



**ANNUAL REPORT  
2024**

## Contents

Sr. No.	Item	Page No.
1	Vision and Mission Statement	2
2	Company Information	3
3	Chairman's Review	4
4	Directors' Report	6
5	Pattern of Shareholding	18
6	Notice of Annual General Meeting	22
7	Statement of CCG Compliance	31
8	Annual Financials Statements	36
9	Postal Ballot paper	81
10	E-Dividend Mandate Letter	84
11	Form of Proxy	85

## Vision Statement

We are committed to thrive towards profitable customer-driven and socially responsible organization. We aim to become the leaders of our industry and set benchmark for others.

## Mission Statement

We strive to be the best marketer/trader and want to serve as an industry standard. We empower our employees for continuous growth and enable them to ensure success for our stakeholders.

We will fairly compete in quality, technology, operational expertise, while ensuring sound financial and sustainable growth of the Company for the sake of its stakeholders and reputation.

## Company Information

### Board of Directors

1.	Mr. Shoaib Mir	Independent Director/Chairman
2.	Mr. Aftab Ahmad Ch.	Chief Executive Officer
3.	Ms. Shumaila Siddiqui	Independent Director
4.	Hafiz Muddassir Alam	Non-Executive Director
5.	Mr. Yaser Manzoor	Non-Executive Director
6.	Mr. Muhammad Iqbal	Non-Executive Director
7.	Ms. Aasiya Riaz	Non-Executive Director

### Audit Committee

1.	Ms. Shumaila Siddiqui	Chairperson
2.	Mr. Yaser Manzoor	Member
3.	Ms. Aasiya Riaz	Member

### Human Resource and Remuneration Committee

1.	Mr. Shoaib Mir	Chairman
2.	Mr. Muhammad Iqbal	Member
3.	Hafiz Muddassir Alam	Member

### Company Secretary

Mr. Inam Ullah

### Chief Financial Officer

Mr. Muhammad Usman

### Auditors

Kreston Hyder Bhimji & Co.  
Chartered Accountant

### Legal Advisor

Allied Legal Services (Advocates & Legal Consultant)

### Shariah Advisor

Mufti Muhammad Javed  
House No. 3-B, Ayesha Street,  
Old Muslim Town, Lahore.

### Registrar

F.D. Share Registrar Services (Pvt.)  
Limited

Suit 1705 – A. 17th Floor, Saima  
Trade Tower, I.I. Chundrigar Road,  
Karachi.

### Bankers

MCB Bank Limited  
Bank Al Habib Limited  
BankIslami Pakistan Limited

### Registered Office

LSE Plaza, 19-Khayaban-e- Aiwan-e-  
Iqbal, Lahore.



## Chairman's Review:

Dear Shareholders,

As we closed the financial year, it is my immense pleasure to present the review report under the requirement of section 192 of the Companies Act, 2017, for the year ended June 30, 2024; highlighting the overall performance of the Board and its role in guiding the Management of the Company to carry out its responsibility in achieving the Company's objectives for the benefit of its stakeholders.

LSE Capital Limited (PSX ticker: LSECL), being a premier corporate finance and advisory firm in Pakistan, specialized in Mergers and Acquisitions (M&A) deals, corporate finance and restructuring solutions and Initial Public Offering (IPO) services. Leveraging our expertise in equity capital markets, LSECL delivers innovative transaction structures, efficient arrangements, and swift mandate closings. With a proven track record of navigating complex transactions, our team provides creative restructuring and out-of-the-box solutions. As a multi-faceted, Shariah-compliant financial institution-registered as a Modaraba Management Company and licensed as a Consultant to the Issue (CTI) - LSECL serves as a one-stop solution for corporate advisory services, establishing itself as the go-to transaction execution partner for Pakistan's corporate sector.

During the year, the Company acquired the listing status at Pakistan Stock Exchange Limited. The Company remained committed to implement its business strategy and is focusing to establish new avenues of revenue for its shareholders.

The overall performance of the Board remained in accordance with the requirements of the Companies Act and Code of Corporate Governance Regulations. The Directors have performed their duties diligently and effectively in the best interest of the Company.

The Board has ensured that there is adequate representation of non-executive and independent directors on the Board and its committees as laid down in the Code and has ensured to implement the requirements of the Code in its true letter and spirit. The Board performed their duties and reviewed, discussed and approved business strategies, corporate objectives, plans, financial statements and other reports. Members received clear and complete agendas and relevant written material in sufficient time prior to Board and Committee meetings.

The Board has ensured that members of the Board and its respective Committees possess adequate skills, experience and knowledge to manage the affairs of the Company. The Board recognizes that well defined corporate governance processes are vital in enhancing corporate accountability and is committed to ensure high standards of corporate governance to preserve and maintain stakeholder value.

During the year, all the significant issues were presented before the Board or its committees to strengthen and formalize the corporate decision-making process and particularly all the related party transactions executed by the Company were approved by the Board on the recommendations of the Audit Committee. The Board has ensured that sound system of internal controls is in place.

On behalf of the Board, I wish to acknowledge all our employee's contributions to the Company's success. I also wish to thank our outgoing directors who part of the Board before listing, shareholders, business partners, and other stakeholders for their confidence and support.

-s/d-  
**Mr. Shoaib Mir**  
Chairman

## چیئر مین کا جائزہ

### محترم شیئر ہولڈرز،

جیسا کہ ہم نے مالیاتی سال بند کیا، مجھے کمپنیز ایکٹ 2017 کے سیکشن 192 کے تحت 30 جون 2024 کو ختم ہونے والے سال کے لیے جائزہ رپورٹ پیش کرتے ہوئے بے حد خوشی ہو رہی ہے۔ بورڈ کی مجموعی کارکردگی اور اس کے اسٹیک ہولڈرز کے فائدے کے لیے کمپنی کے مقاصد کو حاصل کرنے میں اپنی ذمہ داری نبھانے کے لیے کمپنی کی انتظامیہ کی رہنمائی میں اس کے کردار کو اجاگر کرنا۔

پاکستان میں ایک اہم کارپوریٹ فنانس اور ایڈوائزی فرم ہونے کے ناطے، انضمام اور (LSE Capital Limited (PSX ticker: LSECL) خدمات میں مہارت رکھتا ہے۔ ایکویٹی کیپٹل مارکیٹس (IPO) ڈیلرز، کارپوریٹ فنانس اور ری اسٹرکچرنگ سلسلوں اور ابتدائی پبلک آفرنگ (M&A) حصول جدید لین دین کے ڈھانچے، موثر انتظامات، اور فوری مینڈیٹ کی بندش فراہم کرتا ہے۔ پیچیدہ لین دین کو LSECL میں اپنی مہارت کو بروئے کار لاتے ہوئے، نیویگیٹ کرنے کے ثابت شدہ ٹریک ریکارڈ کے ساتھ، ہماری ٹیم تخلیقی تنظیم نو اور آؤٹ آف دی باکس حل فراہم کرتی ہے۔ ایک کثیر جہتی، شریعت سے مطابقت رکھنے کارپوریٹ LSECL - کے مشیر کے طور پر لائسنس یافتہ (CTD) والے مالیاتی ادارے کے طور پر۔ ایک مضاربہ مینجمنٹ کمپنی کے طور پر رجسٹرڈ اور ایٹو ایڈوائزی فرم کے لیے ایک ون اسٹاپ حل کے طور پر کام کرتا ہے، جو خود کو جانے والے کے طور پر قائم کرتا ہے۔ پاکستان کے کارپوریٹ سیکٹر کے لیے ٹرانزیکشن ایگزیکوشن پارٹنر۔

سال کے دوران، کمپنی نے پاکستان اسٹاک ایکسچینج لمیٹڈ میں لسٹنگ کا درجہ حاصل کیا۔ کمپنی اپنی کاروباری حکمت عملی کو نافذ کرنے کے لیے پرعزم ہے اور اپنے حصص یافتگان کے لیے آمدنی کی نئی راہیں قائم کرنے پر توجہ مرکوز کر رہی ہے۔

بورڈ کی مجموعی کارکردگی کمپنیز ایکٹ اور کوڈ آف کارپوریٹ گورننس ریگولیشنز کے تقاضوں کے مطابق رہی۔ ڈائریکٹرز نے کمپنی کے بہترین مفاد میں تندی اور مؤثر طریقے سے اپنے فرائض سرانجام دیئے۔

بورڈ نے اس بات کو یقینی بنایا ہے کہ بورڈ اور اس کی کمیٹیوں میں غیر ایگزیکٹو اور آزاد ڈائریکٹرز کی مناسب نمائندگی موجود ہے جیسا کہ کوڈ میں بیان کیا گیا ہے اور اس نے ضابطہ کی ضروریات کو اس کے حقیقی خط اور روح کے مطابق نافذ کرنے کو یقینی بنایا ہے۔ بورڈ نے اپنے فرائض سرانجام دیے اور کاروباری حکمت عملیوں، کارپوریٹ مقاصد، منصوبوں، مالیاتی بیانات اور دیگر رپورٹس کا جائزہ لیا، تبادلہ خیال کیا اور ان کی منظوری دی۔ اراکین کو بورڈ اور کمیٹی کے اجلاسوں سے پہلے کافی وقت میں واضح اور مکمل ایجنڈا اور متعلقہ تحریری مواد موصول ہوا۔

بورڈ نے اس بات کو یقینی بنایا ہے کہ بورڈ اور اس کی متعلقہ کمیٹیوں کے ممبران کمپنی کے معاملات کو چلانے کے لیے مناسب مہارت، تجربہ اور علم رکھتے ہیں۔ بورڈ اس بات کو تسلیم کرتا ہے کہ کارپوریٹ گورننس کے اچھے طریقے کارپوریٹ جو ابدی کو بڑھانے کے لیے بہت اہم ہیں اور اسٹیک ہولڈرز کی قدر کو برقرار رکھنے اور برقرار رکھنے کے لیے کارپوریٹ گورننس کے اعلیٰ معیار کو یقینی بنانے کے لیے پرعزم ہے۔

سال کے دوران، کارپوریٹ فیصلہ سازی کے عمل کو مضبوط اور باضابطہ بنانے کے لیے تمام اہم امور بورڈ یا اس کی کمیٹیوں کے سامنے پیش کیے گئے تھے اور خاص طور پر کمپنی کی طرف سے کیے گئے تمام متعلقہ فریق لین دین کو آڈٹ کمیٹی کی سفارشات پر بورڈ نے منظور کیا تھا۔ بورڈ نے یقینی بنایا ہے کہ اندرونی کنٹرول کا سائونڈ سسٹم موجود ہے۔

بورڈ کی جانب سے، میں کمپنی کی کامیابی میں اپنے تمام ملازمین کے تعاون کو تسلیم کرنا چاہتا ہوں۔ میں اپنے سبکدوش ہونے والے ڈائریکٹرز کا بھی شکریہ ادا کرنا چاہتا ہوں جو لسٹنگ سے پہلے بورڈ کا حصہ ہیں، شیئر ہولڈرز، بزنس پارٹنرز، اور دیگر اسٹیک ہولڈرز کے اعتماد اور تعاون کے لیے۔

شعیب میر  
چیئر مین

## Directors' Report

We are pleased to present the Directors' Report of LSE Capital Limited (PSX ticker: LSECL), together with the Annual Audited Financial Statements for the year ended June 30, 2024, accompanied by the Auditors' Report, thereon.

### Economic Review

During FY2024, Pakistan's economy registered moderate recovery reflected by a GDP growth of 2.38 percent against previous year's contraction of 0.21 percent. Agriculture emerged as a main driver of economic growth, registering a growth of 6.25 percent on the back of double-digit growth in output of major crops. Industrial and services sectors also showed resilience with each posting a growth of 1.21 percent. The current account deficit was kept under check, with marked improvement in foreign exchange reserves, reaching US\$ 14.6 billion by end May 2024. The fiscal sector progressed towards stability, propelled by consolidation efforts and targeted reforms. Fiscal deficit remained manageable with an overall primary surplus. Rupee appreciated by almost 3.0 percent during the first eleven months.

SBP maintained the policy rate at 22% in seven consecutive monetary policy decisions during July-April FY2024. However, on June 10, 2024, the Monetary Policy Committee decided to reduce the policy rate by 150 bps to 20.5% effective from June 11, 2024. The KSE-100 index of Pakistan posted a significant growth from 41,453 (end June 2023) to 78,444 (end June 2024) owing to successful IMF's program under Stand-by Arrangement and stability on economic & political front.

### Approval of the Scheme of Arrangement

During the year under review, the Honorable Lahore High Court, Lahore, through its Order dated April 3<sup>rd</sup>, 2024 approved the merger petition, vide C.O No.78278/2023 and sanctioned the Scheme of compromises, arrangement and reconstruction in the matter of transfer of complete transfer of business and undertaking of Modaraba Al-Mali (MODAM) and LSE Proptech Limited (LSEPL) with and into LSE Capital Limited (LSECL). Further, under the same order, the Court also approved the partial merger/ transfer of some designated assets of LSECL and MODAM with and into LSE Financial Services Limited (LSEFSL). Accordingly, both the surviving companies, i.e., LSE Capital Limited and LSE Financial Services Limited have become listed on Pakistan Stock Exchange Limited in May 2024.

### Financial Performance

During the financial year under review, LSECL's operating revenue grew and reached to Rs. 35.19 million. The Admin and General Expenses were contained at Rs. 68.64 million. Profit Before Tax soared to Rs. 76.81 million, marking a significant improvement over the previous year. Profit after tax for the year stood at Rs. 108.18 million. Earnings per share (EPS) for the year ending June 30, 2024, was Rs. 0.60. The Balance sheet footing of the Company for the year ending June 30, 2024, stood at Rs. 3,590.51 million.

## Financial Highlights

Rupees in 000	2024	2023
Operating Income	35.19	2.55
Admin & General Expenses	(65.93)	(6.06)
Operating Profit/ (Loss)	(30.74)	(3.51)
Other Income	96.68	20.80
Profit before Taxation	79.53	99.96
Profit after Taxation	121.00	83.71
Total Asset	3,590.51	322.39
Net Asset	2,970.87	282.77
Equity + Revaluation Surplus	2,970.87	282.78
Total Liability	619.63	39.62
Shares outstanding (Nos.)	181.15	21.00
Earnings per share	2.66	3.99

### Dividend

In view of the enhanced financial performance of the Company, the Board of Directors has recommended Rs. 0.50 per share dividend for the year ended June 30, 2024 (2023: NIL)

### Future Outlook

LSECL, having navigated a transformative restructuring and merger process, has emerged as a premier financial services platform. As a SECP-registered Consultant to the Issue (CTI), our core competencies encompass:

1. IPO advisory and management
2. M&A deal structuring and execution
3. Corporate rehabilitation solutions via equity capital markets

We are committed to harnessing our expertise to unlock value for our clients and stakeholders, driving sustainable growth in Pakistan's capital market.

### Appointment of External Auditors.

M/s. Kreston Hyder Bhimgi & Co., Chartered Accountants, the Auditors of the Company for the FY 24 stands retire, therefore the Board of Directors has recommended to reappoint M/s. Kreston Hyder Bhimgi & Co., Chartered Accountants as statutory auditors of the Company for the FY25 at mutually agreed remuneration.

The auditors have been given satisfactory rating under the Quality Control Review Program of Institute of Chartered Accountants of Pakistan (ICAP). They have confirmed that their firm is in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the ICAP. This firm is also registered with Audit Oversight Board of Pakistan. The appointment of Auditors is subject to approval by the Annual General Meeting.

### Internal Financial Control

The Board has adequately ensured that the system of internal financial controls is sound in design and has been effectively implemented and monitored through Internal Auditors. The Board has adequately ensured that the system of internal financial controls is sound in design and has been effectively implemented and monitored through Internal Auditors.

The financial statements, prepared by the management of your company, fairly present its state of affairs, the result of its operations, cash flows and changes in equity. Proper books of account have been maintained by your company. Appropriate accounting policies are consistently applied by your Company in the preparation of financial statements, and accounting estimates are based on reasonable and prudent judgment. International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of these financial statements and any departure there from, if any, has been adequately disclosed. The system of Internal Control, being implemented in your Company is sound and has been effectively persisted throughout the year.

### Code of Corporate Governance

The requirements of the Code of Corporate Governance, as introduced by the Securities and Exchange Commission of Pakistan and set out by the Pakistan Stock Exchange Limited in its Listing Rules, have been duly complied with. A statement to this effect is annexed to the report.

The Board of Directors of your Company assures you that:

- The financial statements, fairly present its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account have been maintained by your Company.
- Appropriate accounting policies are consistently applied by your Company in the preparation of financial statements, and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of these financial statements and any departure there from, if any, has been adequately disclosed.
- The system of Internal Control, being implemented in your Company is sound and has been effectively persisted throughout the year.
- Keeping in view the financial position of your Company, we do not have any significant doubt upon its continuance as a going concern.
- There also has not been any material departure from the best practices of corporate governance, as detailed in the listing regulations, during the year under review.

### Corporate Social Responsibility & Environmental Management and Objectives relating ESG Risks

The Company is committed and remained engaged during the year to undertake and oversee CSR and environmental management programs while ensuring its focused activities relating education, healthcare and protection of environment. Accordingly, the Board of the Company stands behind these objectives of the Company while aligning with commitment to create considerable value for all stakeholders of the Company and also endeavors to ensure that it qualifies as a responsible corporate citizen.

### Anti-Harassment

The Company has a comprehensive mechanism towards **anti-harassment** to ensure that any type of workplace harassment is dealt with a zero-tolerance to ensure that all the employees of the company regardless of their gender and position avail the opportunity to work in a safe and respectful environment. Employees are encouraged to report such grievances to the HR department in a confidential to conduct fair investigations.

## Gender Pay-Gap

The Company is committed that all employees of the company are treated with equality & fairness and there should be no gender pay gap within the Company. Accordingly, the compensation of employees is determined on the basis of experience, seniority, responsibilities and performance without any gender-based discrimination.

## Meetings of the Board of Directors

After the listing of the Company i.e. May 31, 2024, one (1) meetings of the Board of Directors of the Company was held. Directors' respective attendance in the Board meetings was as follows:

Sr. No.	Name of Directors	Category	Attendance
1	Mr. Shoaib Mir	Chairman/Independent Director	1/1
2	Mr. Aftab Ahmad Chaudhry	Chief Executive Officer/MD	1/1
3	Ms. Shumaila Siddiqui	Independent Director	1/1
4	Ms. Aasiya Riaz	Non-Executive Director	1/1
5	Hafiz Mudassir Alam	Non-Executive Director	0/0
6	Mr. Muhammad Iqbal	Non-Executive Director	1/1
7	Mr. Yaser Manzoor	Non-Executive Director	1/1
8	Mr. Aoun Muhammad	Non-Executive Director	1/1

In compliance with Section 227 of the Companies Act, 2017, the followings are hereby specifically disclosed:

The names of the persons who, at any time during the financial year, were directors of the Company:

Sr. No	Name of Directors	Category
1	Mr. Shoaib Mir	Chairman/Independent Director
2	Mr. Aftab Ahmad Chaudhry	Chief Executive Officer/MD
3	Ms. Shumaila Siddiqui	Independent Director
4	Ms. Aasiya Riaz	Non-Executive Director
5	Hafiz Muddassir Alam	Non-Executive Director
6	Mr. Muhammad Iqbal	Non-Executive Director
7	Mr. Yaser Manzoor	Non-Executive Director
8	Mr. Muhammad Usman*	Non-Executive Director
9	Mr. Hussain Ahmed Ozgen**	Non-Executive Director
10	Mr. Usman Hassan***	Independent Director
11	Mr. Siddique Ur Rehman Khurram****	Non-Executive Director

\* Mr. Muhammad Usman resigned 27.03.2024.

\*\* Mr. Hussain Ozgen resigned on 28.03.2024.

\*\*\* Mr. Usman Hassan resigned on 07.05.2024.

\*\*\*\* Mr. Siddique Ur Rehman Khurram resigned on 08.05.2024.

\*\*\*\*\* Mr. Shoaib Mir appointed on 28.03.2024.

\*\*\*\*\* Mr. Yaser Manzoor appointed on 28.03.2024.

\*\*\*\*\* Mr. Muhammad Iqbal appointed on 09.05.2024.

\*\*\*\*\* Ms. Shumaila Siddiqui appointed on 03.06.2024.



In compliance with Regulation No. 34(2) of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the following information is provided:

-

- i. The total number of directors are seven (7) as per the following: -
  - a) Male: 5
  - b) Female: 2
  
- ii. The composition of the Board is as follows: -
  - a) Mr. Shoaib Mir Independent Director
  - b) Ms. Shumaila Siddiqui Independent Director
  - c) Ms. Aasiya Riaz Female Director
  - d) Hafiz Muddassir Alam Non-Executive Director
  - e) Mr. Muhammad Iqbal Non-Executive Director
  - f) Mr. Yaser Manzoor Non-Executive Director
  - g) Mr. Aftab Ahmad Chaudhry Chief Executive Director

### Directors' Remuneration

At present the Chief Executive Officer is being paid the salary and such other benefits as approved by the Board under the Articles of Association and as per HR Policy of the Company. No other director is being paid any extra remuneration by the Company, except the meeting fee for attending the Board and its Committees meetings. The relevant figures have been disclosed in the financial statements.

### Annual Evaluation of Board's Performance

As required under the listed companies Code of Corporate Governance Regulations, 2019, an annual evaluation of performance of the Board, members of the Board and its Committees was carried out to ensure that Board's overall performance and effectiveness is measured against the objectives set for the Company. Based on the evaluation, overall performance of the Board, members and Committees of the Board for the year under review is satisfactory.

### Statutory and Advisory Committees of the Board

The Board has constituted the Statutory and Advisory Committees for the three-years term, as under:

#### 1. Board Audit Committee (BAC)

The Board Audit Committee comprises of three (3) Directors including one Independent Director (ID) who is the Chairman of the Committee.

#### BAC:

- 1. Ms. Shumaila Siddiqui : Chairperson
- 2. Mr. Yaseer Manzoor : Member
- 3. Ms. Aasiya Riaz : Member

#### 2. Human Resource and Remuneration Committee (HRRC)

The Human Resource and Remuneration (HRR) Committee comprises three (3) Non-Executive Directors including one Independent Director who is the Chairman of the Committee.

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#### HRRC:

- 1. Mr. Shoaib Mir : Chairman
- 2. Mr. Muhammad Iqbal : Member
- 3. Hafiz Muddassir Alam : Member

#### Related Party Transactions

At each board meeting, the Board of Directors approve all transactions of the Company executed with associated companies and related parties on arm's length basis in normal course of business.

#### Pattern of Shareholding

The pattern of shareholding of your Company as on June 30, 2024, is annexed with this report. This statement is in accordance with the amendments made through the Code.

#### Free Float of Shares

The free float of shares of your Company as on June 30, 2024, is annexed with this report.

#### Financial Reporting

The Board Audit Committee reviewed, discussed, and recommended the draft Interim and Annual Results of the Company for Board approval. The Committee discussed with the CFO, HIA, and External Auditors of the Company on significant accounting policies, estimates, and judgments applied in preparing the financial information.

#### Acknowledgments

The Board also acknowledge with appreciation the valuable guidance and cooperation received from the Securities and Exchange Commission of Pakistan (SECP) and other government bodies.

Furthermore, we express our gratitude to our shareholders for their trust and cooperation, and commend the Management's dedication and the employees' hard work, which have been instrumental in the Company's progress.

#### For and on behalf of the Board of Directors of LSE Capital Limited:

-s/d-  
**Aftab Ahmad Ch.**  
Chief Executive Officer/MD

-s/d-  
Director

Dated: November 4, 2024  
Place: Lahore



## ڈائریکٹرز کی رپورٹ

ہمیں LSE کیپٹل لمیٹڈ (LSECL) کے ڈائریکٹرز کی رپورٹ، 30 جون 2024 کو ختم ہونے والے سال کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کے ساتھ، آڈیٹرز کی رپورٹ کے ساتھ پیش کرتے ہوئے خوشی ہو رہی ہے۔

### اقتصادی جائزہ

مالی سال 2024 کے دوران، پاکستان کی معیشت نے اعتدال پسند بحالی درج کی جس کی عکاسی گزشتہ سال کے 0.21 فیصد کے سکڑاؤ کے مقابلے میں 2.38 فیصد کی GDP نمو سے ہوتی ہے۔ زراعت اقتصادی ترقی کے ایک اہم محرک کے طور پر ابھری، جس نے بڑی فصلوں کی پیداوار میں دوہرے ہندسوں کی ترقی کی پشت پر 6.25 فیصد کی نمو درج کی۔ صنعتی اور خدمات کے شعبوں نے بھی چمک دکھائی جس میں ہر ایک نے 1.21 فیصد اضافہ کیا۔ زرمبادلہ کے ذخائر میں نمایاں بہتری کے ساتھ کرنٹ اکاؤنٹ خسارے کو قابو میں رکھا گیا، مئی 2024 کے آخر تک یہ 14.6 بلین امریکی ڈالر تک پہنچ گیا۔ مالیاتی شعبہ استحکام کی طرف بڑھ رہا ہے، استحکام کی کوششوں اور ہدف شدہ اصلاحات کے ذریعے۔ مالیاتی خسارہ مجموعی بنیادی سرپلس کے ساتھ قابل انتظام رہا۔ پہلے گیارہ مہینوں کے دوران روپے کی قدر میں تقریباً 3.0 فیصد اضافہ ہوا۔ SBP نے جولائی تا اپریل مالی سال 2024 کے دوران مسلسل سات ماہی پالیسی فیصلوں میں پالیسی ریٹ کو 22% پر برقرار رکھا۔ تاہم، 10 جون 2024 کو، ماہی پالیسی کمیٹی نے پالیسی ریٹ کو 150 bps سے کم کر کے 20.5 فیصد کرنے کا فیصلہ کیا جو 11 جون 2024 سے لاگو ہے۔ 78,444 (جون 2024 کے آخر میں) معاشی اور سیاسی محاذ پر اسٹیبلٹی اور ایجنٹ اور استحکام کے تحت آئی ایم ایف کے کامیاب پروگرام کی وجہ سے۔

### ترتیب کی اسکیم کی منظوری

زیر نظر سال کے دوران، معزز لاهور ہائی کورٹ، لاہور نے اپنے حکم مورخہ 3 اپریل 2024 کے ذریعے سی او نمبر 78278/2023 کے ذریعے انضمام کی درخواست منظور کی اور منتقلی کے معاملے میں سمجھوتہ، انتظامات اور تعمیر نو کی اسکیم کی منظوری دی۔ مضاربہ المالی (MODAM) اور LSE Proptech Limited (LSEPL) کی (LSECL) کے ساتھ کاروبار اور انڈر ٹیکنگ کی مکمل منتقلی۔ مزید، اسی حکم کے تحت، عدالت نے LSECL اور MODAM کے کچھ نامزد اثاثوں کو (LSEFSL) LSE Financial Services Limited کے ساتھ انضمام / منتقل کرنے کی بھی منظوری دی۔ اس کے مطابق، دونوں بیچ جانے والی کمپنیاں، یعنی LSE Capital Limited اور LSE Financial Services Limited مئی 2024 میں پاکستان سٹاک ایکسچینج لمیٹڈ میں درج ہو گئی ہیں۔

### مالی کارکردگی

زیر نظر مالی سال کے دوران، ایل ایس ای سی ایل کی آپریٹنگ آمدنی بڑھی اور روپے تک پہنچ گئی۔ 35.19 ملین ایڈمن اور جنرل اخراجات روپے پر مشتمل تھے۔ 68.64 ملین ٹیکس سے پہلے منافع روپے تک بڑھ گیا۔ 76.81 ملین، پچھلے سال کے مقابلے میں نمایاں بہتری کی نشاندہی کرتا ہے۔ سال کے لیے بعد از ٹیکس منافع روپے رہا۔ 108.18 ملین۔ 30 جون 2024 کو ختم ہونے والے سال کے لیے فی شیئر آمدنی (EPS) روپے تھی۔ 300.60 جون، 2024 کو ختم ہونے والے سال کے لیے کمپنی کی بیلنس شیٹ کی بنیاد، روپے تھی۔ 3,590.51 ملین

## مالیاتی جھلکیاں

2024	2023	روپے 000
35.19	2.55	آپریٹنگ آمدنی
(65.93)	(6.06)	ایڈمن اینڈ جنرل اخراجات
(30.74)	(3.51)	آپریٹنگ منافع/(نقصان)
96.68	20.80	دوسری آمدنی
79.53	99.96	ٹیکس سے پہلے منافع
121.00	83.71	ٹیکس کے بعد منافع
3,590.51	322.39	کل اثاثہ
2,970.87	282.77	خالص اثاثہ
2,970.87	282.78	ایکویٹی + تشخیص سرپلس
619.63	39.62	کل ذمہ داری
181.15	21.00	بقایا حصص (نمبر)
2.66	3.99	فی شیئر آمدنی

### ڈیویڈنڈ

کمپنی کی بہتر مالی کارکردگی کے پیش نظر، بورڈ آف ڈائریکٹرز نے روپے کی سفارش کی ہے۔ 30 جون 2024 کو ختم ہونے والے سال کے لیے 0.50 فی شیئر ڈیویڈنڈ (NIL):2023

### مستقبل کا آؤٹ لک

ایل ایس ای سی ایل، ایک تبدیلی کی تنظیم نو اور انضمام کے عمل کو نیو گیٹ کرنے کے بعد، ایک اہم مالیاتی خدمات کے پلیٹ فارم کے طور پر ابھرا ہے۔ ایٹو (CTD) کے SECP کے رجسٹرڈ کنسلٹنٹ کے طور پر، ہماری بنیادی اہلیتیں شامل ہیں:

1. IPO ایڈوائزری اور مینجمنٹ

2. A&M معاہدے کی ساخت اور عملدرآمد

3. ایکویٹی کیپٹل مارکیٹس کے ذریعے کارپوریٹ بحالی کے حل

ہم اپنے کلائنٹس اور اسٹیک ہولڈرز کے لیے قدر کو غیر متقبل کرنے کے لیے اپنی مہارت کو بروئے کار لاتے ہوئے پاکستان کی کیپٹل مارکیٹ میں پائیدار ترقی کو آگے بڑھانے کے لیے پرعزم ہیں۔

### بیرونی آڈیٹرز کی تقریر۔

MS- کر سٹن حیدر بھیجی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، مالی سال 24 کے لیے کمپنی کے آڈیٹرز بنا رہے ہیں، اس لیے بورڈ آف ڈائریکٹرز نے میسرز کو دوبارہ تعینات کرنے کی سفارش کی ہے۔ کر سٹن حیدر بھیجی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس باہمی طور پر متفقہ معاوضے پر FY25 کے لیے کمپنی کے قانونی آڈیٹرز کے طور پر۔

انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوائلی کنٹرول ریویو پروگرام کے تحت آڈیٹرز کو تسلی بخش درجہ بندی دی گئی ہے۔ انہوں نے تصدیق کی ہے کہ ان کی فرم انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (IFAC) کے ضابطہ اخلاق سے متعلق رہنما خطوط کی تعمیل کرتی ہے جیسا کہ ICAP نے اپنایا ہے۔ یہ فرم آڈٹ اور سائیٹ بورڈ آف پاکستان میں بھی رجسٹرڈ ہے۔ آڈیٹرز کی تقرری سالانہ جزل میٹنگ کی منظوری سے مشروط ہے۔

## اندرونی مالیاتی کنٹرول

بورڈ نے اس بات کو یقینی بنایا ہے کہ اندرونی مالیاتی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اس پر مؤثر طریقے سے عملدرآمد اور اندرونی آڈیٹرز کے ذریعے نگرانی کی گئی ہے۔ بورڈ نے اس بات کو یقینی بنایا ہے کہ اندرونی مالیاتی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اس پر مؤثر طریقے سے عملدرآمد اور اندرونی آڈیٹرز کے ذریعے نگرانی کی گئی ہے۔

کمپنی کے مالی بیانات جو انتظامیہ نے تیار کیے ہیں، اس کے مالیاتی حالات، عملی نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلیوں کو صحیح طور پر پیش کرتے ہیں۔ کمپنی کی جانب سے صحیح حساب کتاب کے ریکارڈ کو برقرار رکھا گیا ہے۔ کمپنی کے مالی بیانات کی تیاری میں مناسب حسابی پالیسیاں تسلسل سے اپنائی گئی ہیں اور حسابی تخمینے معقول اور محتاط فیصلے پر مبنی ہیں۔ ان مالی بیانات کی تیاری میں بین الاقوامی حسابی معیارات، جو پاکستان میں قابل عمل ہیں، کو اپنایا گیا ہے اور کسی انحراف کی صورت میں مناسب طریقے سے وضاحت کی گئی ہے۔ کمپنی میں نافذ شدہ اندرونی کنٹرول کا نظام مستحکم ہے اور پورے سال میں مؤثر طریقے سے قائم رہا ہے۔

## کارپوریٹ گورننس کا ضابطہ

کمپنی نے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے متعارف کردہ کارپوریٹ گورننس کے ضابطے اور پاکستان اسٹاک ایکسچینج لمیٹڈ کے لسٹنگ رولز میں دی گئی شرائط کی پوری طرح پابندی کی ہے۔ اس حوالے سے ایک بیان رپورٹ کے ساتھ منسلک ہے۔

آپ کی کمپنی کا بورڈ آف ڈائریکٹرز آپ کو یقین دہانی کرتا ہے کہ:

- مالی بیانات کمپنی کی مالی حالت، عملی نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلیوں کو صحیح طور پر پیش کرتے ہیں۔
- کمپنی کے حساب کتاب کے صحیح ریکارڈ کو برقرار رکھا گیا ہے۔
- کمپنی کے مالی بیانات کی تیاری میں مناسب حسابی پالیسیاں تسلسل سے اپنائی گئی ہیں اور حسابی تخمینے معقول اور محتاط فیصلے پر مبنی ہیں۔
- ان مالی بیانات کی تیاری میں بین الاقوامی حسابی معیارات، جو پاکستان میں قابل عمل ہیں، کو اپنایا گیا ہے اور کسی انحراف کی صورت میں مناسب طریقے سے وضاحت کی گئی ہے۔
- کمپنی میں نافذ شدہ اندرونی کنٹرول کا نظام مستحکم ہے اور پورے سال میں مؤثر طریقے سے قائم رہا ہے۔
- کمپنی کی مالی حالت کو مد نظر رکھتے ہوئے، ہمیں اس کے کاروبار کے تسلسل میں کسی قسم کا کوئی شک نہیں ہے۔
- سالانہ جائزے کے دوران، لسٹنگ ریگولیشنز میں دی گئی بہترین کارپوریٹ گورننس کی روایات سے کسی بڑی انحراف کی مثال موجود نہیں ہے۔

## کارپوریٹ سماجی ذمہ داری اور ماحولیاتی انتظام اور ESG خطرات سے متعلق اہداف

کمپنی نے اس سال کارپوریٹ سماجی ذمہ داری اور ماحولیاتی انتظام کے پروگراموں کو انجام دینے اور ان کی نگرانی کرنے کے عزم کو برقرار رکھا ہے، جبکہ تعلیم، صحت اور ماحولیات کے تحفظ سے متعلق سرگرمیوں پر توجہ مرکوز رکھی ہے۔ چنانچہ کمپنی کا بورڈ ان مقاصد کی مکمل حمایت کرتا ہے اور کمپنی کے تمام متعلقہ فریقین کے لئے خاطر خواہ قدر پیدا کرنے کے عزم کے ساتھ اس بات کو یقینی بنانے کی کوشش کرتا ہے کہ کمپنی ایک ذمہ دار کارپوریٹ شہری کے طور پر پہچانی جائے۔

## اینٹی ہراسمنٹ

کمپنی میں اینٹی ہراسمنٹ کے حوالے سے ایک جامع طریقہ کار موجود ہے تاکہ کسی بھی قسم کی ہراسمنٹ کو برداشت نہ کیا جائے اور کمپنی کے تمام ملازمین، خواہ وہ کسی بھی جنس یا عہدے سے تعلق رکھتے ہوں، ایک محفوظ اور باعزت ماحول میں کام کرنے کا موقع پاسکیں۔ ملازمین کو ترغیب دی جاتی ہے کہ وہ اس طرح کی شکایات کو ازاداری کے ساتھ انسانی وسائل کے شعبے میں رپورٹ کریں تاکہ منصفانہ تحقیقات کی جاسکیں۔

## صنعتی تنخواہ کا فرق

کمپنی اس بات پر پختہ یقین رکھتی ہے کہ کمپنی کے تمام ملازمین کے ساتھ برابری اور انصاف کا برتاؤ کیا جائے اور کمپنی میں صنعتی بنیاد پر کوئی تنخواہ کا فرق نہیں ہونا چاہیے۔ لہذا، ملازمین کی تنخواہ تجربے، سینئرٹی، ذمہ داریوں اور کارکردگی کی بنیاد پر مقرر کی جاتی ہے اور اس میں صنعتی بنیاد پر کوئی تفریق نہیں کی جاتی۔

## بورڈ آف ڈائریکٹرز کے اجلاس

کمپنی کی لسٹنگ کے بعد، یعنی 31 مئی 2024 کو، بورڈ آف ڈائریکٹرز کے ایک (1) اجلاس کا انعقاد کیا گیا۔ بورڈ اجلاسوں میں ڈائریکٹرز کی شرکت درج ذیل ہے۔

نمبر شمار	ڈائریکٹرز کے نام	زمرہ	حاضری
1	محترم شعیب میر	چیئر مین / آزاد ڈائریکٹر	1/1
2	محترم آفتاب احمد چوہدری	چیف ایگزیکٹو آفیسر / ایم ڈی	1/1
3	محترمہ مشائلہ صدیقی	آزاد ڈائریکٹر	1/1
4	محترمہ آسیہ ریاض	نان ایگزیکٹو ڈائریکٹر	1/1
5	حافظ مدثر عالم	نان ایگزیکٹو ڈائریکٹر	0/0
6	محترم محمد اقبال	نان ایگزیکٹو ڈائریکٹر	1/1
7	محترم یاسر منظور	نان ایگزیکٹو ڈائریکٹر	1/1
8	محترم عون محمد	نان ایگزیکٹو ڈائریکٹر	1/1

کمپنی ایکٹ 2017 کے سیکشن 227 کے تحت، مندرجہ ذیل معلومات باقاعدہ طور پر ظاہر کی جاتی ہیں:

ان افراد کے نام جو کسی بھی وقت مالی سال کے دوران کمپنی کے ڈائریکٹر تھے:

نمبر شمار	ڈائریکٹرز کے نام	زمرہ
1	محترم شعیب میر	چیئر مین / آزاد ڈائریکٹر
2	محترم آفتاب احمد چوہدری	چیف ایگزیکٹو آفیسر / ایم ڈی
3	محترمہ مشائلہ صدیقی	آزاد ڈائریکٹر
4	محترمہ آسیہ ریاض	نان ایگزیکٹو ڈائریکٹر
5	حافظ مدثر عالم	نان ایگزیکٹو ڈائریکٹر
6	محترم محمد اقبال	نان ایگزیکٹو ڈائریکٹر
7	مسٹر یاسر منظور	نان ایگزیکٹو ڈائریکٹر
8	* محترم محمد عثمان	نان ایگزیکٹو ڈائریکٹر
9	** محترم حسین احمد اوزگن	نان ایگزیکٹو ڈائریکٹر
10	*** محترم عثمان حسن	آزاد ڈائریکٹر
11	**** محترم صدیق الرحمان خرم	نان ایگزیکٹو ڈائریکٹر

- \*محترم محمد عثمان نے 27.03.2024 کو استعفیٰ دیا
- \*محترم حسین اوزگن نے 28.03.2024 کو استعفیٰ دیا۔
- \*\*\*محترم عثمان حسن نے 07.05.2024 کو استعفیٰ دیا۔
- \*\*\*\*محترم صدیق الرحمن خرم نے 08.05.2024 کو استعفیٰ دیا۔
- \*\*\*\*\*محترم شعیب میر کو 28.03.2024 کو تعینات کیا گیا۔
- \*\*\*\*\*محترم یاسر منظور کو 28.03.2024 کو تعینات کیا گیا۔
- \*\*\*\*\*محترم محمد اقبال کو 09.05.2024 کو تعینات کیا گیا۔
- \*\*\*\*\*محترمہ شعیبہ صدیقی کو 03.06.2024 کو تعینات کیا گیا۔

فہرست شدہ کمپنیز (کارپوریٹ گورننس کے ضابطے) ریگولیشنز 2019 کے ریگولیشن نمبر 34(2) کی تعمیل میں، مندرجہ ذیل معلومات فراہم کی جاتی ہیں:

i. ڈائریکٹرز کی کل تعداد سات (7) ہے جیسا کہ درج ذیل ہے:

(a) مرد: 5

(b) خواتین: 2

ii. بورڈ کی تشکیل مندرجہ ذیل ہے:

- |     |                          |                       |
|-----|--------------------------|-----------------------|
| (a) | محترم شعیب میر،          | آزاد ڈائریکٹر         |
| (b) | محترمہ شعیبہ صدیقی،      | آزاد ڈائریکٹر         |
| (c) | محترمہ آسیہ ریاض،        | خواتین ڈائریکٹر       |
| (d) | حافظ مدثر عالم،          | نان ایگزیکٹو ڈائریکٹر |
| (e) | محترم محمد اقبال،        | نان ایگزیکٹو ڈائریکٹر |
| (f) | محترم یاسر منظور،        | نان ایگزیکٹو ڈائریکٹر |
| (g) | محترم آفتاب احمد چوہدری، | چیف ایگزیکٹو ڈائریکٹر |

## ڈائریکٹرز کی تنخواہ

فی الحال، چیف ایگزیکٹو آفیسر کو کمپنی کے آرٹیکلز آف ایسوسی ایشن اور ایچ آر پالیسی کے تحت بورڈ کی منظوری سے تنخواہ اور دیگر فوائد دیے جا رہے ہیں۔ کسی دوسرے ڈائریکٹر کو کمپنی کی جانب سے اضافی معاوضہ نہیں دیا جا رہا، سوائے بورڈ اور اس کی کمیٹیوں کے اجلاس میں شرکت کی فیس کے۔ متعلقہ اعداد و شمار مالیاتی بیانات میں ظاہر کیے گئے ہیں۔

## بورڈ کی کارکردگی کا سالانہ جائزہ

فہرست شدہ کمپنیز کوڈ آف کارپوریٹ گورننس ریگولیشنز 2019 کے تحت ضروری ہے کہ بورڈ، بورڈ کے اراکین اور اس کی کمیٹیوں کی کارکردگی کا سالانہ جائزہ لیا جائے تاکہ کمپنی کے مقرر کردہ مقاصد کے مطابق بورڈ کی مجموعی کارکردگی اور مؤثر عملدرآمد کی جانچ کی جاسکے۔ جائزے کی بنیاد پر، بورڈ، اراکین اور کمیٹیوں کی کارکردگی کو گزشتہ سال کے لیے اطمینان بخش قرار دیا گیا ہے۔

## بورڈ کے قانونی اور مشاورتی کمیٹیاں

بورڈ نے قانونی اور مشاورتی کمیٹیوں کو تین سالہ مدت کے لیے تشکیل دیا ہے، جو درج ذیل ہیں:

## 1. بورڈ آف کمیٹی (BAC)

بورڈ آف کمیٹی میں تین (3) ڈائریکٹرز شامل ہیں، جن میں سے ایک آزاد ڈائریکٹر (ID) ہے جو کمیٹی کے چیئرمین ہیں۔

### BAC:

1. • محترمہ شعیبہ صدیقی: چیئرمین
2. • محترم یاسر منظور: رکن
3. • محترمہ آسیہ ریاض: رکن

## 2. ہیومن ریسورس اور ریویژن کمیٹی (HRRC)

ہیومن ریسورس اور ریویژن کمیٹی (HRR) میں تین (3) نام ایگزیکٹو ڈائریکٹرز شامل ہیں، جن میں سے ایک آزاد ڈائریکٹر کمیٹی کے چیئرمین ہیں۔

### HRRC:

1. • محترم شعیب میر: چیئرمین
2. • محترم محمد اقبال: رکن
3. • حافظ مدثر عالم: رکن

## متعلقہ فریقین کے لین دین

ہر بورڈ میننگ میں، بورڈ آف ڈائریکٹرز کمیٹی کے ایسوسی ایٹڈ کمپنیز اور متعلقہ فریقین کے ساتھ کیے گئے تمام لین دین کی منظوری دیتے ہیں، جو کاروبار کے معمول کے مطابق باہمی رضامندی کی بنیاد پر کیے جاتے ہیں۔

## شیئر ہولڈنگ کا پیٹرن

آپ کی کمپنی کے شیئر ہولڈنگ کا پیٹرن 30 جون 2024 تک اس رپورٹ کے ساتھ منسلک ہے۔ یہ بیان کوڈ میں کی گئی ترامیم کے مطابق ہے۔

## فری فلوٹ آف شیئرز

آپ کی کمپنی کے فری فلوٹ آف شیئرز کا بیان 30 جون 2024 تک اس رپورٹ کے ساتھ منسلک ہے۔

## مالیاتی رپورٹنگ

بورڈ آف کمیٹی نے کمیٹی کے ڈرافٹ عبوری اور سالانہ نتائج کا جائزہ لیا، ان پر تبادلہ خیال کیا اور بورڈ کی منظوری کے لیے سفارش کی۔ کمیٹی نے کمپنی کے سی ایف او، ایچ آئی اے اور بیرونی آڈیٹرز کے ساتھ اہم اکاؤنٹنگ پالیسیوں، اندازوں، اور فیصلوں پر گفتگو کی جو مالیاتی معلومات کی تیاری میں لاگو کیے گئے۔

## اعترافات

بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور دیگر حکومتی اداروں سے ملنے والی قیمتی رہنمائی اور تعاون پر خراج تحسین پیش کرتا ہے۔ مزید برآں، ہم اپنے شیئر ہولڈرز کان کے اعتماد اور تعاون پر شکریہ ادا کرتے ہیں اور کمپنی کی ترقی میں مینجمنٹ کی لگن اور ملازمین کی محنت کو سراہتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے، ایل ایس ای کیپٹل لمیٹڈ

آفتاب احمد چوہدری

چیف ایگزیکٹو آفیسر

ڈائریکٹر

مقام: لاہور

تاریخ: 4 نومبر، 2024

## Pattern of Shareholding

As on June 30, 2024

	NO. OF SHARES		CDC	Physical	No of Shareholders	No of Shares held
	FROM	TO				
1	1	100	421	2159	2580	52,464
2	101	500	313	470	783	220,341
3	501	1000	170	204	374	297,524
4	1001	5000	382	262	644	1,620,240
5	5001	10000	142	38	180	1,388,812
6	10001	15000	66	17	83	1,049,420
7	15001	20000	35	0	35	650,047
8	20001	25000	42	1	43	985,975
9	25001	30000	19	1	20	554,531
10	30001	35000	15	3	18	598,341
11	35001	40000	6	0	6	229,343
12	40001	45000	10	2	12	519,464
13	45001	50000	13	1	14	672,937
14	50001	55000	2	1	3	157,652
15	55001	60000	11	0	11	636,415
16	60001	65000	5	0	5	315,931
17	65001	70000	4	0	4	274,636
18	70001	75000	4	0	4	292,099
19	75001	80000	4	0	4	312,233
20	80001	85000	3	0	3	248,825
21	85001	90000	2	0	2	171,706
22	90001	95000	3	0	3	275,665
23	95001	100000	53	0	53	5,206,612
24	100001	105000	5	0	5	506,626
25	105001	110000	2	0	2	217,072
26	110001	115000	5	0	5	557,748
27	115001	120000	4	0	4	474,996
28	120001	125000	2	0	2	246,748
29	125001	130000	3	0	3	384,517
30	130001	135000	2	0	2	266,911
31	135001	140000	7	0	7	963,556
32	140001	145000	1	0	1	141,685
33	145001	150000	48	0	48	7,061,434
34	150001	155000	1	0	1	150,509
35	155001	160000	1	0	1	156,559
36	180001	185000	1	0	1	184,338
37	190001	195000	2	0	2	384,700
38	195001	200000	5	0	5	988,444
39	205001	210000	9	0	9	1,856,787
40	210001	215000	1	0	1	215,000
41	220001	225000	1	0	1	220,765
42	230001	235000	1	0	1	232,815
43	240001	245000	1	0	1	244,850

44	245001	250000	32	0	32	7,849,905
45	255001	260000	2	0	2	512,569
46	260001	265000	2	0	2	521,915
47	275001	280000	1	0	1	279,507
48	280001	285000	2	0	2	569,082
49	285001	290000	1	0	1	289,743
50	290001	295000	3	0	3	875,298
51	305001	310000	2	0	2	613,469
52	340001	345000	3	0	3	1,030,645
53	365001	370000	1	0	1	365,765
54	395001	400000	1	0	1	395,910
55	405001	410000	1	0	1	405,106
56	460001	465000	0	1	1	462,256
57	490001	495000	1	0	1	490,260
58	645001	650000	1	0	1	649,594
59	685001	690000	1	0	1	686,364
60	765001	770000	1	0	1	766,780
61	780001	785000	0	1	1	784,416
62	870001	875000	1	0	1	871,927
63	900001	905000	1	0	1	903,536
64	980001	985000	2	0	2	1,961,040
65	1125001	1130000	1	0	1	1,128,740
66	1760001	1765000	0	1	1	1,764,861
67	2470001	2475000	1	0	1	2,472,385
68	3615001	3620000	1	0	1	3,618,581
69	4070001	4075000	1	0	1	4,073,411
70	4790001	4795000	1	0	1	4,794,009
71	5860001	5865000	1	0	1	5,864,809
72	7235001	7240000	1	0	1	7,237,163
73	9995001	10000000	1	0	1	10,000,000
74	12690001	12695000	1	0	1	12,691,763
75	12720001	12725000	1	0	1	12,720,002
76	14920001	14925000	1	0	1	14,921,605
77	22370001	22375000	1	0	1	22,370,904
78	24020001	24025000	1	0	1	24,022,752
			<b>1899</b>	<b>3162</b>	<b>5061</b>	<b>181,153,345</b>



Categories of Share Holders As on June 30, 2024				
Sr No.	Categories of shareholders	No of Shareholders	Share held	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children.	13	26,988,984	14.90%
2	Executive Employees	2	416	0.00%
3	Associated Companies, undertakings and related parties.	5	45,067,306	24.88%
4	NIT and ICP	3	26,224	0.01%
5	Banks Development Financial Institutions, Non-Banking Financial Institutions.	14	260,927	0.14%
6	Insurance Companies	6	16,090	0.01%
7	Modarabas and Mutual Funds	7	246,020	0.14%
8	Joint Stock Companies	173	42,702,704	23.57%
9	Others	3	277,122	0.15%
10	General Public	4835	65,567,552	36.19%
	<b>Grand Total:</b>	<b>5061</b>	<b>181,153,345</b>	<b>100%</b>
			-	
	Shareholders holding 10% Shares or more		Share held	Percentage
1	Mr. Danish Elahi		24,022,752	13.3%
2	LSE Venture Limited		22,370,904	12.3%

## Gender Pay Gap Statement under SECP's Circular No. 10 of 2024

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

- i. Mean Gender Pay Gap: 43.44 %
- ii. Median Gender Pay Gap: 0.00 %
- iii. Any other data/detail as deemed relevant to the above ratios reflect the overall employee gender pay gap across the organization. The Company is committed that all employees of the Company are treated with equality and fairness and also ensures the equitable compensation for female members in their respective roles, based on experience, qualifications, responsibilities and performance without any gender-based discrimination.

For and on behalf of  
**LSE Capital Limited**

*s/d*

Chief Executive Officer

Date: November 4, 2024


## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN**, that the Annual General Meeting of LSE Capital Limited (**the “Company”**) will be held on Wednesday, November 27, 2024, at 9:45 a.m. at the auditorium, the Exchange Hub, LSE Plaza, 19-Kashmir Egerton Road, Lahore, to transact the following business: -

### ORDINARY BUSINESS:

1. To confirm the minutes of the Annual General Meeting held on December 28, 2023.
2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2024, together with the Directors' and Auditors' Reports thereon.

In accordance with Section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the website of the Company and can be downloaded from the following web link and QR enabled code:

<p><a href="https://capital.lse.com.pk/downloads/annual/annual-report-2024-LSECL.pdf">https://capital.lse.com.pk/downloads/annual/annual-report-2024-LSECL.pdf</a></p>	
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3. To consider and declare final cash dividend of Rs. 0.50/- per share for the year ended June 30, 2024 to the shareholders of the Company as having been recommended by the Board of Directors.
4. To appoint External Auditors of the Company for the year ending June 30<sup>th</sup>, 2025, and to fix their remuneration.

### SPECIAL BUSINESS:

5. To approve, as and by way of an Ordinary Resolution, the transmission of the annual balance sheet, profit & loss account, auditors report, directors report (the “Annual Audited Financial Statements”) and the notice of general meetings etc. to the Company’s shareholders through QR enabled code and weblink as allowed by the Securities and Exchange Commission of Pakistan via S.R.O No. 389(I)/2023 dated March 21<sup>st</sup>, 2023.

“RESOLVED THAT as notified by the Securities and Exchange Commission of Pakistan, via S.R.O No. 389(I)/2023, dated March 21, 2023, transmission of Annual Audited Financial Statements of the Company to the members through QR enabled code and weblink instead of transmitting the Audited Annual Financial Statements through CD/DVD/USB, be and is hereby ratified and approved for future.”

6. To approve, as and by way of an Ordinary Resolution, the placement of Quarterly Accounts of the Company at its website, instead of sending the same by post to the members, as allowed by the Securities and Exchange Commission of Pakistan, via Circular No. 19 of 2004.

“RESOLVED THAT as had been allowed by the Securities and Exchange Commission of Pakistan, via Circular No. 19 of 2004, the placement of Quarterly Accounts of the Company at its website, instead of circulating the same by post to the members, be and is hereby approved for future.”

**7. To consider and if deemed appropriate, pass the following Special Resolutions under Section 199 of the Companies Act, 2017, with or without modification(s), addition(s) and/or deletion(s):**

“RESOLVED THAT the approval be and is hereby accorded for the addition/disposal of the Company’s investments in its associated companies, not exceeding PKR 100Mn in aggregate on market/negotiated price, as well as the provision of periodical working capital to any of the associated companies, not exceeding PKR 100Mn in principal and return thereon not below rate of six (6) months KIBOR+1%.”

“FURTHER RESOLVED THAT the Board of the Company be and is hereby authorized to approve the above transactions in respect of the related parties on a case-to-case basis which may be carried out during the financial year ending June 30, 2025.”

“FURTHER RESOLVED THAT, the relevant transactions shall be placed before the shareholders in the next Annual General Meeting for their ratification.”

Issued under the authorization of the Board:

**Inam Ullah**  
Company Secretary

November 5<sup>th</sup>, 2024

**1. BOOK CLOSURE**

The Share Transfer books of the Company will remain closed, and no transfer of shares will be accepted for registration from November 20, 2024, to November 27, 2024 (both days inclusive). Any transfer request received by the office of the share registrar of the Company by the close of business on November 19<sup>th</sup>, 2024, will be treated in time for the purpose of attendance in the AGM.

**2. ATTENDANCE OF MEETING**

Attendance in the meeting shall be marked on the production of original CNIC or passport of the member or his/her proxy or authorizations from the corporate members. CDC Account Holders must follow the guidelines as laid down in Circular No. 1 dated January 26, 2000, issued by the SECP to attend the meeting.

Any individual member entitled to attend, speak and vote at the AGM can also appoint a proxy to attend, speak and vote on his/her behalf. Similarly, the corporate members can also give authorizations to any natural person to attend the meeting on their behalf.

In order for the proxies to be effective, they must be duly signed, filled, witnessed and deposited at the Registered Office of the Company, along with the attested copies of valid Computerized National Identity Card (CNIC) or Passport, not less than 48 hours before the meeting.

The Company has also made the arrangements to ensure the participation of all shareholders in the AGM proceedings via a video link. In order to attend the meeting through video link, the members are requested to share the below information, via email to [inamullah@lse.com.pk](mailto:inamullah@lse.com.pk), for their appointment/registration and proxy verification by or before November 23, 2024 as per below format:

Full Name	CNIC No	Registered Email	Cell No.	No of Shares	Folio/CDC No.
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Video link details and login credentials will be shared with those members whose particulars and registered emails are received on or before 4:00 PM on November 23<sup>rd</sup>, 2024.

Furthermore, the shareholders may also provide their comments and questions for the agenda items of the AGM at the email address [inamullah@lse.com.pk](mailto:inamullah@lse.com.pk), which will be duly responded to in the said meeting.

**3. E-VOTING & VOTING THROUGH POSTAL BALLOT:**

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (the "Regulations"), amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), wherein, SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming AGM to be held on November 27, 2024, at 09:45 a.m. in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

**4. AVAILABILITY OF AUDITED FINANCIAL STATEMENTS ON COMPANY'S WEBSITE:**

The audited financial statements of the Company for the year ended June 30, 2024 have been made available on Company's website <https://lse.com.pk/financial-reports.php> in addition to annual and quarterly financial statements for the prior years.

Any Member requiring printed copy of Annual Report may send request using a standard Request Form placed on the Company's website. The Company will provide the printed copy of Accounts to such members free of cost within one week of such demand.

**5. CHANGE IN ADDRESS AND CNIC:**

The members are requested to notify any change in their address and contact details, as well as the attested photocopy of their valid CNICs, in case of the book entry securities in CDS to their respective participants and in case of physical shares to the registrar of the Company, by quoting their folio numbers and name of the Company at the below mentioned address of the Company's Share Registrar, if not earlier notified/submitted:

**M/s F.D. Share Registrar Services (Private) Limited  
Saima Trade Tower, Suite 1705-A, 17<sup>th</sup> Floor, I.I Chundrigar Road, Karachi**

**6. DEPOSIT OF PHYSICAL SHARES INTO CENTRAL DEPOSITORY:**

As per section 72 of the Companies Act, 2017 every existing listed company is also required to replace its physical shares with the book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act i.e. May 30<sup>th</sup>, 2017.

In the light of the above, the shareholders holding physical share certificates are once again encouraged to deposit their shares in Central Depository by opening CDC sub-accounts with any of the brokers or Investor Accounts maintained directly with CDC to convert their physical shares into scrip less form. This will facilitate the shareholders to streamline their information in member's register enabling the Company to effectively communicate with the shareholders and timely disburse any entitlements. Further, shares held shall remain secure and maintaining shares in scrip less form allows for swift sale/purchase.

**STATEMENT OF MATERIAL FACT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017.**

The statement sets out the material facts pertaining to the special business items to be transacted at the Annual General Meeting of the Company to be held on Wednesday, November 27, 2024.

**Agenda Item # 5.**

The Securities and Exchange Commission of Pakistan has allowed listed companies, through its S.R.O. No.389(I)/2023, dated March 21<sup>st</sup>, 2023, to circulate the annual balance sheet and profit and loss account, auditors' report and directors' report etc. ("Annual Audited Financial Statements") to their Members through QR-enabled code and weblink instead of transmitting the same through CD/DVD/USB, subject to approval of the shareholders in the general meeting. Considering the optimum use of advancements in technology and in order to avail cost effective measure, approval of members is sought as per requirement of the above SRO, for circulation/transmission of the Annual Audited Financial Statements to the members through QR-enabled code and weblink.

**Agenda Item # 6.**

The Securities and Exchange Commission of Pakistan through Circular No. 19 of 2004 had allowed the listed companies to place the Quarterly Accounts on their website instead of transmitting the same to the shareholders by post. In order to best use of technology and save the printing and distribution cost, approval of members is sought as per requirement of the above circular, for placement of Quarterly Accounts of the Company at its website, instead of circulation/transmission of the hard copies by post.

**Agenda Item # 7.**

The disclosure required under section 199 of the Act and Regulation 5(5) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 are as under:

**DISCLOSURES FOR ALL TYPES OF INVESTMENTS:**

**(A) Regarding associated company or associated undertaking: -**

Sr. No.	Requirement	Information		
(i)	Name of Associated Company or associated undertaking	LSE Financial Services Limited	LSE Ventures Limited	Digital Custodian Company Limited
(ii)	Basis of relationship	Associated Company with and Common directorship and shareholding of 26.82%	Associated Company with and Common directorship	Associated Company with and Common directorship and shareholding of 28.50%
(iii)	Earnings per share for the last three years	Year 2024: Rs. 1.72 Year 2023: Rs. 0.07 Year 2022: Rs. 1.05	Year 2024: Rs. 1.04 Year 2023: Rs. 1.24 Year 2022: Rs. N/A	Year 2024: Rs. 1.45 Year 2023: Rs. 0.11 Year 2022: Rs. (1.97)

Sr. No.	Requirement	Information		
(iv)	Break-up value per share, based on latest audited financial statements	Rs. 12.72 as on June 30, 2024.	Rs. 13.60 as on June 30, 2024.	Rs. 11.48 as on June 30, 2024.
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	Audited Financial Statements of LSEFSL for the year ended June 30, 2024 available at: <a href="http://www.lse.com.pk">http://www.lse.com.pk</a>	Audited Financial Statements of LSEVL for the year ended June 30, 2024 available at: <a href="http://www.lse.com.pk">http://www.lse.com.pk</a>	Audited Financial Statements of DCCL for the year ended June 30, 2024 available at: <a href="https://digitalcustodian.co/accounts.php">https://digitalcustodian.co/accounts.php</a>
(vi)	In case of investment in relation to a project of associate company or associated undertaking that has not commenced operations,	Not applicable	Not applicable	Not applicable

**(B) General Disclosures:**

Sr. No.	Requirement	Information		
(i)	Maximum aggregate amount of investment to be made	Upto Rs. 100 million as short-term loans and advances to all associated companies in aggregate		
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment.	To meet the working capital requirement of the Company.	To meet the working capital requirement of the Company.	To meet the working capital requirement of the Company.
(iii)	Source of funds to be utilized for investment and where the investment is intended to be made using	Through internal sources.	Through internal sources.	Through internal sources.



Sr. No.	Requirement	Information		
	borrowed funds; (I) Justification for investment through borrowing; (II) Details of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) Cost benefit analysis;			
(iv)	Salient features of the agreement (if any) with associated company or associated undertaking with regards to proposed investment.	Agreements with Associate will be available at the AGM for review of the shareholders		
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associates' company or associated undertaking or the transaction under consideration:	Following Directors have direct or indirect interest in the associated companies: <ul style="list-style-type: none"> <li>• Mr. Aftab Ahmad</li> <li>• Ms. Asiya Riaz</li> </ul>	Following Directors have direct or indirect interest in the associated companies: <ul style="list-style-type: none"> <li>• Mr. Muhammad Iqbal</li> <li>• Mr. Aftab Ahmad</li> <li>• Ms. Asiya Riaz</li> </ul>	Following Directors have direct or indirect interest in the associated companies: <ul style="list-style-type: none"> <li>• Mr. Shoaib Mir</li> <li>• Mr. Aftab Ahmad</li> <li>• Mr. Muhammad Iqbal</li> </ul>

Sr. No.	Requirement	Information
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information / justification for any impairment or write offs.	Investment in associated entities are made on an arm's length basis and there has been no impairment or write off.  All past transaction had yielded the required returns.
(vii)	Any other important details necessary for the members to understand the transaction	Not Applicable

(a) In case of equity investment, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made:-

Sr. No.	Requirement	Information
(i)	Maximum price at which securities will be acquired	Not Applicable
(ii)	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Not Applicable
(iii)	Maximum number of securities to be acquired	Not Applicable
(iv)	Number of securities and percentage thereof held before and after the proposed investment	Not Applicable
(v)	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	Not Applicable
(vi)	Fair value determined in terms and sub-regulation (1) of regulation 5 for investments in unlisted securities	Not Applicable

**(c) In case of Investments in the form of Loan and Advances and guarantees:**

Sr. No.	Requirement	Information
(i)	Category wise number of investments	Short term loan / advance Upto Rs. 100 million as short-term loans and advances to all associated companies in aggregate
(ii)	Average borrowing cost of the investing Company	Not Applicable
(iii)	Rate of interest, markup profit, fees or commission etc. to be charged by investing company	6M KIBOR+1%
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment	Not Applicable
(v)	If the investment carry conversion features:	No Conversion option
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	Not Applicable

In pursuance to Regulation No. 3 (3) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 under SRO 1240(1)/2017 dated 6 December 2017, the directors of the Company have carried out due diligence for the proposed investment in its associated companies/associated undertakings before sending this recommendation for the member's approval.

**Note:** None of the Directors of the Company have any direct or indirect interest in this special business except to the extent of their respective shareholding in the Company.

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of LSE Capital Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of LSE Capital Limited for the period ended from May 24, 2024 to June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

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

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

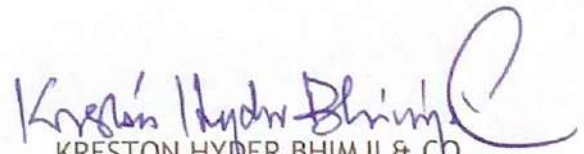
The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent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

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

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:

The Company is listed at Pakistan Stock Exchange Limited ("PSX") on May 24, 2024. The Company shall ensure compliance as required under the Listed Companies (Code of Corporate Governance) Regulations, 2019 from the next financial year.

Lahore: November 04, 2024  
UDIN # CR202410269NP9c0pUjd

  
KRESTON HYDER BHIMJI & CO.  
CHARTERED ACCOUNTANTS



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LSE CAPITAL LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Opinion**

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

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

### **Basis for Opinion**

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

### **Key Audit matters**

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

Following is the key audit matter:

Key Audit Matter	How the Matter was Addressed in our Report
<b>Scheme of Arrangement of the Companies</b>	
<p><b>Refer to note 4 of the financial statements.</b></p> <p>A scheme of arrangement was formulated pursuant to the provisions of Section 279 to 282 of the Companies Act, 2017 for the transfer and vesting of the undertakings and business of Modaraba Al Mali and LSE Proptech Limited (as transferors) into LSE Capital Limited (as transferee) and for the transfer and vesting of designated assets of LSE Capital Limited (as transferor) into LSE Financial Services Limited (as transferee).</p> <p>The aforementioned scheme was approved by Honorable Lahore High Court, Lahore under Court Order no. 78278/2023 dated April 03, 2024.</p> <p>We identified this transaction as the key audit matter due to the complexity and the materiality of this and the importance of the matter to intended users' understanding of the financial statements as a whole.</p>	<p><b>We performed the following procedures:</b></p> <p>Obtained and reviewed the Court Order and related documentation of scheme of arrangement.</p> <p>Discussed with the management as to how the scheme of arrangement has been complied with and books of accounts streamlined to effect the resultant transaction / balances.</p> <p>Reviewed the schedule of transfer of assets and liabilities and assessed whether the transferred assets / liabilities have been incorporated appropriately in the transferee entity.</p> <p>Sought legal opinion to verify that the merger scheme has been executed in compliance with all relevant legal and regulatory requirements and the transfers of balances are made as per merger scheme from the effective date.</p> <p>Assessed the adequacy of the disclosures in the financial statements and appropriateness of management's assumptions and estimates.</p>

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

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

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

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



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

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

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### Report on Other Legal and Regulatory Requirements

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

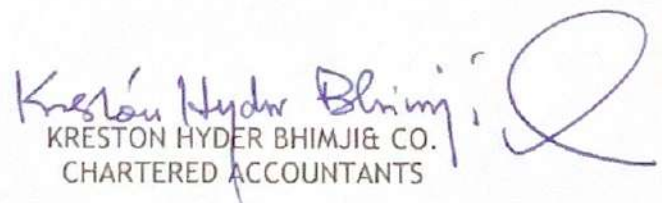
- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

#### Other Matter

The financial statements for the year ended June 30, 2023 were audited by the predecessor auditor namely; Razaqat Mansha Mohsin Dossani Masoom & Co, Chartered Accountants, who expressed unmodified opinion on those financial statements on November 24, 2023.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Usman Shah, ACA.

LAHORE: November 04, 2024  
UDIN: AR202410269PsXq9HvrB

  
KRESTON HYDER BHIMJI & CO.  
CHARTERED ACCOUNTANTS



**LSE CAPITAL LIMITED**  
**STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024**

	Note	2024	Restated 2023
Rs. in 000s			
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property and equipment	5	1,321,392	-
Right of use asset	6	57,129	-
Investment in Associates	7	896,024	198,518
Investment property	8	392,122	-
Net investment in finance lease	9	4,275	-
Long term deposits	10	548	-
		<b>2,671,490</b>	<b>198,518</b>
<b>Current Assets</b>			
Inventories	11	2,411	-
Financial assets	12	640,047	-
Trade and other receivables	13	42,160	66,971
Advances, deposits and prepayments	14	14,175	54,291
Tax refunds due from the Government - net	15	28,935	2,522
Cash and bank balances	16	192,012	89
		<b>919,740</b>	<b>123,873</b>
		<b>3,591,230</b>	<b>322,391</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized Share Capital</b>			
200,000,000 (2023: 25,000,000) ordinary shares of Rs. 10 each	17	2,000,000	250,000
Issued, subscribed and paid-up share capital	17	1,811,534	210,000
Surplus on revaluation of property and equipment	18	75,822	-
<b>Capital Reserves:</b>			
- Building reserve fund	19	1,682	-
- Merger Reserve		289,814	-
- Fair value Reserve		-	48,118
<b>Revenue Reserve:</b>			
- Unappropriated profit		792,018	24,657
		<b>1,083,514</b>	<b>72,775</b>
<b>Total Equity</b>		<b>2,970,870</b>	<b>282,775</b>
<b>Non Current Liabilities</b>			
Long term financing	21	70,450	-
Other liabilities	22	35,280	-
Deferred tax liability	23	43,075	16,371
		<b>148,805</b>	<b>16,371</b>
<b>Current Liabilities</b>			
Trade and other payables	24	330,960	23,245
Current portion of long term financing	25	26,284	-
Loan from director	26	100,000	-
Accrued markup on financing	27	3,952	-
Unclaimed dividend		10,359	-
		<b>471,555</b>	<b>23,245</b>
<b>Contingencies and Commitments</b>	28	-	-
		<b>3,591,230</b>	<b>322,391</b>

The annexed notes from 1 to 44 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**LSE CAPITAL LIMITED**  
**STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2024**

		2024	Restated 2023
	Note	Rs. in 000s	
<b>Revenue</b>	29	35,191	2,552
<b>Operating Expenses</b>			
Administrative and general expenses	30	(61,574)	(5,990)
Expected credit loss on trade receivables	13	(4,355)	-
<b>Operating loss</b>		(30,738)	(3,438)
Other Income	32	96,678	20,797
Share of post tax profit from associates	7.4	33,476	83,669
<b>Profit before interest and taxation</b>		99,416	101,028
Finance cost	31	(19,887)	(1,000)
<b>Profit before levy and taxation</b>		79,529	100,028
Levy	33	(10,669)	(3,767)
<b>Profit before Taxation</b>		68,860	96,261
Taxation	33	52,145	(12,483)
<b>Net Profit for the Year</b>		121,005	83,778
<b>Earnings Per Share - Basic and Diluted</b>	34	2.66	3.99

The annexed notes from 1 to 44 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**

**LSE CAPITAL LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024**

	Note	2024	Restated 2023
		Rs. in 000s	
<b>Net Profit for the Year</b>		121,005	83,778
<b>Other Comprehensive Income</b>			
<b><u>Items that can not be reclassified to profit or loss</u></b>			
Surplus arose on fresh revaluation of land and building	18	85,615	-
Impact of related deferred tax	18	(9,793)	-
Remeasurement loss of Defined Benefit Plans		-	68
Impact of deferred tax		-	(20)
<b><u>Items that may be subsequently reclassified to profit or loss</u></b>			
Share in OCI of associate - net of tax	7.4	23,792	2,820
Impact of deferred tax		(3,569)	(322)
		<b>96,045</b>	<b>2,546</b>
<b>Total Comprehensive Income for the Year</b>		<b>217,050</b>	<b>86,324</b>

The annexed notes from 1 to 44 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**



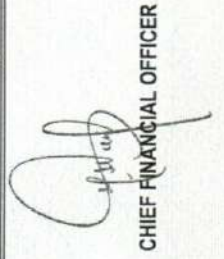
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2024**

	Capital Reserve					Revenue Reserve		Total	Total Equity
	Share Capital	Surplus on Revaluation of Property and Equipment	Building Reserve	Merger Reserve	Fair value reserve	Unappropriated Profit			
<b>Balance as at June 30, 2022</b>	160,000	-	-	-	(40,008)	26,459	(13,549)	146,451	
Net Profit for the year - restated	-	-	-	-	-	83,778	83,778	83,778	
Other comprehensive income - restated	-	-	-	-	2,546	-	2,546	2,546	
Total comprehensive income for the year - restated	-	-	-	-	2,546	83,778	86,324	86,324	
Bonus shares transferred to reserve	160,000	-	-	-	85,580	(85,580)	-	-	
<b>Transactions with owners of the Company</b>									
Fresh issuance of share capital	50,000	-	-	-	-	-	-	50,000	
<b>Balance as at June 30, 2023 - restated</b>	210,000	-	-	-	48,118	24,657	72,775	282,775	
<b>Balance as at June 30, 2023 - as previously reported</b>	210,000	-	-	-	48,118	37,482	85,600	295,600	
Effects for the correction of error	-	-	-	-	-	(12,825)	(12,825)	(12,825)	
<b>Balance as at June 30, 2023 - restated</b>	210,000	-	-	-	48,118	24,657	72,775	282,775	
Transactions between the interim period transferred to retained earnings as per merger scheme	-	-	-	-	6,730	581	7,311	7,311	
Adjustments / Transfers as per scheme of merger	1,601,534	-	-	289,814	(54,848)	656,341	891,307	2,492,841	
Adjustments related to pre-merger transactions	-	-	-	-	-	(1,645)	(1,645)	(1,645)	
Reclassification to profit or loss from other comprehensive income on disposal of investment in associates	-	-	-	-	-	(20,380)	(20,380)	(20,380)	
Net profit for the year	-	-	-	-	-	121,005	121,005	121,005	
Other comprehensive income	-	75,822	-	-	-	20,223	20,223	96,045	
Total comprehensive income for the year	-	75,822	-	-	-	141,228	141,228	217,050	
Cost incurred in raising capital under merger scheme	-	-	-	-	-	(8,380)	(8,380)	(8,380)	
Amount collected from building occupants for fixed assets replacement fund	-	-	1,682	-	-	(384)	1,298	1,298	
<b>Balance as at June 30, 2024</b>	1,811,534	75,822	1,682	289,814	-	792,018	1,083,514	2,970,870	

Note

- 3.23 **Balance as at June 30, 2022**  
 Net Profit for the year - restated  
 Other comprehensive income - restated  
 Total comprehensive income for the year - restated  
 Bonus shares transferred to reserve
- Transactions with owners of the Company**  
 Fresh issuance of share capital  
**Balance as at June 30, 2023 - restated**  
**Balance as at June 30, 2023 - as previously reported**  
 Effects for the correction of error  
**Balance as at June 30, 2023 - restated**
- 20 Transactions between the interim period transferred to retained earnings as per merger scheme
- 20 Adjustments / Transfers as per scheme of merger  
 Adjustments related to pre-merger transactions  
 Reclassification to profit or loss from other comprehensive income on disposal of investment in associates
- 19 Net profit for the year  
 Other comprehensive income  
 Total comprehensive income for the year  
 Cost incurred in raising capital under merger scheme  
 Amount collected from building occupants for fixed assets replacement fund
- Balance as at June 30, 2024**  
 The annexed notes from 1 to 44 form an integral part of these financial statements.

  
 CHIEF EXECUTIVE OFFICER

  
 CHIEF FINANCIAL OFFICER




  
 DIRECTOR

**LSE CAPITAL LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2024**

	Note	Restated	
		2024	2023
Rs. in 000s			
<b>Cash Generated / (Used) from Operations</b>	35	52,820	(1,465)
Finance cost paid		(23,839)	-
Income tax paid		(4,915)	(46)
<b>Net Cash Generated / (Used) from Operating Activities</b>		<b>24,066</b>	<b>(1,511)</b>
<b>Cash Flows from Investing Activities</b>			
Proceeds from disposal of property and equipment		2,500	-
Proceeds from disposal of right of use asset		7,800	-
Cash and cash equivalents - profit on saving bank accounts	32	440	-
Purchase of operating fixed assets	5.1	(8,778)	-
Expenditure on civil work	5.2	(175)	-
Loans provided during the year	12	(300,000)	(53,854)
Receipts from / (investment made) in equity securities-net		-	4,161
Sale proceed from disposal of associate shares		205,000	-
Investment in associate	7	(222)	-
Investment made in Margin Trading system through LSEFSL	12	(17,644)	-
Return received on loans and receivables		12,026	-
Rental income received		22,781	-
Long term deposits paid	10	(548)	-
<b>Net Cash Used in Investing Activities</b>		<b>(76,820)</b>	<b>(49,693)</b>
<b>Cash Flows from Financing Activities</b>			
Receipt from issue of shares		-	50,000
Loan from director	26	100,000	-
Financing obtained during the year		100,000	-
Repayment of financing		(3,266)	-
Building reserve	19	1,298	-
<b>Net Cash Generated from Financing Activities</b>		<b>198,032</b>	<b>50,000</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents</b>		<b>145,278</b>	<b>(1,204)</b>
Cash received from Merging entities		46,645	-
Cash and cash equivalents at beginning of the year	16	89	1,293
<b>Cash and Cash Equivalents at end of the Year</b>	16	<b>192,012</b>	<b>89</b>

The annexed notes from 1 to 44 form an integral part of these financial statements.

  
**CHIEF EXECUTIVE OFFICER**

  
**CHIEF FINANCIAL OFFICER**

  
**DIRECTOR**



**LSE CAPITAL LIMITED**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024**

**1 Legal Status and its Nature of Business**

**1.1 Legal status and operations**

LSE Capital Limited is the newly adopted name of the Modaraba Management Company, which was registered as JS Finance Limited on Jan 22, 1986. The company's name was changed to Bank Islamic Modaraba Investments Limited (BIMIL) after the acquisition of its 100% equity by Bank Islamic Limited during November 07, 2007.

After the acquisition of BIMIL by the incoming sponsors, the company was first named AssetPlex Limited but later changed its name to LSE Capital Limited during 2023. Later, under the Court sanctioned scheme of merger, Modaraba Al-Mali and LSE PropTech Limited were merged with/into LSE Capital Limited, which acquired the listing status at PSX on May 24, 2024 as a consequence of its merger. The Company is licensed as a Modaraba Management company, besides carrying the license to act as a consultant to the issue for the IPOs and corporate finance advisory services.

The company now acts as the holding company of other LSE Enterprise companies. It also holds the licenses of Modaraba Management Company as well as the Consultant to the Issue. It managed the erstwhile Modaraba Al-Mali, which was merged in LSE Capital on April 03, 2024 under sanctioned merger order of Lahore High Court no. 72878 / 2023 dated April 03, 2024.

The company's registered office is located at 19-Kashmir Egerton Road, Lahore.

The geographical location and address of the Company is as under:

**Business Unit**

**Geographical Location**

Head office / Registered Office

19, Khayaban-e-Aiwan-e-Iqbal, Lahore, Pakistan.

**2. Basis of Preparation**

**2.1 Statement of compliance**

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

- International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These financial statements provide comparative information in respect of the previous year. In addition when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in the financial statements has been made. During the year, no restatement / reclassification has been made.

**2.2 Basis of measurement**

These financial statements have been prepared under the historical cost convention except to the extent of following:

	<u>Note</u>	
Net investment in finance lease	9	(stated at Present value)
Certain property and equipment	5	(stated at Fair value)
Investment property	6	(stated at Fair value)
Financial Assets	12	(stated at Fair value)
Trade and other receivables	13	(stated at carrying amount less impairment for expected credit loss)
Investment in associates	7	(stated at equity method)
Inventories	11	(stated at lower of cost and net realizable value)
Certain liabilities and payables	24	(stated at amortized cost)
Deferred tax liability	23	(stated as per IAS-12 "Income taxes")
Provisions	13	(stated as per best estimate)
Right of use asset	6	(stated at present value)

*ICIBS.*



### 2.3 Presentation and functional currency

These financial statements are prepared and presented in Pak Rupees (Rs.) which is the Company's functional and presentation currency. All the figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.

### 2.4 Use of significant accounting judgement, estimates and assumptions

The preparation of financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. It also requires the management to exercise its judgments, make estimates and assumptions in the process of applying the company's accounting policies that affect the reported amounts of assets, liabilities, income and expenses. These estimates and related assumptions are continually evaluated and are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

These estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which such revisions are made. In the process of applying the company's accounting policies, management has made the following estimates and judgments which are significant to these financial statements:

#### Property and equipment

The depreciation method and useful lives of property and equipment are reviewed by the management, at each financial year-end and these estimates are adjusted or revised if appropriate. The effect of any adjustment to useful lives and methods of these estimates are recognized prospectively or revised as a change in accounting estimate. In making these estimates, the Company uses the technical resources available with it. Any change in the estimates in the future might affect the carrying amount of respective item of property and equipment, with corresponding effects on the depreciation / amortization charge and impairment, if any.

#### Impairment of non-financial assets

The Company assesses at each reporting date whether there is any indication that property and equipment are impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount.

#### Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include historical collection rates and forward looking information for macro economic factors i.e. interest rates, inflation rates, unemployment rates, GDP rates etc.

#### Impairment of financial assets

Impairment of financial assets is assessed by reviewing their market prices and the indicators used to determine the recoverable amounts of the financial assets. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

#### Provisions

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

#### Stores and spares

Provision for slow moving, damaged and obsolete items and their net realizable value are based on management estimate.

#### Staff retirement benefits

The company considers the salary scale of each employee eligible under the provident fund scheme and its employment status on monthly basis to ensure the adequacy of expense and related liability on account of provident fund.

#### Income taxes

In making the estimates for current and deferred income taxes, the management considers current income tax law and the decisions of appellate authorities on certain cases issued in the past. These estimates also include impacts of the decisions of appellate authorities about the benefits that become recoupable upon any change in tax structure of the Company.

10/1/2022



## Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

## Valuation of investments measured at FVPL

The Company has recorded its investments measured at FVPL by using quotations from Pakistan Stock Exchange. This valuation is subjective to market price fluctuation and therefore, cannot be determined with precision.

## Investment Property

The assessment of fair value is subjective and is dependent on various factors including but not limited to; survey's of similar properties in the neighborhood by the valuer, demand and market conditions, location and vicinity of the property, sale and purchase trend prevalent in the market, inflation and growth rates etc. The effect of any changes in estimate is accounted for on a prospective basis. Further, determining adjustments for any differences in nature, location and condition of the investment property involves significant adjustment.

However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

### 2.5 Changes in accounting standards, interpretations and amendments to accounting and reporting standards

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

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

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

The Company has accounted for the effects of these changes in accounting policy retrospectively under IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these unconsolidated financial statements. The effects of restatements are as follows:

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	Rs. in 000s		
<b>Effect on statement of profit or loss</b>			
<b>For the year ended June 30, 2024</b>			
Tax on dividends, capital gains and minimum tax on services	-	10,668	10,668
Profit before tax	79,529	(10,668)	68,861
Taxation	41,476	10,668	52,144
Profit after tax	121,005	-	121,005
<b>For the year ended June 30, 2023</b>			
Minimum tax on services	-	3,767	3,767
Profit before tax	100,028	(3,767)	96,262
Taxation	(16,250)	3,767	(12,483)
Profit after tax	83,779	-	83,779

ICAP



The related changes to the statement of cash flows with respect to the amount of profit before taxation have been made as well. There is no impact on profit after tax and earnings per share, basic and diluted.

### 2.5.2 New standards and amendments to published accounting and reporting standards that are not yet effective and not early adopted by the Company

There are certain new standards and amendments that will be applicable to the Company for its annual periods beginning on or after July 1, 2024. The new standards include IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures both with applicability date of January 1, 2027 as per IASB. These standards will become part of the Company's financial reporting framework upon adoption by the SECP. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable effective January 1, 2026. The Company's management at present is in the process of assessing the full impacts of these new standards and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

## 3. Material Accounting Policy Information

The accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

### 3.1 Property and equipment

#### Recognition and measurement

Property and equipment, except freehold land and building on freehold land, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land and building on freehold land is stated at revalued amount, being the fair value at the date of their revaluation, less subsequent accumulated impairment losses, if any.

Cost of property and equipment consists of historical cost, borrowing cost pertaining to the construction and erection period and directly attributable costs of bringing the assets to their working condition.

Freehold land and buildings on freehold land are revalued every three to five years. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Additions, subsequent to revaluation, are stated at cost less accumulated depreciation and any identified impairment loss.

Any revaluation increase arising on the revaluation of land and buildings on freehold land is recognized in other comprehensive income and presented as a separate component of equity as "Surplus on revaluation of property and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land and building on freehold land is charged to statement of profit or loss to the extent that it exceeds the balance, if any, held in the surplus on revaluation of property and equipment relating to a previous revaluation of that asset.

Each year, the incremental depreciation and its related deferred taxation, the difference between depreciation based on revalued carrying amount of the asset and depreciation based on the asset's original cost, is transferred from surplus on revaluation of property and equipment to retained earnings. All transfers from surplus on revaluation of property and equipment are net of applicable deferred taxation. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and cost of the item can be measured reliably. All other day to day maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Gains or losses on disposal of property and equipment are included in profit or loss.

#### Depreciation

Depreciation on property and equipment, except land, is charged to statement of profit or loss on the reducing balance method so as to write off the depreciable amount of an asset over its economic useful life using the annual rates mentioned in note 5.1. Depreciation on additions is charged from the month in which the asset is available for use, whereas no depreciation is charged on assets disposed off during the month.

#### Impairment

Where carrying amounts exceed the respective recoverable amount, assets are written down to their recoverable amounts and the impairment loss is recognized in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in future years to allocate the asset's revised carrying amount over its estimated useful life.

10/13/23



## **Disposal**

An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Disposal of an asset is recognized when significant risk and rewards, incidental to the ownership of an asset, have been transferred to the buyer. The gain or loss on disposal or retirement of property and equipment is represented by the difference between the sale proceeds and the carrying amount of the property and equipment and is recognized as an income or expense in the year of disposal in statement of profit or loss. In case of sale or retirement of a revalued property, the attributable revaluation surplus remaining in the surplus on revaluation is transferred directly to retained earnings.

## **Capital work in progress**

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work in progress. Cost may also include borrowing costs, if any. These are transferred to operating fixed assets as and when these are available for use.

### **3.2 Investment property**

Investment Property is property held either to earn rental income or for capital appreciation or for both, but not for sale in ordinary course of business, use in production or supply of goods or services as for administrative purpose.

The Company's investment property comprises of land and building which is carried at fair value less identified impairment loss, if any.

An investment property is initially recognized at cost which is the fair value of the consideration paid. Subsequent to initial recognition, investment property whose fair value can be measured reliably without undue cost or effort on an ongoing basis is measured at fair value, at each reporting date. The changes in fair value are recognized in the statement of profit or loss. Any other investment property (whose fair value cannot be measured reliably without undue cost or effort) is measured at cost less accumulated depreciation and any impairment loss.

The fair value of investment property after initial recognition / transfer is determined at the end of each year using current market prices for comparable real estate, adjusted for any differences in nature, location and condition. The fair value of investment property is determined by an independent and professional valuer on the basis of professional assessment of the market values as disclosed in Note 7.1 of these financial statements.

An investment property is derecognized on disposal or when its nature of substance is changed i.e. it becomes owner occupied property and transferred to operating fixed assets or when no future economic benefits are expected from its sale. The gain or loss on disposal or retirement of investment property represented by the difference between the sale proceeds and its carrying amount is recognized as an income or expense in the statement of profit or loss.

### **3.3 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **3.3.1 Financial assets**

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognized and derecognized, as applicable, using trade-date accounting or settlement date accounting.

##### **3.3.1.1 Classification**

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. Currently, the Company classifies its financial assets at amortized cost and fair value through profit or loss. This classification is based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The management determines the classification of its financial assets at the time of initial recognition.

##### **a Amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in profit or loss.

##### **b Fair value through other comprehensive income (FVOCI)**

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss.

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c **Fair value through profit or loss (FVPL)**

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income or assets that are designated at fair value through profit or loss using fair value option, are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Equity instrument financial assets are measured at fair value at and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

3.3.1.2 **Initial recognition and measurement**

Except for trade receivables, financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit and loss. Trade receivables are initially measured at the transaction price if these do not contain a significant financing component in accordance with IFRS 15.

3.3.1.3 **Subsequent measurement**

Financial assets carried at amortized cost are subsequently measured using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income from the financial assets, foreign exchange gains and losses and impairment losses are recognized in the statement of profit or loss.

Financial assets measured at fair value through profit or loss are subsequently measured at fair value prevailing at the reporting date. The difference in fair value and dividends arising on equity instruments are charged to the statement of profit or loss.

Financial assets at fair value through other comprehensive income are marked to market using the closing market rates and are carried in the statement of financial position at fair value. Net gains and losses arising on changes in fair values of these financial assets are recognized in other comprehensive income. Interest calculated using the effective interest rate method is credited to the statement of profit or loss. Dividends on equity instruments are credited to the statement of profit or loss when the Company's right to receive payments is established.

3.3.1.4 **Derecognition**

Financial assets are derecognized when:

- the contractual rights to receive cash flows from the assets have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) the Company has transferred substantially all the risks and rewards of the asset; or
  - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the consideration received is recognized in statement of profit or loss for all the financial assets carried at amortized cost, FVPL and FVOCI. In case of financial assets carried at FVOCI cumulative gain or loss previously recognized in OCI is reclassified to profit or loss, except for equity instruments which are recycled to retained earnings from fair value reserve within equity.

If the Company transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognizes either a servicing asset or a servicing liability for that servicing contract.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability which cannot be offset with the related asset. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

If the Company's continuing involvement is in only a part of a financial asset, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the consideration received for the part no longer recognized is recognized in profit or loss.

ICMB



### 3.3.1.5 Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortized cost. The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

The Company recognises in profit or loss, as an impairment loss (or reversal of impairment), the amount of expected credit losses (or reversal of impairment) that is required to adjust the loss allowance at the reporting date. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 3.3.1.6 Reclassification

When the Company changes its business model for managing financial assets, it reclassifies all affected financial assets accordingly. The Company applies the reclassification prospectively from the reclassification date.

In case of reclassification out of the amortized cost measurement category to fair value through profit or loss measurement category, fair value of the financial asset is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortized cost and fair value is recognized in profit or loss.

In case of reclassification out of fair value through profit or loss measurement category to the amortized cost measurement category, fair value of the financial asset at the reclassification date becomes its new gross carrying amount.

In case of reclassification out of fair value through other comprehensive income measurement category to the amortized cost measurement category, the financial asset is reclassified at its fair value at the reclassification date. However, the cumulative gain or loss previously recognized in other comprehensive income is removed from equity and adjusted against the fair value of the financial asset at the reclassification date. The effective interest rate and the measurement of expected credit losses are not adjusted as a result of the reclassification.

In case of reclassification out of fair value through profit or loss measurement category to the fair value through other comprehensive income measurement category, the financial asset continues to be measured at fair value.

## 3.3.2 Financial liabilities

### 3.3.2.1 Initial recognition and measurement

Financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument and include trade and other payables, loans or borrowings and accrued mark up etc.

The Company does not reclassify any of its financial liabilities.

Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

### 3.3.2.2 Subsequent measurement

The Company measures its financial liabilities subsequently at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss. Difference between carrying amount and consideration paid is recognized in the statement of profit or loss when the liabilities are derecognized.

*CRB*



### 3.3.2.3 **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective of carrying amounts is recognized in the statement of profit or loss. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit or loss.

### 3.3.3 **Offsetting of financial assets and liabilities**

Financial assets and liabilities are offset and net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

### 3.4 **Inventory**

Inventory represents usable stores and spares and are valued principally on First in First Out Basis (FIFO) at lower of cost and net realizable value except for items in transit, while items considered obsolete, if any, are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

Net realizable value signifies the selling price in the ordinary course of business less estimated costs necessary to be incurred in order to make the sale.

Spare parts of capital nature which can be used only in connection with an item of property and equipment are shown separately as capital spares and are carried at cost less accumulated impairment, if any.

### 3.5 **Trade and other receivables**

Trade and other receivables represent the Company's right and are initially recognized at an amount of consideration that is unconditional unless they contain significant financing component in which case they are recognized at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method. Deduction, if any, is made for doubtful receivables based on expected credit losses model. Bad debts are written off when identified. Provision for loss allowance on doubtful debts is charged to statement of profit or loss.

### 3.6 **Provisions**

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are not recognized for future operating losses.

### 3.7 **Taxation - Levy and Income Tax**

Income tax comprises current and deferred tax. Income tax is recognized in the statement of profit or loss except to the extent that relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.

#### 3.7.1 **Levy**

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

#### 3.7.2 **Current**

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

The charge for current tax is higher of corporate tax (higher of tax based on taxable income and minimum tax) and alternative corporate tax. However, in case of loss for the year, income tax expense is recognized as minimum tax liability on turnover of the Company in accordance with the provisions of the Income Tax Ordinance, 2001. Super tax, if applicable, on the Company is calculated as per applicable tax rates as per Income Tax Ordinance, 2001.

*10/12/21*



Corporate tax is based on taxable income for the year determined in accordance with the prevailing laws of taxation. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Alternative corporate tax is calculated at 17% of accounting profit, after taking into account the required adjustments.

Current tax for current and prior year, to the extent unpaid, is recognized as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognized as an asset.

The Company offsets current tax assets and current tax liabilities if, and only if, it has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### 3.7.3 **Deferred**

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary timing differences arising from the difference between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which deductible temporary differences, unused tax losses and tax credits can be utilized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent of probable future taxable profit available that will allow deferred tax asset to be recovered.

Deferred tax is calculated at rates that are expected to apply to the year when the differences reverse based on the tax rates and tax laws that have been enacted or have been notified for subsequent enactment by the reporting date.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which temporary differences are expected to reverse.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### 3.8 **Investments in associates**

Associates are entities over which the Company has significant influence but not control. Investments in associates are carried at cost less accumulated impairment losses, if any.

All purchases and sales of investments are recognised on the trade date which is the date that the Company commits to purchase or sell the investment.

### 3.9 **Cash and cash equivalents**

Cash and cash equivalents are stated at cost. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, cash at banks in saving accounts which are free of encumbrances and book overdrawn balances, if any.

### 3.1 **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within short period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

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### 3.11 Contract liabilities / advance from customers

A contract liability is recognised if a payment is received from a customer before the Company transfers the related goods. Contract liabilities are recognised as revenue when the Company transfers control of the related goods to the customer.

### 3.12 Staff retirement benefits

The Company operates recognized provident fund scheme covering all its permanent employees. The employees become eligible under the scheme if they successfully receive confirmation about their permanent employment status which is usually after two to three months from the first day of their joining. Equal contributions @ 10% per month are made both by the Company and employees to the fund.

### 3.13 Contingent liabilities

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent liability is also disclosed when there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

### 3.14 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date in an orderly transaction between market participants in the principal, or in its absence, the most advantageous market to which the Company has access at that date. There are three levels which are as under:

#### Level 1

The Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

#### Level 2

When there is no quoted price in an active market, the Company determines transaction price by applying valuation techniques. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received.

#### Level 3

If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is credited or charged to the statement of profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

### 3.15 Impairment of non-financial assets

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses on fixed assets that offset available revaluation surplus are charged against this surplus, all other impairment losses are charged to profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date. Where impairment loss is recognized, the depreciation / amortization charge is adjusted in future year to allocate the asset's revised carrying amount, less its residual value, over its remaining useful life. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

### 3.16 Revenue recognition

Revenue is recognized in accordance by applying the following steps:

- i) Identifying contract with a customer
- ii) Identifying performance obligation in the contract
- iii) Determining transaction price of the contract
- iv) Allocating transaction price to each of the separate performance obligations in the contract
- v) Recognizing the revenue when (or as) the Company satisfies a performance obligation

*UMP*



The Company recognizes revenue as follows:

#### **Room maintenance services / Software services**

Revenue is recognized when the Company has a right to invoice. Customers are invoiced on a monthly basis and consideration is payable within 10 days from the invoice date.

#### **Finance lease**

The Company follows the 'financing method' in accounting for recognition of finance lease. The total unearned finance income i.e. the excess of minimum lease payments over the cost of the leased asset is deferred and then amortized over the term of the lease, so as to produce a systematic return on the net investment in finance leases.

#### **Return on MTS investments and fixed income securities**

Return on MTS investments and fixed income securities is recognized on a time proportionate basis over the term of the investments that takes into account the EIR method.

#### **Rental income**

Rental income from investment property is recognized in profit or loss on a straight-line basis over the lease term.

#### **Dividend income**

Dividend income is recognized in the statement of profit or loss on accrual basis in case of cumulative preference shares and at the time dividend is declared in case of ordinary shares.

### **3.17 Operating Segments**

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer has been identified as the chief operating decision-maker that made strategic decisions and who is also responsible for allocating resources to the operating segments, assessing their performance and whose results are regularly reviewed by it based on the discrete financial information of each segment.

Segment results, assets and liabilities include items directly attributable to segment as well as those that can be allocated on a reasonable basis. Segment assets, consist primarily of investment property, trade and other receivables, investments in financial assets at FVPL, investment in associates, net investment in finance lease. Segment liabilities comprise of trade and other payables and exclude items that are common to all operating segments.

Transactions among the business segments are recorded at arm's length prices using admissible valuation methods. Inter segment transfers are eliminated from the total, if any.

The management has determined that the Company has two major reporting segments; Income from investment in strategic portfolios and rental & related income earned from the leased building owned by the company, that reflect the management structure of the company.

### **3.18 Related party transactions**

Related parties comprise the parent Company, associated companies / undertakings, directors of the Company and their close relatives and key management personnel of the Company. Transactions in relation to revenue, purchases and services with related parties are made at arm's length prices determined in accordance with the Company's policy except for the allocation of expenses such as utilities, rental and common overheads shared with related parties, which are on actual basis.

Transactions with related parties are based on the transfer pricing policy that all transactions between the Company and its related parties are at arm's length prices using the comparable uncontrolled price method except in circumstances where it is in the interest of the Company to not to do so.

### **3.19 Dividend distributions**

Dividends to shareholders of the Company and appropriations other than statutory appropriations are recognized as a liability in the year in which these are approved.

### **3.2 Share capital**

Ordinary shares are classified as equity. Share capital represents the face value of shares that have been issued. Any transaction costs associated with the issuance of shares are deducted from share capital, net of any related income tax benefits, if any. Retained earnings include all current and prior period profits.

*KRB*



### 3.21 Earnings per share

The Company presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit or loss, as the case may be, attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any. The Company does not account for the effect of potential ordinary shares while calculating dilutive loss per share in accordance with the requirements of the IAS 33 'Earnings per Share'.

### 3.22 Comprehensive income

Comprehensive income is the change in equity resulting from transactions and other events, other than changes resulting from transactions with shareholders in their capacity as shareholders. Total comprehensive income comprises all components of profit or loss and other comprehensive income. Other comprehensive income comprises items of income and expense, including reclassification adjustments, that are not recognized in profit or loss as required or permitted by approved accounting standards.

### 3.23 Correction of error

For the FY 2023, the accounting treatment of bonus shares received from the associates was wrongly classified in Other Comprehensive Income without considering the impact of deferred tax. Since this error relates to prior period and have accordingly been incorporated with retrospective effect in accordance with the requirement of IAS 8, "Accounting policies, Changes in Accounting Estimates and Errors". The effect of restatement is as follows :

#### Impact on the statement of profit or loss

	<u>2023</u>
	<u>Rupees in 000s</u>
Increase in profit before taxation	85,509
Increase in tax expense	(12,825)
Increase in profit after taxation	<u>72,684</u>

#### Impact on the statement of comprehensive Income

Decrease in total comprehensive income	(12,825)
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#### Impact on the statement of statement of changes in equity

Decrease in reserves	(12,825)
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The correction of above stated error has also impacted earnings per share of the company for the year ended June 30,2023. The impact is as follows:

Earning per share as previously reported	0.92
Effect for correction of error	3.07
Earning per share as restated	<u>3.99</u>

Since the error relates to the comparative period only and has no impact on the beginning of the earliest period presented i.e. July 01,2022, therefore, the statement of financial position for that period in accordance with para 40(a) of IAS 1, "Presentation of Financial Statements" has not been shown being not applicable in instant case.

*KIRAN*

#### 4. Re arrangement Scheme

LSE Capital Limited (LSECAP), Modaraba Al- Mali (MODAM), LSE PropTech Limited (LSEPL) and LSE Financial Services Limited (LSEFSL) filed the restructuring scheme with Lahore High Court which was approved on April 03, 2024 through Court Order number 78278/2023. Following entities were merged /amalgamated under the scheme of arrangement (the Scheme):

##### Part - 1: Complete Transfer of Assets and Undertakings

- i. Modaraba Al-Mali (And its Members); Transferor
- ii. LSE PropTech Limited (And its Members); Transferor

##### WITH AND INTO

- i. LSE Capital Limited (And its Members); Transferee

##### Part - 2: Partial Transfer of Designated Assets

- i. LSE Capital Limited (And its Members); Transferor

##### WITH AND INTO

- i. LSE Financial Services Limited (And its Members); Transferee

In pursuant to this scheme, following objectives shall be derived from this scheme:

- a) As per scheme, undertakings, assets, business and investment of LSEPL and MODAM shall be transferred to LSECAP.
- b) Shareholders /certificate-holders of LSEPL and MODAM shall surrender their respective shares /certificates to LSECAP.
- c) LSECAP shall issue its shares to the certificate-holders /shareholders of MODAM and LSEPL in the ratio 83:100 each.
- d) Assets and liabilities of LSEPL and MODAM shall be merged into assets and liabilities of LSECAP.
- e) Upon merger, the listing status of LSEPL and MODAM shall be transferred to LSECAP and LSEFSL respectively, and LSEPL and MODAM will be dissolved under the order of Lahore High Court, Lahore (the Court) without winding up.
- f) Additional 10,000,000 shares of LSECAP shall be issued to the LSEFSL
- g) Additional 10,000,00 shares of LSEFSL shall be issued to the shareholders of LSECAP

LSECAP presented and obtained the approval of the Board of directors and shareholders in their meetings held on 24 November 2023 and 26 December 2024 respectively and filed said petition under sections 279, 280, 282 read with 285(8) of the Companies Act 2017. The Court approved this scheme vide order dated April 03, 2024.

In consequence of this scheme:

- i) All suits, appeals, arbitrations, governmental investigations and other legal proceedings instituted by or against MODAM and LSEPL in respect of the Undertaking and Business and pending before any court, tribunal, regulatory body or any other authority shall be treated as suits, appeals and legal proceedings by or against LSECAP, and may be continued, prosecuted and enforced by or against LSECAP accordingly.
- ii) Every officer, staff or other employees of LSEPL and MODAM, as existing on the effective date, shall become the officers, staff or employees, as the case may be, of LSECAP on the basis that their services have not been interrupted by the transfer and vesting of the undertaking and business of LSEPL and MODAM into LSECAP under this Scheme and on the same remuneration and other conditions of service, rights, privileges as to the provident fund, gratuity, any other retirement funds, if any, and other matters as had been applicable to them, before the effective date.
- iii) The certificates / shares of MODAM and LSEPL held by their respective certificate-holders / shareholders shall stand cancelled and LSECAP shall issue shares to the existing certificate-holders / shareholders of MODAM and LSEPL. The authorized share capital of LSECAP shall be Rs. 2,000,000,000 divided into 200,000,000 ordinary shares of Rs. 10 each, whereas the paid up capital shall be Rs. 1,811,534,450 divided into 181,153,445 ordinary shares of Rs. 10 each.
- iv) The capital reserves, revenue reserves, revaluation surpluses and accumulated profits / losses of LSEPL and MODAM, as at the day preceding the Effective Date and immediately preceding the Sanction Date respectively, shall constitute and be treated as reserves and revaluation surpluses of a corresponding nature in LSECAP, and shall be accounted for on that basis in the books of accounts of LSECAP.
- v) The designated immovable and movable assets, liabilities, revaluation reserves, capital and revenue reserves as shown below shall be transferred to LSECAP from LSEPL and MODAM.
- vi) All the registrations, rights, powers, licenses, permits, sanctions, permissions, privileges and titles to any immovable / movable property of the LSEPL and MODAM shall stand transferred to LSECAP.

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As per the scheme of merger, all the net assets of MODAM and LSEPL are transferred and recorded in the books of LSECAP at the carrying values that were appearing in the respective books of accounts of MODAM and LSEPL immediately preceding the effective date. Further, all the transactions affecting profit and loss items between the Effective date and Sanction date of the scheme will be shown in the statement of changes in equity and no item shall appear in the statement of profit or loss.

	Before Merger		Merger Adjustment		After Merger	
	LSEPL Rs. in 000	MODAM Rs. in 000	LSEPL Rs. in 000	MODAM Rs. in 000	LSECAP Rs. in 000	LSECAP Rs. in 000
<b>Non Current Assets</b>						
Property and equipment	1,283,675	3,695	-	-	-	1,287,370
Investment property	378,431	-	-	-	-	378,431
Goodwill from demerger	26,533	-	(26,533)	-	-	-
Investments in Associates	-	1,347,949	-	(322,676)	(120,778)	1,175,056
LSEPL	-	322,676	-	(322,676)	-	-
MODAM	-	-	-	-	(133,704)	-
LSEVL	-	689,796	-	-	-	689,796
Ensmile	-	335,477	-	-	-	335,477
DCCL	-	-	-	-	12,926	149,783
Net investment in finance lease	4,189	-	-	-	-	4,189
Long term deposits	75	-	-	-	-	75
	<b>1,692,903</b>	<b>1,351,644</b>	<b>(26,533)</b>	<b>(322,676)</b>	<b>(120,778)</b>	<b>2,845,120</b>
<b>Current Assets</b>						
Inventories	2,172	-	-	-	-	2,172
Sundry and other receivables	-	3,824	-	(3,824)	-	6
Prepayments, deposits and advances	12,443	13,371	-	-	(41,000)	26,063
Other receivables	30,041	-	(5,218)	-	-	39,360
Short term investment / Financial assets	11,320	136,769	-	-	-	148,219
Management fee Receivable	-	130	-	-	-	330
Tax refunds due from the Government - net	11,352	16,416	-	-	-	30,362
Bank balances	43,302	3,345	-	-	-	48,786
	<b>110,630</b>	<b>173,724</b>	<b>(5,218)</b>	<b>(3,824)</b>	<b>(41,000)</b>	<b>295,298</b>
<b>Total Assets</b>	<b>1,803,533</b>	<b>1,525,368</b>	<b>(31,751)</b>	<b>(326,500)</b>	<b>(161,778)</b>	<b>3,140,418</b>
<b>AUTHORIZED SHARE CAPITAL</b>	<b>1,500,000</b>	<b>920,000</b>				<b>2,000,000</b>
<b>Share Capital and Reserves</b>						
Issued, subscribed and paid-up share capital	900,907	908,169	-	-	(207,543)	1,811,534
- Unappropriated profit	126,881	226,612	689,040	(245,179)	(183,984)	650,852
Profit or loss for the period	1,569	(988)	-	-	-	6,939
OCI	-	42,970	-	(81,321)	-	42,970
Capital reserves	-	81,321	-	-	-	-
Surplus on revaluation of property and equipment	705,675	-	(705,675)	-	-	-
- Building reserve fund	15,116	-	(15,116)	-	-	-
Merger Reserves	-	-	-	-	289,814	289,814
Fair value reserves	-	-	-	-	(54,848)	-
	<b>1,750,148</b>	<b>1,258,084</b>	<b>(31,751)</b>	<b>(326,500)</b>	<b>(156,560)</b>	<b>2,802,109</b>
<b>Non Current Liabilities</b>						
Deferred tax liability	3,254	61,432	-	-	-	68,268
Other liabilities	6,154	-	-	-	-	6,154
	<b>9,408</b>	<b>61,432</b>				<b>74,422</b>
<b>Current Liabilities</b>						
Trade and other payables	43,977	191,731	-	-	(5,218)	249,766
Security deposits	-	3,762	-	-	-	3,762
Unclaimed profit distribution	-	10,359	-	-	-	10,359
	<b>43,977</b>	<b>205,852</b>			<b>(5,218)</b>	<b>263,887</b>
<b>Equity and Total Liabilities</b>	<b>1,803,533</b>	<b>1,525,368</b>	<b>(31,751)</b>	<b>(326,500)</b>	<b>(161,778)</b>	<b>3,140,418</b>

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	2024	2023
	Rs. in 000s	
5 Property and Equipment		
Operating fixed assets	1,314,734	-
Capital work in progress - civil work	6,658	-
	<u>1,321,392</u>	-

#### 5.1 Operating Fixed Assets

Particulars	Cost / Revalued Amount			Accumulated Depreciation				Written Down Value as at Jun 30, 2024				
	Addition under Merger as at April 03, 2024	Revaluation Surplus	Revaluation Adjustment	Disposals	Balance as at Jun 30, 2024	Rate	Addition under Merger as at April 03, 2024		Charge for the year	Disposals	Revaluation Surplus	Balance as at Jun 30, 2024
----- 'Rs. in 000s' ----- % ----- 'Rs. in 000s' -----												
<u>Owned assets</u>												
Land freehold	1,059,660	51,848	-	-	1,111,508	-	-	-	-	-	-	1,111,508
Buildings on freehold land	127,632	33,767	(26,417)	-	134,982	5%	25,085	1,332	-	(26,417)	-	134,982
Computer and accessories	30,036	544	-	-	30,580	30%	25,681	482	-	-	26,163	4,417
Furniture and fixture	17,636	-	-	-	17,636	10%	9,878	248	-	-	10,126	7,510
Office equipment	6,633	-	-	-	6,633	20%	6,386	20	-	-	6,406	227
Electric fittings and appliances	138,776	-	-	-	138,776	20%	99,885	2,289	-	-	102,174	36,602
Vehicles	45,913	8,234	-	(53,650)	497	20%	14,359	360	(14,367)	-	352	145
Elevator	19,969	-	-	-	19,969	20%	15,875	323	-	-	16,198	3,771
Generators	34,206	-	-	-	34,206	10%	21,728	336	-	-	22,064	12,142
Arms and security equipment	6,715	-	-	-	6,715	10%	3,191	94	-	-	3,285	3,430
Library books	318	-	-	-	318	25%	317	1	-	-	318	-
Leasehold improvements	5,697	-	-	-	5,697	20%	5,697	-	-	-	5,697	-
	<u>1,493,191</u>	<u>8,778</u>	<u>(26,417)</u>	<u>(53,650)</u>	<u>1,507,517</u>		<u>228,082</u>	<u>5,485</u>	<u>(14,367)</u>	<u>(26,417)</u>	<u>192,783</u>	<u>1,314,734</u>

5.1.1 Detail of disposed assets having value more than 500,000 during the year are as follows:

Particulars	Cost	Carrying amount	Sale price	Loss on disposal - Note 32	----- 'Rs. in 000s' -----		
					Particulars of the purchaser	Mode of disposal	Relationship with the purchaser
Motor vehicles	49,630	35,988	35,988	-	Cordoba Leasing Limited	Sale and lease back	Financial Institution / lessor
Motor vehicles	4,020	3,246	2,500	(746)	Mr. Sohail Habib	Negotiation	Employee
	<u>53,650</u>	<u>39,234</u>	<u>38,488</u>	<u>(746)</u>			

No disposals were made during the year having individual book value exceeding Rs. 500,000 or more.

10/10/23



### 5.1.2 Measurement of fair values

The Company obtains an independent valuation for its freehold land and building (classified as property and equipment) every three to five years. The valuation is conducted by an independent valuer who is approved by Pakistan Banks' Association (PBA). Latest revaluation was carried out on June 30, 2024.

#### Valuation techniques

##### *Freehold land*

The valuer determined the fair value of freehold land based on the market comparable approach that reflects transaction prices for similar properties in the area. The key observable inputs under this approach are the price per square feet from current year sales of comparable lots of land in the area (location and size). Different valuation methods and exercises were adopted according to experience, location and other usage of freehold land. Valuer had also considered other relevant factors as well.

##### *Building on freehold land*

The valuer used a cost approach (i.e. current replacement values) for building on freehold land to arrive at the fair value. Construction specifications were noted for each building and structure and new construction rates were applied according to construction specifications for current replacement values. After determining current replacement values, depreciation was calculated to determine the current assessed market value.

The effect of changes in the observable inputs used in the valuations cannot be determined with certainty; consequently, a qualitative disclosure of sensitivity has not been presented in these financial statements.

### 5.1.3 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location / Address	Usage of immovable property	Total Area (Sq. ft.)	Covered Area (Sq. ft.)
19, Khayaban-e-Aiwan-e-Iqbal, Lahore, Pakistan.	Land and Building	44,213	North Tower: 97,828 Sqft South Tower : 50,132 Sqft

### 5.1.4 Had the revaluation of these assets not been made, the carrying value of these assets as at the reporting date would have been as under:

	2024	2023
	Rs. in 000s	
Freehold land	1,059,660	-
Building on freehold land	101,215	-
	<u>1,160,875</u>	<u>-</u>

### 5.1.5 Property and equipment include fully depreciated assets (Software and Vehicle), having cost of Rs. 6.015 million (2023: Rs. 6.015 million) that are still in use as at the reporting date.

### 5.1.6 Forced sale value and assessed value of these fixed assets as at the date of revaluation (i.e. June 30, 2024) was as under:

*PBA*

	Forced sale value	Assessed sale vare
Rs. in 000s		
Freehold land	944,782	1,111,508
Building on freehold land	235,425	276,970
	<b>1,180,207</b>	<b>1,388,478</b>

5.1.7 On April 07, 1987 Lahore Stock Exchange (Guarantee) Limited ("LSE") purchased land measuring 8 kanals and 2 marlas from Lahore Development Authority (LDA). LSE obtained the possession of the land via LDA allotment letter dated June 04, 1987.

On August 25, 2015, Securities and Exchange Commission of Pakistan ("the Commission") via letter having refer # SMD/SE/2/(57)2002 directed demutualization of the stock exchanges in the country. Consequent to the approved scheme of integration of stock exchanges, LSE was granted Investment Finance Services ("IFS") license by the Commission on January 11, 2016 to operate as an IFS Non-Banking Finance Company ("NBFC") company under the name LSE Financial Services Limited ("LSEFSL").

On April 26, 2023, a scheme of arrangement was formulated and approved by the Honourable Lahore High Court under order no. 58175/2022 in which the business of LSEFSL was partially transferred to LSE Proptech Limited including the transfer of land and building of LSEFSL to LSE Proptech Limited.

As at the reporting, the legal title of the land is in the name of Lahore Stock Exchange (Guarantee) Limited; however, the land and buildings are in the possession of LSE Proptech Limited.

Subsequent to the reporting date, LSE Proptech Limited has be merged into LSE Capital Limited as per the scheme of arrangement approved by Honourable Lahore High Court under order no. 78278/2023 as disclosed in Note 4 of these financial statements. The title of the land and building in possession of LSE Proptech Limited will be ultimately transferred in the name of LSE Capital Limited.

## 5.2 Capital work in progress - civil work

	Note	2024	2023
Rupees in 000s			
The reconciliation of carrying amount is as follows:			
Transferred under merger scheme		22,260	-
Addition during the year		175	-
Written off	20	(15,777)	-
<b>Balance as at June 30,</b>		<b>6,658</b>	<b>-</b>

This includes the expenditure incurred so far on account of salaries in connection with the development of computer software by LSE Proptech Limited as at June 30, 2023 which was abandoned by the management of the company. Accordingly, no economic future benefits will flow to the entity through this expenditure and the management has no intention to develop the proposed software in future, the same is written off during the year. Since, this expenditure relates to the period prior to the sanctioned order, therefore it is charged to "Statement of Changes in Equity" in line with the approved Scheme of merger.

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## 6 Right of Use Asset

	Note	2024	2023
		Rs. in 000s	
<b>Cost</b>			
Transferred from fixed assets	5.1	35,988	-
Addition during the year	22.2	28,110	-
Disposal during the year		(4,984)	-
		<u>59,114</u>	<u>-</u>
<b>Less: Accumulated Depreciation</b>			
Depreciation charged during the year	30	2,085	-
Disposal during the year		(100)	-
		<u>1,985</u>	<u>-</u>
		<u>57,129</u>	<u>-</u>
Depreciation rate (%) per annum		20%	20%

6.1 This represent the contract entered into with Messrs Cordoba Leasing Limited for the sale and lease back of 16 vehicles (10 vehicles owned by the company and six owned by its directors and other employs) at a consideration of Rs. 70 million with a lease term of 3 years. The lease will expire on April 18, 2027.

6.2 The particulars of right of use asset disposed off during the year are as follows:

Particulars	Cost	Carrying amount	Sale price	Gain on disposal
Rs. in 000s				
Motor Vehicle	4,984	4,885	7,800	2,915

## 7 Investment in Associates

	Note	2024	2023
		Rs. in 000s	
<b>Under Equity Method</b>			
Digital Custodian Company Limited	7.1	172,087	135,812
Modaraba Al Mali	7.2	-	62,706
LSE Ventures Limited	7.3	723,937	-
	7.4	<u>896,024</u>	<u>198,518</u>

These companies are locally incorporated, with their country of incorporation / registration serving as their principal place of business. The Company has significant influence on associates through significant shareholding to its representation on the Board of Directors of investees and consequently investments have been treated as associates in accordance with requirements of IAS 28 'Investment in Associates'. DCCL is an unlisted public company hence its published price quotes are not available. The certificates of Modaraba Al Mali were listed on Pakistan Stock Exchange and its published price quotes is Rs.10 per certificate. The shares of LSE Ventures Limited are listed on Pakistan Stock Exchange and its published price quotes is Rs. 9 per share. The shares of all the associated companies have a face value of Rs. 10 each.

7.1 Digital Custodian Company limited (Formally MCB Financial Service Limited) was incorporated on February 12,1992 under the repealed Companies Ordinance, 1984. The Company converted its status from private limited company to unlisted public company on June 19, 2009. The principal objective of DCCL is to act as trustee of investment trust schemes, voluntary pension schemes and real estate investment trust schemes to provide custodian service and to act as transfer agent / share registrar of securities of listed and unlisted companies and mutual funds etc.

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7.2 Modaraba Al-Mali (the "MODAM") was a multipurpose and perpetual Modaraba floated in Pakistan on July 8, 1987 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 ("Modaraba Ordinance, 1980"), and Modaraba Companies and Modaraba Rules, 1981 ("Modaraba Rules, 1981"), and was being managed by LSE Capital Limited (the "Management Company"). The Modaraba was listed on the Pakistan Stock Exchange Limited. On April 03, 2024, Scheme of merger was approved by the Honorable Lahore High Court and MODAM was fully merged into LSE Capital Limited.

7.3 LSE Ventures Limited (the Company) was registered on July 18, 2022 under the Companies Act, 2017 (XIX of 2017) as a public unlisted company limited by shares. In June 2023, the Company obtained the listing status under the symbol "LSEVL" at Pakistan Stock Exchange as a result of demerger scheme approved on April 26, 2023 by the Honourable Lahore High Court, accomplished through a reverse merger with Data Textiles Limited. This investment has been transferred from Modaraba Al Mali under the merger Scheme.

7.4 Reconciliation of changes in carrying value / fair value of investments in associates:

	2024			Total
	ENSMILE	DCCL	LSEVL	
	----- Rs. in 000s -----			
Balance as at June 30, 2023	-	135,812	-	135,812
Acquired under merger scheme	335,477	12,926	689,796	1,038,199
Balance as at April 03, 2024	335,477	148,738	689,796	1,174,011
Further investment made during there year	-	-	222	222
Share of post tax income for the year				-
- through profit or loss	-	21,644	11,832	33,476
- through other comprehensive income	-	1,705	22,087	23,792
Disposed during the year	(167,739)	-	-	(167,739)
Derecognized during the year	(167,738)	-	-	(167,738)
Balance as at June 30, 2024	-	172,087	723,937	896,024
No. of shares held	-	14,897,248	48,171,586	
Shareholding in %age	0.00%	28.50%	26.82%	

	2023		Total
	DCCL	MODAM	
	----- Rs. in 000s -----		
Balance as at June 30, 2023	51,032	98,804	149,836
Bonus Shares received			-
- through profit or loss	85,509	-	85,509
Share of post tax income for the year			
- through profit or loss	(1,840)	-	(1,840)
- through other comprehensive income	1,111	1,709	2,820
investment de-recognized during there year	-	(37,807)	(37,807)
Balance as at June 30, 2023	135,812	62,706	198,518
No. of shares held	18,347,472	9,103,703	
Shareholding in %age	35.10%	18.57%	

14/12



- 7.5 The following table summarises the financial information of associates as included in their respective unaudited financial statements. The table also reconciles the summarised financial information to the carrying amount of the Company's interest in associates.

	DCCL	LSEVL
	----- Rs. in 000s -----	
Current assets	24,091	243,943
Non-current assets	606,553	2,615,644
Current liabilities	(18,798)	(128,745)
Non-current liabilities	(11,723)	(246,039)
Net assets of the associate	600,124	2,484,805
Proportion of the Company's ownership interest	28.50%	26.82%
Company portion of net assets of the Associate	171,050	666,472
Goodwill arisen on acquisition of shares	1,037	57,465
	172,087	723,937
Cost of Investment	147,000	466,492

- 7.6 The investment in associated companies and undertakings have been made in accordance with the requirement under Companies Act, 2017.

## 8 Investment Property - At Fair Value

	Note	2024	2023
		----- Rs. in 000s -----	
Transfer under merger scheme		378,431	-
Gain on revaluation	32	13,691	-
Carrying value	8.1	392,122	-

- 8.1 The fair value of investment property is determined at the end of each year by independent suitably qualified valuer. The fair value of the investment property as at June 30, 2024 was performed by M/s Unicorn International Surveyors, who are independent valuers not related to the Company.

There are no level 1 and level 3 assets or any transfers between levels 1, 2 and 3 during the year.

The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties/capitalization of net income method, where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalization rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuers' knowledge of the factors specific to the respective properties.

There has been no change to the valuation technique during the year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Property Type	Location	Area	Independent Valuer	Fair Value	Forced Sale Value
----- Rs. in 000s -----					
Building on freehold land	Lahore	27,097 square feet	M/s Unicorn International Surveyors	392,122	333,304

*10/12/24*

9 Net investment in finance lease

		2024	2023
	Note	Rs. in 000s	
Transfer under merger scheme		4,189	-
Add: Finance income for the year		86	-
Closing balance	9.1	4,275	-

9.1 The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Upto one year	343	-
Two to five years	1,374	-
Above five years	25,692	-
	27,409	-
Less: Discounting	(23,134)	-
Closing balance	4,275	-

9.2 The Company has entered into lease arrangements for lease of office spaces i.e. 106,199 square feet in North and South Towers for a lease period of upto 99 years. Interest rate implicit @ 8% in the lease is used as a discount factor to determine the present value of minimum lease payments.

10 Long term deposits

		2024	2023
	Note	Rs. in 000s	
Deposit against :			
- Central Depository Company Limited	10.1	75	-
- Utilities		420	-
- Others		53	-
		548	-

10.1 This amount has been deposited with Central Depository Company Limited against share registrar services. Central Depository Company Limited is an associate of LSE Ventures Limited, an associate of the company.

11 Inventories

Consumable items		2,411	-
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12 Financial assets

At fair value through profit and loss

Investment in Equity Securities

Ghani Chemical Limited	12.1	137,983	-
Blue-Ex Limited (GEM)	12.2	4,420	-
Ensmile Limited	12.3	180,000	-
		322,403	-

at amortized cost

Investment in Margin Trading System of NCCPL

Loan and receivables	12.5	300,000	-
		17,644	-
		317,644	-
		640,047	-

10/10/2024



- 12.1 The Company holds 12,509,749 equity shares of Ghani Chemicals Limited which represents 2.5% ownership in investee. The company is listed on Pakistan stock exchange (PSX) with symbol (GCIL).
- 12.2 The Company holds 267,895 equity shares of Blue-Ex Limited which represents 0.98% ownership in investee. The company is listed on Pakistan stock exchange (PSX) with symbol (GEMBLUEX).
- 12.3 The Company Holds 2,525,000 equity shares of Ensmile limited which represents 16.67% ownership in investee. The company has signed an agreement with the original sponsors of the investee company to sell these share for Rs. 71.29 per share. The sale of shares will be materialized on December 31, 2024.
- 12.4 This represents amount invested through LSE Financial Services Limited in Marginal Trading System (MTS) and receives mark-up income net of 1% service charges and MTS charges. Investment in Margin Trading System of NCCPL is an undisclosed market of financees and financiers with a participation ratio of 85 to 15 carrying mark-up of KIBOR with spread of maximum upto 8%.It carries mark-up at range of 24.15% to 35.16 %. (2023:Nil).
- 12.5 This represents loan provided to Mr. Iqbal Z. Ahmed, Chairman of Pakistan Gas Port (PGP) Consortium Limited at a mark-up of 36% per anum or 3% per month, for revival of the company operating Jamshoro Joint Venture Limited (JJVL). It is recoverable in lumpsum after the lapse of seven months from the date of disbursement of loan whereas mark-up is to be serviced on monthly basis. It is secured against pledge over 49,424,163 common shares of JJVL owned by the financee, mortgage over the property owned by the daughter of the financee measuring 19 kanals and 12 marlas, situated at Bedian road, opposite DHA Phase V, post-dated cheques signed by the financee for repayment of the monthly mark-up and the lumpsum amounts for encashment to secure the provided facility and confirmation letters from PGP Consortium Limited (PGPCL) and Pakistan Gas Port Limited (PGPL) for the payment of the future dividend.

13 Trade and other receivables

	Note	2024	2023
		Rs. in 000s	
Trade receivables - unsecured			
- From leaseholders	13.1	6,855	-
- From tenant	13.2	9,300	-
Insurance claims receivable - IGI Holdings Limited		7,800	-
Other receivables - unsecured	13.3	12,905	54,865
Accrued mark-up on loan and receivables	12.5	5,300	26
		<u>42,160</u>	<u>66,971</u>
<b>13.1 Trade receivables from leaseholders</b>			
Considered good		6,855	-
Considered doubtful		16,504	-
		23,359	-
Less: Expected credit loss	13.1.1	(16,504)	-
		<u>6,855</u>	<u>-</u>
<b>13.1.1 Expected credit loss from leaseholders</b>			
Transfer under merger scheme		13,227	-
Expected credit loss during the year		3,277	-
Recovery of expected credit loss during the year		-	-
		<u>16,504</u>	<u>-</u>

*16/3/24*

13.1.2 Age analysis of sundry receivables from leaseholders

Description	Year End	Past due					Total Gross
		0-30 Days	31-60 Days	61-90 Days	91-365 Days	Above 365 days	
----- Rs. in 000s -----							
Leaseholders	2024	3,097	1,359	992	3,782	14,129	23,359

13.2 Sundry receivables from tenants

Considered good  
Considered doubtful

Less: Expected credit loss

Note	2024	2023
	Rs. in 000s	
	9,300	-
	2,983	-
	12,283	-
13.2.1	(2,983)	-
	<u>9,300</u>	<u>-</u>

13.2.1 Expected Credit Loss from tenants

Transfer under merger scheme  
Expected credit loss during the year  
Closing balance

	1,905	-
	1,078	-
	<u>2,983</u>	<u>-</u>

13.2.2 Age analysis of sundry receivables from tenants:

Description	Year End	Past due					Total Gross
		0-30 Days	31-60 Days	61-90 Days	91-365 Days	Above 365 days	
----- Rs. in 000s -----							
Tenants	2024	4,396	377	592	4,092	2,826	12,283

13.3 This includes balance receivable from the following related parties as current account along with mark-up @ 1 year KIBOR as per the requirements of section 199 of the Companies Act, 2017. It is unsecured and will be recoverable in the ordinary course of business. The breakup and maximum outstanding amount due from the related parties at the end of any month during the year is as follows:

	Gross Amount Due		Maximum Outstanding amount
	2024	2023	
	----- Rs. in 000s -----		
Digital Custodian Company Limited	4,427	-	4,427
Modaraba Al Mali	-	53,854	53,854
	<u>4,427</u>	<u>53,854</u>	<u>58,281</u>

13.3.1 Age analysis of other receivables from related parties:

Description	Year End	Past due					Total Gross
		0-30 Days	31-60 Days	61-90 Days	91-365 Days	Above 365 days	
----- Rs. in 000s -----							
Digital Custodian Company Limited	2024	-	-	4,427	-	-	4,427
		-	-	<u>4,427</u>	-	-	<u>4,427</u>

10/12/24



14 Advances, deposits and prepayments	Note	2024	2023
		Rs. in 000s	
<b>Considered good</b>			
Advance to suppliers - unsecured		11,374	-
Advances to employees against expenses - unsecured		250	-
Advances to employees against salaries - secured	14.1	821	-
Advances to employees against house rent and others - unsecured	14.2	564	-
Advance to related parties - unsecured	14.3	-	54,058
Security deposits		-	233
Prepayments		1,166	-
		<u>14,175</u>	<u>54,291</u>

**14.1** This includes Rs. 0.279 million (2023: Nil) as advance given to executives during the year in term of their employment which is adjustable in the ordinary course of business against their monthly salaries which is normally within one year. These balances are within the age bracket of one year.

The maximum aggregate balance due from the executives at the end of any month during the year is Rs. 0.759 million (2023: Nil).

**14.2** This includes an amount of Rs 0.54 million as advance given to one of the director of LSE Ventures Limited, an associated undertaking of the company in the ordinary course of business. It is recoverable in 12 equal monthly instalments with markup rate of 12% per anum. This balance is within the age bracket of less than six months.

**14.2.1** The maximum aggregate balance due from the aforesaid related party at the end of any month during the year is Rs. 3.250 million (2023 : Nil).

**14.2.2** The movement in this head of account is as follows:

	Note	2024	2023
		Rs. in 000s	
Opening balance		-	-
Advance given during the year		3,240	-
Recovery during the year		(2,700)	-
Closing Balance	14.2	<u>540</u>	<u>-</u>

**14.3** This represented advance for investment in the share capital of the following associated concerns of the company which had been adjusted during the year:

Info Tech (Private) Limited	-	41,000
Modaraba Al Mali	-	13,058
	<u>-</u>	<u>54,058</u>

#### 15 Tax refunds due from the Government - net

Opening balance		2,522	-
Transfer under merger scheme		27,769	-
Income tax deducted at source during the year - net		4,914	2,522
Prior year adjustment	33	(446)	-
Less: Provision of income tax for the year		(5,824)	-
Closing balance		<u>28,935</u>	<u>2,522</u>

*14.175*

16 Cash and bank balances

	2024	2023
	Rs. in 000s	
Cash in hand	100	-
Cash at bank in savings account	191,912	89
	<u>192,012</u>	<u>89</u>

16.1 This carries mark-up ranging from 17.25% to 19.50% per annum (2023: 12.25% to 18.50% per annum).

17 Issued, Subscribed and Paid-up Share Capital

	2024	2023		2024	2023
	Number of shares			Rs. in 000s	
<b>17.1 Authorized share capital</b>					
	200,000,000	25,000,000	Ordinary shares of Rs. 10 each issued for cash	2,000,000	250,000
	<u>200,000,000</u>	<u>25,000,000</u>		<u>2,000,000</u>	<u>250,000</u>
<b>17.2 Issued, subscribed and paid up capital</b>					
	21,000,000	21,000,000	Ordinary shares of Rs. 10 each issued for cash	210,000	210,000
	160,153,445	-	Ordinary shares of Rs. 10 each issued other than in cash	1,601,534	-
	<u>181,153,445</u>	<u>21,000,000</u>		<u>1,811,534</u>	<u>210,000</u>

17.3 LSE Capital Limited has merged as per Lahore High Court Order dated April 03, 2024 under which 160,153,445 shares has been issued in favor of shareholders of LSE Proptech Limited and Modaraba Al Mali as per the approved merger scheme.

17.4 The shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry one vote per share without restriction.

17.5 Reconciliation of changes in number of shares is as follows:

	2024	2023
	Number of shares	
Opening balance	210,000	160,000
Issued other than in cash	160,153,445	-
Issued against cash consideration	-	50,000
Closing balance	<u>181,153,445</u>	<u>210,000</u>

17.6 The shareholding structure of the Company is as under:

<u>Name of shareholders</u>	<u>%age of shareholding</u>	<u>Number of shares</u>	
Danish Elahi	14%	24,697,350	-
LSE Ventures Limited	12%	22,370,904	-
Chief executive and family	11%	20,580,546	7,349,995
Iqbal Usman and associates	9%	15,604,156	-
Zahid Latif Securities (Private) Limited	7%	12,720,002	7,350,000
Digital Custodian Company Limited	7%	12,691,763	-
LSE Financial Services Limited	6%	10,000,000	-
Aslam Khaliq	4%	7,237,163	4,200,000
Amir Zia	2%	3,618,581	2,100,000
Others	29%	51,632,980	5
		<u>181,153,445</u>	<u>21,000,000</u>

*ICRB*



		2024	2023
		Rs. in 000s	
<b>18 Surplus on revaluation of property and equipment</b>	<b>Note</b>		
Opening balance		-	-
Surplus arose on fresh revaluation of land and building	5.1	85,615	-
		<u>85,615</u>	-
<b>Less: Deferred tax</b>			
Opening balance		-	-
Surplus arose on fresh revaluation of land and building		(9,793)	-
Closing balance		<u>(9,793)</u>	-
		<u><u>75,822</u></u>	<u><u>-</u></u>

18.1 The surplus on revaluation of property and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

#### 19 Building Reserve Fund

Building reserve fund		<u>1,682</u>	<u>-</u>
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19.1 This reserve was formed for replacement of major fixed assets of the Company. The Company and its long term lease holders contribute their respective shares at Rs. 4 per sq. ft. in the fund.

#### 19.2 Movement during the year:

Opening balance		-	-
Building reserve collected during the year		1,682	-
Closing balance		<u>1,682</u>	<u>-</u>

#### 20 Adjustments related to pre-merger transactions

Capital work in progress written off	5.2	(15,777)	-
Old liabilities written back	20.1	14,132	-
		<u>(1,645)</u>	<u>-</u>

20.1 This represents the old outstanding balance previously payable by LSE Proptech Limited, which is no more payable by the company and accordingly written back during the year in the statement of changes in equity (SOCE) in line with the approved scheme of merger.

#### 21 Long term financing

Lease liability	21.1	48,378	-
Financial liability at amortised cost	21.2	22,072	-
		<u>70,450</u>	<u>-</u>

21.1 This financing has been obtained through sale and lease back of vehicles of the company from Cordoba Leasing Limited with a lease term of 36 months. It carries markup @ 1.95% per month, payable monthly and repayable in 36 equal monthly instalments along with markup. It is secured against registration of vehicle in the name of Cordoba Leasing Limited, personnel guarantee of chief executive of the company, demand promissory note of Rs 98.182 million and registered charge on all present and future assets of the company of Rs.150 million.

*Urb*

		2024	2023
	Note	Rs. in 000s	
<b>21.1.1 Movement in Lease liability during the year</b>			
Opening balance		-	-
Assets acquired under finance lease		70,000	-
Repayments made during the year		(2,741)	-
		<u>67,259</u>	<u>-</u>
Less: current portion shown under current liabilities	25	(18,881)	-
		<u><u>48,378</u></u>	<u><u>-</u></u>

**21.1.2 Maturity analysis of undiscounted lease liabilities**

Up to one year		18,881	-
After one year		48,377	-
Total undiscounted lease liability		<u><u>67,258</u></u>	<u><u>-</u></u>

**21.2** This long term finance facility from Cordoba Leasing Limited has been obtained during the year to meet the working capital requirements of the company amounting to Rs. 30 million (2023: Nil). It carries markup at the rate of @30% per annum, payable monthly and repayable in 36 equal monthly instalments along with the markup. It is secured against the mortgage of immovable property owned by the company, personal guarantee of the chief executive of the company, registered charge on all the present and future assets of the company of Rs. 150 million.

		2024	2023
	Note	Rs. in 000s	
<b>21.2.1 Movement in financial liability at amortized cost during the year :</b>			
Opening balance		-	-
Loan obtained during the year		30,000	-
Repayments made during the year		(524)	-
		<u>29,475</u>	<u>-</u>
Less: current portion of financial liability	25	(7,403)	-
		<u><u>22,072</u></u>	<u><u>-</u></u>

**22 Other liabilities**

Deposits from employees against vehicles	22.1	6,091	-
Payable against Sale and lease back	22.2	28,110	-
Security deposit against rent		1,079	-
		<u>35,280</u>	<u>-</u>

**22.1** This represents deposits from employees against the purchase of vehicles for employees. Initially vehicles are held in the name of Company which are transferred upon settlement of loan. These deposits are recovered in 60 equal monthly interest free instalments.

**22.2** This represents payable to related parties and other employees of the company on account of sale and lease back transaction entered into with Cordoba Leasing Limited. The party wise breakup of payable to related party is as under :

		2024	2023
		Rs. in 000s	
Chief Executive / Director		14,000	-
Digital Custodian Company Limited		5,500	-
		<u>19,500</u>	<u>-</u>

*ICW*



	Note	2024 Rs. in 000s	2023
<b>23. Deferred tax liability</b>			
Deferred tax liability	23.1	43,075	16,370
<b>23.1 Breakup of deferred tax liability</b>			
<b>Taxable temporary differences</b>			
Accelerated tax depreciation		16,072	-
Share of profit from associate		22,794	16,370
Net investment in finance lease		1,239	-
Surplus on property and equipment	18	9,793	
<b>Deductible temporary differences</b>			
Loss allowance on receivables		(4,786)	-
Right of use of assets		(2,021)	-
Financial asset - Listed		(16)	-
		<u>43,075</u>	<u>16,370</u>
<b>23.2</b> Deferred tax assets / liabilities on temporary differences are measured at effective rate of 29% (2023 : 29%).			
<b>23.3 Reconciliation of deferred tax liabilities - Net</b>			
Opening balance		16,370	3,544
Transferred under merger Scheme	4	64,687	-
Deferred tax effect charged to statement of profit or loss	33	(47,747)	12,484
Deferred tax effect charged to other comprehensive income		13,361	342
Deferred Tax impact on realization of Ensmile Shares		(3,597)	-
Closing balance		<u>43,075</u>	<u>16,370</u>
<b>24 Trade and other payables</b>			
Payable to Ghani Chemical Industries Limited	24.1	174,706	-
Creditors for Service		10,377	2,241
Security deposits - Ijarah finance	24.2	3,762	-
Accrued liabilities	24.3	16,045	6,584
Sales tax payable		3,709	-
Contract liability	24.4	7,401	-
Advance received against sale of ensmile shares	24.5	25,000	-
Payable to related party	24.6	88,338	14,420
Temporary overdraft	24.7	726	-
Retention money - unsecured		896	-
		<u>330,960</u>	<u>23,245</u>

**24.1** This represents the balance payable to the above named party by the company against purchase of shares as per the duly executed term sheet entered into between Modaraba Al Mali and the said party. As per the duly approved scheme of merger as disclosed in Note 4 of these financial statements, all the rights and obligations of Modaraba-Al-Mali are vested and accrued to the company.

ICB



24.2 These represent amounts received under Ijarah Finance as security deposits transferred to the company under the merger scheme, which were stated to be repayable / adjustable on the expiry of the Ijarah period. However, due to default by the counterparties in making payments due under the Ijarah finance facility, these are now adjustable at the time of settlement with them and have accordingly been shown under current liabilities.

24.3 This includes an amount of Rs. 7.386 million that had been provided for by LSE Proptech Limited and has been transferred to the company under the merger scheme against the legal case filed by the employees that were previously been employed by LSE Financial Services Limited as disclosed in Note 28.1 of these financial statements.

24.4 This represents advance received from the following parties :

	2024	2023
	Rs. in 000s	
Tenants	6,799	-
Leaseholders and Companies	602	-
	<u>7,401</u>	<u>-</u>

24.5 This represents advance received from the original sponsor of the Enmile Limited against the future sale of Ensmile shares as per the duly executed agreement entered into between the parties.

24.6 This represents an amount payable to Messrs LSE Ventures Limited, an associated company, to meet the working capital and operating requirements of the company . It carries markup @ 36% per annum. It is unsecured and payable on demand.

24.7 This represents cheques issued to various parties which have been cleared subsequent to the reporting date.

		2024	2023
	Note	Rs. in 000s	
<b>25 Current portion of long term financing</b>			
Lease liability	21.1.1	18,881	-
Financial liability at amortised cost	21.2.1	7,403	-
		<u>26,284</u>	<u>-</u>

## 26 Loan from director

Loan from director - secured	26.1	<u>100,000</u>	<u>-</u>
------------------------------	------	----------------	----------

26.1 This short term loan facility has been obtained during the year from the Chief Executive / Director of the Company amounting to Rs 100 million (2023: Nil) to meet its working capital requirements for the period of 6 months. It carries markup @ 30% per annum, payable monthly. It is repayable in 6 equal monthly instalments at the beginning of each month succeeding the month of disbursement. It is secured against least pari passu charge in right and priority of payment with all its other present or future, actual or contingent, unsecured and unsubordinated obligations and liabilities, except for those obligations and liabilities mandatorily preferred by law of general application to companies.

		2024	2023
	Note	Rs. in 000s	
<b>27 Accrued markup on financing</b>			
<b>Long term financing - secured</b>			
- lease liability	21	264	-
- financial liability at amortized cost	21	380	-
<b>Short term financing</b>			
- loan from director - secured	26	1,208	-
- payable to related party - unsecured LSE Ventures Limited	24	2,100	-
		<u>3,952</u>	<u>-</u>

*ICIR*

## 28 Contingencies and Commitments

### 28.1 Contingencies

The company is contingently liable for the following:

Certain employees had been reinstated and arrears / back benefits were paid in accordance with Labour Court Order, dated August 13, 2020. However, these employees filed fresh petitions for determination and recovery of back benefits from the LSE Proptech Limited which has now become due on the part of company under the merger scheme. Under the circumstances, the Company incorporated a certain provision in the financial statements up to June 30, 2024 based on its best estimate. This case is pending adjudication until the terminal date. However, the Company expects a favourable outcome in the instant case.

### 28.2 Commitments

There is no commitment outstanding as at the reporting date (2023: Nil).

29 Revenue	Note	2024	2023
		Rs. in 000s	
Investment properties - rental income		15,380	-
<i>Other revenues - inclusive of PRA sales tax</i>			
Room maintenance services		10,488	-
Advisory fee		8,667	-
Fund management fee		-	2,552
Software services		2,208	-
		21,363	2,552
Less: PRA sales tax	29.1	(1,552)	-
		19,811	2,552
		35,191	2,552

29.1 The aggregate PRA sales tax amounting to Rs. 1.552 million (2023: Nil) is charged on room maintenance services and software income.

10/12

30 Administrative and General Expenses	Note	2024	2023
		Rs. in 000s	
Salaries and benefits	30.1	23,752	2,146
Information technology related expenses		128	-
Insurance		271	-
Travelling and conveyance		3,222	414
Printing and stationery		172	-
Utilities		1,425	-
Repairs and maintenance		1,609	53
Security expenses		1,438	-
Communication, entertainment and public relations		1,172	-
Legal and professional charges	30.2	15,331	1,151
Fees and subscription		568	-
Rent, rates and taxes		376	84
Auditors' remuneration	30.3	1,284	750
Board meetings fee	30.4	1,925	925
Others	30.5	1,331	467
Depreciation on property and equipment	5.1	5,485	-
Depreciation on Right of use asset	6	2,085	-
		<u>61,574</u>	<u>5,990</u>

30.1 Salaries and benefits include Rs. 0.613 million (2023: Rs. Nil) in respect of contribution to provident fund.

30.2 This amount includes acquisition and merger related costs amounting to Rs 8.674 million (2023: Nil) borne by LSE Capital Limited as disclosed in Note 4 of these financial statements.

### 30.3 Auditors' remuneration

Audit fee	850	750
Other assurance / attestation services	434	-
	<u>1,284</u>	<u>750</u>

30.4 Meeting fee is being paid to the Non-executive directors of the company for attending corporate meetings of the company at rates as approved by the Board of Directors.

30.5 This includes Rs. 0.300 million (2023: Nil) as donation given by the company. The directors and their relatives have no interest in the donee.

### 31 Finance cost

Mark-up on financing	31.1	19,477	1,000
Bank charges		410	-
		<u>19,887</u>	<u>1,000</u>

31.1 This represents markup expense from the following parties:

#### Related Parties

Director / Chief Executive	4,958	-
Associated Undertakings :		
LSE Ventures Limited	8,100	-
LSE Financial Services Limited	185	-

#### Others

Long term financing	6,234	-
	<u>19,477</u>	<u>-</u>

ICIB



32 Other Income	Note	2024	2023
		Rs. in 000s	
<u>Income from financial assets:</u>			
Cash and cash equivalents - profit on saving bank accounts		440	307
Interest Income from related parties	32.1	6,780	-
Return on loan and receivables	12.5	17,300	-
Realized fair value gain on investments in Ensmile Limited		6,031	-
Fair value gain recycled from OCI on disposal of associate		23,977	-
Unrealized fair value gain on investment - net		17,900	18,619
Finance income on net investment in finance lease	9	86	-
		72,514	18,926
<u>Income from non financial assets:</u>			
Unrealised gain on investment property carried at fair value	8	13,691	-
Old credit balances / excess provisions written back		4,660	-
Parking charges and miscellaneous income	32.2	3,455	1,840
Gain from Coal trading	32.3	189	-
Gain on disposal of property and equipment	32.4	2,169	31
		24,164	1,871
		96,678	20,797
<b>32.1</b> This represent income from related parties under section 199 as per companies Act, 2017 :			
<b>Associated undertakings :</b>			
LSE Ventures Limited		5,201	-
Digital Custodian Company Limited		1,579	-
		6,780	-
<b>32.2</b> This include an interest income amounting Rs. 0.204 million (2023:Nil) against advance to one of the directors of LSE Ventures Limited, an associate of the company.			
<b>32.3 Gain from coal trading</b>			
Revenue from sale of coal		7,743	-
Less: sales tax @ 18%		(1,181)	-
		6,562	-
Less: Cost of coal sold		(6,373)	-
		189	-
<b>32.4</b> Gain / (loss) on disposal of property and equipment and right of use of asset is as follows:			
Loss on property and equipment	5.1.1	(746)	-
Gain on right of use of assets	6.1	2,915	-
		2,169	-
<b>33 Taxation</b>			
Current tax		(4,845)	-
Prior year adjustment	15	446	-
Deferred tax	23.3	(47,746)	12,483
		(52,145)	12,483
Minimum Tax		3,024	3,767
Final tax		7,644	-
		10,668	3,767

**33.1** Income tax return has been filed to the income tax authorities upto and including tax year 2023 under the provisions of the Income Tax Ordinance, 2001.

**33.2** There is no relationship between tax expense and accounting profit as the provision for current taxation is based on minimum tax, therefore, no numerical reconciliation has been presented.

ICRB

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried by the Board of Directors (the Board). The Board provides principles for overall risk management as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

### 36.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument may fluctuate because of changes in market prices. Market risk comprise three types of risk; foreign currency risk, interest rate risk, commodity price and equity price risk that will affect the Company's income or the value of its holdings of financial instruments.

#### Currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates and arises where transactions are conducted in foreign currency. As there are no foreign currency receivables / payables of the Company, it is not exposed to currency risk (June 30, 2023: Nil).

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to floating interest rate risk as it does not have any variable interest bearing liabilities. However, the Company has fixed and variable interest based investments and fixed interest based liabilities. These investments are classified as short term and long term considering relative sensitivity of interest rates and management's intention. Other assets and liabilities of the Company do not expose the Company to interest rate risk substantially.

	Note	2024	2023
		Rs. in 000s	
<b>Financial assets</b>			
<b><u>Floating rate instruments</u></b>			
Bank balances	16	191,912	89
Investment in Margin Trading System of NCCPL	12	17,644	-
Other receivables	14	4,427	53,854
<b><u>Fixed rate instruments</u></b>			
Net investment in finance lease	9	4,275	-
Loan and receivables - at amortized cost	12	300,000	-
Advance to related party	14	564	-
<b>Total Financial Assets</b>		<b>518,822</b>	<b>53,943</b>
<b>Financial liabilities</b>			
<b><u>Floating rate instruments</u></b>			
<b><u>Fixed rate instruments</u></b>			
Long term financing (including current portion)	21	96,734	-
Payable to related party	24	88,338	-
Loan from Director	27	100,000	-
<b>Total Financial liabilities</b>		<b>285,072</b>	<b>-</b>
<b>Net financial Assets</b>		<b>233,750</b>	<b>53,943</b>

#### Cash flow sensitivity analysis for variable rate instruments

As at reporting date, if interest rates get 1% higher / (lower) with all other variables held constant, profit before tax for the year would have been higher / (lower) by Rs. 2.14 million (2023: Rs. 0.54 million), mainly as a result of yield on floating investment based financial assets.

#### Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to individual financial instrument or its issuer or factors affecting all similar financial instrument traded in the market. The Company is exposed to price risk on account of its investments carried at fair value through profit or loss. At the reporting date, the company has held investment in equity instruments amounting to Rs. 322.403 million (2023: Nil).

#### Sensitivity analysis for financial assets at FVPL

As at reporting date, if fair value of equity investments increases/(decreases) by Rs. 1 with all other variables held constant, profit before tax for the year would have been higher / (lower) by Rs. 15.303 million (2023: Nil), mainly as a result of fair value fluctuation on PSX of the listed equity investments.

*10/1/2024*



### 36.2 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily sundry receivables) and from its investing activities, including deposits with banks and financial institutions, and other financial instruments.

As at the reporting date, the maximum exposure to credit risk is equal to the carrying amount of the financial assets as detailed below:

<u>Financial Assets</u>	Note	2024	2023
		Rs. in 000s	
Net investment in finance lease	9	4,275	-
Long term deposits	10	548	-
Advances to employees - adjustable in cash	14	1,386	-
Advance to related parties - unsecured	14	-	54,058
Financial assets	12	640,047	-
Trade and other receivables	13	42,160	66,971
Deposits	14	-	233
Bank balances	16	191,912	89
		<u>880,328</u>	<u>121,351</u>

#### Credit Quality of Financial Assets

The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The utilization of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings, if any.

The aging of trade debts from leaseholders and tenants and related impairment loss as at the reporting date is as under:

	2024	2023
	Rs. in 000s	
<b>Neither past due nor impaired</b>	-	-
<b>Past due but not impaired</b>		
0 -30 days	7,493	-
31 - 60 days	1,508	-
61 - 90 days	1,386	-
> 91 days	5,773	-
<b>Past due and impaired</b>		
0 -30 days	-	-
31 - 60 days	228	-
91 - 120 days	199	-
> 91 days	19,055	-
<b>Total Gross Amount Due</b>	<u>35,642</u>	<u>-</u>

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer such as repayment behaviour, credit loss history and available securities etc. The management also considers other relevant factors that may influence the credit risk of its customer base, including the default risk associated with the customer. Majority of the Company's customers have been transacting with the Company for over five years, and only trivial customers' balances have been written off. In monitoring customer credit risk, customers are individually assessed according to their trading history and repayment behaviour with the Company.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment terms are offered.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

*11/12/24*



The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are operated in largely independent markets. The credit risk on liquid funds is limited because the counter parties are either banks (with reasonably high credit ratings) and trade receivables for which the exposure is spread over a large number of counter parties.

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating			2024	2023
	Short term	Long term	Agency		
Bank Islamic Pakistan Limited	A1	AA-	PACRA	62	-
Bank Al-Habib Limited	A1+	AAA	PACRA	191,850	89
				<u>191,912</u>	<u>89</u>

Other receivables include Rs. 4.427 million receivable from related party namely; Digital Custodian Company Limited(DCCL), Rs. 7.800 million receivable from IGI Holdings Limited and Rs. 8.478 million due from corporate entities that are financially sound and having strong financial track record and creditworthiness.

### 36.3 Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring critical liquidity ratios and maintaining debt financing plans. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

Description	Carrying Amount	Contractual cash flows	Within 1 year	1-2 Years	2-5 Years	5 - 10 years
Contractual maturities of financial liabilities as at June 30, 2024:						
Long term financing	96,734	96,734	26,284	-	70,450	-
Loan from director	100,000	100,000	100,000	-	-	-
Trade and other payables	316,088	316,088	316,088	-	-	-
Unclaimed dividend	10,359	10,359	10,359	-	-	-
Accrued markup on financing	3,952	3,952	3,952	-	-	-
	<u>527,134</u>	<u>527,134</u>	<u>456,683</u>	<u>-</u>	<u>70,450</u>	<u>-</u>
Contractual maturities of financial liabilities as at June 30, 2023:						
Trade and other payables	<u>23,245</u>	<u>23,245</u>	<u>23,245</u>	<u>-</u>	<u>-</u>	<u>-</u>

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at the reporting date. The rates of interest / mark up have been disclosed in relevant notes to these financial statements, where applicable.

*LCB*

### 36.4 Financial instruments by categories

		2024	; 2023
	Note	Rs. in 000s	
<b>Financial asset as at fair value</b>			
Investment in Equity Securities	7	322,403	-
<b>Financial asset as at amortized cost</b>			
Net investment in finance lease	9	4,275	-
Long term deposits	10	548	-
Advances to employees - adjustable in cash	14	1,386	-
Advance to related parties - unsecured	14	-	54,058
Financial assets	12	317,644	-
Trade and other receivables	13	42,160	66,971
Deposits		-	233
Cash and bank balances	16	192,012	89
		<u>880,429</u>	<u>121,351</u>
<b>Financial liabilities at amortized cost</b>			
Long term financing	21	96,734	-
Loan from director	26	100,000	-
Trade and other payables	24	316,088	23,245
Unclaimed dividend		10,359	-
Accrued markup on financing	27	3,952	-
		<u>527,133</u>	<u>23,245</u>

### 36.5 Fair value measurement

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences may arise between the carrying value and the fair value estimates.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. Fair value is determined on the basis of objective evidence at each reporting date. The management believes that the fair values of financial and non-financial assets and financial liabilities approximate to their carrying amounts largely due to the short-term maturities of financial instruments.

#### Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (level 3).

	2024			
	Level 1	Level 2	Level 3	Total
<b>Financial assets - measured at fair value</b>				
Investments in equity securities	322,403	-	-	322,403
<b>Non - financial assets - measured at fair value</b>				
Property and Equipment	-	1,246,490	-	1,246,490
Investment property	-	392,122	-	392,122
	<u>322,403</u>	<u>1,638,612</u>	<u>-</u>	<u>1,961,015</u>

*10/10/24*



2023

	Level 1	Level 2	Level 3	Total
Financial assets - measured at fair value				
Investments in equity securities	-	-	-	-
Non - financial assets - measured at fair value				
Property and Equipment	-	-	-	-
Investment property	-	-	-	-
	-	-	-	-

There were no transfers amongst levels during the year.

### 37 Capital Risk Management

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to shareholders.

The Company's objectives when managing capital are:

- to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, if possible, selling surplus property and equipment without affecting the optimal operating level and regulating its dividend payout thus maintaining smooth capital management.

In line with the industry norms, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non current) less cash and cash equivalents. Total capital is calculated as equity, as shown in the statement of financial position, plus net debt.

The gearing ratio of the Company is not calculated as the Company is not geared.

	Note	2024	2023
		Rs. in 000s	
Total Debts (long term and short term)	4.1	196,734	-
Less: Cash and cash equivalents		(191,286)	(89)
<b>Net Debt</b>		<b>5,448</b>	<b>(89)</b>
Equity		2,970,870	282,774
Total capital employed		<b>2,976,318</b>	<b>282,773</b>
Gearing ratio	4.2	<b>0.18%</b>	-

37.1 Total debts includes lease liability, financial liabilities at amortized cost and loan from director.

37.2 The gearing ratio of the Company for the year ended June 30, 2023 is not applicable as the Company was not geared as at that date.

*KCB*



**38.2 Reconciliations of information on reportable segments to the amounts reported in the financial statements**

	<u>Note</u>	<u>2024</u>	<u>2023</u>
		<u>Rs. in 000s</u>	
<b>Income</b>			
Total income for reportable segments	38.1	141,535	83,669
Unallocated income		23,810	23,349
<b>Combined income</b>		<u>165,346</u>	<u>107,018</u>
<b>Profit before tax</b>			
Segment results before levy and tax	38.1	137,180	83,669
Unallocated amounts:			
- other income	30	23,810	23,349
- administrative expense	31	(61,574)	(5,990)
- finance cost		(19,887)	(1,000)
<b>Profit before levy and taxation</b>		<u>79,530</u>	<u>100,028</u>
<b>Assets</b>			
Total assets for reportable segments		1,953,923	252,577
Other unallocated amounts		1,637,307	69,814
<b>Combined total assets</b>		<u>3,591,230</u>	<u>322,391</u>
<b>Liabilities</b>			
Total liabilities for reportable segments		208,186	-
Other unallocated amounts		412,173	39,616
<b>Combined total liabilities</b>		<u>620,360</u>	<u>39,616</u>

**38.3** The sales percentage by geographic region is as follows:

	<u>2024</u>	<u>2023</u>
	%	%
Pakistan	<u>100.00</u>	<u>100.00</u>
	<u>100</u>	<u>100</u>

**38.4** There is no individual customer from whom more than 10% of total revenue is received.

**38.5** All non-current assets of the Company as at reporting date are located in Pakistan.

11/1/22

### 39 Transactions and Balances with Related Parties

The related parties of the Company are as follows:

Names of Related Parties	Relationship	Basis of relationship / (percentage shareholding or common directorship)
LSE Ventures Limited	Associate Company	26.82%
LSE Financial Services Limited	Associate Company	Common directorship
Modaraba Al Mali	Ex- Associated Company	Common directorship
Digital Custodian Company Limited	Associate Company	28.50%
Mr. Shoaib Mir	Chairman/Independent Director	Common directorship
Mr. Aftab Ahmad	Chief Executive Officer	Common directorship
Ms. Aasiya Riaz	Non-Executive Director	Common directorship
Mr. Muhamad Iqbal	Non-Executive Director	Common directorship
Ms. Shumaila Siddique	Independent Director	Common directorship
Mr. Yaser Manzoor	Non-Executive Director	Common directorship
Mr. Aoun Muhammad	Non-Executive Director	Common directorship

Related parties include associated entities, directors and their close family members and other key management personnel. Balances with related parties are disclosed in respective notes. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Names of Related Parties	Nature of Transactions	Relationship	2024	2023
			Rs. in 000s	
<b>Modaraba Al- Mali</b>	Management fee	Ex- Associated Compan	-	2,552
	Share purchased/ Advance against right share		-	13,059
<b>LSE Financial Services Limited ("LSEFSL")</b>	Expenses paid by the company on behalf of LSEFSL	Common Directorship	9,407	-
	Reimbursement of expenses paid		9,407	-
	Expenses paid by the LSEFSL on behalf of the company		24,633	-
	MTS investment made during the year		48,964	-
	MTS Investment reversed during the year		31,320	-
	MTS income received		2,523	-
<b>LSE Ventures Limited</b>	Expenses paid by the company on behalf of LSEFSL	Associated Company	52,522	-
	Reimbursement of expenses paid		42,249	-
	Payment made for investment		20,000	-
	Payment against investment received back		20,000	-
	Payment made for investment		43,000	-
	Advance received		100,000	-
	Markup Expense on Advance		8,100	-
<b>Digital Custodian Company Limited</b>	Receivable	Associated Company	4,427	-
<b>Key management personnel</b>	Salary & other benefits of CEO		11,927	925
	Loan received from CEO		100,000	-
	Loan paid back to CEO		3,750	-
	Director's meeting fee		1,970	2,146

Balances outstanding as at,

#### Financial Asset - current assets

MTS Investment Through LSE Financial Services Limited	17,644	-
<b>Trade and Other Receivables</b>		
Receivable from Modaraba Al Mali	-	53,854
<b>Trade and other payables</b>		
Payable to LSE Venture Limited	88,338	14,420

*ICAB*



#### 40 Remuneration of Chief Executive Officer, Directors and Executives

The aggregate amount charged in these financial statement for the year for remuneration, including benefits to chief executive of the company is as follows:

	Chief Executive Officer		Directors		Executives		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	----- Rs. in 000s -----							
Managerial remuneration	6,815	529	-	-	12,683	-	19,498	529
Company's contribution to the provident fund trust	682	52	-	-	1,207	-	1,889	52
Housing and utilities	3,748	291	-	-	6,976	-	10,724	291
Meeting fees	-	-	1,925	925	-	-	1,925	925
Others	682	53	45	-	2,420	-	3,147	53
	<u>11,927</u>	<u>926</u>	<u>1,970</u>	<u>925</u>	<u>23,286</u>	<u>-</u>	<u>37,183</u>	<u>1,850</u>
Number of persons	<u>2</u>	<u>1</u>	<u>7</u>	<u>7</u>	<u>15</u>	<u>-</u>	<u>24</u>	<u>8</u>

7.1 Chief Executive is provided with the Company's maintained vehicle.

7.2 An Executive is defined as an employee, other than the chief executive officer and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

#### 41 Staff Strength

	<u>2024</u>	<u>2023</u>
Total number of employees at the year end	<u>68</u>	<u>2</u>
Average number of employees during the year	<u>68</u>	<u>2</u>

#### 42 Subsequent event

The Board of Directors in its meeting held on November 04, 2024 has recommended a final cash dividend of Rs. 0.5 per share for the year ended June 30, 2024. These financial statements do not reflect the effect of dividend payable.

#### 43 Authorization For Issue

These financial statements have been authorized for issue by the Board of Directors of the Company in its meeting held on \_\_\_\_\_.

#### 44 Corresponding figures

- 44.1 Comparative figures are re-arranged / reclassified, wherever necessary, to facilitate comparison. No major re-arrangement has been made in the corresponding figures in these financial statements, except for the change in accounting policy and correction of error as disclosed in Notes 2.5.1 and 3.23 respectively of these financial statements.
- 44.2 The company is not recognizing the provision for Workers' Welfare Fund (WWF) on the pretext that it does not fall under the definition of industrial establishment as defined in clause (d) of section 2 of the Workers' Welfare Fund Act, 2019 nor does it employ any worker as defined in clause (l) of section 2 of the Act and section 2 of the Punjab Industrial Relation Act, 2010. Accordingly, no provision for WWF has been incorporated in these financial statements being not applicable in the case of the company.
- 44.3 The LSE Group maintains the employees provident fund trust at group level for all its permanent employees being employed by the group companies. All the necessary formalities as regards to the management of the fund and monthly contributions to the fund's bank account are being made by all the companies at regular intervals in accordance with Section 218 of the Companies Act, 2017 and Rules formed thereof.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR



Postal Ballot paper for voting through post at the Annual General Meeting to be held on Wednesday, November 27, 2024, at 09:45 a.m. at the Registered Office of the Company, in the auditorium, the Exchange Hub, LSE Plaza, 19-Kashmir Egerton Road, Lahore.

Contact Details of the Chairman, at which the duly filled in ballot paper may be sent:

Business Address: The Chairman, LSE Capital Limited, LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.

Designated email address: [inamullah@lse.com.pk](mailto:inamullah@lse.com.pk)

Name of shareholder/joint Shareholders	
Registered Address	
Number of shares held and folio number	
CNIC Number (copy to be attached)	

Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	
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I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below (delete as appropriate);

Agenda #	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
5	“RESOLVED THAT as notified by the Securities and Exchange Commission of Pakistan, via S.R.O No. 389(I)/2023, dated March 21, 2023, transmission of Annual Audited Financial Statements of the Company to the members through QR enabled code and weblink instead of transmitting the Audited Annual Financial Statements through CD/DVD/USB, be and is hereby ratified and			

Agenda #	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
6	<p>approved for future.”</p> <p>“RESOLVED THAT as had been allowed by the Securities and Exchange Commission of Pakistan, via Circular No. 19 of 2004, the placement of Quarterly Accounts of the Company at its website, instead of circulating the same by post to the members, be and is hereby approved for future.”</p>			
7	<p>“RESOLVED THAT the approval be and is hereby accorded for the addition/disposal of the Company's investments in its associated companies, not exceeding PKR 100Mn in aggregate on market/negotiated price, as well as the provision of periodical working capital to any of the associated companies, not exceeding PKR 100Mn in principal and return thereon not below rate of six (6) months KIBOR+1%.”</p> <p>“FURTHER RESOLVED THAT the Board of the Company be and is hereby authorized to approve the above transactions in respect of the related parties on a case-to-case basis which may be carried out during</p>			

Agenda #	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
	<p>the financial year ending June 30, 2025.”</p> <p>“FURTHER RESOLVED THAT, the relevant transactions shall be placed before the shareholders in the next Annual General Meeting for their ratification.”</p>			

Signature of shareholder(s)

Place:

Date:

NOTES:

1. Dully filled postal ballot should be sent to Chairman at above mentioned postal or email address.
2. Copy of CNIC should be enclosed with the postal ballot form.
3. Postal ballot forms should reach chairman of the meeting on or before November 26, 2024. Any postal ballot received after this date, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC.
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
6. Company shall draft ballot paper whereby explicit information, terms and conditions and choice of selection is provided and ensure that no confusion arise for voters that may defeat the objective of voting.



## E-DIVIDEND MANDATE LETTER

According to Section 242 of Companies Act, 2017 and Circular No. 18/2017 dated August 1, 2017, issued by Securities and Exchange Commission of Pakistan (SECP), with effect from November 1, 2017, all listed companies are to pay dividend only through electronic mode directly into the bank accounts designated by the entitled shareholders.

In view of above, Shareholder(s) are advised to provide their complete bank account/IBAN detail as per format given below required under Clause 7, 8 and 9(ii) of the Companies (Distribution of Dividends) Regulations, 2017 issued under S.R.O.1145(i)/2017 dated November 06, 2017, by SECP enabling us to comply with the above Section/Circular.

**For Physical Shareholder(s)**

**F.D. Share Registrar Services Limited**

Suit 1705 – A. 17th Floor, Saima Trade Tower, I.I. Chundrigar Road, Karachi.

**For CDC Account Holder(s)**

In case of CDC account holder / sub-account holder, please provide said details to CDC / to respective TREC Holder/Member of Stock Exchange.

### E-DIVIDEND MANDATE DETAILS:

It is requested that all my cash Dividend amounts declared by the Company may be credited into the following bank account:

Name of Shareholder		
Folio Number/CDC Account No.		of shares of <b>LSE Capital Limited</b>
Mobile Number of Shareholder		
Title of Account		
Account Number		
IBAN Number (24 digits)		
Name of Bank		
Bank Branch & Code		
Mailing Address of Branch		
CNIC No. (attach attested copy)		
NTN (in case of corporate entity)		

It is stated that the above particulars given by me are correct and to the best of my knowledge; I shall keep the Company informed in case of any changes to the said particulars in future.

\_\_\_\_\_  
**Shareholder's Signature**

(As per specimen signature registered with the Share Registrar)

\_\_\_\_\_  
**Date**

**Please Note that:**

1. Please provide complete IBAN, after checking with your concerned branch to enable electronic credit directly into your bank account.
2. All Shareholders are requested to attach valid copy of their CNIC along with the Form.
3. The payment of cash dividend will be processed on the basis of IBAN alone. **LSE Capital Limited** is entitled to rely on the IBAN information as per your instructions (provided by you).

## Form of Proxy

I/We, \_\_\_\_\_, the undersigned member, being a member of **LSE Capital Limited**, hereby appoint \_\_\_\_\_, the undersigned proxy, as my proxy to vote for me and on my behalf at the AGM of the Company to be held on November 27, 2024 and/or at any adjournment thereof.

<p><b>The Member:</b></p> <p>Signature: _____</p> <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 5px auto;"> <p style="text-align: center;">Signature over Revenue Stamp of <b>Rs. 50/-</b></p> </div> <p>_____</p> <p>Seal/Stamp of the Company</p> <p>Name and Designation of the Appointer:</p> <p>_____</p> <p>CNIC No.: _____</p> <p>Father's name: _____</p> <p>Address: _____</p> <p>Date: _____</p> <p>CDC Participant ID No.: _____</p> <p>CDC Account/Sub-Account No.: _____</p> <p>No. of Shares held: _____</p>	<p><b>The Proxy:</b></p> <p>Signature: _____</p> <p>Name: _____</p> <p>CNIC No.: _____</p> <p>Father's name: _____</p> <p>Address: _____</p> <p>_____</p> <p>Date: _____</p>
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Witness 1: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

CNIC No.: \_\_\_\_\_

Address: \_\_\_\_\_

Witness 2: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

CNIC No.: \_\_\_\_\_

Address: \_\_\_\_\_

**Notes:**

1. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed.
2. CDC beneficial owners and Proxy Holders must bring with them their Computerize National Identity Cards (CNIC)/Passports in original to prove his/her identity and in case of Proxy, CDC beneficial owners and Proxy Holders must enclose an attested copy of their CNIC/Passport with Proxy Form.
3. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee (unless it has been provided earlier) should be attached with the proxy form.

## پراکسی فارم

میں / ہم، \_\_\_\_\_، زیر دستخطی رکن، ایل ایس ای کمیٹیٹل لمیٹڈ کارکن ہونے کے ناطے، 27 نومبر 2024 کو منعقد ہونے والی کمپنی کی AGM میں مجھے اور میری طرف سے ووٹ دینے کے لیے \_\_\_\_\_، زیر دستخطی پراکسی کو مقرر کرتا ہوں۔ اور / یا اس کے کسی بھی التوا پر۔

ممبر:	پراکسی:
دستخط:	دستخط:
دستخط ختم	نام:
روپے کارپوریٹ سٹیٹیمپ 50/-	نام:
کمپنی کی مہر / سٹیٹیمپ	CNIC
مقرر کرنے والے کا نام اور عہدہ:	نمبر:
	والد کا نام:
	پتہ:
CNIC نمبر:	تاریخ:
والد کا نام:	
پتہ:	
تاریخ:	
سی ڈی سی شرکت کنندہ ID نمبر:	
سی ڈی سی اکاؤنٹ / ذیلی اکاؤنٹ نمبر:	
رکھے گئے حصص کی تعداد:	

گواہ 1:	گواہ 2:
دستخط:	دستخط:
نام:	نام:
CNIC نمبر:	CNIC نمبر:
پتہ:	پتہ:

### نوٹس:

1. پراکسیز، مؤثر ہونے کے لیے، میٹنگ کے انعقاد کے وقت سے 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس میں موصول ہونے چاہئیں اور ان پر مستند مہر، دستخط اور گواہ ہونا ضروری ہے۔
2. CDC سینٹیفشل مالکان اور پراکسی ہولڈرز کو اپنی شناخت ثابت کرنے کے لیے اپنے کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) / پاسپورٹ کو اصل میں لانا چاہیے اور پراکسی کی صورت میں، CDC سینٹیفشل مالکان اور پراکسی ہولڈرز کو اپنے CNIC کی تصدیق شدہ کاپی منسلک کرنی چاہیے۔ پراکسی فارم کے ساتھ پاسپورٹ۔
3. کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی نامزد شخص کے دستخط کے ساتھ (جب تک کہ یہ پہلے فراہم نہ کیا گیا ہو) پراکسی فارم کے ساتھ منسلک کیا جائے۔





**LSE CAPITAL**

mobilizing capital – optimizing markets

