment in New Horizon Exploration and Production Limited (NHEPL) in accordance with IAS-36 which was again tested for impairment as required by IFRS 9 adopted by the company on January 01, 2019. The recoverable amount of investment was estimated using "Value in use" approach. In considering the impairment, various business assumptions for estimating cash flows were used, which includes but are not limited to, historical performance of the investment, development and production activity in NHEPL's working interests, recoverability of future cash flows from the investment etc. Based on such analysis, the Company fully impaired its investment in NHEPL and an impairment loss of Rs. 31.63 million was recognized up to year 2016. As of reporting date there is no change in management assumption of recoverability of this investment, accordingly no impairment

| <b>10.1.4 Reconciliation of unrealized (loss) / gain on investment 'at fair value through Other</b> | <b>Note</b> | <b>June-24</b>              | <b>June-23</b> |
|---|-------------|-----------------------------|----------------|
|   |             | <b>----- (Rupees) -----</b> |                |
| <b>Pakistan Stock Exchange Limited</b>  |             |                             |                |
| Opening   |             | <b>10,423,852</b>           | 14,960,209     |
| Unrealized Gain/(Loss) during year  | 10.1.1      | <b>8,671,976</b>            | (4,536,357)    |
| Closing   |             | <b>19,095,828</b>           | 10,423,852     |
| <b>Al Jomaih Power Limited</b>  |             |                             |                |
| Opening   |             | <b>444,982,143</b>          | 165,073        |
| Unrealized (loss) / gain during year  | 10.1.2      | <b>(16,828,460)</b>         | 444,817,070    |
|   |             | <b>428,153,683</b>          | 444,982,143    |
| <b>Total unrealized (loss) / gain during year</b>   |             | <b>(8,156,485)</b>          | 440,280,713    |

## **10.2 Investment in other entity - At amortized cost**

|                         |        |   |           |
|-------------------------|--------|---|-----------|
| Kashaf Foundation PPTFC | 10.2.1 | - | 833,334   |
| Current portion         | 10.2.1 | - | (833,334) |
|                         |        | - | -         |

**10.2.1** The Company in pursuant of scheme of merger, has acquired privately placed term finance certificates (PPTFCs) with the face value of Rupees 10 million. These certificates carry profit equal to 3 month KIBOR plus 2.25% receivable quarterly in arrears with a grace period of one year and will mature in December 2023. The Company holds these certificates in the business model with the objective to collect cash flows (principal and interest) over the term of these certificates till maturity.

| <b>11 LONG-TERM LOANS AND ADVANCES - CONSIDERED GOOD</b> | <b>Note</b> | <b>June-24</b>              | <b>June-23</b> |
|--|-------------|-----------------------------|----------------|
|  |             | <b>----- (Rupees) -----</b> |                |
| <b>Loans and advances to:</b>                            |             |                             |                |
| Employees  | 11.1        | <b>722,344</b>              | 4,310,435      |
| Current maturity shown in current assets                 | 17          | <b>(722,344)</b>            | (4,310,435)    |
| <b>Advance Against Investment</b>                        |             |                             |                |
| Advance Against Investment - Park View REIT scheme       | 11.2        | <b>256,780,000</b>          | -              |
|  |             | <b>256,780,000</b>          | -              |

**11.1** These are given to employees for general purpose in accordance with their terms of employment. The loans and advances are secured against staff provident fund balance.

**11.2** During the period company has purchased 25,678,000 units of Park View REIT scheme at a price of Rs. 10 per unit. However company received securities of Park View Apartment REIT in August 02, 2024 in CDC. The REIT is being managed by Arif Habib REIT Management Company Limited.

## **12 LONG-TERM DEPOSITS AND PREPAYMENTS**

### **Deposits with:**

|   |      |                   |            |
|---|------|-------------------|------------|
| - Pakistan Stock Exchange Limited (PSX)                 | 12.1 | <b>21,611,500</b> | 21,611,500 |
| - National Clearing Company of Pakistan Limited (NCCPL) |      | -                 | -          |
| - Pakistan Mercantile Exchange Limited (PMEX)           |      | <b>4,000,000</b>  | 4,000,000  |
| - Central Depository Company of Pakistan Limited (CDC)  |      | <b>200,000</b>    | 200,000    |
| - Rent deposits against rented premises                 |      | <b>7,359,277</b>  | 5,932,640  |
| - Ijarah deposits                                       |      | -                 | -          |
| - Others  |      | <b>6,537,715</b>  | 8,294,862  |
|   |      | <b>39,708,492</b> | 40,039,002 |

### **Prepayments**

|                                 |      |                   |            |
|---------------------------------|------|-------------------|------------|
| -Impact of expected credit loss | 12.2 | <b>(177,951)</b>  | (177,951)  |
|                                 |      | <b>39,548,541</b> | 39,879,051 |



**12.1** It represents cash deposit with PSX to fulfill the Base Minimum Capital (BMC) requirement in Compliance with clause 19.2 of the Risk Management Regulation of PSX Rule Book.

**12.2 Impact of expected credit loss**

- Rent deposits

|           |           |
|-----------|-----------|
| (177,951) | (177,951) |
|-----------|-----------|

**13 DEFERRED TAX ASSET - NET**

**Deductible temporary differences**

Allowance for expected credit losses

Re-measurement of investments

Losses available for offsetting against future taxable income

-carry forward of minimum tax and ACT

**Taxable temporary differences**

Accelerated tax depreciation / amortization

Lease liability net

| June-24         |   |  |                 |
|-----------------|---|--|-----------------|
| Opening balance | (Charge) / reversal to statement of profit / (loss) | (Charge) / reversal to statement of other comprehensive income | Closing balance |
| Rupees          |   |  |                 |
| 86,445,128      | (40,668,968)  | -  | 45,776,161      |
| 41,263,489      | (38,166,686)  | -  | 3,096,803       |
| 61,966,266      | (30,913,036)  | -  | 31,053,230      |
| (6,462,627)     | 7,004,840   | -  | 542,213         |
| 283,969         | 211,643   | -  | 495,612         |
| 183,496,225     | (102,532,206)                                       | -  | 80,964,019      |

June-23

**Deductible temporary differences**

Allowance for expected credit losses

Re-measurement of investments

Losses available for offsetting against future taxable income

-carry forward of minimum tax and ACT

**Taxable temporary differences**

Accelerated tax depreciation / amortization

Lease liability net

| Opening balance | (Charge) / reversal to statement of profit / (loss) | (Charge) / reversal to statement of other comprehensive income | Closing balance |
|-----------------|---|--|-----------------|
| Rupees          |   |  |                 |
| 98,062,966      | (11,617,838)  | -  | 86,445,128      |
| 29,968,531      | 11,294,958  | -  | 41,263,489      |
| -               | 61,966,266  | -  | 61,966,266      |
| (13,726,665)    | 7,264,038   | -  | (6,462,627)     |
| (16,250,162)    | 16,534,131  | -  | 283,969         |
| 98,054,670      | 85,441,556  | -  | 183,496,225     |

**14 SHORT-TERM INVESTMENTS**

**'At fair value through profit or loss'**

- Quoted Equity Securities

- Term finance certificates - Pace Pakistan Ltd.

14.1 2,186,008,306 2,318,059,059

14.2 - -

2,186,008,306 -

**At amortized cost'**

Privately Placed Term Finance Certificate - Kashaf Foundation.

Term deposit receipts-Habib Metropolitan Bank Limited

14.3 - 833,334

5,500,000 -

5,500,000 833,334

2,191,508,306 2,318,892,393

**14.1 Quoted Equity Securities**

Investment In shares of quoted equity securities

| 2024          |                | 2023          |                |
|---------------|----------------|---------------|----------------|
| Cost          | Carrying value | Cost          | Carrying value |
| Rupees        |                | Rupees        |                |
| 2,206,653,662 | 2,186,008,306  | 2,593,148,987 | 2,318,059,059  |

This includes shares with carrying value of Rs. 159.75 million (2023: 152.97 million) pledged with NCCPL against exposure margin.

## 14.2 Term finance certificates

| 2024                   | 2023  |  | Note   | June-24              | June-23      |
|------------------------|-------|--|--------|----------------------|--------------|
| Number of certificates |       | Name of Investee Company                         |        | ----- (Rupees) ----- |              |
|                        |       | Pace Pakistan Ltd. (Face value Rs. 5,000/- each) |        |                      |              |
| 4,000                  | 4,000 | Opening  |        | 18,147,464           | 18,147,464   |
|                        |       | Less : Sold during the year                      |        | -                    | -            |
|                        |       | Closing  |        | 18,147,464           | 18,147,464   |
|                        |       | Less : Provision for impairment                  | 14.2.1 | (18,147,464)         | (18,147,464) |
| 4,000                  | 4,000 |  |        | -                    | -            |

### 14.2.1 Impairment

|                                 |            |            |
|---------------------------------|------------|------------|
| Opening balance                 | 18,147,464 | 18,147,464 |
| Impairment: balance written off | -          | -          |
|                                 | 18,147,464 | 18,147,464 |

## 14.3 Privately placed term finance certificate - at amortized cost

|   |      |   |         |
|---|------|---|---------|
| Current portion of PPTFC of Kashaf Foundation | 10.2 | - | 833,334 |
|---|------|---|---------|

## 15 TRADE DEBTS

|  | Note | June-24              | June-23       |
|--|------|----------------------|---------------|
|  |      | ----- (Rupees) ----- |               |
| Receivable against purchase of marketable securities - net of provisions |      | 105,974,780          | 191,511,678   |
| Receivable from National Clearing Company of Pakistan Limited            |      | 66,181,660           | -             |
| Inter-bank brokerage   |      | 29,439,610           | 13,718,436    |
| Receivable against consultancy, advisory & underwriting                  |      | 21,518,182           | 24,927,200    |
| Considered good  |      | 223,114,231          | 230,157,314   |
| Considered doubtful  |      | 154,255,406          | 294,493,225   |
|  | 15.1 | 377,369,637          | 524,650,539   |
| Less: Allowance against expected credit loss                             | 15.2 | (154,255,406)        | (294,493,225) |
|  |      | 223,114,231          | 230,157,314   |

**15.1** These receivables include Rs. 105,215 (2023: Rs. 153,800,488) due from the related parties. The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs. 72,909,710 (2023: Rs. 153,800,488).

### 15.2 Reconciliation of provisions against trade debts

|  |               |               |
|--|---------------|---------------|
| Opening balance  | 294,493,225   | 334,554,733   |
| (Reversal) / Allowance against expected credit loss for the year | (78,017,491)  | 142,796,501   |
| Debts written off during the year                                | (62,220,329)  | (182,858,009) |
|  | (140,237,820) | (40,061,507)  |
|  | 154,255,406   | 294,493,225   |

## 16 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

### Deposits:

|                                   |               |               |
|-----------------------------------|---------------|---------------|
| Exposure deposit with -NCCPL      | 3,834,986,346 | 1,053,530,734 |
| Exposure deposit with -PMEX       | 17,657,616    | 10,956,124    |
| Others                            | 2,100,000     | 2,100,000     |
|                                   | 3,854,743,961 | 1,066,586,858 |
| -Impact of expected credited loss | (2,100,000)   | (2,100,000)   |
|                                   | 3,852,643,961 | 1,064,486,858 |

### Prepayments:

|                                      |            |            |
|--------------------------------------|------------|------------|
| Insurance                            | 2,816,449  | 3,623,481  |
| Software development and maintenance | 746,050    | 2,598,050  |
| Rent                                 | 3,729,014  | 3,371,004  |
| Others                               | 4,888,080  | 12,780,622 |
|                                      | 12,179,593 | 22,373,157 |

### Other receivables:

|                                   |               |               |
|-----------------------------------|---------------|---------------|
| Profit on bank deposits           | 3,025,325     | 2,578,731     |
| Rent receivable                   | 16,943,712    | -             |
| Others                            | 14,139,223    | 32,854,003    |
|                                   | 34,108,260    | 35,432,735    |
| -Impact of expected credited loss | (5,248,912)   | (5,248,912)   |
|                                   | 28,859,348    | 30,183,822    |
|                                   | 3,893,682,902 | 1,117,043,837 |

|  |   |                    |  |                      |
|--|---|--------------------|--|----------------------|
| 16.1   | This includes amounts deposited with the Honorable District and Sessions Court Karachi South in the form of Defense Saving Certificates (DSCs) having face value Rs. 2.1 million. These DSCs carry yield of 7.34% per annum and will mature in August 2026 (June 30, 2023 :7.34%). These certificates are in name of ex-employee who, by a letter has accepted to surrender the principal amount and the interest accrued on them to the entity upon maturity.  |                    |  |                      |
| 16.2   | <b>Impact of credit loss</b>  |                    |  |                      |
|  | Deposits  |                    | 2,100,000  | 2,100,000            |
|  | Other receivables   |                    | 5,248,912  | 5,248,912            |
|  |   |                    | <b>7,348,912</b>   | <b>7,348,912</b>     |
| <b>17 LOANS AND ADVANCES</b>                     |   | <b>Note</b>        | <b>June-24</b>   | <b>June-23</b>       |
|  |   |                    | <b>------(Rupees )-----</b>  |                      |
|  | <b>Advances to:</b>   |                    |  |                      |
|  | Current portion of long-term loans and advances to employees and executives   | 11                 | 722,344  | 4,310,435            |
|  | Short term advances to employees against commission & expenses  | 17.1               | 14,847,236   | 28,536,619           |
|  |   |                    | <b>15,569,580</b>  | <b>32,847,054</b>    |
|  | <b>Short term loan to:</b>  |                    |  |                      |
|  | Holding company   | 17.2               | 891,247,505  | 504,578,011          |
|  | Creek Developers (Private) Limited  | 17.3               | 28,074,855   | 5,799,426            |
|  |   |                    | <b>919,322,360</b>   | <b>510,377,437</b>   |
|  | <b>Markup on short term loan to:</b>  |                    |  |                      |
|  | Holding company   | 17.2               | 1,738,822  | 1,326,003            |
|  | Creek Developers (Private) Limited  | 17.3               | 1,024,009  | 15,240               |
|  |   |                    | <b>2,762,830</b>   | <b>1,341,244</b>     |
|  |   |                    | <b>937,654,771</b>   | <b>544,565,734</b>   |
| 17.1   | These represent interest free loans to executives and staff for the purchase of vehicles and for other purposes in accordance with the terms of employment repayable over a year through deduction from salaries. These loans are secured against commission payable and balance of respective employees in Staff Provident Fund of respective employees.   |                    |  |                      |
| 17.2   | The company has reclassified its balance receivable from holding company to short term loan receivable on demand under the authority of a special resolution passed in extra ordinary general meeting of the company held on 28 November 2015 whereby it was resolved that the company may lend its surplus funds to Aqeel Karim Dhedhi Securities (Private) Limited (Holding company). Mark-up on outstanding balance of such loan is 3MK+2% per annum receivable in arrears. The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs. 967,986,986 (2023: Rs. 989,053,990). |                    |  |                      |
| 17.3   | This represents loan provided to Creek Developers Private Limited (a related party) on request and is receivable on demand. This carries mark-up on outstanding balance of 3MK+2% per annum receivable in arrears. The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs.28,074,855 (2023: Rs. 41,770,253).  |                    |  |                      |
| <b>18 CASH AND BANK BALANCES</b>                 |   |                    |  |                      |
|  | <b>Company accounts</b>   |                    |  |                      |
|  | Current accounts  |                    | 19,802,989   | 20,846,789           |
|  | Saving accounts   | 18.1               | 3,250,114  | 3,581,759            |
|  |   |                    | <b>23,053,103</b>  | <b>24,428,548</b>    |
|  | <b>Client accounts</b>  |                    |  |                      |
|  | Current accounts  |                    | 737,922,328  | 829,234,355          |
|  | Saving accounts   | 18.1               | 41,976,720   | 23,419,465           |
|  |   |                    | <b>779,899,048</b>   | <b>852,653,820</b>   |
|  |   |                    | <b>802,952,151</b>   | <b>877,082,369</b>   |
|  | Cash in hand  |                    | 459,678  | 310,432              |
|  | Stamps in hand  |                    | 3,297  | 3,297                |
|  |   |                    | <b>803,415,126</b>   | <b>877,396,098</b>   |
| 18.1   | These carry profit at rates ranging from 4.69% to 20.5% (2023: 3.40% to 19.50%) per   |                    |  |                      |
| <b>19 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b> |   |                    |  |                      |
|  | 89,867,900  | 89,867,900         | Ordinary shares of Rs. 10 each fully paid-up in cash                           | 898,679,000          |
|  | 10,132,100  | 10,132,100         | Ordinary shares of Rs. 10 each fully paid-up as part of the scheme of arranger | 101,321,000          |
|  | 457,834,171   | 457,834,171        | Ordinary shares of Rs. 10 each fully paid-up as part of the scheme of merger   | 4,578,341,710        |
|  | <b>557,834,171</b>  | <b>557,834,171</b> |  | <b>5,578,341,710</b> |
|  | The group has single class of ordinary shares which carry no right to fixed income. The Holders are entitled to receive dividends as declared from time to time and are entitled to single vote at the Company. All shares rank equal with regards to the Company's residual assets.  |                    |  |                      |
| <b>20 LONG-TERM FINANCING - SECURED</b>          |   |                    |  |                      |
|  | Al-Baraka Bank Limited- Diminishing musharakah facility   | 20.1               | 500,000,000  | 500,000,000          |
|  | Less: Current Portion   |                    | (500,000,000)  | -                    |
|  |   |                    | <b>-</b>   | <b>500,000,000</b>   |
| 20.1   | The AKD Securities Ltd obtained a diminishing musharakah facility from Al-Baraka Bank (Pakistan) Limited (ABPL) amounting to Rupees 500 million under mark-up arrangement at the rate of 3 months KIBOR + 2% to be charged and paid on quarterly basis. The principal is repayable quarterly in 2 years including grace period of 1 year. This loan is secured against the equitable mortgage of properties of the sponsor and pledge of shares and personal guarantees of the sponsor and director.  |                    |  |                      |

|                                       | Note | June-24              | June-23      |
|---------------------------------------|------|----------------------|--------------|
|                                       |      | ----- (Rupees) ----- |              |
| <b>21 LEASE LIABILITIES</b>           |      |                      |              |
| Opening                               |      | 43,349,984           | 52,965,412   |
| Additions during the year             |      | 19,306,605           | 17,262,712   |
| Deletions \ Transfers during the year |      | (10,591,916)         | (6,509,280)  |
| Payments made during the year         |      | (16,552,075)         | (20,368,859) |
|                                       |      | 35,512,598           | 43,349,984   |
| Transferred to current maturity       |      | (12,415,406)         | (16,542,970) |
|                                       |      | 23,097,193           | 26,807,015   |

**21.1** The future minimum lease payments to which the company is committed to is as follows:

|   | Not later<br>than one year | Later than one<br>year not later<br>than five years | More than<br>five years |
|---|----------------------------|---|-------------------------|
| <b>As at 30 June 2024</b>                 |                            |   |                         |
| Principal                                 | 12,415,406                 | 23,097,193  | -                       |
| Finance charges allocated to future years | 7,899,168                  | 9,270,409   | -                       |
|   | 20,314,574                 | 32,367,602  | -                       |
| <b>As at June 30, 2023</b>                |                            |   |                         |
| Principal                                 | 16,542,970                 | 26,807,015  | -                       |
| Finance charges allocated to future years | 5,687,038                  | 6,472,779   | -                       |
|   | 22,230,008                 | 33,279,794  | -                       |

This represents present value of multiple lease commitments entered into with financial institutions and individuals for vehicles and office premises having a lease term ranging between 3 to 5 years. When measuring lease liability for office premises, the company discounted lease payments using an estimated incremental borrowing rate of 10% - 24.66%. However, monthly lease rentals of vehicles included finance charge ranging from 17.20% - 23.60% per annum which is used as discounting factor for vehicles.

Taxes, repairs and insurance costs are to be borne by the company. In case of early termination of lease of vehicles, the company shall pay entire amount of rentals for unexpired period of respective lease agreements.

|  | Note | June-24              | June-23       |
|--|------|----------------------|---------------|
|  |      | ----- (Rupees) ----- |               |
| <b>22 TRADE AND OTHER PAYABLES</b>                       |      |                      |               |
| Trade creditors  | 22.1 | 3,622,749,573        | 1,755,799,710 |
| Payable to National Clearing Company of Pakistan Limited |      | 3,170                | -             |
| Accrued liabilities                                      |      | 199,148,989          | 165,736,934   |
| Withholding tax  |      | 48,611,352           | 35,680,901    |
| Provision for Workers' Welfare Fund - Sindh              |      | 49,495,122           | 17,769,394    |
| Payable to Staff Provident Fund                          |      | 11,635,611           | 15,862,590    |
| Unclaimed deposits by clients                            |      | 31,311,642           | 29,132,842    |
| Others   | 22.2 | 227,465,936          | 29,479,786    |
|  |      | 4,190,421,396        | 2,049,462,157 |

**22.1** This includes Rs. 4,380,998 (2023: 16,237,903) payable to related parties.

**22.2** This includes Rs. 7,522,671 (2023: 1,049,453) payable to related parties.

**22.2** This includes clients Capital Gain Tax Payable to NCCPL amounting to Rs.205,320,877 (2023: Nil)

|  | Note | June-24              | June-23     |
|--|------|----------------------|-------------|
|  |      | ----- (Rupees) ----- |             |
| <b>23 SHORT TERM FINANCING- SECURED</b>                    |      |                      |             |
| Loan from Financial Institution                            | 23.1 | -                    | 150,000,000 |
| Current Portion of Loan of Diminishing musharakah facility | 20.1 | 500,000,000          | -           |
|  |      | 500,000,000          | 150,000,000 |



**23.1** This represents long-term financing was obtained from Bank Islami Pakistan Ltd on December 31, 2015. The financing was secured by way of Exclusive Charge over DM Assets along with equitable mortgage over all other commercial properties of the Company as disclosed in note 7. The said financing had been rescheduled according to which company will pay off the financing as a bullet payment in December 2023, keeping other terms and conditions same. The same has been repaid by the company during the current year.

**23.2** The AKD Securities Ltd obtained a diminishing musharakah facility from Al-Baraka Bank (Pakistan) Limited (ABPL) amounting to Rupees 500 million under mark-up arrangement at the rate of 3 months KIBOR + 2% to be charged and paid on quarterly basis. The principal is repayable quarterly in 2 years including grace period of 1 year. This loan is secured against the equitable mortgage of properties of the sponsor and pledge of shares and personal guarantees of the sponsor and director.

## **24 ACCRUED MARK-UP:**

Accrued mark-up

**924,847**

**1,257,863**

## **25 CONTINGENCIES AND COMMITMENTS**

### **25.1 Contingencies:**

**25.1.1** For tax year 2013, an amended assessment order has been passed under section 122(5A) of the Income Tax Ordinance, 2001 by the Additional Commissioner Inland Revenue (ACIR), raised a demand of Rs 17.39 million dated June 28, 2019. In pursuance of such order, Company filed an appeal before CIR-A, Upon Appeal filed, CIR-Appeal maintained the order of ACIR's order vide its order No. 97 dated October 23, 2020. In pursuance of the order of CIR-A, the Company has filed appeal before ATIR which is pending for hearing.

In response to SVPL's Suit filed against Noor Developers (NDPL) & others, as referred in Note 9.2 of the financial statements, Arif Ali Shah Bukhari & Noor Developers filed Suit No.714/2018 against the Company & others. This Suit is basically a counterblast to the criminal and civil proceedings initiated by the Subsidiary Company against Mr. Bukhari and NDPL. The said Suit is inter-alia for cancellation of the Sale Agreement referred in Note 9.2 of the financial statements and for recovery of Rs.275 million along with special damages of Rs.4.355 billion and general damages of Rs.4 billion. In addition, Mr. Arif Ali Shah has filed another Suit (1829/2019) against the Company & others, stating amongst other things that his claim alleged in Suit No.714/2018 is a contingent liability. As per management's view, the claim of Mr. Bukhari is baseless, therefore, it does not required to be disclosed as contingent liability, however, as a matter of abundant caution, the subject case has been disclosed in the financial statements.

As per the opinion of the Company's legal counsel, the assertions made by Mr Bukhari in the suits are not likely to be upheld by the Court and the management based on the opinion of its legal counsel is confident that these Suits are likely to be dismissed by the Honorable Court. However, the said suit has been unconditionally withdrawn by the petitioner.

**25.1.2** The Securities and Exchange Commission of Pakistan served a show cause notice dated 25 February 2016 wherein several alleged contravention of the laws of SECP are leveled against the Company. The Company filed suit against the show cause in the Honourable High Court of Sindh. The Honourable High Court of Sindh via order dated 03 March 2016 directed SECP to refrain from taking any coercive action against the Company in relation to the instant matter. No further progress on the matter has been made during the year. The management and legal counsel of the Company are of the view that ultimate outcome will be in our favour.

**25.1.3** Burj Bank Limited (previously, Dawood Islamic Bank Limited) filed a Suit against the number of brokers including the Company in Sindh High Court on the termination of "Underwriting Agreement" in the year 2008 and prayed to declare the act of the Company as unlawful / unauthorized, to pass judgment for damages to the tune of Rupees 200 million with applicable mark-up at the State Bank Rate, to recover the cost of the Suit and for any other relief. The management and the legal counsel of the Company are confident that the suit will be decided in the favor of the Company; therefore, no provision has been made in these financial statements.

**25.1.4** Order in original No. 23/34/2015 dated 27 June 2015 was passed by the Deputy Commissioner Sindh Revenue Board and demand of Rupees 90,542,868 as sales tax for the tax years 2010 to 2013 has been raised. The Company along with other stock brokers has instituted a Writ Petition before the Honourable Sindh High Court, Karachi, which has been pleased to direct the respondents to restrain from initiating any coercive action against the petitioners (including the Company) on the basis of impugned order till the next date of hearing.

**25.1.5** Return of Income for the tax year 2012 has been selected for tax audit of the Company's income tax affairs under section 177 of the Ordinance by the learned Commissioner Inland Revenue, Zone - 1, Regional Tax Office, Karachi. The Company has filed a Writ Petition under Article 199 of the Constitution of the Islamic Republic of Pakistan, 1973 challenging the vires of selection of case for tax audit of income tax affairs of the company under aforesaid section vide C.P No. D-2867/2014 dated May 27, 2014 which is subjudice before the Honourable Sindh High Court, Karachi. However, the amended assessment order has been passed by the learned Deputy Commissioner Inland Revenue, Audit Unit - 01, Zone - 1, Corporate Regional Tax Office, Karachi vide his order bearing D/C No.15/15 dated April 5, 2017. The Company being dissatisfied of the aforesaid order has instituted an appeal before the Honourable Commissioner Inland Revenue (Appeals - III), Regional Tax Office, Karachi, which is subjudice.

**25.1.6** Return of Income for the tax year 2015 has been selected for tax audit of the Company's income tax affairs under section 177 of the Ordinance. In this regard, the Company has complied with the notices received from the department from time to time and the proceedings are pending. However, at this stage, as per the tax advisor of the Company, it is not possible to assess the outcome of the aforesaid proceedings.

**25.1.7** The Securities and Exchange Commission of Pakistan (SECP) has imposed penalties of Rs. 2,075,000 on the company for contravening the provisions of Anti Money Laundering Regulations & Licensing Regulations. The management of the company has filed an appeal against the order in the Appellate Tribunal of SECP. The hearing of the tribunal is yet to be started but the management is confident that the ultimate outcome will be in favour of the company.

SECP has imposed penalty of Rs. 100,000 on the company for contravening the provisions of Anti Money Laundering Regulations and Licensing Regulations. The management of the company has filed an appeal against the order in the Appellate Tribunal of SECP and the Appellate Tribunal upheld the order of SECP. The Company is filing an appeal with the High Court against the order of the Appellate Tribunal. The management is confident that the ultimate outcome will be in favour of the company.

**25.1.8** For the tax year 2016, an amended assessment order passed under section 122(1) of the Income Tax Ordinance, 2001 by the Deputy Commissioner Inland Revenue (DCIR), raised a demand of Rs. 194,845,167/- dated June 30, 2022. In pursuance of such order, the company filed an appeal before CIR-A, Upon Appeal filed, CIR- Appeal passed appellate order dated December 22, 2022, through which the company was granted partial relief, As a result, the tax payable was reduced from Rs. 194,845,167/- to Rs. 155,682,240/-. That being aggrieved of the appellate order issued by CIR-Appeals, the company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) dated January 13, 2023, against which ATIR granted a stay subsequent to the balance sheet date on August 03, 2023, against recovery of impugned tax demand. However, ATIR has passed the order dated 06-11-2023 by disposing off the case and remand back the case to the assessing officer for fresh proceeding and subsequently the re-examination / re-verification of the facts are now in field and have been responded accordingly. However, no response have been received from the department till yet.

**25.2 Commitments:**

Advance Against Capital Expenditure

| June-24              | June-23     |
|----------------------|-------------|
| ----- (Rupees) ----- |             |
| -                    | 260,700,000 |

**26 OPERATING REVENUE**

Brokerage

1,311,486,635 669,849,832

Financial advisory fee

110,505,201 19,649,575

Underwriting commission

12,736,054 19,417,588

Less: sales tax on services

(165,057,191) (81,556,822)

1,269,670,699 627,360,171

**GAIN ON SALE OF SHORT TERM INVESTMENTS 'AT FAIR VALUE****27 THROUGH PROFIT AND LOSS' - NET**

Quoted equity securities

450,809,086 556,859,349

Debt securities

857,116 5,353,118

451,666,202 562,212,467

**28 MARK-UP / PROFIT ON BANK DEPOSITS AND OTHER INCOME**

Profit on bank deposits

374,299,043 190,340,519

Margin finance income

- 14,074,988

Mark up on loan to related parties

222,378,649 163,975,799

Profit on PPTFCs

52,847 535,884

Custody charges

46,108,269 17,624,353

Others

251,405 234,166

643,090,213 386,785,709

**29 OPERATING AND ADMINISTRATIVE EXPENSES**

Salaries, allowances and other benefits

364,483,929 428,277,209

Commission expense

95,626,267 63,637,227

Rent, rates and taxes

12,507,395 14,963,458

Insurance charges

3,671,525 2,938,122

Depreciation

121,919,782 72,258,868

Amortization of intangible assets

1,789,243 1,337,764

Repairs and maintenance

23,042,346 19,185,070

Power and utilities

36,657,030 20,410,796

Communication

35,547,801 43,682,509

Trading costs

53,275,594 64,317,845

Information technology related cost

13,772,339 23,071,875

Fees and subscription

17,128,847 63,367,834

Director fee

720,000 1,248,000

Printing and stationery

6,658,671 5,017,881

Papers and periodicals

421,984 315,215

Advertisement and business promotion

3,840,450 1,903,198

Sales and marketing

11,859,565 3,376,324

Travelling and conveyance

5,917,276 10,762,131

Entertainment

1,264,251 3,618,201

Legal and professional charges

4,523,229 4,633,850

Auditor's remuneration

6,734,759 5,887,741

Stamp charges

- 4,567

Donations

10,600,000 4,197,000

Workers' welfare fund

33,995,305 7,328,235

Kitchen expenses

8,355,778 7,794,643

Profit -paid to clients

51,144,152 26,508,886

TREC impairment

250,000 1,350,000

Others

1,593,075 1,642,117

927,300,594 903,036,565

**29.1** Salaries, allowances and benefits include company's contribution to provident fund amount to Rs 15.26 million (2023: Rs 17.40 million).

**29.2 Depreciation**

|                        |                    |                   |
|------------------------|--------------------|-------------------|
| Property and equipment | 86,768,441         | 48,414,930        |
| Right-of-use assets    | 17,281,879         | 23,843,938        |
| Investment Property    | 17,869,462         | -                 |
|                        | <b>121,919,782</b> | <b>72,258,868</b> |

**29.3 Auditor's Remuneration (inclusive of sales tax)**

|  |                  |                  |
|--|------------------|------------------|
| Statutory audit                                  | 2,362,640        | 2,362,640        |
| Half yearly review                               | 550,000          | 550,000          |
| Review of compliance with COCG                   | 75,000           | 75,000           |
| Other Certifications                             | 2,738,658        | 2,111,908        |
| Out of pocket expenses and Sales tax on Services | 1,008,461        | 788,193          |
|  | <b>6,734,759</b> | <b>5,887,741</b> |

**29.4** None of the directors or their spouses had any interest in donee. The particulars of the donees are as under

|   |                   |                  |
|---|-------------------|------------------|
| National University of Science & Technology | 5,000,000         | -                |
| Millions Smile Foundation                   | 5,100,000         | 4,197,000        |
| Others                                      | 500,000           | -                |
|   | <b>10,600,000</b> | <b>4,197,000</b> |

**29.5** This relates to share of client in mark-up income earned against their unutilized fund balances in PLS bank accounts of the Company as per the notice no. KSE/N-1479 dated March 17, 2015 of Pakistan Stock Exchange Limited. The gross markup earned is recorded as profit on bank deposits and client share is charged as expense.

|  | Note  | June-24              | June-23             |
|--|-------|----------------------|---------------------|
|  |       | ------(Rupees )----- |                     |
| <b>30 FINANCE COST</b>                     |       |                      |                     |
| Mark-up on:                                |       |                      |                     |
| Long-term loan                             |       | 137,727,532          | 111,046,828         |
| Short-term loan-RF                         |       | -                    | 282,264             |
| Lease liabilities                          |       | 8,249,374            | 5,138,347           |
| Bank charges                               |       | 263,918              | 211,146             |
|  |       | <b>146,240,824</b>   | <b>116,678,584</b>  |
| <b>31 OTHER INCOME</b>                     |       |                      |                     |
| Gain on disposal of property and equipment |       | 5,564,446            | 12,517,722          |
| Mark up staff loan                         |       | -                    | 86,249              |
| Rental Income                              | 7.3.1 | 16,943,712           | -                   |
| Others                                     |       | 5,902,851            | 2,929,068           |
|  |       | <b>28,411,009</b>    | <b>15,533,039</b>   |
| <b>32 LEVIES AND INCOME TAXATION</b>       |       |                      |                     |
| Levy                                       | 32.1  | 4,823,914            | 4,333,174           |
| Taxation                                   | 32.2  | 401,550,472          | (52,005,388)        |
| Net Levy and Taxation charged              |       | <b>406,374,386</b>   | <b>(47,672,214)</b> |

**32.1** This represents final taxes paid under sections 150 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.



## 32.2 TAXATION

|                |                    |                     |
|----------------|--------------------|---------------------|
| Current        |                    |                     |
| for the year   | 313,682,145        | 98,911,519          |
| for prior year | (14,663,880)       | (65,475,354)        |
| Deferred       | 102,532,207        | (85,441,553)        |
|                | <b>401,550,472</b> | <b>(52,005,388)</b> |

**32.3** Income tax assessments of the group have been finalized up to and including the tax year 2023 (income year ended June 30, 2023). Tax returns filed with the revenue authority are deemed to be assessed under the provisions of section 120 of the Income Tax Ordinance, 2001 unless a return is selected for re-assessment by the revenue authority. The Commissioner of Inland Revenue may, at any time during a period of five years from the date of filing of return, select a deemed assessment order for the purpose of issuing an amended assessment order.

## 32.4 Relationship between income tax expense and accounting profit:

|   |                      |                     |
|---|----------------------|---------------------|
| <b>Profit before income and final taxes</b>                   | <b>1,665,608,269</b> | <b>359,083,507</b>  |
| Tax at the applicable rate of 29% (2023 : 29%)                | <b>483,026,398</b>   | 104,134,217         |
| Tax effect of non- deductible expenses                        | <b>(2,336,361)</b>   | 23,798,169          |
| Tax effect of Income at reduced rate                          | <b>(112,035,857)</b> | (21,205,928)        |
| Tax effect of Minimum Tax and Alternative Corporate tax (ACT) | <b>(146,504,142)</b> | (43,740,894)        |
| Exempt Income   | <b>(74,466,201)</b>  | (49,488,114)        |
| Tax effect of prior year charges                              | <b>(14,663,880)</b>  | (65,475,354)        |
| Tax effect of Super Tax u/s 4C                                | <b>92,932,010</b>    | 4,768,116           |
| Others  | <b>180,422,419</b>   | (462,427)           |
|   | <b>406,374,386</b>   | <b>(47,672,214)</b> |

| Note | June-24              | June-23 |
|------|----------------------|---------|
|      | ----- (Rupees) ----- |         |

## 33 EARNINGS PER SHARE-BASIC AND DILUTED

### 33.1 Basic earnings per share

|   |                         |             |
|---|-------------------------|-------------|
| Profit for the year attributable to ordinary shareholders | <b>1,259,233,883</b>    | 406,755,721 |
|   | <b>Number of Shares</b> |             |
| Weighted average number of ordinary shares                | <b>557,834,171</b>      | 519,681,323 |

| Note | June-24              | June-23 |
|------|----------------------|---------|
|      | ----- (Rupees) ----- |         |

|   |             |             |             |
|---|-------------|-------------|-------------|
| <b>Earnings per share - Basic and diluted</b> | <b>33.2</b> | <b>2.26</b> | <b>0.78</b> |
|---|-------------|-------------|-------------|

### 33.2 Diluted earnings per share

Diluted earnings per share has not been presented as the group does not have any convertible instruments in issue as at 30 June 2024 (2023: Nil) which would have any effect on the earnings per share if the option to convert is exercised.

## 34 REMUNERATION OF DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

|                                | 2024                 |                   |                    | 2023                 |                   |                    |
|--------------------------------|----------------------|-------------------|--------------------|----------------------|-------------------|--------------------|
|                                | Chief Executive      | Directors         | Executives         | Chief Executive      | Directors         | Executives         |
|                                | ----- (Rupees) ----- |                   |                    | ----- (Rupees) ----- |                   |                    |
| Managerial remuneration        | 9,000,000            | 9,000,000         | 97,334,304         | 9,000,000            | 9,000,000         | 130,939,290        |
| Fee (note 34.2)                | -                    | 720,000           | -                  | -                    | 1,248,000         | -                  |
| Bonus / commission             | 8,000,000            | 870,686           | 15,751,846         | 3,399,046            | 466,383           | 25,600,252         |
| Contribution to provident fund | 545,496              | 545,496           | 5,431,172          | 545,496              | 545,496           | 6,642,561          |
|                                | <b>17,545,496</b>    | <b>11,136,182</b> | <b>118,517,322</b> | <b>12,944,542</b>    | <b>11,259,879</b> | <b>163,182,103</b> |
| Number of persons              | <b>1</b>             | <b>1</b>          | <b>25</b>          | <b>1</b>             | <b>1</b>          | <b>31</b>          |

- 34.1** Certain executives of the Company are provided Company owned and maintained car.
- 34.2** The fee was paid to the independent Directors for attending the Board of Directors, Audit Committee and HR&R committee meetings of the Company.
- 34.3** The change in Directors' offices during the year has been disclosed in the Statement of Compliance with the Code of
- 34.4** As per the requirement under Regulation 5(4) of Research Analyst Regulation 2015, following are the details of Research Analyst employed by the Company;

|                                | 2024                 | 2023              |
|--------------------------------|----------------------|-------------------|
|                                | ------(Rupees )----- |                   |
| <b>Managerial remuneration</b> | <b>15,659,720</b>    | <b>19,182,750</b> |

All Research Analyst reports to Head of Research who in turn reports to the Chief Executive Officer of the company.

### 35 RELATED PARTY TRANSACTIONS

Related parties comprise of ultimate parent company, major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefit fund, directors, key management personnel and their close family members. Contribution to defined contribution plan (provident fund) are made as per the terms of employment. Remuneration of key management personnel are in accordance with their terms of engagements. Transactions with other related parties are entered into at rates negotiated with them (agreed terms).

The related parties of the group comprise of Ultimate parent company, associated undertakings including companies under common directorship, employee benefit plans and its key management personnel. The balances with related parties as at June 30, 2024 and June 30, 2023 and transactions with related parties during the year ended June 30, 2024 and June 30, 2023 are as follows:

Details of transactions and balances at year end with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

| Relationship with the Group                                  | Nature of transactions / balances                | June-24<br>Rupees | June-23<br>Rupees |
|--|--|-------------------|-------------------|
| <b>Ultimate Parent</b><br>(AKD Group Holding (Pvt.) Limited) | Opening balance/ balance acquired through merger | 505,904,014       | 771,626,846       |
|  | Mark up accrued on loan during the year          | 218,969,493       | 157,454,846       |
|  | Mark up received on loan during the year         | (218,556,675)     | (200,234,151)     |
|  | Rent paid  | (2,949,600)       | (2,949,600)       |
|  | Disbursement during the year                     | 1,229,371,441     | 3,204,139,994     |
|  | Receipts during the year                         | (839,752,346)     | (3,424,133,920)   |
|  | Balance receivable at year end                   | 892,986,327       | 505,904,014       |
| <b>Other Related Parties</b>                                 | Opening balance/ balance acquired through merger | (13,954,114)      | 15,098,510        |
|  | Mark up accrued on loan during the year          | 3,409,156         | 6,520,953         |
|  | Mark up received on loan during the year         | (2,400,388)       | (7,555,736)       |
|  | Rent paid  | (360,000)         | (360,000)         |
|  | Brokerage earned                                 | 3,629,025         | 264,278           |
|  | Company contribution to provident fund           | (15,256,638)      | (17,396,678)      |
|  | Disbursement / adjustments during the year       | 1,637,495,878     | 226,628,085       |
|  | Receipts / adjustment during the year            | (1,576,770,501)   | (237,153,526)     |
|  | Balance payable / receivable at year end         | 35,792,418        | (13,954,114)      |
| <b>Key Personnel</b>   | Brokerage earned                                 | 2,262,683         | 11,632,891        |
|  | Managerial and commission                        | 30,221,271        | 32,379,428        |
|  | Meeting fee                                      | 720,000           | 1,248,000         |
|  | company contribution to provident fund           | 1,283,800         | 1,472,830         |
|  | Balance receivable at year end                   | -                 | 153,798,628       |
|  | Balance payable at year end                      | (1,421,482)       | -                 |

Particulars relating to remuneration of Chief Executive Officer, Directors and Executives who are key management personnel are disclosed in note 34.

### 35.1 RELATED PARTY RELATIONSHIP

Following are the name of associated companies, related parties and associated undertakings with whom the Company had entered into transactions or had agreements in place during the year:

| Name of Related parties  | Relationship  | % equity interest |
|--|---|-------------------|
| AKD Group Holdings (Private) Limited                                   | Ultimate parent company                                   | 95.87%            |
| AKD Investment Management Limited                                      |   |                   |
| Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund | Post Employment Benefit plan of the company<br>Employment | -                 |
| KASB Employess Provident Fund  | Post Employment Benefit plan of the company               | -                 |
| Oil & Gas investments Limited  | Associate   | -                 |
| AKD Capital Limited  | Associate   | -                 |
| DVCOM Limited  | Associate   | -                 |
| Post Amazar (Private) Limited  | Associate   | -                 |
| TMT Ventures Limited   | Associate   | -                 |
| AKD REITS Management company Limited                                   | Associate   | -                 |
| AKD Commodities (Private) Limited                                      | Associate   | -                 |
| Creek Developers (Private) Limited                                     | Associate   | -                 |
| AKD Farms (Private) Limited  | Associate   | -                 |
| AKD Analytics (Private) Limited  | Associate   | -                 |
| AKD-ICA (Private) Limited  | Associate   | -                 |
| Transgas Limited   | Associate   | -                 |
| Mr. Aqeel Karim Dhedhi   | Ultimate Beneficial Owner                                 | -                 |
| Ms. Anum Dhedhi  | Ultimate Beneficial Owner                                 | -                 |
| Ms. Ayesha Dhedhi  | Non-Executive Director                                    | -                 |
| Ms. Hina Junaid  | Non-Executive Director                                    | -                 |
| Ms. Afsheen Dhedhi   | Non-Executive Director                                    | -                 |
| Mr. Tariq Adam Ghumra  | Executive Director  | -                 |
| Mr. Junaid Balaghama Wala  | Spouse of Director  | -                 |
| Mr. Muhammad Farid Alam  | Chief Executive   | -                 |
| Ms. Sadaf Farid  | Spouse of CEO   | -                 |

### 36 PROVIDENT FUND RELATED DISCLOSURE

36.1 The following information is based on latest un-audited Financial Statements of the KASB Employees Provident Fund:

|                                | Note   | Un-Audited<br>2024   | Un-Audited<br>2023 |
|--------------------------------|--------|----------------------|--------------------|
|                                |        | ----- (Rupees) ----- |                    |
| Size of the fund-Net assets    |        | 51,814,146           | 45,419,628         |
| Cost of investments made       |        | 44,830,778           | 37,355,092         |
| Percentage of investments made |        | 95.56%               | 99.95%             |
| Fair value of investments      | 36.1.1 | 49,515,408           | 45,396,793         |

36.1.1 Break-up value of fair value of investments is:

|  | 2024 (Un-Audited) |         | 2023 (Un-Audited) |         |
|--|-------------------|---------|-------------------|---------|
|  | (Rs. )            | %       | (Rs. )            | %       |
| Investments in various Funds / Government Securities | 46,907,381        | 94.73%  | 40,487,382        | 89.19%  |
| Saving accounts                                      | 2,608,026         | 5.27%   | 4,909,411         | 10.81%  |
|  | 49,515,408        | 100.00% | 45,396,793        | 100.00% |

36.1.2 The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose. The above figures are unaudited.

### 36.2 PROVIDENT FUND RELATED DISCLOSURE

The following information is based on latest un-audited Financial Statements of the Aqeel Karim Dhedhi Securities (Private) Limited - Staff Provident Fund:

|                                | Note   | Un-Audited<br>2024   | Un-Audited<br>2023 |
|--------------------------------|--------|----------------------|--------------------|
|                                |        | ----- (Rupees) ----- |                    |
| Size of the fund-Net assets    |        | 341,166,664          | 213,124,096        |
| Cost of investments made       |        | 269,082,900          | 208,847,423        |
| Percentage of investments made |        | 90.11%               | 78.78%             |
| Fair value of investments      | 36.2.1 | 307,421,388          | 167,890,639        |

### 36.2.1 Break-up value of fair value of investments is:

|  | 2024 (Un-Audited)  |                | 2023 (Un-Audited)  |                |
|--|--------------------|----------------|--------------------|----------------|
|  | (Rs. )             | %              | (Rs. )             | %              |
| Investments in various Funds / Government Securities | -                  | 0.00%          | -                  | 0.00%          |
| Saving accounts                                      | 2,728,081          | 0.89%          | 16,362,281         | 9.75%          |
| Term finance certificates (PPTFC)                    | -                  | 0.00%          | 416,667            | 0.25%          |
| Mutual funds units                                   | 75,187,370         | 24.46%         | 25,657,875         | 15.28%         |
| Listed shares  | 229,505,937        | 74.66%         | 125,453,816        | 74.72%         |
|  | <b>307,421,388</b> | <b>100.00%</b> | <b>167,890,639</b> | <b>100.00%</b> |

36.2.2 The above investment / placement of funds has not been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose. These investments / placements shall be regularized in due course. Further, the above figures are unaudited.

## 37 OPERATING SEGMENTS

|   | 2024                 |                    |                   |                      |                       |
|---|----------------------|--------------------|-------------------|----------------------|-----------------------|
|   | Brokerage            | Financial Advisory | Underwriting      | Other Operation      | Total                 |
| Segment revenues  | 1,311,486,635        | 110,505,201        | 12,736,054        | 1,385,897,051        | 2,820,624,941         |
| Administrative and operating expenses (other than depreciation and amortization)                  | (373,640,460)        | (31,482,756)       | (3,628,482)       | (394,839,870)        | (803,591,568)         |
| Impairment on long-term investment - subsidiary (Provision) / reversal against doubtful debts-net | 78,017,491           | -                  | -                 | -                    | 78,017,491            |
| Depreciation  | (56,688,205)         | (4,776,519)        | (550,508)         | (59,904,550)         | (121,919,782)         |
| Amortisation of intangible assets   | (831,932)            | (70,098)           | (8,079)           | (879,134)            | (1,789,243)           |
| Finance cost  | (67,996,593)         | (5,729,359)        | (660,326)         | (71,854,547)         | (146,240,824)         |
| Sales Tax on Services   | (150,878,993)        | (12,712,988)       | (1,465,210)       | -                    | (165,057,191)         |
|   | 739,467,942          | 55,733,480         | 6,423,450         | 858,418,951          | 1,660,043,823         |
| Gain on sale of operating assets  |                      |                    |                   |                      | 5,564,446             |
| Taxation  |                      |                    |                   |                      | (406,374,386)         |
| <b>Profit after taxation</b>  |                      |                    |                   |                      | <b>1,259,233,883</b>  |
| <b>Segment assets</b>   | <b>4,345,237,689</b> | <b>285,907,816</b> | <b>32,951,728</b> | <b>9,547,922,270</b> | <b>14,212,019,504</b> |
| <b>Segment liabilities</b>  | <b>3,940,406,307</b> | <b>26,765,596</b>  | <b>3,084,815</b>  | <b>836,604,616</b>   | <b>4,806,861,334</b>  |

|   | 2023                 |                    |                   |                      |                       |
|---|----------------------|--------------------|-------------------|----------------------|-----------------------|
|   | Brokerage            | Financial Advisory | Underwriting      | Other Operation      | Total                 |
| Segment revenues  | 669,849,832          | 19,649,575         | 19,417,588        | 876,373,812          | 1,585,290,806         |
| Administrative and operating expenses (other than depreciation and amortization)                  | (350,472,101)        | (10,280,853)       | (10,159,475)      | (458,527,503)        | (829,439,932)         |
| Impairment on long-term investment - subsidiary (Provision) / reversal against doubtful debts-net | (137,539,298)        | -                  | -                 | -                    | (137,539,298)         |
| Depreciation  | (30,532,310)         | (895,644)          | (885,070)         | (39,945,844)         | (72,258,868)          |
| Amortisation of intangible assets   | (565,260)            | (16,581)           | (16,386)          | (739,537)            | (1,337,764)           |
| Finance cost  | (49,301,446)         | (1,446,223)        | (1,429,149)       | (64,501,765)         | (116,678,584)         |
| Sales Tax on Services   | (77,062,370)         | (2,260,571)        | (2,233,882)       | -                    | (81,556,822)          |
|   | 24,377,046           | 4,749,702          | 4,693,626         | 312,659,162          | 346,479,537           |
| Gain on sale of operating assets  |                      |                    |                   |                      | 12,517,722            |
| Mark up staff loan  |                      |                    |                   |                      | 86,249                |
| Taxation  |                      |                    |                   |                      | 47,672,214            |
| <b>Profit after taxation</b>  |                      |                    |                   |                      | <b>406,755,721</b>    |
| <b>Segment assets</b>   | <b>2,654,945,930</b> | <b>46,848,692</b>  | <b>46,295,587</b> | <b>8,187,218,440</b> | <b>10,935,308,650</b> |
| <b>Segment liabilities</b>  | <b>1,913,901,879</b> | <b>4,637,816</b>   | <b>4,583,061</b>  | <b>858,105,121</b>   | <b>2,781,227,878</b>  |

## 38 NUMBER OF EMPLOYEES

Average number of employees during the year  
Total number of employees as at year end

| Number |     |
|--------|-----|
| 228    | 256 |
| 221    | 244 |

## 39 FINANCIAL INSTRUMENTS

### Financial Risk Factors

The group's activities expose it to a variety of financial risks: market risk (interest/mark-up rate risk, foreign currency and price risk), liquidity risk and credit risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the group's financial assets and liabilities are limited. The group consistently manages its exposure to financial risk without any material change from previous periods in the manner described in notes below.

The Board of Directors has overall responsibility for the establishment and oversight of group's risk management framework. All treasury related transactions are carried out within the parameters of these policies.



### 39.1 Market risk

Market risk means that the future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, equity prices and interest rates. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The group's market risk comprises of three types of risk: interest/markup rate risk, foreign exchange or currency risk and equity price risk. The market risks associated with the group's business activities are discussed as under:

#### (i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of the financial instruments. As of the balance sheet date, the group is exposed to such risk mainly in respect of bank balances, lease liabilities, short term and long term loan. Effective interest rates on such instruments are disclosed in respective notes to the financial statements.

With 1% increase / (decrease) in the market interest rate, with all other factors remaining constant, would decrease the company's total comprehensive income by Rs. 4.906 million (2023: Rs. 6.699 million).

#### (ii) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of change in foreign exchange rates relates only to the investment in Al Jomaih Power Limited maintained in US dollars amounting to Rs.612.35 million (2023: Rs. 629.17 million) [US dollars 2.2 million (2023: US dollars 2.2 million)].

With 10% increase / (decrease) in the exchange rate between US dollars and Pak Rupees, comprehensive income of the group would have increased / (decreased) by Rs. 61.24 million (2023: Rs. 62.91 million).

#### (iii) Equity price risk

Equity price risk is the risk of volatility in share prices resulting from their dependence on market sentiments, speculative activities, supply and demand for shares and liquidity in the market. The management believes that 10% increase or decrease in the value of investments at fair value through profit and loss, with all other factors remaining constant would result in increase or decrease of the group's profit by Rs. 218.60 million (2023: Rs. 231.81) and 10% of such increase or decrease would result in increase or decrease of unrealized gain on re-measurement of long term investment at fair value through other comprehensive income by Rs. 2.053 million (2023: Rs 1.186 million).

### 39.2 Liquidity risk

Liquidity risk is the risk that an enterprise may encounter difficulty in raising funds to meet commitments associated with financial instruments. The group manages liquidity risk by following internal guidelines of the company executive committee such as monitoring maturities of financial assets and financial liabilities and investing in liquid financial assets.

On the reporting date, the group has liquid asset of Rs. 808.61 million (2023:Rs. 877.63 million), unutilized credit lines nil (2023: nil) to manage the liquidity issues (details of credit facility as under) and liquid assets in the form of short term securities Rs. 2,186 million (2023: 2,318.89 million).

The following are the contractual maturities of financial liabilities, including estimated interest payments:

The table below summaries the maturity profile of the group's financial liabilities:

|                          | 2024                  |                    |   |                    |                      |
|--------------------------|-----------------------|--------------------|---|--------------------|----------------------|
|                          | On Demand             | Up to three months | More than three months and up to one year | More than one year | Total                |
|                          | ----- (Rupees ) ----- |                    |   |                    |                      |
| Long-term loan           | -                     | -                  | -   | -                  | -                    |
| Trade and other payables | 4,141,810,043         | -                  | -   | -                  | 4,141,810,043        |
| Lease liability          | -                     | -                  | 12,415,406                                | 23,097,193         | 35,512,599           |
| Accrued mark-up          | 924,847               | -                  | -   | -                  | 924,847              |
| Short term loan          | -                     | -                  | 500,000,000                               | -                  | 500,000,000          |
|                          | <u>4,142,734,890</u>  | <u>-</u>           | <u>512,415,406</u>                        | <u>23,097,193</u>  | <u>4,678,247,489</u> |

|                          | 2023                 |                    |   |                      |
|--------------------------|----------------------|--------------------|---|----------------------|
|                          | On Demand            | Up to three months | More than three months and up to one year | More than one year   |
|                          | (Rupees )            |                    |   |                      |
| Long-term loan           | -                    | -                  | -   | 500,000,000          |
| Trade and other payables | 2,013,019,208        | -                  | -   | -                    |
| Lease liability          | -                    | -                  | 16,542,970                                | 26,807,015           |
| Accrued mark-up          | 1,257,863            | -                  | -   | -                    |
| Short term loan          | -                    | 150,000,000        | -   | -                    |
|                          | <u>2,014,277,071</u> | <u>150,000,000</u> | <u>16,542,970</u>                         | <u>526,807,015</u>   |
|                          |                      |                    |   | <u>2,707,627,055</u> |

### 39.3 Credit risk

Credit risk is the risk that a party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continuously assessing the credit worthiness of counter parties. The group seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. The table

|   | Note   | June-24              | June-23              |
|---|--------|----------------------|----------------------|
|   |        | (Rupees )            |                      |
| Short term investments in debt securities   |        | 5,500,000            | 833,334.00           |
| Trade debts                                 | 39.3.1 | 377,369,637          | 524,650,539          |
| Bank balances                               | 39.3.2 | 802,952,151          | 877,082,369          |
| Long-term deposits and prepayments          |        | 39,708,492           | 40,039,002           |
| Deposits, prepayments and other receivables |        | 3,881,503,309        | 1,094,670,681        |
| Loans and advances                          |        | 937,654,771          | 544,565,734          |
|   |        | <u>6,301,468,360</u> | <u>3,081,841,659</u> |

39.3.1 The aging analysis of trade debts are as follows:

|                            | 2024               |                    | 2023               |                    |
|----------------------------|--------------------|--------------------|--------------------|--------------------|
|                            | (Rupees )          |                    | (Rupees )          |                    |
|                            | Gross              | Impairment         | Gross              | Impairment         |
| Past due 1 - 30 days       | 145,510,831        | 9,028,396          | 94,328,860         | 18,547,293         |
| Past due 31 - 180 days     | 35,420,152         | 6,186,874          | 108,817,626        | 40,474,922         |
| Past due 181 days - 1 year | 19,967,400         | 5,798,055          | 190,931,403        | 140,823,489        |
| More than one year         | 176,471,253        | 133,242,080        | 130,572,651        | 94,647,521         |
|                            | <u>377,369,637</u> | <u>154,255,405</u> | <u>524,650,539</u> | <u>294,493,225</u> |

39.3.2 The analysis below summarizes the credit quality of the group's bank balances with banks / financial institutions:

|  | 2024               | 2023               |
|--|--------------------|--------------------|
|  | (Rupees )          |                    |
| Rating (short-term) of Banks and Financial Institutions* |                    |                    |
| A-1  | 34,051,195         | 507,981,856        |
| A-1+   | 768,318,379        | 367,519,758        |
| Unrated  | 275,669            | 1,014,658          |
|  | <u>802,645,243</u> | <u>876,516,272</u> |

\*Rating of banks performed by PACRA & JCR - VIS

### 39.4 Financial instruments by categories

| Financial assets as per balance sheet       | As at June 30, 2024                         |                                 |                      |                      |
|---|---|---------------------------------|----------------------|----------------------|
|   | Asset at fair value through profit and loss | Asset at fair value through OCI | Amortized cost       | Total                |
|   | (Rupees )                                   |                                 |                      |                      |
| Long term investment                        | -   | 632,884,468                     | -                    | 632,884,468          |
| Long term deposits                          | -   | -                               | 39,708,492           | 39,708,492           |
| Long term loans an advances                 | -   | -                               | 256,780,000          | 256,780,000          |
| Short term investments                      | 2,186,008,306                               | -                               | 5,500,000            | 2,191,508,306        |
| Trade debts                                 | -   | -                               | 223,114,231          | 223,114,231          |
| Deposits, prepayments and other receivables | -   | -                               | 3,881,503,309        | 3,881,503,309        |
| Loans and advances                          | -   | -                               | 937,654,771          | 937,654,771          |
| Cash and bank balances                      | -   | -                               | 803,411,829          | 803,411,829          |
|   | <u>2,186,008,306</u>                        | <u>632,884,468</u>              | <u>6,147,672,634</u> | <u>8,966,565,407</u> |

#### Financial liabilities as per balance sheet

| As at June 30, 2024                     |                      |
|---|----------------------|
| Financial liabilities at amortized cost |                      |
|   | ----- Rupees -----   |
| Short-term loan-secured                 | 500,000,000          |
| Lease liability                         | 35,512,599           |
| Trade and other payables                | 4,141,810,043        |
| Accrued mark-up                         | 924,847              |
|   | <u>4,678,247,489</u> |

| As at June 30, 2023                         |   |                                 |                      |
|---|---|---------------------------------|----------------------|
| Financial assets as per balance sheet       | Asset at fair value through profit and loss | Asset at fair value through OCI | Amortized cost       |
|   | ----- (Rupees) -----                        |                                 |                      |
| Long term investment                        | -   | 641,040,953                     | -                    |
| Long term deposits                          | -   | -                               | 40,039,002           |
| Short term investments                      | 2,318,059,059                               | 833,334                         | -                    |
| Trade debts                                 | -   | -                               | 230,157,314          |
| Deposits, prepayments and other receivables | -   | -                               | 1,094,670,681        |
| Loans and advances                          | -   | -                               | 544,565,734          |
| Cash and bank balances                      | -   | -                               | 877,392,801          |
|   | <u>2,318,059,059</u>                        | <u>641,874,287</u>              | <u>2,786,825,532</u> |
|   |   |                                 | <u>5,746,758,878</u> |

| As at June 30, 2023                     |                      |
|---|----------------------|
| Financial liabilities at amortized cost |                      |
|   | ----- Rupees -----   |
| Long-term loan-secured                  | 500,000,000          |
| Short-term loan-secured                 | 150,000,000          |
| Lease liability                         | 43,349,984           |
| Trade and other payables                | 2,013,019,208        |
| Accrued mark-up                         | 1,257,863            |
|   | <u>2,707,627,055</u> |

#### 40 CAPITAL RISK MANAGEMENT

The group's objectives when managing capital include :

- Reinforcing group's ability to continue as a going concern in order to provide returns to all its stakeholders with their corresponding risk profiles;
- Maintaining a strong capital base - resulting in enhancement of group's business operations.

In order to maintain the balance of its capital structure, the group may consider adjusting its dividend payouts, controlling non-developmental cash outflows and issuing fresh debt or capital instruments.

The group monitors capital on the basis of the gearing ratio and its related profitability ratios. Gearing is calculated as debt divided by debt plus equity. Debt represents redeemable capital and other long-term borrowings, if any, as shown in the balance sheet. Equity represents paid-up capital of the group, general reserve and unappropriated profit and loss.

Net capital requirements of the group are set and regulated by PSX. These requirements are put in place to ensure sufficient solvency margins and are based on excess of current assets over current liabilities. the group manages its net capital requirements by assessing its capital structure against required capital level on a regular basis.

#### 41 FAIR VALUE OF FINANCIAL INSTRUMENT

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying value and fair value estimates. The carrying values of all the financial assets and liabilities reflected in the financial statements approximate their fair values.

Under the definition of fair value is the presumption that the group is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

#### 41.1 Financial Assets Fair Value Hierarchy

All financial instruments carried at fair value are categorized in three categories defined as follows:

Level 1 - quoted prices in active markets for identical assets.

Level 2 - other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 - techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at year end, the Company held the following financial instruments measured at fair value:

|   |  | 2024                 |               |         |             |
|---|--|----------------------|---------------|---------|-------------|
|   |  | Total                | Level 1       | Level 2 | Level 3     |
|   |  | ----- (Rupees) ----- |               |         |             |
| Financial assets at fair value through profit or loss |  |                      |               |         |             |
| Short Term Investment                                 |  | 2,191,508,306        | 2,191,508,306 | -       | -           |
| Fair value through other comprehensive income         |  |                      |               |         |             |
| Long Term Investment                                  |  | 632,884,468          | 20,533,828    | -       | 612,350,640 |
|   |  | 2023                 |               |         |             |
|   |  | Total                | Level 1       | Level 2 | Level 3     |
|   |  | ----- (Rupees) ----- |               |         |             |
| Financial assets at fair valuethrough profit or loss  |  |                      |               |         |             |
| Short Term Investment                                 |  | 2,318,059,059        | 2,318,059,059 | -       | -           |
| Fair value through othercomprehensive income          |  |                      |               |         |             |
| Long Term Investment                                  |  | 641,874,287          | 11,861,852    | -       | 630,012,434 |

**41.1.1** The company's investment in unquoted shares of Al Jomaih Power Limited (AJPL) incorporated in Cayman Island are valued at its fair value based on the net assets value of the investee company as at June 30, 2023. The reconciliation from the beginning to ending balances for assets measured at fair value using level 3 valuation technique is given below:

|  |  | 2024                 | 2023        |
|--|--|----------------------|-------------|
|  |  | ----- (Rupees) ----- |             |
| Opening balance  |  | 629,179,100          | 184,362,030 |
| Unrealized (loss) / gain arising on re-measurement of long term investment at fair value through OCI |  | (16,828,460)         | 444,817,070 |
| Closing balance  |  | 612,350,640          | 629,179,100 |
| Total outstanding shares   |  | 217,217              | 217,217     |
| NAV per share  |  | 181,706              | 186,700     |
| AKDSL Holding  |  | 3,370                | 3,370       |
| AKDSL % of holding   |  | 1.55%                | 1.55%       |

#### 42 OTHER DISCLOSURES UNDER REGULATION 34(2) OF THE SECURITIES BROKER (LICENSING AND OPERATIONS) REGULATION 2016:

The disclosures under the regulation 34(2), other than disclosed elsewhere in these annual financial statements are as follows:

##### 42.1 Person holding more than 5% of shares

|  |  | 2024         | 2023   | 2024          | 2023        |
|--|--|--------------|--------|---------------|-------------|
|  |  | % of holding |        | No. of shares |             |
| M/s. AKD Group Holdings (Private) Limited (the Parent) |  | 95.87%       | 95.87% | 534,806,196   | 534,806,196 |

**42.2** As at June 30, 2024, the value of shares pledged with financial institutions amounted to Rs. 589.92 million out of which the value of company's shares pledged with banks amounted to Rs. 408.19 million (2023: 579.26) and the value of customer shares maintained with the company pledged with financial institution is Rs. 181.73 million (2023:Rs. 484.83 million).

**42.3** As at June 30, 2024, the value of customer shares maintained with the company sub-Accounts held in the Central Depository company of Pakistan Limited is Rs.60,778.47million (June 30, 2023: Rs. 42,466.88 million).



#### 43 CAPITAL ADEQUACY

Following is the Level of Capital Adequacy as required under clause 6.8.3 of CDC Regulations:

|   | Note | 2024                 | 2023                 |
|---|------|----------------------|----------------------|
|   |      | ----- (Rupees) ----- |                      |
| Total Assets  |      | 14,212,019,504       | 10,935,308,650       |
| Adjustment for Notional value of TRE Certificate                      | 9    | -                    | -                    |
| Less: Total Liabilities   |      | (4,806,861,334)      | (2,781,227,878)      |
| Less: Revaluation Reserves (created upon Revaluation of fixed assets) |      | -                    | -                    |
|   |      | <u>9,405,158,170</u> | <u>8,154,080,772</u> |

43.1 While determining the value of the total assets of the TREC Holder, Notional value of the TRE certificate held by the company as at the year ended June 30, 2024 as determined by Pakistan Stock Exchange has been considered.

#### 44 LIQUID CAPITAL BALANCE

The below statement has been prepared in accordance with regulation 6(3) and schedule III of the Securities Brokers (Licensing and Operations) Regulations, 2016.

| S. No.           | Head of Account   | Value in Pak Rupees | Hair Cut / Adjustments | Net Adjusted Value |
|------------------|---|---------------------|------------------------|--------------------|
| <b>1. Assets</b> |   |                     |                        |                    |
| 1.1              | Property & Equipment  | 1,997,336,272       | 100%                   | -                  |
| 1.2              | Intangible Assets   | 3,155,130,867       | 100%                   | -                  |
| 1.3              | Investment in Govt. Securities  | -                   |                        |                    |
| 1.4              | <b>Investment in Debt. Securities</b>   |                     |                        |                    |
|                  | <b>If listed than:</b>  |                     |                        |                    |
|                  | i. 5% of the balance sheet value in the case of tenure upto 1 year.   |                     |                        |                    |
|                  | ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.  |                     |                        |                    |
|                  | iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.  |                     |                        |                    |
|                  | <b>If unlisted than:</b>  |                     |                        |                    |
|                  | i. 10% of the balance sheet value in the case of tenure upto 1 year.  | 5,500,000           | 550,000                | 4,950,000          |
|                  | ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.   | -                   | -                      | -                  |
|                  | iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.  |                     | -                      | -                  |
|                  | <b>Investment in Equity Securities</b>  |                     |                        |                    |
| 1.5              | i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher. (Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital | 2,169,928,227       | 798,121,899            | 1,371,806,328      |
|                  | ii. If unlisted, 100% of carrying value.  | 612,350,640         | 612,350,640            | -                  |
| 1.6              | Investment in subsidiaries  | -                   | -                      | -                  |
| 1.7              | <b>Investment in associated companies/undertaking</b>   |                     |                        |                    |
|                  | i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.  | 36,613,907          | 9,336,546              | 27,277,361         |
|                  | ii. If unlisted, 100% of net value.   | -                   | -                      | -                  |
| 1.8              | <b>Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.</b>  |                     |                        |                    |
|                  | (i) 100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirements of base minimum capital may be taken in the calculation of LC   | 25,811,500          | 25,811,500             | -                  |
| 1.9              | Margin deposits with exchange and clearing house.   | 3,852,643,961       | -                      | 3,852,643,961      |
| 1.10             | Deposit with authorized intermediary against borrowed securities under SLB.   | -                   |                        |                    |
| 1.11             | Other deposits and prepayments  | 51,752,551          | 51,752,551             | -                  |
| 1.12             | Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)  | 3,023,431           | -                      | 3,023,431          |
|                  | 100% in respect of markup accrued on loans to directors, subsidiaries and other related parties   | 2,762,830           | 2,762,830              | -                  |
| 1.13             | Dividends receivables.  | -                   | 0%                     | -                  |
| 1.14             | Amounts receivable against Repo financing.<br>Amount paid as purchaser under the REPO agreement. ( <b>Securities purchased under repo arrangement shall not be included in the</b>  | -                   | -                      | -                  |
| 1.15             | <b>Advances and receivables other than trade Receivables;</b>   |                     |                        |                    |
|                  | (i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12   | 15,569,580          | -                      | 15,569,580         |
|                  | (ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation .   |                     |                        |                    |
|                  | (iii) In all other cases 100% of net value  | 1,257,064,486       | 1,257,064,486          | -                  |
| 1.16             | <b>Receivables from clearing house or securities exchange(s)</b>  |                     |                        |                    |
|                  | 100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.  |                     |                        |                    |

|      |   |                       |            |                      |
|------|---|-----------------------|------------|----------------------|
|      | <b>Receivables from customers</b>   |                       |            |                      |
|      | i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the finance (iii) market value of any securities deposited as collateral after applying VaR based haircut.   | -                     | -          | -                    |
|      | i. Lower of net balance sheet value or value determined through adjustments.  |                       |            |                      |
|      | ii. Incase receivables are against margin trading, 5% of the net balance sheet value.   |                       |            |                      |
|      | <b>ii. Net amount after deducting haircut</b>   |                       |            |                      |
|      | iii. Incase receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract,  |                       |            |                      |
|      | iii. Net amount after deducting haircut   |                       |            |                      |
|      | iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value.  | 34,583,925            | -          | 34,583,925           |
|      | <b>iv. Balance sheet value</b>  |                       |            |                      |
| 1.17 | v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts.  | 188,425,092           | 84,223,163 | 84,223,163           |
|      | v. Lower of net balance sheet value or value determined through adjustments   |                       |            |                      |
|      | vi. In the case of amount of receivables from related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner;<br>(a) Up to 30 days, values determined after applying var based haircuts.<br>(b) Above 30 days but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher.<br>(c) above 90 days 100% haircut shall be applicable. | 105,215               | 105,215    | -                    |
|      | vi. Lower of net balance sheet value or value determined through adjustments  |                       |            |                      |
|      | <b>Cash and Bank balances</b>   |                       |            |                      |
| 1.18 | i. Bank Balance-proprietary accounts  | 22,746,194            | -          | 22,746,194           |
|      | ii. Bank balance-customer accounts  | 779,899,048           | -          | 779,899,048          |
|      | iii. Cash in hand   | 462,975               | -          | 462,975              |
|      | <b>Subscription money against investment in IPO/ offer for sale (asset)</b>   |                       |            |                      |
| 1.19 | (i)No haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.   |                       |            |                      |
|      | (ii) In case of Investment in IPO where shares have been allotted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities.   |                       |            |                      |
|      | (iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares.  |                       |            |                      |
| 1.20 | <b>Total Assets</b>   | <b>14,211,710,701</b> |            | <b>6,197,185,966</b> |
|      | <b>2. Liabilities</b>   |                       |            |                      |
|      | <b>Trade Payables</b>   |                       |            |                      |
| 2.1  | i. Payable to exchanges and clearing house  | 3,170                 | -          | 3,170                |
|      | ii. Payable against leveraged market products   | -                     |            |                      |
|      | iii. Payable to customers   | 3,622,749,573         | -          | 3,622,749,573        |
|      | <b>Current Liabilities</b>  |                       |            |                      |
| 2.2  | i. Statutory and regulatory dues  | 48,611,352            | -          | 48,611,352           |
|      | ii. Accruals and other payables   | 518,352,400           | -          | 518,352,400          |
|      | iii. Short-term borrowings  | -                     | -          | -                    |
|      | iv. Current portion of subordinated loans   | 500,000,000           |            | 500,000,000          |
|      | v. Current portion of long term liabilities   | 12,415,406            | -          | 12,415,406           |
|      | vi. Deferred Liabilities  |                       |            |                      |
|      | vii. Provision for taxation   | 77,840,901            | -          | 77,840,901           |
|      | viii. Other liabilities as per accounting principles and included in the financial statements   | 3,320,872             | -          | 3,320,872            |

|   |  |                      |            |                      |
|---|--|----------------------|------------|----------------------|
|   | <b>Non-Current Liabilities</b>   |                      |            |                      |
|   | i. Long-Term financing   | 23,097,193           | 23,097,193 | -                    |
|   | ii. Other liabilities as per accounting principles and included in the   |                      |            |                      |
|   | iii. Staff retirement benefits   |                      |            |                      |
| 2.3   | Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases.<br>(b) Nil in all other cases  |                      |            |                      |
|   | <b>Subordinated Loans</b>  |                      |            |                      |
| 2.4   | i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:   |                      |            |                      |
|   | <b>Advance against shares for Increase in Capital of Securities broker:</b>  |                      |            |                      |
|   | 100% haircut may be allowed in respect of advance against shares if:   |                      |            |                      |
| 2.5   | a. The existing authorized share capital allows the proposed enhanced share capital<br>b. Board of Directors of the company has approved the increase in capital<br>c. Relevant Regulatory approvals have been obtained<br>d. There is no unreasonable delay in issue of shares against advance  |                      |            |                      |
| 2.6   | <b>Total Liabilities</b>   | <b>4,806,390,868</b> |            | <b>4,783,293,675</b> |
| <b>3. Ranking Liabilities Relating to :</b> |  |                      |            |                      |
|   | <b>Concentration in Margin Financing</b>   |                      |            |                      |
| 3.1   | The amount calculated client-to- client basis by which any amount receivable from any of the finances exceed 10% of the aggregate of amounts receivable from total finances. (Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million) Note: Only amount exceeding by 10% of each finance from aggregate amount shall be include in the ranking liabilities  |                      | -          | -                    |
|   | <b>Concentration in securities lending and borrowing</b>   |                      |            |                      |
| 3.2   | The amount by which the aggregate of:<br>(i) Amount deposited by the borrower with NCCPL<br>(ii) Cash margins paid and<br>(iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed<br>(Note only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities)  |                      |            |                      |
|   | <b>Net underwriting Commitments</b>  |                      |            |                      |
| 3.3   | (a) in the case of right issues : if the market value of securities is less than or equal to the subscription price;<br>the aggregate of:<br>(i) the 50% of Haircut multiplied by the underwriting commitments and<br>(ii) the value by which the underwriting commitments exceeds the market price of the securities.<br>In the case of rights issues where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment<br>(b) in any other case : 12.5% of the net underwriting commitments |                      |            |                      |
|   | <b>Negative equity of subsidiary</b>   |                      |            |                      |
| 3.4   | The amount by which the total assets of the subsidiary ( excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary  |                      | 161,662    | 161,662              |
|   | <b>Foreign exchange agreements and foreign currency positions</b>  |                      |            |                      |
| 3.5   | 5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency  |                      |            |                      |
| 3.6   | Amount Payable under REPO  |                      |            |                      |



|      |  |  |             |             |
|------|--|--|-------------|-------------|
| 3.7  | <b>Repo adjustment</b>   |  |             |             |
|      | In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities.<br>In the case of finance/seller the market value of underlying securities after applying haircut less the total amount received ,less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser. |  |             |             |
| 3.8  | <b>Concentrated proprietary positions</b>  |  |             |             |
|      | If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security .If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security   |  | 150,045,115 | 150,045,115 |
| 3.9  | <b>Opening Positions in futures and options</b>  |  |             |             |
|      | i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts  |  | -           | -           |
|      | ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met  |  | -           | -           |
| 3.10 | <b>Short sell positions</b>  |  |             |             |
|      | i. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts   |  |             |             |
|      | ii. Incase of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.  |  |             |             |
| 3.11 | <b>Total Ranking Liabilities</b>   |  | 150,206,777 | 150,206,777 |

#### Calculations Summary of Liquid Capital

|  |                      |
|--|----------------------|
| (i) Adjusted value of Assets (serial number 1.20)            | 6,197,185,966        |
| (ii) Less: Adjusted value of liabilities (serial number 2.6) | (4,783,293,675)      |
| (iii) Less: Total ranking liabilities (series number 3.11)   | (150,206,777)        |
|  | <b>1,263,685,514</b> |

#### 45 DATE OF AUTHORISATION

These financial statements have been authorized for issue by the Board of Directors of the Company on October 02, 2024.

#### 46 SUBSEQUENT EVENT AND GENERAL

##### 46 A SUBSEQUENT EVENT

The Board of Directors in its meeting held on October 02, 2024, has recommended a final cash dividend of PKR 2/- per share for the year ended June 30, 2024 to minority shareholders (other than sponsors). This will amount to rupees 46,055,950/- which represents 20% on a minority interest/shares basis. These consolidated financial statements do not reflect the effect of dividend payable.

##### 46 B GENERAL

**46 B.1** Corresponding figures have been rearranged and reclassified, wherever necessary.

**46 B.2** Figures have been rounded off to the nearest Rupees.



Chief Executive Officer



Director



Chief Financial Officer

# PATTERN OF SHAREHOLDING

AS ON 30 JUNE 2024

| No. of Shareholders | From        | To          | Shares Held        | Percentage      |
|---------------------|-------------|-------------|--------------------|-----------------|
| 608                 | 1           | 100         | 9,678              | 0.0017          |
| 3283                | 101         | 500         | 726,463            | 0.1302          |
| 284                 | 501         | 1,000       | 237,525            | 0.0426          |
| 398                 | 1,001       | 5,000       | 1,110,864          | 0.1991          |
| 138                 | 5,001       | 10,000      | 1,100,629          | 0.1973          |
| 57                  | 10,001      | 15,000      | 748,397            | 0.1342          |
| 30                  | 15,001      | 20,000      | 549,978            | 0.0986          |
| 24                  | 20,001      | 25,000      | 558,645            | 0.1001          |
| 13                  | 25,001      | 30,000      | 376,909            | 0.0676          |
| 9                   | 30,001      | 35,000      | 298,620            | 0.0535          |
| 5                   | 35,001      | 40,000      | 197,000            | 0.0353          |
| 7                   | 40,001      | 45,000      | 293,974            | 0.0527          |
| 19                  | 45,001      | 50,000      | 921,940            | 0.1653          |
| 1                   | 50,001      | 55,000      | 51,495             | 0.0092          |
| 5                   | 55,001      | 60,000      | 298,000            | 0.0534          |
| 6                   | 60,001      | 65,000      | 380,400            | 0.0682          |
| 3                   | 70,001      | 75,000      | 218,905            | 0.0392          |
| 2                   | 75,001      | 80,000      | 151,418            | 0.0271          |
| 3                   | 80,001      | 85,000      | 249,146            | 0.0447          |
| 3                   | 85,001      | 90,000      | 265,650            | 0.0476          |
| 4                   | 90,001      | 95,000      | 371,630            | 0.0666          |
| 9                   | 95,001      | 100,000     | 898,000            | 0.1610          |
| 3                   | 100,001     | 105,000     | 303,903            | 0.0545          |
| 2                   | 105,001     | 110,000     | 220,000            | 0.0394          |
| 2                   | 110,001     | 115,000     | 226,752            | 0.0406          |
| 1                   | 130,001     | 135,000     | 131,000            | 0.0235          |
| 1                   | 135,001     | 140,000     | 140,000            | 0.0251          |
| 1                   | 140,001     | 145,000     | 144,000            | 0.0258          |
| 4                   | 145,001     | 150,000     | 597,500            | 0.1071          |
| 2                   | 150,001     | 155,000     | 310,000            | 0.0556          |
| 8                   | 195,001     | 200,000     | 1,597,392          | 0.2864          |
| 1                   | 200,001     | 205,000     | 205,000            | 0.0367          |
| 1                   | 245,001     | 250,000     | 250,000            | 0.0448          |
| 1                   | 265,001     | 270,000     | 270,000            | 0.0484          |
| 1                   | 295,001     | 300,000     | 298,200            | 0.0535          |
| 2                   | 300,001     | 305,000     | 609,500            | 0.1093          |
| 1                   | 320,001     | 325,000     | 325,000            | 0.0583          |
| 1                   | 370,001     | 375,000     | 375,000            | 0.0672          |
| 1                   | 395,001     | 400,000     | 400,000            | 0.0717          |
| 1                   | 445,001     | 450,000     | 450,000            | 0.0807          |
| 2                   | 450,001     | 455,000     | 908,847            | 0.1629          |
| 1                   | 565,001     | 570,000     | 568,000            | 0.1018          |
| 1                   | 590,001     | 595,000     | 593,076            | 0.1063          |
| 1                   | 975,001     | 980,000     | 979,540            | 0.1756          |
| 1                   | 1,305,001   | 1,310,000   | 1,310,000          | 0.2348          |
| 1                   | 1,795,001   | 1,800,000   | 1,800,000          | 0.3227          |
| 1                   | 78,975,001  | 78,980,000  | 78,979,795         | 14.1583         |
| 1                   | 455,825,001 | 455,830,000 | 455,826,400        | 81.7136         |
|                     |             |             | <b>557,834,171</b> | <b>100.0000</b> |

# PATTERN OF SHAREHOLDING

AS ON 30 JUNE 2024

| CATEGORIES OF SHAREHOLDERS   | SHAREHOLDERS | SHARES HELD        | PERCENTAGE    |
|--|--------------|--------------------|---------------|
| <b><u>Directors and their Spouse (s) &amp; Minor Children:</u></b>   |              |                    |               |
| 1. Ms. Hina Junaid (Director)  | 1            | 3,885              | 0.0007        |
| 2. Mr. Muhammad Farid Alam (CEO / Director)  | 1            | 1,295              | 0.0002        |
| 3. Mr. Tariq Ghumra (Director)   | 1            | 1,295              | 0.0002        |
| 4. Mr. Kamal Uddin Tipu (Director)   | 1            | 500                | 0.0001        |
| 5. Mr. Sikander (Director)   | 1            | 5,000              | 0.0009        |
| 6. Ms. Afsheen Aqeel (Director)  | 1            | 500                | 0.0001        |
| 7. Ms. Ayesha Aqeel Dhedhi (Director)  | 1            | 500                | 0.0001        |
|  |              |                    |               |
| <b><u>Associated Companies, Undertaking and Related Parties.</u></b>   | 1            | 534,806,196        | 95.8719       |
| <b><u>Executives.</u></b>  | -            | -                  | -             |
| <b><u>Public Sector Companies and Corporations.</u></b>  | -            | -                  | -             |
| <b><u>Banks, development finance institutions, nonbanking, finance companies, insurance companies, takaful, modarabas and pension funds.</u></b> | 1            | 41,009             | 0.0037        |
| <b><u>Others.</u></b>  | 4,083        | 22,973,991         | 4.1221        |
| <b>Total</b>   | <b>4,092</b> | <b>557,834,171</b> | <b>100.00</b> |

**Shareholders holding 5% or more voting rights in the Company.**

| NAME                                 | SHARES HELD | PERCENTAGE |
|--------------------------------------|-------------|------------|
| AKD Group Holdings (Private) Limited | 534,806,196 | 95.8719%   |


# NOTICE OF 25TH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 25<sup>th</sup> Annual General Meeting (“AGM”) of AKD Securities Limited (“the Company”) will be held on Monday, October 28, 2024 at 1:00 p.m. at the Institute of Chartered Accountants of Pakistan (“ICAP”) Auditorium Hall, Chartered Accountants Avenue, Clifton, Karachi along with audio/video facility to transact the following businesses:

## ORDINARY BUSINESS

1. To confirm the minutes of the Annual General Meeting held on October 28, 2023.
2. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2024 together with the Directors' Report and Auditors' Report thereon.

In accordance with Section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the website of the Company which can be downloaded from the following web link and QR enabled code:

| S.No | URL   | QR Code  |
|------|---|--|
| 1.   | <a href="https://www.akdsl.com/InvestorRelations/AnnualAccounts">https://www.akdsl.com/InvestorRelations/AnnualAccounts</a> |  |

3. To declare and approve final cash dividend at Rs. 2/- i.e 20% per ordinary share of PKR 10/- each, for the year ended June 30, 2024, to minority shareholders (other than sponsor) as recommended by the Board of Directors. The board aims to foster goodwill among minority shareholders by ensuring that smaller investors receives a return on their investments. The sponsor have graciously accepted not to take any dividends this year in order to maintain adequate margins within the company for:
  - (i) Executing large-sized trades to scale up operations
  - (ii) Invest in stocks to earn capital gains
  - (iii) Agility to gain first-mover advantages
  - (iv) Capitalize on opportunities offered by declining interest rates in order to maintain
4. To appoint Auditors of the Company and fix their remuneration for the year ending June 30, 2025. The Board of Directors, on the recommendation of Audit Committee of the Company, has proposed re-appointment of M/s RSM Avais Hyder Liaquat Nauman, Chartered Accountants as external auditors, for the year ending June 30, 2025.
5. To present any other business with the permission of the Chairperson.

By order of the Board



**Dabeer Ullah Shiekh**  
Company Secretary

October 07, 2024



#### Notes:

1. The Share Transfer Books of the Company will remain closed from October 22, 2024 to October 28, 2024 (both days inclusive). Transfers received by the Share Registrar of the Company, M/s THK Associates (Private) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi till the close of business on October 21, 2024 will be treated in time for the purpose of cash dividend and attending the Annual General Meeting.
2. A member entitled to attend, speak and vote at the above meeting may appoint a person/ representative as proxy to attend, speak and vote on his behalf at the Meeting. Proxies in order to be effective must be received at the office of Share Registrar of the Company, THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street-2, D.H.A., Phase VII, Karachi, Pakistan not less than 48 hours before the time of holding of the meeting.
3. **Participation via Physical presence or through video conferencing facility**

In order to comply with the requirement of circular 4 of 2021 issued by the Securities and Exchange Commission of Pakistan, the Company has also arranged the video conference facility for those shareholders who are interested to participate virtually via video link facility.

The shareholders interested in attending the AGM through ZOOM application are requested to get themselves registered on the email: [agm@akdsl.com](mailto:agm@akdsl.com) by providing the information as per below format for registration:

| S. No | Shareholder name | CNIC Number and Copy* | Folio Number | Cell No. | Email Address |
|-------|------------------|-----------------------|--------------|----------|---------------|
|       |                  |                       |              |          |               |

\*along with snapshot of CNIC (both side)

Upon receipt of the above information from interested shareholders, Login credentials will be shared with those shareholders on their email addresses. The login facility will be opened at 30 minutes before the meeting to enable the participants to join the meeting after identification/verification process.

4. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.
5. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
6. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
7. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
8. The proxy shall produce his original CNIC or original passport at the time of the Meeting.

9. Beneficial owners of physical shares and the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies are required to produce their original Computerized National Identity Cards (CNICs) or Passports for identification purpose at the time of attending the meeting. The Proxy Form(s) must be submitted with the Company within the time stipulated (mentioned in note no.2 above), duly signed and witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the Proxy Form(s), along with attested copy(ies) of the CNICs or the Passport(s) of the beneficial owners and the proxy(ies). In case of corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) along with the proxy(ies) Form(s) to the Company.
10. Shareholders are requested to notify any changes in their registered address immediately to the Company's Share Registrar, M/s. THK Associates (Private) Limited.
11. **Notice to Shareholders who have not yet provided CNIC:**

The shareholders who have not yet provided copies of their CNICs are once again advised to provide at earliest the attested copies of their CNICs (if not already provided) directly to our Independent Share Registrar at the address given in note no.1 above.

12. **Distribution of Financial Statement through Email (Optional)**

Pursuant to the provisions of section 223(6) of the Companies Act, 2017, the companies are permitted to circulate their annual financial statements, along with auditor's report, directors' review report etc. ("Annual Report") and the notice of Annual General Meeting ("Notice"), to its shareholders by email. Shareholders, who wish to receive the Company's Annual Report and Notice of Annual General Meeting by email are requested to provide the completed "Electronic Communication Consent Form" (available on the Company's website), to the Company's Share Registrar.

The audited financial statements of the Company for the year ended June 30, 2024 have also been made available on the Company's website.

<https://www.akdsl.com/InvestorRelations/AnnualAccounts>

13. **Electronic Dividend Mandate**

Under Section 242 of the Act, it is mandatory for all listed companies to pay cash dividend to its shareholders through electronic mode directly into the bank account designated by the entitled shareholders. To receive dividend directly into their bank account, shareholders are requested (if not already provided) to fill in the Shareholder Information Form for Electronic Credit of Cash Dividend available on the Company's website and send it duly signed along with a copy of valid CNIC to the Share Registrar, M/s. THK Associates (PVT) Limited, in case of physical shares. In case of shares held in CDC, Electronic Dividend Mandate Form must be directly submitted to shareholder's brokers / participant / CDC account services. In case of non-receipt of information, the Company will be constrained to withhold payment of dividend to Shareholders.

#### 14. Withholding Tax on Dividend

In compliance with Section 150 read with Division I of Part III of the First Schedule of the Income Tax Ordinance, 2001 withholding tax on dividend income will be deducted for “filer” and “non-filer” shareholders at 15% and 30% respectively. A “filer” is a taxpayer whose name appears in the Active Taxpayers List (ATL) issued by the FBR from time to time and a “non-filer” is a person other than a filer. To enable the Company to withhold tax at 15% for filers, all shareholders are advised to ensure that their names appear in the latest available ATL on FBR website, otherwise tax on their cash dividend will be deducted at 30% for non-filers. Withholding tax exemption from the dividend income shall only be allowed if a copy of a valid tax exemption certificate is made available to the Share Registrar, M/s. THK Associates (PVT) Limited, of the Company by the first day of book closure.

#### 15. Unclaimed Dividend

As per the provision of section 244 of the Act, any shares issued, or dividend declared by the Company which have remained unclaimed / unpaid for a period of 3 years from the date on which it was due and payable are required to be deposited with SECP for the credit of Federal Government after issuance of notices to the shareholders to file their claim. The details of the shares issued, and dividend declared by the Company which have remained due for more than 3 years were sent to shareholders.

Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. In case, no claim is lodged with the Company in the given time, the Company shall, after giving notice in the newspaper, proceed to deposit the unclaimed / unpaid amount and shares with the Federal Government pursuant to the provision of Section 244(2) of the Act.

#### 16. Zakat Declaration (CZ-50)

In order to claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarized copy of Zakat Declaration Form “CZ-50” on NJSP of Rs.50/- to the Share Registrar, M/s. THK Associates (PVT) Limited, of the Company by first day of book closure. In case shares are held in scripless form such Zakat Declaration Form (CZ -50) must be uploaded in the CDC account of the shareholder, through their Participant / Investor Account Services.

Further, Non-Muslim Shareholders are also required to file Solemn Affirmation with the Share Registrar of the Company in case shares are held in physical certificates or with CDC Participant / Investor Account Services in case shares are in scripless form. No exemption from deduction of zakat will be allowed unless the above documents complete in all aspects have been made available as above.

### اراکین کیلئے ڈائریکٹرز کی رپورٹ

اے کے ڈی سیکورٹیز لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون، 2024 کو اختتام پذیر ہونے والے سال کیلئے کمپنی کے پڑتال شدہ مالی گوشوارے بشمول آڈیٹر رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔

30 جون، 2024 کو اختتام پذیر مالی سال کے پڑتال شدہ نتائج بمواز نہ گزشتہ سال درج ذیل ہے۔

| 2023             | 2024          |                                |
|------------------|---------------|--------------------------------|
| روپے '000 میں    |               |                                |
| 627,360,171      | 1,269,670,699 | آپریٹنگ محاصل                  |
| 460,229,052      | 1,783,599,746 | آپریٹنگ منافع                  |
| 359,083,507      | 1,665,769,931 | قبل از ٹیکس آمدن اور حتمی ٹیکس |
| 406,755,721      | 1,259,395,545 | بعد از ٹیکس منافع              |
| ----- روپے ----- |               |                                |
| 0.78             | 2.26          | فی حصص آمدن                    |

کمپنی کا آپریٹنگ محاصل 1,269.67 ملین روپے رہا جو گزشتہ سال کے 627.36 ملین روپے کے مقابلہ میں سالانہ بنیادوں پر 102% فیصد زیادہ ہے۔

بروکرئج ڈویژن نے بہتر کارکردگی دکھاتے ہوئے 1,161 ملین روپے کی بروکرئج آمدن حاصل ہوئی (مالی سال 2023 592.79 ملین روپے) جو 96% فیصد اضافہ کو ظاہر کرتا ہے۔

ایکویٹی بروکرئج آپریٹنگ محاصل کا بنیادی عنصر رہا جبکہ منی مارکیٹ اور کموڈٹی بروکرئج سیگمنٹ نے بھی اسی مدت کیلئے متاثر کن نمو کا مظاہرہ کیا۔

مختصر المدت کیلئے سرمایہ کاری پورٹ فولیو نے اچھی کارکردگی دکھائی اور مالی سال 2023 کے 287 ملین کے منافع کے مقابلے میں مالی سال 2024 میں 431 کا منافع کمایا۔

### معاشی جائزہ

مالی سال 2024 میں پاکستان کی معیشت میں استحکام نظر آ رہا ہے جس کی وجہ بنیادی مالی سرپلس، حسابات جاریہ کا کنٹرول خسارہ اور مستحکم شرح مبادلہ ہے۔ حقیقی معیشت کی طرف نظر ڈالیں تو زرعی شعبہ نے غیر معمولی کارکردگی کا مظاہرہ کیا جبکہ بڑی پیداواری صنعتیں بھی نمو کیلئے تیار ہیں۔ جون 2024 میں



سی پی آئی افراط زر تقریباً سنگل ڈیجٹ تک آگئی۔ بیرونی حسابات فعال مالی اور زری پالیسیوں کی بدولت کم درآمدات کی وجہ سے بہتر ہوئے۔ جاری استحکام کو تقویت دینے کیلئے حکومت نے آئی ایم ایف کے ساتھ 37 ماہ 7 بلین ڈالر کا توسیع فنڈ سہولت کا شاف لیول معاہدہ کیا

مالی محاذ پر مالی سال 2024 کیلئے حکومتی محاصل 13.3 ٹریلین تک پہنچ گئے جبکہ مالی خسارہ 7.2 ٹریلین یا جی ڈی پی کے 6.8 فیصد رہا۔ قابل ذکر بات یہ ہے کہ بنیادی توازن بیس سال میں پہلی مرتبہ مثبت رہا جس کی وجہ حکومت کی طرف سے مالی استحکام کے حصول کیلئے کوششیں ہیں۔ مالی سال 2023 کے 825 بلین روپے کے خسارے کے مقابلے میں 953 بلین روپے کا بنیادی سرپلس رہا

مالی سال 2024 میں حسابات جاریہ کا خسارہ کم ہو کر 0.7 بلین ڈالر ہو گیا جبکہ گزشتہ سال یہ خسارہ 3.3 بلین ڈالر تھا۔ ایشیا کی برآمدات میں 11.6 فیصد سالانہ اضافہ ہوا جو 31.1 بلین ڈالر تک پہنچ گئیں جبکہ درآمدات 53.2 بلین ڈالر پر مستحکم رہیں جبکہ مالی سال 2023 میں درآمدات 52.7 بلین ڈالر تھیں۔ نتیجتاً ایشیا کی تجارت کا خسارہ گزشتہ سال کے 24 بلین ڈالر کے مقابلے میں کم ہو کر 22.1 بلین ڈالر تک پہنچ گیا۔ ترسیلات زر میں بھی 10.7 فیصد سالانہ اضافہ ہوا جو مالی سال 2024 میں 30.3 بلین ڈالر سے تجاوز کر گئیں۔

مالی سال 2024 میں جی ڈی پی کی شرح نمو 2.4 فیصد تک پہنچ گئی جس کی وجہ مضبوط پالیسی مینجمنٹ، زرعی کارکردگی میں بہتری اور کثیر الملکی اور دو طرفہ مالی معاونت کی بحالی تھی۔ زرعی شعبہ بالخصوص ترقی کا کلیدی محرک تھا جس کی نمو 19 سالوں میں 6.2 فیصد تک پہنچ گئی۔ صنعتی اور خدمات کے شعبے نے بھی 1.21 فیصد کی معمولی نمو دکھائی۔ فی کس آمدن گزشتہ سال میں 1551 ڈالر کے مقابلے میں 129 ڈالر اضافہ کے ساتھ 1680 ڈالر تک پہنچ گئی جس میں بہتر اقتصادی سرگرمی اور شرح مبادلہ میں اضافہ کی معاونت حاصل رہی۔

#### ایکویٹی مارکیٹ کا جائزہ

حکومت کی طرف سے سخت زری اور مالی پالیسیوں اور اقتدار کی ہموار منتقلی کے دوران بروقت بیرونی ادائیگیوں نے رواں سال مالی سال کے دوران کے ایس ای 100 انڈیکس کی مضبوط کارکردگی میں اہم کردار ادا کیا۔ نتیجتاً ایس ای 100 انڈیکس مالی سال 2003 کے بعد بلند ترین سطح پر آیا اور مالی سال 2024 میں (92.4 فیصد ڈالر کے لحاظ سے) 89.2 فیصد کا بلند ترین منافع کمایا۔ کیپیٹل گین پر حاصل منافع 66.7 فیصد جبکہ منافع منقسمہ کا حصہ 22.4 فیصد رہا۔ قابل ذکر بات یہ ہے کہ روپے کی قدر میں مالی سال 2024 میں 2.7 فیصد اضافہ ہوا جس نے گزشتہ دو سال میں کرنٹ اکاؤنٹ خسارے میں نمایاں اور بیرونی قرضوں میں معمولی کمی کی وجہ سے 51.7% کے مجموعی نقصانات برداشت کیا۔ مزید یہ کہ مارکیٹ کی کارکردگی کے ساتھ حجم میں بھی بہتری آئی جو سالانہ بنیادوں پر 129 فیصد بڑھ کر 597.9 بلین شیئرز تک پہنچ گیا جو تین سال کی بلند ترین سطح ہے۔

شعبہ کی کارکردگی کے تناظر میں پاور، بینک اور فریٹلائزر کے شعبوں نے منافع منقسمہ اور اثاثوں کی کم قدر کی وجہ سے مضبوط منافع حاصل کیا جبکہ ای اینڈ پی کی کارکردگی نے بھی بہتر کیش فلو ظاہر کیا۔ پاور جزییشن نے مالی سال 2024 میں 119 فیصد منافع کمایا جبکہ بینکوں، ای اینڈ پی اور فریٹلائزر کا منافع بلترتیب 115 فیصد، 73 فیصد اور 65 فیصد رہا۔ مالی سال 2024 کے دوران کے ایس ای 100 انڈیکس میں 13,262 پوائنٹس کے ساتھ بینکوں کی کارکردگی سب سے بہتر رہی جس کے بعد فریٹلائزر 5074 پوائنٹس، ای اینڈ پی 4300 پوائنٹس اور پاور 4192 پوائنٹس کے ساتھ نمایاں رہے۔ تاہم ٹیکنالوجی نے

کے ایس ای 100 انڈیکس منفی 52 پوائنٹس کے ساتھ منفی کارکردگی دکھائی۔

سرمایہ کاری کے حوالے سے مالی سال 2024 میں مسلسل دوسرے سال بھی غیر ملکیوں کی طرف سے 140.8 ملین ڈالر کی سرمایہ کی گئی جس میں 157.4 ملین ڈالر کے قرضے شامل نہیں۔ یہ گزشتہ سال کے معمولی خالص سرمایہ کاری کے ساتھ متضاد ہے جو 1.6 ملین امریکی ڈالر تھی جب کرنسی کے دباؤ میں کمی آئی تھی۔ یہ بات قابل ذکر ہے مالی سال 2016 اور مالی سال 2022 کے دوران غیر ملکیوں کی طرف سے سرمایہ کاری میں 2.5 بلین روپے کی گئی۔ مالی سال 2024 میں دیگر شعبوں کے بعد بینکوں میں 59.8 ملین ڈالر کا سب سے زیادہ سرمایہ لگایا گیا۔ فریڈلانڈز میں 36.1 ملین ڈالر اور 18.4 ملین ڈالر کا بلنر تیب سرمایہ لگایا گیا۔ اس کے علاوہ پاور، سیمنٹ، فوڈ، اوایم سیز اور ای اینڈ پی شعبوں میں بالترتیب 16.5 ملین ڈالر، 12.9 ملین ڈالر، 4.4 ملین ڈالر اور 3.3 ملین ڈالر سرمایہ لگایا گیا۔ قابل ذکر بات یہ ہے کہ ٹیکنالوجی کے شعبوں میں بالترتیب 1.3 ملین ڈالر اور 0.8 ملین ڈالر کی سرمایہ کاری کی گئی۔ مالی سال 2024 میں بیمہ کمپنیوں کے مجموعی طور پر 162.0 ملین مالیت کے حصص خریدے گئے۔ اسی دوران دیگر تمام کمپنیوں نے حصص فروخت کئے۔ بینک 141.3 ملین حصص کی فروخت کے ساتھ نمایاں رہے۔ مالی سال 2024 میں انفرادی سرمایہ کاروں، مشترکہ سرمایہ کاری فنڈز دیگر کمپنیوں اور بروکروں نے بالترتیب 59.6 ملین، 46.9 ملین، 33.2 ملین، اور 20.8 ملین امریکی ڈالر مالیت کے حصص فروخت کیے

#### ڈیٹ اور کرنسی مارکیٹ کا جائزہ

مالی سال 2024 میں حسابات جاریہ کا خسارہ بہت تیزی سے کم ہوا اور اسٹیٹ بینک آف پاکستان کے غیر ملکی زرمبادلہ کے ذخائر بھی نمایاں بہتری کے ساتھ جون 2023 میں 4.4 بلین ڈالر سے بڑھ کر 9.0 بلین ڈالر ہو گئے۔ اس کے علاوہ پاکستان نے 7 بلین ڈالر کے توسیع سہولت فنڈ کیلئے آئی ایم ایف کے ساتھ سٹاف لیول معاہدہ طے ہو گیا۔

اسٹیٹ بینک آف پاکستان نے ایک سال تک تاریخ کی بلند ترین شرح سود 22 فیصد تک برقرار رکھنے کے بعد افراط زر کی شرح میں کمی، بیرونی حسابات اور مالیاتی استحکام کی وجہ سے پالیسی ریٹ میں کمی کی۔ ہم توقع کرتے ہیں کہ مالی سال 2025 میں پالیسی ریٹ میں مزید کمی ہوگی کیونکہ سود کی حقیقی شرح تقریباً 800 پی پی ایس مثبت ہے اور حسابات جاریہ کا خسارہ بھی کنٹرول میں ہے۔ آئی ایم ایف کے ساتھ کامیاب معاہدہ سے پاکستان کو دیگر شراکتداروں سے مالی معاونت ملتی رہے گی جو بیرونی ادائیگیوں اور غیر ملکی زرمبادلہ کے ذخائر میں اضافہ کیلئے کافی ہے۔

#### کموڈٹی مارکیٹ کا جائزہ

علاقائی تناؤ اور بے یقینی صورتحال کے باعث کموڈٹیز پورا سال اتار چڑھاؤ کا شکار رہی۔ مشرق وسطیٰ و افریقہ میں تنازعات کے ابتدائی مرحلے کے دوران برینٹ آئل کی قیمتیں 95.5 ڈالر فی بیرل کی بلند ترین سطح پر پہنچ گئیں تاہم سال کے اختتام پر طلب میں کمی اور بڑھتی ہوئی انوشٹریز کے باعث یہ قیمت 86.4 ڈالر فی بیرل پر آگئی۔ مجموعی طور پر بڑے کروڈ پینچ مارکس بشمول ڈبلیو آئی اور عرب لائیٹ سال کے اختتام پر 1.5/88.0 ڈالر فی بیرل کی سطح تک پہنچ گئی جو سالانہ بنیادوں پر 15 اور 12 فیصد زیادہ ہے۔ خلاصہ یہ ہے کہ مسلسل معاشی چیلنجوں کے باوجود عالمی سطح پر مالیاتی نرمی کی توقعات اور اوپیک کی جانب سے سپلائی میں کٹوتیوں کو بڑھانے پر اصرار کے نتیجے میں پیدا ہونے والی سپلائی کی کمی اور اس کے ساتھ علاقائی تنازعات کے باعث مدت کے

اختتام تک تیل کی طلب میں مسلسل اضافہ برقرار رہا۔

عالمی زری پالیسیوں میں نرمی کی روشنی میں ماہ سال 2024 میں سونے کی قیمت 2,438 ڈالر فی ٹرائے اونس کی بلند ترین سطح پر رہی۔ قیمتی دھاتوں کی کشش عام طور پر امریکی ڈالر کی قدر میں کمی کے ساتھ بڑھ جاتی ہے اور اسی رجحان کے تحت اس سال کے اختتام پر سونے کی قیمت 2,440 ڈالر فی ٹرائے اونس پر ہوا جو سالانہ 21 فیصد کا اضافہ ظاہر کرتا ہے۔ جون 2024 تک دیگر بڑی کمیوڈٹیز کی خرید و فروخت کے رجحانات درج ذیل رہے کول 108 ڈالر فی ٹن (5 فیصد اضافہ)، آرائل این جی 13 ڈالر فی ایم ایم بی ٹی یو (5 فیصد اضافہ) یوریا 345 ڈالر فی ٹن (12 فیصد اضافہ)، پی وی سی 850.5 فی ٹن (9 فیصد اضافہ) اور کاٹن 69.8 ڈالر فی آئی بی (16 فیصد اضافہ) شامل ہے۔

### مستقبل کی پیش بینی

افراط زر میں کمی جو تین سال میں پہلی مرتبہ سنگل ڈیجٹ تک آگئی کے تناظر میں اسٹیٹ بینک آف پاکستان کی طرف سے زری پالیسی اقدامات میں نرمی کے تسلسل سے بالخصوص صنعتی اور خدمات کے شعبوں میں اقتصادی سرگرمی بڑھنے کی توقع ہے۔ تاہم پیداواری لاگت میں اضافہ کی وجہ سے زرعی شعبہ کو مشکلات کا سامنا کرنے کا امکان ہے۔ ڈیٹ سروسنگ کی زیادہ لاگت کا باوجود مالی سال 2025 کیلئے ایف بی آر کی ٹیکس وصولی میں سالانہ بنیادوں پر 40 فیصد کے حصول کیلئے کی جانے والی کوششوں کے باعث مالی خسارہ گزشتہ سال کی سطح کے قریب تر رہنے کی توقع ہے۔ بیرونی حسابات کے بھی مستحکم رہنے کی توقع کی جا رہی ہے جس کی وجہ بیرون ملک سے مستحکم تر سیالات زر کی آمد، برآمدات میں اضافہ، آئی ایم ایف توسیع فنڈ سہولت پر وگرام میں شمولیت اور دوست اور ترقیاتی شراکت داروں کی طرف سے معاونت ہے۔ اس کے علاوہ زری پالیسی اقدامات میں جاری نرمی کے باعث فنڈز کی فیکسڈ انکم سے ایکویٹیز میں منتقلی کی وجہ سے پاکستان اسٹاک ایکس چینج کی آئندہ سال میں بہتر کارکردگی کی امید ہے۔

### کارپوریٹ گورننس

ڈائریکٹرز مندرجہ ذیل کے تناظر میں سیکورٹیز اینڈ ایکس چینج کمیشن آف پاکستان (ایس ای سی پی) کے کارپوریٹ اینڈ فنانشل رپورٹنگ فریم ورک کی تعمیل کی تصدیق کرتے ہیں

☆ کمپنی کے کھاتوں کی مناسب کتابیں برقرار رکھی گئی ہیں۔

☆ کمپنی کی طرف سے تیار کردہ مالی نتائج کمپنی کے معاملات، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو شفاف انداز میں پیش کرتے ہیں۔

☆ مالی گوشواروں کی تیاری میں اکاؤنٹنگ کے حوالے سے مناسب پالیسیاں تواتر سے لاگو کی گئی ہیں اور اکاؤنٹنگ کے تخمینہ معقول اور دانشمندانہ فیصلہ کی بنیاد پر لگائے گئے ہیں۔

☆ مالی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق منظور شدہ اکاؤنٹنگ معیارات کمپنیز ایکٹ، 2017 اور کمیشن کی طرف سے جاری ہدایات پر عمل درآمد کیا گیا۔

☆ مالی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق انٹرنیشنل فنانشل رپورٹنگ سٹینڈرڈز پر عمل درآمد کیا گیا

- ☆ انٹرنل کنٹرول کے نظام کو موثر انداز میں نافذ کیا گیا اور اس کا مسلسل جائزہ اور نگرانی کی جارہی ہے۔
- ☆ کمپنی کی مالی حالت مضبوط ہے اور کمپنی کے کاروبار جاری کی صلاحیت پر کسی قسم کے کوئی شک و شبہات نہیں ہیں۔
- ☆ کارپوریٹ گورننس کے بہترین طرز عمل میں کسی بھی مادی حقائق کو حذف نہیں کیا گیا جیسا کہ لسٹنگ ریگولیشنز میں درج ہے۔
- ☆ بورڈ آف ڈائریکٹرز کی تشکیل کو ڈ آف کارپوریٹ گورننس کے بہترین طریقہ کاروں کے مطابق کی گئی ہے۔
- ☆ ایگزیکٹو ڈائریکٹرز کی تعداد منتخب ڈائریکٹرز کے ایک چوتھائی سے زیادہ نہیں۔ بورڈ آف ڈائریکٹرز کی تشکیل کی تفصیلات نیچے دی گئی ہے۔
- ☆ بورڈ آف ڈائریکٹرز نے اس بات کو یقینی بنایا ہے کہ ڈائریکٹرز کی ذمہ داریوں، اختیارات اور کام کے حوالے سے قواعد و ضوابط پر احتیاط کے ساتھ غور کے بعد عمل درآمد کیا گیا۔ اس کے علاوہ کمپنی سیکرٹری، سی ایف او اور ہیڈ آف انٹرنل آڈٹ کی تقرری ضابطہ میں درج تقاضوں کے مطابق کی گئی ہے۔
- ☆ گزشتہ سالوں کے اہم آپریٹنگ اور مالی اعداد و شمار مالی گوشواروں میں بیان کئے گئے ہیں
- ☆ ٹیکسوں، ڈیوٹیوں، لیویز اور چارجز کے حوالے سے کوئی قانونی ادائیگیاں ہیں جو 30 جون، 2024 تک قابل ادا ہیں سوائے ان کے جنہیں مالی گوشواروں میں بیان کیا گیا۔
- ☆ متعلقہ پارٹی کے ساتھ لین دین آڈٹ کمیٹی کے سامنے پیش کئے گئے ہیں اور کمیٹی کی سفارشات کو بورڈ آف ڈائریکٹرز کے سامنے پیش کیا گیا ہے۔
- ☆ بروکر کی طرف سے سال کے دوران ایسی کوئی ٹرانزیکشن نہیں کی گئی جو دھوکہ پر مبنی ہو، غیر قانونی یا سیکورٹیز مارکیٹ کے کسی بھی قانون کی خلاف ورزی میں کی گئی۔
- ☆ کمپنی نے ملازمین کے پروویڈنٹ فنڈ میں 15.27 ملین روپے کی رقم ادا کی ہے۔ کمپنی میں اہل ملازمین کیلئے منظور شدہ کنٹری بیوٹری پروویڈنٹ فنڈ موجود ہے
- ☆ کمپنی کی مالی حیثیت کو متاثر کرنے والے کسی قسم کی مادی تبدیلیاں اور وعدے نہیں کئے گئے جو بیلنس شیٹس کی تاریخ اور ڈائریکٹر رپورٹ کی تاریخ کے درمیان ہوئے ہیں۔

#### بورڈ

مندرجہ ذیل کے مطابق ڈائریکٹرز کی کل تعداد سات (7) ہے۔

مرد: 4

خواتین: 3

بورڈ کی مندرجہ ذیل تشکیل کی گئی

آزاد ڈائریکٹرز: 2

نان ایگزیکٹو ڈائریکٹرز: 3

ایگزیکٹو ڈائریکٹر: 2

چیئر مین اور چیف ایگزیکٹو آفیسر کی حیثیت گورننس کے بہترین طریقہ کار کے مطابق علیحدہ رکھی گئی ہے۔ چیئر مین کا انتخاب نان ایگزیکٹو ڈائریکٹرز کی طرف سے کیا جاتا ہے۔ بورڈ نے اپنے فنکشنز کی کارکردگی میں بورڈ کی معاونت کیلئے ایک علیحدہ آڈٹ کمیٹی اور انسانی وسائل اور معاوضہ کمیٹی تشکیل دی ہے۔ مزید



برآں کوئی بھی ڈائریکٹرسات سے زائد لسٹڈ کمپنیوں میں منتخب یا نامزد نہیں کیا جاتا۔

#### بورڈ اجلاس اور شرکت

سال کے دوران بورڈ آف ڈائریکٹرز کے چار اجلاس منعقد ہوئے۔ کوڈ آف کارپوریٹ گورننس کے تقاضوں کے مطابق اجلاس کے انعقاد کیلئے 7 یوم کا بیٹنگی نوٹس جاری کیا گیا۔ بورڈ اجلاس میں ڈائریکٹرز کی شرکت درج ذیل ہے:

| ڈائریکٹرز کا نام              | 2024 کے دوران منعقدہ اجلاسوں میں شرکت کی دعوت | 2024 کے دوران اجلاس میں شرکت |
|-------------------------------|---|------------------------------|
| حنا جاوید۔ چیئر مین           | 4   | 3                            |
| فرید عالم۔ چیف ایگزیکٹو آفیسر | 4   | 4                            |
| کمال الدین ٹیپو               | 4   | 3                            |
| سکندر قاسم                    | 4   | 4                            |
| عائشہ عقیل ڈھیڈی              | 4   | -                            |
| افشین عقیل                    | 4   | 4                            |
| طارق آدم                      | 4   | 4                            |

\* غیر حاضری سے چھوٹ کی منظوری بورڈ آف ڈائریکٹرز کی طرف سے دی گئی

#### آڈٹ کمیٹی

کوڈ آف کارپوریٹ گورننس کے تقاضوں کے مطابق آڈٹ کمیٹی نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے جس میں چیئر مین ایک آزاد ڈائریکٹر ہوتا ہے۔ کمیٹی کے اجلاس میں ڈائریکٹرز کی شرکت درج ذیل ہے

| ڈائریکٹرز کا نام          | 2024 کے دوران منعقدہ اجلاسوں میں شرکت کی دعوت | 2024 کے دوران اجلاس میں شرکت |
|---------------------------|---|------------------------------|
| کمال الدین ٹیپو۔ چیئر مین | 4   | 3                            |
| عائشہ عقیل ڈھیڈی          | 4   | -                            |
| افشین عقیل                | 4   | 4                            |

\* غیر حاضری سے چھوٹ کی منظوری کمیٹی کی طرف سے دی گئی

انسانی وسائل اور معاوضہ کی کمیٹی

انسانی وسائل اور معاوضہ کی کمیٹی مکمل طور پر نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے جس میں چیئرمین ایک آزاد ڈائریکٹر ہوتا ہے۔ کمیٹی کے اجلاس میں ڈائریکٹرز کی شرکت درج ذیل ہے

| کمیٹی اراکین کا نام  | 2024 کے دوران منعقدہ اجلاسوں میں شرکت کی دعوت | 2024 کے دوران اجلاس میں شرکت |
|----------------------|---|------------------------------|
| سکندر قاسم - چیئرمین | 1   | 1                            |
| عائشہ عقیل ڈھیدی     | 1   | -                            |
| محمد فرید عالم       | 1   | 1                            |

\* غیر حاضری سے چھوٹ کی منظوری کمیٹی کی طرف سے دی گئی

کمپنی کے ڈائریکٹرز، ایگزیکٹوز اور ان کی شریک حیات اور کمسن بچوں کی شیئرز میں ٹریڈنگ

کمپنی کے ڈائریکٹرز، ایگزیکٹوز اور ان کی شریک حیات اور کمسن بچوں نے 30 جون، 2024 کو ختم ہونے والے سال کے دوران کمپنی کے شیئرز میں کوئی ٹریڈنگ نہیں کی سوائے ان کے جو پاکستان اسٹاک ایکس چینج میں درج ہیں

انٹرنل مالیاتی کنٹرول

بورڈ آف ڈائریکٹرز نے کمپنی کے آپریشنز میں موثریت اور اعلیٰ کارکردگی کے حصول، قابل بھروسہ رپورٹنگ اور مربوط قوانین اور ریگولیشنز کی تعمیل کیلئے انٹرنل مالیاتی کنٹرول کا ایک موثر نظام نافذ کیا ہوا ہے۔ انٹرنل آڈٹ باقاعدگی کے ساتھ مالی کنٹرولز پر عمل درآمد کی نگرانی کرتی ہے جبکہ آڈٹ کمیٹی سرماہی بنیادوں پر انٹرنل کنٹرول فریم ورک کی موثریت اور مالی گوشواروں کا جائزہ لیتی ہے۔

کریڈٹ ریٹنگ

وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے AKD کی ریٹنگ AA-/A-1 (ڈبل اے مائنس / اے ون دوبارہ تفویض کی ہے۔ AA- کی ریٹنگ کریڈٹ کے بہتر معیار، مناسب تحفظ کے عوامل اور متعادل رسک کی عکاسی کرتی ہے۔ معیشت میں تبدیلیوں کے ساتھ یہ رسک عوامل مختلف ہو سکتے ہیں۔ A-1 کی قلیل مدتی ریٹنگ بروقت ادائیگی کے اعلیٰ یقین اور بہترین لیکویڈیٹی عوامل کی نشاندہی کرتی ہے جن کی تائید اچھے بنیادی تحفظ کے عوامل اور خطرے کے عوامل معمولی ہیں۔

## مینجمنٹ ریٹنگ

وی آئی ایس ریٹنگ کمپنی لمیٹڈ (وی آئی ایس) نے اے کے ڈی سیکورٹیز کی بروکر مینجمنٹ ریٹنگ کو بی ایم آرون دوبارہ تفویض کی ہے۔ تفویض کردہ ریٹنگ پر آؤٹ لک مثبت ہے۔ ریٹنگ ریگولیٹری پر مضبوط عمل درآمد، مالیاتی انتظام، تعمیل اور رسک کی سطح، مضبوط کسٹمر سروس، ایچ آر اور آئی ٹی انفراسٹرکچر کی نشاندہی کرتی ہے۔ جبکہ مالیاتی انتظام انٹرئل کنٹرول ماحول، تعمیل اور رسک مینجمنٹ اور ریگولیٹری فریم مضبوط سمجھے جاتے ہیں

## بروکر فیڈ پیشری ریٹنگ

وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ (وی آئی ایس) نے بی ایف آر ٹو پلس پلس کی بروکر فیڈ پیشری ریٹنگ دوبارہ تفویض کی ہے۔ تفویض کردہ ریٹنگ کا آؤٹ لک مثبت ہے۔

## انسانی وسائل

کسی بھی ادارے کے ملازمین ریڈ کی ہڈی کی حیثیت رکھتے ہیں۔ اے کے ڈی ایس ایل اپنے ملازمین کی مہارتوں کو نکھارنے، سرمایہ لگانے اور ترقی دینے کے ساتھ ساتھ باصلاحیت افراد کو بھرتی کرنے پر پختہ یقین رکھتی ہے جس کا حتمی مقصد ملازمین کی کارکردگی اور اطمینان کی اعلیٰ سطح کو یقینی بنانا ہے تاکہ صارف کو بھی اعلیٰ سطح کا اطمینان حاصل ہو۔ مینجمنٹ ملازمین کے مقاصد کو کارپوریٹ اہداف کو ہم آہنگ انداز میں سمجھنے اور انہیں مربوط بنانے کیلئے کام جاری رکھے گی۔

## رسک مینجمنٹ

ہمارے کاروبار کبھی بھی خطرات سے مبرا نہیں ہوتے جن میں لیکویڈیٹی، مارکیٹ، کریڈٹ، آپریشنل، قانونی، ریگولیٹری اور ساکھ کو درپیش خطرات شامل ہیں۔ اے کے ڈی ایس ایل کی رسک مینجمنٹ گورننس کا آغاز ہمارے بورڈ سے ہوتا ہے جو رسک مینجمنٹ پالیسیوں اور طریقوں کا جائزہ لینے اور منظوری دینے میں اہم کردار ادا کرتا ہے۔ ہمارا رسک مینجمنٹ فریم ورک اور نظام طویل المدت، معیاری اور مضبوط بنیادوں پر استوار ہے۔ ہمارا یقین ہے کہ موثر رسک مینجمنٹ کمپنی کی کامیابی کیلئے بنیادی اہمیت رکھتا ہے۔ اسی مناسبت سے ہم نے رسک مینجمنٹ کے جامع عمل شروع کیے ہیں جن کے ذریعے ہم اپنی سرگرمیوں کے انعقاد لاحق خطرات کی نگرانی اور جائزہ کے ساتھ ساتھ انتظام کرتے ہیں۔ متعدد لین دین، مصنوعات، کاروبار اور مارکیٹوں میں خطرے کو کنٹرول کرنے کے لیے حدود کا ایک سخت فریم ورک لاگو کیا جاتا ہے۔ اس میں مختلف سطحوں پر کریڈٹ اور مارکیٹ کے خطرے کی حدیں طے کرنا اور ان حدود کی مستقل بنیادوں پر نگرانی کرنا شامل ہے۔

## کارپوریٹ سماجی ذمہ داریاں

اے کے ڈی ایس ایل سماجی طور پر ذمہ دار ادارے کے طور پر فلاح و بہبود کی متعدد سرگرمیوں کے ذریعے معاشرے اور بزنس کمیونٹی میں اپنا کردار جاری رکھے ہوئے۔ اے کے ڈی ایس ایل اپنی کارپوریٹ سماجی ذمہ داری کو پورا کرنے کیلئے پرعزم ہے اور صحت، ماحول اور طبقات کی فلاح و بہبود پر توجہ مرکوز کرنے والے منصوبوں میں اپنی شمولیت جاری رکھے گا۔ ہمارا مقصد مستقبل میں بھی ہم اس طرح کے اہم کاموں میں شمولیت اور کردار جاری رکھنا ہے

قومی خزانے میں حصہ رسد:

دوران مالی سال کمپنی نے انکم ٹیکس، سیلز ٹیکس، دیگر ٹیکس، ڈیوٹیز اور لیویز کی شکل میں قومی خزانے میں 311,828,925 روپے جمع کرائے

مستقبل کا کاروباری جائزہ

کمپنی کے کاروبار کی ترقی کے حوالے سے مستقبل کے امکانات پوری طرح حوصلہ افزاء ہیں جس کی وجہ انتظامیہ کی طرف سے کمپنی کے مارکیٹ شیئر میں مسلسل اضافہ اور اس کے تمام کاروباری حصوں میں وسیع تر شرکت کے ذریعے کی جانے والی کوششیں ہیں۔ کمپنی اپنے موجودہ کلائنٹس کے ساتھ ساتھ مزید ممکنہ غیر ملکی اور ملکی کلائنٹس اپنے تعلقات کو توسیع دے کر اپنی پرمییم سروسز کے ذریعے سے بہتر حجم حاصل کرنے کیلئے کوشاں ہے۔ اس میں کمپنی کی اعلیٰ معیار کی تحقیق کے ذریعے نئی مصنوعات اور خدمات کی پیشکش شامل ہے۔ انتظامیہ نئی ایکویٹی اور ڈی بیٹ لسننگ کی بدولت بڑھتی سرگرمی میں اضافہ بھی دیکھتی ہے جس کے لیے انوسٹمنٹ بینکنگ ڈویژن اچھی طرح سے لیس ہے۔

آڈٹ کمیٹی

آڈٹ کمیٹی بورڈ کی طرف سے منظور کردہ ٹرمز آف ریفرنس کے مطابق موثر انداز میں اپنے فرائض اور ذمہ داریاں نبھا رہی ہے۔

اخلاقیات اور کاروباری طریقے

سیکورٹیز بروکرز لائسنسنگ اینڈ آپریشنز ریگولیشنز 2016 کے تقاضوں کے مطابق کمپنی نے تعمیل کیلئے ”ضابطہ اخلاق“ جاری کیا ہے جس پر کمپنی کے تمام ڈائریکٹرز اور ملازمین نے ضابطہ کو سمجھ بوجھ کر دستخط کئے ہیں۔

متعلقہ پارٹی کے ساتھ لین دین

کمپنی ایکٹ 2017 کے تقاضوں کی تعمیل کرتے ہوئے کمیٹی نے متعلقہ پارٹی کے ساتھ تمام لین دین کے جائزہ اور منظوری کیلئے آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز کے سامنے پیش کئے ہیں۔ آڈٹ کمیٹی اور بورڈ نے اپنے اپنے اجلاسوں میں ان لین دین کی منظوری دی۔ متعلقہ پارٹی کے ساتھ لین دین کی تفصیلات پڑتال شدہ مالی گوشواروں کے نوٹس 35 & 22.1, 17.3, 17.2, 15.1, 8.2, 7.3 میں بیان کی گئی ہیں

ڈائریکٹرز اور چیف ایگزیکٹو آفیسر کا معاوضہ

کمپنی اپنے نان ایگزیکٹو ڈائریکٹرز کو معاوضہ ادا نہیں کرتی۔ آزاد ڈائریکٹرز بورڈ اور اس کی کمیٹی کے اجلاس میں شرکت کیلئے اجلاس فیس کے حقدار ہیں۔ آزاد ڈائریکٹرز کو اجلاس میں شرکت کیلئے ہونے والے سفری، بورڈنگ اور لو جنگ اخراجات، اگر کوئی ہے، کی واپس ادائیگی کی جاتی ہے۔ تمام ڈائریکٹرز اور چیف ایگزیکٹو آفیسر کے معاوضے کی تفصیلات پڑتال شدہ مالی گوشواروں کے نوٹ 34 میں بیان کی گئی ہیں۔

مالی ذمہ داری

کمپنی کی انتظامیہ مالی گوشواروں اور متعلقہ نوٹس کی تیاری کی ذمہ دار ہے۔ ان مالی گوشواروں کا بورڈ آف ڈائریکٹرز کی منظوری سے پہلے آڈٹ کمیٹی کی طرف



سے جائزہ لیا جاتا ہے۔

آڈٹ کمیٹی کا روبرو سے منسلک خطرات کی نگرانی اور انتظام میں بورڈ کی معاونت کرتی ہے جبکہ ان خطرات کو کم کرنے کیلئے انٹرئل کنٹرولز نافذ کیے جاتے ہیں۔ کمیٹی کوڈ آف کارپوریٹ گورننس کے تقاضوں اور بورڈ کی طرف سے منظوری کردہ ٹرمز آف ریفرنس کے مطابق کام کرتی ہے۔ کمیٹی تین نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہوتی ہے جس میں چیئر مین ایک آزاد ڈائریکٹر ہوتا ہے۔ کمیٹی کے سال میں چار اجلاس منعقد ہوئے ہیں۔

انسانی وسائل اور معاوضہ کمیٹی بورڈ کو انسانی وسائل کے انتظام میں معاونت دیتی ہے جس میں مینجمنٹ کے کلیدی اہلکاروں کا انتخاب، جائزہ اور ان کے معاوضہ کا تعین شامل ہے۔ کمیٹی کوڈ آف کارپوریٹ گورننس میں بیان کردہ تقاضوں کے مطابق کام کرتی ہے۔ کمیٹی تین نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے جس کا چیئر مین ایک آزاد ڈائریکٹر ہوتا ہے۔ کمیٹی کا سال کے دوران ایک اجلاس منعقد ہوتا ہے۔

#### ایکسٹرل آڈیٹرز کی تقرری

ایکسٹرل آڈیٹرز میسرز آرایس ایم اولیس حیدر لیاقت نعمان، چارٹرڈ اکاؤنٹنٹس مدت کے اختتام پر سبکدوش ہو گئے۔ آڈٹ کمیٹی کی سفارشات پر بورڈ نے میسرز آرایس ایم اولیس حیدر لیاقت نعمان، چارٹرڈ اکاؤنٹنٹس کی بطور ایکسٹرل آڈیٹر مالی سال 2025 کے لیے دوبارہ تقرری کی توثیق کی۔

#### شیر ہولڈنگ

30 جون، 2024 تک کمپنی کے شیر ہولڈنگ کا پیٹرن اور شیر ہولڈرز کی کیلنگریاں سالانہ رپورٹ کے ساتھ منسلک ہے۔

#### منافع منقسمہ

ڈائریکٹرز 30 جون، 2024 کو ختم ہونے والے سال کیلئے اقلیتی حصص یافتگان کیلئے 2 روپے فی حصص یعنی 20 فیصد کے حتمی نقد منافع منقسمہ تجویز کرنے میں خوشی محسوس کرتے ہیں۔

#### اظہار تشکر

اے کے ڈی سیکورٹیز لمیٹڈ کے بورڈ آف ڈائریکٹرز کمپنی کی بہتری اور ترقی کیلئے تمام سٹیک ہولڈرز اور کمپنی کے ملازم سے ان کی کوششوں اور کردار کا اعتراف کرتے ہوئے ان سے اظہار تشکر کرتے ہیں۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر

کراچی: 2 اکتوبر، 2024

## حتمی مالی نتائج پر ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز 30 جون، 2024 کو ختم ہونے والے سال کیلئے AKD سیکورٹیز لمیٹڈ اور اس کی زیر ملکیت ذیلی کمپنی اسٹرکچرڈ ونچر (پرائیویٹ) لمیٹڈ کے حتمی مالی نتائج پر رپورٹ پیش کرتے ہیں۔

30 جون، 2024 کو ختم ہونے والے زیر جائزہ سال کیلئے گروپ کے حتمی مالی نتائج کا خلاصہ درج ذیل ہے۔

| 2023             | 2024      |                                |
|------------------|-----------|--------------------------------|
| روپے '000 میں    |           |                                |
| 627,360          | 1,269,671 | آپریٹنگ آمدن                   |
| 460,229          | 1,783,438 | آپریٹنگ منافع                  |
| 359,084          | 1,665,608 | قبل از ٹیکس آمدن اور حتمی ٹیکس |
| 406,756          | 1,259,234 | بعد از ٹیکس منافع              |
| ----- روپے ----- |           |                                |
| 0.78             | 2.26      | فی حصص آمدن                    |

ایکویٹی میں تبدیلیوں کا خلاصہ


مالی سال میں گروپ کا بعد از ٹیکس منافع مالی سال 2023 کے 406.76 ملین روپے کے بعد از ٹیکس منافع یعنی 0.78 روپے فی حصص آمدنی کے مقابلے میں 1,259 ملین روپے یعنی 2.26 روپے فی حصص آمدنی رہا۔

شیئر ہولڈنگ کا پیٹرن

30 جون، 2024 تک شیئر ہولڈنگ کا پیٹرن اور کارپوریٹ گورننس کے ضابطہ کے تحت درکار اس کا اظہار رپورٹ کے ساتھ منسلک ہے۔

بورڈ آف ڈائریکٹرز کی طرف سے

  
ڈائریکٹر

  
چیف ایگزیکٹو آفیسر

کراچی: 02 اکتوبر، 2024

# پراکسی فارم

پچیسواں سالانہ اجلاس عام

## اے۔ کے۔ ڈی سیکیورٹیز لمیٹڈ

کمپنی سیکرٹری  
اے کے ڈی سیکیورٹیز لمیٹڈ  
سوئیٹ 602، کانٹینٹل ٹریڈ سینٹر  
بلاک 8 کلفٹن، کراچی-75600 پاکستان

میں / ہم \_\_\_\_\_ ولد / بیٹی / بیوی \_\_\_\_\_ شناختی کارڈ نمبر \_\_\_\_\_ ساکن \_\_\_\_\_ اے۔ کے۔ ڈی سیکیورٹیز لمیٹڈ  
کے رکن / اراکین ہیں، اور \_\_\_\_\_ عمومی حصص رکھتے ہیں، بذریعہ ہذا \_\_\_\_\_ ولد / بیٹی / بیوی \_\_\_\_\_ شناختی کارڈ نمبر \_\_\_\_\_  
یا ان کی عدم موجودگی کی صورت میں \_\_\_\_\_ ولد / بیٹی / بیوی \_\_\_\_\_ جو خود بھی اے۔ کے۔ ڈی سیکیورٹیز لمیٹڈ کا رکن ہے / کو بطور مختار پراکسی مقرر کرتا / کرتی  
ہوں تاکہ وہ میری جگہ اور میری طرف سے کمپنی کے پچیسویں سالانہ اجلاس عام جو 28 اکتوبر، 2024 بروز پیر 1:00 بجے انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان اوڈینور سیم ہال  
چارٹرڈ اکاؤنٹنٹس ایونیو کلفٹن کراچی میں آڈیو ویڈیو اور / یا اس کے کسی ملتی شدہ نشست میں میری / ہماری طرف سے شرکت کر سکیں گے اور ووٹ ڈال سکیں گے۔

دستخط مورخہ \_\_\_\_\_ برائے ماہ \_\_\_\_\_ 2024 ثبت ہیں

|        |       |       |       |
|--------|-------|-------|-------|
| گواہان | _____ | _____ | _____ |
| 1      | _____ | _____ | _____ |
| 2      | _____ | _____ | _____ |

دستخط بعوض 10 روپے ریونیو اسٹیٹمنٹ پر دستخط

دستخط کمپنی میں رجسٹرڈ نمونے کے دستخط کے مطابق ہونے چاہئے

اہم نکات:

1. رکن سے درخواست کی جاتی ہے:  
(a) اوپر نشان کردہ جگہ پر 10 روپے کارپوریٹ اسٹیٹمنٹ چسپاں کیا جائے  
(b) ریونیو اسٹیٹمنٹ پر کمپنی رجسٹرڈ دستخط کے نمونے کے مطابق دستخط کئے جائیں اور  
(c) اپنا فلیو نمبر لکھیں
2. یہ پراکسی فارم اجلاس سے 48 گھنٹے قبل تک کمپنی کے شیئر رجسٹر آفس میں مکمل پورہ پڑا اور دستخط کے ساتھ موصول ہو جانا چاہیئے
3. کوئی بھی شخص اس وقت پراکسی کے طور پر کام کرے گا جب وہ خود کمپنی کا ایک رکن ہو، ماسوائے کارپوریشن کے جو کسی ایسے شخص کا تقرر کر سکتی ہے جو کمپنی کا رکن نہ ہو۔
4. سی ڈی سی حصص یافتگان یا ان کی پراکسیوں کو اپنی شناخت ظاہر کرنے کیلئے اپنے ساتھ اصل کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ مع پارٹیسپینٹ آئی ڈی نمبر اور اپنے اکاؤنٹ نمبر لانا لازمی ہے۔

**FORM OF PROXY  
TWENTY-FIFTH ANNUAL GENERAL MEETING**



AKD Securities Limited

The Company Secretary  
AKD Securities Limited  
Suite-602, Continental Trade Centre, Block 8 Clifton,  
Karachi - 75600 Pakistan.

I / We \_\_\_\_\_ S/o, D/o, W/o \_\_\_\_\_ Holding CNIC  
# \_\_\_\_\_ Resident of \_\_\_\_\_  
being member(s) of AKD Securities Limited holding \_\_\_\_\_  
\_\_\_\_\_ ordinary shares hereby appoint Name  
\_\_\_\_\_ S/o, D/o, W/o \_\_\_\_\_ who is/are also member(s) of  
AKD Securities Limited as my/our proxy in my/our absence to attend and vote for me/us and on  
my/our behalf at the Twenty-Fifth Annual General Meeting of the AKD Securities Limited to  
beheld on Monday October 28, 2024 1:00 pm at the institute of Chartered Accountants of Pakistan  
(ICAP), Auditorium Hall, Chartered Accountants Avenue, Clifton, Karachi along with audio/video  
facility and/or any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

Witness

1. \_\_\_\_\_

2. \_\_\_\_\_

Shareholder Folio No. \_\_\_\_\_  
Or  
CDC Participant ID No. \_\_\_\_\_  
&  
Sub Acct. No. \_\_\_\_\_

|  |
|--|
|  |
|  |
|  |

Signature on  
Ten Rupees  
Revenue Stamp



The Signature should agree with the  
specimen registered with the  
Company's Registrar

Notes:

1. The Member is requested:
  - a. To affix the revenue stamp of Rs. 10 at the place indicated above;
  - b. To sign across the revenue stamp in the same style of signature as is registered with company's registrar; and
  - c. to write down his folio number.
2. This proxy form, duly complete and signed, must be received at the office of our registrar not later than 48 hours before time of the meeting.
3. No person shall as a proxy unless he/she himself him/herself is the member of the company, except that a corporate body may appoint person who is not a member.
4. CDC shareholders and their proxies should bring their original Computerized National Identity Card or Passport along with the Participant's ID Number and their account number to facilitate their identification.





AKD Securities Limited



[info@akdsl.com](mailto:info@akdsl.com) | [www.akdsl.com](http://www.akdsl.com) | +92 21 111 253 111



Suite-602, Continental Trade Centre, Block 8 Clifton, Karachi - 75600 Pakistan.