

**KP SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2024**

|                                   |             | <b>31-Dec-24</b>  | <b>30-Jun-24</b>  |
|-----------------------------------|-------------|-------------------|-------------------|
|                                   |             | <b>Un-Audited</b> | <b>Audited</b>    |
|                                   | <b>Note</b> | <b>Pak Rupees</b> |                   |
| <b>Non-Current Assets</b>         |             |                   |                   |
| Property and equipment            | 7           | 125,487           | 149,091           |
| Intangible asset                  | 8           | 2,500,000         | 2,500,000         |
| Long-term investments             | 9           | 38,381,663        | 38,381,663        |
| Long-term deposits                | 10          | -                 | 100,000           |
|                                   |             | 41,007,150        | 41,130,754        |
| <b>Current Assets</b>             |             |                   |                   |
| Loan and advances                 | 11          | 7,150,469         | 8,877,005         |
| Deposits                          | 12          | -                 | 310,596           |
| Short term investment             |             | 1,564,018         | 23,422            |
| Income tax - net                  | 13          | 593,361           | 592,839           |
| Cash and bank balances            | 14          | 32,645            | 36,373            |
|                                   |             | 9,340,493         | 9,840,235         |
|                                   |             | <u>50,347,643</u> | <u>50,970,989</u> |
| <b>Equity and Liabilities</b>     |             |                   |                   |
| <b>Share capital and reserves</b> |             |                   |                   |
| Share capital                     | 15          | 37,419,100        | 37,419,100        |
| Unappropriated profit             |             | 12,672,233        | 13,318,091        |
|                                   |             | 50,091,333        | 50,737,191        |
| <b>Current Liabilities</b>        |             |                   |                   |
| Trade and other payables          | 16          | 256,310           | 233,798           |
| Provision for taxation            | 17          | -                 | -                 |
|                                   |             | 256,310           | 233,798           |
| Contingencies and commitments     | 18          | -                 | -                 |
|                                   |             | <u>50,347,643</u> | <u>50,970,989</u> |

The annexed notes from 1 to 29.1 form an integral part of these financial statements.

  
**Chief Executive Officer**

  
**Director**

**KP SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                       |             | <b>31-Dec-24</b>              | <b>30-Jun-24</b>      |
|---------------------------------------|-------------|-------------------------------|-----------------------|
|                                       |             | <b>Un-Audited</b>             | <b>Audited</b>        |
|                                       | <b>Note</b> | <b>----- Pak Rupees -----</b> |                       |
| Revenue                               |             | 26,001                        | -                     |
| Unrealized gain/(loss) on investments |             | -                             | 946,796               |
|                                       |             | <u>26,001</u>                 | <u>946,796</u>        |
| Operating and administrative expenses | 19          | <u>(1,689,905)</u>            | <u>(2,763,759)</u>    |
| Operating profit                      |             | <u>(1,663,904)</u>            | <u>(1,816,963)</u>    |
| Bank charges                          |             | -                             | -                     |
| Other income and losses               | 20          | <u>1,195,570</u>              | <u>2,495,508</u>      |
| Profit before taxation                |             | <u>(468,334)</u>              | <u>678,545</u>        |
| Tax expense                           | 21          | <u>(177,524)</u>              | <u>(363,359)</u>      |
| Profit for the year                   |             | <u><u>(645,858)</u></u>       | <u><u>315,187</u></u> |

The annexed notes from 1 to 29.1 form an integral part of these financial statements.

Chief Executive Officer



Director



**KP SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                                | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|------------------------------------------------|-------------------------|----------------------|
| Note                                           | ----- Pak Rupees -----  |                      |
| Profit for the year                            | (645,858)               | 315,187              |
| Other comprehensive income                     | -                       | -                    |
| Total comprehensive income/(loss) for the year | <u>(645,858)</u>        | <u>315,187</u>       |

The annexed notes from 1 to 29.1 form an integral part of these financial statements.




**Chief Executive Officer**




**Director**

**KP SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                                | Share Capital          | Advance against<br>issuance of share<br>capital | Unappropriated<br>profit/(loss) -<br>Revenue Reserve | Total      |
|------------------------------------------------|------------------------|-------------------------------------------------|------------------------------------------------------|------------|
|                                                | ----- Pak Rupees ----- |                                                 |                                                      |            |
| <b>Balance as at 30 June 2023</b>              | 37,419,100             |                                                 | 13,002,905                                           | 50,422,005 |
| Profit/(loss) for the year                     | -                      | -                                               | 315,187                                              | 315,187    |
| Advance against of issuance of share capital   | -                      |                                                 | -                                                    | -          |
| Other comprehensive income/(loss) for the year | -                      | -                                               | -                                                    | -          |
| <b>Balance as at 30 June 2024</b>              | 37,419,100             |                                                 | 13,318,092                                           | 50,737,192 |
| Profit/(loss) for the year                     | -                      | -                                               | (645,858)                                            | (645,858)  |
| Other comprehensive income/(loss) for the year | -                      | -                                               | -                                                    | -          |
| <b>Balance as at 31 December 2024</b>          | 37,419,100             | -                                               | 12,672,234                                           | 50,091,334 |

The annexed notes from 1 to 29.1 form an integral part of these financial statements.

  
**Chief Executive Officer**

  
**Director**

**KP SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                                                             | Note | 31-Dec-24<br>Un-Audited<br>----- Pak Rupees ----- | 30-Jun-24<br>Audited<br>----- |
|-----------------------------------------------------------------------------|------|---------------------------------------------------|-------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                 |      |                                                   |                               |
| Loss before taxation                                                        |      | (468,334)                                         | 678,545                       |
| Adjustments:                                                                |      |                                                   |                               |
| Depreciation and impairment                                                 |      | 28,323                                            | 28,323                        |
| Interest Income                                                             |      | (12,075)                                          | (39,700)                      |
| Finance cost                                                                |      | -                                                 | -                             |
| Dividend income                                                             |      | (1,183,495)                                       | (2,422,391)                   |
| Unrealized Gain                                                             |      | -                                                 | (946,796)                     |
| Operating cash flow before working capital changes                          |      | (1,635,581)                                       | (2,702,019)                   |
| <b>Changes in:</b>                                                          |      |                                                   |                               |
| Advances and other receivables                                              |      | 1,726,536                                         | 676,140                       |
| Deposits and prepayments                                                    |      | 310,596                                           | (9,995)                       |
| Other                                                                       |      | -                                                 | -                             |
| Trade payables                                                              |      | 22,512                                            | (26,322)                      |
|                                                                             |      | 2,059,644                                         | 639,823                       |
| Cash flows (used in) / generated from operations                            |      | 424,063                                           | (2,062,196)                   |
| <b>Proceeds from net sales of / (acquisition of) short-term investments</b> |      |                                                   |                               |
| Interest Received                                                           |      | 12,075                                            | 39,700                        |
| Dividend received                                                           |      | 1,183,495                                         | 2,422,391                     |
| Finance cost paid                                                           |      | -                                                 | -                             |
| Taxes paid                                                                  |      | (182,767)                                         | (373,109)                     |
| Net cash (used in) / generated from operating activities                    |      | 1,436,867                                         | 26,786                        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                 |      |                                                   |                               |
| Short term deposits                                                         |      | (1,540,595)                                       | (23,423)                      |
|                                                                             |      | (1,540,595)                                       | (23,423)                      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                 |      |                                                   |                               |
| Long-term deposits                                                          |      | 100,000                                           | -                             |
| Advance against issue of shares                                             |      | -                                                 | -                             |
| Net cash (used in) / generated from financing activities                    |      | 100,000                                           | -                             |
| Net (decrease)/increase in cash and cash equivalents                        |      | (3,728)                                           | 3,363                         |
| Cash and cash equivalents at the beginning of the year                      |      | 36,373                                            | 33,010                        |
| Cash and cash equivalents at the end of the year                            | 14   | 32,645                                            | 36,373                        |

The annexed notes from 1 to 29.1 form an integral part of these financial statements.

**KP SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

KP Securities (Private) Limited (the "Company") was incorporated in Pakistan on June 20, 2007 as a private limited company under the Companies Ordinance, 1984. The Company's registered office is situated at Islamabad Stock Exchange Tower. The Company is principally engaged in the business of investment advisory, purchase and sale of securities, financial consultancy, brokerage, underwriting, portfolio management and securities research.

**2 STATEMENT OF COMPLIANCE**

These financial statements 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:

International Financial Reporting Standards for Small and Medium Sized Entities(SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; 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

**2.1 Change of Accounting Framework**

The accounting framework for the preparation of financial has been changed from International Financial reporting standard to International Financial Reporting Standards (IFRS) for Small and Medium Entities(SMEs) issued by IASB. This change has no effect on the measurement of assets and liabilities except the investment at fair value through other comprehensive income (FVTOCI) has been reclassified to fair value through profit or loss (FVTPL), resultantly the fair value reserve through other comprehensive income has also been reclassified to fair value gain through profit or loss as mentioned below:

|                                                                                  | 2022      | 2021      |
|----------------------------------------------------------------------------------|-----------|-----------|
| Decrease in Unrealized surplus on remeasurement of investments measured at FVOCI | -         | 8,069,384 |
| Increase in Unappropriated Profit                                                | 3,113,503 | 8,069,384 |

**3 USE OF ESTIMATES AND JUDGEMENTS**

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods in other cases. Judgments made by management in the application of approved accounting standards that may have a significant effect on the financial statements and estimates with significant risk of material adjustment in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgement was exercised in application of accounting policies are as follows:

- (i) Estimates of useful lives and residual values of items of property, plant and equipment;
- (ii) Estimates of useful lives of intangible assets;
- (iii) Provision against doubtful debts;
- (iv) Classification, recognition, measurement / valuation of financial instruments; and
- (v) Provision for taxation

#### 4 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except where disclosed otherwise.

##### 4.1 Property and equipment

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

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

Depreciation on all items of property and equipment is calculated using the reducing balance method in accordance with the rates specified in note 7 to these financial statements and after taking into account residual value, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged on an asset from when the asset is available for use until the asset is disposed of.

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

The Company reviews the useful life and residual value of property, plant and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on depreciation charge and impairment.

##### 4.2 Intangible assets

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

##### 4.3 Financial Instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument and assets and liabilities are stated initially at cost which is the fair value of consideration given or received. The financial assets are subsequently measured at fair value, amortized cost or cost as the case may be with classifications into i) at fair value through profit or loss (FVTPL) and ii) at amortized cost. Subsequently:

###### i) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

###### ii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in Statement of Profit or loss. Currently, there are no financial liabilities designated at FVTPL.

**KP SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

**4.3.1 Impairment of financial assets**

there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably. The impairment loss is

**4.3.2 Derecognition of financial instruments**

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability. The Company de-recognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

**4.4 Taxation**

**Current**

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

**Deferred**

Deferred tax is recognized using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is calculated using rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences. 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 asset is reduced to the extent that it is no longer probable that the related tax benefits will be realized. Deferred tax is not recognized on temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

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

The Company takes into account current income tax law and decisions taken by tax authorities. In instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the relevant amounts are disclosed as contingent liabilities.

**KP SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

**4.5 Cash and cash equivalents**

Cash and cash equivalents are carried at cost and include cash in hand, balances with banks in current and deposit accounts.

**4.6 Trade and other payables**

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

**4.7 Provisions**

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

**4.8 Revenue recognition**

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

- Brokerage and commission income is recognized when brokerage services are rendered
- Dividend income is recognized when the right to receive the dividend is established.
- Underwriting commission (if any) is recognized when the agreement is executed. Take-up commission is recognized at the time the commitment is fulfilled.
- Return on deposits is recognized using the effective interest method.
- Income on fixed term investments is recognized using the effective interest method.
- Gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which they arise.
- Unrealized capital gains / (losses) arising from marking to market financial assets classified as financial assets at fair value through profit or loss are included in profit and loss during the period in which they arise.
- Income / profit on exposure deposits is recognized using the effective interest rate.

**4.9 Foreign currency transactions and translation**

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

**4.10 Functional and presentation currency**

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

**4.11 Related party transactions**

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the Board of Directors, it is in the interest of the Company to do so.

KP SECURITIES (PRIVATE) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED DECEMBER 31, 2024

7 PROPERTY AND EQUIPMENT

|                                                          | 31-Dec-24 | As at 1 July 2024 | Cost<br>Additions/<br>(Deletions) | As at 31<br>December 2024 | Accumulated Depreciation |        | As at 31<br>December 2024 | Written down<br>value as at 31<br>December 2024 | Rate of<br>Depreciation |
|----------------------------------------------------------|-----------|-------------------|-----------------------------------|---------------------------|--------------------------|--------|---------------------------|-------------------------------------------------|-------------------------|
|                                                          |           |                   |                                   |                           | For the year             |        |                           |                                                 |                         |
| Computer equipment<br>Furniture and fixtures<br>Vehicles |           |                   |                                   |                           | Pak Rupees               |        |                           |                                                 |                         |
|                                                          |           | 85,750            | -                                 | 85,750                    | 79,747                   | 1,801  | 81,548                    | 4,202                                           | 0.3                     |
|                                                          |           | 513,000           | -                                 | 513,000                   | 376,707                  | 20,444 | 397,151                   | 115,849                                         | 0.15                    |
|                                                          |           | 36,000            | -                                 | 36,000                    | 29,205                   | 1,359  | 30,564                    | 5,436                                           | 0.2                     |
|                                                          |           | 634,750           | -                                 | 634,750                   | 485,659                  | 23,604 | 509,263                   | 125,487                                         |                         |
| Computer equipment<br>Furniture and fixtures<br>Vehicles | 30-Jun-24 | As at 1 July 2023 | Cost<br>Additions/<br>(Deletions) | As at 30 June<br>2024     | Accumulated Depreciation |        | As at 30 June<br>2024     | Written down<br>value as at 30 June<br>2024     | Rate of<br>Depreciation |
|                                                          |           |                   |                                   |                           | For the year             |        |                           |                                                 |                         |
|                                                          |           |                   |                                   |                           | Pak Rupees               |        |                           |                                                 |                         |
|                                                          |           |                   |                                   |                           |                          |        |                           |                                                 |                         |
|                                                          |           | 85,750            | -                                 | 85,750                    | 77,175                   | 2,573  | 79,747                    | 6,003                                           | 0.3                     |
|                                                          |           | 513,000           | -                                 | 513,000                   | 352,655                  | 24,052 | 376,707                   | 136,293                                         | 0.15                    |
|                                                          |           | 36,000            | -                                 | 36,000                    | 27,507                   | 1,699  | 29,205                    | 6,795                                           | 0.2                     |
|                                                          |           | 634,750           | -                                 | 634,750                   | 457,336                  | 28,323 | 485,659                   | 149,091                                         |                         |

**KP SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                                |      | 31-Dec-24              | 30-Jun-24        |
|------------------------------------------------|------|------------------------|------------------|
|                                                | Note | ----- Pak Rupees ----- |                  |
| <b>8 INTANGIBLE ASSET</b>                      |      |                        |                  |
| Trading Right Entitlement Certificate ("TREC") | 8.1  | 2,500,000              | 2,500,000        |
|                                                |      | <u>2,500,000</u>       | <u>2,500,000</u> |

- 8.1** Pursuant to the Stock Exchange (Corporatization, Demutualization and Integration) Act, 2012, stock exchanges operating as guarantee limited companies were converted to public limited companies. Ownership rights in exchanges were segregated from the right to trade on an exchange. As a result of such demutualization and corporatization, the Company received shares of the relevant exchange and a Trading Rights Entitlement Certificate ("TREC") against its membership card.

The TREC has been recorded as an indefinite-life intangible asset pursuant to the provisions and requirements of IAS 38. As the TREC is not a commonly tradable instrument, the value approved by the Board of Directors of the Pakistan Stock Exchange Limited ("PSX") post-mutualization was used as the initial value of the intangible. The TREC, which has been pledged with the PSX to meet Base Minimum Capital ("BMC") requirements, is assessed for impairment in accordance with relevant approved accounting standards.

|                                                            |      | 31-Dec-24              | 30-Jun-24         |
|------------------------------------------------------------|------|------------------------|-------------------|
|                                                            | Note | Un-Audited             | Audited           |
|                                                            |      | ----- Pak Rupees ----- |                   |
| <b>9 LONG-TERM INVESTMENTS</b>                             |      |                        |                   |
| Investments available for sale                             |      |                        |                   |
| ISE Towers Reit Management Limited - opening balance       |      | 38,381,663             | 37,434,867        |
| Adjustment for remeasurement to fair value                 |      | -                      | 946,796           |
| ISE Towers Reit Management Limited (unquoted) - fair value | 9.1  | <u>38,381,663</u>      | <u>38,381,663</u> |

- 9.1** As a result of the demutualization and corporatization of stock exchanges as detailed in note 8.1, the Company received 3,034,603 shares of ISE Towers REIT Management Limited. Of these, 60% (1,820,762 shares) were held in a separate Central Depository Company Limited ("CDC") sub-account, blocked until they are sold to strategic investors, financial institutions and/or the general public. The remaining shares (40% of total, or 1,123,842 shares) were allotted to the Company which have been sold during the financial year 2019 and resultantly company hold 1,820,762 shares at year end. The related deferred tax has not been provided on unrealized gain since the market value taken here is break up value as per accounts of investee and its real market value is not available however some recent transactions these shares privately have been made at below cost.

These shares are neither listed on any exchange nor are they actively traded. As a result, fair value has been estimated by reference to the latest break-up or net asset value per share of these shares notified by ISE Towers REIT Management Limited (PKR 21.08 / per share, compared to PKR 20.56/per share as at June 30, 2023).

These shares of ISE Towers REIT Management Limited are pledged with the PSX to meet BMC requirements. The related deferred tax has not been provided on unrealized gain since the market value taken here is break up value as per accounts of investee and its real market value is not available however some recent transactions these shares privately have been made at below cost.

**KP SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                    |      | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|------------------------------------|------|-------------------------|----------------------|
|                                    | Note | ----- Pak Rupees -----  |                      |
| <b>10 LONG TERM DEPOSITS</b>       |      |                         |                      |
| Central Depository Company Limited | 10.1 | -                       | 100,000              |
|                                    |      | -                       | 100,000              |

10.1 This represents security deposit held with Central Depository Company.

|                                              |      | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|----------------------------------------------|------|-------------------------|----------------------|
|                                              | Note | ----- Pak Rupees -----  |                      |
| <b>11 LOANS AND ADVANCES</b>                 |      |                         |                      |
| Staff advances - unsecured, considered good  |      | 3,464                   | 3,000                |
| Receivables from Related party :             |      |                         |                      |
| -From directors - net                        | 11.1 | 7,147,005               | 8,874,005            |
|                                              |      | 7,150,469               | 8,877,005            |
| <b>11.1 Receivables from Related party :</b> |      |                         |                      |
| Receivable from the director                 | 11.2 | 7,147,005               | 11,416,094           |
| Payable to director                          | 11.3 | -                       | (2,542,089)          |
|                                              |      | 7,147,005               | 8,874,005            |

11.2 This amount includes the agreed price for sale of 1,213,841 shares of "ISE Tower RIET Management Company Limited" @ Rs 12/- share collectively held in the CDC account to Mr Muhammad Fayyaz Ali in financial year 2019.

11.3 This represents payments received from Director for office expenses.

|                                  |      | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|----------------------------------|------|-------------------------|----------------------|
|                                  | Note | ----- Pak Rupees -----  |                      |
| <b>12 DEPOSITS</b>               |      |                         |                      |
| Security deposit with NCCPL      |      | -                       | 196,700              |
| Margin deposit with NCCPL/ECLEAR |      | -                       | 113,896              |
|                                  |      | -                       | 310,596              |

12.1 This represents amount deposited against exposure with National Clearing Company of Pakistan Limited.

|                                                 |      | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|-------------------------------------------------|------|-------------------------|----------------------|
|                                                 | Note | ----- Pak Rupees -----  |                      |
| <b>13 INCOME TAX REFUNDABLE</b>                 |      |                         |                      |
| Balance at the beginning of the year            |      | 592,839                 | 583,089              |
| Add: Current year additions                     |      | 178,046                 | 373,109              |
|                                                 |      | 770,885                 | 956,198              |
| Less: Adjustment against provision for taxation |      | (177,524)               | (363,359)            |
| Balance at the end of the year                  |      | 593,361                 | 592,839              |

|                                  |      | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|----------------------------------|------|-------------------------|----------------------|
|                                  | Note | ----- Pak Rupees -----  |                      |
| <b>14 CASH AND BANK BALANCES</b> |      |                         |                      |
| Cash in hand                     |      | -                       | 150                  |
| Cash at bank:                    |      |                         |                      |
| Current accounts                 | 14.1 |                         | 807                  |
| Savings accounts                 | 14.2 | 32,645                  | 35,415               |
|                                  |      | 32,645                  | 36,223               |
|                                  |      | 32,645                  | 36,373               |

14.1 Cash in current accounts includes customers' assets in the amount of PKR Nil (2023: Nil) held in designated bank accounts.

14.2 These carry interest rate of 13.5% ( 2022: 12%).

**KP SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                                                            | Note                    | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|----------------------------------------------------------------------------|-------------------------|-------------------------|----------------------|
|                                                                            |                         | ----- Pak Rupees -----  |                      |
| <b>15 SHARE CAPITAL</b>                                                    |                         |                         |                      |
| <b>15.1 Authorized capital</b>                                             |                         |                         |                      |
| 1,000,000 (2024: 1,000,000) ordinary shares of PKR 100/- each.             |                         | 100,000,000             | 100,000,000          |
| <b>15.2 Issued, subscribed and paid-up share capital</b>                   |                         |                         |                      |
| 374,191 (2024: 374,191) ordinary shares of PKR 100/- each, issued for cash |                         | 37,419,100              | 37,419,100           |
|                                                                            |                         | <u>37,419,100</u>       | <u>37,419,100</u>    |
| <b>15.3 Shareholders holding 5% or more of total shareholding</b>          |                         |                         |                      |
|                                                                            | <b>Number of Shares</b> | <b>Percentage</b>       |                      |
|                                                                            | <b>2024</b>             | <b>2023</b>             | <b>2024</b>          |
| Mr. Muhammad Fayyaz Ali                                                    | 346,012                 | 346,012                 | 92%                  |
| Mr. Mubashir Nazir                                                         | 22,095                  | 22,095                  | 6%                   |

**15.4** All shares carry equal voting, dividend and bonus rights.

|                                    | Note | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|------------------------------------|------|-------------------------|----------------------|
|                                    |      | ----- Pak Rupees -----  |                      |
| <b>16 TRADE AND OTHER PAYABLES</b> |      |                         |                      |
| Trade creditors                    |      | -                       | -                    |
| Accrued expenses                   |      | 131,310                 | 108,798              |
| Auditor's remuneration payable     |      | 125,000                 | 125,000              |
| Other payables                     |      | -                       | -                    |
|                                    |      | <u>256,310</u>          | <u>233,798</u>       |

**17 PROVISION FOR TAXATION**

Provision for taxation have been recorded on the basis of the minimum tax because of accumulated losses. No deferred tax asset has been recored over the accumulated losses because of the uncertainty regarding the future income to realize the tax benefits.

**18 CONTINGENCIES AND COMMITMENTS**

There are no contingencies or commitments of the Company as at Dec 31, 2024 (2023: Nil)

**KP SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                               | Note | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|-----------------------------------------------|------|-------------------------|----------------------|
|                                               |      | ----- Pak Rupees -----  |                      |
| <b>19 ADMINISTRATIVE EXPENSES</b>             |      |                         |                      |
| Staff salaries, allowances and other benefits |      | 540,000                 | 850,025              |
| Rent, rates and taxes                         |      | 499,261                 | 929,707              |
| Postage and courier expense                   |      | -                       | 4,110                |
| Printing and stationery                       |      | 2,830                   | -                    |
| Software license fee                          |      | 39,375                  | 94,500               |
| NCCPL charges                                 |      | -                       | -                    |
| PSX charges                                   |      | 81,366                  | 103,338              |
| Legal and professional charges                |      | 118,700                 | 21,700               |
| Entertainment                                 |      | 33,550                  | 27,692               |
| Auditors' remuneration                        | 19.1 |                         | 120,000              |
| Utilities                                     |      | 325,856                 | 552,165              |
| Travelling expenses                           |      | 1,688                   | 7,388                |
| Fee and subscription                          |      | -                       | 3,860                |
| Depreciation                                  | 7    | 23,604                  | 28,323               |
| Misc. expenses                                |      | 23,675                  | 20,951               |
|                                               |      | <u>1,689,905</u>        | <u>2,763,759</u>     |
| <b>19.1 Auditor's remuneration</b>            |      |                         |                      |
| Statutory audit                               |      |                         | 120,000              |
| Certifications and other charges              |      | -                       | -                    |
|                                               |      | -                       | 120,000              |

|                                                | Note | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|------------------------------------------------|------|-------------------------|----------------------|
|                                                |      | ----- Pak Rupees -----  |                      |
| <b>20 OTHER INCOME AND LOSSES</b>              |      |                         |                      |
| Unrealized gain / loss on long term investment |      |                         |                      |
| Dividend income                                |      | 1,183,495               | 2,422,391            |
| Miscellaneous income                           |      | -                       | 33,417               |
| Profit on bank balances                        |      | 12,075                  | 39,700               |
|                                                |      | <u>1,195,570</u>        | <u>2,495,508</u>     |

|                    | Note | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|--------------------|------|-------------------------|----------------------|
|                    |      | ----- Pak Rupees -----  |                      |
| <b>21 TAXATION</b> |      |                         |                      |
| Current tax        |      | <u>177,524</u>          | <u>363,359</u>       |

No deferred tax asset is being charged due to uncertainty over the future operating results of the entity.

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

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

Chief Executive



Directors



|            |   |
|------------|---|
| Total      |   |
|            | - |
| 38,381,663 |   |
|            | - |
| 7,150,469  |   |
|            | - |
| 32,645     |   |
|            | - |
| 256,310    |   |

|       |            |
|-------|------------|
| Total |            |
|       | 100,000    |
|       | 38,381,663 |
|       | -          |
|       | 310,596    |
|       | 23,422     |
|       | 36,223     |
|       | 233,798    |

**KP SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

| <b>24 Information required by regulation 34 of Securities Broker Regulations 2016</b>                                                                                                                                                      | <b>31-Dec-24</b> | <b>30-Jun-24</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| a) Customer shares in the central depository system                                                                                                                                                                                        | -                | -                |
| Customer's cash in bank account - PKR                                                                                                                                                                                                      | -                | -                |
| b) Securities pledged with financial institutions                                                                                                                                                                                          |                  |                  |
| c) <b>Pattern of shares:</b>                                                                                                                                                                                                               |                  |                  |
| Muhammad Fayyaz Ali                                                                                                                                                                                                                        | 346,012          | 346,012          |
| Mubashir Nazir                                                                                                                                                                                                                             | 22,095           | 22,095           |
| Total no of shares                                                                                                                                                                                                                         | 368,107          | 368,107          |
| d) <b>Changes in shareholding:</b>                                                                                                                                                                                                         |                  |                  |
| Shares issued during the year to Muhammad Fayyaz Ali                                                                                                                                                                                       | -                | -                |
| Shares issued during the year to Mubashir Nazir                                                                                                                                                                                            | -                | -                |
| e) Trade and other receivables are stated at estimated realizable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the statement of profit or loss. |                  |                  |
| f) <b>Aging analysis of amount due from customers</b>                                                                                                                                                                                      |                  |                  |
| Due not more than 5 days - PKR                                                                                                                                                                                                             | -                | -                |
| Due more than 5 days - PKR                                                                                                                                                                                                                 | -                | -                |

**25 RELATED PARTY TRANSACTIONS**

The related parties of the Company comprise of shareholders/ directors, key management personnel, entities with common shareholding, entities over which the directors are able to exercise influence and entities under common directorship. Transactions with related parties and the balances outstanding at year end are disclosed in the respective notes to the financial statements.

| Name of the related party | Basis of relation | Aggregate % of shareholding in the Company |
|---------------------------|-------------------|--------------------------------------------|
| Mr Muhammad Fayyaz Ali    | Director          | 92%                                        |

**25.1 Material transactions with related parties and the balances outstanding at the year-end are given below:**

| Director                                         | <b>31-Dec-24</b>  | <b>30-Jun-24</b>  |
|--------------------------------------------------|-------------------|-------------------|
|                                                  | <b>Pak Rupees</b> | <b>Pak Rupees</b> |
| Transactions                                     |                   |                   |
| Expense incurred on behalf of company            | -                 | (668,140)         |
| Repayments against expenses on behalf of company | -                 | -                 |
| Loan received from company                       | -                 | -                 |
| Balance receivable                               | 7,150,469         | 11,416,094        |
| Balance payable                                  | -                 | (2,542,089)       |

**KP SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

**25.1 EVENTS AFTER REPORTING PERIOD**

No events occurred after the reporting period that would require adjustment or disclosure in the financial statements.

**26.1 NUMBER OF EMPLOYEES**

Total number of employees at the end of year was 02 (2022: 02). Average number of employees was 02 (2022: 02).

**27.1 CAPITAL ADEQUACY**

|                                                                       | <b>31-Dec-24</b><br><b>Pak Rupees</b> | <b>30-Jun-24</b><br><b>Pak Rupees</b> |
|-----------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Total Assets                                                          | 50,347,643                            | 50,957,135                            |
| Less: Total Liabilities                                               | 256,310                               | 233,798                               |
| Less: Revaluation Reserves (created upon revaluation of fixed assets) |                                       | -                                     |
| Capital Adequacy Level                                                | <u>50,091,333</u>                     | <u>50,723,337</u>                     |

**27.2** While determining the value of the total assets of the Company, the notional value as at June 30, 2023 of the TREC held by the Company has been considered.

**28.1 GENERAL**

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

**29.1 AUTHORIZATION**

These financial statements were authorized for issue on \_\_\_\_\_ by the Board of Directors of the Company.

Chief Executive Officer



Director



**KP SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2024**

|                                   |             | <b>31-Dec-24</b>  | <b>30-Jun-24</b>  |
|-----------------------------------|-------------|-------------------|-------------------|
|                                   |             | <b>Un-Audited</b> | <b>Audited</b>    |
|                                   | <b>Note</b> | <b>Pak Rupees</b> |                   |
| <b>Non-Current Assets</b>         |             |                   |                   |
| Property and equipment            | 7           | 125,487           | 149,091           |
| Intangible asset                  | 8           | 2,500,000         | 2,500,000         |
| Long-term investments             | 9           | 38,381,663        | 38,381,663        |
| Long-term deposits                | 10          | -                 | 100,000           |
|                                   |             | 41,007,150        | 41,130,754        |
| <b>Current Assets</b>             |             |                   |                   |
| Loan and advances                 | 11          | 7,150,469         | 8,877,005         |
| Deposits                          | 12          | -                 | 310,596           |
| Short term investment             |             | 1,564,018         | 23,422            |
| Income tax - net                  | 13          | 593,361           | 592,839           |
| Cash and bank balances            | 14          | 32,645            | 36,373            |
|                                   |             | 9,340,493         | 9,840,235         |
|                                   |             | <u>50,347,643</u> | <u>50,970,989</u> |
| <b>Equity and Liabilities</b>     |             |                   |                   |
| <b>Share capital and reserves</b> |             |                   |                   |
| Share capital                     | 15          | 37,419,100        | 37,419,100        |
| Unappropriated profit             |             | 12,672,233        | 13,318,091        |
|                                   |             | 50,091,333        | 50,737,191        |
| <b>Current Liabilities</b>        |             |                   |                   |
| Trade and other payables          | 16          | 256,310           | 233,798           |
| Provision for taxation            | 17          | -                 | -                 |
|                                   |             | 256,310           | 233,798           |
| Contingencies and commitments     | 18          | -                 | -                 |
|                                   |             | <u>50,347,643</u> | <u>50,970,989</u> |

The annexed notes from 1 to 29.1 form an integral part of these financial statements.

  
**Chief Executive Officer**

  
**Director**

**KP SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                       |             | <b>31-Dec-24</b>              | <b>30-Jun-24</b>      |
|---------------------------------------|-------------|-------------------------------|-----------------------|
|                                       |             | <b>Un-Audited</b>             | <b>Audited</b>        |
|                                       | <b>Note</b> | <b>----- Pak Rupees -----</b> |                       |
| Revenue                               |             | 26,001                        | -                     |
| Unrealized gain/(loss) on investments |             | -                             | 946,796               |
|                                       |             | <u>26,001</u>                 | <u>946,796</u>        |
| Operating and administrative expenses | 19          | <u>(1,689,905)</u>            | <u>(2,763,759)</u>    |
| Operating profit                      |             | <u>(1,663,904)</u>            | <u>(1,816,963)</u>    |
| Bank charges                          |             | -                             | -                     |
| Other income and losses               | 20          | <u>1,195,570</u>              | <u>2,495,508</u>      |
| Profit before taxation                |             | <u>(468,334)</u>              | <u>678,545</u>        |
| Tax expense                           | 21          | <u>(177,524)</u>              | <u>(363,359)</u>      |
| Profit for the year                   |             | <u><u>(645,858)</u></u>       | <u><u>315,187</u></u> |

The annexed notes from 1 to 29.1 form an integral part of these financial statements.

Chief Executive Officer



Director



**KP SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                                | 31-Dec-24<br>Un-Audited | 30-Jun-24<br>Audited |
|------------------------------------------------|-------------------------|----------------------|
| Note                                           | ----- Pak Rupees -----  |                      |
| Profit for the year                            | (645,858)               | 315,187              |
| Other comprehensive income                     | -                       | -                    |
| Total comprehensive income/(loss) for the year | <u>(645,858)</u>        | <u>315,187</u>       |

The annexed notes from 1 to 29.1 form an integral part of these financial statements.




**Chief Executive Officer**




**Director**

**KP SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

|                                                | Share Capital          | Advance against<br>issuance of share<br>capital | Unappropriated<br>profit/(loss) -<br>Revenue Reserve | Total      |
|------------------------------------------------|------------------------|-------------------------------------------------|------------------------------------------------------|------------|
|                                                | ----- Pak Rupees ----- |                                                 |                                                      |            |
| <b>Balance as at 30 June 2023</b>              | 37,419,100             |                                                 | 13,002,905                                           | 50,422,005 |
| Profit/(loss) for the year                     | -                      | -                                               | 315,187                                              | 315,187    |
| Advance against of issuance of share capital   | -                      | -                                               | -                                                    | -          |
| Other comprehensive income/(loss) for the year | -                      | -                                               | -                                                    | -          |
| <b>Balance as at 30 June 2024</b>              | 37,419,100             |                                                 | 13,318,092                                           | 50,737,192 |
| Profit/(loss) for the year                     | -                      | -                                               | (645,858)                                            | (645,858)  |
| Other comprehensive income/(loss) for the year | -                      | -                                               | -                                                    | -          |
| <b>Balance as at 31 December 2024</b>          | 37,419,100             | -                                               | 12,672,234                                           | 50,091,334 |

The annexed notes from 1 to 29.1 form an integral part of these financial statements.

  
**Chief Executive Officer**

  
**Director**