

**20
24**
Halfyearly
Report

ENRICHING SOCIETY THROUGH
Digitally Empowered Financial Solutions



JS Global

Registered Office
17th & 18th Floor, The Center
Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar
Karachi-74400, Pakistan

UAN: +92 21 111 574 111
Fax: 92 21 35632574
Email: jsgcl.cs@js.com
Web: www.jsglobalonline.com

JS Global



EXCEPTIONAL

Values . Products . Services

**20
24**
Halfyearly
Report

JS Global Capital Limited (“JS Global” or “the Company”) is one of Pakistan’s largest and oldest Brokerage and Investment Banking firms incorporated under the local laws of Pakistan. The company is part of the JS Group and majority owned by JS Bank Limited. The Company has exceptional leadership position in domestic capital markets together with one of the largest market share in equity brokerage. Besides this, the Company offers a range of other services as well, which includes Money Market, Forex and Commodity brokerage; Advisory, Underwriting, Book Running and Consultancy services. The Company objectively follows its long term strategic plan to achieve its goals which ultimately translate into better returns and value creation for all Stakeholders.

TABLE OF CONTENTS

01

Company Information	04
Vision and Mission	06

02

Directors' Report	08
-------------------	----

03

Auditor's Review Report To The Members	12
Condensed Interim Statement of Financial Position	14
Condensed Interim Statement of Profit or Loss (Un-audited)	16
Condensed Interim Statement of Comprehensive Income (Un-audited)	17
Condensed Interim Statement of Changes In Equity (Un-audited)	18
Condensed Interim Statement of Cash Flows (Un-audited)	19
Notes To The Condensed Interim Financial Statements	20

COMPANY INFORMATION

Board of Directors

Mr. Shahab Anwar Khawaja	Chairman- Independent Director
Mr. Maximilian Felix Scheder	Independent Director
Ms. Rabiya Javeri Agha	Independent Director
Mr. Muhammad Khalilullah Usmani*	Chief Executive Officer
Syed Jafar Raza	Non-Executive Director
Mr. Waqas Anis	Non-Executive Director
Mr. Sohail Sikander	Non-Executive Director
Mr. Noman Mubashir	Non-Executive Director

Audit Committee

Mr. Maximilian Felix Scheder	Chairman
Syed Jafar Raza	Member
Mr. Sohail Sikander	Member

Risk Management Committee

Mr. Shahab Anwar Khawaja	Chairman
Syed Jafar Raza	Member
Mr. Muhammad Khalilullah Usmani	Member
Mr. Sohail Sikander	Member

Human Resource & Remuneration Committee

Mr. Shahab Anwar Khawaja	Chairman
Mr. Muhammad Khalilullah Usmani	Member
Ms. Rabiya Javeri Agha	Member
Mr. Noman Mubashir	Member

Digital Committee

Mr. Waqas Anis	Chairman
Mr. Maximilian Felix Scheder	Member
Mr. Muhammad Khalilullah Usmani	Member
Mr. Noman Mubashir	Member

Mr. Fahad Muslim	Chief Financial Officer
Mr. Muhammad Farukh	Company Secretary

* Mr. Imtiaz tendered his resignation subsequent to June 30, 2024, which was approved by the Board via circular resolution dated July 10, 2024, His last day in office was July 31, 2024.

Mr. Muhammad Khalilullah Usmani has been appointed as Chief Executive Officer in place of Mr. Imtiaz Gadar with effect from August 01, 2024

External Auditor

KPMG Taseer Hadi & Co. Chartered Accountants
Sheikh Sultan Trust Building No. 2 Beaumont Road Karachi.

Legal Advisors

Bawaney & Partners
3rd & 4th Floors, 68-C, Lane-13, Bukhari Commercial Area, Phase-VI, D.H.A., Karachi.

Bankers

JS Bank Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
Bank Alfalah Limited
National Bank of Pakistan
Faysal Bank Limited
Meezan Bank Limited

Bank Islami Pakistan Limited
MCB Bank Limited
Habib Metropolitan Bank Limited
United Bank Limited
Askari Bank Limited
Sindh Bank Limited
Bank Makramah Limited

Share Registrar

CDC Share Registrar Services Limited CDC House, 99-B, Block-B, S.M.C.H.S, Main
Shahra-e-Faisal,
Karachi.

Registered Office

17th & 18th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi-74400,
Pakistan | www.jsglobalonline.com UAN: +92-21-111-574-111 | Fax: +92-21-356-325-74





VISION

To be the leader in the financial services sector

MISSION

To ensure growth of various financial services by creating new products and services in financial sector



**20
24**
Halfyearly
Report

DIRECTORS' REPORT

We are pleased to present the unaudited condensed interim financial statements of JS Global Capital Limited (“the Company”) for the six months ended June 30, 2024.

CEO Transition

This year, our company has undergone a leadership transition due to the resignation of Mr. Imtiaz Gadar as Chief Executive Officer (CEO), effective July 31, 2024. The Company and its Board express their deepest gratitude to Mr. Gadar for his service and leadership. Under his leadership, JS Global sustained its growth, continuously outpacing its peers and continued earning recognition from prestigious forums both locally and internationally. Mr. Gadar played a crucial role in upholding the company's core principles and strategically positioning JS Global for long-term success.

As we bid farewell to Mr. Gadar, we are excited to welcome Mr. Muhammad Khalilullah Usmani as our new CEO. Mr. Usmani has been a key member of the core team and a crucial contributor to strategic initiatives since 2012, Mr. Usmani has played a pivotal role in expanding market share and enhancing our brand's prominence. Given his deep familiarity with the company and proven leadership, we are confident that this transition will be seamless and JS Global will continue to thrive under his guidance as we advance toward our strategic goals

The Economy

The second quarter of CY24 saw continued positive outcomes from government and regulatory reforms initiated in 2023 and sustained in 1QCY24.

Concerted efforts to narrow the current account deficit yielded success. Growth in exports, remittances, outpacing import demand, turned the current account balance to a surplus of cumulative US\$229 million during the months of Apr and May 2024. This balanced approach further added on to assistance from bilateral and multilateral lenders, taking State Bank of Pakistan's (SBP) foreign exchange reserves to a 23-month high of US\$9.4 billion. An expected program to be secured with IMF during Jul-2024 will further strengthen reserves. The stable external account led to almost no change in Pakistani Rupee (PKR) against the US dollar during the quarter.

With a stable currency and high base effect from the previous year, Pakistan continued its disinflationary phase that began in 1QCY24. Consumer Price Index (CPI) for 2QCY24 averaged 14%, significantly lower than 24% in 1QCY24 and 34% in 2QCY23.

Amid disinflation, the Monetary Policy Committee (MPC) initiated a monetary easing cycle for the first time in four years, trimming Policy Rate by 1.5% to 20.5%. The secondary market continued to price in further anticipation of near-term rate cut, remaining below the revised benchmark rates.

During the quarter, the government announced the Federal Budget for FY25, outlining higher tax measures that is targeted to improve FY25 fiscal deficit to 5.9% of GDP (lowest in seven years), while targeting primary balance of 1.2% of GDP for the year.

Equity Capital Market

The KSE-100 index delivered a strong performance in 2QCY24, surging 17% over the previous quarter to close at 78,445 points. This positive momentum was driven by the initiation of a monetary easing cycle, as the State Bank's decision to cut the Policy Rate by 150bps to 20.5% in June-2024 signalled the beginning of a monetary easing cycle, boosting investor sentiment. In addition, absence of expected harsh capital gains tax in the Federal Budget FY25 also played as a catalyst. Moreover, the budget announcement bolstered confidence in Pakistan's ability to secure an IMF deal, further solidifying the market's positive outlook.

Average trading volumes rose by 23% QoQ in terms of shares traded and 35% QoQ in terms of US\$ value traded, indicating increased market participation. On sector-wise performance, Power (24% QoQ), Banks (22% QoQ) and Cements (17% QoQ) led the rally.

Foreign investor participation (FIPI) witnessed a notable rise in 2QCY24, reaching US\$65.8 million compared to US\$3.9 million in 1QCY24. The flows broadly went into the banking sector, attracting US\$30.5 million, or nearly half of the total FIPI during the quarter.

Money market

Money market remained stable during the last month of 2QCY24 after SBP slashed the policy rate by 150 bps to 20.50 from the previous 22.00% on 10th June, 2024. The cut was very much in line with the market expectations.

Treasury bills cutoff yields at the end of the quarter were 20.1498 for 3 months, 19.9640 for 6 months and 18.5400 for 12 months. The last auction for the quarter was held on June 27, 2024.

Little interest was shown by the Primary Dealers in fixed coupon bonds. Cutoff yields for 3,5 and 10 year bonds were 16.60, 15.44 and 14.25 respectively.

SBP conducted regular Open Market Operation to facilitate banks to meet their daily liquidity requirements. 7 and 28 days OMO rate were 20.56 and 20.57 respectively.

Commodities Market

Gold prices have been on an upward trend since the beginning of 2024 and continue to show further improvement. This increase is due to interest rate cuts and labor market data indicating a decline in U.S. employment. Additionally, a fall in the dollar and Treasury yields supported bullion prices.

Conversely, crude oil prices started declining at the beginning of the second quarter. Rising tensions in the Middle East contributed to some declines after U.S. inventories rose more than expected. Although crude oil contracts saw a slight increase, it led to a mixed trend overall.

These regional tensions overshadowed data showing a rise in U.S. crude oil stocks, even as many expected inventories to decline due to increased demand during the summer. According to data from the American Petroleum Institute, U.S. crude oil inventories fell by about 2.3 million barrels in the week ending June 14, compared with a draw of 2.4 million barrels the previous week.

In conclusion, the second quarter of 2024 saw significant changes in commodity prices driven by geopolitical factors and supply-demand dynamics. Opportunities for investors to benefit from market volatility remain, highlighting the importance of informed decision-making and risk management strategies in navigating the commodity market.

Foreign exchange market

In the Foreign exchange market, the steady foreign exchange reserves over support from rollovers, refinances and Current Account surplus, supported PKR/US\$ in 2QCY23. While the currency receded to a low of 277.83, it touched a high of 278.62, however closing down almost flat QoQ at 278.34.

Overview of Financial Performance

The Summarized results are set out below:

Six Months Ended June 30, 2024 Six Months Ended June 30, 2023

Profit before tax	225,057,251	91,037,837
Profit after tax	162,836,040	60,655,494
Earnings per share	5.93	2.21

Monetary impacts of significant P&L items on the Company's bottom-line are highlighted as under:

The Company earned operating revenue amounting to PKR 520 million relative to PKR 290 million in the corresponding period prior year, thus clocking an increase of 78.90%. Equity brokerage is the major component of operating revenue. Similarly, commodities, foreign exchange and fixed income brokerage divisions have shown considerable growth over corresponding period prior year.

The high payouts during the year by investee companies, also contributed to treasury income of the company during the half year. Administrative and operating expenses increased by 38.30% compared to the corresponding period, resulting in total administrative and operating expenses of PKR 522 million.

Earnings per share of the Company for the half year and second quarter was Rs 5.93 and Rs 3.83 per share respectively, as compared to Rs. 2.21 and Rs. 1.06 in the corresponding period prior year.

Looking ahead, the Company is focused on maintaining its growth momentum in the long run. The management is acutely monitoring its resources to reap the maximum benefits for its shareholders. This involves optimizing revenue generation from treasury management, core brokerage and fee-based operations, whilst at the same time rationalizing our cost base.

Future Outlook

Recent developments which includes Ministry of Finance and IMF reaching staff level agreement in respect of Extended Fund Facility and debt re-profiling from friendly countries is expected to positively impact the market activity. Furthermore, a disinflation trend leading to monetary easing cycle, and attractive valuations can draw in investors from both local and international markets, which will positively impact the brokerage and advisory business.

On the political front, any slippages may derail adjustments needed to balance the economy. Challenges on macros and increase in political noise may negatively impact investor sentiments, hence keeping traded volumes limited.

Acknowledgement

We express our sincere appreciation to our employees for their dedication and hard work and to our clients, business partners and shareholders for their support and confidence. The Board also takes this opportunity to express its gratitude to all the employees of JS Global Capital Limited for their untiring efforts.

We would like to acknowledge the Securities and Exchange Commission of Pakistan, Central Depository Company of Pakistan Limited, National Clearing Company of Pakistan Limited and the management of Pakistan Stock Exchange Limited for their efforts to strengthen capital markets and their measures to protect investor rights.

For and on behalf of the
Board of Directors

Chief Executive Officer

Date: August 16, 2024

Director

FINANCIAL STATEMENTS



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 37131900, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of JS Global Capital Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of JS Global Capital Limited ("the Company") as at June 30, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-months period then ended (herein-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of this condensed interim financial statement in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing as applicable in Pakistan and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the three months period ended 30 June 2024, have not been reviewed and we do not express a conclusion on them.



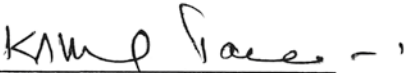
KPMG Taseer Hadi & Co.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Taufiq.

Date: 28 August 2024

Karachi

UDIN: RR202410106h2Pf5MQWH


KPMG Taseer Hadi & Co.
Chartered Accountants

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

		June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	Note	(Rupees)	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital: 150,000,000 (December 31, 2023: 150,000,000) ordinary shares of Rs.10 each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid-up share capital	5	274,772,970	274,772,970
Share premium		1,810,104,900	1,810,104,900
Surplus on re-measurement of equity securities at fair value through other comprehensive income		7,010,725	1,306,700
Unappropriated profit		528,362,575	365,526,535
		<u>2,620,251,170</u>	<u>2,451,711,105</u>
LIABILITIES			
Non-current liabilities			
Long-term financing - secured	6	335,000,000	-
Lease liability	7	21,456,299	11,973,002
		<u>356,456,299</u>	<u>11,973,002</u>
Current liabilities			
Current maturity of long-term financing	6	157,721,250	315,442,500
Current maturity of lease liability	7	8,097,892	3,937,543
Creditors, accrued expenses and other liabilities	8	3,991,035,279	3,455,225,753
Accrued profit		20,367,252	9,530,525
Unclaimed dividend		3,361,843	3,361,843
		<u>4,180,583,516</u>	<u>3,787,498,164</u>
		<u>7,157,290,985</u>	<u>6,251,182,271</u>
Contingencies and Commitments	9		

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

2024
Halfyearly
Report

		June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	Note	----- (Rupees) -----	
ASSETS			
Non-current assets			
Property and equipment	10	790,162,981	779,659,938
Investment property	11	114,566,375	116,157,670
Intangible assets	12	5,000,000	5,000,000
Long term investments	13	31,034,138	26,361,948
Long term loans, advances and deposits		29,951,278	30,299,853
Deferred taxation-net		99,527,206	97,046,127
		1,070,241,978	1,054,525,536
Current assets			
Short term investments	14	706,182,471	568,734,707
Trade debts	15	1,750,096,437	1,286,110,917
Receivable against margin finance		486,355,937	670,343,114
Loans and advances		53,901,728	68,214,212
Short-term deposits and prepayments		889,094,039	1,289,120,177
Interest and mark-up accrued	16	40,663,576	34,222,713
Other receivables		24,579,192	15,609,658
Advance tax		119,435,644	127,096,000
Cash and bank balances	17	2,016,739,983	1,137,205,237
		6,087,049,007	5,196,656,735
		7,157,290,985	6,251,182,271

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2024

	Note	Six months ended		Three months ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
		----- (Rupees) -----		----- (Rupees) -----	
Operating revenue	18	519,691,364	290,492,250	274,905,782	137,507,563
Capital gain on sale of investments - net		6,897,237	56,020,421	56,908,907	30,246,357
Unrealised gain / (loss) on remeasurement of investments at fair value through profit or loss - net		3,025,521	8,234,837	1,089,246	9,282,482
Unrealised (loss) / gain on remeasurement of derivatives at fair value through profit or loss - net		(3,887,876)	(14,151,462)	(1,186,997)	(16,130,118)
Dividend income		95,085,675	40,595,139	21,948,007	29,438,588
Margin finance income		93,634,128	58,046,973	48,259,285	29,147,413
		714,446,049	439,238,158	401,924,230	219,492,285
Administrative and operating expenses		(522,082,072)	(377,512,822)	(273,075,583)	(202,594,396)
		192,363,977	61,725,336	128,848,647	16,897,889
Other operating income - net		87,207,716	90,103,414	45,924,577	54,377,858
		279,571,693	151,828,750	174,773,224	71,275,747
Provision for Sindh Workers' Welfare Fund		(4,593,005)	(1,944,115)	(2,910,521)	(918,620)
Finance cost	19	(49,921,437)	(58,846,798)	(31,358,855)	(29,568,536)
Profit before income taxes and final taxes		225,057,251	91,037,837	140,503,848	40,788,591
Taxation - Final Taxation		(14,097,007)	(6,844,233)	(1,651,655)	(24,750)
Profit before income tax		210,960,244	84,193,604	138,852,193	40,763,841
Taxation - current		(49,258,448)	(18,026,460)	(36,337,779)	(8,957,123)
- deferred		1,134,244	(5,511,650)	2,724,985	(2,555,825)
	20.1	(48,124,204)	(23,538,110)	(33,612,794)	(11,512,948)
Profit after taxation		162,836,040	60,655,494	105,239,399	29,250,893
Earnings per share - basic and diluted	21	5.93	2.21	3.83	1.06

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2024

2024
Halfyearly
Report

	Six months ended		Three months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	----- (Rupees) -----		----- Rupees -----	
Profit for the period	162,836,040	60,655,494	105,239,399	29,250,893
Other comprehensive income / (loss)				
Items that will not be reclassified to statement of profit or loss subsequently				
Surplus / (deficit) on re-measurement of investments at fair value through OCI during the period - Equity securities	4,324,040	(1,498,008)	7,055,702	3,264,404
Add: Related tax	1,351,808	(1,502,550)	1,351,808	(1,603,350)
	5,675,848	(3,000,558)	8,407,510	1,661,054
Items that may be reclassified to statement of profit or loss subsequently				
Surplus on re-measurement of at fair value through OCI during the period - Debt Securities	33,150	40,973	9,450	381,377
Less: Related tax	(4,973)	(6,146)	(4,973)	(57,207)
	28,177	34,827	4,477	324,170
Total comprehensive income for the period	168,540,065	57,689,763	113,651,386	31,236,117

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED JUNE 30, 2024

	Reserves					Sub-total	Total
	Issued, subscribed and paid-up share capital	Share premium	Unrealised gain / (loss) on revaluation of available-for-sale / fair value through other comprehensive income investments - net	Revenue reserve Unappropriated profit	(Rupees)		
Balance as at January 01, 2023 (Audited)	274,772,970	1,810,104,900	(2,571,815)	178,230,182	1,985,763,267	2,260,536,237	
Total comprehensive income for the period							
Profit for the six months ended June 30, 2023	-	-	-	60,655,494	60,655,494	60,655,494	
Other comprehensive loss - net of tax	-	-	(2,965,731)	-	(2,965,731)	(2,965,731)	
Total comprehensive income for the period	-	-	(2,965,731)	60,655,494	57,689,763	57,689,763	
Balance as at June 30, 2023 (Un-audited)	274,772,970	1,810,104,900	(5,537,546)	238,885,676	2,043,453,030	2,318,226,000	
Balance as at January 01, 2024 (Audited)	274,772,970	1,810,104,900	1,306,700	365,526,535	2,176,938,135	2,451,711,105	
Profit for the six months ended June 30, 2024	-	-	-	162,836,040	162,836,040	162,836,040	
Other comprehensive gain - net of tax	-	-	5,704,025	-	5,704,025	5,704,025	
Total comprehensive income for the period	-	-	5,704,025	162,836,040	168,540,065	168,540,065	
Balance as at June 30, 2024 (Un-audited)	274,772,970	1,810,104,900	7,010,725	528,362,575	2,345,478,200	2,620,251,170	

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

Director

Chief Executive Officer

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE PERIOD ENDED JUNE 30, 2024

2024
Halfyearly
Report

Note	June 30, 2024	June 30, 2023
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	210,960,244	84,193,604
Adjustments for:		
Depreciation of operating assets expense	31,421,317	27,582,455
Depreciation of right-of-use assets	7,484,519	4,386,969
Depreciation of investment property	1,591,295	1,591,295
Gain on sale of property and equipment	(299,046)	(9,549,997)
Unrealised gain on remeasurement of investments at fair value through profit or loss - net	(3,025,521)	(8,234,837)
Unrealised loss on remeasurement of derivatives at fair value through profit or loss - net	3,887,876	14,151,462
Provision for Sindh Workers' Welfare Fund	4,593,005	1,944,115
Finance cost	46,839,231	58,846,798
Taxation - Final Taxation	14,097,007	6,844,233
	106,589,683	97,562,493
Cash generated from operating activities before working capital changes	317,549,927	181,756,097
(Increase) / Decrease in current assets		
Trade debts	(463,985,520)	(26,718,814)
Receivable against margin finance	183,987,177	(1,290,543)
Loans and advances	14,312,484	(13,852,124)
Short-term deposits and prepayments	400,026,138	152,322,965
Interest and mark-up accrued	(6,440,863)	(9,898,261)
Other receivables	(8,969,534)	(2,874,096)
	118,929,882	97,689,127
Increase / (Decrease) in current liabilities		
Creditors, accrued expenses and other liabilities	545,296,998	(53,291,948)
Cash generated from operations	981,776,807	226,153,276
Finance cost paid	(33,086,558)	(55,209,474)
Taxes paid	(55,695,098)	(55,894,189)
Net cash generated from operating activities	892,995,151	115,049,613
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(41,942,315)	(2,145,170)
Proceeds from disposal of operating assets	317,001	9,550,000
Long term loans, advances and deposits	348,575	484,535
Long term investments - net	(4,672,190)	17,957,035
Short term investments - net	(138,310,119)	(201,102,578)
Net cash used in investing activities	(184,259,048)	(175,256,178)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(6,480,107)	(6,753,330)
Repayment of short-term financing	-	(91,994,547)
Proceeds from long-term loan	335,000,000	-
Repayment of long-term financing	(157,721,250)	(157,721,250)
Net cash (used in) / generated financing activities	170,798,643	(256,469,127)
Increase / (decrease) in cash and cash equivalents during the period	879,534,746	(316,675,692)
Cash and cash equivalents at the beginning of the period	1,137,205,237	1,364,925,128
Cash and cash equivalents at the end of the period	2,016,739,983	1,048,249,436

17

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

Director

Chief Executive Officer

Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2024

1. STATUS AND NATURE OF BUSINESS

- 1.1** JS Global Capital Limited (the Company) was incorporated as a private limited company on June 28, 2000. However, the Company commenced its operations in May 2003 and name of the Company was changed from JSCL Direct (Private) Limited to Jahangir Siddiqui Capital Markets (Private) Limited. Subsequently, the Company was converted into a public unquoted company and the holding company, Jahangir Siddiqui & Co. Ltd. (JSCL), offered its 25% shareholding to the general public for subscription in December 2004 and the Company obtained listing on Karachi Stock Exchange Limited and Islamabad Stock Exchange Limited on February 07, 2005. During 2006-07, the Company issued 10,009,700 shares to Global Investment House K.S.C.C. Kuwait, ('Global'). The shares were issued to Global without offering right shares on the basis of a special resolution passed on July 11, 2006. The Securities and Exchange Commission of Pakistan vide its letter no. EMD/CI/49/2006-458 dated July 19, 2006 gave its in-principle approval to the scheme.
- 1.2** During the year 2012, JS Bank Limited (the Parent Company), a subsidiary of JSCL, acquired 25,525,169 shares of the Company from JSCL and other shareholders against issuance of 185,321,537 shares in lieu thereof. As a result, the principal ownership of the Company was transferred to the Bank. Presently, the Company is subsidiary of JS Bank Limited, which is a subsidiary of JSCL, the ultimate parent of the Company.
- 1.3** During the year 2019, the Company announced public announcement of buy back for purchase of its own shares up to maximum of 7,450,000 shares through tender offer for the purpose of cancellation. The payment for accepted shares was made on October 01, 2019. The unaccepted shares were subsequently returned to unsuccessful shareholders and accepted shares were subsequently cancelled on October 02, 2019.
- 1.4** During the year 2021, the Company announced public announcement of buy back for purchase of its own shares up to maximum of 3,991,525 shares through tender offer out of which 3,079,703 shares were purchased for the purpose of cancellation. The payment for accepted shares was made on June 04, 2021. The accepted shares were subsequently cancelled on June 10, 2021.
- 1.5** The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited (PSX) and member of Pakistan Mercantile Exchange Limited (PMEX). The principal activities of the Company are share brokerage, money market brokerage, forex brokerage, commodity brokerage, advisory, underwriting, book running and consultancy services. Other activities include investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions. The registered office of the Company is situated at 17th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan.
- 1.6** During the year 2023, the Company has obtained the license of Asset Management Company (AMC) under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), and Sandbox Guidelines, 2019 - Third Cohort, issued by Securities and Exchange Commission of Pakistan ('SECP'). The license was issued on March 27, 2023 and is provisional. The Company is an asset management company of JS Global Banking Sector Exchange Traded Fund (JSGBETF) for the period ended June 30, 2024. The Company has eight branches (2023: eight) in seven cities of Pakistan.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

1.7	S.no Branch Name	Address
	1 Stock Exchange Branch	Room No. 634, 6th Floor, Stock Exchange Building, Stock Exchange Road, Karachi
	2 Gulshan-e-Iqbal Branch	Suite No. 607-A, 6th Floor, Al Ameen Towers, Plot No E-2, Block 10, Gulshan-e- Iqbal, Main NIPA, Karachi
	3 Hyderabad Branch	Address: Shop No. 20, Ground Floor, Auto Bhan Towers, Auto Bhan Road, Unit No. 3, Latifabad, Hyderabad
	4 Islamabad Branch	Room No. 413, 4th Floor, ISE Towers, 55-B, Jinnah Avenue , Islamabad
	5 Faisalabad Branch	Office no G-04, Ground Floor, Mezan Executive Tower Plot No 4, Liaquat Road, Faisalabad
	6 Lahore Branch	Plot No. 434-G/1, MA Johar Town, Lahore
	7 Multan Branch	Office No. 608-A, Sixth Floor, The United Mall, Plot No. 74, Abdali Road, Multan
	8 Peshawar Branch	First Floor, State life Building No. 34, The Mall Road, Peshawar Cantt, Peshawar

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS 34), Interim Financial Reporting issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017;
- Provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations); and
- the Securities Brokers (Licensing and Operations) Regulations, 2016.

Where the provisions and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984 and the NBFC Regulations differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984 and the NBFC Regulations have been followed.

- 2.2** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual audited financial statements of the Company as at December 31, 2023.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

2.3 The comparative condensed interim statement of financial position presented in these condensed interim financial statements have been extracted from the audited annual financial statements of the Company for the year ended December 31, 2023, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows for the period ended are extracted from the unaudited condensed interim financial statements for the period ended June 30, 2023.

2.4 These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017.

2.5 Consolidation of mutual funds by the Asset Management Company

The Securities and Exchange Commission of Pakistan (SECP) vide SRO 56 (1)/2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and Section 237 of the repealed Companies Ordinance, 1984 (Section 228 of Companies Act 2017) are not applicable in case of investments made by companies in mutual funds established under Trust structure. Accordingly, the Company has not consolidated the financial position and result of operations of mutual fund managed by it in its condensed interim financial statements.

2.6 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except for certain investments and derivative financial instruments which are stated at fair value. Further, Right of use assets and their related lease liability are carried at present value of future lease rentals adjusted for any lease payments made at or before the commencement date of the lease.

2.7 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupee, which is also the functional and presentation currency of the Company and rounded off to the nearest rupee.

2.8 Use of estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the annual financial statements for the year ended December 31, 2023.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2023 except as for described in Note 3.1.

3.1 Change in Accounting policy

The Institute of Chartered Accountants of Pakistan (ICAP), vide its circular no. 07/2024 dated May 15, 2024, provided the guidance on IAS 12 application guidance on accounting for minimum taxes and final taxes. The Company has accounted for the change in its accounting policy as per the requirement of IAS 8 'Accounting

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

Polices, Change in Accounting Estimates and Errors'. The Company has applied the accounting policy of IAS 12 as per the guidance. Resultantly, there is a reclassification of Final taxes previously classified as 'Taxation - current' in the condensed interim statement of profit or loss appearing below Profit before taxation, to 'Taxation - Final taxation' (categorized as levy as per IFRIC 21/IAS 37).

3.2 Impacts on the Company's condensed interim statement of profit or loss and condensed interim statement of cash flows:

	30 June 2023		
	As previously reported	Re- classification	As Restated
Condensed Interim Statement of Profit or Loss (Un-Audited)			
----- (Rupees) -----			
Six Months			
Taxation - Final Taxation	-	(6,985,277)	(6,985,277)
Taxation - current	(24,870,693)	6,985,277	(17,885,416)
	<u>(24,870,693)</u>	<u>-</u>	<u>(24,870,693)</u>
Three Months			
Taxation - Final Taxation	-	(24,750)	(24,750)
Taxation - current	(8,981,873)	24,750	(8,957,123)
	<u>(8,981,873)</u>	<u>-</u>	<u>(8,981,873)</u>
Condensed Interim Statement Of Cash Flows (Un-Audited)			
Cashflow from operating activities			
Profit before taxation	91,037,837	(6,844,233)	84,193,604
Taxation - Final Taxation	-	6,844,233	6,844,233
Cashflow from operating activities	<u>91,037,837</u>	<u>-</u>	<u>91,037,837</u>

3.3 There is no impact of restatements mentioned in note 3.2 on the Company's total investing or financing cash flows for the period ended June 30, 2023.

3.4 There is no impact of restatements mentioned in note 3.2 on the Company's condensed interim statement of financial position, earnings per share, condensed statement of comprehensive income and condensed interim statement of changes in equity for the period ended June 30, 2023.

3.3 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended December 31, 2023.

4 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

4.1 Standard, interpretations and amendments to publish accounting and reporting standards that are effective in the current period

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

There are certain amendments to the published accounting and reporting standards that are mandatory for the Company's accounting periods beginning on or after January 01, 2024. However these do not have any significant impact on the Company's operations and, therefore, have not been detailed in these condensed interim financial statements.

4.2 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for accounting periods beginning on or after July 01, 2024:

Standard, Interpretation or Amendment	Effective date (annual periods beginning on or after)
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	January 01, 2024
Non-current Liabilities with Covenants - Amendments to IAS 1	January 01, 2024
Lease liability in a sale and leaseback - Amendments to IFRS 16	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalized
Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7)	January 01, 2024
Lack of Exchangeability (amendments to IAS 21)	January 01, 2025
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7	January 01, 2026

The above standards, interpretations and amendments are not likely to have a significant impact on these condensed interim financial statements.

5. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

June 30, 2024 (Un-audited) (Number of shares)	December 31, 2023 (Audited) (Number of shares)		June 30, 2024 (Un-audited) ----- (Rupees) -----	December 31, 2023 (Audited) ----- (Rupees) -----
20,009,700	20,009,700	Ordinary shares of Rs.10 each fully paid in cash	200,097,000	200,097,000
29,990,300	29,990,300	Ordinary shares of Rs.10 each issued as bonus shares	299,903,000	299,903,000
(11,993,000)	(11,993,000)	First buy back of 11,993,000 shares having face value of Rs.10 each	(119,930,000)	(119,930,000)
(7,450,000)	(7,450,000)	Second buy back of 7,450,000 shares having face value of Rs.10 each	(74,500,000)	(74,500,000)
(3,079,703)	(3,079,703)	Third buy back of 3,079,703 shares having face value of Rs.10 each	(30,797,030)	(30,797,030)
<u>27,477,297</u>	<u>27,477,297</u>		<u>274,772,970</u>	<u>274,772,970</u>

5.1 The Parent company held 25,525,169 (2023: 25,525,169) ordinary shares of Rs.10 each at period end.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

5.2 Voting rights, board selection, right of first refusal and block voting are in proportion to the respective shareholding.

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	----- (Rupees) -----	

6. LONG-TERM FINANCING

Islamic

Long-term Loan	6.1	492,721,250	315,442,500
Short-term maturity		(157,721,250)	(315,442,500)
Long-term maturity		335,000,000	-
Current maturity of long term loan		157,721,250	315,442,500

6.1 Long term finance utilised mark-up arrangements

	Number of installements and commencement date	Date of maturity	Rate of markup per annum	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	----- (Rupees) -----				
Islamic					
BankIslami Pakistan Limited - Related Party					
Diminishing Musharika	12 quarterly instalments November 21, 2022	November 21, 2024	3 months Kibor+1.5%	82,721,250	165,442,500
Diminishing Musharika	12 quarterly instalments April 18, 2024	April 18, 2027	3 months Kibor+1.5%	335,000,000	-
Islamic					
Dubai Islamic Bank Pakistan Limited					
Diminishing Musharika	12 quarterly instalments November 21, 2022	November 21, 2024	3 months Kibor+1.5%	75,000,000	150,000,000
				492,721,250	315,442,500

6.2 During the year 2021, the Company obtained Diminishing Musharakah term finance facilities, aggregating to Rs. 630.885 million. The Company further included a new facility of Rs. 335 million obtained on March 28, 2024. These facilities are secured against a charge over the property (16th and 17th Floor of the building).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	----- (Rupees) -----	
7. LEASE LIABILITY		
Opening balance	15,910,545	11,441,151
Interest expense	3,082,206	2,300,173
Addition	17,041,547	15,751,700
Payment of rentals	<u>(6,480,107)</u>	<u>(13,582,479)</u>
Closing balance	29,554,191	15,910,545
Less: Current maturity	<u>(8,097,892)</u>	<u>(3,937,543)</u>
	<u>21,456,299</u>	<u>11,973,002</u>

8. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES

Trade creditors	8.1	3,264,165,915	2,900,067,622
Accrued expenses		97,324,942	110,795,995
Staff Provident Fund		3,295,866	2,826,314
Provision for staff bonus	8.2	29,198,996	50,000,000
Provision for Sindh Workers' Welfare Fund		59,373,958	54,780,953
Others		537,675,602	336,754,869
		<u>3,991,035,279</u>	<u>3,455,225,753</u>

8.1 This includes payable to PSX and NCCPL amounting to Rs.0.427 (2023: Rs.0.241) million and Rs. 363.19 (2023: Rs. Nil) million in respect of trading in securities, settled subsequent to the period end.

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	----- (Rupees) -----	
8.2 Movement of provision for staff bonus is as follows:		
Balance at the beginning of the period / year	50,000,000	27,125,376
Paid during the period / year	(40,801,004)	(24,811,125)
Charged during the period / year	20,000,000	47,685,749
Balance at the end of the period / year	<u>29,198,996</u>	<u>50,000,000</u>

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There are no outstanding contingencies as at June 30, 2024 (2023: Nil) other than tax contingencies disclosed in note 20 of these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2024

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	----- (Rupees) -----	

9.2 Commitments

Net - future sale transactions of equity securities entered into by the Company in respect of which the settlement is outstanding

<u>687,510,765</u>	<u>553,782,260</u>
--------------------	--------------------

Bank Guarantee from a commercial bank in favor of National Clearing Company of Pakistan Limited expiring on May 31, 2025

<u>400,000,000</u>	<u>400,000,000</u>
--------------------	--------------------

8.2.1 The Bank Guarantee is secured against pari passu charge of Rs. 667 million over current assets of the Company with 40% margin.

10. PROPERTY AND EQUIPMENT

Operating assets

10.1	765,243,060	764,297,044
------	--------------------	-------------

Right-of-use assets

10.2	24,919,921	15,362,894
------	-------------------	------------

<u>790,162,981</u>	<u>779,659,938</u>
--------------------	--------------------

10.1 Movement in operating assets - owned

Book value at beginning of the period / year

764,297,044	789,091,984
--------------------	-------------

Cost of additions during the period / year

10.1.1	32,385,288	33,150,083
--------	-------------------	------------

Book value of deletions during the period / year

10.1.2	(17,955)	(7)
--------	-----------------	-----

Depreciation charge for the period / year

(31,421,317)	(57,945,016)
---------------------	--------------

Book value at end of the period / year

<u>765,243,060</u>	<u>764,297,044</u>
--------------------	--------------------

10.1.1 Details of additions during the period / year

Office equipment

32,385,288	9,910,060
-------------------	-----------

Office furniture

-	258,280
---	---------

Building on leasehold land

-	-
---	---

Leasehold improvements

-	1,789,488
---	-----------

Motor vehicle

-	21,192,255
---	------------

<u>32,385,288</u>	<u>33,150,083</u>
-------------------	-------------------

10.1.2 Book value of deletions during the period / year:

Office equipment

(17,955)	(3)
-----------------	-----

Motor vehicle

-	(4)
---	-----

<u>(17,955)</u>	<u>(7)</u>
-----------------	------------

10.2 Right-of-use assets

Branches

<u>24,919,921</u>	<u>15,362,894</u>
-------------------	-------------------

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	----- (Rupees) -----	

11. INVESTMENT PROPERTY

Cost	127,303,650	127,303,650
Accumulated Depreciation	<u>(12,737,275)</u>	<u>(11,145,980)</u>
Closing balance	<u>114,566,375</u>	<u>116,157,670</u>

11.1 The Company has vis-à-vis rented out a portion of the property to JS Investments Limited, a related party, under a rental arrangement.

11.2 Investment property comprises of 5,805 square feet of 16th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan, the fair value of which has been determined on the basis of valuation carried out by an independent professional valuer as of December 31, 2023 which amounts to Rs. 243.810 million (2022: Rs. 226.395 million).

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	----- (Rupees) -----	

12. INTANGIBLE ASSETS

Trading Right Entitlement Certificate (TREC) - Pakistan Stock Exchange Limited (PSX)	12.1	2,500,000	2,500,000
Membership card - Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
		<u>5,000,000</u>	<u>5,000,000</u>

12.1 This represents TREC received from PSX in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012. The Company has also received shares of PSX after completion of the demutualization process.

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	----- (Rupees) -----	

13. LONG TERM INVESTMENTS

Classified as at fair value through Other Comprehensive Income

Shares of PSX - at cost (2023: 2,202,953 shares)	13.1	23,060,884	23,060,884
Sukuk certificates		3,435,000	3,120,000
		26,495,884	26,180,884
Surplus on revaluation - net	13.2	4,538,254	181,064
		<u>31,034,138</u>	<u>26,361,948</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED JUNE 30, 2024

13.1 Sukuk certificates

Number of Certificates		Name of Sukuks certificates	Carrying value	
June 30, 2024 (Un-audited)	December 31, 2023 (Audited)		June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
687	624	Listed debt securities - secured BankIslami Pakistan Limited - Ehad Sukuk	3,435,000	3,120,000

13.2 Movement of surplus on revaluation of investment classified as at fair value through Other Comprehensive Income is as follows:

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Balance at the beginning of the period / year	181,064	(4,270,572)
Surplus on re-measurement of investments during the period / year	4,357,190	4,451,636
Balance at the end of the period / year	4,538,254	181,064

14. SHORT TERM INVESTMENTS

At fair value through profit or loss

Quoted equity securities	673,067,766	543,400,839
Exchange Traded Fund	33,114,705	25,333,868
	706,182,471	568,734,707

15. TRADE DEBTS

Purchase of shares on behalf of clients	1,652,801,627	1,180,350,891
Advisory services	3,263,649	159,392
Receivable from JSGBETF	715,540	470,747
Forex and fixed income commission	9,725,879	7,902,490
Commodity	83,589,742	97,227,397
	1,750,096,437	1,286,110,917
Considered doubtful	420,587,115	420,587,115
	2,170,683,552	1,706,698,032
Provision for doubtful debts	(420,587,115)	(420,587,115)
15.1	1,750,096,437	1,286,110,917

15.1 Included herein is a sum of Rs.3.784 (2023: Rs. 8.598) million receivable from related parties.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

15.2 This includes receivable from National Clearing Company of Pakistan Limited (NCCPL) amounting to NIL (2023: 53.748 Million) in respect of trading in securities, settled subsequent to the period end.

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	----- (Rupees) -----	

16. INTEREST AND MARK-UP ACCRUED

Accrued mark-up on margin finance	39,053,444	33,092,193
Accrued mark-up on term finance / sukuk certificates	1,015,595	606,108
Interest receivable on bank deposits	594,537	524,412
	<u>40,663,576</u>	<u>34,222,713</u>

17. CASH AND BANK BALANCES

Cash with banks:

- Current accounts	91,356,072	34,534,313
- Profit or loss savings (PLS) / deposit accounts	1,925,159,911	1,102,446,924
	<u>2,016,515,983</u>	1,136,981,237

Cash in hand:

	224,000	224,000
	<u>2,016,739,983</u>	<u>1,137,205,237</u>

17.1 These carry profit / mark-up rates ranging from 11% to 20.82% (2023: 9.25% to 20.82%) per annum.

17.2 These include balances with the Parent Company amounting to Rs.1,872.431 (2023: Rs.1029.772) million.

17.3 Detail of customer assets held in designated bank accounts and Central Depository Company of Pakistan Limited (CDC) are as follows:

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	----- (Rupees) -----	

Customers' assets held in the designated bank accounts and exposure deposit

1,965,164,929	1,238,443,452
---------------	---------------

Customers' assets held in the CDC

38,369,731,817	37,054,404,535
----------------	----------------

17.4 Securities pledged with financial institutions

9,291,651,082	10,684,213,058
---------------	----------------

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

	Six months ended		Three months ended	
	June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)	June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)
18. OPERATING REVENUE	----- (Rupees) -----			
Brokerage and operating income	571,427,167	312,774,419	299,648,417	144,955,120
Management Fee - JSGBETF	447,547	-	447,547	-
Advisory and consultancy fee	15,376,527	15,481,824	10,547,569	10,428,426
Revenue including sales tax on services	<u>587,251,241</u>	<u>328,256,243</u>	<u>310,643,533</u>	<u>155,383,546</u>
Less: Sales tax on services	67,559,877	37,763,993	35,737,752	17,875,983
Net revenue excluding sales tax on services	<u>519,691,364</u>	<u>290,492,250</u>	<u>274,905,781</u>	<u>137,507,563</u>

19. FINANCE COST				
Mark-up on long-term loans	43,923,285	55,189,227	28,049,574	27,384,353
Commission expense on bank guarantee	2,499,993	2,499,993	1,249,995	1,249,995
Bank and other charges	415,953	588,243	262,474	588,243
Interest expense on assets subject to finance lease	3,082,206	569,335	1,796,812	345,946
	<u>49,921,437</u>	<u>58,846,798</u>	<u>31,358,855</u>	<u>29,568,537</u>

20. TAXATION

20.1 There are no material changes in tax contingencies as disclosed in annual financial statements for the year ended December 31, 2023.

	(Un-audited)			
	Six months ended		Three months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
21. EARNINGS PER SHARE - BASIC AND DILUTED	----- (Rupees) -----			
Profit after taxation	<u>162,836,040</u>	<u>60,655,494</u>	<u>105,239,399</u>	<u>29,250,893</u>
	----- (Number) -----			
Weighted average number of shares	<u>27,477,297</u>	<u>27,477,297</u>	<u>27,477,297</u>	<u>27,477,297</u>
	----- (Rupees) -----			
Earnings per share - basic and diluted	<u>5.93</u>	<u>2.21</u>	<u>3.83</u>	<u>1.06</u>

22. RELATED PARTY TRANSACTIONS

22.1 Related parties comprise of parent company, major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefit fund, directors,

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

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 condensed interim financial statements, are as follows:

	June 30, 2024 (Un-audited)		December 31, 2023 (Audited)	
	Key management personnel of entity and associated entities	Associated entities other than parent company	Key management personnel of entity and associated entities	Associated entities other than parent company
	----- (Rupees) -----			
Trade debts				
Opening balance	411,022	1,659,663	72,922	1,088,415
Invoiced during the year	213,410	269,068,604	8,300,126	289,921,241
Received during the year	-	(269,948,622)	(7,962,026)	(289,349,993)
Closing balance	<u>624,432</u>	<u>779,645</u>	<u>411,022</u>	<u>1,659,663</u>
Trade payable				
Opening balance	1,253,706	19,094,766	12,285,027	175,894,970
Invoiced during the year	107,718,099	6,813,796	437,902,111	1,019,438,162
Paid during the year	(82,712,844)	(6,580,213)	(448,933,432)	(1,176,238,366)
Closing balance	<u>26,258,961</u>	<u>19,328,349</u>	<u>1,253,706</u>	<u>19,094,766</u>
Loans and advances				
Opening balance	13,871,899	-	13,570,369	-
Disbursements during the year	3,566,960	-	11,566,004	-
Repayments during the year	(5,975,671)	-	(11,264,474)	-
Closing balance	<u>11,463,188</u>	<u>-</u>	<u>13,871,899</u>	<u>-</u>

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	----- (Rupees) -----	
Balances with Parent Company		
Trade debts	<u>298,374</u>	<u>539,065</u>
Trade Payable	<u>204,491</u>	<u>-</u>
Bank balances with parent company	<u>1,872,431,330</u>	<u>1,029,772,091</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2024

	June 30, 2024 (Un-audited) ----- (Rupees) -----	December 31, 2023 (Audited) -----
Balances with ultimate Parent Company		
Trade debts	<u>2,082,019</u>	<u>5,988,714</u>
Balances with associated entities of group companies		
Principal outstanding on term finance certificates/sukuks	<u>3,435,000</u>	<u>3,120,000</u>
Donation payable	<u>-</u>	<u>3,610,997</u>
Mark-up payable on long-term financing	<u>17,942,231</u>	<u>4,032,219</u>
Long-term financing obtained	<u>335,000,000</u>	<u>-</u>
Long-term financing repaid	<u>82,721,250</u>	<u>-</u>

	June 30, 2024 (Un-audited) ----- (Rupees) -----	June 30, 2023 (Un-audited) -----
Transactions with associated entities of group companies		
Nature of transactions		
Brokerage income	<u>4,657,535</u>	<u>9,831,896</u>
Donation paid	<u>3,745,927</u>	<u>-</u>
Rent Received	<u>7,112,424</u>	<u>6,773,773</u>

Transactions with the Parent Company		
Nature of transactions		
Brokerage income	<u>744,516</u>	<u>875,432</u>
Bank charges	<u>269,572</u>	<u>218,217</u>
Mark-up on deposit accounts	<u>39,051,458</u>	<u>38,341,204</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

	June 30, 2024 (Un-audited) ----- (Rupees) -----	June 30, 2023 (Un-audited) -----
Transactions with ultimate Parent Company		
Nature of transactions		
Brokerage income	<u>538,251</u>	<u>1,907,511</u>
Reimbursement of expenses by the ultimate parent company	<u>2,464,147</u>	<u>56,345,345</u>
Reimbursement of expenses to the ultimate parent company	<u>10,575,725</u>	<u>44,483,729</u>
Rent paid during the year to the ultimate parent company	<u>1,756,920</u>	<u>1,637,200</u>
Mark-up received on term finance certificates	<u>-</u>	<u>431,425</u>
Principal received on term finance certificates	<u>-</u>	<u>2,500,000</u>
Transactions with key management personnel of the Company and its Parent Company		
Nature of transactions		
Brokerage income	<u>284,699</u>	<u>2,729,960</u>
Directors' remuneration	<u>2,925,000</u>	<u>2,575,000</u>
Remuneration paid to Chief Executive Officer	<u>13,828,810</u>	<u>10,902,503</u>
Remuneration paid to key management personnel	<u>158,920,612</u>	<u>128,902,025</u>
Transactions with other related parties		
Nature of transactions		
Royalty expense	<u>10,000,000</u>	<u>10,000,000</u>
Insurance expense	<u>8,168,224</u>	<u>4,096,482</u>
Purchase of term finance certificates	<u>-</u>	<u>50,456,440</u>
Sale of term finance certificates	<u>30,237,500</u>	<u>50,456,440</u>
Sale of sukuk certificates	<u>1,295,100,973</u>	<u>1,294,062,948</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

	June 30, 2024 (Un-audited) ----- (Rupees) -----	June 30, 2023 (Un-audited) ----- (Rupees) -----
Mark-up on sukuk certificates	<u>315,379</u>	<u>866,313</u>
Capital gain on sale of sukuk certificates	<u>5,552,001</u>	<u>10,779,699</u>
Contributions to staff provident fund	<u>8,191,344</u>	<u>8,627,956</u>

23. OPERATING SEGMENTS

	June 30, 2024 (Un-audited)			
	Brokerage	Investment and treasury	Other operations	Total
	----- (Rupees) -----			
Segment revenues	494,897,765	236,117,257	70,339,697	801,354,719
Administrative and operating expenses	(303,234,896)	(5,373,707)	(172,975,111)	(481,583,714)
Depreciation	(20,226,670)	(232,932)	(20,038,756)	(40,498,358)
Finance cost	-	(49,921,437)	-	(49,921,437)
Gain on sale of property and equipment	171,436,199	180,589,181	(122,674,170)	229,351,210
				299,046
Provision for Sindh Workers' Welfare Fund				(4,593,005)
Taxation				(62,221,211)
Profit after tax				<u>162,836,040</u>
Segment assets	<u>4,926,209,699</u>	<u>443,528,876</u>	<u>1,787,552,411</u>	<u>7,157,290,985</u>
Segment liabilities	<u>3,803,251,682</u>	<u>541,597,506</u>	<u>192,190,627</u>	<u>4,537,039,815</u>

There were no major customer of the Company which derived 10 percent or more of the Company's revenue. All non-current assets of the Company as at June 30, 2024 and December 31, 2023 are located and operating in Pakistan.

	June 30, 2023 (Un-audited)			
	Brokerage	Investment and treasury	Other operations	Total
	----- (Rupees) -----			
Segment revenues	276,791,521	195,730,594	47,269,460	519,791,575
Administrative and operating expenses	(172,393,088)	(4,117,073)	(167,726,096)	(344,236,257)
Depreciation	(11,050,757)	(260,041)	(21,965,767)	(33,276,565)
Finance cost	-	(58,846,798)	-	(58,846,798)
	93,347,676	132,506,682	(142,422,403)	83,431,955
Gain on sale of property and equipment				9,549,997
Provision for Sindh Workers' Welfare Fund				(1,944,115)
Taxation				(30,382,343)
Profit after tax				<u>60,655,494</u>
Segment assets	<u>3,021,508,876</u>	<u>223,482,141</u>	<u>1,871,565,203</u>	<u>5,116,556,220</u>
Segment liabilities	<u>2,164,199,388</u>	<u>504,022,145</u>	<u>130,108,687</u>	<u>2,798,330,220</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED JUNE 30, 2024

24. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction.

The carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair value. The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

	June 30, 2024 (Un-audited)			Total
	Level 1	Level 2	Level 3	
	(Rupees)			
Financial assets at fair value through profit or loss				
Quoted equity securities	673,067,766	-	-	673,067,766
Exchange Traded Fund	33,114,705	-	-	33,114,705
	706,182,471	-	-	706,182,471

Financial assets at fair value through other comprehensive income				
Quoted equity securities	27,599,138	-	-	27,599,138
Sukuk Certificates	3,435,000	-	-	3,435,000
	31,034,138	-	-	31,034,138

	December 31, 2023 (Audited)			Total
	Level 1	Level 2	Level 3	
	(Rupees)			
Financial assets at fair value through profit or loss				
Quoted equity securities	543,400,839	-	-	543,400,839
Exchange Traded Fund	25,333,868	-	-	25,333,868
	568,734,707	-	-	568,734,707

Financial assets at fair value through other comprehensive income				
Quoted securities	23,241,948	-	-	23,241,948
Sukuk Certificates	3,120,000	-	-	3,120,000
	26,361,948	-	-	26,361,948

25 DISCLOSURE UNDER RESEARCH ANALYST REGULATIONS 2015

The following disclosures are provided pursuant to compliance with Regulation 5(4) of Research Analyst Regulations, 2015:

At present, the Company employs eight members in its research department (including head of research, deputy head of research, two senior analysts, a junior analyst, a technical analyst, a librarian and a data administrator). All members report to Head of Research who in turn reports to CEO.

Compensation structure of research analysts is flat and is subject to qualification, experience and skillset of the person. However, the compensation of anyone employed in the research department does not in any way depend on the contents / outcome of research report.

During the period, the personnel employed in the Research Department have drawn an aggregate salary and benefits amounting to Rs.13.735 million which comprises basic salary, medical allowance, provident fund and other benefits as per company policy.

26 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue in the Board of Directors' meeting held on 16th August 2024.

Director

Chief Executive Officer

Chief Financial Officer