



AKD Securities Limited



QUARTERLY REPORT

SEPTEMBER 2024

COMPANY INTRODUCTION

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

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



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

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

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

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

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COMPANY INFORMATION

BOARD OF DIRECTORS

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

AUDIT COMMITTEE

Kamal Uddin Tipu
Ayesha Aqeel Dhedhi
Afsheen Aqeel

HR & R COMMITTEE

Sikander Kasim
Muhammad Farid Alam – FCA
Ayesha Aqeel Dhedhi

CHIEF EXECUTIVE OFFICER

Muhammad Farid Alam – FCA

COMPANY SECRETARY

Dabeer Ullah Sheikh

CHIEF FINANCIAL OFFICER

Zafar Ahmed Khan

HEAD OF INTERNAL AUDIT

Muhammad Noman

CREDIT RATING

JCR-VIS Credit Rating
Company Limited

TAX ADVISOR

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

STATUTORY AUDITOR

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

LEGAL ADVISORS

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

SHARE REGISTRAR

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

BANKERS

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

REGISTERED OFFICE

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

BRANCH NETWORK

serving YOU, where YOU are...

Stock Office Karachi:

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

Karachi (North Nazimabad):

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

Lahore:

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

Lahore:

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

Islamabad:

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

Islamabad:

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

Faisalabad:

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

Multan:

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

Gujranwala:

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

Rahim Yar Khan:

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

Peshawar:

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

Sialkot:

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

Abbottabad:

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

DIRECTORS

REVIEW TO THE MEMBERS

On behalf of the Board of Directors of AKD Securities Limited, we are pleased to present the unaudited financial statements of the Company for the quarter ended 30 September 2024.

Economic Review

The outgoing quarter was marked by notable positive developments in the country's fiscal and external positions. The authorities successfully secured a US\$7.0 billion Extended Fund Facility from the IMF on September 27, 2024, and there was a significant slowdown in inflation, followed by monetary easing. Inflation has dropped to a single digits, industrial output has increased, and major exporting sectors have shown growth, reflecting an optimistic outlook for exports. The current account deficit contracted, while the fiscal sector remained resilient, mainly attributed to prudent measures. This trajectory is expected to continue in the coming quarters.

Inflation fell to low of nearly four years in Sep'24 to 6.9% due to ease in food prices and transportation charges. Regarding external balances, CAD and SBP FX reserves during 1QFY25 stood at US\$98mn and US\$10.7bn during quarter end (vs. US\$1.2bn and US\$7.6bn SPLY). The yearly improvement in the aforementioned balances were largely due to higher exports and worker remittances.

Equity Market Review

KSE100 continued its upward trajectory during the quarter, provided a 3.3%QoQ return (3.5%QoQ in US\$ terms) because of the optimism surrounding the IMF deal and the ongoing monetary easing, even in the face of substantial foreign selling of US\$21.7mn. Moreover, market liquidity improved significantly, with the average trading volume increasing to 662mn shares, up 70.8%YoY, along with a 76.9%YoY increase in traded value.

In terms of sector performances, the Pharma, Transport, and Fertilizer emerged as top returning during the quarter, gaining 21.1%/20.3%/16.7%QoQ. Oil and Gas Exploration and Textile Spinners sector also demonstrated growths, with both registering increases of 13.8%/12.2%QoQ during 1QFY25. Conversely, in terms of negative performances, Tobacco, Power Generation, Engineering remained the most downtrodden, down by 20.6%/20.5%/15.3%QoQ, respectively.

Foreign investors became net sellers for the first time since 2QCY23 due to FTSE rebalancing. Pakistan was reclassified from Secondary Emerging to Frontier market status, effective from the opening of Sep 23, 2024 as the country failed to meet securities count. Foreign investors reduced their equity exposure by US\$21.7mn. The Fertilizer sector saw the highest outflow, at US\$24.2mn, followed by US\$10.5mn in Cements and US\$8.2mn in E&Ps. Technology was the sector where foreign investors increased their exposure the most, purchasing US\$12.8mn worth of stocks.

Mutual Funds, Individuals, and Banks absorbed the aggressive foreign selling, rushing to buy equities at lower valuations driven by a rerouting of insurance sector flows through mutual funds. Individuals increased their exposure the most, adding US\$47.4mn, followed by Mutual Funds with US\$18.8mn and Banks with US\$7.7mn. However, Insurance, Brokers, and Companies remained net sellers, with a combined net outflow of US\$43.7mn.

Debt and Currency Market Review

The current account deficit narrowed sharply in 1QFY25, and SBP's FX reserves improved significantly from US\$9.4bn at end-Jun'24 to above US\$10.0bn. Moreover, the country secured US\$7bn Extended Fund Facility of 37-Months.

The SBP initiated monetary easing, driven by a falling inflation, stability in the external account, and fiscal consolidation, after maintaining the policy rate at an all-time high of 22% for one year. We expect monetary easing to continue into FY25 as real interest rates are nearly 1,000bps positive, and the current account balance remains under control. Successful entry into the IMF program will allow Pakistan to continually unlock financing from official partners, sufficient to meet its external obligations and further support the rebuilding of its foreign exchange reserves.

Commodity Market Review

First quarter saw commodities falter in the backdrop of slowing global demand, particularly in Europe and China. Brent crude fell by 17% QoQ, ending the quarter at US\$72/bbl. On the supply side, continued production from non-compliant OPEC+ members, coupled with anticipated reversals of supply cuts announced last year, which could raise global output amid weakening demand, added further downward pressure on crude prices. Overall, geopolitical risks, particularly in the MEA region, remained a significant factor that added volatility to the oil market during the period. With regards to industrial metals, improving supply further eroded prices as Scrap/Iron-ore/CRC prices fell by 4%/4%/8% on a QoQ basis, while prices of rebar remained relatively stable. However, gold surged 13%QoQ to end the quarter at US\$2,636/t.oz, driven by geopolitical uncertainty and expectations of further U.S. rate cuts. Copper also experienced a gain of 2.5%YoY, fueled by growing demand for renewable energy, EVs and data centers globally. Trend of other commodities as opposed to the previous quarter are as follows: Coal (↑6%), RLNG (↑1%), Urea (↓18%), PVC (↓5%) and Cotton (↑5%).

Future Outlook

Following a phase of decline, economic activity is now regaining its footing and major exporting sectors show readiness to scale up production. This rebound is anticipated to be supported by a favorable global environment, a stable exchange rate, and easing inflationary pressures. However, the agriculture sector may encounter obstacles due to a high comparative base and rising input costs, which could hinder its growth. Additionally, an accommodative monetary policy, stronger investor confidence, and global market recovery will further promote sustained industrial expansion. The government's dedication to fiscal consolidation is expected to improve fiscal accounts. On the external side, the current account is projected to remain stable, driven by strong worker remittances, export growth, and the country's participation in the IMF's Extended Fund Facility (EFF), along with support from friendly and development partners. Moreover, the PSX is likely to perform well in the coming year, as funds shift from fixed income to equities, supported by the outlook of continued monetary easing.

Operating and Financial Performance

During the quarter ended 30 September 2024 the Company reported the following results:

	2024 ----- (Rupees in '000) -----	2023 -----
Profit before income and final tax	808,150	460,445
Taxation	(191,624)	(114,869)
Profit after taxation	616,526	345,576
	----- (Rupees) -----	
Earnings per share	1.11	0.62

During the quarter ended September 30, 2024, the brokerage segment performed well with revenues of PKR 330 million (1QFY 2023: PKR 209 million) and increased by 58% QoQ.

Acknowledgment

The Directors wish to record their gratitude to the Company's valued clients, shareholders, business partners and other stakeholders for their continued trust that they have reposed in the Company. The Board would also like to record their appreciation to the employees of the Company for their commitment and dedication.

On behalf of the Board of Directors

Karachi:
October 29, 2024



Director



Chief Executive Officer

STANDALONE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)



- Condensed Interim Statement Of Financial Position
- Condensed Interim Statement Of Profit And Loss Account And Other Comprehensive Income
- Condensed Interim Cash Flow Statement
- Condensed Interim Statement Of Changes In Equity
- Notes To The Condensed Interim Financial Information

AKD SECURITIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

		(Un-Audited)	(Audited)
		September 30, 2024	June 30, 2024
Note		----- Rupees -----	
Non-current assets			
	Property and equipment	5 1,570,137,044	1,657,816,491
	Investment property	6 406,560,745	339,519,781
	Intangible assets	7 3,154,517,743	3,155,130,867
	Long-term investments	8 890,158,103	632,884,468
	Long-term loans and advances	9 -	256,780,000
	Long-term deposits and prepayments	10 39,548,541	39,548,541
	Deferred taxation - net	-	80,964,020
		6,060,922,176	6,162,644,168
Current assets			
	Short-term investments	11 2,483,913,722	2,191,508,306
	Trade debts	12 513,139,434	223,114,231
	Deposits, prepayments and other receivables	13 3,272,917,876	3,893,681,008
	Loans and advances	14 1,030,705,854	937,654,771
	Cash and bank balances	15 914,786,173	803,108,216
		8,215,463,059	8,049,066,532
	TOTAL ASSETS	14,276,385,235	14,211,710,700
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised Capital			
	700,000,000 Ordinary shares of Rs. 10 each	7,000,000,000	7,000,000,000
	Issued, subscribed and paid-up capital	16 5,578,341,710	5,578,341,710
	Share premium	2,302,905,878	2,302,905,878
	Fair value reserve	416,113,749	415,620,114
	General reserve	18,752,260	18,752,260
	Accumulated profit	1,706,226,226	1,089,699,870
		10,022,339,823	9,405,319,832
Non-current liabilities			
	Long-term financing-secured	17 -	-
	Deferred taxation - net	206,321	-
	Lease liabilities	18 21,389,991	23,097,193
		21,596,312	23,097,193
Current liabilities			
	Trade and other payables	19 3,696,827,048	4,189,716,495
	Short term financing-secured	20 385,180,297	500,000,000
	Current portion of lease liabilities	18 11,040,648	12,415,405
	Unclaimed dividend	1,926,863	1,927,156
	Taxation - net	136,534,615	78,309,772
	Accrued mark-up	939,629	924,847
		4,232,449,100	4,783,293,675
	TOTAL EQUITY AND LIABILITIES	14,276,385,235	14,211,710,700
CONTINGENCIES AND COMMITMENTS			
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The annexed notes 1 to 28 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

AKD SECURITIES LIMITED

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR QUARTER ENDED SEPTEMBER 30, 2024**

	Note	Quarter Ended September 30,	
		2024	2023
		----- Rupees -----	
Operating revenue	22	332,518,424	212,207,681
Net gain on investments			
Gain on sale of short term investments 'at fair value 'through profit and loss' - net		35,054,614	136,942,532
Unrealised gain on re-measurement of short-term 'investments at fair value through profit or loss' -net		419,900,942	196,724,206
		454,955,556	333,666,738
Dividend income		1,600,641	3,574,558
Mark-up / profit on bank deposits and other income		237,816,149	130,597,345
		1,026,890,770	680,046,322
Operating and administrative expenses		(217,412,365)	(180,351,667)
Impairment on long-term investment - subsidiary		-	(36,373)
Reversal/(allowance) against expected credited loss		20,639,408	1,160,452
		(196,772,957)	(179,227,588)
Operating profit		830,117,813	500,818,734
Finance cost		(30,337,857)	(42,585,980)
		799,779,956	458,232,754
Other income		8,369,951	2,212,921
Profit before income and final taxes		808,149,907	460,445,675
Final taxes		(240,096)	(536,184)
Profit before Income Tax		807,909,811	459,909,491
Income tax			
Current Tax- For the period		(110,213,114)	(9,474,426)
Deferred tax		(81,170,341)	(104,858,800)
		(191,383,455)	(114,333,226)
Profit for the period		616,526,356	345,576,265
Other comprehensive income for the period:			
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gain arising on re-measurement of long term investment at fair value through other comprehensive income-net		493,635	4,630,827
Total comprehensive income for the period		617,019,991	350,207,092
		----- Rupees -----	
Earnings per share - basic and diluted		1.11	0.62

The annexed notes 1 to 28 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

AKD SECURITIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASHFLOW (UN-AUDITED)
FOR QUARTER ENDED SEPTEMBER 30, 2024

	Quarter ended September 30,	
	2024	2023
	----- Rupees -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income and final taxes	808,149,907	460,445,675
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation	32,862,315	19,753,959
Amortization	613,125	445,921
Gain on sale of short term investments 'at fair value through profit and loss' - net	(35,054,614)	(136,942,531)
Gain on sale of property and equipment	-	(1,946,533)
Unrealised gain on re-measurement of short term investments at fair value through profit or loss' - net	(419,900,942)	(196,724,206)
Impairment on long-term investment - subsidiary	-	36,373
Reversal of doubtful debts-net	(20,639,408)	(1,160,452)
Finance cost	30,337,857	42,585,980
Dividend income	(1,600,641)	(3,574,558)
	(413,382,308)	(277,526,047)
	394,767,599	182,919,628
Working capital adjustments:		
Decrease/(Increase) in current assets		
Trade debts	(269,385,795)	36,655,350
Deposits, prepayments and other receivables	620,763,132	(1,044,270,450)
Loan and advances	(93,051,083)	(57,558,881)
	258,326,254	(1,065,173,981)
(Decrease)/Increase in current liabilities		
Trade and other payables	(492,889,447)	662,565,521
	160,204,406	(219,688,831)
Finance cost paid	(28,121,378)	(39,744,957)
Income and final tax paid	(52,228,367)	(49,189,369)
Net cash flows generated/ (used in) from operating activities	79,854,661	(308,623,157)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments 'at fair value through profit or loss' - net	(94,229,861)	68,942,628
Purchase of property and equipment	60,237,942	(258,208,045)
Proceeds from disposal of property and equipment	-	6,000,000
Additions to investment property	(72,461,774)	-
Dividend received	1,600,641	3,574,558
Net cash flows (used in) from investing activities	(104,853,053)	(179,690,859)
CASH FLOW FROM FINANCING ACTIVITIES		
Long-term loans and advances	256,780,000	(150,000,000)
Repayment of Loan	(114,819,703)	-
Lease payments	(5,283,656)	(12,075,621)
Long-term deposits and prepayments	-	95,605
Dividend paid	(293)	(417)
Net cash flows generated/(used in) from financing activities	136,676,348	(161,980,433)
Net increase/(decrease) in cash and cash equivalents	111,677,956	(650,294,449)
Cash and cash equivalents at the beginning of the period	803,108,217	876,830,002
Cash and cash equivalents at the end of the period	914,786,173	226,535,553
Cash and cash equivalents comprises of:		
Cash and bank balances	914,786,173	376,535,553
Short term financing-secured	-	(150,000,000)
	914,786,173	226,535,553

The annexed notes 1 to 28 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

AKD SECURITIES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR QUARTER ENDED SEPTEMBER 30, 2024

Share capital	Shares to be issued in accordance with scheme of merger	Share premium	Revenue reserves		Fair value reserve	Total
			General reserve	Accumulated profit/(loss)		
----- (Rupees) -----						
5,578,341,710	-	2,302,905,878	18,752,260	(169,695,675)	423,776,599	8,154,080,772
-	-	-	-	345,576,265	-	345,576,265
-	-	-	-	-	4,630,827	4,630,827
5,578,341,710	-	2,302,905,878	18,752,260	175,880,590	428,407,426	8,504,287,864
-	-	-	-	913,819,280	-	913,819,280
-	-	-	-	-	(12,787,312)	(12,787,312)
5,578,341,710	-	2,302,905,878	18,752,260	1,089,699,870	415,620,114	9,405,319,832
-	-	-	-	616,526,356	-	616,526,356
-	-	-	-	-	493,635	493,635
5,578,341,710	-	2,302,905,878	18,752,260	1,706,226,226	416,113,749	10,022,339,823

Note

Balance as at July 01, 2023

Profit for the quarter ended September 30, 2023
Other comprehensive income for the period
Balance as at September 30, 2023

Profit for nine months ended June 30, 2024
Other comprehensive loss for the period
Balance as at June 30, 2024

Profit for the quarter ended September 30, 2024
Other comprehensive income for the period
Balance as at September 30, 2024

The annexed notes 1 to 28 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

AKD SECURITIES LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR QUARTER ENDED SEPTEMBER 30, 2024

1 STATUS AND NATURE OF BUSINESS

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

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

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

The branch offices are situated at;

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

- 1.2 The company is a subsidiary of AKD Group Holdings (Pvt) Limited (the Parent), who holds 95.87% (2024: 95.87%) shares of the company.
- 1.3 These are separate Financial Statements of the Company in which investment in subsidiary is reported on the basis of cost.

2 BASIS OF PREPARATION

- 2.1 These unconsolidated condensed interim financial information of the Company for the period ended September 30, 2024 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of the Companies Act, 2017 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements differ, the provisions of the Companies Act, 2017 and the said directives have been followed.
- 2.2 These unconsolidated condensed interim financial information do not include all the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Company's Annual Financial Statements for the year ended June 30, 2024.
- 2.3 These unconsolidated condensed interim financial information are un-audited.

3 ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these unconsolidated condensed interim financial information are consistent with those of the previous financial year ended June 30, 2024.

3.2 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial information requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectation of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2024.

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 June 30, 2024.

4 FUNCTIONAL AND PRESENTATION CURRENCY

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

		(Un-Audited)	(Audited)
	Note	September 30, 2024	June 30, 2024
----- Rupees -----			
5 PROPERTY AND EQUIPMENT			
Operating fixed assets	5.1	620,310,060	704,012,901
Right of use asset	5.2	29,826,984	33,803,590
Advance against capital expenditure	5.3	920,000,000	920,000,000
		<u>1,570,137,044</u>	<u>1,657,816,491</u>
5.1 Operating fixed assets			
Opening		704,012,901	157,996,336
Additions during the period / year	5.1.1	12,223,833	632,912,808
Deletions during the period / year		-	(9,475,791)
Transferred during the period / year (net)	6	(72,461,774)	9,347,989
Depreciation charge for the period / year		(23,464,900)	(86,768,441)
Book value at end of the period / year		<u>620,310,060</u>	<u>704,012,901</u>

5.1.1 This includes addition of Rs.12,052,833 and Rs. 171,000 in computer and office equipment and furniture and fixtures respectively.

5.2 Right-of-use- assets

Opening		33,803,590	42,370,780
Additions during the period / year		-	19,306,605
Deletions/Transfers during the period / year		-	(10,591,916)
Depreciation charge for the period / year		(3,976,606)	(17,281,879)
		<u>29,826,984</u>	<u>33,803,590</u>

5.3 Advance against capital expenditure

Opening	5.3.1	920,000,000	1,629,300,000
Additions during the period / year		-	260,700,000
Transfer to Property and Equipment		-	(612,610,757)
Transfer to Investment Property		-	(357,389,243)
		<u>920,000,000</u>	<u>920,000,000</u>

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

6 INVESTMENT PROPERTY

Net book value at the beginning of the period/year

Cost		357,389,243	-
Accumulated depreciation		(17,869,462)	-
Net book value at the beginning of the period/ year		339,519,781	-

Addition/Transfer during the year

Additions (at Cost)		-	357,389,243
Transfers (Cost)	5.1	76,275,552	-
Transfers (Accumulated Depreciation)	5.1	(3,813,778)	-
Depreciation charge for the period/ year		(5,420,810)	(17,869,462)
Net book value at the end of period/year		406,560,745	339,519,781

Analysis of net book value

Cost		433,664,795	357,389,243
Accumulated depreciation		(27,104,050)	(17,869,462)
Net book value at the end of period/year		406,560,745	339,519,781
Depreciation Rate (% per annum)		5	5

6.1 The Investment property comprises 17 offices of 17,133.26 square feet on the 2nd, 4th & 5th Floor, Continental Trade Centre Block 8, Clifton, Karachi, Pakistan, the fair value of which has been determined based on the valuation carried out by an independent professional valuer as of June 30, 2024 which amounting to Rs.436.989 million (2024: Rs.361.651 million) and has a forced sale value amounting to Rs 349.59 million (2024: Rs 289.230 million)

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

7 INTANGIBLE ASSETS

Computer software	7.1	4,291,006	4,904,130
Membership and booth of PMEX		8,250,000	8,250,000
Booths at PSX		950,200	950,200
License and trademark		699,770	699,770
TREC -PSX		2,500,000	2,500,000
Good will recognized under merger scheme	7.2	3,137,826,767	3,137,826,767
		<u>3,154,517,743</u>	<u>3,155,130,867</u>

7.1 Computer software

Opening	4,904,130	2,692,912
Additions during the period / year	-	4,000,181
Amortization for the period / year	(613,124)	(1,788,963)
Book value at end of the period / year	<u>4,291,006</u>	<u>4,904,130</u>

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

Note	(Un-Audited)		(Audited)	
	September 30, 2024		June 30, 2024	
----- Rupees -----				
8 LONG-TERM INVESTMENTS				
Structured Venture (Private) Limited (Subsidiary)				
Cost	8.1	488,581,200	488,581,200	
Less: Provision for impairment		(488,581,200)	(488,581,200)	
		-	-	
At fair value through Other Comprehensive Income				
Pakistan Stock Exchange Limited (Quoted)				
Cost	8.2	1,438,000	1,438,000	
Unrealized gain period / year		20,971,283	19,095,828	
		22,409,283	20,533,828	
Al Jomaih Power Limited (Unquoted)				
Cost	8.3	184,196,957	184,196,957	
Unrealized gain period / year		426,771,863	428,153,683	
		610,968,820	612,350,640	
New Horizon Exploration and Production Limited - (Related Party)				
Cost - Class 'A' ordinary shares	8.4	31,628,571	31,628,571	
Less: impairment		(31,628,571)	(31,628,571)	
		-	-	
Debt instrument - at fair value through profit or loss				
Unquoted entities				
'Advance Against Investment - Park View REIT scheme	8.5	256,780,000	-	
		256,780,000	-	
		<u>890,158,103</u>	<u>632,884,468</u>	

- 8.1 Structured Venture (Private) Limited (SVPL) is a subsidiary of the company. The total amount of investment approved by the shareholders of the Company in the extra-ordinary general meeting held on June 22, 2010 was Rs. 625 million. As of the balance sheet date, the Company has invested a total sum of Rs. 488.581 million. During the year company has recognised further impairment as the net assets of the SVPL has decreased due to operating loss.

- 8.2 Fair value of investment in PSX at the period ended was Rs. 13.98 per share (2024: 12.81 per share) as per quoted market price.

- 8.3** The Company's investment in unquoted shares of Al Jomaih Power Limited (AJPL) incorporated in Cayman Island are valued at its fair value based on the latest available net assets value of the investee Company as at June 30, 2023. The above figures are based on unaudited financial statements. The company holds 1.55% of total issued certificates of AJPL. To date company has received a return of Rs 72mn in forms of dividends and the total cost of investment is Rs 184.19mn (2024: 184.19mn).
- 8.4** In year 2015, the management recorded impairment of its investment in New Horizon Exploration and Production Limited (NHEPL) in accordance with IAS-36 which was again tested for impairment as required by IFRS 9 adopted by the company on January 01, 2019. The recoverable amount of investment was estimated using "Value in use" approach. In considering the impairment, various business assumptions for estimating cash flows were used, which includes but are not limited to, historical performance of the investment, development and production activity in NHEPL's working interests, recoverability of future cash flows from the investment etc. Based on such analysis, the Company fully impaired its investment in NHEPL and an impairment loss of Rs. 31.63 million was recognized up to year 2016. As of reporting date there is no change in management assumption of recoverability of this investment, accordingly no impairment loss has been reversed.
- 8.5** This represents 25,678,000 units of Park View REIT scheme at a price of Rs. 10 per unit held in private placed closed-end limited life shariah compliant development REIT scheme which constitutes 11.91% of the total 215,686,647 units issued. The REIT is being managed by Arif Habib REIT Management Company Limited. Currently the company has kept such investment at cost and will revalue such investment at year end considering the audited financial statements of Park View REIT Scheme.

9 LONG-TERM LOANS AND ADVANCES

Advance Against Investment	8.5	-	256,780,000
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10 LONG-TERM DEPOSITS AND PREPAYMENTS

Deposits with:

- Pakistan Stock Exchange Limited (PSX)
- Pakistan Mercantile Exchange Limited (PMEX)
- Central Depository Company of Pakistan Limited (CDC)
- Rent deposits against rented premises
- Others

21,611,500	21,611,500
4,000,000	4,000,000
200,000	200,000
7,359,277	7,359,277
6,537,715	6,537,715
39,708,492	39,708,492
18,000	18,000
(177,951)	(177,951)
39,548,541	39,548,541

Prepayments

Less: Expected credit loss - rent deposits

	(Un-Audited)	(Audited)
Note	September 30, 2024	June 30, 2024
	----- Rupees -----	

11 SHORT-TERM INVESTMENTS

At fair value through profit or loss'

- Quoted Equity Securities

Carrying Value	2,058,512,780	2,206,653,662
Unrealised gain / (loss) on re-measurement of short term investments 'at fair value through profit or loss' -net	419,900,942	(20,645,356)
	2,478,413,722	2,186,008,306

At fair value through profit or loss'

-Debt Instruments

Term finance certificates - Pace Pakistan Ltd.	-	-
	-	-

At amortised cost'

Term deposit receipts-Habib Metropolitan Bank Limited	5,500,000	5,500,000
	5,500,000	5,500,000
	2,483,913,722	2,191,508,306

- 11.1** Pace Pakistan Limited Term Finance Certificates (Face value Rs. 5,000/- each) amounting to Rs.18.147 Million has been fully impaired.

12 TRADE DEBTS

Receivable against purchase of marketable securities	591,348,270	326,411,846
Inter-bank brokerage	33,326,979	29,439,610
Receivable against consultancy, advisory and underwriting	22,080,182	21,518,182
	646,755,431	377,369,637
Less: Allowance against expected credit loss	(133,615,997)	(154,255,406)
	<u>513,139,434</u>	<u>223,114,231</u>

13 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Deposits:		
Exposure deposit with -NCCPL	3,192,159,056	3,834,986,346
Exposure deposit with -PMEX	18,349,508	17,657,616
Others	2,100,000	2,100,000
	3,212,608,564	3,854,743,961
Less: Impact of expected credited loss	(2,100,000)	(2,100,000)
	<u>3,210,508,564</u>	<u>3,852,643,961</u>
Prepayments	14,202,951	12,179,593
Other receivables:		
Profit on bank deposits	2,471,649	3,023,431
Rent receivable	22,076,190	16,943,712
Others	28,907,434	14,139,223
	53,455,273	34,106,366
Less: Impact of expected credited loss	(5,248,912)	(5,248,912)
	<u>48,206,361</u>	<u>28,857,454</u>
	<u>3,272,917,876</u>	<u>3,893,681,008</u>

14 LOANS AND ADVANCES

Advances to employees and executives	14.1	21,221,307	15,569,580
Short term loan to:			
Holding company	14.2	964,605,955	891,247,505
Creek Developers (Private) Limited	14.3	34,991,200	28,074,855
		999,597,155	919,322,360
Markup on short term loan to:			
Holding company	14.2	7,216,209	1,738,822
Creek Developers (Private) Limited	14.3	2,671,183	1,024,009
		9,887,392	2,762,830
		<u>1,030,705,854</u>	<u>937,654,771</u>

14.1 These represent interest free loans to executives and staff for the purchase of vehicles and for other purposes in accordance with the terms of employment repayable over a year through deduction from salaries. These loans are secured against commission payable and balance of respective employees in Staff Provident Fund of respective employees.

14.2 The company has reclassified its balance receivable from holding company to short term loan receivable on demand under the authority of a special resolution passed in extra ordinary general meeting of the company held on 28 November 2015 whereby it was resolved that the company may lend its surplus funds to Aqeel Karim Dhedhi Securities (Private) Limited (Holding company). Mark-up on outstanding balance of such loan is 3MK+2% per annum receivable in arrears. The maximum aggregate amount outstanding during the period from such parties (with reference to month-end balances) amounted to Rs. 982,995,586 (2024: Rs. 967,986,986).

14.3 This represents loan provided to Creek Developers Private Limited (a related party) on request and is receivable on demand. This carries Mark-up on outstanding balance of 3MK+2% per annum receivable in arrears.

15.1 These carry profit at rates ranging from 6.79% to 19% (2024: 4.69% to 20.5%) per annum.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

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

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

17 LONG-TERM FINANCING - SECURED

Al-Baraka Bank Limited- Diminishing musharakah facility	385,180,297	500,000,000
Less: Current portion	<u>(385,180,297)</u>	<u>(500,000,000)</u>
	<u>-</u>	<u>-</u>

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

		(Un-Audited)	(Audited)
	Note	September 30, 2024	June 30, 2024
----- Rupees -----			
18 LEASE LIABILITIES			
Opening		35,512,598	43,349,984
Additions during the period / year		-	19,306,605
Deletions/ Transfers during the period / year		-	(10,591,916)
Payments made during the period / year		<u>(3,081,959)</u>	<u>(16,552,075)</u>
		32,430,639	35,512,598
Transferred to current maturity		<u>(11,040,648)</u>	<u>(12,415,405)</u>
		<u>21,389,991</u>	<u>23,097,193</u>
19 TRADE AND OTHER PAYABLES			
Trade creditors		3,182,238,925	3,622,749,573
Payable to National Clearing Company of Pakistan Limited		198,119,470	3,170
Accrued liabilities		149,382,285	198,444,089
Withholding tax		27,291,016	48,611,352
Provision for Workers' Welfare Fund - Sindh		65,987,977	49,495,122
Payable to staff provident fund		9,316,618	11,635,611
Unclaimed deposits by clients		31,256,694	31,311,642
Others		33,234,063	227,465,935
		<u>3,696,827,048</u>	<u>4,189,716,495</u>
20 SHORT TERM FINANCING- SECURED			
Current Portion of loan of diminishing musharakah facility	17.1	<u>385,180,297</u>	<u>500,000,000</u>
		<u>385,180,297</u>	<u>500,000,000</u>
21 CONTINGENCIES AND COMMITMENTS			
21.1 Contingencies:			
21.2 There is no change in the status of contingencies as disclosed in the published annual financial statements for the year ended June 30, 2024.			
21.3 Commitments:			
Advance against capital expenditure		<u>920,000,000</u>	<u>-</u>
		(Un-Audited)	
		Quarter Ended 30 September,	
		2024	2023
		----- Rupees -----	
22 OPERATING REVENUE			
Brokerage		330,318,424	209,107,681
Financial advisory fee		1,200,000	3,100,000
Underwriting commission		1,000,000	-
		<u>332,518,424</u>	<u>212,207,681</u>

23 RELATED PARTY TRANSACTIONS

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

The balances with related parties as at September 30, 2024 and June 30, 2024 and transaction with related parties during the period ended September 30, 2024 and September 30, 2023 are as follows:

Nature of related party	Balances at the reporting date	(Un-Audited)	(Audited)
		September 30, 2024	June 30, 2024
		----- Rupees -----	
Holding Company	Balance receivable period / year end	971,822,164	892,986,327
Other Related Parties	Net Balance (payable) / receivable period / year end	58,536,153	35,792,418
Key Personnels	Balance (payable) / receivable period / year end	772,026	(1,421,482)

Nature of related party	Nature of transactions during the period	(Un-Audited)	
		September 30, 2024	September 30, 2023
		----- Rupees -----	
Holding Company	Mark up accrued on loan during the period	52,214,787	54,534,330
Other Related Parties	Mark up accrued on loan during the period	1,797,174	461,226
	Brokerage earned	511,823	-
Key Personnels	Brokerage earned	264,003	1,028,183
	Managerial and commission	5,368,500	5,634,603
	Meeting fee	180,000	60,000
	Company contribution to provident fund	325,332	328,782

24 OPERATING SEGMENTS

	September 30, 2024 (Un-Audited)				
	Brokerage	Financial Advisory	Underwriting	Other Operation	Total
Segment revenues	330,318,424	1,200,000	1,000,000	702,742,297	1,035,260,721
Administrative and operating expenses (other than depreciation and amortization)	(63,659,731)	(231,267)	(192,722)	(119,853,204)	(183,936,924)
(Provision) / reversal against doubtful debts-net	20,639,408	-	-	-	20,639,408
Depreciation	(11,373,497)	(41,318)	(34,432)	(21,413,068)	(32,862,315)
Amortisation of intangible assets	(212,200)	(771)	(642)	(399,512)	(613,125)
Finance cost	(10,499,794)	(38,144)	(31,787)	(19,768,132)	(30,337,857)
	265,212,610	888,500	740,416	541,308,382	808,149,908
Taxation					(191,623,552)
Profit after tax					616,526,356
Segment assets	4,973,452,079	37,878,672	13,165,408	9,251,889,077	14,276,385,235
Segment liabilities	3,680,407,530	976,485	813,737	571,847,660	4,254,045,412

	September 30, 2023 (Un-Audited)				Total
	Brokerage	Financial Advisory	Underwriting	Other Operation	
Segment revenues	209,107,681	3,100,000	-	476,012,379	688,220,061
Administrative and operating expenses (other than depreciation and amortization)	(51,062,819)	(757,001)	-	(116,239,317)	(168,059,137)
Impairment on long-term investment - subsidiary	(11,052)	(164)	-	(25,158)	(36,373)
(Provision) / reversal against doubtful debts-net	1,160,452	-	-	-	1,160,452
Depreciation	(6,002,011)	(88,979)	-	(13,662,969)	(19,753,959)
Amortisation of intangible assets	(135,488)	(2,009)	-	(308,425)	(445,921)
Finance cost	(12,939,255)	(191,823)	-	(29,454,902)	(42,585,980)
	140,117,508	2,060,024	-	316,321,610	458,499,142
Gain on sale of operating assets					1,946,533
Taxation					(114,869,410)
Profit after tax					345,576,265
Segment assets	<u>7,241,266,327</u>	<u>30,161,864</u>	<u>-</u>	<u>4,631,425,953</u>	<u>11,902,854,143</u>
Segment liabilities	<u>2,684,370,745</u>	<u>4,621,058</u>	<u>-</u>	<u>709,574,476</u>	<u>3,398,566,279</u>

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

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

25.1 Person holding more than 5% of shares

	September 30, 2024	June 30 2024	September 30, 2024	June 30 2024
	% of holding		Number of shares	
M/s AKD Group Holdings (Private) Limited	95.87%	95.87%	534,806,196	534,806,196

25.2 As at September 30, 2024, the value of shares pledged with financial institutions amounted to Rs.486.13 million (June 2024: 589.92 million) out of which the value of Company's shares pledged with banks amounted to Rs. 304.807 million (June 2024: 408.19 million) and the value of customer shares maintained with the company pledged with financial institution is Rs. 181.33 million (June 30, 2024:Rs. 181.73 million).

25.3 As at September 30, 2024, the value of customer shares maintained with the company sub-Accounts held in the Central Depository Company of Pakistan Limited is Rs.88,587.97 million (June 30, 2024: Rs. 60,778.47 million).

26 DATE OF AUTHORISATION

These condensed Interim Financial Information have been authorised for issue by the Board of Directors of the Company on _____.

27 SUBSEQUENT EVENT

27.1 The Board of Directors in its meeting held on October 02, 2024, has recommended a final cash dividend of PKR 2/- per share for the year ended June 30, 2024 to minority shareholders (other than sponsors). This will amount to rupees 46,055,950/- which represents 20% on a minority interest/shares basis and shareholders have approved the final cash dividend at the annual general meeting held on October 28, 2024. These unconsolidated financial statements do not reflect the effect of dividend payable which will be accounted for in the period in which it is approved.

28 GENERAL

28.1 Figures have been rounded off to the nearest rupees.



Chief Executive Officer



Director



Chief Financial Officer

**CONSOLIDATED
CONDENSED
INTERIM FINANCIAL
INFORMATION (UN-AUDITED)**



- Consolidated Condensed Interim Statement Of Financial Position
- Consolidated Condensed Interim Statement Of Profit And Loss Account And Other Comprehensive Income
- Consolidated Condensed Interim Cash Flow Statement
- Consolidated Condensed Interim Statement Of Changes In Equity
- Notes To The Consolidated Condensed Interim Financial Information

AKD SECURITIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

	(Un-Audited)	(Audited)
	September 30, 2024	June 30, 2024
	----- Rupees -----	
Non-current assets		
Property and equipment	1,570,137,044	1,657,816,491
Investment property	406,560,745	339,519,781
Intangible assets	3,154,517,743	3,155,130,867
Long-term investments	890,158,103	632,884,468
Long-term loans and advances	-	256,780,000
Long-term deposits and prepayments	39,548,541	39,548,541
Deferred taxation - net	-	80,964,020
	6,060,922,176	6,162,644,168
Current assets		
Short-term investments	2,483,913,722	2,191,508,306
Trade debts	513,139,434	223,114,231
Deposits, prepayments and other receivables	3,272,919,611	3,893,682,902
Loans and advances	1,030,705,854	937,654,771
Cash and bank balances	915,097,938	803,415,126
	8,215,776,559	8,049,375,336
TOTAL ASSETS	14,276,698,735	14,212,019,504
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised Capital		
700,000,000 Ordinary shares of Rs. 10 each	7,000,000,000	7,000,000,000
Issued, subscribed and paid-up capital	5,578,341,710	5,578,341,710
Share premium	2,302,905,878	2,302,905,878
Fair value reserve	372,742,868	372,249,233
General reserve	18,752,260	18,752,260
Accumulated profit	1,749,405,677	1,132,909,088
	10,022,148,393	9,405,158,170
Non-current liabilities		
Long-term financing-secured	-	-
Deferred taxation - net	206,321	-
Lease liabilities	21,389,991	23,097,193
	21,596,312	23,097,193
Current liabilities		
Trade and other payables	3,697,567,268	4,190,421,396
Short term financing-secured	385,180,297	500,000,000
Current portion of lease liabilities	11,040,648	12,415,405
Unclaimed dividend	1,926,863	1,927,157
Taxation - net	136,299,325	78,075,335
Accrued mark-up	939,629	924,847
	4,232,954,030	4,783,764,141
TOTAL EQUITY AND LIABILITIES	14,276,698,735	14,212,019,504

The annexed notes 1 to 10 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

AKD SECURITIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR QUARTER ENDED SEPTEMBER 30, 2024

	Quarter Ended September 30,	
	2024	2023
	----- Rupees -----	
Operating revenue	332,518,424	212,207,681
Net gain on investments		
Gain on sale of short term investments 'at fair value 'through profit and loss' - net	35,054,614	136,942,532
Unrealised gain on re-measurement of short-term 'investments at fair value through profit or loss' -net	419,900,942	196,724,206
	454,955,556	333,666,738
Dividend income	1,600,641	3,574,558
Mark-up / profit on bank deposits and other income	237,821,702	130,604,638
	1,026,896,323	680,053,615
Operating and administrative expenses	(217,447,685)	(180,421,220)
Reversal/(allowance) against expected credited loss	20,639,408	1,160,452
	(196,808,277)	(179,260,767)
Operating profit	830,088,046	500,792,847
Finance cost	(30,337,857)	(42,585,980)
	799,750,189	458,206,867
Other income	8,369,951	2,212,921
Profit before income and final taxes	808,120,140	460,419,788
Final taxes	(240,096)	(536,184)
Profit before Income Tax	807,880,044	459,883,604
Income tax		
Current Tax- For the period	(110,213,114)	(9,474,426)
Deferred tax	(81,170,341)	(104,858,800)
	(191,383,455)	(114,333,226)
Profit for the period	616,496,589	345,550,378
Other comprehensive income for the period:		
Items that will not be reclassified subsequently to profit or loss:		
Unrealized gain arising on re-measurement of long term investment at fair value through other comprehensive income-net	493,635	4,630,827
Total comprehensive income for the period	616,990,224	350,181,205
	----- Rupees -----	
Earnings per share - basic and diluted	1.11	0.62

The annexed notes 1 to 10 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

AKD SECURITIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASHFLOW (UN-AUDITED)
FOR QUARTER ENDED SEPTEMBER 30, 2024

	Quarter ended September 30,	
	2024	2023
	----- Rupees -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income and final taxes	808,120,140	460,419,788
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation	32,862,315	19,753,959
Amortization	613,125	445,921
Gain on sale of short term investments 'at fair value through profit and loss' - net	(35,054,614)	(136,942,531)
Gain on sale of property and equipment	-	(1,946,533)
Unrealised gain on re-measurement of short term investments at fair value through profit or loss' - net	(419,900,942)	(196,724,206)
Reversal of doubtful debts-net	(20,639,408)	(1,160,452)
Finance cost	30,337,857	42,585,980
Dividend income	(1,600,641)	(3,574,558)
	(413,382,308)	(277,562,420)
	394,737,832	182,857,368
Working capital adjustments:		
Decrease/(Increase) in current assets		
Trade debts	(269,385,795)	36,655,350
Deposits, prepayments and other receivables	620,763,291	(1,044,271,090)
Loan and advances	(93,051,083)	(57,558,881)
	258,326,413	(1,065,174,621)
(Decrease)/Increase in current liabilities		
Trade and other payables	(492,854,128)	662,560,271
	160,210,117	(219,756,982)
Finance cost paid	(28,121,378)	(39,744,957)
Income and final tax paid	(52,229,221)	(49,189,371)
Net cash flows generated/ (used in) from operating activities	79,859,518	(308,691,310)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments 'at fair value through profit or loss' - net	(94,229,861)	68,942,628
Purchase of property and equipment	60,237,942	(258,208,045)
Proceeds from disposal of property and equipment	-	6,000,000
Additions to investment property	(72,461,774)	-
Dividend received	1,600,641	3,574,558
Net cash flows (used in) from investing activities	(104,853,052)	(179,690,859)
CASH FLOW FROM FINANCING ACTIVITIES		
Long-term loans and advances	256,780,000	(150,000,000)
Repayment of Loan	(114,819,703)	-
Lease payments	(5,283,658)	(12,075,621)
Long-term deposits and prepayments	-	95,605
Dividend paid	(294)	(417)
Net cash flows generated/(used in) from financing activities	136,676,345	(161,980,433)
Net increase/(decrease) in cash and cash equivalents	111,682,811	(650,362,602)
Cash and cash equivalents at the beginning of the period	803,415,127	877,396,098
Cash and cash equivalents at the end of the period	915,097,938	227,033,496
Cash and cash equivalents comprises of:		
Cash and bank balances	915,097,938	377,033,496
Short term financing-secured	-	(150,000,000)
	915,097,938	227,033,496

The annexed notes 1 to 10 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

AKD SECURITIES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR QUARTER ENDED SEPTEMBER 30, 2024

	Share capital	Share premium	Revenue reserves		Fair value reserve	Total
			General reserve	Accumulated profit/(loss)		
			----- (Rupees) -----			
Balance as at July 01, 2023	5,578,341,710	2,302,905,878	18,752,260	(126,324,794)	380,405,718	8,154,080,772
Profit for the quarter ended September 30, 2023	-	-	-	345,550,378	-	345,550,378
Other comprehensive income for the period	-	-	-	-	4,630,827	4,630,827
Balance as at September 30, 2023	5,578,341,710	2,302,905,878	18,752,260	219,225,584	385,036,545	8,504,261,976
Profit for nine months ended June 30, 2024	-	-	-	913,683,504	-	913,683,504
Other comprehensive loss for the period	-	-	-	-	(12,787,312)	(12,787,312)
Balance as at June 30, 2024	5,578,341,710	2,302,905,878	18,752,260	1,132,909,088	372,249,233	9,405,158,169
Profit for the quarter ended September 30, 2024	-	-	-	616,496,589	-	616,496,589
Other comprehensive income for the period	-	-	-	-	493,635	493,635
Balance as at September 30, 2024	5,578,341,710	2,302,905,878	18,752,260	1,749,405,677	372,742,868	10,022,148,393

The annexed notes 1 to 10 form an integral part of these Condensed Interim Financial Information.



Chief Executive Officer



Director



Chief Financial Officer

AKD SECURITIES LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR QUARTER ENDED SEPTEMBER 30, 2024

1 STATUS AND NATURE OF BUSINESS

The Group comprises of:

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

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

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

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

The branch offices are situated at;

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

- 1.2** The group is a subsidiary of AKD Group Holdings (Pvt) Limited (the Parent), who holds 95.87% (2024: 95.87%) shares of the company.

2 BASIS OF PREPARATION

- 2.1** These consolidated condensed interim financial information of the Company for the period ended September 30, 2024 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of the Companies Act, 2017 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements differ, the provisions of the Companies Act, 2017 and the said directives have been followed.
- 2.2** These consolidated condensed interim financial information do not include all the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Company's Annual Financial Statements for the year ended June 30, 2024.
- 2.3** These consolidated condensed interim financial information are un-audited.

3 ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated condensed interim financial information are consistent with those of the previous financial year ended June 30, 2024.

3.2 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated condensed interim financial information requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectation of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of these consolidated condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2024.

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 June 30, 202

4 FUNCTIONAL AND PRESENTATION CURRENCY

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

5 RELATED PARTY TRANSACTIONS

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

The balances with related parties as at September 30, 2024 and June 30, 2024 and transaction with related parties during the period ended September 30, 2024 and September 30, 2023 are as follows:

Nature of related party	Balances at the reporting date	(Un-Audited)	
		September 30, 2024	June 30,2024
		----- Rupees -----	
Holding Company	Balance receivable period / year end	971,822,164	892,986,327
Other Related Parties	Net Balance (payable) / receivable period / year end	58,536,153	35,792,418
Key Personnels	Balance (payable) / receivable period / year end	772,026	(1,421,482)
		(Un-Audited)	
		September 30, 2024	September 30,2023
		----- Rupees -----	
Nature of related party	Nature of transactions during the period		
Holding Company	Mark up accrued on loan during the period	52,214,787	54,534,330
Other Related Parties	Mark up accrued on loan during the period	1,797,174	461,226
	Brokerage earned	511,823	-
Key Personnels	Brokerage earned	264,003	1,028,183
	Managerial and commission	5,368,500	5,634,603
	Meeting fee	180,000	60,000
	Company contribution to provident fund	325,332	328,782

6 OPERATING SEGMENTS

	September 30,2024 (Un-Audited)				
	Brokerage	Financial Advisory	Underwriting	Other Operation	Total
Segment revenues	330,318,424	1,200,000	1,000,000	702,747,850	1,035,266,274
Administrative and operating expenses (other than depreciation and amortization)	(63,671,627)	(231,310)	(192,758)	(119,876,549)	(183,972,244)
(Provision) / reversal against doubtful debts-net	20,639,408	-	-	-	20,639,408
Depreciation	(11,373,439)	(41,318)	(34,432)	(21,413,126)	(32,862,315)
Amortisation of intangible assets	(212,199)	(771)	(642)	(399,513)	(613,125)
Finance cost	(10,499,740)	(38,144)	(31,787)	(19,768,186)	(30,337,857)
	265,200,828	888,457	740,381	541,290,476	808,120,141
Gain on sale of operating assets					-
Taxation					(191,623,552)
Profit after tax					616,496,589
Segment assets	4,973,528,780	37,878,950	13,165,640	9,252,125,365	14,276,698,735
Segment liabilities	3,680,567,195	977,065	814,221	572,191,862	4,254,550,342

	September 30,2023 (Un-Audited)				Total
	Brokerage	Financial Advisory	Underwriting	Other Operation	
Segment revenues	209,107,681	3,100,000	-	476,019,672	688,227,354
Administrative and operating expenses (other than depreciation and amortization)	(51,083,410.67)	(757,306.34)	-	(116,287,972.99)	(168,128,690)
(Provision) / reversal against doubtful debts-net	1,160,452	-	-	-	1,160,452
Depreciation	(6,002,011)	(88,979)	-	(13,662,969)	(19,753,959)
Amortisation of intangible assets	(135,488)	(2,009)	-	(308,425)	(445,921)
Finance cost	(12,939,255)	(191,823)	-	(29,454,902)	(42,585,980)
	140,107,968	2,059,883	-	316,305,404	458,473,255
Gain on sale of operating assets					1,946,533
Taxation					(114,869,410)
Profit after tax					345,550,378
Segment assets	<u>7,241,266,327</u>	<u>30,161,864</u>	<u>-</u>	<u>4,631,425,953</u>	<u>11,902,854,143</u>
Segment liabilities	<u>2,684,370,745</u>	<u>4,621,058</u>	<u>-</u>	<u>709,574,476</u>	<u>3,398,566,279</u>

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

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

7.1 Person holding more than 5% of shares

	September 30, 2024	June 30 2024	September 30, 2024	June 30 2024
	% of holding		Number of shares	
M/s AKD Group Holdings (Private) Limited	95.87%	95.87%	534,806,196	534,806,196

7.2 As at September 30, 2024, the value of shares pledged with financial institutions amounted to Rs.486.13 million (June 2024: 589.92 million) out of which the value of Company's shares pledged with banks amounted to Rs. 304.807 million (June 2024: 408.19 million) and the value of customer shares maintained with the company pledged with financial institution is Rs. 181.33 million (June 30, 2024:Rs. 181.73 million).

7.3 As at September 30, 2024, the value of customer shares maintained with the company sub-Accounts held in the Central Depository Company of Pakistan Limited is Rs.88,587.97 million (June 30, 2024: Rs. 60,778.47 million).

8 DATE OF AUTHORISATION

These condensed Interim Financial Information have been authorised for issue by the Board of Directors of the Company on _____.

9 SUBSEQUENT EVENT

The Board of Directors in its meeting held on October 02, 2024, has recommended a final cash dividend of PKR 2/- per share for the year ended June 30, 2024 to minority shareholders (other than sponsors). This will amount to rupees 46,055,950/- which represents 20% on a minority interest/shares basis and shareholders have approved the final cash dividend at the annual general meeting held on October 28, 2024. These consolidated financial statements do not reflect the effect of dividend payable which will be accounted for in the period in which it is approved.

10 GENERAL

10.1 Figures have been rounded off to the nearest rupees.



Chief Executive Officer



Director



Chief Financial Officer



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