

ANNUAL REPORT

2026



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VISION STATEMENT

To be an ultimate value-creation vehicle for the shareholders.

MISSION STATEMENT

- . Inculcate a culture of innovation and responsibility within our team.
- . Adhere to the highest standards of integrity and fair dealing.
- . Abide by the best practices of lawful and ethical conduct of business.
- . Implement the standards for rendering the highest-quality services to our customers.

COMPANY INFORMATION

Board of Directors

1. Mr. Shoaib Mir	Independent Director/Chairman
2. Mr. Aftab Ahmad Ch.	Chief Executive Officer
3. Ms. Aasiya Riaz	Non-Executive Director
4. Ms. Iram Maqbool Aamir	Independent Director
5. Ms. Riffat Shaheen	Non-Executive Director
6. Mr. Rehman ul Haq	Independent Director
7. Syed Muhammad Talib Rizvi	Non-Executive Director

Audit Committee

1. Ms. Iram Maqbool Aamir	Chairperson
2. Ms. Aasiya Riaz	Member
3. Syed Muhammad Talib Rizvi	Member

Human Resource and Remuneration Committee

1. Mr. Shoaib Mir	Chairman
2. Mr. Rehman ul Haq	Member
3. Syed Muhammad Talib Rizvi	Member

Company Secretary

Mr. Muhammad Sajjad Hyder

Chief Financial Officer

Mr. Muhammad Usman

Auditors

Ilyas Saeed & Co. Chartered Accountants

Legal Advisor

Aziz Law Associates
Allied Legal Services

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
Bank-Islami Pakistan Limited
Faysal Bank Limited

Registered Office

The Exchange Hub, LSE Plaza, 19-Kashmir Egerton Road, Lahore.

CHAIRMAN'S REVIEW

Dear Shareholders,

I am feeling pleasure to present the review for the financial year ended June 30, 2026, in compliance with the requirements of Section 192 of the Companies Act, 2017 to highlight the Company's strategic performance, key achievements, and the Board's role in guiding the Management towards fulfilling our corporate objectives for the benefit of the shareholders.

Financial Year 2025–26 marked a period of strategic growth and operational excellence for LSECL. Following our incorporation, the Company successfully pioneered the listing of Pakistan's first-ever Special Purpose Acquisition Companies (SPACs) LSE SPAC-I Limited and LSE SPAC-II Limited on the Pakistan Stock Exchange Limited (PSX). The scheme of merger for LSE SPAC-I with its target entity is currently awaiting sanction before the Honorable Lahore High Court, Lahore, with approval expected shortly.

In addition to these landmark listings, LSECL provided end-to-end transaction advisory and financial structuring services to a diverse portfolio of clients, reinforcing our position as a trusted advisor to both growth-stage ventures and established corporations. We also executed high-impact strategic investments designed to secure long-term value.

These milestones underscore our core competitive strength where, we do not merely advise, we design, execute, and deliver tailored financial solutions with speed and precision.

The Board of Directors operated in full compliance with the Companies Act, 2017, and the Listed Companies (Code of Corporate Governance) Regulations. Throughout the year, the Directors exercised due diligence and fiduciary care in advancing the best interests of the Company and its stakeholders. The Board routinely reviewed, discussed, and approved the Company's business strategies, corporate objectives, plans, and financial statements. The Board ensured adequate representation of non-executive and independent directors on the Board and its committees, implementing the requirements of the Code in its true letter and spirit. All significant issues were presented before the Board or its committees to strengthen and formalize the corporate decision-making process. Importantly, all related-party transactions executed by the Company were approved by the Board following the recommendations of the Audit Committee. The Board confirmed that a robust system of internal controls is in place, recognizing that well-defined corporate governance processes are vital in enhancing corporate accountability and preserving stakeholder value.

On behalf of the Board, I express my sincere appreciation to our management team and employees for their dedication, hard work, and contribution to this year's success. I also extend our gratitude to our outgoing directors, valued shareholders, business partners, and regulatory authorities for their continued trust, guidance, and support.

Thank you,



Chairman

October 02, 2026

چیئر مین کا جاہرہ

محترم شیئر ہولڈرز،

مجھے کمپنیز ایکٹ 2017 کے سیکشن 192 کے تقاضوں کی تعمیل کرتے ہوئے 30 جون 2026 کو ختم ہونے والے مالی سال کا جاہرہ پیش کرتے ہوئے خوش محسوس ہو رہی ہے تاکہ کمپنی کی اسٹریجک کارکردگی، اہم کامیابیوں اور حصص داروں کے لیے ہمارے کارپوریٹ مقاصد کو پورا کرنے کے لیے انتظامیہ کی رہنمائی میں بورڈ کے کردار کو اجاگر کیا جاسکے۔

مالی سال 2025-26 میں ایس ای سی ایل کے لیے اسٹریجک برقی اور آپریشنل فسیلہ کا دور تھا۔ ہماری شمولیت کے بعد، کمپنی نے پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) پر پاکستان کی پہلی خصوصی مقصد حاصل کرنے والی کمپنیوں LSE SPAC-I Limited (SPACs) اور LSE SPAC-II لمیٹڈ کی فہرست سازی کا کامیابی سے آغاز کیا۔ LSE SPAC-I کے اپنے ہدف والے ادارے کے ساتھ انضمام کی اسکیم فی الحال معزز لاہور ہائی کورٹ، لاہور کے سامنے منظوری کے منتظر ہے، جس کی جلد منظوری متوقع ہے۔

ان ماریجی فہرستوں کے علاوہ، LSECL نے کلائنٹس کے متنوع پورٹ فولیو کو اینڈ ٹو اینڈ ٹرانزیکشن ایڈوائسری اور مالیاتی ڈھانچہ کی خدمات فراہم کیں، جس سے برقی کے مرحلے کے وچپر اور قائم کارپوریٹرز دونوں کے لیے ایک قابل اعتماد مشیر کے طور پر ہماری پوزیشن کو تقویت ملی۔ ہم نے طویل مدتی قدر کو محفوظ بنانے کے لیے ڈیرائن کی گئی اعلیٰ اسٹریجک سرمایہ کاری کو بھی انجام دیا۔ یہ سنگ میل ہماری بنیادی مسابقتی طاقت کی ساندہی کرتے ہیں جہاں، ہم صرف مشورہ نہیں دیتے، ہم رفتار اور درستی کے ساتھ تیار کردہ مالیاتی حل تیار کرتے ہیں، ان پر عمل درآمد کرتے ہیں اور فراہم کرتے ہیں۔

بورڈ آف ڈائریکٹرز کمپنیز ایکٹ، 2017، اور لسڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) کے ضوابط کی مکمل تعمیل میں کام کرتے ہیں۔ سال بھر کے دوران، ڈائریکٹرز نے کمپنی اور اس کے اسٹیک ہولڈرز کے بہترین مفادات کو آگے بڑھانے میں مستعدی اور مخلصانہ خیال رکھا۔ بورڈ نے معمول کے مطابق کمپنی کی کاروباری حکمت عملیوں، کارپوریٹ مقاصد، منصوبوں، اور مالیاتی بیانات کا جائزہ لیا، ان پر تبادلہ خیال کیا اور ان کی منظوری دی۔ بورڈ نے بورڈ اور اس کی کمیٹیوں میں غیر ایگزیکٹو اور آزاد ڈائریکٹرز کی مناسب نمائندگی کو یقینی بنایا، ضابطہ کی ضروریات کو اس کے حقیقی خط اور روح کے مطابق نافذ کیا۔ تمام اہم مسائل کو بورڈ یا اس کی کمیٹیوں کے سامنے پیش کیا گیا تاکہ کارپوریٹ فیصلہ سازی کے عمل کو مضبوط اور باضابطہ بنایا جاسکے۔ اہم بات یہ ہے کہ آڈٹ کمیٹی کی سفارسات کے بعد کمپنی کی طرف سے کئے گئے تمام متعلقہ فریق کے لین دین کی منظوری بورڈ نے دی تھی۔ بورڈ نے اس بات کی تصدیق کی کہ اندرونی کنٹرول کا ایک مضبوط نظام موجود ہے، اس بات کو تسلیم کرتے ہوئے کہ کارپوریٹ گورننس کے اچھے طریقے کارپوریٹ جوابدہی کو برہانے اور اسٹیک ہولڈرز کی قدر کو محفوظ رکھنے کے لیے اہم ہیں۔

بورڈ کی جانب سے، میں اپنی انتظامیہ کی ٹیم اور ملازمین کو ان کی لگن، محنت، اور اس سال کی کامیابی میں شراکت کے لیے تہ دل سے حراج تحسین پیش کر رہی ہوں۔ میں اپنے سبکدوش ہونے والے ڈائریکٹرز، قابل قدر شیئر ہولڈرز، کاروباری شراکت داروں، اور ریگولیٹری اتھارٹیز کا ان کے مسلسل اعتماد، رہنمائی اور تعاون کے لیے شکریہ ادا کر رہی ہوں۔


چیئر مین

12 اکتوبر 2026

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

The Board of Directors of LSE Capital Limited (the "Company") is pleased to present its report, together with the audited financial statements and Auditors' report thereon, for the year ended June 30th, 2026.

Economic Review:

During the fiscal year 2025-26, Pakistan's economy demonstrated a resilient recovery trajectory supported by macroeconomic stabilization measures, with real GDP growth accelerating to 3.7% compared to 3.18% in the preceding year. On the fiscal front, disciplined financial management yielded a historic primary surplus of 3.2% of GDP and significantly narrowed the overall fiscal deficit to 0.7% of GDP during the July-March period. Inflationary pressures were actively managed despite global energy market volatility, with the Consumer Price Index (CPI) averaging 6.2% during the first ten months (July-April) of the fiscal year, prompting the State Bank of Pakistan (SBP) to maintain a prudent monetary stance by anchoring the benchmark policy rate at 11.5% by year-end.

The external account also witnessed critical stability, reflecting a nominal current account surplus of USD 0.07 billion for the nine-month period and a notable improvement in total foreign exchange reserves to approximately USD-22 billion by June 2026. Encouraged by these stabilizing indicators, successful IMF-EFF program reviews, and robust corporate earnings, investor confidence surged remarkably, driving the Pakistan Stock Exchange (PSX) KSE-100 index to a record high of over 180,000 points by June 2026. For the financial sector, these improving macroeconomic fundamentals characterized by a stable exchange rate, enhanced domestic resource mobilization, and a reduction in government debt servicing costs present a highly conducive environment for sustained credit expansion, improved asset quality, and robust balance sheet growth in the forthcoming periods.

Business Review:

1. Stock Split (Subdivision of Shares):

As per the decision of the shareholders in the last Annual General Meeting held on November 27, 2025, the sub division of the shares of the Company under Section 85(1) of the Companies Act, 2017 has been carried out and face value of each ordinary share of the Company has been changed from PKR 10/- to PKR 5/- with no change in the rights and privileges of the shares.

2. Right Shares Issuance:

With the purpose to provide seed money/earmarked for Special Purpose Acquisition Company(ies) (SPACs) and to make some other investments in pre-IPOs, IPOs and SPOs offering companies and investment associates, the Company successfully subscribed the full subscription amount of Rs. 123,466,550/- through Right Issue approximately 6.82% of the paid-up capital of the Company.

3. De-registration of Modaraba License:

SECP's Registrar of Modaraba Companies vide its letter No. SECP/M/RS/LSE/05/264 dated March 4, 2026 has acceded to the application of LSE Capital Limited for voluntary de-registration and has de-registered its Modaraba Management Company License with immediate effect under the provisions of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

4. Updation of Memorandum and Articles of Association for enabling clauses:

The Memorandum & Articles of Association of the Company was amended for enabling clauses for the issuance of "Partially Redeemable Shares (PRS) amounting PKR 100 million, in place of Tracking Preference Shares - Class B, Employees Stock Option Scheme in the EOGM of the Company held on April 6, 2026.

5. Investment Portfolio:

During the period LSECL acquired the major equity shares of its associate M/s. Digital Custodian Company Limited (DCCL) from the other co-investors and the cumulative shareholding of LSECL in DCCL stands at 54%.

6. SPACs Subsidiary Portfolio:

The strong participation from the investors in recent IPOs for SPAC companies of LSECL have reflected their confidence in LSECL's identified investment strategy with the SPAC structure through their encouraging response in the form of record oversubscribed subscriptions. The detail is as under:

a. LSE SPAC-I Limited:

The first ever SPAC namely "LSE SPAC-I Limited" with the approval from SECP and PSX for draft Prospectus and listing application got listed on the Main Board of PSX with a total issue size of PKR 250 million. The IPO oversubscribed by approximately 69% of the offered subscription size. Accordingly, the merger of LSE SPAC-I with its targeted company will be completed by the end of this year.

b. LSE SPAC-II Limited:

"LSE SPAC-II Limited" being another SPAC subsidiary of LSECL, with the approval from SECP and PSX also got listing status on the Main Board of PSX with a total issue size of PKR 20 million through IPO. Accordingly, the IPO of SPAC-II also oversubscribed by approximately 22.27% of the offered subscription size. Currently, LSE SPAC-II is in process of initiating its merger with the targeted company.

c. LSE SPAC-III Limited:

The listing application along with the draft prospectus of LSE SPAC-III Limited is in process of seeking approval from the SECP and PSX.

d. LSE SPAC-IV Limited:

LSECL has also incorporated LSE SPAC-IV Limited in accordance with the applicable laws and regulatory requirements.

Financial Performance:

Standalone:

Financial Highlights	Jun-26	Jun-25
	Rupees in "000"	
Operating Income	138,267	145,428
Other Income	167,041	326,051
Share of profit of Associates	397,090	106,087
Admin & General Expenses	(189,658)	(191,813)
Finance Cost	(63,097)	(79,259)
Profit before Taxation	449,643	306,494
Taxation	(48,050)	(67,907)
Net Profit	401,592	238,587
Equity + Revaluation Surplus	3,655,034	3,166,638
Total Asset	4,218,949	3,528,655
Net Asset	3,655,034	3,166,637
Total Liability	563,915	362,018
Shares outstanding (Nos.)	387,000	362,307
Earnings per share EPS	1.07	0.65

Consolidated:

Financial Highlights	Jun-26	Jun-25
	Rupees in "000"	
Operating Income	174,005	145,428
Other Income	191,554	326,206
Share of profit of Associates	397,090	106,087
Admin & General Expenses	(248,036)	(192,412)
Finance Cost	(61,716)	(79,259)
Profit before Taxation	452,896	306,050
Taxation	(58,010)	(67,909)
Net Profit	394,886	238,141

Equity + Revaluation Surplus	3,710,002	3,166,191
Total Asset	4,599,538	3,528,260
Net Asset	4,012,221	3,166,191
Total Liability	587,317	362,069
Shares outstanding (Nos.)	387,000	362,307
Earnings per share EPS	1.06	0.65

Appointment of External Auditors:

The present auditors, M/s. Ilyas Saeed & Company, Chartered Accountants, due to retire and being eligible, have offered themselves for reappointment. They may be appointed as Auditors of your Company for another term at a mutually agreed remuneration as recommended by the Board Audit Committee.

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 Company has appointed its designated Head of Internal Audit of the Company. The Board has adequately ensured that the system of internal financial controls is sound in design and has been effectively implemented and monitored through outsourced 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 accounts 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 (SECP) 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:

1. The financial statements fairly present its state of affairs, the result of its operations, cash flows, and changes in equity.
2. Proper books of account have been maintained by your Company.
3. Appropriate accounting policies have been consistently applied in the preparation of financial statements, and accounting estimates are based on reasonable and prudent judgment.
4. International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements, and any departure therefrom has been adequately disclosed.
5. The system of internal control is sound in design and has been effectively persisted throughout the year.
6. Keeping in view the financial position of your Company, there is no doubt upon its ability to continue as a going concern.
7. There has been no material departure from the best practices of corporate governance as detailed in the listing regulations during the year under review.

ESG Reporting:

LSECL remained steadfast in its commitment to CSR and Environmental Management during the year. Our key focus areas included education, healthcare, and environmental protection. As a responsible corporate citizen, LSECL strives to make a positive impact on the communities we serve. We also remained dedicated to implementing best practices in Corporate Governance (CCG), ensuring transparency, accountability, and ethical business conduct. Through these initiatives, we aim to create long-term value for our stakeholders and contribute to a sustainable future.

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

The Company remained engaged during the year to undertake and oversee CSR and environmental management programs while ensuring its focused activities relating to education, healthcare, and

protection of the environment. Accordingly, the Board of the Company stands behind these objectives while aligning with its commitment to create considerable value for all stakeholders and ensuring it qualifies as a responsible corporate citizen.

Anti-Harassment:

The Company maintains a comprehensive mechanism against workplace harassment with a zero-tolerance approach. This ensures that all employees, regardless of gender or position, work in a safe and respectful environment. Employees are encouraged to confidentially report grievances to the HR department for prompt and fair investigation.

Gender Pay-Gap:

The Company is committed to treating all employees with equality and fairness, ensuring no gender pay gap exists. Employee compensation is determined strictly on the basis of experience, seniority, responsibilities, and performance without any gender-based discrimination.

1	Mean Gender Pay Gap	8.67%
2	Median Gender Pay Gap	26.73%

Meetings of the Board of Directors:

During the period under review, 3 meetings of the Board of Directors of the Company were held. Directors' attendance in these meetings was as follows:

Attendance Chart:

Disclosures under Section 227 of the Companies Act, 2017:

In compliance with Section 227 of the Companies Act, 2017, the names of persons who served as directors of the Company during the financial year are listed below:

1. Detail of meetings before Election of the Board:

Sr. No.	Name of Director	Category	Total No. of meetings	No. of meetings attended
1	Mr. Shoaib Mir	Chairman/ Independent Director	2	2
2	Mr. Aftab Ahmad Ch.	Chief Executive Officer	2	2
3	Ms. Aasiya Riaz	Non-Executive Director	2	2
4	Hafiz Muddassir Alam	Non-Executive Director	2	2
5	Mr. Muhammad Iqbal	Non-Executive Director	2	-
6	Mr. Rehman ul Haq	Non-Executive Director	2	1
7	Ms. Shumaila Siddiqui	Independent Director	2	1

2. Detail of meetings after Election of the Board:

Sr. No.	Name of Director	Category	Total No. of meetings	No. of meetings attended
1	Mr. Shoaib Mir	Chairman/ Independent Director	1	1
2	Mr. Aftab Ahmad Ch.	Chief Executive Officer	1	1
3	Ms. Aasiya Riaz	Non-Executive Director	1	1
4	Ms. Riffat Shaheen	Non-Executive Director	1	1
5	Syed Muhammad Talib Rizvi	Non-Executive Director	1	1
6	Mr. Rehman ul	Independent Director	1	1

	Haq			
7	Ms. Iram Maqbool Aamir	Independent Director	1	1

Disclosures under Regulation No. 34(2) of the Listed Companies (Code of Corporate Governance) Regulations, 2019:

In compliance with Regulation No. 34(2), the board composition is as follows:

Total Number of Directors: Seven (7) (Male: 4 and Female: 3)

No.	Nature of Directorship	Name of Director
1	Executive Directors:	Mr. Aftab Ahmad
2	Non-Executive Directors:	Ms. Aasiya Riaz
3		Ms. Riffat Shaheen
5		Syed Muhammad Talib Rizvi
6	Independent Director:	Mr. Shoaib Mir
		Mr. Rehman ul Haq
7		Ms. Iram Maqbool Aamir

Directors' Remuneration:

At present, the Chief Executive Officer is paid a salary and benefits as approved by the Board under the Articles of Association and HR Policy of the Company. No other director receives extra remuneration from the Company, except meeting fees for attending Board and Committee meetings. Detailed figures are 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 the performance of the Board, its individual members, and its Committees was conducted to measure effectiveness against established objectives. Based on this evaluation, the overall performance of the Board and its Committees for the year under review was deemed satisfactory.

Statutory and Advisory Committees of the Board:

The Board has constituted the following Statutory and Advisory Committees for a three-year term:

Board Audit Committee (BAC):

The Board Audit Committee comprises three (3) Non-Executive Directors (NEDs), including one Independent Director who serves as the Chairman.

Sr. No.	Name	Status
1.	Ms. Iram Maqbool Aamir	Chairman
2.	Ms. Aasiya Riaz	Member
3.	Syed Muhammad Talib Rizvi	Member

Human Resource and Remuneration Committee (HRRC):

The Human Resource and Remuneration Committee comprises three (3) Non-Executive Directors, including one Independent Director who serves as the Chairman.

Sr. No.	Name	Status
1.	Mr. Shoaib Mir	Chairman
2.	Mr. Rehman ul Haq	Member
3.	Syed Muhammad Talib Rizvi	Member

Related Party Transactions:

The Board of Directors approved all transactions executed with associated companies and related parties

on an arm's length basis in the normal course of business.

Pattern of Shareholding:

The pattern of shareholding of the Company as of June 30, 2026, is annexed to this report in accordance with the Code of Corporate Governance requirements.

Financial Reporting:

The Board Audit Committee reviewed, discussed, and recommended the draft Annual Financial Statements of the Company for Board approval. The Committee held discussions with the CFO, Head of Internal Audit (HIA), and External Auditors regarding key accounting policies, estimates, and judgments applied in preparing the financial statements.

Acknowledgments:

The Board acknowledges with appreciation the valuable guidance and cooperation received from the Securities and Exchange Commission of Pakistan (SECP), Pakistan Stock Exchange (PSX), and other regulatory authorities.

Furthermore, we express our sincere gratitude to our shareholders for their continued trust and confidence, and commend the management and employees for their hard work and commitment toward the Company's progress.

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



Chief Executive Officer



Director

Date: October 2, 2026
Place: Lahore.

شیئر ہولڈرز کو ڈائریکٹرز کی رپورٹ

محترم شیئر ہولڈرز،

کے بورڈ آف ڈائریکٹرز زایل ایس ای کیپٹل لمیٹڈ (کمپنی) کو 30 جون 2026 کو ختم ہونے والے سال کے لیے آڈٹ شدہ مالیاتی بیانات اور اس پر آڈیٹرز کی رپورٹ کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

اقتصادی جائزہ:

مالی سال 2025-26 کے دوران، پاکستان کی معیشت نے میکرو اکنامک اسٹیبلزیشن کے اقدامات کی مدد سے ایک چکدار بحالی کی رفتار کا مظاہرہ کیا، جس میں حقیقی جی ڈی پی کی شرح نمو گزشتہ سال کے 3.18 فیصد کے مقابلے میں 3.7 فیصد تک پہنچ گئی۔ مالیاتی محاذ پر، نظم و ضبط والے مالیاتی انتظام نے جی ڈی پی کی 3.2% کا تاریخی بنیادی سرپلس حاصل کیا اور جولائی تا مارچ کی مدت کے دوران مجموعی مالیاتی خسارے کو GDP کے 0.7% تک نمایاں طور پر کم کر دیا۔ عالمی امریکی مارکیٹ کے اتار چڑھاؤ کے باوجود افراط زر کے دباؤ کو فعال طور پر منظم کیا گیا، مالی سال کے پہلے دس مہینوں (جولائی-اپریل) کے دوران کنزیومر پرائس انڈیکس (سی پی آئی) اوسطاً 6.2% فیصد رہا، جس سے اسٹیٹ بینک آف پاکستان (SBP) کو شیئ مارک پالیسی ریٹ کو 1-5 فیصد پر لنگر انداز کرتے ہوئے محتاط مانیٹری موقف برقرار رکھنے پر آمادہ ہوا۔

بیرونی کھاتے میں بھی اہم استحکام دیکھا گیا، جو نومبر کی مدت کے لیے 0.07 بلین امریکی ڈالر کے برائے نام کرنٹ اکاؤنٹ سرپلس کی عکاسی کرتا ہے اور جون 2026 تک کل غیر ملکی زرمبادلہ کے ذخائر میں تقریباً 22 بلین امریکی ڈالر تک قابل ذکر بہتری کی عکاسی کرتا ہے۔ ان استحکام کے اشارے، کامیاب IMF-EFF کے سرمایہ کاری کے جائزے، سرمایہ کاری کا جائزہ لینے اور سرمایہ کاری کے پروگراموں کی حوصلہ افزائی۔ پاکستان اسٹاک ایکسچینج (PSX) کے ایس ای 100 انڈیکس کو جون 2026 تک 180,000 پوائنٹس سے زیادہ کی بلند ترین سطح پر لے جانے سے غیر معمولی اضافہ ہوا۔ توسیع، بہتر اثاثہ معیار، اور آنے والے ادوار میں مضبوط بیلنس شیٹ نمو۔

کاروباری جائزہ:

1۔ اسٹاک کی تقسیم (حصص کی ذیلی تقسیم):

27 نومبر 2025 کو منعقدہ آخری سالانہ جنرل میٹنگ میں شیئر ہولڈرز کے فیصلے کے مطابق، کمپنیز ایکٹ 2017 کے سیکشن 85(1) کے تحت کمپنی کے حصص کی ذیلی تقسیم کی گئی ہے اور کمپنی کے ہر عام حصص کی قیمت -/PKR 10 سے -/PKR 5 میں تبدیل کر دی گئی ہے۔ حصص کے حقوق اور مراعات میں کسی تبدیلی کے بغیر۔

2۔ رائٹ شیئر کا اجراء:

اسٹیبلشمنٹ پرائیویٹ لیمیٹڈ (SPACs) (ies) کے لیے بیچ کی رقم فراہم کرنے / مختص کرنے کے مقصد کے ساتھ اور پری IPOs، IPOs اور SPOs کی پیشکش کرنے والی کمپنیوں اور سرمایہ کاری کے ساتھیوں میں کچھ دوسری سرمایہ کاری کرنے کے مقصد سے، کمپنی نے کامیابی کے ساتھ مکمل سبسکرپشن رقم روپے کی سبسکرائب کی۔ 123,466,550/- رائٹ ایٹو کے ذریعے کمپنی کے ادا شدہ سرمائے کا تقریباً 6.82%۔

3۔ مضاربہ لائسنس کی رجسٹریشن ختم کرنا:

SECP کے مضاربہ کمپنیوں کے رجسٹر نے اپنے خط نمبر SECP/M/RS/LSE/05/264 مورخہ 4 مارچ 2026 کے ذریعے رضاکارانہ ڈی-رجسٹریشن کے لیے LSE Capital Limited کی درخواست کو قبول کر لیا ہے اور Modaraba Management کمپنی کے لائسنس کو فوری طور پر Modarabates کے تحت رجسٹرڈ کر دیا ہے۔ (غلو ٹیشن اینڈ کنٹرول) آرڈیننس، 1980۔

4۔ شتوں کو فعال کرنے کے لیے میمورنڈم اور ایسوی ایٹن کے مضامین کی تازہ کاری:

کمپنی کے میمورنڈم اور آرڈیننس آف دی ایسوی ایٹن میں 6 اپریل کو منعقدہ کمپنی کے ای او جی ایم میں ٹریڈنگ ترجیحی حصص - کلاس بی، ایسپلائز اسٹاک آپشن اسکیم کی جگہ 100 ملین روپے کے جزوی طور پر قابل تلافی حصص (PRS) کے اجراء کے لیے شتوں کو فعال کرنے کے لیے ترمیم کی گئی تھی۔

5۔ سرمایہ کاری پورٹ فولیو:

اس مدت کے دوران LSECL نے اپنے ساتھی M/s کے بڑے ایکویٹی حصص حاصل کئے۔ دیگر شریک سرمایہ کاروں سے ڈیجیٹل کسٹومرز کمپنی لمیٹڈ (DCCL) اور DCCL میں LSECL کی مجموعی شیئر ہولڈنگ 54% ہے۔

SPACs -6 ذیلی پورٹ فولیو:

ایل ایس ای سی ایل کی ایس پی اے سی کمپنیوں کے حالیہ آئی پی اوز میں سرمایہ کاروں کی بھرپور شرکت نے ریکارڈ اور سبکدوش شدہ سبکدوش کی شکل میں حوصلہ افزا عمل کے ذریعے SPAC ڈھانچے کے ساتھ ایل ایس ای سی ایل کی شناخت شدہ سرمایہ کاری کی حکمت عملی پر ان کے اعتماد کو ظاہر کیا ہے۔ تفصیل درج ذیل ہے:

ا. LSE SPAC-I لمیٹڈ:

پہلا SPAC یعنی "LSE SPAC-I Limited" SECP اور PSX سے مسودہ پراسپیکٹس اور فہرست سازی کی درخواست کی منظوری کے ساتھ PSX کے مین بورڈ میں 250 ملین PKR کے مجموعی ایٹو سائز کے ساتھ درج ہوا۔ پیش کردہ سبکدوش سائز کا تقریباً 69% IPO زیادہ سبکدوش ہوا۔ اس کے مطابق، LSE SPAC-I کا اپنی ہدف شدہ کمپنی کے ساتھ انضمام اس سال کے آخر تک مکمل ہو جائے گا۔

ب. LSE SPAC-II لمیٹڈ:

LSECL "LSE SPAC-II Limited" کا ایک اور ذیلی ادارہ ہے، جس کی SECP اور PSX کی منظوری سے IPO کے ذریعے 20 ملین PKR کے کل ایٹو سائز کے ساتھ PSX کے مین بورڈ میں لسٹنگ کا درجہ بھی حاصل کر لیا گیا ہے۔ اس کے مطابق، LSE SPAC-II کا IPO بھی پیش کردہ سبکدوش سائز کے تقریباً 22.27 فیصد سے زیادہ ہے۔ فی الحال، LSE SPAC-II ہدف شدہ کمپنی کے ساتھ اپنا انضمام شروع کرنے کے عمل میں ہے۔

ت. LSE SPAC-III Limited:

LSE SPAC-III Limited کے ڈرافٹ پراسپیکٹس کے ساتھ لسٹنگ کی درخواست SECP اور PSX سے منظوری حاصل کرنے کے عمل میں ہے۔

ث. LSE SPAC-IV لمیٹڈ:

LSECL نے LSE SPAC-IV Limited کو بھی قابل اطلاق قوانین اور ریگولیٹری تقاضوں کے مطابق شامل کیا ہے۔

مالی کارکردگی:

اسٹیٹمنٹوں:

مالیاتی جھلکیاں

25 جون	26 جون	
روپے "000" میں		
145,428	138,267	آپریٹنگ آمدنی
326,051	167,041	دوسری آمدنی
106,087	397,090	ایسوسی ایٹس کے منافع کا حصہ
(191,813)	(189,658)	ایڈمنسٹریٹو اخراجات
(79,259)	(63,097)	مالیاتی لاگت
306,494	449,643	ٹیکس سے پہلے منافع
(67,907)	(48,050)	ٹیکس لگانا
238,587	401,592	خالص منافع
3,166,638	3,655,034	Equity + Revaluation Surplus
3,528,655	4,218,949	کل اثاثہ
3,166,637	3,655,034	خالص اثاثہ
362,018	563,915	کل ذمہ داری
362,307	387,000	بقایا حصص (نمبر)
0.65	1.07	آمدنی فی شیئر EPS

سجایا:

مالیاتی جھلکیاں

25 جون	26 جون	
روپے "000" میں		
145,428	174,005	آپریٹنگ آمدنی
326,206	191,554	دوسری آمدنی
106,087	397,090	ایسوسی ایٹس کے منافع کا حصہ

(192,412)	(248,036)	ایڈمنسٹریٹو اخراجات
(79,259)	(61,716)	مالیاتی لاگت
306,050	452,896	ٹیکس سے پہلے منافع
(67,909)	(58,010)	ٹیکس لگاتار
238,141	394,886	خالص منافع
3,166,191	3,710,002	Equity + Revaluation Surplus
3,528,260	4,599,538	کل اثاثہ
3,166,191	4,012,221	خالص اثاثہ
362,069	587,317	کل ذمہ داری
362,307	387,000	بقایا حصص (نمبر)
0.65	1.06	آمدنی فی شیئر EPS

بیرونی آڈیٹر کی تقرری:

موجودہ آڈیٹر، MS- الیاس سعید اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس، ریٹائر ہونے اور اہل ہونے کی وجہ سے، خود کو دوبارہ تقرری کے لیے پیش کر چکے ہیں۔ بورڈ آڈٹ کمیٹی کی طرف سے تجویز کردہ باہمی طور پر متفقہ معاوضے پر انہیں دوسری مدت کے لیے آپ کی کمپنی کے آڈیٹر کے طور پر مقرر کیا جاسکتا ہے۔

اندرونی مالیاتی کنٹرول:

بورڈ نے مناسب طریقے سے اس بات کو یقینی بنایا ہے کہ اندرونی مالیاتی کنٹرول کا نظام ڈیرائن میں درج ہے اور اندرونی آڈیٹر کے ذریعے مؤثر طریقے سے لاگو اور نگرانی کی گئی ہے۔

کمپنی نے کمپنی کے داخلی آڈٹ کا اپنا مقررہ سربراہ مقرر کیا ہے۔ بورڈ نے مناسب طریقے سے اس بات کو یقینی بنایا ہے کہ داخلی مالیاتی کنٹرول کا نظام ڈیرائن کے لحاظ سے درج ہے اور اسے مؤثر طریقے سے لاگو کیا گیا ہے اور آڈٹ سروس اندرونی آڈیٹر کے ذریعے نگرانی کی گئی ہے۔

آپ کی کمپنی کی انتظامیہ کے ذریعہ تیار کردہ مالیاتی بیانات، اس کی حالت، اس کے کاموں کے نتائج، کیش فلو اور ایکویٹی میں ہونے والی تبدیلیوں کو اچھی طرح سے پیش کرتے ہیں۔ اکاؤنٹس کی مناسب کتابتیں آپ کی کمپنی نے رکھی ہیں۔ مناسب اکاؤنٹنگ پالیسیاں آپ کی کمپنی کی طرف سے مالیاتی بیانات کی تیاری میں مسلسل لاگو ہوتی ہیں، اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہوتے ہیں۔ ان مالیاتی گوشواروں کی تیاری میں بین الاقوامی اکاؤنٹنگ معیارات، جیسا کہ پاکستان میں لاگو ہو رہا ہے، کی پیروی کی گئی ہے اور وہاں سے کسی بھی روایتی کے بارے میں، اگر کوئی ہے، مناسب طور پر ظاہر کیا گیا ہے۔ اندرونی کنٹرول کا نظام، جو آپ کی کمپنی میں لاگو کیا جا رہا ہے، درج ہے اور پورے سال مؤثر طریقے سے برقرار ہے۔

کارپوریٹ گورننس کا ضابطہ:

کوڈ آف کارپوریٹ گورننس کی ضروریات، جیسا کہ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے متعارف کرایا ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ نے اس کے لسٹنگ رولز میں متعین کیا ہے۔ اس سلسلے میں ایک بیان رپورٹ کے ساتھ منسلک ہے۔

آپ کی کمپنی کا بورڈ آف ڈائریکٹرز آپ کو یقین دلا رہا ہے کہ:

1. مالی بیانات اس کی حالت، اس کے کاموں کا نتیجہ، نقد بہاؤ، اور ایکویٹی میں ہونے والی تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔
2. اکاؤنٹس کی مناسب کتابتیں آپ کی کمپنی نے رکھی ہیں۔
3. مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے، اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
4. بین الاقوامی اکاؤنٹنگ معیارات، جیسا کہ پاکستان میں لاگو ہو رہا ہے، مالیاتی گوشواروں کی تیاری میں پیروی کی گئی ہے، اور وہاں سے کسی بھی روایتی کا مناسب طور پر انکشاف کیا گیا ہے۔
5. اندرونی کنٹرول کا نظام ڈیرائن میں درج ہے اور پورے سال مؤثر طریقے سے برقرار رہتا ہے۔
6. آپ کی کمپنی کی مالی حالت کو مد نظر رکھتے ہوئے، اس کے جاری رہنے کی قابلیت پر کوئی شک نہیں ہے۔
7. زیر نظر سال کے دوران فہرست سازی کے ضوابط میں تفصیل کے مطابق کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی اصرار نہیں ہوا ہے۔

ESG رپورٹنگ:

اہل ایس ای سی ایل سال کے دوران سی ایس آر اور ماحولیاتی انتظام کے لیے اپنی وابستگی میں مابہ قدم رہا۔ ہمارے کلیدی توجہ کے شعبوں میں تعلیم، صحت کی دیکھ بھال اور ماحولیاتی تحفظ شامل ہیں۔ ایک ذمہ دار کارپوریٹ شہری کے طور پر، LSECL ان کمیونٹیوں پر مثبت اثر ڈالنے کی کوشش کر رہا ہے جن کی ہم خدمت کرتے ہیں۔ ہم کارپوریٹ گورننس (CCG) میں شفافیت، جوابدہی، اور اخلاقی کاروباری طرز عمل کو یقینی بنانے کے لیے بہترین طریقوں کو نافذ کرنے کے لیے بھی وقفہ رہے۔ ان اقدامات کے ذریعے، ہمارا مقصد اپنے اسٹیک ہولڈرز کے لیے طویل مدتی قدر پیدا کرنا اور ایک پائیدار مستقبل میں حصہ ڈالنا ہے۔

کارپوریٹ سماجی ذمہ داری اور ماحولیاتی انتظام اور ESG خطرات سے متعلق مقاصد:

کمپنی سال کے دوران تعلیم، صحت کی دیکھ بھال، اور تحفظ ماحولیات سے متعلق اپنی توجہ مرکوز سرگرمیوں کو یقینی بناتے ہوئے CSR اور ماحولیاتی انتظام کے پروگراموں کو شروع کرنے اور ان کی نگرانی میں مصروف رہی۔ اس کے مطابق، کمپنی کا بورڈ تمام اسٹیک ہولڈرز کے لیے قابل قدر پیدا کرنے اور ایک ذمہ دار کارپوریٹ شہری کے طور پر اہل ہونے کو یقینی بنانے کے اپنے عزم کے ساتھ ان مقاصد کے پیچھے کھڑا ہے۔

اسٹیٹ ہراسمنٹ:

کمپنی صفر واداری کے ساتھ کام کی جگہ پر ہراساں کرنے کے خلاف ایک جامع طریقہ کار کو برقرار رکھتی ہے۔ یہ اس بات کو یقینی بناتا ہے کہ تمام ملازمین، صنف یا پوزیشن سے قطع نظر، ایک محفوظ اور باعزت ماحول میں کام کریں۔ ملازمین کی حوصلہ افزائی کی جاتی ہے کہ وہ فوری اور منصفانہ تحقیقات کے لیے HR ڈیپارٹمنٹ کو شکایات کی خفیہ اطلاع دیں۔

صنعتی تنخواہ کا فرق:

کمپنی تمام ملازمین کے ساتھ مساوات اور انصاف کے ساتھ برتاؤ کرنے کے لیے پرعزم ہے، اس بات کو یقینی بناتے ہوئے کہ تنخواہ میں صنفی فرق موجود نہ ہو۔ ملازمین کے معاوضے کا تعین بغیر کسی صنفی امتیاز کے تجربہ، سیارٹی، ذمہ داریوں اور کارکردگی کی بنیاد پر کیا جاتا ہے۔

1	مطلب حیدر پے گیپ	8.67%
2	میڈین صنفی تنخواہ کا فرق	26.73%

بورڈ آف ڈائریکٹرز کے اجلاس:

زیر جا رہ مدت کے دوران کمپنی کے بورڈ آف ڈائریکٹرز کے 3 اجلاس منعقد ہوئے۔ ان اجلاسوں میں ڈائریکٹرز کی حاضری حسب ذیل تھی:

حاضری رپورٹ:

کمپنیز ایکٹ 2017 کے سیکشن 227 کے تحت انکشافات:

کمپنیز ایکٹ 2017 کے سیکشن 227 کی تعمیل میں مالی سال کے دوران کمپنی کے ڈائریکٹرز کے طور پر کام کرنے والے افراد کے نام ذیل میں درج ہیں:

1۔ بورڈ کے ایکشن سے پہلے اجلاسوں کی تفصیل:

نمبر شمار	ڈائریکٹر کا نام	زمرہ	میٹنگز کی کل تعداد	میٹنگز کی تعداد میں شرکت کی۔
1	جناب شعیب میر	چیئر مین / آزاد ڈائریکٹر	2	2
2	جناب آفتاب احمد چوہدری	چیف ایگزیکٹو آفیسر	2	2
3	محترمہ آسیہ ریاض	مان ایگزیکٹو ڈائریکٹر	2	2
4	حافظ مد عالم	مان ایگزیکٹو ڈائریکٹر	2	2
5	جناب محمد اقبال	مان ایگزیکٹو ڈائریکٹر	2	-
6	جناب رحمان الحق صاحب	مان ایگزیکٹو ڈائریکٹر	2	1
7	محترمہ شانمہ صدیقی	آزاد ڈائریکٹر	2	1

2. بورڈ کے انتخاب کے بعد میٹنگز کی تفصیل:

نمبر شمار	ڈائریکٹر کا نام	زمرہ	میٹنگز کی کل تعداد	میٹنگز کی تعداد میں شرکت کی۔
1	جناب شعیب میر	چیئر مین / آزاد ڈائریکٹر	1	1
2	جناب آفتاب احمد چوہدری	چیف ایگزیکٹو آفیسر	1	1
3	محترمہ آسیہ ریاض	نان ایگزیکٹو ڈائریکٹر	1	1
4	محترمہ رفعت شاہین	نان ایگزیکٹو ڈائریکٹر	1	1
5	سید محمد طالب رضوی	نان ایگزیکٹو ڈائریکٹر	1	1
6	جناب رحمان الحق صاحب	آزاد ڈائریکٹر	1	1
7	محترمہ ارم مقبول عامر	آزاد ڈائریکٹر	1	1

لسنڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے ضابطہ نمبر 34 (2) کے تحت انکشافات:

ضابطہ نمبر 34 (2) کی تعمیل میں، بورڈ کی تشکیل حسب ذیل ہے:

ڈائریکٹرز کی کل تعداد: سات (7) (مرد: 4 اور خواتین: 3)

نمبر شمار	ڈائریکٹر شپ کی نوعیت	ڈائریکٹر کا نام
1	ایگزیکٹو ڈائریکٹر:	جناب آفتاب احمد
2	غیر ایگزیکٹو ڈائریکٹر:	محترمہ آسیہ ریاض
3		محترمہ رفعت شاہین
4		سید محمد طالب رضوی
5		جناب شعیب میر
6	آزاد ڈائریکٹر:	جناب رحمان الحق صاحب
7		محترمہ ارم مقبول عامر

ڈائریکٹرز کا معاوضہ:

فی الحال، چیف ایگزیکٹو آفیسر کو تنخواہ اور مراعات ادا کی جاتی ہیں جیسا کہ بورڈ نے کمپنی کی آرٹیکلز آف ایسوسی ایشن اور ایچ آر پالیسی کے تحت منظور کیا ہے۔ بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لیے مینٹگ فیس کے علاوہ کسی دوسرے ڈائریکٹر کو کمپنی سے اضافی معاوضہ نہیں ملتا۔ مالی بیانات میں تفصیلی اعداد و شمار کا انکشاف کیا گیا ہے۔

بورڈ کی کارکردگی کا سالانہ جائزہ:

جیسا کہ لسنڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تحت ضرورت ہے، بورڈ، اس کے انفرادی ممبران، اور اس کی کمیٹیوں کی کارکردگی کا سالانہ جائزہ لیا گیا تاکہ قائم شدہ مقاصد کے خلاف تاخیر کی پیمائش کی جاسکے۔ اس جائزے کی بنیاد پر بورڈ اور اس کی کمیٹیوں کی مجموعی کارکردگی کو سال بھر کے لیے تسلی بخش قرار دیا گیا۔

بورڈ کی قانونی اور مشاورتی کمیٹیاں:

بورڈ نے تین سال کی مدت کے لیے درج ذیل قانونی اور مشاورتی کمیٹیاں تشکیل دی ہیں۔

بورڈ آڈٹ کمیٹی: (BAC)

بورڈ آڈٹ کمیٹی تین (3) نان ایگزیکٹو ڈائریکٹرز (NEDs) پر مشتمل ہے، بشمول ایک آزاد ڈائریکٹر جو بطور چیئر مین کام کرتا ہے۔

نمبر شمار	نام	حیثیت
1	محترمہ ارم مقبول عامر	چیئر مین
2	محترمہ آسیہ ریاض	ممبر
3	سید محمد طالب رضوی	ممبر

اسانی وسائل اور معاوضہ کمیٹی: (HRRC)

ہیومن ریسورس اینڈ ریمونیشن کمیٹی تین (3) ماں ایگزیکٹو ڈائریکٹر پر مشتمل ہوتی ہے، بشمول ایک آزاد ڈائریکٹر جو بطور چیئر مین کام کر رہا ہے۔

نمبر شمار	نام	حیثیت
1	جناب شعیب میر	چیئر مین
2	جناب رحمان الحق صاحب	ممبر
3	سید محمد طالب رضوی	ممبر

متعلقہ پارٹی لین دین:

بورڈ آف ڈائریکٹرز نے متعلقہ کمپنیوں اور متعلقہ فریقوں کے ساتھ کاروبار کے معمول کے دوران ایک بازو کی لمبائی کی بنیاد پر کئے گئے تمام لین دین کی منظوری دی۔

شیئر ہولڈنگ کمپنیز:

30 جون 2026 تک کمپنی کے شیئر ہولڈنگ کمپنیز اس رپورٹ کے ساتھ ضابطہ کارپوریٹ گورننس کی ضروریات کے مطابق منسلک ہے۔

مالیاتی رپورٹنگ:

بورڈ آڈٹ کمیٹی نے بورڈ کی منظوری کے لیے کمپنی کے سالانہ مالیاتی گوشواروں کے مسودے کا جائزہ لیا، بحث کی اور سفارش کی۔ کمیٹی نے CFO، ہیڈ آف انٹرئل آڈٹ (HIA) اور ایکسٹرنل آڈیٹرز کے ساتھ مالیاتی گوشواروں کی تیاری میں لاگو اکاؤنٹنگ پالیسیوں، تخمینوں اور فیصلوں کے بارے میں بات چیت کی۔

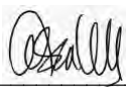
اعترافات:

بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP)، پاکستان اسٹاک ایکسچینج (PSX) اور دیگر ریگولیٹری اتھارٹیز سے موصول ہونے والی قابل قدر رہنمائی اور تعاون کو سراہتا ہے۔

مرید برآں، ہم اپنے شیئر ہولڈرز کے مسلسل اعتماد اور اعتماد کے لیے ان کا تہہ دل سے شکریہ ادا کرتے ہیں، اور کمپنی کی رقی کے لیے انتظامیہ اور ملازمین کی محنت اور عزم کے لیے ان کی تعریف کرتے ہیں۔

بورڈ آف ڈائریکٹرز کے لیے اور اس کی جاب سے

ایل ایس ای کیپٹل لمیٹڈ



ڈائریکٹر



چیف ایگزیکٹو آفیسر

مارچ 2، 2026

جگہ: لاہور۔

Pattern of Shareholding as on June 30, 2026

Number of Shareholders	Shareholdings			Total Number of Shares Held
	From		To	
3562	1	-	100	83,680
996	101	-	500	256,314
460	501	-	1000	358,059
1125	1001	-	5000	2,851,876
393	5001	-	10000	3,020,590
176	10001	-	15000	2,246,911
115	15001	-	20000	2,100,210
100	20001	-	25000	2,307,548
62	25001	-	30000	1,749,518
40	30001	-	35000	1,323,581
32	35001	-	40000	1,226,512
28	40001	-	45000	1,199,173
67	45001	-	50000	3,315,109
21	50001	-	55000	1,114,657
17	55001	-	60000	1,009,018
14	60001	-	65000	881,110
14	65001	-	70000	963,285
16	70001	-	75000	1,174,934
13	75001	-	80000	1,032,094
5	80001	-	85000	417,983
10	85001	-	90000	884,786
9	90001	-	95000	841,694
40	95001	-	100000	3,989,927
15	100001	-	105000	1,537,958
7	105001	-	110000	759,325
1	110001	-	115000	113,198
3	115001	-	120000	351,500
9	120001	-	125000	1,111,744
5	125001	-	130000	640,226
3	130001	-	135000	399,054
8	135001	-	140000	1,108,926
1	140001	-	145000	145,000
16	145001	-	150000	2,398,900
6	150001	-	155000	909,853
5	155001	-	160000	791,146
4	160001	-	165000	653,024
5	165001	-	170000	836,465
5	170001	-	175000	865,057
3	175001	-	180000	531,600
2	180001	-	185000	367,884
6	185001	-	190000	1,137,414
4	190001	-	195000	765,743

16	195001	-	200000	3,186,018
32	200001	-	205000	6,496,410
3	205001	-	210000	619,977
2	210001	-	215000	423,654
4	215001	-	220000	869,401
1	220001	-	225000	224,216
3	225001	-	230000	684,852
2	230001	-	235000	463,830
5	235001	-	240000	1,195,918
5	245001	-	250000	1,244,105
2	250001	-	255000	500,600
2	255001	-	260000	516,940
2	260001	-	265000	524,400
1	265001	-	270000	270,000
1	275001	-	280000	277,773
5	280001	-	285000	1,416,850
1	285001	-	290000	286,000
6	295001	-	300000	1,800,000
39	300001	-	305000	11,878,816
1	315001	-	320000	316,832
2	320001	-	325000	641,446
2	330001	-	335000	665,413
1	335001	-	340000	337,000
5	345001	-	350000	1,750,000
1	355001	-	360000	360,000
1	365001	-	370000	366,700
2	375001	-	380000	757,385
1	385001		390000	386,514
1	390001		395000	393,204
5	395001		400000	2,000,000
1	405001		410000	405,836
2	410001		415000	822,010
2	415001		420000	839,500
1	420001		425000	424,854
6	425001		430000	2,558,939
1	430001		435000	432,744
1	455001		460000	456,872
1	470001		475000	474,261
3	495001		500000	1,500,000
20	505001		510000	10,152,660
3	540001		545000	1,626,909
1	550001		555000	553,000
3	555001		560000	1,674,220
1	575001		580000	576,906
2	580001		585000	1,164,377
1	600001		605000	601,482
1	605001		610000	605,850

1	615001	620000	616,652
1	620001	625000	625,000
2	625001	630000	1,254,453
1	685001	690000	688,490
2	695001	700000	1,400,000
5	710001	715000	3,553,450
1	720001	725000	721,000
1	735001	740000	735,800
1	745001	750000	750,000
1	760001	765000	761,631
1	800001	805000	800,850
1	805001	810000	810,000
1	815001	820000	815,500
1	840001	845000	843,901
1	860001	865000	861,630
1	895001	900000	900,000
1	945001	950000	950,000
5	995001	1000000	4,997,308
1	1115001	1120000	1,115,738
1	1250001	1255000	1,250,828
1	1335001	1340000	1,340,000
1	1375001	1380000	1,378,553
1	1495001	1500000	1,500,000
1	1510001	1515000	1,515,000
1	1585001	1590000	1,586,850
1	1805001	1810000	1,805,486
1	1910001	1915000	1,914,910
1	1925001	1930000	1,927,435
1	2150001	2155000	2,150,900
1	2160001	2165000	2,165,000
1	2175001	2180000	2,176,922
1	3120001	3125000	3,123,990
1	3495001	3500000	3,498,217
1	3710001	3715000	3,712,987
1	3820001	3825000	3,822,300
1	3880001	3885000	3,882,095
1	9000001	9005000	9,004,547
1	10595001	10600000	10,597,391
1	12960001	12965000	12,964,444
1	14545001	14550000	14,548,099
1	20020001	20025000	20,021,501
1	22235001	22240000	22,237,859
1	48060001	48065000	48,062,162
1	72110001	72115000	72,113,861
7681			387,000,000

Pattern of Shareholding as at June 30, 2026

S.No	Categories of Shareholders	Shares Held	Percentage
1	Directors, Chief Executive Officer their Spouse(s) and Minor Children, if any.	20,021,545	5.17
2	Associated Companies, Undertakings and Related Parties	132,700,849	34.29
3	Executives	-	-
4	NIT and ICP	30,042	0.01
5	Banks Development Financial Institutions, Non Banking Financial Institutions	27,922	0.01
6	Insurance Companies	33,514	0.01
7	Modarabas and Mutual Funds	508,140	0.13
8	Joint Stock Companies	17,627,797	4.55
9	Others	848,432	0.22
10	General Public	215,201,759	55.61
		387,000,000	100.00
	Shareholders holding 10% Shares or more		
	LSE Venture Limited	72,113,861	18.63 %
	Zahid Latif Khan Securities (Pvt) Ltd.	48,062,162	12.42 %

Associated Companies, undertakings and related parties.

LSE Ventures Limited	1	72,113,861	
Zahid Latif Khan Securities (Pvt) Ltd.	1	48,062,162	
ACME Mills (Private) Limited	1	10,597,391	
ICON Management (Private) Limited	1	1,927,435	
		132,700,849	34.29 %

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

Following is gender pay gap calculated for the year ended June 30, 2026

- i. Mean Gender Pay Gap: 8.67 %
- ii. Median Gender Pay Gap: 26.73 %
- 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:



Chief Executive Officer

Date: October 2, 2026

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company: LSE Capital Limited
Year ended: June 30, 2026

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

1. The total number of directors are seven (7) as per the following: -
 - a. Male: 4
 - b. Female: 3
2. The composition of the Board is as follows:
 - i. Independent directors: Mr. Shoaib Mir
Mr. Rehman ul Haq
Ms. Iram Maqbool Aamir
 - ii. Non-Executive directors: Ms. Aasiya Riaz
Ms. Riffat Shaheen
Syed Muhammad Talib Rizvi
 - iii. Executive director: Mr. Aftab Ahmad
 - iv. Female director: Ms. Aasiya Riaz
Ms. Riffat Shaheen
Ms. Iram Maqbool Aamir
3. The directors have confirmed that none of them is serving as a director on more than seven (7) listed companies, including this company;
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. The Board has arranged Directors' Training program for the following:
 - a) Mr. Shoaib Mir
 - b) Mr. Aftab Ahmad
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. The Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:
 - a) Audit Committee:

Sr. No.	Name	Status
1.	Ms. Iram Maqbool Aamir	Chairman
2.	Ms. Aasiya Riaz	Member
3.	Syed Muhammad Talib Rizvi	Member
 - b) Human Resources & Remuneration and Compensation Committee:

Sr. No.	Name	Status
1.	Mr. Shoaib Mir	Chairman
2.	Mr. Rehman ul Haq	Member
3.	Syed Muhammad Talib Rizvi	Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings of the Committees were as per following:-
 - a) Audit Committee - *2 meetings were held during the year*
 - b) Human Resources & Remuneration and Compensation Committee - *HRRC meeting was held on June 30th, 2026.*
15. The Board has appointed the resource for the internal audit function while considering suitably qualified and experienced for the purpose and conversant with the policies and procedures of the company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirements and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that during the FY ended June 30th, 2025, the applicable and relevant requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations were complied with, except:

Mandatory Requirement	Reg. Ref.	Explanation
Frequency of Audit Committee Meetings: The Audit Committee of a company shall meet at least once every quarter of the financial year.	27 (2) (i)	The Audit Committee could not meet in each separate quarter for the following reasons: 1. Consequent to the extension of one month taken by the Company to hold the last AGM, the Audit Committee reviewed both the Annual Audited Financial Statements for the year ended June 30, 2025 and the un-audited financial statements for the first quarter ended September 1st, 2025 in the same meeting held on November 1st, 2025. 2. Since, the election of the new Board held in the last AGM dated November 27, 2025, the Board Committees were formed in the very first meeting of the Board held on February 27, 2026. The half yearly reviewed financial statements were reviewed and approved by the Board in this meeting.
Frequency of Board of Directors Meetings: The Board of a public listed company shall meet at least once in each quarter.	176(3) of the Companies Act, 2017	Consequent to the extension of one month taken by the Company to hold the last AGM, the Board considered and approved both the Annual Audited Financial Statements for the year ended June 30, 2025 and the un-audited financial statements for the first quarter ended September 1 st , 2025 in the same meeting held on November 1 st , 2025.

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Non-Mandatory Requirement	Reg. Ref.	Explanation
Sustainability Committee: The board may establish a dedicated sustainability committee having at least one female director.	10A(5)	The Board has tasked the Audit Committee to oversee Sustainability related matters of the Company. Therefore, the constitution of a separate Sustainability Committee is not necessary.
Directors' Training It is encouraged that by June 30, 2022, all the directors on Boards shall have acquired the prescribed certification under any director training program.	19(1)	The directors required to acquire the director training, shall be arranged to have their director training program certification within the next period of one year, as required under the relevant regulations.

Nomination Committee The Board may constitute a separate committee, designated as the nomination committee.	29(1)	The responsibilities as prescribed for the Nomination Committee are being taken care of at Board level as and when needed, so a separate committee is not Considered to be necessary at present.
Risk Management Committee The Board may constitute the risk management committee.	30(1)	The Board has tasked the Audit Committee to oversee Risk Management related matters of the Company therefore, a separate committee has not been constituted.



Chairman

Lahore.
October 2, 2026

AUDITOR'S REPORT ON CODE OF CORPORATE GOVERNANCE

**INDEPENDENT AUDITOR'S 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 year ended **June 30, 2026**, in accordance with the requirements of Regulation No. 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 which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the Regulations as applicable to the Company for the year ended June 30, 2026.

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:

Sr. No.	Paragraph Reference	Description
1.	18	The meeting of Audit Committee was not held in the first and third quarter of the year.
2.	18	The meeting of Board of Directors was not held in the first quarter of the year.
3.	19	The Board has not set up a dedicated sustainability committee.
4.	19	The Board has not completed directors' training program certification expect two directors.

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Sr. No.	Paragraph Reference	Description
5.	19	The Board has not set up a nomination committee.
6.	19	The Board has not set up a risk and management committee.



Ilyas Saeed & Co.
Chartered Accountants

Lahore

Dated: *October 02, 2026*

UDIN: CR202610278EqLdWjn1m

AUDITOR'S REPORT TO THE SHAREHOLDERS

AND

UN-CONSOLIDATED

**AUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED JUNE 30, 2026**

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

Opinion

We have audited the annexed unconsolidated financial statements of **LSE CAPITAL LIMITED** (the Company), which comprise the unconsolidated statement of financial position as at **June 30, 2026** and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated 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 unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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, 2026 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the unconsolidated 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 unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated 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:

Sr. No.	Key Audit Matter	How the Matter Was Addressed in Our Audit
1.	Investment in Subsidiaries & Associates (Refer note 6 to the annexed unconsolidated financial statements)	Our audit procedures in respect of this area included:

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Investment in subsidiaries and associates as at June 30, 2026 amounted to Rs. 1,576.78 million. Investment in subsidiaries is stated at cost in accordance with IAS 27, "Separate Financial Statements", while investment in associates is accounted for under the equity method in accordance with IAS 28, "Investments in Associates and Joint Ventures". During the year, the Company acquired additional shares in Digital Custodian Company Limited (DCCL), an entity previously accounted for as an associate, resulting in the Company obtaining control and its reclassification as a subsidiary. Additionally, the Company's shareholding in LSE SPAC-I Limited, an existing subsidiary, was diluted pursuant to its Initial Public Offering, and management assessed that control over the subsidiary continued to be retained notwithstanding the reduction in ownership interest. The Company also incorporated new subsidiaries, namely LSE SPAC-II Limited, LSE SPAC-III Limited, LSE Associates Limited, LSE Management Limited and LSE Company Limited, and a new associate, LSE Financial Services Limited, during the year. In view of the significance of investment in subsidiaries and associates in relation to total assets, we have considered it as a key audit matter.	Our audit procedures in respect of this matter, among others, included the following: • Obtained an understanding of, and evaluated, management's process for assessing control and significant influence over investee entities; • Reviewed supporting documentation for the step acquisition of Digital Custodian Company Limited and evaluated management's basis for concluding that control was obtained; • Evaluated management's basis for concluding that control over LSE SPAC-I Limited was retained despite the dilution in shareholding pursuant to its IPO; • Reviewed incorporation and acquisition documents for the new subsidiaries and associate acquired during the year and assessed the appropriateness of their classification; • Verified the cost of investments in subsidiaries to underlying supporting documents, and tested the equity method applied to investments in associates, including recomputation of the Company's share of profit or loss; • Assessed the adequacy of the related disclosures in note 6 to the unconsolidated financial statements in accordance with the requirements of the applicable accounting standards.
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Information Other than the Unconsolidated 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 unconsolidated financial statements of the company and our auditor's report thereon.

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in 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.

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

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

In preparing the unconsolidated 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 Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated 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.

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- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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 unconsolidated 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 precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The unconsolidated financial statements of the Company for the year ended June 30, 2025 were audited by another firm of auditors who expressed an unmodified opinion on those unconsolidated financial statements on November 01, 2025.

The engagement partner on the audit resulting in this independent auditor's report is Bushra Sana.



Ilyas Saeed & Co.
 Chartered Accountants
 Lahore

Dated: *October 02, 2026*

UDIN: AR202610278KjdHgIZEX

LSE CAPITAL LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

		2026	2025
	Note	Rs. in thousands	
ASSETS			
Non Current Assets			
Property and equipment	4	1,305,177	1,322,993
Right of use asset	5	36,563	45,704
Investment in subsidiaries and associates	6	1,576,783	1,075,510
Investment property	7	461,758	456,276
Net investment in finance lease	8	4,272	4,274
Long term deposits	9	2,719	2,719
		3,387,272	2,907,476
Current Assets			
Inventories	10	2,255	2,442
Short term investments	11	636,020	481,627
Trade and other receivables	12	79,546	55,063
Advances, deposits and prepayments	13	14,684	25,352
Tax refunds due from the Government - net	14	36,907	24,833
Cash and bank balances	15	62,265	31,862
		831,677	621,179
TOTAL ASSETS		4,218,949	3,528,655
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Share Capital			
Authorized Share Capital	16	2,600,000	2,500,000
Issued, subscribed and paid-up share capital	17	1,935,000	1,811,534
Capital Reserves:			
Surplus on revaluation of property and equipment	18	73,975	74,624
Building reserve fund	19	13,967	6,593
Merger reserve		289,814	289,814
Fair value reserve		19,856	63,891
Revenue Reserve:			
Unappropriated profit		1,322,422	920,181
		1,720,034	1,355,102
Total Equity		3,655,034	3,166,637
Non Current Liabilities			
Long term financing	20	-	36,670
Other liabilities	21	43,748	43,095
Deferred tax liability	22	105,774	83,594
		149,522	163,359
Current Liabilities			
Trade and other payables	23	363,560	133,245
Current portion of long term financing	24	36,671	33,781
Loan from director	25	-	-
Accrued markup on financing	26	251	17,824
Unclaimed dividend		13,911	13,809
		414,393	198,659
TOTAL EQUITY AND LIABILITIES		4,218,949	3,528,655
Contingencies and Commitments			
	27	-	-

The annexed notes from 1 to 48 form an integral part of these financial statements.

ISCG

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	Rs. in thousands	
Revenue - net	28	138,267	145,428
Operating expenses			
Administrative and general expenses	29	(182,747)	(189,378)
Other Expenses	30	(6,911)	(2,435)
Operating loss		(51,391)	(46,385)
Other income	31	167,041	326,051
Income from associates	32	397,090	106,087
Profit before interest, levy and taxation		512,740	385,753
Finance cost	33	(63,097)	(79,259)
Profit before levy and taxation		449,643	306,494
Levy	34	(4,171)	(20,991)
Profit before taxation		445,472	285,503
Taxation	35	(43,879)	(46,916)
Profit for the year		401,592	238,587
Earnings Per Share - Basic and Diluted - (Restated)	36	1.07	0.65

The annexed notes from 1 to 48 form an integral part of these financial statements.

ISCO

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	Rs. in thousands	
Profit for the year		401,592	238,587
Other Comprehensive Income			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Share in OCI of associate - net of tax	6.1.1	(51,806)	51,374
Impact of deferred tax	22.3	7,771	(7,706)
		(44,035)	43,668
Total Comprehensive Income for the Year		357,557	282,255

The annexed notes from 1 to 48 form an integral part of these financial statements.

ISCO

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Share Capital	Capital Reserves				Revenue Reserve		Total Reserves	Total Equity
		Surplus on Revaluation of Property and Equipment	Building Reserve	Merger Reserve	Fair value Reserve	Unappropriated Profit			
-----'Rs. in thousands-----									
Balance as at June 30, 2024	1,811,534	75,822	1,682	289,814	20,223	771,795	1,159,336	2,970,870	
Profit for the year	-	-	-	-	-	238,587	238,587	238,587	238,587
Other comprehensive income	-	-	-	-	43,668	-	43,668	43,668	43,668
Total comprehensive income for the year	-	-	-	-	43,668	238,587	282,255	282,255	282,255
Amount collected from building occupants for fixed assets replacement fund	-	-	4,911	-	-	(822)	4,089	4,089	4,089
Transfer of incremental depreciation on property and equipment net of deferred tax	-	(1,198)	-	-	-	1,198	-	-	-
Transactions with owners of the Company									
Cash dividend @ Rs. 0.50 per share for the year ended June 30, 2024	-	-	-	-	-	(90,577)	(90,577)	(90,577)	(90,577)
Balance as at June 30, 2025	1,811,534	74,624	6,593	289,814	63,891	920,181	1,355,103	3,166,637	
Profit for the year	-	-	-	-	-	401,592	401,592	401,592	401,592
Other comprehensive income	-	-	-	-	(44,035)	-	(44,035)	(44,035)	(44,035)
Total comprehensive income for the year	-	-	-	-	-	401,592	357,557	357,557	357,557
Transfer of incremental depreciation on property and equipment net of deferred tax	-	(649)	-	-	-	649	-	-	-
Transfer to building reserve	-	-	7,374	-	-	-	7,374	7,374	7,374
Issue share capital (24,693,310 Right shares @ 5 each)	123,466	-	-	-	-	-	-	-	123,466
Balance as at June 30, 2026	1,935,000	73,975	13,967	289,814	19,856	1,322,422	2,077,591	3,655,034	

The annexed notes from 15 to 48 form an integral part of these financial statements.

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DIRECTOR


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	Rs. in thousands	
Cash (Used in) / Generated from Operations	37	177,021	(246,816)
Finance cost paid		(62,846)	(65,387)
Income tax paid		(25,178)	(30,502)
Net Cash (Used in) / Generated from Operating Activities		88,997	(342,705)
Cash Flows from Investing Activities			
Proceeds from disposal of property and equipment		256	329
Profit on saving bank accounts	31	2,338	6,678
Purchase of operating fixed assets	4	(2,170)	(21,746)
Capital work in progress incurred	4	-	(166)
Running musharikhah financing provided during the year	11	50,000	(50,000)
Proceeds from encashment of investments - net		35,419	356,332
Disbursement of advance for purchase of unlisted securities	11	(240,601)	(60,000)
Investment made in the share capital of subsidiary company		(157,870)	(10,000)
Investment made in the share capital of associated companies	6	(57,500)	(60,197)
Investment realized / (made) in Margin Trading system through LSEFSL		-	17,644
Net investment in finance lease - rentals		342	343
Return received on musharikhah financing		116,344	125,600
Rentals received during the year		47,829	39,024
Dividend received		50,062	50,205
Long term deposits paid	9	-	(2,171)
Net Cash Generated from / (Used in) Investing Activities		(155,551)	391,875
Cash Flows from Financing Activities			
Loan (repaid) / obtained from director	25	-	(100,000)
Repayment of long term financing	20	(33,781)	(26,283)
Subscription money received against right issue		123,466	-
Dividend paid during the year		(102)	(87,126)
Amounts collected from building occupants against Building reserve		7,374	4,089
Net Cash (Used in) / Generated from Financing Activities		96,957	(209,320)
Net (Decrease) / Increase in Cash and Cash Equivalents		30,403	(160,150)
Cash received from merging entities		-	-
Cash and cash equivalents at beginning of the year	15	31,862	192,012
Cash and cash equivalents at end of the year	15	62,265	31,862

The annexed notes from 1 to 48 form an integral part of these financial statements.

ISCO

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	Rs. in thousands	
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The annexed notes from 1 to 48 form an integral part of these financial statements.

ISCo

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND ITS NATURE OF BUSINESS

1.1 Legal status and operations

LSE Capital Limited ("LSECL"), formerly known as Bank Islami Modaraba Investments Limited, was incorporated in Pakistan on January 22, 1986, as an unlisted public limited company under the repealed Companies Ordinance, 1984, now replaced by the Companies Act, 2017. Subsequently, the Company was registered as a Modaraba Company with the Registrar of Modaraba Companies and Modarabas under the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980.

Pursuant to a Court-sanctioned Scheme of Merger, Modaraba Al-Mali and LSE PropTech Limited were merged with and into LSE Capital Limited. As a consequence of the merger, the Company obtained its listing status on the Pakistan Stock Exchange Limited ("PSX") on April 3, 2024. The Company is licensed to act as a Consultant to the Issue for initial public offerings (IPOs) and to provide corporate finance advisory services.

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

Business Unit	Geographical Location
Head office / Registered Office	The Exchange Hub, LSE Plaza, 19, Khayaban-e-Aiwan-e-Iqbal, Lahore.

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.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention without taking into account the effects for inflation or current values, except to the extent of following:

Net investment in finance lease	8	(stated at Present value)
Certain property and equipment	4	(stated at Fair value)
Investment property	7	(stated at Fair value)
Financial Assets	11	(stated at Fair value and certain at amortized cost)
Trade and other receivables	12	(stated at carrying amount less impairment for expected credit loss)
Investment in associates	6	(stated at equity method)
Inventories	10	(stated at lower of cost and net realizable value)
Certain liabilities and payables	23	(stated at amortized cost)
Deferred tax liability	22	(stated as per IAS-12 "Income taxes")
Provisions	23.1	(stated as per best estimate)
Right of use asset	5	(stated at present value of future lease payments)
Lease liability	20	(stated at present value of future lease payments)

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. In these financial statements, 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.

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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.

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 in Subsidiaries and Associates

Investment in subsidiaries are carried under cost whereas investment in associates is accounted for under equity method in accordance with the Company's accounting policy relating to their recognition and measurement. Provision against investments is based on impairment policy of the Company which includes both subjective and objective factors.

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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 New standards, interpretations of and amendments to published approved accounting standards**2.5.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current year:**

There are certain amendments to the published approved accounting standards that are effective in the current year. However, these do not have any significant impact on the Company's operations and, therefore, have not been detailed in these financial statements.

	Effective date (annual periods beginning on or after)
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

2.5.2 New accounting standards, amendments and interpretations that are not yet effective

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 01, 2025 but are considered not to be relevant or will not have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 10 'Consolidated financial statements'	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026
IAS 7 (Statement of Cash Flows)	January 01, 2026
IFRS 18 'Presentation and Disclosures in Financial Statements'	January 01, 2027
IFRS 19 'Subsidiaries without Public Accountability: Disclosures'	January 01, 2027
IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'	January 01, 2027
IFRS S2 'Climate-related Disclosures'	January 01, 2027

2.5.3 In addition to the above, the IASB has issued the following standards and interpretations which, as of June 30, 2026, have not been notified by the Securities and Exchange Commission of Pakistan (SECP) for local adoption. The Company will evaluate the impact of these pronouncements once they are notified for application in Pakistan.

IFRS 1 First-time Adoption of International Financial Reporting Standards
IFRS 20 Regulatory Assets and Regulatory Liabilities
IFRIC 12 Service Concession Arrangements

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 for all accounting periods presented, 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.

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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 the statement of profit or loss on the reducing balance method so as to write off the depreciable amount of an asset over its estimated economic useful life using the annual rates mentioned in Note 5.1. Depreciation on additions is charged from the date the asset is available for use and is calculated on a time-apportioned basis up to the date of disposal. No depreciation is charged from the date an asset is disposed of.

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.

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.

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

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) Amortized 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 amortized cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognized 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 recognized in profit or loss.

c) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortized 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 recognized 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 recognized in profit or loss. Dividends from such investments continue to be recognized 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.

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 recognizes 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 recognized 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 amortized cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognized 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.

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 amortized 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 categorized as current income tax.

3.7.2 Current tax

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.

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.

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3.7.3 Deferred tax

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 subsidiary and associates

Investments in subsidiaries and associates where the Company has control / significant influence are measured at cost less impairment, if any, in the Company's separate financial statements and subsequently under equity method in case of investment in associates. At each reporting date, the recoverable amounts of investments are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognized as expense in the statement of profit or loss.

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.

3.10 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.

3.11 Contract liabilities / advance from customers

A contract liability is recognized if a payment is received from a customer before the Company transfers the related goods. Contract liabilities are recognized 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.

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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

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.

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Finance lease income

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.

3.20 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.

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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.

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4 PROPERTY AND EQUIPMENT

	Note	2026	2025
		Rs. in thousands	Rs. in thousands
Operating fixed assets	4.1	1,298,353	1,316,169
Capital work in progress - civil work	4.2	6,824	6,824
4.1 Operating Fixed Assets		1,305,177	1,322,993

Particulars	Cost / Revalued Amount			Accumulated Depreciation			Written Down Value as at June 30, 2026
	Balance as at July 01, 2025	Additions	Disposals	Balance as at June 30, 2026	Disposals	Charge for the year	
Owned assets	'Rs. in thousands			'Rs. in thousands			
Land freehold	1,111,508	-	-	1,111,508	-	-	1,111,508
Buildings on freehold land	134,982	-	-	134,982	-	6,412	121,821
Computer and accessories	19,232	1,395	(304)	20,323	(304)	1,345	3,592
Furniture and fixture	17,242	-	-	17,242	-	733	6,568
Office equipment	1,494	192	(85)	1,602	(85)	88	445
Electric fittings and appliances	137,872	583	(253)	138,202	(253)	6,006	26,409
Vehicles	17,112	-	-	17,112	-	3,248	12,992
Elevator	19,969	-	-	19,969	-	599	2,418
Generators	34,200	-	-	34,200	-	1,088	9,839
Arms and security equipment	6,310	-	-	6,310	-	307	2,762
Total	1,499,922	2,170	(642)	1,501,450	(642)	19,827	1,298,353

Particulars	Cost / Revalued Amount			Rate	Accumulated Depreciation			Written Down Value as at June 30, 2025
	Balance as at July 01, 2024	Additions	Disposals		Balance as at June 30, 2025	Charge for the year	Disposals	
Owned assets	----- 'Rs. in thousands -----			%	----- 'Rs. in thousands -----			
Land freehold	1,111,508	-	-	-	-	-	-	1,111,508
Buildings on freehold land	134,982	-	-	5%	-	6,749	6,749	128,233
Computer and accessories	30,580	1,036	(12,384)	30%	26,163	1,450	15,547	3,685
Furniture and fixture	17,636	625	(1,019)	10%	10,126	774	9,941	7,301
Office equipment	6,633	188	(5,327)	20%	6,406	66	1,146	348
Electric fittings and appliances	138,776	2,785	(3,689)	20%	102,174	7,499	(3,642)	31,841
Vehicles	497	17,112	(497)	20%	352	976	(457)	16,241
Elevator	19,969	-	-	20%	16,198	754	-	16,241
Generators	34,206	-	(6)	10%	22,064	1,214	(5)	3,017
Arms and security equipment	6,715	-	(405)	10%	3,285	343	(386)	10,927
Library books	318	-	(318)	25%	318	-	(318)	3,068
Leasehold improvements	5,697	-	(5,697)	20%	5,697	-	-	-
Total	1,507,517	21,746	(29,342)		192,783	19,825	(28,856)	1,316,169

4.1.1 The particulars of operating fixed assets disposed off during the year are as follows:

Particulars	Cost	Carrying amount	Sale price	Gain on disposal - Note 31	Particulars of the purchaser	Mode of disposal	Relationship with the purchaser
Computer and accessories							
Laptop HP Elite book	92	37	43	5	Ms. Iram Anwar Mr. Siddique ur rehman	As per Company's policy	Employee
Laptop HP Probook	212	105	105	-		As per Company's policy	Employee
	304	142	148	5			
Electric fittings and appliances							
Waves Deep freezer	36	3	4	-	Mr. Zulifqar Accounts Deptt	As per Company's policy	Employee
LCD TV	217	5	68	63		As per Company's policy	Employee
	253	8	72	63			
Office equipment							
Misc Equipments	85	7	37	30	Accounts Deptt	As per Company's policy	Employee
	85	7	37	30			
June 30, 2026	642	157	256	98			
June 30, 2025	1,170	328	328	-			

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4.1.2 Measurement of fair values

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.

4.1.3 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.)
The Exchange Hub, LSE Plaza, 19-Kashmir Egerton Road, Lahore.	Land and Building	44,141	North Tower: 98,678 Sqft South Tower : 103,460 Sqft

4.1.4 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:

	Note	2026 Rs. in thousands	2025 Rs. in thousands
Freehold land		1,059,660	1,059,660
Building on freehold land		91,347	96,154
		<u>1,151,007</u>	<u>1,155,814</u>

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

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

4.1.6 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.

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On April 03, 2024, LSE Proptech Limited has been merged into LSE Capital Limited as per the scheme of arrangement approved by Honourable Lahore High Court under order no. 78278/2023. The title of the land and building in possession of LSE Proptech Limited is ultimately transferred in the name of LSE Capital Limited.

- 4.1.7 The land and building is under the mortgage of Cordoba Leasing Limited as security for long term finance facility obtained as disclosed in the Note 20.2 of these financial statements.

4.2 Capital Work in Progress - civil work

	Note	2026 Rs. in thousands	2025 Rs. in thousands
The reconciliation of carrying amount is as follows:			
Balance at the start of the year		6,824	6,658
Addition during the year		-	166
Balance at the end of the year		<u>6,824</u>	<u>6,824</u>

This represents the expenditure incurred on the structural designs and other costs for the construction of 5th floor on south tower and Mezzanine floor in LSE Plaza.

5 RIGHT OF USE ASSET

	Note	2026 Rs. in thousands	2025 Rs. in thousands
Cost			
Balance at the start of the year		59,114	59,114
Addition during the year		-	-
Disposal during the year		-	-
Balance at the end of the year		<u>59,114</u>	<u>59,114</u>
Less: Accumulated Depreciation			
Balance at the start of the year		13,410	1,985
Depreciation charged during the year	29	9,141	11,425
Disposal during the year		-	-
Balance at the end of the year		<u>22,551</u>	<u>13,410</u>
Written down value as at June 30,		<u>36,563</u>	<u>45,704</u>
Depreciation rate (%) per annum		<u>20%</u>	<u>20%</u>

- 5.1 This represents 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 employees) at a consideration of Rs. 70 million with a lease term of 3 years. The lease will expire on April 18, 2027.
- 5.2 During the year, there were no disposals of right-of-use assets. Accordingly, no gain or loss arising from the disposal of right-of-use assets has been recognized during the year.

	Note	2026 Rs. in thousands	2025 Rs. in thousands
6 INVESTMENT IN SUBSIDIARIES AND ASSOCIATES			
Investment in Subsidiaries - at cost			
Digital Custodian Company Limited- unquoted			
21,602,156 fully paid ordinary shares of Rs. 10 each	6.1	209,794	-
LSE SPAC-I Limited			
10,999,996 fully paid ordinary shares of Rs. 10 each	6.2	110,000	10,000
Investment in wholly owned subsidiary - at cost			
LSE SPAC-II Limited - unquoted			
999,996 fully paid ordinary shares of Rs. 10 each	6.3	10,000	-
LSE SPAC-III Limited			
999,995 fully paid ordinary shares of Rs. 10 each	6.4	10,000	-
LSE Associates Limited			
9,997 fully paid ordinary shares of Rs. 10 each	6.5	100	-
LSE Management Limited			
997 fully paid ordinary shares of Rs. 10 each	6.6	10	-
LSE Company Limited			
1,000 fully paid ordinary shares of Rs. 10 each	6.7	10	-
		<u>339,914</u>	<u>10,000</u>

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Investment in associated companies - at equity method

		2026	2025
		Rs. in thousands	
Digital Custodian Company Limited	6.1	-	258,971
LSE Financial Services Limited	6.8	3,218	-
LSE Ventures Limited	6.9	1,233,651	806,539
		1,236,869	1,065,510
		1,576,783	1,075,510

- 6.1 Digital Custodian Company Limited ("DCCL") was incorporated on February 12, 1992 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited company. The status of the Company was converted from private limited company to unlisted public limited company on June 19, 2009. During March 2026 the Company acquired an additional 11.51% equity interest in DCCL for a consideration of PKR 27.75 million, increasing its total shareholding from 42.50% to 54.01%. Consequently, the Company obtained control over DCCL and the investment has been reclassified from an associate to a subsidiary. Accordingly, the Company has discontinued the application of the equity method from the date control was achieved. The previously held equity interest was remeasured to its fair value, resulting in a gain of approximately PKR 0.6 million, which has been recognized in the statement of profit or loss. Upon reclassification, the investment in DCCL has been recognized as an investment in subsidiary at cost, which comprises the fair value of the previously held interest at the date of acquisition and the consideration paid for the additional stake, in accordance with the Company's accounting policy under IAS 27.
- 6.2 LSE SPAC-I Limited (SPAC 1), a public listed company incorporated on March 09, 2025, under the provisions of the Companies Act, 2017. Upon incorporation, the Company fully subscribed to the issued share capital of LSE SPAC-I Limited, making it a wholly owned subsidiary. During the year, LSE SPAC-I Limited successfully completed its Initial Public Offering (IPO) and was listed on PSX on May 11, 2026. As a result, the Company's shareholding was diluted from 100% to 42.32%. Notwithstanding the reduction in its ownership interest, the Company continues to control LSE SPAC-I Limited, and accordingly it continues to be classified as a subsidiary. In these financial statements, the investment in the subsidiary is measured at cost in accordance with IAS 27.
- 6.3 LSE SPAC II Limited (SPAC 2) was incorporated in Pakistan as a public limited company on March 03, 2026. SPAC 2 is a Special Purpose Acquisition Company (SPAC) established with the sole purpose of raising capital through an Initial Public Offering (IPO) to undertake a merger, acquisition, or business combination with a target entity. SPAC 2 is a wholly owned subsidiary of LSE Capital Limited. The investment in the subsidiary is measured at cost in accordance with IAS 27.
- 6.4 LSE SPAC III Limited (SPAC 3) was incorporated in Pakistan as a public limited company on April 28, 2026. SPAC 3 is a Special Purpose Acquisition Company (SPAC) established with the sole purpose of raising capital through an Initial Public Offering (IPO) to undertake a merger, acquisition, or business combination with a target entity. SPAC 3 is a wholly owned subsidiary of LSE Capital Limited. The investment in the subsidiary is measured at cost in accordance with IAS 27.
- 6.5 LSE Associates limited was registered on July 28, 2025 as a public unlisted company limited by shares under the Companies Act, 2017. LSE Technologies is a wholly owned subsidiary of LSE Capital Limited. The investment in the subsidiary is measured at cost in accordance with IAS 27.
- 6.6 LSE Management Limited was registered on August 21, 2025 as a public unlisted company limited by shares under the Companies Act, 2017. LSE Management is a wholly owned subsidiary of LSE Capital Limited. The investment in the subsidiary is measured at cost in accordance with IAS 27.
- 6.7 LSE Company Limited was registered on August 22, 2025 as a public unlisted company limited by shares under the Companies Act, 2017. LSE Company is a wholly owned subsidiary of LSE Capital Limited. The investment in the subsidiary is measured at cost in accordance with IAS 27.
- 6.8 LSE Financial Services Limited (LSEFSL) was originally incorporated with the name of Lahore Stock Exchange (Guarantee) Limited under the repealed Companies Act, 1913 (now the Companies Act, 2017) on October 05, 1970 as a Company limited by guarantee. LSEFSL was re-registered as a public unlisted Company limited by shares on August 27, 2012. Consequent to the integration of all stock exchanges of the country on Jan 11, 2016, LSEFSL obtained an NBFC license to start functioning as an investment finance services company under the name LSE Financial Services Limited. The Company underwent a series of restructuring during 2023 and 2024. On May 31, 2024, the shares of LSEFSL started trading on PSX consequent to the transfer of the listing status from Modaraba Al-Mali (Modaraba) under the scheme of arrangement with its management company.
- 6.9 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 PSX 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.

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

2026			
LSEFSL	DCCL	LSEVL	Total
Rs. in thousands			
Balance as at July 01, 2025	-	258,971	806,539
Investment made during the year	-	57,500	57,500
Additional shares through Scheme of Arrangement	4,133	-	4,133
Share of profit / (loss) during the year	32 (454)	-	397,543
Share of comprehensive income	-	-	26,037
Adjustment arises from Scheme	32 (461)	(77,546)	(3,969)
Less: Transfer to investment in subsidiary	-	(181,425)	(81,976)
Less: Dividend received during the year	-	-	(50,000)
Balance as at June 30, 2026	3,218	-	1,233,651
Number of shares held	423,054	21,602,156	111,135,988
Shareholding in %age	1.57%	54.01%	27.84%

2025			
LSEFSL	DCCL	LSEVL	Total
Rs. in thousands			
Balance as at July 01, 2024	-	172,087	723,937
Investment made during the year	-	38,500	21,697
Share of profit / (loss) during the year	32 -	1,753	55,868
Share of comprehensive income	-	1,172	50,202
Gain on bargain purchase	-	45,459	3,007
Dividend received during the period	-	-	(48,172)
Balance as at June 30, 2025	-	258,971	806,539
Number of shares held	-	22,215,728	49,883,397
Shareholding in %age	-	42.50%	27.78%

6.1.2 Extracts of financial statements

	LSEFSL	LSEVL
Rs. in thousands		
Revenue	29,651	469,301
Profit after tax	(28,948)	1,427,959
Other comprehensive income	-	93,525
Total comprehensive income	(28,948)	1,521,484
Current assets	61,626	491,794
Non-current assets	216,644	4,730,264
Current liabilities	(72,923)	(216,189)
Non-current liabilities	-	(574,648)
	205,347	4,431,221
Proportion of the Company's ownership interest	1.57%	27.84%
	3,218	1,233,651

7 INVESTMENT PROPERTY

	Note	2026	2025
Rs. in thousands			
Balance at the start of the year		456,276	392,122
Gain on revaluation	31	11,932	64,154
Sale of Investment Property		(6,450)	-
Balance at the end of the year		461,758	456,276

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- 7.1 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 July 11, 2026 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 or 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 market 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 thousands					
Building on freehold land	Lahore	30,365 square feet	M/s Unicorn International Surveyors	461,758	392,494

- 7.2 The land and building is under the mortgage of Cordoba Leasing Limited as security for long term finance facility obtained as disclosed in the Note 20.2 of these financial statements.

8 NET INVESTMENT IN FINANCE LEASE

	Note	2026	2025
Rs. in thousands			
Balance as at July 01,		4,274	4,275
Transfer under merger scheme		-	-
Add: Finance income for the year		340	342
Less: Rental received during the year		(342)	(343)
Balance as at June 30,	8.1	4,272	4,274

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

	Note	2026	2025
Rs. in thousands			
Upto one year		343	343
Two to five years		1,374	1,374
Above five years		20,263	20,607
		21,980	22,324
Less: Discounting		(17,708)	(18,050)
Closing balance		4,272	4,274

- 8.2 The Company has entered into lease arrangements for lease of office spaces i.e. 101,504 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.

9 LONG TERM DEPOSITS

	Note	2026	2025
Rs. in thousands			
Deposit against :			
- Central Depository Company Limited		75	75
- Utilities		2,567	2,567
- Others		77	77
		2,719	2,719

10 INVENTORIES

Consumable store items		2,255	2,442
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11 SHORT TERM INVESTMENTS

Note

Rs. in thousands

At fair value through profit and loss

Investment in Equity Securities

- Listed securities

11.1	35,419	71,627
	35,419	71,627

At amortized cost

Musharika Financing

11.2	300,000	350,000
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Jamshoro Joint Venture Limited - unlisted shares

11.3	300,601	60,000
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	600,601	410,000
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	636,020	481,627
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11.1 Breakup of investment in listed equity securities is as under:

2026

Scripts	Symbol	Qty	Cost /Share	Cost	Market Rate	Fair Value
			Rs.		Rs. in thousands	
Ghani Chemical Industries Limited	GCIL	395,000	26.62	10,515	35.53	14,034
ITANZ Technologies	ITANZ	500,000	38.10	19,049	42.77	21,385
				29,564		35,419

2025

Scripts	Symbol	Qty	Cost /Share	Cost	Market Rate	Fair Value
			Rs.		Rs. in thousands	
Bank Islami Pakistan Limited	BIPL	260,000	30.36	7,895	35.82	9,313
ECOPACK Limited	ECOP	212,000	87.96	18,648	66.32	14,060
Invest Capital Investment Bank	ICIBL	1,200,000	6.82	8,185	10.27	12,324
MACPAC Films Limited	MACFL	285,000	27.06	7,711	49.38	14,073
TATA Textile Mills Limited	TATM	2,500	105.25	263	129.71	324
Ghani Chemical Industries Limited	GCIL	320,000	22.39	7,166	24.86	7,955
Blue Ex Limited (GEM)	GEMBLUE	194,500	65.00	12,643	61.81	12,022
Ghani Chemworld Limited	GCWL	160,000	-	-	9.72	1,555
				62,511		71,627

11.2 This represents a Musharika Financing facility of up to Rs. 300 million provided to AG Publications (Private) Limited through its Chief Executive Officer, Mr. Iqbal Z. Ahmad, at a pre-agreed Profit-Sharing Rate (PSR) of not less than 6-month KIBOR plus 20% or 3% per month, whichever is higher, for the revival of Jamshoro Joint Venture Limited (JJVL). The facility is recoverable in a lump sum after seven months from the date of disbursement, while PSR is payable on a monthly basis.

11.3 This represents the Company's investment in Jamshoro Joint Venture Limited (JJVL) and Energy Resource Business Limited (ERBL). During the year, the Company acquired 10% of the Class A ordinary shares of JJVL, comprising 9,691,012 ordinary shares, together with a 9.81% equity interest in ERBL, which holds 95% of the Class B shares of JJVL. As a result of these acquisitions, the Company obtained an effective indirect equity interest of approximately 9.66% in JJVL.

JJVL was established as the largest private sector liquefied petroleum gas (LPG) producer in Pakistan. The company commissioned its 200 MMSCFD LPG extraction plant in March 2005 and its 125 MMSCFD LPG extraction plant in October 2014.

12 TRADE AND OTHER RECEIVABLES

Note

2026 2025
Rs. in thousands

Trade receivables - unsecured

- From leaseholders

12.1	16,432	9,425
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- From tenants

12.2	1,074	6,161
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Other receivables - unsecured and considered good

12.3	5,040	33,552
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Accrued profit on musharika financing - under islamic mode

11.2	7,200	5,925
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Receivable from related parties-LSE Financial services

12.4	49,800	-
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	79,546	55,063
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1560

	2026	2025
	Rs. in thousands	
12.1 Trade receivables from leaseholders		
Receivable from leaseholders - considered good	36,200	26,886
Receivable from leaseholders - considered doubtful	-	-
	<u>36,200</u>	<u>26,886</u>
Less: Allowance for expected credit loss	(19,768)	(17,461)
	<u>16,432</u>	<u>9,425</u>

12.1.1 Expected credit loss from leaseholders

Balance as at July 01,	17,461	16,504
Transfer under merger scheme	-	-
Expected credit loss during the year	2,307	1,160
Balance written off	-	(203)
Balance as at June 30,	<u>19,768</u>	<u>17,461</u>

12.1.2 Age analysis of trade receivables from leaseholders

Age analysis of trade receivables from leaseholders							
Description	Year end	Past due					Total Gross amount due
		0-30 Days	31-60 Days	61-90 Days	91-365 Days	Above 365 days	
-----Rs. in thousands -----							
Leaseholders	2026	5,480	2,927	1,516	3,508	22,769	36,200
Leaseholders	2025	3,055	2,617	1,668	8,359	11,187	26,886

12.2 Trade receivables from tenants

	2026	2025
	Rs. in thousands	
Considered good	3,119	9,795
Considered doubtful	-	-
	<u>3,119</u>	<u>9,795</u>
Less: Allowance for expected credit loss	(2,045)	(3,634)
	<u>1,074</u>	<u>6,161</u>

12.2.1 Expected credit loss from tenants

Balance as at July 01,	3,634	-
Transfer under merger scheme	-	2,983
Expected credit loss / (reversal) during the year	(1,589)	651
Balance as at June 30,	<u>2,045</u>	<u>3,634</u>

12.2.2 Age analysis of trade receivables from tenants:

Description	Year end	Past due					Total Gross amount due
		0-30 Days	31-60 Days	61-90 Days	91-365 Days	Above 365 days	
-----Rs. in thousands -----							
Tenants	2026	569	451	57	1,166	876	3,119
Tenants	2025	3,130	1,901	1,124	3,372	268	9,795

- 12.3** This includes balance receivable from Digital Custodian Company Limited, an associated company along with mark-up @ 6 months KIBOR + 1% per annum 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:

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Gross Amount Due	Maximum Outstanding amount
2026	2025
Rs. in thousands	
Receivable against the equity management fee	9,094
Other receivable _ current account	23,502
	32,596

12.3.1 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	
2026		 Rs. in thoudands					
Other receivable _ current account		-	-	-	-	-	-
		-	-	-	-	-	-

Description	Year end	Past due					Total Gross
		0-30 Days	31-60 Days	61-90 Days	91-365 Days	Above 365 days	
2025		 Rs. in thoudands					
Receivable against the equity management fee		-	-	3,031	6,063	-	9,094
Other receivable _ current account		3,018	12	-	16,045	4,427	23,502
		3,018	12	3,031	22,108	4,427	32,596

12.4 These balances represent amounts receivable from related parties in the normal course of business, are repayable on demand, unsecured, considered fully recoverable, and carry a markup at six-month KIBOR plus 1%, in accordance with the approval of members of the Company and as per the requirements of section 199 of the Companies Act, 2017.

13 ADVANCES, DEPOSITS AND PREPAYMENTS

	2026	2025
<i>Considered good</i>	Rs. in thousands	
Advance to suppliers - unsecured	12,424	15,450
Advances to employees - secured		
- against expenses	200	200
- against salaries	731	919
- against house rent and others	-	80
Advances to brokers	568	7,617
Prepayments	761	1,086
	14,684	25,352

14 TAX REFUNDS DUE FROM THE GOVERNMENT - NET

	2026	2025
<i>Note</i>	Rs. in thousands	
Balance at the start of the year,	24,833	28,935
Income tax deducted at source during the year - net	25,178	30,502
Prior year adjustment	114	(1,897)
Less: Provision for taxation	(17,215)	(32,707)
Rectification of unbooked tax in prior year	3,997	-
Balance at the end of the year,	36,907	24,833

15 CASH AND BANK BALANCES

	2026	2025
<i>Note</i>	Rs. in thousands	
Cash in hand	100	100
-Current accounts	-	-
-Saving accounts	62,165	31,762
	62,165	31,762
	62,265	31,862

- 15.1 This carries mark-up ranging from 8.50% to 20.50% per annum (2025: 17.25% to 20.50% per annum). This includes Rs. 0.322 million (2024: Rs. 0.404 million) held under islamic windows of banks.

16 AUTHORIZED SHARE CAPITAL

2026		2025	2026		2025
Number of shares			Rs. in thousands		
16.1	Authorized share capital				
	400,000,000	200,000,000	Ordinary shares Rs. 5/- (2025: 10)	2,000,000	2,000,000
	20,000,000	50,000,000	Preference shares Rs. 5/- (2025: 10)	100,000	500,000
	5,000,000	-	Partially Redeemable shares Rs. 100/- (2025 : Nil)	500,000	-
	425,000,000	250,000,000		2,600,000	2,500,000

- 16.1.1 During the year, the Company sub-divided its authorised share capital from Rs. 2,500,000,000, comprising 200,000,000 ordinary shares and 50,000,000 preference shares of Rs. 10 each, into 400,000,000 ordinary shares and 100,000,000 preference shares of Rs. 5 each, without changing the aggregate amount of the authorised share capital. The sub-division was approved by the shareholders through a special resolution passed at the Annual General Meeting held on 27 November 2025.

- 16.1.2 Subsequently, the shareholders approved an increase in the authorised share capital from Rs. 2,500,000,000 to Rs. 2,600,000,000 through a special resolution passed at the Extraordinary General Meeting held on 6 April 2026. The increase was effected by the creation of 5,000,000 partially redeemable preference shares of Rs. 100 each. Accordingly, the authorised share capital of the Company comprises 400,000,000 ordinary shares of Rs. 5 each, 20,000,000 preference shares of Rs. 5 each and 5,000,000 partially redeemable preference shares of Rs. 100 each.

17 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2026		2025	2026		2025
Number of shares			Rs. in thousands		
362,306,690	21,000,000	Ordinary shares of Rs. 5/- (2025: 10) issued for cash	1,811,533	210,000	
	160,153,345	Ordinary shares of Rs. 5/- (2025: 10) issued other than cash	-	1,601,534	
24,693,310	-	Right shares of Rs. 05/- (30 June 2025: Nil)	123,467	-	
387,000,000	181,153,345		1,935,000	1,811,534	

- 17.1 Pursuant to the special resolution passed by the shareholders at the Annual General Meeting held on November 27, 2025, the face value of each ordinary share of the Company was subdivided from Rs. 10 to Rs. 5. Accordingly, each existing ordinary share of Rs. 10 was split into two ordinary shares of Rs. 5 each, without any change in the rights and privileges attached to the shares.

- 17.2 During the year, the Company increased its paid-up share capital through the issuance of 24,693,310 ordinary shares at par value of Rs. 5 per share by way of a rights issue. The rights shares were offered to existing shareholders in the proportion of 6.82 rights shares for every 100 ordinary shares held (i.e., a 6.82% rights issue) at the subscription price of Rs. 5 per share.

- 17.3 Reconciliation of changes in number of shares is as follows:

2026		2025
Number of shares		
Balance at the start of the year	181,153,345	181,153,345
Effect of share split	181,153,345	-
Issued other than in cash	-	-
Right shares	24,693,310	-
Balance at the end of the year	387,000,000	181,153,345

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17.4 The shareholding structure of the Company is as under:

	2026	2025	2026	2025
	Percentage (%)		Number of shares	
LSE Ventures Limited	18.63%	12.48%	72,113,861	22,615,904
Zahid Latif Securities (Private) Limited	12.42%	7.59%	48,062,162	13,758,156
Digital Custodian Company Limited	0.00%	7.14%	-	12,935,548
LSE Financial Services Limited	0.00%	5.52%	-	10,000,000
Directors	5.17%	11.37%	20,021,545	20,590,004
Others/General Public	63.77%	55.89%	246,802,432	101,253,733
	100.00%	100.00%	387,000,000	181,153,345

18 SURPLUS ON REVALUATION OF PROPERTY AND EQUIPMENT

		2026	2025
		Rs. in thousands	
Gross amount of revaluation surplus	Note	83,927	85,615
Balance at start of the year,		-	-
Surplus arose on fresh revaluation of land and building	4.1	(1,604)	(1,688)
Incremental depreciation on revaluation of building		82,323	83,927
Balance at end of the year,			
Less: Deferred tax			
Balance at start of the year,		(9,303)	(9,793)
Tax effect of Incremental depreciation on revaluation of building	22.3	955	490
Balance at end of the year,		(8,348)	(9,303)
Balance as at June 30, net of deferred tax		73,975	74,624

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

	2026	2025
	Rs. In thousands	
Building reserve fund	13,967	6,593

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:

		2026	2025
	Note	Rs. In thousands	
Balance at the start of the year,		6,593	1,682
Building reserve collected during the year		7,374	4,911
Balance at the end of the year,		13,967	6,593

20 LONG TERM FINANCING

Under conventional mode:

Lease liability	20.1	-	24,555
Financial liability at amortized cost	20.2	-	12,115
		-	36,670

20.1 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 vehicles in the name of Cordoba Leasing Limited, personnel guarantee of chief executive of the company, demand promissory note of Rs. 98.182 million, registered charge on all the present and future assets of the company amounting to Rs.150 million, 36 post dated cheques of Rs. 2.727 million each and assignment of receivables from the tenants of the property owned by the company.

20.1.1 Movement in Lease liability during the year

		2026	2025
	Note	Rs. in thousands	
Balance at the start of the year,		48,379	67,259
Assets acquired under finance lease		-	-
Accretion of finance cost		8,688	13,773
Repayments made during the year		(32,512)	(32,653)
Balance at the end of the year,		24,555	48,379
Less: current portion shown under current liabilities	24	(24,555)	(23,824)
		-	24,555

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20.1.2 Maturity analysis of gross and discounted lease liabilities

	Gross amount		Present value	
	2026	2025	2026	2025
	Rs. in thousands		Rs. in thousands	
Up to one year	24,555	32,727	24,555	23,824
After one year	-	27,273	-	24,555
Total lease liability	24,555	60,000	24,555	48,379

- 20.2** This long term finance facility from Cordoba Leasing Limited was obtained to meet the working capital requirements of the company amounting to Rs. 30 million. 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, duly signed demand promissory note for the amount of facility, registered charge on all the present and future assets of the company amounting to Rs. 150 million and 36 post dated cheques of Rs. 1.274 million each.

20.2.1 Movement in financial liability at amortized cost during the year	Note	2026	2025
		Rs. in thousands	
Balance at the start of the year,		22,072	29,475
Loan obtained during the year		-	-
Repayments made during the year		(9,956)	(7,403)
Balance at the end of the year,		12,116	22,072
Less: current portion of financial liability	24	(12,116)	(9,957)
		-	12,115

20.2.2 Maturity analysis of gross and discounted financial liabilities

	Gross amount		Present value	
	2026	2025	2026	2025
	Rs. in thousands		Rs. in thousands	
Up to one year	12,116	15,283	12,116	9,957
More than one year and less than 5 years	-	14,009	-	12,115
Total financial liability	12,116	29,292	12,116	22,072

21 OTHER LIABILITIES

Deposits from employees against vehicles	21.1	12,694	12,041
Payable against Sale and lease back	21.2	28,110	28,110
Security deposit against rent		2,944	2,944
		43,748	43,095

- 21.1** This represents deposits from employees against the purchase of vehicles for employees. Initially vehicles are held in the name of Company which will be transferred upon settlement of all related liabilities. These deposits are payable in 60 equal monthly interest free installments.

- 21.2** This represents payable to other employees of the company on account of sale and lease back transaction entered into with Cordoba Leasing Limited.

22 DEFERRED TAX LIABILITY

		2026	2025
		Rs. in thousands	
Deferred tax liability	22.1	105,774	83,594

22.1 Breakup of deferred tax liability**Taxable temporary differences**

Accelerated tax depreciation	3,341	19,804
Share of profit from associate	103,159	58,774
Net investment in finance lease	1,239	1,239
Surplus on property and equipment	-	9,303
Financial assets - Listed	878	1,367

Deductible temporary differences

Loss allowance on receivables	(6,326)	(6,118)
Right of use of assets	3,483	(775)
	105,774	83,594

- 22.2** Deferred tax assets / liabilities on temporary differences are measured at rates applicable for 2027.

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22.3 Reconciliation of deferred tax liabilities - Net

Balance at the start of the year,	
Deferred tax effect charged to statement of profit or loss	
Deferred tax effect charged to other comprehensive income	
Deferred tax effect charged to statement of changes in equity	
Balance at the end of the year,	

Rs. in thousands

83,594	43,075
29,951	33,303
(7,771)	7,706
-	(490)
<u>105,774</u>	<u>83,594</u>

22.4 Analysis of change in deferred tax

	Statement of Financial Position		Statement of Profit or loss		Statement of Comprehensive Income		Statement of Changes in Equity	
	2026	2025	2026	2025	2026	2025	2026	2025
	Rs. in thousands.							
Accelerated tax depreciation	3,341	19,804	(16,463)	3,732	-	-	-	-
Share of profit from associate	103,159	58,774	52,157	28,273	(7,771)	7,706	-	-
Surplus on property and equipment	-	9,303	(9,303)	-	-	-	-	(490)
Net investment in finance lease	1,239	1,239	-	-	-	-	-	-
Financial Assets - listed	878	1,367	(489)	1,384	-	-	-	-
Right of use of assets	3,483	(775)	4,258	1,246	-	-	-	-
Loss allowance on receivables	(6,326)	(6,118)	(208)	(1,332)	-	-	-	-
Transfer under merger scheme	-	-	-	-	-	-	-	-
Loss on realization of ensmile share:	-	-	-	-	-	-	-	-
	<u>105,774</u>	<u>83,594</u>	<u>29,952</u>	<u>33,303</u>	<u>(7,771)</u>	<u>7,706</u>	<u>-</u>	<u>(490)</u>

23 TRADE AND OTHER PAYABLES

	Note	2026	2025
		Rs. in thousands	
Creditors for Services		4,196	3,905
Payable to Ghani Chemical Industries Limited		7,000	7,000
Accrued liabilities	23.1	67,846	12,058
Sales tax payable		783	3,444
Contract liability	23.2	10,751	2,430
Payable to related parties	23.3	271,980	103,404
Retention money - unsecured		1,004	1,004
		<u>363,560</u>	<u>133,245</u>

23.1 This includes an amount of Rs. 52.016 million received from Mr. Ahmed Omer Khan against the sale of 3,294,944 Class A shares of JJVL at a price of Rs. 15.80 per share, amounting to a total consideration of Rs. 52,060,115. However, the transaction has not yet been completed.

23.2 This represents advance received from the following parties :

	Note	2026	2025
		Rs. in thousands	
Tenants		10,751	2,430
Leaseholders and Companies		-	-
		<u>10,751</u>	<u>2,430</u>

23.3 These balances represent amounts payable to related parties in the normal course of business and carry a markup at six-month KIBOR plus 1%, in accordance with the approval of the members of the Company and as per the requirements of section 199 of the Companies Act, 2017.

	Note	2026	2025
		Rs. in thousands	
LSE Ventures Limited		271,980	79,289
LSE Financial Services		-	24,115
		<u>271,980</u>	<u>103,404</u>

24 CURRENT PORTION OF LONG TERM FINANCING

Lease liability	20.1.1	24,555	23,824
Financial liability at amortized cost	20.2.1	12,116	9,957
		<u>36,671</u>	<u>33,781</u>

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25 LOAN FROM DIRECTOR*Under conventional mode*

	Note	2026 Rs. in thousands	2025
Balance as at 30 June,		-	100,000
Add: Loan obtained during the year		108,000	-
Less: Payments made during the year		(108,000)	(100,000)
Balance as at 30 June,	25.1	-	-

- 25.1** This short term loan facility was obtained from the Chief Executive / Director of the Company amounting to Rs. 108 million to meet its working capital requirements for the period of 6 months. It carried markup @ 23% per annum, payable monthly. It was repayable after 6 months in lump sum or in 6 equal monthly instalments at the beginning of each month succeeding the month of disbursement whereas the markup was to be serviced on monthly basis. It was 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. This facility was paid off in full during the year.

26 ACCRUED MARKUP ON FINANCING**Long term financing - secured***Under conventional mode*

	Note	2026 Rs. in thousands	2025
- lease liability		87	189
- financial liability at amortized cost		164	294

Short term financing

- Payable to associated companies - unsecured

<i>LSE Ventures Limited</i>	23.3	-	14,885
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<i>LSE Financial Services Limited</i>	23.3	-	2,456
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251	17,824
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27 CONTINGENCIES AND COMMITMENTS**27.1 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, 2025 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.

The Company has not recognized provision for Punjab Workers' Welfare Fund (PWPF) amounting to Rs. 14.75 million (2025: Rs. 6.130 million) on the pretext that it does not fall under the definition of industrial establishment as defined in Clause (d) of Section 2 of the Punjab 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.

27.2 Commitments

There is no commitment outstanding as at the reporting date (2025: Nil).

28 REVENUE - NET**Real Estate Income**

	Note	2026 Rs. in thousands	2025
Rental income		47,829	43,995
Room maintenance services		48,145	38,513
		95,974	82,508
Deals Advisory fee		16,391	23,844
Equity management fee	28.1	31,250	46,552
Technology/ SaaS Services		8,258	7,923
Less: PRA sales tax	28.2	(13,605)	(15,399)
		42,293	62,921
		138,267	145,428

- 28.1** This represents the Equity management fees charged to associated group companies on account of management of payroll of the Company and provision of administrative services to them as per the duly executed agreement entered into between the parties. The breakup of equity management fee is as under:

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Associated companies

LSE Financial Services Limited

LSE Ventures Limited

Digital Custodian Company Limited

	2026	2025
	Rs. in thousands	
	-	6,208
	31,250	31,250
	-	9,094
	<u>31,250</u>	<u>46,552</u>

- 28.2 The aggregate PRA sales tax amounting to Rs. 13.605 million (2025: Rs.15.399 million) is charged on room maintenance services, deals advisory fee, equity management fee and software services income.

29 ADMINISTRATIVE AND GENERAL EXPENSES

	Note	2026	2025
		Rs. in thousands	
Salaries and benefits	29.1	66,188	75,522
Information technology related expenses		3,836	3,285
Insurance		2,931	1,942
Travelling and conveyance		11,114	10,517
Printing and stationery		1,841	1,656
Utilities		2,411	3,038
Repairs and maintenance		16,681	12,951
Security expenses		8,493	9,257
Communication, entertainment and public relations		12,404	11,072
Legal and professional charges	29.2	13,040	18,428
Fees and subscription		2,299	1,050
Rent, rates and taxes		2,088	1,689
Auditors' remuneration	29.3	1,493	1,400
Board meetings fee	29.4	1,850	1,175
Old debit balances written off		-	4,492
Miscellaneous expenses	29.5	7,109	498
Property and equipment written off		-	156
Depreciation on property and equipment	4.1	19,827	19,825
Depreciation on Right of use asset	5	9,141	11,425
		<u>182,747</u>	<u>189,378</u>

- 29.1 Salaries and benefits include Rs. 1.94 million (2025: Rs. 2.81 million) in respect of contribution to provident fund.

- 29.2 This includes an amount of Nil (2025: Rs. 14.78 million) as consultancy charges paid to Mr. Amir Zia, Chief Executive of the subsidiary company namely; LSE SPAC-I.

29.3 Auditors' remuneration

	2026	2025
	Rs. in thousands	
Annual audit fee	650	650
Half yearly review	475	350
Certifications for regulatory purposes	279	350
Government levies	90	50
	<u>1,493</u>	<u>1,400</u>

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

- 29.5 This includes Rs. Nil (2025: Rs.1.9962 million) as donation given by the company. The directors and their relatives have no interest in the donee.

30 OTHER EXPENSES

	Note	2026	2025
		Rs. in thousands	
Expected credit loss on trade receivables	12.1.1 & 12.2.1	717	1,811
Realized loss on disposal of investment		6,194	-
Bad debts written off		-	624
		<u>6,911</u>	<u>2,435</u>

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31 OTHER INCOME

Note

2026 2025
Rs. in thousands**Income from financial assets:**

Profit on saving bank accounts	31.1	2,338	6,678
Interest Income from related parties	31.2	3,977	2,242
Return on musharikah financing - under islamic mode	11.2	116,344	126,225
Unrealized fair value gain on investment in listed equity securities - net		6,349	18,549
Realized fair value gain on investment in listed equity securities - net		-	87,007
Dividend Income on investment in listed equity securities		62	2,033
Interest Income on exposure in MTS		-	4,783
Finance income on net investment in finance lease	8	340	342
		129,410	247,859

Income from non financial assets:

Unrealized gain on investment property carried at fair value	7	11,932	64,154
Misc income		18,440	3,762
Parking charges and miscellaneous income	31.3	7,161	10,276
Gain on disposal of property and equipment	31.3	98	-
		37,631	78,192
		167,041	326,051

31.1 This includes Rs. 2.33 million (2025: Rs. 6.67 million) earned from bank accounts maintained under Islamic windows of banks.

31.2 This represents income from related parties under section 199 as per the Companies Act, 2017 :

Note

2026 2025
Rs. in thousands**Associated undertakings :**

Digital Custodian Company Limited		3,977	2,242
		3,977	2,242

31.3 Gain / (loss) on disposal of property and equipment and right of use of asset is as follows:

Note

2026 2025
Rs. in thousands

Gain on property and equipment	4.1.1	98	-
		98	-

32 INCOME FROM ASSOCIATES

Note

2026 2025
Rs. in thousands

Post tax share of profit from associates			
LSE Ventures Limited	6.1.1	397,543	55,868
LSE Financial Services Limited		(454)	-
Digital Custodian Company Limited	6.1.1	-	1,753
		397,090	57,621
Gain on bargain purchase			
Digital Custodian Company Limited	32.1	-	45,459
LSE Financial Services Limited	32.1	-	3,007
		-	48,466
		397,090	106,087

32.1 This represents the excess of Company's interest in the net assets of the associates over the original cost of investment and is recognized in accordance with the requirements of International Accounting Standard 28, "Investments in Associates and Joint Ventures"

33 FINANCE COST

Note

2026 2025
Rs. in thousands

Mark-up on financing	33.1	63,071	79,223
Bank charges		27	36
		63,097	79,259

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33.1 This represents the markup expense against financing obtained from the following parties under conventional mode:

	Note	2026 Rs. in thousands	2025
Related Parties			
Director / Chief Executive	25	29,804	12,542
Associated Undertakings :			
LSE Ventures Limited	23.3	17,108	14,885
LSE Financial Services Limited	23.3	-	2,456
Others			
Long term financing	20	16,158	21,553
Ghani Chemical Industries Limited	23.1	-	27,787
		<u>63,071</u>	<u>79,223</u>

34 LEVY

<i>Current</i>			
- Minimum tax		4,162	11,289
- Final tax		9	9,702
		4,171	20,991
<i>Prior year</i>		-	-
		<u>4,171</u>	<u>20,991</u>

This represents final taxes paid under sections 153(1), 150 and 37(A) of the Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

	Note	2026 Rs. in thousands	2025
35 TAXATION			
<i>Current Tax</i>			
Normal tax		6,541	4,490
Tax on dividend from associate	35.1	7,500	7,226
Prior year adjustment	14	(114)	1,897
		13,927	13,613
<i>Deferred tax</i>	22.3	29,952	33,303
		<u>43,879</u>	<u>46,916</u>

35.1 This represents tax on dividend income received from associated companies as disclosed in Note 6 of these financial statements that is classified as income tax as per the Circular # 10/2024 issued by the Institute of the Chartered Accountants of Pakistan (ICAP) dated June 14, 2024.

35.2 Income tax return has been filed to the income tax authorities upto and including tax year 2025 under the provisions of the Income Tax Ordinance, 2001.

35.3 Relationship between tax expense and accounting profit

Accounting profit for the year before levy and taxation	<u>449,643</u>	<u>306,494</u>
Applicable tax rate	<u>29%</u>	<u>29%</u>
Tax on income	130,396	88,883
Tax effect on difference of admissible and non-admissible expenses	(6,840)	(22,427)
Tax effect on income charged to final tax classified as levy	(117,015)	(61,966)
Reduced tax rate effect on final tax income classified as income tax	7,500	7,226
Prior year adjustment	(114)	1,897
Deferred tax	29,952	33,303
	<u>43,879</u>	<u>46,916</u>

36 Earnings per Share - Basic and Diluted

	2026	2025 <i>Restated</i>
Net profit after taxation attributable to ordinary shareholders (<i>Rs. in thousands</i>)	<u>401,592</u>	<u>238,587</u>
Weighted average number of ordinary shares (<i>Number of shares in thousands</i>)	<u>374,179</u>	<u>366,201</u>
Earning per share - Basic and diluted (<i>Rupees</i>)	<u>1.07</u>	<u>0.65</u>

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- 36.1 The figure for diluted earnings per share is the same as basic earnings per share as the company has not issued any instrument which would have an impact on basic earnings per share when exercised.

37 Cash Generated from Operations

	Note	2026 Rs. in thousands	2025
Profit before levy and taxation		449,643	306,494
Adjustments			
Depreciation	4.1	19,827	19,825
Depreciation on right of use asset	5	9,141	11,425
Income from associates	6.1.1	(397,090)	(106,087)
Finance income on net investment in finance lease	8	(340)	(342)
Investment properties - rental income	0	(47,829)	(43,995)
Profit on saving bank accounts	31	(2,338)	(6,678)
Return on musharikhah financing - under islamic mode	11	(116,344)	(126,225)
Impairment loss on trade and other receivables	30	717	1,811
Bad debts written off	30	-	624
Unrealized gain on investment property	31	(11,932)	(64,154)
Excess provisions written back	31	-	(3,762)
Old debit balances written off	29	-	4,492
Gain on disposal of property and equipment	4.1.1 & 4.1.2	(98)	156
Fair value gain on investment in listed equity securities - net		(6,349)	(105,556)
Dividend Income on investment in listed equity securities	31	(62)	(2,033)
Finance cost	1	63,097	79,259
		(489,599)	(341,240)
(Increase) / decrease in current assets:			
- Inventory	10	187	(30)
- Trade and other receivables	12	(24,845)	(14,713)
- Advances, deposits and prepayments	13	10,668	(15,669)
		(13,990)	(30,412)
Increase / (decrease) in current liabilities:			
- Trade and other payables	23	230,315	(189,473)
- Other liabilities - deposits from employees		653	7,815
		230,968	(181,658)
Cash Generated from / (Used in) Operations		177,021	(246,816)

38 FINANCIAL RISK MANAGEMENT

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.

38.1 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, 2025: Nil).

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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 significantly exposed to floating interest rate risk as it does not have any significant interest bearing liabilities. However, the Company has fixed and variable interest based investments. 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.

Fixed rate instruments

The company has no fixed interest rate instruments as at 30 June 2026 . (2025: Nil)

Financial assets	Note	Rs. in thousands	
<u>Floating rate instruments</u>			
Bank balances - saving account	15	62,165	31,762
Other receivables	12.3	5,040	32,596
Receivable from related parties-LSE FSL		49,800	-
Total Financial Assets		117,005	64,358
Financial liabilities			
<u>Floating rate instruments</u>			
Payable to related parties		(271,980)	(103,404)
Net financial Liabilities		(154,975)	(39,047)

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 taxation for the year would have been (lower) / higher by Rs. 15.5 million (2025: Rs. 0.39 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. 35.42 million (2025: Rs. 71.63 million).

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 taxation for the year would have been higher / (lower) by Rs. 0.35 million (2025: Rs. 0.72 million), mainly as a result of fair value fluctuation on PSX of the listed equity investments.

38.2 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:

Financial Assets	Note	2026 Rs. in thousands	2025
Net investment in finance lease	8	4,272	4,274
Long term deposits	9	2,719	2,719
Short term investments	11	636,020	481,627
Trade and other receivables	12	79,546	55,063
Advances to employees - adjustable in cash	13	1,299	8,616
Bank balances	15	62,165	31,762
		786,021	584,061

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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:

	Note	2026 Rs. in thousands	2025
Neither past due nor impaired		-	-
Past due but not impaired			
0 - 30 days		5,750	5,924
31 - 60 days		2,027	3,153
61 - 90 days		944	1,528
> 91 days		5,664	4,943
Past due and impaired			
0 - 30 days		299	261
31 - 60 days		1,351	1,365
91 - 120 days		628	1,264
> 91 days		22,655	18,243
Total Gross Amount Due		39,319	36,681

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 analyzed 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.

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			2026	2025
	Short term	Long term	Agency		
				Rs. In thousands	
Bank Islamic Pakistan Limited	A-1	AA-	PACRA	365	322
Bank Al-Habib Limited	A-1+	AAA	PACRA	10,749	26,223
Faysal Bank Limited	A-1+	AA+	PACRA	285	
MCB Bank Limited	A-1+	AAA	PACRA	50,766	5,217
				62,165	31,762

38.3 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.

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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	More than 1 year
-------------	-----------------	------------------------	---------------	------------------

Contractual maturities of financial liabilities as at June 30, 2026:

	Rs. in thousands			
Long term financing	36,670	41,282	41,282	-
Other liabilities	31,054	31,054	-	31,054
Trade and other payables	352,026	352,026	248,622	103,404
Unclaimed dividend	13,911	13,911	13,911	-
Accrued markup on financing	251	251	251	-
	<u>433,912</u>	<u>438,524</u>	<u>304,065</u>	<u>134,459</u>

Contractual maturities of financial liabilities as at June 30, 2025:

Long term financing	70,451	89,292	48,010	41,282
Other liabilities	2,944	2,944	-	2,944
Trade and other payables	127,371	127,371	127,371	-
Unclaimed dividend	13,809	13,809	13,809	-
Accrued markup on financing	17,824	17,824	17,824	-
	<u>232,399</u>	<u>251,241</u>	<u>207,015</u>	<u>44,226</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.

38.4 Financial instruments by categories

		2026	2025
	Note	Rs. in thousands	
<u>Financial asset as at fair value</u>			
Investment in Equity Securities	11	35,419	71,627
<u>Financial asset as at amortized cost</u>			
Net investment in finance lease	8	4,272	4,274
Long term deposits	9	2,719	2,719
Advances to employees - adjustable in cash	13	1,299	8,616
Short term investments	11	600,601	410,000
Trade and other receivables	12	79,546	22,467
Cash and bank balances	15	62,265	31,862
		<u>786,120</u>	<u>551,565</u>
<u>Financial liabilities at amortized cost</u>			
Long term financing	20	36,671	70,451
Other liabilities	25	31,054	2,944
Trade and other payables	23	352,026	127,371
Unclaimed dividend		13,911	13,809
Accrued markup on financing	26	251	17,824
		<u>433,914</u>	<u>232,399</u>

38.5 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.

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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).

2026				
	Level 1	Level 2	Level 3	Total
Financial assets - measured at fair value				
Investments in equity securities	35,419	-	-	35,419
Non - financial assets - measured at fair value				
Property and equipment	-	1,233,329	-	1,233,329
Investment property	-	461,758	-	461,758
	<u>35,419</u>	<u>1,695,087</u>	<u>-</u>	<u>1,730,506</u>
2025				
	Level 1	Level 2	Level 3	Total
Financial assets - measured at fair value				
Investments in equity securities	71,627	-	-	71,627
Non - financial assets - measured at fair value				
Property and equipment	-	1,239,741	-	1,239,741
Investment property	-	456,276	-	456,276
	<u>71,627</u>	<u>1,696,017</u>	<u>-</u>	<u>1,767,644</u>

There were no transfers amongst levels during the year.

39 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:

- a) 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
- b) 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 employed is calculated as equity, as shown in the statement of financial position, plus net debt.

The gearing ratio of the company is as follows:

		2026	2025
	Note	Rs. in thousands	
Total Debts (long term and short term)	39.1	36,671	70,451
Less: Cash and cash equivalents		(62,265)	(31,862)
Net Debt		<u>(25,594)</u>	<u>38,589</u>
Equity		3,655,034	3,166,637
Total capital employed		<u>3,629,440</u>	<u>3,205,226</u>
Gearing ratio		-	1.20%

39.1 Total debts include lease liability, financial liabilities at amortized cost and loan from director.

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40 Reconciliation of movement of liabilities to cash flows arising from financing activities

	2026							
	Equity			Liabilities				
	Share capital	Building Reserve	Unappropriated Profit	Lease liability	Financial liability at amortized cost	Loan from director	Unclaimed dividend	
Balance as at July 1, 2025	1,811,534	6,593	920,181	48,379	22,072	-	13,809	2,822,569
Rupees in thousands								
Changes from financing cash flows								
Amount collected from building occupants for fixed assets replacement fund	-	7,374	-	-	-	-	-	7,374
Repayment of lease finance	-	-	-	(23,824)	-	-	-	(23,824)
Repayment during the year	-	-	-	-	(9,956)	-	-	(9,956)
Loan received during the year	-	-	-	-	-	108,000	-	108,000
Repayment of director loan during the year	-	-	-	-	-	(108,000)	-	(108,000)
Dividend paid during the year	-	-	-	-	-	-	102	102
Total changes from financing cash flows	-	7,374	-	(23,824)	(9,956)	-	102	(26,305)
Other changes								
Total accumulated profits related other changes	123,466	-	402,241	-	-	-	-	525,707
Balance as at June 30, 2026	1,935,000	13,967	1,322,423	24,555	12,116	-	13,912	3,321,971
2025								
	Equity			Liabilities				Total
	Share capital	Building Reserve	Unappropriated Profit	Lease liability	Financial liability at amortized cost	Loan from director	Unclaimed dividend	
Balance as at July 1, 2024	1,811,534	1,682	771,795	67,259	29,475	100,000	10,359	2,792,104
Rupees in thousands								
Changes from financing cash flows								
Amount collected from building occupants for fixed assets replacement fund	-	4,089	-	-	-	-	-	4,089
Repayment of lease finance	-	-	-	(18,880)	-	-	-	(18,880)
Repayment during the year	-	-	-	-	(7,403)	-	-	(7,403)
Repayment of director loan during the year	-	-	-	-	-	(100,000)	-	(100,000)
Dividend paid during the year	-	-	-	-	-	-	(87,126)	(87,126)
Total changes from financing cash flows	-	4,089	-	(18,880)	(7,403)	(100,000)	(87,126)	(209,320)
Other changes								
Total accumulated Profits related other changes	-	822	148,386	-	-	-	90,577	239,784
Balance as at June 30, 2025	1,811,534	6,593	920,181	48,379	22,072	-	13,809	2,822,568

41 SEGMENT REPORTING

41.1 Operating Segments

Management has determined the operating segments based on the information presented to the Chief Executive Officer of the Company for allocation of resources and assessment of performance. Reporting structure of the Company is based on this internal management reporting structure. The Company has two strategic divisions i.e. Strategic investments and rental, room maintenance & related services, which are its reportable segments. These divisions have different operations and were managed separately because they require different strategies.

Reportable segments	Operations
Strategic Investment	Fair value gain (realized / unrealized), share of profit from associates, return on loan and receivables, dividend income etc.
Rental, Room maintenance and related services	Rental income, room maintenance, parking charges, fair value gain on investment property etc.

Information about reportable segments

Information related to each reportable segment is set out below. Segment profit / (loss) before levy and tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

2026			
	Strategic Investments	Rental, Room maintenance and related services	Total
Rupees in thousands			
Segment income	519,845	115,407	635,252
Segment related cost	-	(718)	(718)
Segment profit before levy and taxation	519,845	114,690	634,535
Segment assets			
Investment in subsidiaries and associates	1,576,783	-	1,576,783
Financial Assets	636,020	-	636,020
Net Investment in finance lease	-	4,272	4,272
Accrued markup on loan and receivables	7,200	-	7,200
Investment property	-	461,758	461,758
Trade and other receivables	-	17,506	17,506
Advance to broker	568	-	568
Segment liabilities			
Payable to Ghani Chemical Industries Limited	7,000	-	7,000
Security deposit against rent	-	2,944	2,944
Contract liability	-	10,751	10,751
2025			
	Strategic Investments	Rental, Room maintenance and related services	Total
Rupees in thousands			
Segment income	344,684	157,280	501,964
Segment related cost	-	(2,435)	(2,435)
Segment profit before levy and taxation	98,684	154,845	499,529
Segment assets			
Investment in related parties	1,075,510	-	1,075,510
Financial Assets	481,627	-	481,627
Net Investment in finance lease	-	4,274	4,274
Accrued markup on loan and receivables	5,925	-	5,925
Investment property	-	456,276	456,276
Trade and other receivables	-	15,586	15,586
Advance to broker	7,617	-	7,617
Segment liabilities			
Payable to Ghani Chemical Industries Limited	7,000	-	7,000
Security deposit against rent	-	2,944	2,944
Contract liability	-	2,430	2,430

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

	Note	2026 Rs. in thousands	2025
Income			
Total income for reportable segments	38.1	635,252	501,964
Unallocated income		67,146	75,602
Combined income		<u>702,398</u>	<u>577,566</u>
Profit before levy and taxation			
Segment results before levy and tax	38.1	634,535	499,529
Unallocated amounts:			
- other income		67,146	75,602
- administrative expense	31	(182,747)	(189,378)
- finance cost	33	(63,097)	(79,259)
Profit before levy and taxation		<u>455,836</u>	<u>306,494</u>
Assets			
Total assets for reportable segments		2,704,107	2,046,815
Other unallocated amounts		1,514,842	1,481,841
Combined total assets		<u>4,218,949</u>	<u>3,528,655</u>
Liabilities			
Total liabilities for reportable segments		20,695	12,374
Other unallocated amounts		543,220	349,644
Combined total liabilities		<u>563,915</u>	<u>362,018</u>

41.3 The sales percentage by geographic region is as follows:

	2026	2025
	%	%
Pakistan	100	100

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

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

42 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	27.84%
LSE Financial Services Limited	Associate Company	Common directorship
LSE SPAC-I Limited	Subsidiary Company	100.00%
Digital Custodian Company Limited	Subsidiary Company	54.01%
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
LSE Limited - Employees'	Post employment benefits	Employee's fund
Provident Fund Trust		

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:

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Names of Related Parties	Nature of Transactions	Relationship	2026	2025
			Rs. in thousands	
LSE SPAC-I Limited	Investment during the year	Subsidiary Company	110,000	10,000
LSE SPAC-II Limited	Investment during the year	Wholly owned Subsidiary Company	10,000	-
LSE SPAC-III Limited	Investment during the year	Wholly owned Subsidiary Company	10,000	-
LSE Financial Services Limited (LSEFSL)	Expenses paid by the company on behalf of LSEFSL	Common Directorship	-	3,886
	Reimbursement of expenses paid		-	4,421
	Advance received		-	29,689
	Markup Expense on Advance		3,977	2,456
	Equity management fee charged to the party		-	6,208
	Dividend paid to the party		-	5,000
	MTS investment made during the year		-	170,000
	MTS Investment reversed during the year		-	183,821
	MTS income received		-	4,783
	Advisory fee received		6,003	-
LSE Ventures Limited (LSE VL)	Expenses paid by the company on behalf of party	Associated Company	-	43,813
	Reimbursement of expenses paid		-	38,128
	Payment made for investment		-	-
	Payment against investment received back		-	7,740
	Advance received		483,000	162,613
	Advance refunded		(284,900)	157,000
	Advisory services charged to the party			10,500
	Equity management fee charged to the party		31,250	31,250
	Dividend received from the party		50,000	48,172
	Dividend paid to the party		-	11,185
Names of Related Parties	Nature of Transactions	Relationship	2026	2025
			Rs. in thousands	
Digital Custodian Company Limited	Markup Expense on Advance received		18,786	14,885
	Funds provided to the party	Subsidiary Company	-	20,695
	Interest income charged to the party		-	2,242
	Equity management fee charged to the party		-	9,094
	Expenses borne by the company on behalf of the party		-	565
	Shares registrar services provided by the party		-	133
	Total Contribution made during the year	Employee's fund	3,880	5,619
LSE Limited - Employees' Provident Fund Trust	Salary & other benefits of CEO		6,000	11,666
	Loan received from CEO		-	-
	Loan paid back to CEO		-	100,000
	Interest on loan paid to CEO		29,804	12,542
	Director's meeting fee		1,850	1,175

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Balances outstanding as at,**Trade and Other Receivables**

Receivable from Digital Custodian company Limited	-	32,596
Receivable from LSE Financial Services Limited	49,800	-

Other liabilities

Payable against Sale and lease back to chief executive	-	14,000
Payable against Sale and lease back to Digital Custodian Company Limited	-	5,500

Trade and other payables

Payable to LSE Venture Limited	271,980	79,289
Payable to LSE Financial Services Limited	-	24,115

Accrued Markup On Financing

Payable to LSE Venture Limited	(18,786)	14,885
Payable to LSE Financial Services Limited	-	2,456

43 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	
	2026	2025	2026	2025	2026	2025	2026	2025
Rs. in thousands								
Managerial remuneration	4,457	5,088	-	-	2,779	7,964	7,236	19,498
Company's contribution to the provident fund	-	509	-	-	232	796	232	1,889
Housing and utilities	1,543	2,798	-	-	1,042	4,380	2,585	7,178
Meeting fees	-	-	1,850	1,175	-	-	1,850	1,175
Others	-	3,271	-	51	-	3,115	-	3,147
	6,000	11,666	1,850	1,226	4,053	16,255	11,902	32,887
Number of persons	1	1	6	7	3	15	10	23

43.1 In addition to the above, Chief Executive is provided with the Company's maintained vehicle for official purposes only.

43.2 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.

44 DISCLOSURE REQUIREMENT REGARDING SHARIAH COMPLIANT COMPANIES

DISCLOSURE REQUIREMENT REGARDING SHARIAH COMPLIANCE

		2026		2025	
		Carried under		Carried under	
	Note	Non-Shariah arrangements	Shariah arrangements	Non-Shariah arrangements	Shariah arrangements
		Rs. in thousands			
Statement of Financial Position - Liability side					
Financing (long term and short term) - Islamic mode		-	-	-	-
Interest or Mark up on any conventional loan	20.1.1	-	8,688	13,773	-
Statement of Financial Position - Asset side					
Investments (long term and short term)- Shariah Compliant	11	-	300,000	350,000	-
Shariah compliant bank deposits, bank balances		-	-	-	-
Non- Shariah compliant bank deposits, bank balances	15	-	62,165	31,762	-

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		2026		2025	
		Carried under		Carried under	
	Note	Non-Shariah arrangements	Shariah arrangements	Non-Shariah arrangements	Shariah arrangements
		-----Rs. in thousands-----			
Statement of Profit or loss					
Revenue earned from Shariah Compliant business segment	31	-	116,344	126,225	-
Breakup of late payments of liquidation damages		-	-	-	-
Gain or loss or dividend earned on Shariah Compliant investments		-	-	-	-
Profit earned from Shariah Compliant bank deposits and bank balances		-	-	-	-
Exchange gain on actual currency		-	-	-	-
Profit paid on islamic mode of financing		-	-	-	-
Total interest earned on conventional loan or advances	31	-	3,977	2,242	-
Non- Shariah Compliant income	28	-	138,267	145,428	-
				2026	2025
45 NUMBER OF EMPLOYEES				63	63
Total number of employees at the year end				65	68
Average number of employees during the year					
46 EMPLOYEE PROVIDENT FUND TRUST					
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.					
47 DATE OF AUTHORIZATION FOR ISSUE					
These financial statements have been authorized for issue by the Board of Directors of the Company in its meeting held on <u>October 02, 2026</u> .					
48 General					
48.1 Figures have been rounded off to the nearest Rupees in thousand except where stated otherwise.					
48.2 Corresponding figures have been rearranged/reclassified, wherever necessary, to facilitate comparison and for better presentation.					

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CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

AUDITOR'S REPORT TO THE SHAREHOLDERS

AND

CONSOLIDATED

**AUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED JUNE 30, 2026**

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

Opinion

We have audited the annexed consolidated financial statements of **LSE CAPITAL LIMITED** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at **June 30, 2026** and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated 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, consolidated financial statements give a true and fair view of consolidated financial position of the Group as at June 30, 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

Following is the Key Audit Matter:

Sr. No.	Key Audit Matter	How the Matter Was Addressed in Our Audit
1.	Acquisition of control of Digital Custodian Company Limited (DCCL) and investment in associates	
	(Refer note 6 to the annexed consolidated financial statements)	Our audit procedures in respect of this area included:

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Investment in associates as at June 30, 2026 amounted to Rs. 1,236.87 million. Subsidiaries are consolidated in accordance with IFRS 10 "Consolidated Financial Statements", business combinations are accounted for in accordance with IFRS 3 "Business Combinations", while investment in associates is accounted for under the equity method in accordance with IAS 28 "Investments in Associates and Joint Ventures". During the year, the Holding Group acquired additional shares in Digital Custodian Company Limited (DCCL), an entity previously accounted for as an associate, increasing its shareholding from 42.50% to 54.01% and resulting in the Group obtaining control. The business combination achieved in stages required the previously held interest to be remeasured and the acquired net assets to be measured at fair value, resulting in a bargain purchase gain of Rs. 23.82 million. Additionally, the Holding Group's shareholding in LSE SPAC-I Limited, an existing subsidiary, was diluted pursuant to its Initial Public Offering, and management assessed that control was retained. In view of the significance of the acquisition of DCCL and investment in associates in relation to total assets, we have considered it a key audit matter.	Our audit procedures in respect of this matter, among others, included the following: • Obtained an understanding of, and evaluated, management's process for assessing control and significant influence over investee entities; • Reviewed supporting documentation for the step acquisition of Digital Custodian Company Limited and evaluated management's basis for concluding that control was obtained; • Evaluated management's basis for concluding that control over LSE SPAC-I Limited was retained despite the dilution in shareholding pursuant to its IPO; • Tested the equity method applied to investments in associates, including recomputation of the Group's share of profit or loss; • Assessed the adequacy of the related disclosures in note 6 to the Consolidated financial statements in accordance with the requirements of the applicable accounting standards.
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Information Other than the Consolidated 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 consolidated financial statements of the Group and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in 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.

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

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

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the board of directors with 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 Consolidated 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 precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements of the Group for the year ended June 30, 2025 were audited by another firm of auditors who expressed an unmodified opinion on those consolidated financial statements on November 01, 2025.

The engagement partner on the audit resulting in this independent auditor's report is Bushra Sana.



Ilyas Saeed & Co.
Chartered Accountants
Lahore

Dated: October 02, 2026

UDIN: AR202610278pqmBnjZVL

LSE CAPITAL LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

		2026	2025
	Note	Rs. in thousands	
ASSETS			
Non Current Assets			
Property and equipment	5	1,319,094	1,322,993
Right of use asset	6	36,560	45,704
Investment in associates	7	1,236,869	1,065,510
Intangible assets	8	396,751	-
Investment property	9	461,758	456,276
Net investment in finance lease	10	4,272	4,274
Long term deposits	11	2,938	2,719
		3,458,242	2,897,476
Current Assets			
Inventories	12	2,255	2,442
Short term investments	13	866,115	481,627
Trade and other receivables	14	106,480	55,118
Advances, deposits and prepayments	15	18,875	25,352
Tax refunds due from the Government - net	16	49,912	24,846
Cash and bank balances	17	97,661	41,398
		1,141,298	630,783
TOTAL ASSETS		4,599,540	3,528,259
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Share Capital			
Authorized Share Capital	18	2,600,000	2,500,000
Issued, subscribed and paid-up share capital	19	1,935,000	1,811,534
Capital Reserves:			
Surplus on revaluation of property and equipment	20	73,975	74,624
Building reserve fund	21	13,967	6,593
Merger reserve		289,814	289,814
Fair value reserve		19,856	63,891
Share deposit money		20,000	-
Revenue Reserve:			
Non-Controlling interest		331,624	-
Unappropriated profit		1,327,986	919,735
		2,077,222	1,354,657
Total Equity		4,012,222	3,166,191
Non Current Liabilities			
Long term financing	22	-	36,670
Other liabilities	23	43,748	43,095
Deferred tax liability	24	117,360	83,594
		161,108	163,359
Current Liabilities			
Trade and other payables	25	375,377	133,295
Current portion of long term financing	26	36,671	33,781
Loan from director	27	-	-
Accrued markup on financing	28	251	17,824
Unclaimed dividend		13,911	13,809
		426,210	198,709
TOTAL EQUITY AND LIABILITIES		4,599,540	3,528,259
Contingencies and Commitments			
	29	-	-

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rs. in thousands	2025
Revenue - net	30	174,005	145,428
Operating expenses			
Administrative and general expenses	31	(241,124)	(189,977)
Other Expenses	32	(6,911)	(2,435)
Operating loss		(74,030)	(46,984)
Other income	33	191,554	326,206
Income from associates	34	397,090	106,087
Profit before interest, levy and taxation		514,613	385,309
Finance cost	35	(61,716)	(79,259)
Profit before levy and taxation		452,897	306,050
Levy	36	(13,913)	(20,993)
Profit before taxation		438,984	285,057
Taxation	37	(44,097)	(46,916)
Profit for the year		<u>394,887</u>	<u>238,141</u>
Profit is attributable to:			
Owners of LSE Capital Limited		392,954	238,141
Non-Controlling Interests		<u>1,933</u>	<u>-</u>
		<u>394,887</u>	<u>238,141</u>
Earnings Per Share - Basic and Diluted - (Restated)	38	<u>1.06</u>	<u>0.65</u>

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

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CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rs. in thousands	2025
Profit for the year		394,887	238,141
Other Comprehensive Income			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Share in OCI of associate - net of tax		(51,806)	51,374
Impact of deferred tax	24.3	7,771	(7,706)
		(44,035)	43,668
Total Comprehensive Income for the Year		350,852	281,809
Profit is attributable to:			
Owners of LSE Capital Limited		348,919	281,809
Non-Controlling Interests		1,933	-
		350,852	281,809

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

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CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Share Capital	Capital Reserves					Share deposit money	Revenue Reserve		Total Reserves	Non-controlling Interest	Total Equity
		Surplus on Revaluation of Property and Equipment	Building Reserve	Merger Reserve	Fair value Reserve	Unappropriated Profit						
----- 'Rs. in thousands -----												
Balance as at June 30, 2024	1,811,534	75,822	1,682	289,814	20,223	-	771,795	1,159,336	-	-	2,970,870	
Profit for the year	-	-	-	-	-	-	238,141	238,141	-	-	238,141	
Other comprehensive income	-	-	-	-	43,668	-	-	43,668	-	-	43,668	
Total comprehensive income for the year	-	-	-	-	43,668	-	238,141	281,809	-	-	281,809	
Amount collected from building occupants for fixed assets replacement fund	-	-	4,911	-	-	-	(822)	4,089	-	-	4,089	
Transfer of incremental depreciation on property and equipment net of deferred tax	-	(1,198)	-	-	-	-	1,198	-	-	-	-	
Transactions with owners of the Group	-	-	-	-	-	-	-	-	-	-	-	
Cash dividend @ Rs. 0.50 per share for the year ended	-	-	-	-	-	-	(90,577)	(90,577)	-	-	(90,577)	
Balance as at June 30, 2025	1,811,534	74,624	6,593	289,814	63,891	-	919,735	1,354,657	-	-	3,166,191	
Addition during the year	-	-	-	-	-	-	-	-	329,691	-	329,691	
Change in ownership interest in subsidiary without loss of control	-	-	-	-	-	-	12,715	12,715	-	-	12,715	
Profit for the year	-	-	-	-	-	-	394,887	394,887	1,933	-	394,887	
Other comprehensive income	-	-	-	-	(44,035)	-	-	(44,035)	-	-	(44,035)	
Total comprehensive income for the year	-	-	-	-	(44,035)	-	394,887	350,852	1,933	-	350,852	
Transfer of incremental depreciation on property and equipment net of deferred tax	-	(649)	-	-	-	-	649	-	-	-	-	
Transfer to building reserve	-	-	7,374	-	-	-	-	7,374	-	-	7,374	
Issue share capital (24,693,310 Right shares @ 5	123,466	-	-	-	-	20,000	-	20,000	-	-	143,466	
Balance as at June 30, 2026	1,935,000	73,975	13,967	289,814	19,856	20,000	1,327,986	1,745,598	331,624	-	4,010,288	

The annexed notes form an integral part of these consolidated financial statements.


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
		Rs. in thousands	
Cash (Used in) / Generated from Operations	39	2,111	(247,365)
Finance cost paid		(79,289)	(65,387)
Income tax paid		(29,054)	(30,517)
Net Cash (Used in) / Generated from Operating Activities		(106,232)	(343,269)
Cash Flows from Investing Activities			
Proceeds from disposal of property and equipment		256	328
Proceeds from sale of investment property		6,450	
Profit on saving bank accounts	33	2,900	6,778
Purchase of operating fixed assets	5	(5,035)	(21,746)
Capital work in progress incurred	5	-	(166)
Running musharikah financing provided during the year	13	50,000	(50,000)
Proceeds from encashment of investments - net		71,627	356,332
Disbursement of advance for purchase of unlisted securities	13	(240,601)	(60,000)
Investment made in the share capital of associated companies	7	(57,500)	(60,197)
Investment realized / (made) in Margin Trading system through LSEFSL		-	17,644
Net investment in finance lease - rentals		342	343
Return received on musharikah financing		116,344	125,600
Rentals received during the year		47,829	39,024
Dividend received		50,062	50,205
Long term deposits paid	11	(219)	(2,171)
Net Cash Generated from / (Used in) Investing Activities		42,455	401,975
Cash Flows from Financing Activities			
Loan (repaid) / obtained from director	27	-	(100,000)
Share deposit money received		20,000	
Repayment of long term financing	22	(30,698)	(26,283)
Subscription money received against right issue		123,466	-
Dividend paid during the year		(102)	(87,127)
Amounts collected from building occupants against Building reserve		7,374	4,089
Net Cash (Used in) / Generated from Financing Activities		120,040	(209,321)
Net (Decrease) / Increase in Cash and Cash Equivalents		56,263	(150,614)
Cash and cash equivalents at beginning of the year	17	41,398	192,012
Cash and cash equivalents at end of the year	17	97,661	41,398

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

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CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

LSE CAPITAL LIMITED
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

I THE GROUP AND ITS ACTIVITIES

1.1 Holding company:

LSE Capital Limited is the newly adopted name of the Modaraba Management Company, which was registered as JS Finance Limited on January 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 April 03, 2024 as a consequence of its merger. The Company is licensed to act as a consultant to the issue for the IPOs and corporate finance advisory services.

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

Business Unit	Geographical Location
Registered Office	The Exchange Hub, LSE Plaza, 19, Khayaban-e-Aiwan-e-Iqbal, Lahore, Pakistan.

1.2 Subsidiary companies:

(a) Digital Custodian Company Limited

Digital Custodian Company Limited ("the Company") was incorporated on February 12, 1992 under the repealed Companies Ordinance, 1984 as a private limited company. The Company converted its status from Private Limited Company to Unlisted Public Limited Company on June 19, 2009. Until 2020, the Company existed as the wholly owned entity of MCB Bank Limited. In 2020-21, the Company was acquired by the new sponsors led by ISE REIT Management Company Limited. Subsequently, through a series of capital reorganization, the Company's majority shareholding has been concentrated in the three companies of LSE Enterprises, created out of the former Lahore Stock Exchange (LSE).

The principal objects of the Company are to act as Trustee of investment trust schemes, voluntary pension schemes, and real estate investment trust schemes, to provide custodian services and to act as transfer agent/share registrar of securities of listed and unlisted companies and mutual fund etc. The registered office of the company is located at the Exchange Hub, LSE Plaza, Kashmir Egerton Road, Lahore, Punjab.

(b) LSE SPAC-I Limited

LSE SPAC-I Limited ("the Company") was registered on March 09, 2025 as a public unlisted company limited by shares under the Companies Act, 2017. The registered office and principal place of business of the Company is situated at LSE Plaza, The Exchange Hub, 19-Kashmir Egerton, Lahore, Pakistan.

The principal line of business of the company is to raise funds from investors and utilize those funds for merger and acquisition of company / companies within the permitted time frame, as per the Public Offering Regulations, 2017.

(c) LSE SPAC-II Limited

LSE SPAC-II Limited ("the Company") having CUIIN: 0328822 was incorporated in Pakistan as a public limited company on March 03, 2026. The Company is a Special Purpose Acquisition Company (SPAC) established with the sole purpose of raising capital through an Initial Public Offering (IPO) to undertake a merger, acquisition, or business combination with a target entity. The company is a wholly owned subsidiary of M/s LSE Capital Limited.

The registered office of the Company is situated at The Exchange Hub, LSE Plaza, 19-Kashmir Egerton, Lahore.

(d) LSE SPAC-III Limited

LSE SPAC III Limited ("the Company") having CUIIN: 0335029 was incorporated in Pakistan as a public limited company on April 28, 2026. The Company is a Special Purpose Acquisition Company (SPAC) established with the sole purpose of raising capital through an Initial Public Offering (IPO) to undertake a merger, acquisition, or business combination with a target entity. The Company is a wholly owned subsidiary of M/s LSE Capital Limited.

(e) LSE Management Limited

LSE Management Limited ("the Company") was registered on July 31, 2025 as a public unlisted company limited by shares under the Companies Act, 2017. The registered office and principal place of business of the Company is situated at LSE Plaza, The Exchange Hub, 19-Kashmir Egerton, Lahore, Pakistan. The company is a wholly owned subsidiary of Messrs. LSE Capital Limited, the Holding Company.

The principal line of business of the company is: material management; event management; disaster response services; canteen and cafeteria services; janitorial and fumigation services; import and export; and establishment, operation and management of family entertainment centers and premier entertainment & amusement complexes.

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(f) LSE Associates Limited

LSE Associates Limited ("the Company") was registered on July 29, 2025 as a public unlisted company limited by shares under the Companies Act, 2017. The registered office and principal place of business of the Company is situated at LSE Plaza, The Exchange Hub, 19-Kashmir Egerton, Lahore, Pakistan. The company is a wholly owned subsidiary of Messrs. LSE Capital Limited, the Holding Company.

The principal line of business of the company is: material management; event management; disaster response services; canteen and cafeteria services; janitorial and fumigation services; import and export; and establishment, operation and management of family entertainment centers and premier entertainment & amusement complexes.

(g) LSE Company Limited

LSE Company Limited ("the Company") was registered on August 22, 2025 as a public unlisted company limited by shares under the Companies Act, 2017. The registered office and principal place of business of the Company is situated at LSE Plaza, The Exchange Hub, 19-Kashmir Egerton, Lahore, Pakistan. The company is a wholly owned subsidiary of Messrs LSE Capital Limited.

The principal line of business of the company is to raise funds from investors and utilize those funds for merger and acquisition of company / companies within the permitted time frame, as per the Public Offering Regulations, 2017.

2 BASIS OF PREPARATION**2.1 Statement of compliance**

These consolidated 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.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention without taking into account the effects for inflation or current values, except to the extent of following:

Net investment in finance lease	10	(stated at Present value)
Certain property and equipment	5	(stated at Fair value)
Investment property	9	(stated at Fair value)
Financial Assets	13	(stated at Fair value and certain at amortized cost)
Trade and other receivables	14	(stated at carrying amount less impairment for expected credit loss)
Investment in associates	7	(stated at equity method)
Inventories	12	(stated at lower of cost and net realizable value)
Certain liabilities and payables	25	(stated at amortized cost)
Deferred tax liability	24	(stated as per IAS-12 "Income taxes")
Provisions	25.1	(stated as per best estimate)
Right of use asset	6	(stated at present value of future lease payments)
Lease liability	22	(stated at present value of future lease payments)

2.3 Presentation and functional currency

These consolidated financial statements are prepared and presented in Pak Rupees (Rs.) which is the Group's functional and presentation currency. In these consolidated financial statements, 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:

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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 Group 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 Group 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 Group 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 Group 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 Group.

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 Group, 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 Group 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 in Subsidiaries and Associates

Investment in subsidiaries are carried under cost whereas investment in associates is accounted for under equity method in accordance with the Group's accounting policy relating to their recognition and measurement. Provision against investments is based on impairment policy of the Group which includes both subjective and objective factors.

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 New standards, interpretations of and amendments to published approved accounting standards

2.5.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current year:

There are certain amendments to the published approved accounting standards that are effective in the current year. However, these do not have any significant impact on the Group's operations and, therefore, have not been detailed in these financial statements.

Effective date (annual periods beginning on or after)

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability January 01, 2025

2.5.2 New accounting standards, amendments and interpretations that are not yet effective

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 01, 2025 but are considered not to be relevant or will not have any significant effect on the Group's operations and are, therefore, not detailed in these financial statements.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments January 01, 2026

Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments January 01, 2026

Amendments to IFRS 10 'Consolidated financial statements' January 01, 2026

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability January 01, 2025

IFRS 17 Insurance Contracts January 01, 2026

IAS 7 (Statement of Cash Flows) January 01, 2026

IFRS 18 'Presentation and Disclosures in Financial Statements' January 01, 2027

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' January 01, 2027

IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information' January 01, 2027

IFRS S2 'Climate-related Disclosures' January 01, 2027

2.5.3 In addition to the above, the IASB has issued the following standards and interpretations which, as of June 30, 2026, have not been notified by the Securities and Exchange Commission of Pakistan (SECP) for local adoption. The Group will evaluate the impact of these pronouncements once they are notified for application in Pakistan.

IFRS 1 First-time Adoption of International Financial Reporting Standards

IFRS 20 Regulatory Assets and Regulatory Liabilities

IFRIC 12 Service Concession Arrangements

3 PRINCIPLES OF CONSOLIDATION

3.1.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the following:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in the consolidated statement of profit or loss and other comprehensive income as a bargain purchase."

3.1.2 Non-Controlling Interest

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Disposals to non-controlling interests result in gains and losses for the Group that are recorded in the profit or loss. Group elected to measure the non-controlling interest in the acquiree at the proportionate share of its interest in the acquirees' identifiable net assets on fair value.

4 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 for all accounting periods presented, unless otherwise stated.

4.1 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 Group 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 the statement of profit or loss on the reducing balance method so as to write off the depreciable amount of an asset over its estimated economic useful life using the annual rates mentioned in Note 5.1. Depreciation on additions is charged from the date the asset is available for use and is calculated on a time-apportioned basis up to the date of disposal. No depreciation is charged from the date an asset is disposed of.

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.

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.

4.2 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 Group'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.

4.3 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.

4.3.1 Financial assets

All financial assets are recognized at the time when the Group 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. All purchases and sales of investments are recognized on the trade date which is the date that the Group commits to purchase or sell the investment.

4.3.1.1 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 Group classifies its financial assets at amortized cost and fair value through profit or loss. This classification is based on the Group'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) Amortized 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 amortized cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognized directly in profit or loss.

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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 recognized in profit or loss.

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

Assets that do not meet the criteria for amortized 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 recognized 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 recognized in profit or loss. Dividends from such investments continue to be recognized in profit or loss when the Group'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.

4.3.1.2 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.

4.3.1.3 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 Group's right to receive payments is established.

4.3.1.4 Derecognition

Financial assets are derecognized when:

- the contractual rights to receive cash flows from the assets have expired; or
- the Group 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 Group has transferred substantially all the risks and rewards of the asset; or
- b) the Group 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 Group 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 Group 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 Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

If the Group's continuing involvement is in only a part of a financial asset, the Group 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.

4.3.1.5 Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortized cost. the Group 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 Group 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 Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. the Group 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 Group recognizes 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.

4.3.1.6 Reclassification

When the Group changes its business model for managing financial assets, it reclassifies all affected financial assets accordingly. the Group 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.

4.3.2 Financial liabilities

4.3.2.1 Initial recognition and measurement

Financial liabilities are recognized at the time when the Group 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 Group does not reclassify any of its financial liabilities.

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

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 Group could be required to repay.

If the Group's continuing involvement is in only a part of a financial asset, the Group 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.

4.3.1.5 Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortized cost. the Group 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 Group 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 Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. the Group 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 Group recognizes 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.

4.3.1.6 Reclassification

When the Group changes its business model for managing financial assets, it reclassifies all affected financial assets accordingly. the Group 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.

4.3.2 Financial liabilities

4.3.2.1 Initial recognition and measurement

Financial liabilities are recognized at the time when the Group 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 Group does not reclassify any of its financial liabilities.

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

4.3.2.2 Subsequent measurement

The Group 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.

4.3.2.3 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.

4.3.3 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 Group intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

4.4 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.

4.5 Trade and other receivables

Trade and other receivables represent the Group'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 Group holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortized 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.

4.6 Provisions

A provision is recognized in the statement of financial position when the Group 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.

4.7 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.

4.7.1 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 Group's investments in subsidiaries and associates which are specifically within the scope of IAS 12 and hence these continue to be categorized as current income tax.

4.7.2 Current tax

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 Group in accordance with the provisions of the Income Tax Ordinance, 2001. Super tax, if applicable, on the Group is calculated as per applicable tax rates as per Income Tax Ordinance, 2001.

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 Group 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.

4.7.3 *Deferred tax*

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 Group 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.

4.8 *Investments in subsidiary and associates*

Investments in subsidiaries and associates where the Group has control / significant influence are measured at cost less impairment, if any, in the Group's separate financial statements and subsequently under equity method in case of investment in associates. At each reporting date, the recoverable amounts of investments are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognized as expense in the statement of profit or loss.

Investments in subsidiaries and associates that have suffered an impairment are reviewed for possible reversal of impairment at each reporting date. Where impairment losses are subsequently reversed, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments.

4.9 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.

4.10 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

4.11 Contract liabilities / advance from customers

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

4.12 Staff retirement benefits

The Group 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 Group and employees to the fund.

4.13 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 Group.

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.

4.14 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 Group has access at that date. There are three levels which are as under:

Level 1

The Group 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 Group 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 Group 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 Group'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.

4.15 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.

4.16 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 Group satisfies a performance obligation

The Group recognizes revenue as follows:

Room maintenance services / Software services

Revenue is recognized when the Group 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 income

The Group 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.

4.17 Operating Segments

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group 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 Group'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 Group has two major reporting segments; Income from investment in strategic portfolios and rental & related income earned from the leased building owned by the Group, that reflect the management structure of the Group.

4.18 Related party transactions

Related parties comprise the parent Company, associated companies / undertakings, directors of the Group and their close relatives and key management personnel of the Group. Transactions in relation to revenue, purchases and services with related parties are made at arm's length prices determined in accordance with the Group'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 Group 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 Group to not to do so.

4.19 Dividend distributions

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

4.20 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.

4.21 Earnings per share

The Group 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 Group 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 Group 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'.

4.22 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.

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5 PROPERTY AND EQUIPMENT

	Note	2026 Rs. in thousands	2025 Rs. in thousands
Operating fixed assets	5.1	1,312,270	1,316,169
Capital work in progress - civil work	5.2	6,824	6,824
Operating Fixed Assets		1,319,094	1,322,993

5.1 Operating Fixed Assets

Particulars	Cost / Revalued Amount			Accumulated Depreciation				Written Down Value as at June 30, 2026	
	Balance as at July 01, 2025	Additions	Disposals	Balance as at June 30, 2026	Rate	Balance as at July 01, 2025	Charge for the year		Disposals
Owned assets	----- 'Rs. in thousands -----			----- 'Rs. in thousands -----				----- 'Rs. in thousands -----	
Land freehold	1,111,508	-	-	1,111,508	-	-	-	-	1,111,508
Buildings on freehold land	134,982	-	-	134,982	5%	6,749	6,412	-	13,161
Computer and accessories	27,414	2,553	(304)	29,664	30%	22,564	2,152	(161)	24,554
Furniture and fixture	23,531	-	-	23,531	10%	15,196	1,551	-	16,747
Office equipment	9,703	1,899	(85)	11,517	20%	7,518	1,210	(77)	8,651
Electric fittings and appliances	137,872	583	(253)	138,202	20%	106,031	6,006	(245)	111,793
Vehicles	30,525	-	-	30,525	20%	1,840	5,931	-	7,771
Elevator	19,969	-	-	19,969	20%	16,952	599	-	17,551
Generators	34,200	-	-	34,200	10%	23,273	1,088	-	24,361
Arms and security equipment	6,310	-	-	6,310	10%	3,242	307	-	3,548
Total	1,536,015	5,035	(642)	1,540,408		203,365	25,256	(483)	228,137
									1,312,270

Particulars	Cost / Revalued Amount			Accumulated Depreciation				Written Down Value as at June 30, 2025	
	Balance as at July 01, 2024	Additions	Disposals	Balance as at June 30, 2025	Rate	Balance as at July 01, 2024	Charge for the year		Disposals
Owned assets	----- 'Rs. in thousands -----			----- 'Rs. in thousands -----				----- 'Rs. in thousands -----	
Land freehold	1,111,508	-	-	1,111,508	%	-	-	-	1,111,508
Buildings on freehold land	134,982	-	-	134,982	-	-	6,749	-	6,749
Computer and accessories	30,580	1,036	(12,384)	19,232	5%	26,163	1,450	(12,066)	15,547
Furniture and fixture	17,636	625	(1,019)	17,242	30%	10,126	774	(959)	9,941
Office equipment	6,633	188	(5,327)	1,494	10%	6,406	66	(5,326)	1,146
Electric fittings and appliances	138,776	2,785	(3,689)	137,872	20%	102,174	7,499	(3,642)	106,031
Vehicles	497	17,112	(497)	17,112	20%	352	976	(457)	871
Elevator	19,969	-	-	19,969	20%	16,198	754	-	16,952
Generators	34,206	-	(6)	34,200	20%	22,064	1,214	(5)	23,273
Arms and security equipment	6,715	-	(405)	6,310	10%	3,285	343	(386)	3,242
Library books	318	-	(318)	-	10%	318	-	(318)	-
Leasehold improvements	5,697	-	(5,697)	-	25%	5,697	-	(5,697)	-
Total	1,507,517	21,746	(29,342)	1,499,921	20%	192,783	19,825	(28,856)	183,752
									1,316,169

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5.1.1 The particulars of operating fixed assets disposed off during the year are as follows:

Particulars	Cost	Carrying amount	Sale price	Gain on disposal - Note 33	Particulars of the purchaser	Mode of disposal	Relationship with the purchaser
----- 'Rs. in thousands' -----							
<u>Computer and accessories</u>							
Laptop HP Elite book	92	37	43	5	Ms. Iram Anwar Mr. Siddique ur rehman	As per Company's policy	Employee
Laptop HP Probook	212	105	105	-		As per Company's policy	Employee
	304	142	148	5			
<u>Electric fittings and appliances</u>							
Waves Deep freezer	36	3	4	0	Mr. Zulifqar Accounts Deptt	As per Company's policy	Employee
LCD TV	217	5	68	63		As per Company's policy	Employee
	253	8	72	63			
<u>Office equipment</u>							
Misc Equipments	85	7	37	30	Accounts Deptt	As per Company's policy	Employee
	85	7	37	30			
June 30, 2026	642	157	256	98			
June 30, 2025	1,170	328	328	-			

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5.1.2 Measurement of fair values

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 foot 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.)
The Exchange Hub, LSE Plaza, 19-Kashmir Egerton Road, Lahore.	Land and Building	44,141	North Tower: 98,678 Sqft South Tower : 103,460 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:

Note	2026 Rs. in thousands	2025 Rs. in thousands
Freehold land	1,059,660	1,059,660
Building on freehold land	91,347	96,154
	<u>1,151,007</u>	<u>1,155,814</u>

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

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

5.1.6 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.

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On April 03, 2024, LSE Proptech Limited has been merged into LSE Capital Limited as per the scheme of arrangement approved by Honourable Lahore High Court under order no. 78278/2023. The title of the land and building in possession of LSE Proptech Limited is ultimately transferred in the name of LSE Capital Limited.

- 5.1.7 The land and building is under the mortgage of Cordoba Leasing Limited as security for long term finance facility obtained as disclosed in the Note 22.2 of these financial statements.

5.2 Capital Work in Progress - civil work

The reconciliation of carrying amount is as follows:

	Note	2026 Rs. in thousands	2025
Balance at the start of the year		6,824	6,658
Addition during the year		-	166
Balance at the end of the year		<u>6,824</u>	<u>6,824</u>

This represents the expenditure incurred on the structural designs and other costs for the construction of 5th floor on south tower and Mezzanine floor in LSE Plaza.

6 RIGHT OF USE ASSET

	Note	2026 Rs. in thousands	2025
Cost			
Balance at the start of the year		59,114	59,114
Addition during the year		-	-
Disposal during the year		-	-
Balance at the end of the year		<u>59,114</u>	<u>59,114</u>
Less: Accumulated Depreciation			
Balance at the start of the year		13,410	1,985
Depreciation charged during the year	31	9,144	11,425
Disposal during the year		-	-
Balance at the end of the year		<u>22,554</u>	<u>13,410</u>
Written down value as at June 30,		<u>36,560</u>	<u>45,704</u>
Depreciation rate (%) per annum		<u>20%</u>	<u>20%</u>

- 6.1 This represents 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 employees) at a consideration of Rs. 70 million with a lease term of 3 years. The lease will expire on April 18, 2027.
- 6.2 During the year, there were no disposals of right-of-use assets. Accordingly, no gain or loss arising from the disposal of right-of-use assets has been recognized during the year.

7 INVESTMENT IN ASSOCIATES

Investment in associated companies - at equity method

	Note	2026 Rs. in thousands	2025
Digital Custodian Company Limited	7.1	-	258,971
LSE Financial Services Limited	7.2	3,218	-
LSE Ventures Limited	7.3	1,233,651	806,539
		<u>1,236,869</u>	<u>1,065,510</u>
		<u>1,236,869</u>	<u>1,065,510</u>

- 7.1 Digital Custodian Company Limited ("DCCL") was incorporated on February 12, 1992 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited company. The status of the Company was converted from private limited company to unlisted public limited company on June 19, 2009. During March 2026, the Group acquired an additional 11.51% equity interest in DCCL for a consideration of PKR 27.75 million, increasing its total shareholding from 42.50% to 54.01%. Consequently, the Group obtained control over DCCL and the investment has been reclassified from an associate to a subsidiary. Accordingly, the Group has discontinued the application of the equity method from the date control was achieved.

The acquisition has been accounted for as a business combination achieved in stages in accordance with IFRS 3, Business Combinations. Accordingly, the Group remeasured its previously held equity interest in DCCL to its acquisition-date fair value, with the resulting gain of approximately PKR 0.6 million recognised in the consolidated statement of profit or loss. From the date control was obtained, the financial statements of DCCL have been consolidated with those of the Group in accordance with IFRS 10. Consolidated Financial Statements.

- 7.2 LSE Financial Services Limited (LSEFSL) was originally incorporated with the name of Lahore Stock Exchange (Guarantee) Limited under the repealed Companies Act, 1913 (now the Companies Act, 2017) on October 05, 1970 as a Company limited by guarantee.

LSEFSL was re-registered as a public unlisted Company limited by shares on August 27, 2012. Consequent to the integration of all stock exchanges of the country on Jan 11, 2016, LSEFSL obtained an NBFC license to start functioning as an investment finance services company under the name LSE Financial Services Limited. The Group underwent a series of restructuring during 2023 and 2024. On May 31, 2024, the shares of LSEFSL started trading on PSX consequent to the transfer of the listing status from Modaraba Al-Mali (Modaraba) under the scheme of arrangement with its management company.

- 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 PSX 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.

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

2026				
	LSEFSL	DCCL	LSEVL	Total
Rs. in thousands				
Balance as at July 01, 2025	-	258,971	806,539	1,065,510
Investment made during the year		-	57,500	57,500
Additional shares through Scheme of Arrangement	4,133		-	4,133
Share of profit / (loss) during the year	34	(454)	-	397,090
Share of comprehensive income		-	26,037	26,037
Adjustment arises from Scheme	34	(461)	(77,546)	(81,976)
Less: Transfer to investment in subsidiary		(181,425)		
Less: Dividend received during the year		-	(50,000)	(50,000)
Balance as at June 30, 2026	3,218	-	1,233,651	1,418,294
Number of shares held	423,054	21,602,156	111,135,988	
Shareholding in %age	1.57%	54.01%	27.84%	

2025				
	LSEFSL	DCCL	LSEVL	Total
Rs. in thousands				
Balance as at July 01, 2024	-	172,087	723,937	896,024
Investment made during the year	-	38,500	21,697	60,197
Share of profit / (loss) during the year	34	-	55,868	57,621
Share of comprehensive income	-	1,172	50,202	51,374
Gain on bargain purchase	-	45,459	3,007	48,466
Dividend received during the period	-	-	(48,172)	(48,172)
Balance as at June 30, 2025	-	258,971	806,539	1,065,510
Number of shares held	-	22,215,728	49,883,397	
Shareholding in %age	-	42.50%	27.78%	

7.1.2 Extracts of financial statements

	LSEFSL	LSEVL
Rs. in thousands		
Revenue	29,651	469,301
Profit after tax	(28,948)	1,427,959
Other comprehensive income	-	93,525
Total comprehensive income	(28,948)	1,521,484
Current assets	61,626	491,794
Non-current assets	216,644	4,730,264
Current liabilities	(72,923)	(216,189)
Non-current liabilities	-	(574,648)
	205,347	4,431,221
Proportion of the Company's ownership interest	1.57%	27.84%
	3,218	1,233,651

		2026	2025
		Rs. in thousands	
8	INTANGIBLE ASSETS		
8.1	Net Carrying Value	Note	
	Opening balance	388,245	-
	Additions during the year	8,524	-
	Disposals during the year	-	-
	Amortization charge for the year	(18)	-
	Closing balance	396,751	-
8.2	Gross Carrying Value		
	Cost	396,924	-
	Accumulated amortization	(173)	-
	Closing balance	396,751	-
9	INVESTMENT PROPERTY		
	Balance at the start of the year	456,276	392,122
	Gain on revaluation	11,932	64,154
	Sale of Investment Property	(6,450)	-
	Balance at the end of the year	461,758	456,276

- 9.1 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 July 11, 2026 was performed by M/s Unicorn International Surveyors, who are independent valuers not related to the Group.

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 or 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 market 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 thousands					
Building on freehold land	Lahore	30,365 square feet	M/s Unicorn International Surveyors	461,758	392,494

- 9.2 The land and building is under the mortgage of Cordoba Leasing Limited as security for long term finance facility obtained as disclosed in the Note 22.2 of these financial statements.

		2026	2025
		Rs. in thousands	
10	NET INVESTMENT IN FINANCE LEASE		
	Balance at the start of the year,	4,274	4,275
	Transfer under merger scheme	-	-
	Add: Finance income for the year	340	342
	Less: Rental received during the year	(342)	(343)
	Balance at the end of the year,	4,272	4,274

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

		2026	2025
		Rs. in thousands	
	Upto one year	343	343
	Two to five years	1,374	1,374
	Above five years	20,263	20,607
		21,980	22,324
	Less: Discounting	(17,708)	(18,050)
	Closing balance	4,272	4,274

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- 10.2 The Group has entered into lease arrangements for lease of office spaces i.e. 101,504 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.

11 LONG TERM DEPOSITS

Deposit against :

- Central Depository Company Limited
- Utilities
- Others

	2026	2025
	Rs. in thousands	
	275	75
	2,567	2,567
	96	77
	<u>2,938</u>	<u>2,719</u>

12 INVENTORIES

Consumable store items

	2,255	2,442
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13 SHORT TERM INVESTMENTS

At fair value through profit and loss

Investment in Equity Securities

- Listed securities
- Investment in NGLE
- Investment in MCB Cash management optimizer fund and PACRA

	2026	2025
	Rs. in thousands	
	35,419	71,627
	230,000	-
	96	-
	<u>265,515</u>	<u>71,627</u>

At amortized cost

Musharikhah Financing

Jamshoro Joint Venture Limited - unlisted shares

	300,000	350,000
	300,601	60,000
	<u>600,601</u>	<u>410,000</u>
	<u>866,115</u>	<u>481,627</u>

- 13.1 Breakup of investment in listed equity securities is as under:

2026

Scripts	Symbol	Qty	Cost /Share	Cost	Market Rate	Fair Value
			Rs.		Rs. in thousands	
Ghani Chemical Industries Limited	GCIL	395,000	26.62	10,515	35.53	14,034
ITANZ Technologies	ITANZ	500,000	38.10	19,049	42.77	21,385
				<u>29,564</u>		<u>35,419</u>

2025

Scripts	Symbol	Qty	Cost /Share	Cost	Market Rate	Fair Value
			Rs.		Rs. in thousands	
Bank Islami Pakistan Limited	BIPL	260,000	30.36	7,895	35.82	9,313
ECOPACK Limited	ECOP	212,000	87.96	18,648	66.32	14,060
Invest Capital Investment Bank	ICIBL	1,200,000	6.82	8,185	10.27	12,324
MACPAC Films Limited	MACFL	285,000	27.06	7,711	49.38	14,073
TATA Textile Mills Limited	TATM	2,500	105.25	263	129.71	324
Ghani Chemical Industries Limited	GCIL	320,000	22.39	7,166	24.86	7,955
Blue Ex Limited (GEM)	GEMBLUE	194,500	65.00	12,643	61.81	12,022
Ghani Chemworld Limited	GCWL	160,000	-	-	9.72	1,555
				<u>62,511</u>		<u>71,627</u>

- 13.2 This represents a Musharika Financing facility of up to Rs. 300 million provided to AG Publications (Private) Limited through its Chief Executive Officer, Mr. Iqbal Z. Ahmad, at a pre-agreed Profit-Sharing Rate (PSR) of not less than 6-month KIBOR plus 20% or 3% per month, whichever is higher, for the revival of Jamshoro Joint Venture Limited (JJVL). The facility is recoverable in a lump sum after seven months from the date of disbursement, while PSR is payable on a monthly basis.

- 13.3 This represents the Group's investment in Jamshoro Joint Venture Limited (JJVL) and Energy Resource Business Limited (ERBL). During the year, the Group acquired 10% of the Class A ordinary shares of JJVL, comprising 9,691,012 ordinary shares, together with a 9.81% equity interest in ERBL, which holds 95% of the Class B shares of JJVL. As a result of these acquisitions, the Group obtained an effective indirect equity interest of approximately 9.66% in JJVL.

JJVL was established as the largest private sector liquefied petroleum gas (LPG) producer in Pakistan. The company commissioned its 200 MMSCFD LPG extraction plant in March 2005 and its 125 MMSCFD LPG extraction plant in October 2014.

- 13.4 In line with the disclosures made in the Group's Prospectus and following the successful Initial Public Offering (IPO), the Group, through LSE SPAC-I, subscribed to 3,530,000 ordinary shares of Ningbo Green Light Energy Limited (the "Target Company"/"NGLE") on 08 May 2026. This investment represents a 19.04% equity stake acquired for an aggregate consideration of PKR 230 million. NGLE is a solar energy solutions provider and Engineering, Procurement and Construction (EPC) company in Pakistan, backed by foreign investment from a prominent Chinese solar equipment manufacturing firm.

The investment is classified as a financial asset at fair value through profit or loss (FVTPL) and is initially recognised at fair value. Accordingly, the investment was initially recognised at the transaction price of Rs. 230 million, representing the fair value of the consideration given at the date of acquisition. As the investment is expected to be realised through the proposed merger of LSE SPAC-I with NGLE within six months of acquisition, and management has assessed that there have been no significant changes in the underlying circumstances affecting its value, the transaction price of Rs. 230 million continues to represent a reasonable estimate of its fair value as at the reporting date. Accordingly, no fair value gain or loss has been recognised during the period.

14 TRADE AND OTHER RECEIVABLES

2026 2025
Rs. in thousands

Trade receivables - unsecured

- From leaseholders

14.1 16,432 9,425

- From tenants

14.2 1,074 6,161

Other receivables - unsecured and considered good

14.3 31,974 33,552

Accrued profit on musharika financing - under islamic mode

7,200 5,980

Receivable from related parties - LSE Financial Services

49,800 -

106,480 55,118

14.1 Trade receivables from leaseholders

Receivable from leaseholders - considered good

36,200 26,886

Receivable from leaseholders - considered doubtful

- -

36,200 26,886

Less: Allowance for expected credit loss

(19,768) (17,461)

16,432 9,425

14.1.1 Expected credit loss from leaseholders

Balance at the start of the year

17,461 16,504

Expected credit loss during the year

2,307 1,160

Balance written off

- (203)

Balance at the end of the year

19,768 17,461

14.1.2 Age analysis of trade receivables from leaseholders

Description	Year end	Past due					Total Gross amount due
		0-30 Days	31-60 Days	61-90 Days	91-365 Days	Above 365 days	
----- Rs. in thousands -----							
Leaseholders	2026	5,480	2,927	1,516	3,508	22,769	36,200
Leaseholders	2025	3,055	2,617	1,668	8,359	11,187	26,886

14.2 Trade receivables from tenants

Note 2026 2025
Rs. in thousands

Considered good

3,119 9,795

Considered doubtful

- -

3,119 9,795

Less: Allowance for expected credit loss

14.2.1 (2,045) (3,634)

1,074 6,161

14.2.1 Expected credit loss from tenants

Balance at the start of the year

3,634 -

Transfer under merger scheme

- 2,983

Expected credit loss / (reversal) during the year

(1,589) 651

Balance at the end of the year

2,045 3,634

14.2.2 Age analysis of trade receivables from tenants:

Age analysis of trade receivables from tenants.							
Description	Year end	Past due					Total Gross amount due
		0-30 Days	31-60 Days	61-90 Days	91-365 Days	Above 365 days	
Rs. in thousands							
Tenants	2026	569	451	57	1,166	876	3,119
Tenants	2025	3,130	1,901	1,124	3,372	268	9,795

- 14.3 This includes balance receivable from Digital Custodian Company Limited, an associated company along with mark-up @ 6 months KIBOR + 1% per annum 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:

due from the related parties at the end of any month during the year is as follows.

	Gross Amount Due		Maximum Outstanding amount
	2026	2025	
	Rs. in thousands		
Receivable against the equity management fee	-	9,094	-
Other receivable _ current account	28,823	23,502	28,823
	28,823	32,596	28,823

14.3.1 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	
2026		Rs. in thousands					
Other receivable _ current account		7,635	-	4,560	16,628	-	28,823
		7,635	-	4,560	16,628	-	28,823
Description	Year end	Past due					Total Gross
		0-30 Days	31-60 Days	61-90 Days	91-365 Days	Above 365 days	
2025		Rs. in thousands					
Receivable against the equity management fee		-	-	3,031	6,063	-	9,094
Other receivable _ current account		3,018	12	-	16,045	4,427	23,502
		3,018	12	3,031	22,108	4,427	32,596

15 ADVANCES, DEPOSITS AND PREPAYMENTS

	2026	2025
<i>Considered good</i>	Rs. in thousands	
Advance to suppliers - unsecured	12,424	15,450
Advances to employees - secured		
- against expenses	200	200
- against salaries	731	919
- against house rent and others	-	80
Advances to brokers	568	7,617
Prepayments	4,953	1,086
	18,875	25,352

16 TAX REFUNDS DUE FROM THE GOVERNMENT - NET

Balance at the start of the year,	24,846	28,935
Income tax deducted at source during the year - net	38,171	30,518
Prior year adjustment	114	(1,897)
Less: Provision for taxation	(17,217)	(32,708)
Rectification of unbooked tax in prior year	3,997	-
Balance at the end of the year,	49,912	24,846

LSE CAPITAL LIMITED

17 CASH AND BANK BALANCES	Note	2026	2025
		Rs. in thousands	
Cash in hand		183	100
-Current accounts		-	-
-Saving accounts	17.1	97,478	41,298
		97,478	41,298
		97,661	41,398

17.1 This carries mark-up ranging from 8.50% to 20.50% per annum (2025: 17.25% to 20.50% per annum). This includes Rs. 0.322 million (2024: Rs. 0.404 million) held under islamic windows of banks.

18 AUTHORIZED SHARE CAPITAL

2026		2025		2026		2025	
Number of shares				Rs. in thousands			
18.1	Authorized share capital						
	400,000,000	200,000,000	Ordinary shares Rs. 5/- (2025: 10)	2,000,000		2,000,000	
	20,000,000	50,000,000	Preference shares Rs. 5/- (2025: 10)	100,000		500,000	
	5,000,000	-	Partially Redeemable shares Rs. 100/- (2025 : Nil)	500,000		-	
	425,000,000	250,000,000		2,600,000		2,500,000	

18.1.1 During the year, the LSE Capital Limited sub-divided its authorised share capital from Rs. 2,500,000,000, comprising 200,000,000 ordinary shares and 50,000,000 preference shares of Rs. 10 each, into 400,000,000 ordinary shares and 100,000,000 preference shares of Rs. 5 each, without changing the aggregate amount of the authorised share capital. The sub-division was approved by the shareholders through a special resolution passed at the Annual General Meeting held on 27 November 2025.

18.1.2 Subsequently, the shareholders approved an increase in the authorised share capital from Rs. 2,500,000,000 to Rs. 2,600,000,000 through a special resolution passed at the Extraordinary General Meeting held on 6 April 2026. The increase was effected by the creation of 5,000,000 partially redeemable preference shares of Rs. 100 each. Accordingly, the authorised share capital of the LSE Capital Limited comprises 400,000,000 ordinary shares of Rs. 5 each, 20,000,000 preference shares of Rs. 5 each and 5,000,000 partially redeemable preference shares of Rs. 100 each.

19 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2026	2025		2026	2025
Number of shares			Rs. in thousands	
362,306,690	21,000,000	Ordinary shares of Rs. 5/- (2025: 10) issued for cash	1,811,533	210,000
-	160,153,345	Ordinary shares of Rs. 5/- (2025: 10) issued other	-	1,601,534
24,693,310	-	Right shares of Rs. 05/- (30 June 2025: Nil)	123,467	-
387,000,000	181,153,345		1,935,000	1,811,534

19.1 Pursuant to the special resolution passed by the shareholders at the Annual General Meeting held on November 27, 2025, the face value of each ordinary share of LSE Capital Limited was subdivided from Rs. 10 to Rs. 5. Accordingly, each existing ordinary share of Rs. 10 was split into two ordinary shares of Rs. 5 each, without any change in the rights and privileges attached to the shares.

19.2 During the year, LSE Capital Limited increased its paid-up share capital through the issuance of 24,693,310 ordinary shares at par value of Rs. 5 per share by way of a rights issue. The rights shares were offered to existing shareholders in the proportion of 6.82 rights shares for every 100 ordinary shares held (i.e., a 6.82% rights issue) at the subscription price of Rs. 5 per share.

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

2026		2025	
Number of shares		Number of shares	
Balance at the start of the year	181,153,345	181,153,345	
Effect of share split	181,153,345	-	
Issued other than in cash	-	-	
Right shares	24,693,310	-	
Balance at the end of the year	387,000,000	181,153,345	

19.4 The shareholding structure of the Group is as under:

	2026	2025	2026	2025
	Percentage (%)		Number of shares	
LSE Ventures Limited	18.63%	12.48%	72,113,861	22,615,904
Zahid Latif Securities (Private) Limited	12.42%	7.59%	48,062,162	13,758,156
Digital Custodian Company Limited	0.00%	7.14%	-	12,935,548
LSE Financial Services Limited	0.00%	5.52%	-	10,000,000
Directors	5.17%	11.37%	20,021,545	20,590,004
Others/General Public	63.77%	55.89%	246,802,432	101,253,733
	100.00%	100.00%	387,000,000	181,153,345

20 SURPLUS ON REVALUATION OF PROPERTY AND EQUIPMENT

		2026	2025
		Rs. in thousands	
Gross amount of revaluation surplus	Note		
Balance at start of the year,		83,927	85,615
Surplus arose on fresh revaluation of land and building	5.1	-	-
Incremental depreciation on revaluation of building		(1,604)	(1,688)
Balance at end of the year,		82,323	83,927
Less: Deferred tax			
Balance at start of the year,		(9,303)	(9,793)
Tax effect of Incremental depreciation on revaluation of building	24.3	955	490
Balance at end of the year,		(8,348)	(9,303)
Balance as at June 30, net of deferred tax		73,975	74,624

20.1 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.

21 BUILDING RESERVE FUND

	2026	2025
	Rs. In thousands	
Building reserve fund	13,967	6,593

21.1 This reserve was formed for replacement of major fixed assets of the Group. the Group and its long term lease holders contribute their respective shares at Rs. 4 per sq. ft. in the fund.

21.2 Movement during the year:

	Note	2026	2025
		Rs. In thousands	
Balance at the start of the year,		6,593	1,682
Building reserve collected during the year		7,374	4,911
Balance at the end of the year,		13,967	6,593

22 LONG TERM FINANCING

Under conventional mode:

		2026	2025
Lease liability	22.1	-	24,555
Financial liability at amortized cost	22.2	-	12,115
		-	36,670

22.1 This financing has been obtained through sale and lease back of vehicles of the Group 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 vehicles in the name of Cordoba Leasing Limited, personnel guarantee of chief executive of the Group, demand promissory note of Rs. 98.182 million, registered charge on all the present and future assets of the Group amounting to Rs.150 million, 36 post dated cheques of Rs. 2.727 million each and assignment of receivables from the tenants of the property owned by the Group.

22.1.1 Movement in Lease liability during the year

	Note	2026	2025
		Rs. in thousands	
Balance at the start of the year,		48,379	67,259
Assets acquired under finance lease		-	-
Accretion of finance cost		8,688	13,773
Repayments made during the year		(32,512)	(32,653)
Balance at the end of the year,		24,555	48,379
Less: current portion shown under current liabilities	26	(24,555)	(23,824)
		-	24,555

Isco

22.1.2 Maturity analysis of gross and discounted lease liabilities

	Gross amount		Present value	
	2026	2025	2026	2025
	Rs. in thousands		Rs. in thousands	
Up to one year	24,555	32,727	24,555	23,824
After one year	-	27,273	-	24,555
Total lease liability	24,555	60,000	24,555	48,379

- 22.2 This long term finance facility from Cordoba Leasing Limited was obtained to meet the working capital requirements of the Group amounting to Rs. 30 million. 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 Group, personal guarantee of the chief executive of the Group, duly signed demand promissory note for the amount of facility, registered charge on all the present and future assets of the Group amounting to Rs. 150 million and 36 post dated cheques of Rs. 1.274 million each.

22.2.1 Movement in financial liability at amortized cost during the year	Note	2026	2025
		Rs. in thousands	
Balance at the start of the year,		22,072	29,475
Loan obtained during the year		-	-
Repayments made during the year		(9,956)	(7,403)
Balance at the end of the year,		12,116	22,072
Less: current portion of financial	26	(12,116)	(9,957)
		-	12,115

22.2.2 Maturity analysis of gross and discounted financial liabilities

	Gross amount		Present value	
	2026	2025	2026	2025
	Rs. in thousands		Rs. in thousands	
Up to one year	12,116	15,283	12,116	9,957
More than one year and less than 5 years	-	14,009	-	12,115
Total financial liability	12,116	29,292	12,116	22,072

23 OTHER LIABILITIES

Deposits from employees against vehicles	23.1	12,694	12,041
Payable against Sale and lease back	23.2	28,110	28,110
Security deposit against rent		2,944	2,944
		43,748	43,095

- 23.1 This represents deposits from employees against the purchase of vehicles for employees. Initially vehicles are held in the name of Company which will be transferred upon settlement of all related liabilities. These deposits are payable in 60 equal monthly interest free installments.

- 23.2 This represents payable to other employees of the Group on account of sale and lease back transaction entered into with Cordoba Leasing Limited.

24 DEFERRED TAX LIABILITY

		2026	2025
		Rs. in thousands	
Deferred tax liability	24.1	117,360	83,594

24.1 Breakup of deferred tax liability

Taxable temporary differences			
Accelerated tax depreciation		2,299	19,804
Amortization of intangible asset		12,621	-
Unrealized gain on remeasurement of short term investments		7	-
Share of profit from associate		103,159	58,774
Net investment in finance lease		1,239	1,239
Surplus on property and equipment		-	9,303
Financial assets - Listed		878	1,367
Deductible temporary differences			
Loss allowance on receivables		(6,326)	(6,118)
Right of use of assets		3,483	(775)
		117,360	83,594

ISCO

24.2 Deferred tax assets / liabilities on temporary differences are measured at rates applicable for 2027.

	2026	2025
24.3 Reconciliation of deferred tax liabilities - Net	Rs. in thousands	
Balance at the start of the year,	83,594	43,075
Pre - acquisition reserve	11,367	-
Deferred tax effect charged to statement of profit or loss	30,170	33,303
Deferred tax effect charged to other comprehensive income	(7,771)	7,706
Deferred tax effect charged to statement of changes in equity	-	(490)
Balance at the end of the year,	<u>117,360</u>	<u>83,594</u>

24.4 Analysis of change in deferred tax

	Statement of Financial Position		Statement of Profit or loss		Statement of Comprehensive Income		Statement of Changes in Equity	
	2026	2025	2026	2025	2026	2025	2026	2025
	Rs. in thousands.							
Accelerated tax depreciation	2,299	19,804	(17,505)	3,732	-	-	-	-
Amortization of intangible assets	12,621	-	12,621	-	-	-	-	-
Share of profit from associate	103,159	58,774	40,789	28,273	(7,771)	7,706	-	-
Unrealized gain on re-measurement of short term investments	7	-	7	-	-	-	-	-
Surplus on property and equipment	-	9,303	(9,303)	-	-	-	-	(490)
Net investment in finance lease	1,239	1,239	-	-	-	-	-	-
Financial Assets - listed	878	1,367	(489)	1,384	-	-	-	-
Right of use of assets	3,482	(775)	4,257	1,246	-	-	-	-
Loss allowance on receivables	(6,326)	(6,118)	(208)	(1,332)	-	-	-	-
	<u>117,360</u>	<u>83,594</u>	<u>30,170</u>	<u>33,303</u>	<u>(7,771)</u>	<u>7,706</u>	<u>-</u>	<u>(490)</u>

25 TRADE AND OTHER PAYABLES

	Note	2026	2025
		Rs. in thousands	
Creditors for Services		4,196	3,905
Payable to Ghani Chemical Industries Limited		7,000	7,000
Accrued liabilities	25.1	79,663	12,108
Sales tax payable		783	3,444
Contract liability	25.2	10,751	2,430
Payable to related parties	25.3	271,980	103,404
Retention money - unsecured		1,004	1,004
		<u>375,377</u>	<u>133,295</u>

25.1 This includes an amount of Rs. 52.016 million received from Mr. Ahmed Omer Khan against the sale of 3,294,944 Class A shares of JJVL at a price of Rs. 15.80 per share, amounting to a total consideration of Rs. 52,060,115. However, the transaction has not yet been completed.

25.2 This represents advance received from the following parties :

	Note	2026	2025
		Rs. in thousands	
Tenants		10,751	2,430
Leaseholders and Companies		-	-
		<u>10,751</u>	<u>2,430</u>

25.3 These balances represent amounts payable to related parties in the normal course of business and carry a markup at six-month KIBOR plus 1%, in accordance with the approval of the members of the Group and as per the requirements of section 199 of the Companies Act, 2017.

	Note	2026	2025
		Rs. in thousands	
LSE Ventures Limited		271,980	79,289
LSE Financial		-	24,115
		<u>271,980</u>	<u>103,404</u>

26 CURRENT PORTION OF LONG TERM FINANCING

Lease liability	22.1.1	24,555	23,824
Financial liability at amortized cost	22.2.1	12,116	9,957
		<u>36,671</u>	<u>33,781</u>

27	LOAN FROM DIRECTOR	Note	2026	2025
			Rs. in thousands	
	<i>Under conventional mode</i>			
	Balance as at 30 June,		-	100,000
	Add: Loan obtained during the year		108,000	-
	Less: Payments made during the year		(108,000)	(100,000)
	Balance as at 30 June,	27.1	-	-

- 27.1 This short term loan facility was obtained from the Chief Executive / Director of the Group amounting to Rs. 108 million to meet its working capital requirements for the period of 6 months. It carried markup @ 23% per annum, payable monthly. It was repayable after 6 months in lump sum or in 6 equal monthly instalments at the beginning of each month succeeding the month of disbursement whereas the markup was to be serviced on monthly basis. It was 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. This facility was paid off in full during the year.

28	ACCRUED MARKUP ON FINANCING	Note	2026	2025
			Rs. in thousands	
	Long term financing - secured			
	<i>Under conventional mode</i>			
	- lease liability		87	189
	- financial liability at amortized cost		164	294
	Short term financing			
	- Payable to associated companies - unsecured			
	<i>LSE Ventures Limited</i>	25.3	-	14,885
	<i>LSE Financial Services Limited</i>	25.3	-	2,456
			251	17,824

29 CONTINGENCIES AND COMMITMENTS

29.1 Contingencies

29.1.1 Holding Company

- (a) 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, 2025 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.
- (b) The Company has not recognized provision for Punjab Workers' Welfare Fund (PWWF) amounting to Rs. 14.75 million (2025: Rs. 6.130 million) on the pretext that it does not fall under the definition of industrial establishment as defined in Clause (d) of Section 2 of the Punjab Workers' Welfare Fund Act, 2019 nor does it employ any worker as defined in Clause (I) of Section 2 of the Act and Section 2 of the Punjab Industrial Relation Act, 2010.

29.1.2 Subsidiaries

29.1.2.1 Digital Custodian Company Limited

- (a) For the tax year 2019, the Deputy Commissioner Inland Revenue (DCIR), Unite-04 , Range-B Zone-IV. CTO, Karachi, has created a tax demand amounting to Rs. 3.417 million mainly on account of non deduction of income tax at the time of making payments to various parties as required u/s 161/2025 of the Income Tax Ordinance, 2001. Against this demand, the company is in the process of filing an appeal before the competent authority. The Company expects favorable outcome in this regard, therefore, no provision has been made in these financial statements.
- (b) The Company has not recognized any provision for Workers' Welfare Fund (WWF), as based on the legal opinion obtained by the Company, it does not fall within the definition of an industrial establishment under clause (d) of Section 2 of the Workers' Welfare Fund Act, 2019. Accordingly, WWF is not applicable to the Company and no provision has been recognized in these financial statements.

29.2 Commitments

There is no commitment outstanding as at the reporting date (2025: Nil).

TSC

2026 2025

30 REVENUE - NET

Real Estate Income

Rental income

Room maintenance services

Deals Advisory fee

Equity management fee

Technology/ SaaS Services

Less: PRA sales tax

-Trustee income

-Custody income

-D Share registry

Total Revenue

Note

2026 2025

Rs. in thousands

47,829 43,995

48,145 38,513

95,974 82,508

16,391 23,844

31,250 46,552

8,258 7,923

(13,605) (15,399)

42,293 62,921

29,683 -

4,714 -

1,341 -

35,738 -

174,005 145,428

- 30.1 This represents the Equity management fees charged to associated group companies on account of management of payroll of the Group and provision of administrative services to them as per the duly executed agreement entered into between the parties. The breakup of equity management fee is as under:

Associated companies

LSE Financial Services Limited

LSE Ventures Limited

Digital Custodian Company Limited

Note

2026 2025

Rs. in thousands

- 6,208

31,250 31,250

- 9,094

31,250 46,552

- 30.2 The aggregate PRA sales tax amounting to Rs. 13.605 million (2025: Rs.15.399 million) is charged on room maintenance services, deals advisory fee, equity management fee and software services income.

31 ADMINISTRATIVE AND GENERAL EXPENSES

Note

2026 2025

Rs. in thousands

Salaries and benefits

31.1 77,329 75,522

Information technology related expenses

5,575 3,285

Insurance

3,023 1,942

Travelling and conveyance

13,261 10,566

Printing and stationery

2,225 1,656

Utilities

3,431 3,038

Repairs and maintenance

17,083 12,951

Security expenses

8,493 9,257

Balance Carried Forward

130,419 118,216

Note

2026 2025

Rs. in thousands

Balance Brought Forward

130,419 118,216

Communication, entertainment and public relations

15,965 11,072

Legal and professional charges

31.2 40,641 18,428

Fees and subscription

5,011 1,050

Rent, rates and taxes

3,782 1,689

Auditors' remuneration

31.3 2,541 1,450

Board meetings fee

31.4 4,465 1,675

Old debit balances written off

- 4,492

Miscellaneous expenses

31.5 8,066 498

Property and equipment written off

- 156

Depreciation on property and equipment

5.1 21,090 19,825

Depreciation on Right of use asset

6 9,144 11,425

241,124 189,977

- 31.1 Salaries and benefits include Rs. 1.94 million (2025: Rs. 2.81 million) in respect of contribution to provident fund.

2026 2025

31.2 This includes an amount of Nil (2025: Rs. 14.78 million) as consultancy charges paid to Mr. Amir Zia, Chief Executive of the subsidiary company namely; LSE SPAC-I.

31.3 Auditors' remuneration	2026	2025
	Rs. in thousands	
Annual audit fee	1,200	650
Half yearly review	511	350
Certifications for regulatory purposes	396	350
Special audit fee	345	-
Government levies	90	50
	<u>2,541</u>	<u>1,400</u>

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

31.5 This includes Rs. Nil (2025: Rs.1.9962 million) as donation given by the Group. The directors and their relatives have no interest in the donee.

32 OTHER EXPENSES	Note	2026	2025
		Rs. in thousands	
Expected credit loss on trade receivables	14.1.1 & 14.2.1	717	1,811
Realized loss on disposal of investment		6,194	-
Bad debts written off		-	624
		<u>6,911</u>	<u>2,435</u>

33 OTHER INCOME

Income from financial assets:

Profit on saving bank accounts	33.1	2,900	6,833
Interest Income from related parties	33.2	3,977	2,242
Return on musharikhah financing - <i>under islamic mode</i>	13.2	116,344	126,225
Unrealized fair value gain on investment in listed equity securities - net		6,360	18,549
Realized fair value gain on investment in listed equity securities - net		-	87,007
Dividend Income on investment in listed equity securities		62	2,033
Interest Income on exposure in MTS		-	4,783
Gain on bargain purchase		23,821	
Finance income on net investment in finance lease	10	340	342
		<u>153,803</u>	<u>248,014</u>

Income from non financial assets:

Unrealized gain on investment property carried at fair value	9	11,932	64,154
Misc income		18,559	3,762
Parking charges and miscellaneous income	33.3	7,161	10,276
Gain on disposal of property and equipment	33.3	98	-
		<u>37,750</u>	<u>78,192</u>
		<u>191,554</u>	<u>326,206</u>

33.1 This includes Rs. 2.33 million (2025: Rs. 6.67 million) earned from bank accounts maintained under Islamic windows of banks.

33.2 This represents income from related parties under section 199 as per the Companies Act, 2017 :

	Note	2026	2025
		Rs. in thousands	
Associated undertakings :			
Digital Custodian Company Limited		3,977	2,242
		<u>3,977</u>	<u>2,242</u>

33.3 Gain / (loss) on disposal of property and equipment and right of use of asset is as follows:

	Note	2026	2025
		Rs. in thousands	
Gain on property and equipment	5.1.1	98	-
		<u>98</u>	<u>-</u>

34 INCOME FROM ASSOCIATES

Note

2026

2025

Rs. in thousands

Post tax share of profit from associates

LSE Ventures Limited

7.1.1

397,543

55,868

LSE Financial Services Limited

(454)

-

Digital Custodian Company Limited

7.1.1

-

1,753

397,090

57,621

Gain on bargain purchase

Digital Custodian Company Limited

34.1

-

45,459

LSE Financial Services Limited

34.1

-

3,007

-

48,466

397,090

106,087

34.1 This represents the excess of Company's interest in the net assets of the associates over the original cost of investment and is recognized in accordance with the requirements of International Accounting Standard 28, "Investments in Associates and Joint Ventures"

35 FINANCE COST

Note

2026

2025

Rs. in thousands

Mark-up on financing

35.1

61,690

79,223

Bank charges

27

36

61,716

79,259

35.1 This represents the markup expense against financing obtained from the following parties under conventional mode:

Related Parties

Note

2026

2025

Rs. in thousands

Director / Chief Executive

27

29,804

12,542

Associated Undertakings :

LSE Ventures Limited

25.3

17,108

14,885

LSE Financial Services Limited

25.3

-

2,456

Others

Long term financing

22

14,778

21,553

Ghani Chemical Industries Limited

25.1

-

27,787

61,690

79,223

36 LEVY

Current

- Minimum tax

13,904

11,289

- Final tax

9

9,702

- Minimum tax - LSE SPAC-1 Limited

-

2

13,913

20,993

Prior year

-

-

13,913

20,993

This represents final taxes paid under sections 153(1), 150 and 37(A) of the Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

37 TAXATION

Note

2026

2025

Rs. in thousands

Current Tax

Normal tax

6,541

4,490

Tax on dividend from associate

37.1

7,500

7,226

Prior year adjustment

16

(114)

1,897

13,927

13,613

Deferred tax

24.3

30,170

33,303

44,097

46,916

37.1 This represents tax on dividend income received from associated companies as disclosed in Note 6 of these financial statements that is classified as income tax as per the Circular # 10/2024 issued by the Institute of the Chartered Accountants of Pakistan (ICAP) dated June 14, 2024.

37.2 Income tax return has been filed to the income tax authorities upto and including tax year 2025 under the provisions of the Income Tax Ordinance, 2001.

150

	Note	2026	2025
		Rs. in thousands	
37.3 Relationship between tax expense and accounting profit			
Accounting profit for the year before levy and taxation		452,897	306,050
Applicable tax rate		29%	29%
Tax on income		131,340	88,755
Tax effect on difference of admissible and non-admissible expenses		(7,781)	(22,299)
Tax effect on income charged to final tax classified as levy		(117,018)	(61,966)
Reduced tax rate effect on final tax income classified as income tax		7,500	7,226
Prior year adjustment		(114)	1,897
Deferred tax		30,170	33,303
		44,097	46,916

38 EARNINGS PER SHARE - BASIC AND DILUTED

Combined Earnings per Share

	2026	2025
Net profit after taxation attributable to ordinary shareholders (Rs. in thousands)	394,887	238,141
		Restated
Weighted average number of ordinary shares (Number of shares in thousands)	374,179	366,201
Earning per share - Basic and diluted (Rupees)	1.06	0.65

38.1 The figure for diluted earnings per share is the same as basic earnings per share as the Group has not issued any instrument which would have an impact on basic earnings per share when exercised.

39 CASH GENERATED FROM OPERATIONS

	Note	2026	2025
		Rs. in thousands	
Profit before levy and taxation		452,897	306,050
Adjustments			
Depreciation	5.1	21,090	19,825
Depreciation on right of use asset	6	9,144	11,425
Income from associates	7.1.1	(397,090)	(106,087)
Finance income on net investment in finance lease	10	(340)	(342)
Investment properties - rental income	0	(47,829)	(43,995)
Profit on saving bank accounts	33	(2,900)	(6,833)
Return on musharikhah financing - under islamic mode	13	(116,344)	(126,225)
Impairment loss on trade and other receivables	32	717	1,811
Bad debts written off	32	-	624
Unrealized gain on investment property	33	(11,932)	(64,154)
Excess provisions written back	33	-	(3,762)
Gain on bargain purchase		(23,821)	-
Old debit balances written off	31	-	4,492
Gain on disposal of property and equipment	4.1.1 & 4.1.2	(98)	156
Fair value gain on investment in listed equity securities - net		(6,360)	(105,556)
Dividend Income on investment in listed equity securities	33	(62)	(2,033)
Finance cost	1	61,716	79,259
		(514,107)	(341,395)
(Increase) / decrease in current assets:			
- Inventory	12	187	(30)
- Trade and other receivables	14	34,363	(14,713)
- Advances, deposits and prepayments	15	(21,273)	(15,669)
		13,277	(30,412)
Increase / (decrease) in current liabilities:			
- Trade and other payables	25	49,391	(189,423)
- Other liabilities - deposits from employees		653	7,815
		50,044	(181,608)
Cash Generated from / (Used in) Operations		2,111	(247,365)

40 FINANCIAL RISK MANAGEMENT

The Group'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 Group'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.

40.1 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 Group'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 Group, it is not exposed to currency risk (June 30, 2025: 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 Group is not significantly exposed to floating interest rate risk as it does not have any significant interest bearing liabilities. However, the Group has fixed and variable interest based investments. 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 Group do not expose the Group to interest rate risk substantially.

Fixed rate instruments

The Group has no fixed interest rate instruments as at 30 June 2026 . (2025: Nil)

	Note	2026 Rs. in thousands	2025
Financial assets			
<u>Floating rate instruments</u>			
Bank balances - saving account		97,478	41,298
Other receivables		31,974	32,596
Receivable from related parties-LSE FSL		49,800	-
Total Financial Assets		179,252	73,894
Financial liabilities			
<u>Floating rate instruments</u>			
Payable to related parties		(271,980)	(103,404)
Net financial Liabilities		(92,728)	(29,511)

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 taxation for the year would have been (lower) / higher by Rs. 0.93 million (2025: Rs. 0.3 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 Group 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. 265.52 million (2025: Rs. 71.63 million).

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 taxation for the year would have been higher / (lower) by Rs. 2.66 million (2025: Rs. 0.72 million), mainly as a result of fair value fluctuation on PSX of the listed equity investments.

Isco

40.2 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 Group 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	2026 Rs. in thousands	2025
Net investment in finance lease	10	4,272	4,274
Long term deposits	11	2,938	2,719
Short term investments	13	866,115	481,627
Trade and other receivables	14	106,480	55,118
Advances to employees - adjustable in cash	15	1,299	8,616
Bank balances	17	97,478	41,298
		<u>1,078,582</u>	<u>593,652</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 Group 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:

	Note	2026 Rs. in thousands	2025
Neither past due nor impaired		-	-
Past due but not impaired			
0 - 30 days		5,750	5,924
31 - 60 days		2,027	3,153
61 - 90 days		944	1,528
> 91 days		5,664	4,943
Past due and impaired			
0 - 30 days		299	261
31 - 60 days		1,351	1,365
91 - 120 days		628	1,264
> 91 days		22,655	18,243
Total Gross Amount Due		<u>39,319</u>	<u>36,681</u>

The Group'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 Group's customers have been transacting with the Group 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 Group.

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

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

The Group 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:

ISCO

Rating			2026	2025
Short term	Long term	Agency		

				Rs. In thousands	
Bank Islamic Pakistan Limited	A-1	AA-	PACRA	365	322
Bank Al-Habib Limited	A-1+	AAA	PACRA	10,749	26,223
Faysal Bank Limited	A-1+	AA+	PACRA	35,251	9,536
MCB Bank Limited	A-1+	AAA	PACRA	50,766	5,217
Habib Bank Limited	-	AA+	VIS	69	-
MCB Cash Management Optimizer	-	AA+ (f)	PACRA	278	-
				<u>97,478</u>	<u>41,298</u>

40.3 Liquidity risk

Liquidity risk represents the risk that the Group 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 Group maintains flexibility in funding by maintaining committed credit lines available. The Group'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 Group'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	More than 1 year
-------------	-----------------	------------------------	---------------	------------------

Contractual maturities of financial liabilities as at June 30, 2026:

Rs. in thousands				
Long term financing	36,670	41,282	41,282	-
Other liabilities	31,054	31,054	-	31,054
Trade and other payables	363,843	363,843	363,843	-
Unclaimed dividend	13,911	13,911	13,911	-
Accrued markup on financing	251	251	251	-
	<u>445,729</u>	<u>450,341</u>	<u>419,287</u>	<u>31,054</u>

Contractual maturities of financial liabilities as at June 30, 2025:

Long term financing	70,451	89,292	48,010	41,282
Other liabilities	2,944	2,944	-	2,944
Trade and other payables	127,421	127,421	127,421	-
Unclaimed dividend	13,809	13,809	13,809	-
Accrued markup on financing	17,824	17,824	17,824	-
	<u>232,449</u>	<u>251,291</u>	<u>207,065</u>	<u>44,226</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.

40.4 Financial instruments by categories

Financial asset as at fair value

Investment in Equity Securities

Financial asset as at amortized cost

Net investment in finance lease

Long term deposits

Advances to employees - adjustable in cash

Short term investments

Trade and other receivables

Cash and bank balances

	2026	2025
	Rs. in thousands	
Note		
13	265,515	71,627
10	4,272	4,274
11	2,938	2,719
15	1,299	8,616
13	600,601	410,000
14	106,480	22,467
17	97,661	41,398
	<u>1,078,765</u>	<u>561,101</u>

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		2026	2025
<u>Financial liabilities at amortized cost</u>	Note	Rs. in thousands	
Long term financing	22	36,671	70,451
Other liabilities	27	31,054	2,944
Trade and other payables	25	363,843	127,371
Unclaimed dividend		13,911	13,809
Accrued markup on financing	28	251	17,824
		<u>445,731</u>	<u>232,399</u>

40.5 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).

	2026			
	Level 1	Level 2	Level 3	Total
	Rs. in thousands			
Financial assets - measured at fair value				
Investments in equity securities	265,515	600,601	-	866,115
Non - financial assets - measured at fair value				
Property and equipment	-	1,233,329	-	1,233,329
Investment property	-	461,758	-	461,758
	<u>265,515</u>	<u>2,295,688</u>	<u>-</u>	<u>2,561,202</u>
	2025			
	Level 1	Level 2	Level 3	Total
	Rs. in thousands			
Financial assets - measured at fair value				
Investments in equity securities	71,627	-	-	71,627
Non - financial assets - measured at fair value				
Property and equipment	-	1,239,741	-	1,239,741
Investment property	-	456,276	-	456,276
	<u>71,627</u>	<u>1,696,017</u>	<u>-</u>	<u>1,767,644</u>

There were no transfers amongst levels during the year.

41 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 Group defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to shareholders.

The Group's objectives when managing capital are:

- a) 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
- b) to provide an adequate return to shareholders.

The Group 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 Group 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.

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In line with the industry norms, the Group 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 employed is calculated as equity, as shown in the statement of financial position, plus net debt.

The gearing ratio of the company is as follows:

		2026	2025
	Note	Rs. in thousands	
Total Debts (long term and short term)	41.1	36,671	70,451
Less: Cash and cash equivalents		(97,661)	(41,398)
Net Debt		(60,990)	29,053
Equity		4,012,222	3,166,191
Total capital employed		<u>3,951,232</u>	<u>3,195,244</u>
Gearing ratio		<u>0.00%</u>	<u>0.91%</u>

41.1 Total debts include lease liability, financial liabilities at amortized cost and loan from director.

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42 Reconciliation of movement of liabilities to cash flows arising from financing activities

	2026						
	Equity			Liabilities			
	Share capital	Building Reserve	Share deposit money	Unappropriated Profit	Lease liability	Financial liability at amortized cost	Loan from director
Balance as at July 1, 2025	1,811,534	6,593	-	919,735	48,379	22,072	-
Changes from financing cash flows							
Amount collected from building occupants for fixed assets replacement fund	-	7,374	-	-	-	-	-
Change in ownership interest in subsidiary without loss of control	-	-	-	12,715	-	-	-
Repayment of lease finance	-	-	-	-	(23,824)	-	-
Repayment during the year	-	-	-	-	-	(9,956)	-
Loan received during the year	-	-	-	-	-	-	108,000
Repayment of director loan during the year	-	-	-	-	-	-	(108,000)
Share deposit money	-	-	20,000	-	-	-	-
Dividend paid during the year	-	-	-	-	-	-	102
Total changes from financing cash flows	-	7,374	20,000	12,715	(23,824)	(9,956)	-
Other changes							
Total accumulated profits related other changes	123,466	-	-	395,536	-	-	-
Balance as at June 30, 2026	1,935,000	13,967	20,000	1,327,987	24,555	12,116	-
2025							
	Equity			Liabilities			
	Share capital	Building Reserve	Share deposit money	Unappropriated Profit	Lease liability	Financial liability at amortized cost	Loan from director
	Share capital	Building Reserve	Share deposit money	Unappropriated Profit	Lease liability	Financial liability at amortized cost	Loan from director
Balance as at July 1, 2024	1,811,534	1,682	-	771,795	67,259	29,475	100,000
Changes from financing cash flows							
Amount collected from building occupants for fixed assets replacement fund	-	4,089	-	-	-	-	-
Repayment of lease finance	-	-	-	-	(18,880)	-	-
Repayment during the year	-	-	-	-	-	(7,403)	-
Repayment of director loan during the year	-	-	-	-	-	-	(100,000)
Dividend paid during the year	-	-	-	-	-	-	(87,126)
Total changes from financing cash flows	-	4,089	-	-	(18,880)	(7,403)	(209,320)
Other changes							
Total accumulated Profits related other changes	-	822	-	147,940	-	-	-
Balance as at June 30, 2025	1,811,534	6,593	-	919,735	48,379	22,072	-

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43 SEGMENT REPORTING

43.1 Operating Segments

Management has determined the operating segments based on the information presented to the Chief Executive Officer of the Group for allocation of resources and assessment of performance. Reporting structure of the Group is based on this internal management reporting structure. The Group has two strategic divisions i.e. Strategic investments and rental, room maintenance & related services, which are its reportable segments. These divisions have different operations and were managed separately because they require different strategies.

Reportable segments	Operations
Strategic Investment	Fair value gain (realized / unrealized), share of profit from associates, return on loan and receivables, dividend income etc.
Rental, Room maintenance and related services	Rental income, room maintenance, parking charges, fair value gain on investment property etc.

Information about reportable segments

Information related to each reportable segment is set out below. Segment profit / (loss) before levy and tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

	2026		
	Strategic Investments	Rental, Room maintenance and related services	Total
	Rupees in thousands		
Segment income	519,856	115,407	635,263
Segment related cost	-	(718)	(718)
Segment profit before levy and taxation	519,856	114,690	634,546
Segment assets			
Investment in associates	1,236,869	-	1,236,869
Financial Assets	866,115	-	866,115
Net Investment in finance lease	-	4,272	4,272
Accrued markup on loan and receivables	7,200	-	7,200
Investment property	-	461,758	461,758
Trade and other receivables	-	17,506	17,506
Advance to broker	568	-	568
Segment liabilities			
Payable to Ghani Chemical Industries Limited	7,000	-	7,000
Security deposit against rent	-	2,944	2,944
Contract liability	-	10,751	10,751
	2025		
	Strategic Investments	Rental, Room maintenance and related services	Total
	Rupees in thousands		
Segment income	344,684	157,280	501,964
Segment related cost	-	(2,435)	(2,435)
Segment profit before levy and taxation	98,684	154,845	499,529
Segment assets			
Investment in related parties	1,065,510	-	1,065,510
Financial Assets	481,627	-	481,627
Net Investment in finance lease	-	4,274	4,274
Accrued markup on loan and receivables	5,925	-	5,925
Investment property	-	456,276	456,276
Trade and other receivables	-	15,586	15,586
Advance to broker	7,617	-	7,617
Segment liabilities			
Payable to Ghani Chemical Industries Limited	7,000	-	7,000
Security deposit against rent	-	2,944	2,944
Contract liability	-	2,430	2,430

43.2 Reconciliations of information on reportable segments to the amounts reported in the consolidated financial statements

	Note	2026 Rs. in thousands	2025
Income			
Total income for reportable segments	38.1	635,263	501,964
Unallocated income		127,386	75,602
Combined income		<u>762,649</u>	<u>577,721</u>
Profit before levy and taxation			
Segment results before levy and tax	38.1	634,546	499,529
Unallocated amounts:			
- other income		127,386	75,602
- administrative expense	31	(241,124)	(189,378)
- finance cost	35	(61,716)	(79,259)
Profit before levy and taxation		<u>459,091</u>	<u>306,494</u>
Assets			
Total assets for reportable segments		2,594,288	2,046,815
Other unallocated amounts		2,005,252	1,481,841
Combined total assets		<u>4,599,540</u>	<u>3,528,655</u>
Liabilities			
Total liabilities for reportable segments		20,695	12,374
Other unallocated amounts		566,623	349,694
Combined total liabilities		<u>587,318</u>	<u>362,068</u>

43.3 The sales percentage by geographic region is as follows:

Pakistan

	2026	2025
	%	%
	100	100

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

43.5 All non-current assets of the Group as at reporting date are located in Pakistan.

44 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties of the Group are as follows:

Names of Related Parties	Relationship	Basis of relationship / (percentage shareholding or common directorship)
LSE Ventures Limited	Associate Company	27.84%
LSE Financial Services Limited	Associate Company	Common directorship
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
LSE Limited - Employees' Provident Fund Trust	Post employment benefits	Employee's fund

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	2026 Rs. in thousands	2025
LSE Financial Services Limited (LSEFSL)	Expenses paid by the company on behalf of LSEFSL	Common Directorship	-	3,886
	Reimbursement of expenses paid		-	4,421
	Advance received		-	29,689
	Markup Expense on Advance		3,977	2,456

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Names of Related Parties	Nature of Transactions	Relationship	2026	2025
			Rs. in thousands	
	Equity management fee charged to the party		-	6,208
	Dividend paid to the party		-	5,000
	MTS investment made during the year		-	170,000
	MTS Investment reversed during the year		-	183,821
	MTS income received		-	4,783
	Advisory fee received		6,003	-
LSE Ventures Limited (LSE VL)	Expenses paid by the company on behalf of party	Associated Company	-	43,813
	Reimbursement of expenses paid		-	38,128
	Payment made for investment		-	-
	Payment against investment received back		-	7,740
	Advance received		483,000	162,613
	Advance refunded		(284,900)	157,000
	Advisory services charged to the party			10,500
	Equity management fee charged to the party		31,250	31,250
	Dividend received from the party		50,000	48,172
	Dividend paid to the party		-	11,185
	Markup Expense on Advance received		18,786	14,885
LSE Limited - Employees' Provident Fund Trust	Total Contribution made during the year	Employee's fund	3,880	5,619
Key management personnel	Salary & other benefits of CEO		6,225	11,666
	Loan received from CEO		-	-
	Loan paid back to CEO		-	100,000
	Interest on loan paid to CEO		29,804	12,542
	Director's meeting fee		4,465	1,175

Balances outstanding as at,

	2026	2025
Trade and Other Receivables	Rs. in thousands	
Receivable from LSE Financial Services Limited	49,800	-
Other liabilities		
Payable against Sale and lease back to chief executive	-	14,000
Payable against Sale and lease back to Digital Custodian Company Limited	-	5,500
Trade and other payables		
Payable to LSE Venture Limited	271,980	79,289
Payable to LSE Financial Services Limited	-	24,115
Accrued Markup On Financing		
Payable to LSE Venture Limited	(18,786)	14,885
Payable to LSE Financial Services Limited	-	2,456

45 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 Group is as follows:

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	Chief Executive Officer		Directors		Executives		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
Rs. in thousands								
Managerial remuneration	4,607	5,088	-	-	2,893	7,964	7,500	19,498
Company's contribution to the provident fund	14	509	-	-	280	796	294	1,889
Housing and utilities	1,604	2,798	-	-	1,301	4,380	2,905	7,178
Meeting fees	-	-	4,465	1,175	-	-	4,465	1,175
Others	-	3,271	-	51	-	3,115	-	3,147
	6,225	11,666	4,465	1,226	4,474	16,255	15,164	32,887
Number of persons	2	1	13	7	9	15	24	23

45.1 In addition to the above, Chief Executive is provided with the Group's maintained vehicle for official purposes only.

45.2 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.

46 DISCLOSURE REQUIREMENT REGARDING SHARIAH COMPLIANT COMPANIES

		2026		2025	
		Carried under		Carried under	
	Note	Non-Shariah arrangements	Shariah arrangements	Non-Shariah arrangements	Shariah arrangements
-----Rs. in thousands-----					
Statement of Financial Position - Liability side					
Financing (long term and short term) - Islamic mode		-	-	-	-
Interest or Mark up on any conventional loan	22.1.1	-	8,688	13,773	-
Statement of Financial Position - Asset side					
Investments (long term and short term)- Shariah Compliant	13	-	300,000	350,000	-
Shariah compliant bank deposits, bank balances		-	-	-	-
Non- Shariah compliant ban deposits, bank balances	17	-	97,478	41,298	-
		2026		2025	
		Carried under		Carried under	
	Note	Non-Shariah arrangements	Shariah arrangements	Non-Shariah arrangements	Shariah arrangements
-----Rs. in thousands-----					
Statement of Profit or loss					
Revenue earned from Shariah Compliant business segment	33	-	116,344	126,225	-
Breakup of late payments of liquidation damages		-	-	-	-
Gain or loss or dividend earned on Shariah Compliant investments		-	-	-	-
Profit earned from Shariah Compliant bank deposits and bank balances		-	-	-	-
Exchange gain on actual currency		-	-	-	-
Profit paid on islamic mode of financing		-	-	-	-
Total interest earned on conventional loan or advances	33	-	3,977	2,242	-
Non- Shariah Compliant income	30	-	97,478	41,298	-

47 NUMBER OF EMPLOYEES

	2026	2025
Total number of employees during the year	63	63
Average number of employees during the year	65	68

48 EMPLOYEE PROVIDENT FUND TRUST

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.

49 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue by the Board of Directors of the Group in its meeting held on October 02, 2026.

50 GENERAL

50.1 Figures have been rounded off to the nearest Rupees in thousand except where stated otherwise.

50.2 Corresponding figures have been rearranged/reclassified, wherever necessary, to facilitate comparison and for better presentation.

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CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Notice Of

Annual General Meeting (AGM) 2026

NOTICE OF ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the Company's Annual General Meeting (AGM) for the year 2026, is scheduled to be held and conducted on Wed, October 28, 2026, at 09:20 a.m. at the registered office of the Company situated at The Exchange Hub, LSE Plaza, 19-Kashmir Egerton Road, Lahore, to transact the following business:

ORDINARY BUSINESS

1. Confirmation of the minutes of the Extraordinary General Meeting held on April 6, 2026.
2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2026, together with the Directors' and Auditors' Reports thereon.

<https://capital.lse.com.pk/downloads/annual/LSECL-Annual-Report-2026.pdf>



3. To appoint External Auditors of the Company for the year ending June 30th, 2027, and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and approve the following resolutions as Special Resolutions, with or without any modification(s):
 - "RESOLVED THAT the approval be and is hereby accorded to amend and alter each of the relevant clauses of the Memorandum and Articles of Association of the Company, to bring the same into full compliance with the requirements of the Companies Act, 2017, while also empowering the Board of Directors to take all required corporate actions to give effect to stock split by reducing par/nominal value of the share of the Company from Rs. 5.00 to Rs. 1.00 per share.
 - FURTHER RESOLVED THAT pursuant to the Section 85 of the Companies Act, 2017 the approval be and is hereby accorded for subdivision of the authorized capital of LSE Capital Limited ("the Company") from Rs. 2,600,000,000/- divided into 400,000,000 ordinary shares of Rs. 5.00 each, 20,000,000 preference shares of Rs. 5/- each and 5,000,000 partially redeemable shares of Rs. 100/- each TO Rs. 2,600,000,000/- divided into 2,000,000,000 ordinary shares of Rs. 1.00 each and 100,000,000 Preference Shares of Rs. 1/- each and 5,000,000 partially redeemable shares of Rs. 100/- each.
 - FURTHER RESOLVED THAT approval be and is hereby accorded to replace Clause-V of the Memorandum of Association and Clause-3 of the Articles of Association of the Company as follows:

CLAUSE 'V' OF THE MEMORANDUM OF ASSOCIATION:

"V: The Authorized Capital of the Company is Rs. 2,600,000,000 (Rupees Two Thousand Six Hundred Million Only). This Capital is divided into 2,000,000,000 (Two Thousand Million) Ordinary Shares of Rs. 1/- each, 100,000,000 (One Hundred Million) Preference Shares of Rs. 1/- each, and 5,000,000 (Five Million) Partially Redeemable Shares of Rs. 100/- each, having such preferential, redemption, conversion, deferred, qualified or special

rights, privileges or conditions as provided in the Articles of Association of the Company or in accordance with the Act.”

CLAUSE ‘3’ OF THE ARTICLES OF ASSOCIATION:

“Share Capital:

3. The Authorized Capital of the Company is Rs. 2,600,000,000 (Rupees Two Thousand Six Hundred Million Only). This Capital is divided into 2,000,000,000 (Two Thousand Million) Ordinary Shares of Rs. 1/- each, 100,000,000 (One Hundred Million) Preference Shares of Rs. 1/- each, and 5,000,000 (Five Million) Partially Redeemable Shares of Rs. 100/- each, having such preferential, redemption, conversion, deferred, qualified or special rights, privileges or conditions as provided in the Articles of Association of the Company or in accordance with the Act.”
5. To consider, approve, confirm and ratify (as the case may be), the following resolutions as special resolutions, in terms of Section 199 of the Companies Act, 2017, and other applicable laws, for the purposes of authorizing investments/acquisitions/financing/disposal in respect of the Company's associated companies, including the specific disposal of 54% equity stake in DCCL:
 - “RESOLVED THAT in accordance with Section 199 of the Companies Act, 2017, and other applicable laws, the Company be and is hereby authorized, to make investments, acquire, extend financing or dispose of any equity stake in its associated companies in the aggregate amount not exceeding Pak Rupees Six Hundred Million (PKR 600,000,000/-), and as may be determined by the management of the Company, and specified in the Statement of Material Information under Section 134(3) accompanying this Notice.
 - FURTHER RESOLVED THAT in addition to the above, the Company be and is hereby authorized to dispose of any of its existing and future equity investments in capital market infrastructure companies (whether existing, newly subscribed/acquired directly or acquired under a Scheme of Arrangement) through an Offer for Sale (OFS) or PSX's secondary market, and the management of the Company, be and is hereby fully empowered and authorized to make a decision for the timing, quantity and price of any such disposal of the Company's investment(s) as deemed fit.
 - FURTHER RESOLVED THAT the Company be and is hereby authorized to sell its entire equity investment in Digital Custodian Company Limited (DCCL) at a price to be negotiated by the management of the Company.”
 6. To consider, approve, confirm and ratify (as the case may be), the following resolutions, as special resolutions, with respect to related party transactions/arrangements conducted/to be conducted, in terms of Sections 207 and / or 208 of the Companies Act, 2017 (to the extent applicable), with or without any modification:
 - “RESOLVED THAT the transactions carried out by the Company with its Related Parties, during the year ended June 30, 2026, as disclosed in the relevant note of the Audited Financial Statements of the Company for the said period, be and are hereby ratified and confirmed.
 - FURTHER RESOLVED THAT the Company be and is hereby authorized to enter into any transaction/arrangement with its Related Parties from time to time, including but not limited to the payment, reimbursement of the equity management fee, directors fee, membership subscriptions and other shared/reimbursable expenses and charges, with its associated companies/undertakings and the directors/management of the Company.

- FURTHER RESOLVED THAT the remuneration, emoluments, benefits and the expenditures made by the Company in respect of the office/position of the Chief Executive Officer, for the year ended June 30, 2026, be and are hereby approved, confirmed and ratified by the members.
- FURTHER RESOLVED THAT the members hereby fully acknowledge that during the financial year ending June 30, 2027, some or a majority of the Directors may be interested in some or all of the aforesaid transactions/arrangements and that such transactions/arrangements may also fall under Sections 207 and / or 208 of the Companies Act, 2017 (to the extent applicable). Notwithstanding the same, the members hereby grant an advance authorization and approval to the management of the Company to expense out the costs for such transactions/arrangements from time to time subject to the subsequent review and recommendation by the Board of Directors for the approval/ratification/confirmation thereof by the members of the Company.

FURTHER RESOLVED THAT the Related Party transactions/arrangements for the period ending June 30, 2027, shall be deemed to have been approved by the members, and shall subsequently be placed before the members in the next Annual General Meeting for approval/ratification/confirmation."

7. To grant approval of the enabling/implementing resolution for the special resolutions passed in the AGM.

This agenda, including the Statement of Material Information under Section 134(3) accompanying this Notice with respect to the ordinary and special business proposed to be passed at the AGM, is also being placed on the Company's website (<http://www.lse.com.pk>) for the information of the members.

For and on behalf of LSE Capital Limited:



Company Secretary:

Muhammad Sajjad Hyder | Email: sajjad@lse.com.pk | Cell No: +92 321 4693229 |

Dated: October 07, 2026

NOTES ON THE ORDINARY & SPECIAL BUSINESS & STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT

The accompanying notes and the statements, besides setting out the general attendance and the conduct of meeting requirements, also provide relevant material facts for the special business to be transacted at the meeting.

GENERAL NOTES

1. Book Closure:

The Share Transfer books of the Company will remain closed, and no transfer of shares will be accepted for registration from October 21, 2026 to October 28, 2026 (both days inclusive). Any transfer request received by the office of the share registrar of the Company by the close of business on October 20, 2026, will be treated in time for the purpose of attendance in the AGM.

2. Availability of Audited Financial Statements:

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 in addition to annual and quarterly financial statements for the prior years and can be downloaded from the above provided web link and QR enabled code.

3. Attendance at the Meeting:

- a. In the case of individuals, the account holder concerned or the sub-account holder along with the CDC statement of his/her holding, shall be able to attend the meeting by showing original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- b. In the case of a corporate entity, the authorization letters including the resolution/ power of attorney from the Board of Directors along with the specimen signatures of the nominee shall be required for attendance.

4. Proxies/Authorizations:

- a. A member entitled to attend and vote at the AGM is entitled to appoint another member as his/her proxy to attend and vote instead of him/her.
- b. The specimen of the proxy and the authorization forms for the AGM have been placed on the Company's website (<http://www.lse.com.pk>) and also attached to the notice of the meeting.
- c. The proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. The CDC Accounts Holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000, issued by the SECP.
- d. The proxy form shall be witnessed by two people whose names, addresses and CNIC numbers shall be mentioned on the form as per the requirements mentioned in the attached form. Moreover, the attested copies of the CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- e. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- f. In case of corporate entities, the concerned member may instead submit authorization letter(s) accompanied by a resolution/ power of attorney from the respective board of directors, along with the specimen signature of the nominee.

5. E-Voting & Voting through Postal Ballot:

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”), the Company shall provide the right to vote through electronic voting facility and voting by post to its members for the purpose of election of Directors and for any other agenda item in accordance with the requirements and procedure contained in the aforesaid Regulations subject to the requirement of Section 143 and 144 of the Companies Act, 2017.

6. Appointment of Scrutinizer:

With reference to the Regulations 4(4) and 11 of the Companies (Postal Ballot) Regulations, 2018, the Company has appointed M/s. Ilyas Saeed & Co, Chartered Accountants, to observe that satisfactory procedures of the voting process and submit their report as mentioned under regulation 11A.

7. Online Meeting Link:

Online meeting link and login credentials will be shared with only those members/proxies whose emails, containing all the required particulars, are received at the given email address (sajjad@lse.com.pk) by 05:00 pm on Tuesday, October 27, 2026.

8. 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 if not earlier notified/submitted, in case of physical shares to the registrar of the Company, by quoting their folio numbers and name of the Company at Company's Share Registrar, M/s. F.D Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower – A, 11 Chundrigar Road, Karachi

SPECIAL BUSINESS:

Agenda Item No. 4:

The agenda is meant to introduce changes in the Memorandum and Articles of Association of the Company and adoption of the revised MoA & AoA of the Company as per attached Table A-1 and A-2, for Stock split by reducing par/nominal value of the share of the Company from Rs. 5.00 to Rs. 1.00 per share.

Agenda Item No. 5:

- This agenda relates to the transactions with associated companies (under Section 199 of the Companies Act, 2017 as well as Regulation 5(5) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017].
- 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 approved, after necessary consideration/due diligence, wherever required, the proposed ceiling for investment/financing/acquisition/disposal of shares as under:

(a) 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 Ventures Limited	LSE Financial Services Limited	LSE SPAC-I Limited	LSE SPAC-II Limited	LSE SPAC-III Limited	Digital Custodian Company Limited
(ii)	Basis of relationship	Associated Company with 18.63% shareholding in LSECL & LSECL has 27.83% shareholding in LSEVL. Common directorship	Associated Company with 28.39% shareholding of LSEVL. - Common directorship	Wholly owned company of LSECL. - Common directorship	Wholly owned company of LSECL. - -	Wholly owned company of LSECL. - Common directorship	Associated Company with 54% shareholding of LSEVL. - Common directorship
(iii)	Earnings per share for the last three years	Year 2026: Rs. 3.73 Year 2025: Rs. 1.16 Year 2024: Rs. 1.04	Year 2026: Rs. (0.98) Year 2025: Rs. 0.51 Year 2024: Rs. 1.72	Year 2026: Rs. (6.04) Year 2025: Rs. (1.43) Formed in 2025	Year 2026: Rs. (16.77) Formed in 2026	Year 2026: Rs. (0.49) Formed in 2026	Year 2026: Rs. 0.24 Year 2025: Rs. 0.08 Year 2024: Rs. 1.45
(iv)	Break-up value per share, based on latest audited financial statements	Rs. 11.10 as on June 30, 2026.	Rs. 7.61 as on June 30, 2026.	Rs. 8.84 as on June 30, 2026.	Rs. 24.49 as on June 30, 2026.	Rs. 10 as on June 30, 2026.	Rs. 10.81 as on June 30, 2026.
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of	Audited Financial Statements of LSEVL for the year ended June 30, 2026 available at: http://www.lse.com .	Audited Financial Statements of LSEFSL for the year ended June 30, 2026 available at: http://www	Audited Financial Statements of LSE-SPAC-I for the year ended June 30, 2026 available at: http://www	Audited Financial Statements of LSE-SPAC-II for the year ended June 30, 2026 available at: http://www	Audited Financial Statements of LSE-SPAC-III for the year ended June 30, 2026 available at: http://www	Audited Financial Statements of DCCL for the year ended June 30, 2026 available at: http://www

	its latest financial statements	pk	w.lse.com.pk	w.lse.com.pk	at: http://www.w.lse.com.pk	http://www.w.lse.com.pk	w.DCCL.com.pk
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations,	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

(B) General Disclosures:

(i)	Maximum aggregate amount of investment to be made	Up to PKR 600 million as investments/acquisition for the purchase of shares, disposal of shares, short-term loans/advances and charging the equity management fee for any one or more 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.	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 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;	Through internal sources.	Through internal sources.	Through internal sources.	Through internal sources.	Through internal sources.	Through internal sources.
(iv)	Salient features of	The format of LSE's standard financial facilitation agreements with					

	the agreement (if any) with associated company or associated undertaking with regards to proposed investment.		the relevant Associated company shall be followed.				
(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 only have indirect interest in the associated companies due to common directorship/sharing but have no direct interest in the transactions: Mr. Aftab Ahmad Chaudhry Ms. Aasiya Riaz Mr.	Following Directors only have indirect interest in the associated companies due to common directorship/sharing but have no direct interest in the transactions Mr. Aftab Ahmad Chaudhry Ms. Aasiya Riaz Mr. Muhammad Iqbal	Following Directors only have indirect interest in the associated companies due to common directorship/sharing but have no direct interest in the transactions Mr. Aftab Ahmad Chaudhry Ms. Aasiya Riaz Mr. Muhammad Iqbal, Mr. Taha Mahmood	-	Following Directors only have indirect interest in the associated companies due to common directorship/sharing but have no direct interest in the transactions Mr. Taha Mahmood	Following Directors only have indirect interest in the associated companies due to common directorship/sharing but have no direct interest in the transactions Ms. Aasiya Riaz
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment		There has not been any impairment or write off in any investment. All investments in the associated entities have been made on an arm's length basis. It is also confirmed that all past transactions have been made at the required returns.				

	including complete information / justification for any impairment or write offs.		
(vii)	Any other important details necessary for the members to understand the transaction		Not Applicable

(b) 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:-

(i)	Maximum price at which securities will be acquired	Market price, negotiated price or face value. In case of listed companies, the transaction shall be disclosed to the market as and when executed.
(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	Transactions shall preferably be made at market price/face value.
(iii)	Maximum number of securities to be acquired	Depends on the market conditions
(iv)	Number of securities and percentage thereof held before and after the proposed investment	If the subscription is to be made against right shares, then the investment shall be made to maintain the required shareholding percentage plus subscription for any unsubscribed portion.
(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	Break-up value benchmark shall be followed.

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

(i)	Category wise number of investments	Financing as short-term loan / advance not exceeding Rs. 600 million in any one or more associated companies in aggregate.
(ii)	Average borrowing cost of the investing Company	No borrowing obtained by LSECL
(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	No collateral in case subscription through the right shares. In case of financing, the assignment of receivables of the borrowing company.

	investment	
(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	As and when the advance/loan shall be extended, customary repayment schedule shall be agreed

Agenda Item No. 6

- In order to promote transparent business practices, the shareholders are to approve transactions with the related parties from time-to-time and on case-to-case basis during a year. Accordingly, these transactions are being placed before the shareholders in the meeting for their formal ratification/confirmation.
- Pursuant to clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, all related party transactions have to be approved by the Board of Directors upon the recommendations of the Audit Committee on quarterly basis. The nature of relationships with the related parties has been indicated in the relevant notes of the account.
- All transactions with related parties required to be ratified have been disclosed in the notes to the financial statements to the financial statements for the year ended June 30, 2026. The Company is required to carry out the transactions under the authority of the shareholders' resolution/approval. Except for the management of the company, all other directors are interested in the relevant resolutions only to the extent of their office/shareholding and having their common directorships in such related parties.
- Similarly, the Company shall also be conducting transactions with its related parties during the year ending on June 30, 2027. In order to promote transparent business practices, the shareholders are required to authorize the management for expensing out the relevant expenditure under a yearly budget with the authorization Board of Directors to approve transactions with the related parties from time-to-time and on case-to-case basis for the year ending on June 30, 2027. These budgetary transactions shall be deemed to have been approved by the shareholders, with the condition that all such transactions must be placed before the shareholders in the next AGM for their formal approval/ratification/confirmation.

Agenda Item No. 7

- This agenda is proposed to authorize the management to implement all proposed ordinary and special resolutions after their adoption/approval by the shareholders.

TABLE A-1

Comparison of Existing and Proposed Alteration/Amendments in the MEMORANDUM OF ASSOCIATION			
Clause No.	Existing	Proposed	Rationale for Amendment/Addition/Deletion
V	The Authorized Capital of the Company is Rs. 2,600,000,000 (Rupees Two Thousand Six Hundred Million Only). This Capital is divided into 400,000,000 (Four Hundred Million) Ordinary Shares of Rs. 5/- each, 20,000,000 (Twenty Million) Preference Shares of Rs. 5/- each, and 5,000,000 (Five Million) Partially Redeemable Shares of Rs. 100/- each, having such preferential, redemption, conversion, deferred, qualified or special rights, privileges or conditions as provided in the Articles of Association of the Company or in accordance with the Act.	The Authorized Capital of the Company is Rs. 2,600,000,000 (Rupees Two Thousand Six Hundred Million Only). This Capital is divided into 2,000,000,000 (Two Thousand Million) Ordinary Shares of Rs. 1/- each, 100,000,000 (One Hundred Million) Preference Shares of Rs. 1/- each, and 5,000,000 (Five Million) Partially Redeemable Shares of Rs. 100/- each, having such preferential, redemption, conversion, deferred, qualified or special rights, privileges or conditions as provided in the Articles of Association of the Company or in accordance with the Act."	The amendment is intended to subdivide/split the stock by reducing their par/nominal value from Rs. 5/- to Rs. 1/- per share pursuant to the Section 85 of the Companies Act, 2017. The stock split will have a positive impact on the share price of the Company through making easier for the investors to trade in smaller amounts and also improving the overall market participation with increased number of shares.

TABLE A-2

Comparison of Existing and Proposed Alteration/Amendments Additions in the ARTICLES OF ASSOCIATION			
Clause No.	Existing	Proposed	Rationale for Amendment/Addition/Deletion
3	SHARE CAPITAL The Authorized Capital of the Company is Rs. 2,600,000,000 (Rupees Two Thousand Six Hundred Million Only). This Capital is divided into 400,000,000 (Four Hundred Million) Ordinary Shares of Rs. 5/- each, 20,000,000 (Twenty Million) Preference Shares of Rs. 5/- each, and 5,000,000 (Five Million) Partially Redeemable Shares of Rs. 100/- each, having such preferential, redemption, conversion, deferred, qualified or special rights, privileges or conditions as provided in the Articles of Association of the Company or in accordance with the Act.	SHARE CAPITAL The Authorized Capital of the Company is Rs. 2,600,000,000 (Rupees Two Thousand Six Hundred Million Only). This Capital is divided into 2,000,000,000 (Two Thousand Million) Ordinary Shares of Rs. 1/- each, 100,000,000 (One Hundred Million) Preference Shares of Rs. 1/- each, and 5,000,000 (Five Million) Partially Redeemable Shares of Rs. 100/- each, having such preferential, redemption, conversion, deferred, qualified or special rights, privileges or conditions as provided in the Articles of Association of the Company or in accordance with the Act."	The amendment is intended to subdivide/split the stock by reducing their par/nominal value from Rs. 5/- to Rs. 1/- per share pursuant to the Section 85 of the Companies Act, 2017. The stock split will have a positive impact on the share price of the Company through making easier for the investors to trade in smaller amounts and also improving the overall market participation with increased number of shares.

سالانہ عام اجلاس (AGM) کانوٹس

اطلاع دی جاتی ہے کہ سال 2026 کے لیے کمپنی کی سالانہ جنرل میٹنگ (AGM) کا انعقاد اور انعقاد بدھ، اکتوبر 28، 2026، صبح 09:20 بجے کمپنی کے رجسٹرڈ آفس میں جوائنٹلی ہب، ایل ایس ای بلازہ، 19- کشیر ایجنٹ روڈ، لاہور میں واقع ہے، درج ذیل کاروبار کے لیے:

عام کاروبار

1. 6 اپریل 2026 کو منعقدہ غیر معمولی جنرل میٹنگ کے منٹس کی تصدیق۔

2. 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کو وصول کرنے، ان پر غور کرنے اور اپنانے کے لیے، اس پر ڈائریکٹر ز اور آڈیٹر ز کی رپورٹس کے ساتھ۔

3. 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے بیرونی آڈیٹر ز کا تقرر کرنا، 2027ء اور ان کا معاوضہ طے کرنا۔

خصوصی کاروبار

4. مندرجہ ذیل قراردادوں کو خصوصی قراردادوں کے طور پر غور کرنے اور منظور کرنے کے لیے، بغیر کسی ریم کے ساتھ یا اس کے:

o "اس کو حل کیا۔ کمپنی کے میموردم آف ایجنڈا کی کمپنی کی ہر متعلقہ شق میں ریم اور تبدیلی کی منظوری دی جائے گی، تاکہ اسے کمپنیز ایکٹ 2017 کے تقاضوں کی مکمل تعمیل میں لایا جاسکے، ساتھ ہی بورڈ آف ڈائریکٹر ز کو اختیار بنایا جائے کہ وہ تمام مطلوبہ کارپوریٹ اقدامات اٹھائے تاکہ کمپنی کے حصص کی کم سے کم قیمت کو تقسیم کرنے سے روپے کی قیمت پر اپرٹے 5.00 سے روپے 1.00 فی شیئر۔

o مرید یہ کہ حل کیا کمپنیز ایکٹ، 2017 کے سیکشن 85 کے مطابق LSE کیپسٹل لمیٹڈ ("کمپنی") کے مجاز سرمائے کی 1000 روپے سے زبلی تقسیم کے لیے منظوری دی جاتی ہے۔ 2,600,000,000/- روپے کے 400,000,000 عام حصص میں تقسیم۔ 5.00 ہر ایک، روپے کے 20,000,000 رجسٹری حصص۔ 5/- ہر ایک اور 5,000,000 حردی طور پر قابل تلافی حصص روپے۔ 100/- ہر ایک TO روپے 2,600,000,000/- روپے کے 2,000,000,000 عام حصص میں تقسیم۔ 1.00 ہر ایک اور روپے کے 100,000,000 رجسٹری حصص۔ 1/- ہر ایک اور 5,000,000 حردی طور پر قابل تلافی حصص روپے۔ 100/- ہر ایک۔

o مرید یہ کہ حل کیا میموردم آف ایجنڈا کی شق V- اور کمپنی کی ایسوسی ایشن کے آرٹیکلز کی شق 3- کو مندرجہ ذیل طور پر تبدیل کرنے کی منظوری دی گئی ہے:

میموردم آف ایجنڈا کی شق 'V':

"V: کمپنی کا مجاز سرمایہ ہے۔ روپے 2,600,000,000 (صرف دوہرا چھ سو ملین روپے)۔ اس دارالحکومت کو تقسیم کیا گیا ہے۔ 2,000,000,000 (دوہرا ملین) روپے کے عام حصص۔ 1/- ہر ایک، 100,000,000 (ایک سو ملین) روپے کے رجسٹری حصص۔ 1/- ہر ایک، اور 5,000,000,000 (پانچ ملین) روپے کے حردی طور پر قابل تلافی حصص۔ 100/- ہر ایک، ایسی رجسٹری، چھکارا، تبدیلی، موحر، اہل یا خصوصی حقوق، مراعات یا شرائط کے ساتھ جو کمپنی کے آرٹیکلز آف ایجنڈا کی شق میں فراہم کی گئی ہیں یا ایکٹ کے مطابق۔

ایسوسی ایشن کے آرٹیکلز کی شق '3':

"شیئر کیپٹل:

3. کمپنی کا مجاز سرمایہ ہے۔ روپے 2,600,000,000 (صرف دوہرہ رچھ سو ملین روپے)۔ اس سرمایہ کو تقسیم کیا گیا ہے۔ 2,000,000,000 (دوہرہ ملین) روپے کے عام حصص۔ 1- ہر ایک، 100,000,000 (ایک سو ملین) روپے کے رچھ حصص 1- ہر ایک، اور 5,000,000,000 (پانچ ملین) روپے کے حروی طور پر قابل تلافی حصص۔ 100- ہر ایک، ایسی رچھ، چھٹکارا، تبدیلی، موحر، اہل یا خصوصی حقوق، مراعات یا شرائط کے ساتھ جو کمپنی کے آرٹیکلز آف ایسوسی ایشن میں فراہم کی گئی ہیں یا ایکٹ کے مطابق۔

5. کمپنیز ایکٹ، 2017 کی دفعہ 199 اور دیگر قابل اطلاق قوانین کے تحت، کمپنی کی متعلقہ کمپنیوں (associated companies) میں سرمایہ کاری/حصول/فنانسنگ/امانوں کی فروحب (disposal) کی منظوری دینے کے مقاصد کے لیے۔ بشمول DCCL میں 54 فیصد ایکویٹی حصص کی فروحب۔ درج ذیل افراد اور پرغور کرنے، انہیں منظور کرنے، ان کی توثیق کرنے اور ان کی باضابطہ تصدیق کرنے (جیسا بھی معاملہ ہو) کے لیے بطور خصوصی مراد دوائیں:

- o "اس کو حل کیا۔ کمپنیز ایکٹ، 2017 کے سیکشن 199، اور دیگر قابل اطلاق قوانین کے مطابق، کمپنی اپنی متعلقہ کمپنیوں میں سرمایہ کاری کرنے، حاصل کرنے، فنانسنگ میں توسیع کرنے یا کسی بھی ایکویٹی حصص کو تصرف کرنے کی مجموعی رقم جو پاک روپے چھ سو ملین سے زیادہ نہ ہو، اور اس کے ذریعے مجاز ہے، کمپنی کی انتظامیہ کی طرف سے مقرر کیا جائے گا، اور اس نوٹس کے ساتھ سیکشن 134(3) کے تحت مواد کی معلومات کے بیان میں بیان کیا گیا ہے۔
- o مریدیہ کہ حل کیا مندرجہ بالا کے علاوہ، کمپنی اپنی موجودہ اور مستقبل کی ایکویٹی سرمایہ کاری (چاہے براہ راست سبسکراب کی گئی ہو یا کسی سکیم آف رینجمنٹ کے تحت حاصل کی گئی ہو) کو فروحب کی مسکس (OFS) یا PSX کی ماوی مارکیٹ کے ذریعے تصرف کرنے کی مجاز ہے اور اس کے ذریعے کمپنی کی انتظامیہ کسی بھی قیمت کے فیصلے کے لیے مکمل طور پر با اختیار اور با اختیار ہے۔ کمپنی کی سرمایہ کاری (سرمایہ کاری) کو مناسب سمجھا جاتا ہے۔
- o مریدیہ کہ حل کیا کمپنی ڈیجیٹل سٹوڈین کمپنی لمیٹڈ (DCCL) میں اپنی پوری ایکویٹی سرمایہ کاری کو اس قیمت پر فروحب کرنے کی مجاز ہے اور اس کے ذریعے کمپنی کی انتظامیہ کی طرف سے بات چیت کی جائے گی۔"

6. کمپنیز ایکٹ 2017 کے سیکشن 207 اور/یا 208 (قابل اطلاق حد تک) کے لحاظ سے، کسی بھی رسم کے ساتھ یا اس کے بغیر، مندرجہ ذیل افراد اور پرغور، منظوری، تصدیق اور توثیق کرنے کے لیے (جیسا کہ معاملہ ہو):

- o "اس کو حل کیا۔ 30 جون 2026 کو ختم ہونے والے سال کے دوران کمپنی کی جانب سے متعلقہ فریقوں کے ساتھ کیے گئے لین دین، جیسا کہ مذکورہ مدت کے لیے کمپنی کے آڈٹ شدہ مالیاتی بیانات کے متعلقہ نوٹ میں ظاہر کیا گیا ہے، اس کی توثیق اور تصدیق کی جاتی ہے۔
- o مریدیہ کہ حل کیا کمپنی اپنی متعلقہ کمپنیوں کے ساتھ وقتاً فوقتاً کسی بھی لین دین/انتظام میں داخل ہونے کی مجاز ہے، جس میں او ایٹنگ، ایکویٹی رینجمنٹ فیس، ڈائریکٹرز کی فیس، ممبر سب سبسکرپشنز اور دیگر مشترکہ/قابل واپسی کے اخراجات اور چار سال ہیں لیکن ان تک محدود نہیں، اپنی متعلقہ کمپنیوں/انہم اداروں اور ڈائریکٹرز/رینجمنٹ کے ساتھ۔
- o مریدیہ کہ حل کیا 30 جون 2026 کو ختم ہونے والے سال کے لیے چیف ایگزیکٹو آفیسر کے دفتر/عہدے کے سلسلے میں کمپنی کی طرف سے کیے گئے معاوضے، مراعات، فولڈ اور اخراجات، ممبران کے ذریعے منظور، تصدیق اور توثیق کیے گئے ہیں۔
- o مریدیہ کہ حل کیا ممبران اس بات کو مکمل طور پر تسلیم کرتے ہیں کہ 30 جون 2027 کو ختم ہونے والے مالی سال کے دوران، کچھ زیادہ رڈائریکٹرز مذکورہ بالا کچھ یا تمام لین دین/انتظامات میں دلچسپی لے سکتے ہیں اور یہ کہ اس طرح کے لین دین/انتظامات کمپنیز ایکٹ، 208 کے سیکشن 207 اور/یا 208 کے تحت بھی آسکتے ہیں۔ اس کے باوجود، ممبران اس کے ذریعے کمپنی کی انتظامیہ کو پیشگی اجازت اور منظوری دیتے ہیں کہ وہ وقتاً فوقتاً اس طرح کے لین دین/انتظامات کے اخراجات کو حرج کرنے کے لیے کمپنی کے اراکین کی جانب سے اس کی منظوری/توثیق/تصدیق کے لیے بورڈ آف ڈائریکٹرز کے بعد کے جارے اور سفارش کے مائع ہوں۔

o مزید یہ کہ حل کیا 30 جون 2027 کو ختم ہونے والی مدت کے لیے متعلقہ فریقین لین دین / انتظامات کو اراکین کے ذریعے منظور شدہ سمجھا جائے گا، اور بعد میں منظوری / توثیق / تصدیق کے لیے اگلے سالانہ عام اجلاس میں اراکین کے سامنے رکھا جائے گا۔"

7. AGM میں منظور کی گئی خصوصی قراردادوں کے لیے فعال / عملی قرارداد کی منظوری دینا۔

یہ ایجنڈا جس میں سیکشن 134(3) کے تحت مواد کی معلومات کا بیان بھی شامل ہے جس میں اس نوٹس کے ساتھ عام اور خصوصی کاروبار کے حوالے سے جو کہ AGM میں منظور کیے جانے کی تجویز ہے، کمپنی کی ویب سائٹ پر بھی رکھا جا رہا ہے۔ <http://www.lse.com.pk> ممبران کی معلومات کے لیے۔

LSE Capital Limited کے لیے اور اس کی جانب سے:

کمپنی سیکرٹری

:

محمد سجاد حیدر | ای میل: sajjad@lse.com.pk : سیل نمبر: +923214693229

بتاریخ: 07 اکتوبر 2026

عام اور خصوصی کاروبار پر نوٹس اور کمپنیز ایکٹ کے سیکشن 134(3) کے تحت مادی حقائق کا بیان

اس کے ساتھ دیے گئے نوٹس اور بیانات، عام حاضری اور میٹنگ کے تقاضوں کے انعقاد کے علاوہ، میٹنگ میں خصوصی کاروبار کے لیے متعلقہ مادی حقائق بھی فراہم کرتے ہیں۔

عمومی نوٹس

کتابوں کی بندش

شیئر ہولڈر کتابیں کی دی کمپنی مرضی باقی بند، اور نہیں منتقلی کی شیئر زمرہ مرضی ہونا قبول کر لیا کے لیے سے رجسٹریشن 21 اکتوبر 2026 سے 28 اکتوبر 2026 تک (دونوں دن شامل)۔ کوئی بھی کتابیں درخواست موصول کی طرف سے دفتر کی دی شیئر کریں کمپنی کے رجسٹرار کی طرف سے دی بند کی کاروبار پر 20 اکتوبر 2026، مرضی ہونا علاج کیا میں وقت کے لیے دی مقصد کی حاضری میں AGM

آڈٹ شدہ مالیاتی گوشواروں کی دستیابی:

کمپنیز ایکٹ 2017 کے سیکشن 223 کے مطابق اور S.R.O کے مطابق (D/2023 389) مورخہ 21 مارچ 2023، کمپنی کے مالیاتی گوشواروں کو کمپنی کی ویب سائٹ پر پچھلے سالوں کے سالانہ اور سرماہی مالیاتی گوشواروں کے علاوہ اپ لوڈ کیا گیا ہے اور اوپر فراہم کردہ ویب لنک اور QR فعال کوڈ سے ڈاؤن لوڈ کیا جاسکتا ہے۔

1. اجلاس میں شرکت:

- افراد کے معاملے میں، متعلقہ اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اپنے ہولڈنگ کے CDC سٹیٹمنٹ کے ساتھ، اصل کمپیوٹر ایگزٹو قومی شناختی کارڈ دکھا کر میٹنگ میں شرکت کر سکے گا۔ (CNIC) یا میٹنگ میں شرکت کے وقت اصل پاسپورٹ۔
- ایک کارپوریٹ ادارے کی صورت میں، حاضری کے لیے بورڈ آف ڈائریکٹرز کی جانب سے ریویژن / پاور آف اٹارنی سمیت اجازت نامے کے ساتھ نامزد کے نمونے کے دستخطوں کی ضرورت ہوگی۔

2. پراکسیز / اختیارات:

- AGM میں شرکت کرنے اور ووٹ دینے کا حقدار ممبر اس کی بجائے کسی دوسرے ممبر کو شرکت کرنے اور ووٹ دینے کے لیے اپنا پراکسی مقرر کرنے کا حقدار ہے۔
- پراکسی کا نمونہ اور AGM کے لیے منظوری کے فارم کمپنی کی ویب سائٹ پر رکھ دیے گئے ہیں (<http://www.lse.com.pk>) اور میٹنگ کے نوٹس کے ساتھ بھی منسلک ہے۔

- ت. پراکسیز، موثر ہونے کے لیے، میٹنگ کے انعقاد کے وقت سے کم از کم 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس میں موصول ہونا ضروری ہے۔ سی ڈی سی اکاؤنٹس ہولڈرز کو مزید ہدایات پر عمل کرنا ہو گا جیسا کہ 26 جنوری 2020 کو ایس ای سی پی کے جاری کردہ سرکلر 1 میں بیان کیا گیا ہے۔
- ث. پراکسی فارم کی گواہی دو افراد دیں گے جن کے نام، پتے اور CNIC نمبر منسلک فارم میں درج ضروریات کے مطابق فارم پر درج ہوں گے۔ مزید برآں، قائد ہاٹھانے والے مالکان اور پراکسی کے CNIC یا پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ پیش کی جائیں گی۔
- ج. پراکسی میٹنگ کے وقت اپنا اصل CNIC یا اصل پاسپورٹ پیش کرے گا۔
- ح. کارپوریٹ اداروں کے معاملے میں، متعلقہ ممبر اس کے بجائے متعلقہ بورڈ آف ڈائریکٹرز سے ایک قرارداد/پاور آف اٹارنی کے ساتھ، نامزد شخص کے نمونے کے دستخط کے ساتھ اجازت نامہ جمع کر سکتا ہے۔

3. ای ووٹنگ اور پوٹل بیلٹ کے ذریعے ووٹنگ:

کمپنیز (پوٹل بیلٹ) ریگولیشنز، 2018 ("ضابطے") کے مطابق، جس میں 05 دسمبر 2022 کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") کے ذریعے جاری کردہ نوٹیفکیشن کے ذریعے ترمیم کی گئی ہے)، کمپنی الیکٹرک وونگ کی سہولت کے ذریعے ووٹ ڈالنے کا حق فراہم کرے گی۔ مذکورہ ضوابط میں شامل تقاضے اور طریقہ کار کمپنیز ایکٹ 2017 کے سیکشن 143 اور 144 کے تقاضوں سے مشروط ہے۔

4. سکروٹائز کی تقرری:

کمپنیز (پوٹل بیلٹ) ریگولیشنز، 2018 کے ضوابط 4(4) اور 11 کے حوالے سے، کمپنی نے M/s. الیاس سعید اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ووٹنگ کے عمل کے تسلی بخش طریقہ کار کا مشاہدہ کریں اور اپنی رپورٹ پیش کریں جیسا کہ ضابطہ A 11 کے تحت بتایا گیا ہے۔

5. آن لائن ملاقات کا لنک:

آن لائن میٹنگ کا لنک اور لاگ ان کی اسناد صرف ان ممبران/پراکسیز کے ساتھ شیئر کی جائیں گی جن کی ای میلز، تمام مطلوبہ تفصیلات پر مشتمل، دیے گئے ای میل ایڈریس (sajjad@lse.com.pk) پر منگل، 27 اکتوبر 2026 کی شام 05:00 بجے تک موصول ہوئی ہیں۔

6. ایڈریس اور CNIC میں تبدیلی:

ممبران سے درخواست کی جاتی ہے کہ وہ اپنے ایڈریس اور رابطے کی تفصیلات میں کسی تبدیلی کے ساتھ ساتھ اپنے درست CNICs کی تصدیق شدہ فوٹوکاپی، سی ڈی ایس میں بک انٹری سیکورٹیز کی صورت میں اپنے متعلقہ شرکاء کو مطلع کریں اور اگر پہلے مطلع/جمع نہ کیے گئے ہوں، فزیکل شیئرز کی صورت میں کمپنی کے رجسٹرار کو، کمپنی کے فوئیو نمبر اور کمپنی کے شیئر گسٹر نمبر کا حوالہ دے کر ایف ڈی رجسٹرار سرورسز (پرائیویٹ) لمیٹڈ، 17 ویں منزل، صائمہ ٹریڈناور - اے، 11 چندریگر روڈ، کراچی

خصوصی کاروبار:

ایجنڈا آئٹم نمبر 4:

ایجنڈے کا مقصد کمپنی کے میورنڈم اور آرٹیکلز آف ایسوسی ایشن میں تبدیلیاں متعارف کروانا اور منسلک جدول A-1 اور A-2 کے مطابق کمپنی کے نظر ثانی شدہ MoA اور AoA کو اپنانا ہے، کمپنی کے حصص کی مساوی/برائے نام قدر کو روپے سے کم کر کے اسٹاک کی تقسیم کے لیے 5.00 سے روپے 1.00 فی شیئر۔

ایجنڈا آئٹم نمبر 5:

- یہ ایجنڈا متعلقہ کمپنیوں کے ساتھ لین دین سے متعلق ہے (کمپنیز ایکٹ، 2017 کے سیکشن 199 کے ساتھ ساتھ کمپنیوں کے ضابطے 5(5) (ایسوسی ایٹڈ کمپنیوں یا ایسوسی ایٹڈ انڈر ٹینگ میں سرمایہ کاری) ریگولیشنز، 2017)۔

- کمپنیوں کے ضابطہ نمبر 3(3) کے مطابق (متعلقہ کمپنیوں میں سرمایہ کاری یا ایس آر او 1240(1)/2017 مورخہ 6 دسمبر 2017 کے تحت ایسوسی ایٹڈ انڈر ٹیکٹر) ریگولیسر، 2017، کمپنی کے ڈائریکٹر نے ضروری غور و خوض کے بعد، جہاں بھی ضرورت ہو، سرمایہ کاری/فنانسنگ/حاصل کرنے/حصص کے تصرف کے لیے مجوزہ حد کی منظوری دے دی ہے:

ایجنڈا نمبر 6:

- o شفاف کاروباری طریقوں کو فروغ دینے کے لیے، شیئر ہولڈرز کو ایک سال کے دوران متعلقہ فریقوں کے ساتھ وقتاً فوقتاً اور کیس ٹو کیس کی بنیاد پر لین دین کی منظوری دینی ہوگی۔ اسی مناسب سے، ان لین دین کو مینٹنگ میں شیئر ہولڈرز کے سامنے ان کی باضابطہ توثیق/تصدیق کے لیے رکھا جا رہا ہے۔
- o اسد کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیسر 2019 کی شق 15 کے مطابق، تمام متعلقہ پارٹی ٹرانزیکشنز کو سہ ماہی بنیادوں پر آڈٹ کمیٹی کی سفارسات پر بورڈ آف ڈائریکٹرز سے منظوری دینی ہوگی۔ متعلقہ فریقوں کے ساتھ تعلقات کی نوعیت کاؤس کے متعلقہ نوٹس میں بتائی گئی ہے۔
- o متعلقہ فریقوں کے ساتھ تمام ٹرانزیکشنز جن کی توثیق کی ضرورت ہے، 30 جون 2026 کو ختم ہونے والے سال کے مالیاتی بیانات کے مالی بیانات کے نوٹوں میں ظاہر کیے گئے ہیں۔ کمپنی کے انتظام کے علاوہ، دیگر تمام ڈائریکٹر متعلقہ افرادوں میں دلچسپی رکھتے ہیں صرف ان کے دفتر/شیئر ہولڈنگ کی حد تک اور اس طرح کے متعلقہ فریقوں میں ان کی مشترکہ ڈائریکٹر شپس ہیں۔

- o اسی طرح، کمپنی 30 جون 2027 کو ختم ہونے والے سال کے دوران اپنے متعلقہ فریقوں کے ساتھ لین دین بھی کرے گی۔ شفاف کاروباری طریقوں کو فروغ دینے کے لیے، حصص یافتگان کو انتظامیہ کو متعلقہ احراجات کو سالانہ بجٹ کے تحت خرچ کرنے کے لیے اتھارٹی بورڈ آف ڈائریکٹرز کے ساتھ اجازت دینے کی ضرورت ہوتی ہے کہ وہ متعلقہ فریقوں کے ساتھ لین دین کی منظوری دے اور جون کے لیے وف کی بنیاد پر سال کی بنیاد پر۔ 30، 2027۔ ان بھی لین دین کو حصص یافتگان کے ذریعہ منظور شدہ سمجھا جائے گا، اس شرط کے ساتھ کہ اس طرح کے تمام لین دین کو اگلی AGM میں حصص یافتگان کے سامنے ان کی باضابطہ منظوری/توثیق/تصدیق کے لیے پیش کیا جانا چاہیے۔

ایجنڈا نمبر 7:

یہ ایجنڈا انتظامیہ کو اختیار دینے کے لیے تجویز کیا گیا ہے کہ وہ تمام مجوزہ عام اور خصوصی افرادوں کو شیئر ہولڈرز کی منظوری/منظوری کے بعد نافذ کرے۔

پراکسی فارم

میں/ہم، _____، زیر دستخطی رکن، کا رکن ہونے کے ماتے ایل ایس ای کیپٹل لمیٹڈ اس طرح،
زیر دستخطی پراکسی کو، مجھے اور میری جانب سے 28 اکتوبر 2026 کو منعقد ہونے والی کمپنی کی AGM میں اور/یا اس کے کسی بھی التوا میں ووٹ دینے کے لیے
میری پراکسی کے طور پر مقرر کر رہا ہوں۔

ممبر: دستخط _____: دستخط ختم کارپوریٹ سٹیمپ روپے 50/- _____ کمپنی کی مہر/سٹیمپ مقرر کرنے والے کا نام اور عہدہ: _____ _____ CNIC نمبر _____: والد کا نام _____: پتہ _____: مارنچ _____: سی ڈی سی کے شریک شناختی نمبر _____: سی ڈی سی اکاؤنٹ/ذیلی اکاؤنٹ نمبر _____: رکھے گئے حصص کی تعداد _____:	پراکسی: دستخط _____: نام _____: CNIC نمبر _____: والد کا نام _____: _____ پتہ _____: _____ مارنچ _____:
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گواہ 1 _____: گواہ 2 _____:

دستخط _____: دستخط _____:

نام _____: نام _____:

شناختی کارڈ نمبر _____: شناختی کارڈ نمبر _____:

پتہ _____: پتہ _____:

نوٹس:

1. پراکسی، مؤرخ ہونے کے لیے، میٹنگ کے انعقاد کے وقت سے 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس میں موصول ہونے چاہئیں اور ان پر باقاعدہ مہر، دستخط اور گواہ ہونا ضروری ہے۔
2. CDC-سیفیل مالکان اور پراکسی ہولڈرز کو اپنی شناخت ثابت کرنے کے لیے اپنے کمپیوٹر یا ڈیجیٹل شناختی کارڈ (CNIC) پاسپورٹ کو اصل میں لا چاہیے اور پراکسی کی صورت میں، CDC-سیفیل مالکان اور پراکسی ہولڈرز کو اپنے CNIC پاسپورٹ کی ایک تصدیق شدہ کاپی پراکسی فارم کے ساتھ منسلک کرنی چاہیے۔
3. کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی ریویویشن/پاور آف اٹارنی جس میں مامور شخص کے نمونے کے دستخط ہوں (جب تک یہ پہلے فراہم نہ کیا گیا ہو) پراکسی فارم کے ساتھ منسلک کیا جائے۔

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 October 28, 2026 and/or at any adjournment thereof.

<u>The Member:</u> Signature: _____ Signature over Revenue Stamp of Rs. 50/- _____ Seal/Stamp of the Company Name and Designation of the Appointer: _____ CNIC No.: _____ Father's name: _____ Address: _____ Date: _____ CDC Participant ID No.: _____ CDC Account/Sub-Account No.: _____ No. of Shares held: _____	<u>The Proxy:</u> Signature: _____ Name: _____ CNIC No.: _____ Father's name: _____ Address: _____ _____ Date: _____
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Witness 1: _____

Signature: _____

Name: _____

CNIC No.: _____

Address: _____

Witness 2: _____

Signature: _____

Name: _____

CNIC No.: _____

Address: _____



LSE CAPITAL LIMITED

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