

The cover features a light grey world map in the background. The title 'ANNUAL REPORT 2024' is centered in a dark blue, sans-serif font. The year '2024' is significantly larger than the words 'ANNUAL REPORT'. The design is accented with several diagonal stripes in dark blue and grey, creating a modern, geometric look.

ANNUAL
REPORT
2024

INTERMARKET
SECURITIES LTD

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Company Information

Board of Directors

Mrs. Erum Bilwani - Chairperson
Mr. Shehzad Hussain - Director
Mr. Muhammad Rehan Alam - Director
Mr. Muhammad Ashfaq - Director
Mr. Muhammad Ahmed Masood - Director
Mr. Raza Jafri - Director
Mr. Wajid Hussain - CEO & Director

Audit Committee

Mr. Muhammad Ashfaq - Chairman
Mr. Muhammad Rehan Alam - Member
Mr. Shehzad Hussain - Member

HR & R Committee

Mr. Shehzad Hussain - Chairman
Mr. Rehan Alam - Member
Mr. Wajid Hussain - Member
Mr. Raza Jafri - Member

Company Secretary

Mr. Shahid Kamal

Chief Financial Officer

Mr. Zulfiqar Ali

Auditors

M/s. Rahman Sarfaraz Rahim Iqbal Rafiq & Chartered Accountants
Plot # 180, Block-A, Sindhi Muslim Cooperative Housing
Society (S.M. C.H.S Karachi, 74400).

Legal Advisors

M/s. Mohsin Tayebaly & Co. (MTC) 1st Floor, Dime Centre,
BC-4, Block 9, Kehkshan, Clifton, Karachi, Pakistan.

Pinjani & Vadria Partner (Lawyers)
1st Floor, 24-C, Lane 9, Khayaban-e-Bukhari,
Phase VI, DHA, Karachi.

Share Registrar

M/s. F. D. Registrar Services (Pvt.) Limited
Office No. 1705-A, 17th Floor, Saima Trade Tower,
I.I. Chundrigar Road, Karachi, Pakistan.

Bankers

Bank Alfalah Limited
Askari Bank Limited
United Bank Limited
Allied Bank Limited
Bank Al Habib Limited
Habib Metropolitan Bank Limited
Standard Chartered Bank Limited
Habib Bank Limited
JS Bank Limited
Meezan Bank Limited
MCB Bank Limited
Dubai Islamic Bank
Summit Bank
Al Baraka Bank

Registered Office

Bahria Complex-IV, 5th Floor, Extension Block, Ch. Khaliq-uz-Zaman Road,
Gizri, Karachi -75600, Pakistan.

Lahore Branch:
M.M Towers,
Property No. 28,
11th Floor, Block K,
M.M Alam Road,
Gulberg III.

**Stock Exchange
Branch 1:**
Room Nos.1003NB -
1010NB, Stock Exchange
New Building, Stock
Exchange Road, Karachi.

**Stock Exchange
Branch 2:**
Pakistan Stock Exchange
Main Building, Suite No.
139-140 & 409, 3rd &
4th Floor, Karachi.

Bahadurabad:
Balad Trade Centre,
Suite No. 212, 2nd
Floor, Block-3,
B.M.C.H.S,
Karachi.

Koranig:
Intermarket House,
Plot No. 38-A,
Adjacent Genix
Pharma, Korangi
Creek, Karachi.

Website

www.imsecurities.com.pk

Our vision

Our vision is to develop Intermarket Securities on a professional basis in order to become the leading market player in the financial services sector and a valued contributor in the development of financial markets. We will offer best-in-class service in all our business lines and introduce superior technology solutions while keeping our clients' interests on top at all times.

Our mission


To become the preferred brokerage firm in Pakistan while playing a positive role in capital market development, leading to enhancement in the country's investor base.

Notice of 26th Annual General Meeting

Notice is hereby given that 26th Annual General Meeting of the Members of Intermarket Securities Limited ('the Company') will be held on Monday, April 28, 2025 at 3:00 pm at ICAP Auditorium, Chartered Accountants Avenue, Clifton, Karachi and through video link arrangement; to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended December 31, 2024, together with the Directors' and Auditors' Reports thereon;
2. To appoint Statutory Auditors of the Company for the financial year ending December 31, 2025 and to fix their remuneration. The present auditors, being eligible, have offered themselves for re-appointment.

Web-link	QR Code
https://www.imsecurities.com.pk/wp-content/uploads/2025/04/Annual_Report_2024.pdf	

Special Business:

3. To consider and, if deemed fit, to pass the following as Special Resolution, with or without modification(s), for the subdivision of the Company's share capital :

"RESOLVED THAT, pursuant to Section 85(1)(c) of the Companies Act, 2017 and Article 23 of the Articles of Association of the Company, the existing capital of the Company, including authorized, issued, and paid-up capital, be and is hereby altered such that the face value of each ordinary share of the Company is changed from Rupees Ten (Rs. 10/-) to Rupee One (Re. 1/-), thereby subdividing each share into ten (10) ordinary shares of Re. 1/- each, with no change in the rights and privileges attached to the shares."

"FURTHER RESOLVED THAT the Authorized Capital of the Company be subdivided from 200,000,000 ordinary shares of Rs. 10/- each to 2,000,000,000 ordinary shares of Re. 1/- and issued/subscribed/paid-up Capital of the Company be subdivided from 128,751,024 ordinary shares of Rs. 10/- each to 1,287,510,240 ordinary shares of Re. 1/- each."

"FURTHER RESOLVED THAT the Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Company be amended accordingly to reflect the above subdivision."

"FURTHER RESOLVED THAT the Chief Executive Officer, any Director, the Company Secretary, or the Chief Financial Officer of the Company be and are hereby jointly or severally authorized to take all necessary actions to implement the above resolutions including filing/submitting the required documents with SECP/PSX/CDC etc."

4. To transact any other business with the permission of the Chair.

A Statement under Section 134(3) of the Companies Act 2017 pertaining to the special businesses is being sent to the shareholders along with this notice.

By order of the Board

SHAHID KAMAL
Company Secretary

Karachi: April 07, 2025

NOTES:

1. The Share Transfer Books of the Company will remain closed for the period from April 21, 2025 to April 28, 2025 (both days inclusive) and no transfer of shares will be accepted for registration during this period. Transfers received in order at the Office of Company's Share Registrar M/s. F.D. Registrar Services (Private) Ltd, Office#1705, 17th Floor, Saima Trade Tower A, I.I. Chundrigar Road Karachi, Pakistan ('Registrar') at the close of business on April 18, 2025 the last working day before the start of book closure date will be considered in time to attend and vote at the Meeting.
2. Any member who want to attend the meeting via video link must send their particulars (Name, copy of CNIC, Folio number, cell number through email at company.secretary@imsecurities.com.pk at least 48 hours before the time of meeting. After due verification of the said particulars a video link/ user id & password will be sent through email for connecting the meeting.

3. A member of the Company entitled to attend and vote at this meeting, may appoint another person as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
4. CDC shareholders entitled to attend and vote at the meeting must bring his/her Participant ID and Account/Sub-Account number along with original CNIC or original passport to authenticate his/her identity. In case of Corporate entity, resolution of Board of Directors/Power of Attorney with specimen signature of the nominee shall be produced (unless provided earlier) at the time of the meeting.
5. For appointing the proxy; CDC shareholders shall submit the proxy form as per above requirements together with attested copy of CNIC or Passport of the beneficial owner and proxy. In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the specimen signature of the nominee, shall be submitted along with the proxy form to the Company.
 - " The proxy form shall be witnessed by two witnesses with their names, addresses, and CNIC numbers. The proxy shall produce his/her original CNIC or original Passport at the time of meeting.
6. Members are requested to notify/submit the following information/documents, in case of book entry securities in CDS to their respective participants and in case of physical shares to the registrar of the Company by quoting their folio numbers and name of the Company at the above mentioned address, if not earlier notified/submitted:
 - " Change in their addresses, if any.
 - " Members, who have not yet submitted attested photocopy of their valid CNIC are requested to submit the same along with folio numbers at earliest, directly to the Company's Share Registrar M/s. F.D. Registrar Services (Pvt) Ltd.
7. In accordance with the Companies (Distribution of Dividends) Regulations, 2017, shareholders are requested to provide required dividend mandate information (IBAN) to their respective CDS accounts through their participants or to the Share Registrar (if shares are in physical form) for direct credit of cash dividends into their designated bank accounts through electronic modes.
8. The shareholders of the Company are hereby informed that as per provisions of Section 72 of the Companies Act, 2017 ('the Act'), the companies are required to replace their physical shares with book-entry-form within a period not exceeding four years from the date of the promulgation of the Act. The Securities and Exchange Commission of Pakistan ('SECP'), vide their letter File no. CSD/ED/Misc./2016-639-640 dated 26th March, 2021, has advised all listed companies to pursue their such shareholders who still hold their shares in physical form for converting the same into CDC. Therefore as advised by SECP, the shareholders who hold physical shares are requested to convert the same into book-entry-form as soon as possible.
9. Pursuance to the SECP's SRO No. 389(i)/2023 dated 21 March 2023 the Company has sought approval from members in the EOGM held on December 20, 2024. Therefore, audited financial statement for the financial year ended December 31, 2024 will be circulated through **QR enabled code and web link**. However, hard copies of the financial statements along with all respective report can be provided on written demand of the members at their registered address. Furthermore, aforesaid Financial Statements and reports will also be available at the website of the Company www.imsecurities.com.pk at least twenty-one days before the date of meeting.

E-Voting and Postal Ballot

Members are hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 read with Sections 143-144 of the Companies Act, 2017 and SRO 2192(1)/2022 dated 5th December 2022, members will be allowed to exercise their right to vote for the special business in accordance with the conditions mentioned therein. Following options are being provided to members for voting:

i) E-Voting Procedure

- 1) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on 18th April 2025.
- 2) The web address, login details and password will be communicated to members via email. The security codes will be communicated to members through SMS and email from web portal of the e-voting service provider.
- 3) Identity of the members intending to cast vote through E-Voting shall be authenticated through electronic signature or authentication for login.
- 4) E-Voting lines will start from 24th April 2025, 9:00 a.m. and shall close on 27th April 2025 at 5:00 p.m. Members can cast their votes any time during this period.

Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

ii) Postal Ballot

- 1) Members may alternatively opt for voting through postal ballot. Ballot Paper is also available for download from the website of the Company at www.imsecurities.com.pk or use the same as annexed to this Notice and published in newspapers.
- 2) The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at Bahria Complex IV, 5th Floor, Extension Block, Gizri, Karachi (Attention to the Company Secretary) OR through the registered email address of shareholder at chairman@imsecurities.com.pk with subject of '**Postal Ballot for AGM 2025**' by Friday, 25th April 2025 before 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC. A postal ballot received after this time / date shall not be considered for voting.
- 3) Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding authority.
10. All corporate members are requested to provide list of ultimate beneficial shareholding having 10% and above controls in their organization.
11. For any query/information, members may contact the Company at email company.secretary@imsecurities.com.pk and/or the Share Registrar of the Company at above mentioned address. Members may also visit website of the Company www.imsecurities.com.pk for notices/information.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This Statement sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of the Company scheduled for Monday, 28th April 2025:

The Board of Directors of Intermarket Securities Limited ('the Company') has proposed the subdivision of the Company's shares to enhance market liquidity, improve investor accessibility, and broaden the shareholder base. It is proposed that the face value of each ordinary share be changed from Rupees Ten (Rs. 10/-) to Rupee One (Re. 1/-), thereby increasing the number of shares tenfold without altering the total paid-up / authorized capital. Following the subdivision, the subscribed and paid-up capital of the Company, currently comprising 128,751,024 ordinary shares of Rs. 10/- each, will be restructured into 1,287,510,240 ordinary shares of Re. 1/- each. The company will announce a book closure date, falling after the shareholders' approval of special resolutions at the AGM. Entitled shareholders will receive ten (10) ordinary shares of Re. 1/- each for every one (1) ordinary share of Rs. 10/- held, upon completion of the necessary regulatory formalities. The newly issued shares shall rank pari passu with the existing shares, with no change in the rights and privileges attached thereto.

The proposed subdivision necessitates amendments to Clause V of the Memorandum of Association and Article 4 of the Articles of Association to reflect the revised number and face value of the shares in the authorized capital. A comparison of the existing and proposed clauses is as follows:

Memorandum of Association	
Existing Clause V	Proposed Clause V
The authorized share capital of the Company is Rs. 2,000,000,000 (Rupees one billion) divided into 200,000,000 (one hundred million) ordinary shares of Rs. 10 each with power to increase, reduce or reorganize the capital and to divide the shares in the capital for the time being into several classes, provided however, that rights as between various classes of ordinary shares, if any, as to profits, votes and other benefits shall be strictly proportionate to the paid up value of the shares.	The authorized share capital of the Company is Rs. 2,000,000,000 (Rupees two billion) divided into 2,000,000,000 (two billion) ordinary shares of Re. 1/- each with power to increase, reduce or reorganize the capital and to divide the shares in the capital for the time being into several classes, provided however, that rights as between various classes of ordinary shares, if any, as to profits, votes and other benefits shall be strictly proportionate to the paid up value of the shares.
Articles of Association	
Existing Clause 4	Proposed Clause 4
The Authorized Capital of the company is Rs. 2,000,000,000 (Rupees two billion only) divided into 200,000,000 (two hundred million) ordinary shares of Rs. 10/- (Rupees ten) each.	The Authorized Capital of the company is Rs. 2,000,000,000 (Rupees two billion only) divided into 2,000,000,000 (two billion) ordinary shares of Rs. 1/- (Rupees ten) each.

The Board recommends the above for shareholders' approval as a Special Resolution in accordance with Section 85(1)(c) of the Companies Act, 2017 and confirms that the proposed alterations comply with the applicable laws and regulatory framework. The directors have no personal interest in the proposed resolution, except to the extent of their shareholding in the Company.

Ballot Paper

Ballot Paper for Voting through Post for the Special Business at the Annual General Meeting of Intermarket Securities Limited to be held on April 28, 2025 at 3:00 pm at ICAP Auditorium, Chartered Accountants Avenue, Clifton, Karachi

Duly filled/signed ballot paper to be sent to the Chairman, Intermarket Securities Limited, Registered Office: 5th Floor, Bahria Complex IV, Ext. Block, Gizri, Karachi, Pakistan (website www.imsecurities.com.pk) or by email at chairman@imsecurities.com.pk

Name of shareholder/joint shareholders	
Registered Address	
Folio / CDS Account Number	
Number of shares held	
Name of Proxy Holder	
CNIC/Passport Number (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	
Name of Authorized Signatory	
CNIC/Passport Number (copy to be attached)	

- Please indicate your Vote by ticking (✓) the relevant box.
- In case both the boxes are marked as (✓), your ballot paper shall be treated as "Rejected".

I/we hereby exercise my/our vote in respect of the following Special Resolution through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below:

Description of Special Resolutions	I / We assent to the Resolutions (FOR)	I / We dissent to the Resolutions (AGAINST)
<p><i>"RESOLVED THAT, pursuant to Section 85(1)(c) of the Companies Act, 2017 and Article 23 of the Articles of Association of the Company, the existing capital of the Company, including authorized, issued, and paid-up capital, be and is hereby altered such that the face value of each ordinary share of the Company is changed from Rupees Ten (Rs. 10/-) to Rupee One (Re. 1/-), thereby subdividing each share into ten (10) ordinary shares of Re. 1/- each, with no change in the rights and privileges attached to the shares."</i></p> <p><i>"FURTHER RESOLVED THAT the Authorized Capital of the Company be subdivided from 200,000,000 ordinary shares of Rs. 10/- each to 2,000,000,000 ordinary shares of Re. 1/- and issued/subscribed/paid-up Capital of the Company be subdivided from 128,751,024 ordinary shares of Rs. 10/- each to 1,287,510,240 ordinary shares of Re. 1/- each."</i></p> <p><i>"FURTHER RESOLVED THAT the Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Company be amended accordingly to reflect the above subdivision."</i></p>		

Signature of shareholder(s)/ Proxy Holder/Authorized Signatory

Place:

Date:

NOTES/PROCEDURE FOR SUBMISSION OF BALLOT PAPER:

- Copy of CNIC/Passport (in case of foreigner) should be enclosed with the postal ballot form.
- Signature on postal ballot should match with signature on CNIC/Passport (in case of foreigner).
- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

Directors' Profile

ERUM BILWANI

Chairperson

Mrs. Bilwani is the sponsor and major shareholder of Intermarket Securities, which was created post the acquisition of ING Barings Pakistan operations in the early 2000s.

She is a successful Pakistani businesswoman and investor with diversified experience in the financial sector primarily in the capital market. She is also a philanthropist and has worked with various NGOs in Pakistan, with a keen focus on making Pakistan better for women and developing opportunities for women to gain education and work in a safe and reputable environment. Mrs. Bilwani holds a Bachelor's degree in Economics from the University of Karachi.

WAJID HUSSAIN

Chief Executive Officer

Mr. Wajid has over 25 years of experience in Pakistan's capital market and has held key management positions throughout his career. Before joining Intermarket Securities Ltd in 2018, he was the CEO and Board member at Global Securities for almost 15 years. He has forged strong business relationships with the top financial institutions in Pakistan. Since joining IMS, he has been instrumental in initiating new trading relationships to expand the firm's client base and market share.

SYED RAZA HAIDER JAFRI

Executive Director

Mr. Raza possesses more than 15 years of experience in sell-side equity research and sales. Prior to rejoining Intermarket Securities Ltd, Raza was the Chief Executive Officer of EFG Hermes Pakistan. Raza commenced his career at AKD Securities Limited, and was last associated with AKD in the capacity of Head of Research. Raza carries an in-depth understanding of majors sectors at the PSX with a specialization in covering Commercial Banks. He was awarded "Best Analyst of 2015/16" by CFA Society Pakistan, and also received "Best Equity Salesperson" from CFA Society Pakistan two years in a row. Raza graduated from the Lahore University of Management Sciences and is a CFA charter holder.

SHEHZAD HUSSAIN

Independent Director

Mr. Shehzad has over 20 years' experience in Pakistan's capital markets and has had a distinguished career representing some of the country's leading financial institutions.

Mr. Shehzad served as CEO of Intermarket Securities from 2014-2018. During his tenure at IMS, the company launched research and investment banking, as well as an institutional trading desk, leading to a rapid increase in market share. Earlier, Mr. Shehzad served as an advisor to the fund management function of the Employees Old Age Benefit Institution (EOBI) which is the national contribution and pension institution with AUMs of US\$3 bn. Prior to EOBI, he served as Vice President Capital Markets at Pak Oman Investment Company - a specialized financial institution formed as a JV between the Government of Pakistan and the Sultanate of Oman.

MUHAMMAD ASHFAQ

Independent Director

Mr. Ashfaq is a seasoned Chartered Accountant with over 25 years of audit and advisory experience, primarily in the financial services sector. Holding prestigious certifications, including FCA (Pakistan), CIMA and CGMA (UK), and CPA (Australia), he has built a distinguished career in financial advisory, internal audit, and corporate governance. His expertise spans due diligence, internal control systems, and agreed-upon procedures for strategic organizations across the Middle East. He has played a key role in establishing internal audit functions for large corporations and has

held leadership positions, including Director of Internal Audit at Savola Group. His extensive market experience in the Middle East positions him as a highly skilled professional in financial oversight and strategic advisory.

REHAN ALAM

Non-Executive Director

Mr. Rehan began his professional career at KPMG Taseer Hadi & Co., a member firm of KPMG International, where he gained valuable experience working with multinational clients across various economic sectors, including Maersk Pakistan and Singer Pakistan.

In late 2014, he joined Intermarket Securities, bringing with him diverse expertise in finance, compliance, audit, and assurance. His broad industry exposure and strong professional background enable him to contribute effectively to financial and regulatory functions.

AHMED MASOOD

Independent Director

Advocate Supreme Court

B.A-LL.B (Lahore University of Management Sciences), 2009

Mr. Ahmed Masood graduated with outstanding merit from the Lahore University of Management Sciences in the year 2011 and soon thereafter joined the firm of MCAS & W, as an associate, beginning his journey on to becoming the Senior Partner of Haider Waheed Partners. During his years of practice, he has established himself as an adept litigator, known for his ability to identify the particular needs of his clients, their circumstances and deliver to them effectively. His practice before the bar has demonstrated a sound understanding of the law that is well grounded in research, coupled with an argumentative style that is innovative, assertive and tackles even the most challenging propositions. His areas of specialty range from taxation and customs, land and property, election disputes as well as claims pertaining to labour/ service and other contractual matters.

Chairperson Review

Review Report by the Chairperson on the overall performance of Board and effectiveness of the role played by the Board in achieving the Company's objectives:

- The Board of Directors ("the Board") of Intermarket Securities Limited ("IMS") has performed their duties meticulously in safeguarding the best interest of shareholders' of the Company and has managed the affairs of the Company in an effective and efficient manner, towards achieving its objective, in accordance with applicable laws and regulations.
- The Board is comprised of diverse experience of professionals. They brought with them local and international working expertise in various segments of the business. The Board has ensured that there is adequate representation of non-executive and independent directors on the Board and its committees as required under the Code of Corporate Governance ("Code") and that members of the Board and its respective committees has adequate skill experience and knowledge to manage the affairs of the Company.
- The Board has formed an Audit Committee and Human Resource and Remuneration Committee and has approved their respective TORs as required under the Code and has assigned them with adequate resources to achieve the desired objective effectively.
- The Board has established and put in place the rigorous mechanism for an annual evaluation of its own performance and that of its committees and individual directors.
- The Board has ensured that the directors are provided with orientation courses to enable them to perform their duties in an effective manner and that the one director on the Board have already taken certification under the Directors Training Program and the remaining directors meet the qualification and experience criteria of the Code.
- The Board has ensured that the meetings of the Board and that of its committee were held with the requisite quorum, all the decision making were taken through Board resolution and that the minutes of all the meetings including its committee are appropriately recorded and maintained.
- The Board has developed a code of conduct setting forth the professional standards and corporate values adhered through the Company and has developed significant policies for smooth functioning.
- The Board has actively participated in strategic planning process enterprise risk management system, policy development, and financial structure, monitoring and approval.
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process.
- The Board has ensured that the adequate system of internal control is in place and its regular assessment through self-assessment mechanism and /or internal audit activities.
- The Board has ensured that adequate information is shared among its members in a timely manner and the Board members are kept abreast of developments between meetings.
- The Board has exercised its powers in light of the power assigned to the Board in accordance with the relevant laws and regulation applicable on the Company and the Board has always prioritized the Compliance with all the applicable laws and regulation in terms of their conduct as directors and exercising their powers and decision making.

On behalf of the Board, I would like to thank all the stakeholders for their trust and support. I am confident that the Company has all the ingredients necessary to achieve the expectations of all its stakeholders.

In conclusion, we pray to almighty Allah for his blessings, guidance, health and prosperity to us, our Company and its Group Company, Country and Nation.


Erum Bilwani
Chairperson

Karachi: March 25, 2025

Directors' Report to the Members

BEGIN IN THE NAME OF ALLAH THE MOST GRACIOUS AND MERCIFUL

Dear Member(s)

Assalam-o-Alykum!

We, on behalf of Board of Directors of your Company, are pleased to present herewith Audited Financial Statements of the Company for the year ended December 31, 2024, together with the Auditors' Report thereon.

Principle Activities of the Business & Performance Review

The core business activity of your Company is equity brokerage. The Company earned operating revenues of Rs. 996.21 million during year under review as compared to Rs. 455.09 million for the corresponding period. Before and after-tax profit stood at Rs. 543.82 million and Rs. 482.25 million respectively compared to before and after tax earnings of Rs. 224.79 million and Rs. 203.29 million respectively for the corresponding period.

The operating results of the Company for the year ended December 31, 2024 are summarized as follows:

	December 31, 2024 Rupees	December 31, 2023 Rupees
Operating Revenues	996,212,817	455,086,614
(Loss)/Profit before tax	543,823,280	224,785,618
(Loss)/Profit after tax/	482,251,288	203,294,984
(Loss)/Earnings per share	4.06	1.87

The Company reported net profit of Rs. 482.25 million (Rs. 4.06 per share) in 2024 versus a net profit of Rs. 203.29 million (Rs. 1.87 per share) in the previous year. 2024 was a momentous year the Company, as the merger with EFG Hermes Pakistan was successfully concluded. This resulted in higher market share for the Company at a time when market volumes picked up on a confluence of economic stabilization and monetary easing. Consequently, Operating Revenue increased by a healthy 119%, outpacing the increase in Admin Expenses, ultimately resulting in strong growth in profitability.

2025 has also commenced on a strong footing, with inflation falling to multi-year lows and the current account remaining in control. However, it is important that Pakistan sustains its ongoing IMF program and delivers on promised structural reforms in order to preserve hard-fought economic stability and successfully transition towards sustainable growth. This can help keep positive investor sentiment intact.

PROPOSED SHARE SUBDIVISION

To enhance market liquidity, improve investor accessibility, and align IMS's stock price with broader market participation, the Board of Directors has proposed a subdivision of the Company's shares. This subdivision will reduce the face value from Rs. 10 to Re. 1 per share, in compliance with Section 85(1)(c) of companies act and Article 23 of the Company's Articles of Association.

As a result, the Company's issued, subscribed, and paid-up share capital will be restructured from 128,751,024 ordinary shares of Rs. 10 each to 1,287,510,240 ordinary shares of Re. 1 each, without any change in the total paid-up capital.

Shareholders will receive 10 ordinary shares of Re. 1/- each for every one ordinary share of Rs. 10/- held as of the effective date subject to regulatory approvals.

The Memorandum and Articles of Association of the Company will be altered to incorporate the above subdivision accordingly.

Dividend and other appropriations

Since this is the first annual audited financial statement following the merger of Intermarket Securities Limited with EFG Hermes Pakistan Limited, the Board of Directors has decided not to recommend any dividend payout. Instead, the Company intends to retain earnings to support its financial growth and strengthen its long-term strategic position.

Post Balance Sheet Events

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of this report.

Financial Statements

These financial statements have been endorsed by Chief Executive Officer and Chief Financial Officer of the Company, recommended for approval by the Audit Committee of the Board, and approved by the Board of Directors for presenting

before the Members and for Members' consideration, approval and adoption. The auditors of the Company, M/s. Rehman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants, audited the financial statements and have issued an unqualified report to the Members.

Auditors

The present auditors, M/s Rahman Sarfraz Rahim Iqbal Rafiq, Chartered Accountants, shall retire at the conclusion of Annual General Meeting and being eligible for reappointment have offered themselves for the same. The Board of Directors of your Company, based on the recommendation of the audit committee of the Board, proposed M/s Rahman Sarfraz Rahim Iqbal, Chartered Accountants, for reappointment as auditors of the Company for the ensuing year.

Entity Credit Rating

The Pakistan Credit Rating Agency (PACRA) has maintained credit rating of the Company as for long term A- (A minus) and for short term A1 (A one) ratings have been assigned. These ratings reflect low expectation of credit risk and strong capacity for timely repayments of financial commitments.

Broker Fiduciary Rating (BFR)

PACRA has maintained the Fiduciary Rating of the Company as BFR2+. The outlook on the assigned ratings is 'Stable'. This certification has endorsed the Company's Strong quality of management and client services, and high likelihood of sustaining operations.

Broker Management Rating (BMR)

PACRA has maintained the management rating of the Company as BMR2+. The outlook on the assigned ratings is 'Stable'. This certification has endorsed the Company's capability in upholding sound regulatory compliance, control environment, and financial management. Further, governance and risk management frameworks are effective while Human Resource, Information Technology and customer services are proactive.

Pattern of Shareholding

The detailed pattern of the shareholding and categories of shareholders of the Company as at December 31, 2024, as required under the listing regulations, have been appended to this Annual Report.

Merger & Amalgamation status

Pleased to inform that the Sindh High Court sanctioned the merger of Intermarket Securities Limited (IMS) with and into the Company through its Order dated October 09, 2024. In accordance with the approved Scheme of Arrangement, the merger was effective from July 01, 2024, and all necessary operational formalities were successfully completed.

Following the implementation of the Scheme, the Board of Directors of EFG Hermes Pakistan Limited ceased to hold office, and the resulting vacancies were duly filled by the directors of Intermarket Securities Limited (now the dissolved entity). Further, as per scheme new shares of the Company were issued to the shareholders of the Intermarket Securities limited as reflected in the shareholding structure as enclosed. Additionally, the Company has prepared the merged audited financial statements as of December 31, 2024, in compliance with regulatory requirements.

Corporate Social Responsibility (CSR) Statement

The Company recognizes the significance of Corporate Social Responsibility (CSR) and remains committed to conducting its business in an ethical, transparent, and socially responsible manner. We take necessary measures to fulfill our responsibilities toward our stakeholders, society, and the environment.

As a service-based organization, the Company ensures responsible energy consumption, environmental protection, and workplace safety within its office premises. Initiatives are undertaken to promote sustainability, including efficient resource utilization and a safe, healthy work environment for employees.

To uphold integrity and professionalism, the Company has implemented robust systems and procedures to prevent corruption, maintain ethical business practices, and safeguard the interests of clients and stakeholders.

The Company maintains strong and collaborative relationships with its peers, banking partners, regulators, and other relevant institutions, fostering trust and goodwill in the corporate ecosystem.

The Board of Directors acknowledges the importance of social welfare and remains committed to supporting charitable initiatives, subject to the Company's financial position. During the period under review, the Company made donations to charitable institutions and extended support to individuals in need, reinforcing its dedication to community welfare. Furthermore, the Company contributes to the national economy by fulfilling its tax obligations, with details of taxes and levies disclosed in the financial statements.

Corporate Governance

The Directors confirm compliance with the Corporate & Financial Reporting Framework of the Code of Corporate Governance for the annexed below:

- a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

- b) Proper books of accounts of the Company have been maintained.
- c) Appropriate accounting policies have been consistently applied in the preparation of financial statements except for the changes given in notes to the financial statements, if any; and accounting estimates are based on reasonable and prudent judgments.
- d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departures there from has been adequately disclosed and explained.
- e) The system of internal control is sound in design and has been effectively implemented and monitored.
- f) There are no significant doubts upon the Company's ability to continue as a going concern.
- g) Key operating and financial data for last six years in summarized form is annexed.
- h) There are no statutory payments on account of taxes, duties, levies and charges which are outstanding as on December 31, 2024 except for those disclosed in financial statements.
- i) The Company operates an approved contributory provident fund for its eligible employees. Value of investments as per un-audited financial statements for the period ended December 31, 2024 amounts to approximately Rs. 40,939,738/-
- j) During the period four (7) meetings of Board of Directors were held. Attendance by each Director was as follows:

S. No.	Name of Director	No. of meetings eligible to attend	No. of meetings attended
1.	*Ms. Erum Bilwani	1	1
2.	*Mr. Wajid Hussain	1	1
3.	*Mr. Raza Haider Jafri	6	6
4.	*Mr. Shehzad Hussain	1	1
5.	*Mr. Muhammad Ashfaq	1	1
6.	*Mr. Muhammad Rehan Alam	1	1
7.	*Mr. Murad Ansari	1	1
8.	*Mr. Johannes Gunnell	6	5
9.	*Ms. Sarah Maja	6	4
10.	*Mr. Mohamed Ebeid	6	5
11.	*Mr. Freyan Avari	6	6
12.	*Mr. Fayyaz Ilyas	6	0
13.	*Mr. Saad Iqbal	1	1
14.	*Mr. Shahid Kamal	3	3

*Saad Iqbal and Murad Ansari resigned on 31-01-2024. Raza Jafri was appointed on 31-01-2024 while Shahid Kamal was appointed on 24-04-2024. Directors from Sr.no. 8 -12 were ceased as directors and Sr.no.1- 6 became directors by way of merger as per Scheme. New election of directors was held on December 20, 2024 and no meeting was held with new board during period under review.

- Leave of absence was granted to Directors who could not attend the meetings.

- During the period, four (4) meetings of Audit Committee were held. Attendance by each Member was as follows:

S. No.	Name of Director	No. of meetings eligible to attend	No. of meetings attended
1.	Mr. Johannes Gunnell	4	3
2.	Mr. Fayyaz Ilyas	4	1
3.	Mr. Freyan Avari	4	4
4.	Ms. Sarah Maja	4	0

Leave of absence was granted to Members/Directors who could not attend the Audit Committee meetings.

- During the period, one (1) meeting of Human Resource and Remuneration Committee (HRRC) was held.

S. No.	Name of Director	No. of meetings eligible to attend	No. of meetings attended
1.	Mr. Freyan Avari	1	1
2.	Mr. Mohamed Ebeid	1	1
3.	Ms. Sarah Maja	1	1

- k) Pattern of shareholding is annexed at the end of report.
- l) Directors have gone through orientations held on January 31, 2024 and November 22, 2024. The Company has plan to send two newly elected directors on Directors Training Program during year 2025.
- m) One of director already has certification in respect of Directors' Training Program.
- n) The Company is not in default or likely to default in any loans, sukuks or other debt instruments.
- o) The Directors and Executives including their respective spouses and minor children have not traded in the shares of the Company during the period.

(For the clause 'O' above under Code of Corporate Governance the expression 'Executive' includes, in addition to Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Head of Internal Audit and Company Secretary by whatever name called, all other employees of the Company having basic salary of Rs. 1,200,000/- or above in a financial year.)

Economic Overview

Pakistan secured a 3year IMF EFF program for about US\$7bn in September 2024. This came after the government prioritized macroeconomic stability following elections in February 2024. Monetary tightening, to a record-high policy rate of 22.0% earlier in the year, ensured that CPI climbed down from 28.3% Y-o-Y at the start of the year to 4.1% Y-o-Y by December. This was complemented by Pakistan posting a rare current account surplus for the year, totaling to about +US\$800mn in 2024, with remittances rising by a robust 32% Y-o-Y to US\$34.6bn. The PKR also consolidated around 280 to the USD, finally stabilizing after having depreciated by 20% in 2023.

Going forward, it is imperative that Pakistan remains compliant with the IMF program. While macroeconomic stability has been achieved, it is critical that economic discipline becomes entrenched so as to avoid the balance of payment crises that unfortunately came to define the last 15 years. Reforms such as widening of the tax base and privatization will be important in preserving macroeconomic stability, transitioning to sustainable growth, and boosting investor confidence.

Market Performance

The KSE100 Index gained an exceptional 84% in calendar year 2024, making it one of the best performing equity markets in the world. Bullish momentum was consistently in place across the year, on the back of general elections, a successor IMF EFF program, and sharp monetary easing once inflation came under control. Daily trading activity matched this enthusiasm, with the KSE100 (ready market) delivering average daily trading value of PKR 14.9 bn in 2024 vs. PKR 8.0 bn in 2023, an increase of 87% Y-o-Y. Local mutual funds were the most aggressive buyers, as AUMs shifted from fixed income to equity funds. However, foreign institutional investors took advantage of the rapid rise in equity prices to sell down their holdings.

Future Prospect and Outlook

2024 was a momentous year for Intermarket Securities Limited as it saw the successful merger with EFG Hermes Pakistan. This places your Company on solid footing to capitalize on the higher equity trading activity currently in place. If the government is able to deliver on structural reforms, and successfully position the economy onto a sustainable growth path, then the equity market should continue to deliver backed by strong investor enthusiasm and trading activity. However, if the hard-fought macroeconomic stability proves to be fleeting, then it will likely have a detrimental impact on equity market performance and brokerage activity. Overall, we remain optimistic about 2025.

Acknowledgements

The Board of Directors of your Company wishes to place on record its gratitude to the regulators, its bankers, members, clients and business partners for their continued cooperation and support. Further, the Board appreciates the valuable, loyal, and commendable services rendered to the Company by its employees.

In conclusion, we pray to almighty Allah for his blessings, guidance, health and prosperity to us, our Company, Country and Nation.

On behalf of the Board of Directors


 Chief Executive Officer

Karachi: March 25, 2024


 Director

ڈائریکٹرز رپورٹ برائے ممبران

شروع اللہ کے نام سے جو نہایت مہربان اور رحم کرنے والا ہے۔

محترم ممبران

السلام علیکم

ہم آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے بخوشی سالانہ مدت 31 دسمبر 2024 کو ختم ہونے والی کمپنی کی آڈٹ شدہ مالی تفصیلات، آڈیٹرز کی رپورٹ کے ساتھ پیش کرتے ہیں۔

بنیادی کاروباری سرگرمیاں اور کارکردگی کا جائزہ:

آپ کی کمپنی کی بنیادی کاروباری سرگرمی ایکویٹی اسٹاک بروکرئج ہے۔ زیر غور سال کے دوران کمپنی نے آپریٹنگ آمدنی کی مدت میں 996.21 ملین روپے کمائے جبکہ گذشتہ اسی مدت کے دوران 455.09 ملین روپے کمائے تھے۔ قبل از ٹیکس اور بعد از ٹیکس منافع 543.82 ملین روپے اور 482.25 ملین روپے بالترتیب ہے جبکہ گذشتہ اسی مدت کے دوران قبل از ٹیکس اور بعد از ٹیکس کمائی 224.79 ملین اور 203.29 ملین روپے بالترتیب تھی۔ کمپنی کے کاروباری نتائج سالانہ مدت کیلئے مورخہ 31 دسمبر 2024 درج ذیل ہیں۔

31 دسمبر 2023	31 دسمبر 2024	
روپے	روپے	
455,086,614	996,212,817	آمدنی (کاروبار سے حاصل شدہ آمدنی)
224,785,618	543,823,280	(نقصان) / (منافع قبل از ٹیکس)
203,294,984	482,251,288	(نقصان) / (منافع بعد از ٹیکس)
1.87	4.06	فی حصص (نقصان) / آمدنی

کمپنی نے پچھلے سال 203.29 ملین روپے (فی حصص 1.87 روپے) منافع کے مقابلہ میں سال 2024 میں 482.25 ملین روپے (فی حصص 4.06 روپے) منافع کیا۔ 2024 کمپنی کیلئے ایک اہم سال تھا جس میں ای ایف جی ہرمزپاکستان کے ساتھ کامیابی کے ساتھ انضمام ہوا۔ اس کا نتیجہ کمپنی کے لئے زیادہ مارکیٹ شیئر کی صورت میں ایک ایسے وقت میں نکلا جب معاشی استحکام اور مالیاتی نرمی کے ملاپ پر مارکیٹ کے حجم میں اضافہ ہوا۔ نتیجتاً، آپریٹنگ ریونیو میں 119 فیصد بھرپور اضافہ ہوا، جو کہ ایڈمن اخراجات میں ہونے والے اضافے کے اثر کو بھی ترائل کر دیا، جس کے نتیجے میں منافع میں زبردست اضافہ ہوا۔

2025 کا آغاز مضبوط بنیادوں پر ہوا ہے، افراترکٹی سال کی کم ترین سطح پر آگیا ہے اور کرنٹ اکاؤنٹ کنٹرول میں ہے۔

تاہم، یہ ضروری ہے کہ پاکستان اپنے آئی ایم ایف کے جاری پروگرام کو برقرار رکھے اور سخت جدوجہد کے بعد حاصل کردہ معاشی استحکام کو برقرار رکھے اور پائیدار ترقی کی طرف کامیابی سے منتقلی کے لئے وعدے کے مطابق ڈھانچہ جاتی اصلاحات کرے۔ اس سے سرمایہ کاروں کے مثبت جذبات کو برقرار رکھنے میں مدد مل سکتی ہے۔

مجوزہ حصص کی ذیلی تقسیم

مارکیٹ کی لیکویڈیٹی کو بڑھانے، سرمایہ کاروں کی رسائی کو بہتر بنانے اور آئی ایم ایس کے اسٹاک کی قیمت کو مارکیٹ کی وسیع تر شرکت کے ساتھ ہم آہنگ کرنے کے لئے، بورڈ آف ڈائریکٹرز نے کمپنی کے حصص کی ذیلی تقسیم کی تجویز پیش کی ہے۔ کمپنی کے آرٹیکلز آف ایسوسی ایشن کے آرٹیکل 23 اور کمپنی ایکٹ کے سیکشن 85(1)(c) کی تعمیل میں اس ذیلی تقسیم سے شیئر کی قدر 10 روپے سے 1 روپیہ فی حصص تک کم ہو جائے گی۔

نتیجے کے طور پر، کمپنی کے جاری کردہ، سبسکرائب شدہ، اور ادا شدہ حصص کیپٹل 128,751,024 عام حصص 10 روپے فی عدد کو 1,287,510,240 عام حصص 1 روپے فی عدد سے کل ادا شدہ سرمائے میں کسی تبدیلی کے بغیر دوبارہ ترتیب دیا جائیگا۔ شیئر ہولڈرز کو ریگولیٹری منظور یوں کی شرط پر کسی موخر تاریخ پر 10 روپے کے ہر ایک عام حصص کے بدلے 1 روپے کے 10 عام حصص ملیں گے۔ مذکورہ ذیلی تقسیم کو شامل کرنے کے لئے کمپنی کے میمورنڈم اور آرٹیکلز آف ایسوسی ایشن میں اس کے مطابق تبدیلی کی جائیگی۔

تقسیم شدہ منافع اور دیگر تخصیص

چونکہ انٹرنارٹیک سیکورٹیز لمیٹڈ کے ساتھ ای ایف جی ہرمز پاکستان لمیٹڈ کے انضمام کے بعد یہ پہلا سال نامالیاتی بیان ہے، اس لئے بورڈ آف ڈائریکٹرز نے کسی بھی ڈیویڈنڈ کی ادائیگی کی سفارش نہ کرنے کا فیصلہ کیا ہے۔ اس کے بجائے، کمپنی اپنی مالی ترقی کو سہارا دینے اور اپنی طویل المدتی اسٹریٹجک پوزیشن کو مضبوط بنانے کے لئے آمدنی کو برقرار رکھنے کا ارادہ رکھتی ہے۔

پوسٹ بیلنس شیٹ وقوع

اس رپورٹ کی تاریخ اور کمپنی کے مالی سال کے اختتام پر کمپنی کی مالی پوزیشن میں کوئی خاص تبدیلی نہیں کی گئی جس سے بیلنس شیٹ کا تعلق ہو۔

مالیاتی گوشوارے

کمپنی کے چیف ایگزیکٹو آفیسر اور چیف فنانس آفیسر نے مالیاتی گوشواروں کی تفصیلات تصدیق کر کے بورڈ کی آڈٹ کمیٹی کو منظوری کیلئے بھیجیں اور بورڈ آف ڈائریکٹرز نے ممبران کے سامنے پیش کرنے اور ممبران کو اس پر غور کرنے، منظور کرنے اور اختیار کرنے کیلئے منظوری دی۔ کمپنی کے آڈیٹرز میسرز رحمان سرفراز رحیم اقبال رفیق، چارٹرڈ اکاؤنٹنٹس نے مالیاتی گوشواروں کا آڈٹ کیا اور میمورنڈم وغیر مشروط رپورٹ جاری کی۔

محاسب/آڈیٹرز

موجودہ آڈیٹرز میسرز رحمان سرفراز رحیم اقبال رفیق چارٹرڈ اکاؤنٹنٹس، سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے اور انہوں نے اپنے آپ کو دوبارہ تعیناتی کے لیے پیش کیا ہے۔ آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی رپورٹ کی بنیاد پر میسرز رحمان سرفراز رحیم اقبال رفیق چارٹرڈ اکاؤنٹنٹس کو مابعد سال کے لئے بطور آڈیٹرز دوبارہ تعیناتی کی منظوری دی ہے۔

کریڈٹ درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے کمپنی کی کریڈٹ درجہ بندی کی طویل المدتی کیلئے "A- (منفی اے)" اور مختصر مدت کیلئے "A1 (اے ون)" درجہ برقرار رکھا۔ یہ درجہ بندی کریڈٹ رسک کی کم توقعات کی عکاسی کرتی ہیں اور بروقت مالی ادائیگیوں کیلئے مضبوط صلاحیت رکھتی ہیں۔

بروکریٹڈ و شری درجہ بندی

PACRA نے کمپنی کی فیڈ و شری درجہ بندی کو BFR2+ کے طور پر برقرار رکھا ہے۔ تقویض کردہ درجہ بندی "مستحکم" ہونے کی عکاسی کرتی ہے۔ اس سلسلے میں کمپنی کے بینجمنٹ اور کلائنٹس کی خدمات کے مضبوط معیار اور آپریشنز کو برقرار رکھنے کے اعلیٰ امکانات کی توثیق کی ہے۔

انتظامی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے کمپنی کی انتظامی درجہ بندی بطور BMR2+ تقویض برقرار رکھی ہے۔ تقویض کردہ درجہ بندی "مستحکم" ہونے کی عکاسی کرتی ہے۔ یہ سرٹیفکیٹ کمپنی کے بطور ادارہ مستحکم ہونے، ماحول کو قابو میں رکھنے اور مالی انتظامات کو برقرار رکھنے میں کمپنی کی اہلیت کی تصدیق کرتی ہے۔ مزید یہ کہ، گورننس اور رسک مینجمنٹ کے فریم ورک منوثر ہیں جبکہ ہیومن ریسورس، انفارمیشن ٹیکنالوجی اور صارفین کی خدمات کے ڈھانچے فعال ہیں۔

حصص رکھنے کا طرز

31 دسمبر 2024 کو درکار لسٹنگ ریگولیشنز کے مطابق حصص رکھنے کا تفصیلی طرز اور کمپنی کے حصص یافتگان کی اقسام اس سالانہ رپورٹ کے ساتھ منسلک کی گئی ہے۔

انضمام اور اس کی حیثیت

یہ بتاتے ہوئے خوشی ہوئی کہ سندھ ہائی کورٹ نے اپنے حکم مورخہ 19 اکتوبر 2024 کے ذریعے انضمام مارکیٹ سیکورٹیز لمیٹڈ (IMS) کو کمپنی کے ساتھ اور اس میں انضمام کی منظوری دی۔ انتظامات کی منظور شدہ اسکیم کے مطابق، انضمام یکم جولائی 2024 سے نافذ العمل تھا، اور تمام ضروری آپریشنل لوازمات کامیابی کے ساتھ مکمل کی گئیں۔ اسکیم کے نفاذ کے بعد، ای ایف جی ہرمز پاکستان لمیٹڈ کے بورڈ آف ڈائریکٹرز نے اپنے عہدے سے دستبردار ہو گئے، اور اس کے نتیجے میں خالی آسامیوں کو انضمام مارکیٹ سیکورٹیز لمیٹڈ (اب تحلیل شدہ ادارہ) کے ڈائریکٹران نے مناسب طریقہ پر پُر کیا۔ مزید، اسکیم کے مطابق کمپنی کے نئے حصص انضمام مارکیٹ سیکورٹیز لمیٹڈ کے شیئرز ہولڈرز کو جاری کئے گئے جیسا کہ منسلک شیئرز ہولڈنگ ڈھانچے میں ظاہر ہے۔ مزید برآں، کمپنی کے ضابطے کی ضروریات کے مطابق 31 دسمبر 2024 تک ضم شدہ آڈٹ شدہ مالیاتی بیانات تیار کئے ہیں۔

کارپوریٹ سماجی ذمہ داریاں

کمپنی کارپوریٹ سماجی ذمہ داری کی اہمیت کو سمجھتی ہے اور اپنے کاروبار کو اخلاقی، شفاف اور سماجی طور پر ذمہ دارانہ انداز میں چلانے کے لئے پُر عزم ہے۔ ہم اپنے اسٹیک ہولڈرز، معاشرے اور ماحول سے منسلک اپنی ذمہ داریوں کو پورا کرنے کے لئے ضروری اقدامات کرتے ہیں۔ کمپنی جسکے کام کی نوعیت خدمات مہیا کرنا ہے تو انسانی اور ماحولیاتی حفاظت کیلئے اپنے دفاتر کی جگہ اور اپنے ملازمین کی صحت اور حفاظت کیلئے ضروری اقدامات کئے ہیں۔ پائیداری کو فروغ دینے کیلئے اقدامات کئے جاتے ہیں، بشمول وسائل کا منوثر استعمال اور ملازمین کیلئے محفوظ، صحت مند ماحول۔ دیانتداری اور پیشہ ورانہ مہارت کو برقرار رکھنے کے لئے، کمپنی نے بدعنوانی سے بچاؤ، اخلاقی و پیشہ ورانہ طریقوں کو برقرار رکھنے، اپنے گاہکوں اور اسٹیک ہولڈرز کے مفادات کے تحفظ کیلئے مضبوط نظام اور طریقہ کار نافذ کئے ہیں۔ کمپنی اپنے ساتھیوں، بینکنگ پارٹنرز، ریگولیٹرز اور دیگر متعلقہ اداروں / تنظیموں کے ساتھ مضبوط اور باہمی تعاون پر مبنی تعلقات برقرار رکھتی ہے، کارپوریٹ مالیاتی نظام میں اعتماد اور خیر سگالی کو فروغ دیتی ہے۔

بورڈ آف ڈائریکٹرز سماجی بہبود کی اہمیت کو تسلیم کرتا ہے اور خیراتی اقدامات کی حمایت کرنے کے لئے پُر عزم رہتا ہے، جو کمپنی کی مالی حیثیت سے مشروط ہے۔ زیر غور مدت کے دوران، کمپنی نے خیراتی اداروں کو عطیات دیئے اور ضرورت مند افراد کے لئے تعاون بڑھایا، جس سے کمیونٹی کی فلاح و بہبود کے لئے اس کی لگن کو تقویت ملی۔ مزید یہ کہ، کمپنی اپنی ٹیکس ذمہ داریوں کو پورا کر کے مالیاتی گوشواروں میں ٹیکسوں اور محصولات کی تفصیلات ظاہر کر کے قومی معیشت میں حصہ ڈالتی ہے۔

کاروباری نظم و نسق

ڈائریکٹرز نے کاروباری اور مالیاتی رپورٹنگ ڈھانچے کے ضابطے برائے کاروباری نظم و نسق کی تصدیق کی ہے جو کہ درج ذیل ہے۔

- مالیاتی گوشوارے جو کہ کمپنی کی انتظامیہ نے تیار کیے جن میں آپریشنز کے نتائج، کمپنیشن فلوز اور ایکویٹی میں تبدیلیوں کو شفاف طور پر پیش کیا گیا۔
- کمپنی کے کھاتے صحیح طریقہ پر تیار کیے گئے۔

- (c) - مالیاتی گوشواروں کی تیاری میں مستقل مناسب اکاؤنٹنگ پالیسی اختیار کی گئی ماسوائے ان تبدیلیوں کے جن کا ذکر مالیاتی گوشواروں کے نوٹس میں کیا گیا؛ اور اکاؤنٹنگ کے تخمینے مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- (d) - مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیار اختیار کیا گیا اور وضاحت کے ساتھ بیان کیا گیا اور اس سے کوئی بھی انحراف مناسب طور پر واضح اور بیان کیا گیا ہے۔
- (e) - اندرونی کنٹرول کا نظام بہترین بنا کر اسے نافذ کیا اور نگرانی کی گئی۔
- (f) - کمپنی کے کاروبار کے جاری رہنے پر کوئی نمایاں شبہات نہیں ہیں۔
- (g) - گزشتہ چھ سالوں کے خاص کاروباری اور مالیاتی اعداد و شمار مختصر طور پر منسلک ہیں۔
- (h) - ٹیکسوں، ڈیویڈنڈ، محصولات اور چارجز کی مد میں کسی طرح کے قانونی بقایا جات نہیں ماسوائے ان کے جن کو 31 دسمبر 2024 کے مالیاتی گوشواروں میں ظاہر کیا گیا۔
- (i) - کمپنی اپنے اہل ملازمین کے لیے منظور شدہ پروویڈنٹ فنڈ چلاتی ہے جس کی سرمایہ کاری کی رقم غیر آڈٹ شدہ مالی تفصیلات کے مطابق 31-12-2024 کے اختتام پر تقریباً مبلغ -40,939,738 روپے ہے۔
- (j) - اس مدت کے دوران بورڈ آف ڈائریکٹرز کے سات (7) اجلاس منعقد ہوئے ہر ڈائریکٹر کی حاضری درج ذیل ہے۔

نمبر شمار	ڈائریکٹر کا نام	اجلاس کی تعداد (قابل حاضری)	اجلاس کی تعداد (جن میں حاضر ہوئے)
۱-	* محترمہ مارم بلوانی	1	1
۲-	* جناب واجد حسین	1	1
۳-	* جناب رضا حیدر جعفری	6	6
۴-	* جناب شہزاد حسین	1	1
۵-	* جناب محمد اشفاق	1	1
۶-	* جناب محمد رحمان عالم	1	1
۷-	* جناب مراد انصاری	1	1
۸-	* جناب جوہانز گل	6	5
۹-	* محترمہ سارہ ماجہ	6	4
۱۰-	* جناب محمد عبید	6	5
۱۱-	* جناب فریان آواری	6	6
۱۲-	* جناب فیاض الیاس	6	0
۱۳-	* جناب سعد اقبال	1	1
۱۴-	* جناب شاہد کمال	3	3

* سعد اقبال اور مراد انصاری 31 جنوری 2024 کو مستعفی ہو گئے۔ رضا جعفری کا تقرر 31 جنوری 2024 کو ہوا جبکہ شاہد کمال کا تقرر 24 اپریل 2024 کو ہوا۔ سیریل نمبر 8 تا 12 نے بطور ڈائریکٹر کام ترک کر دیا اور سیریل نمبر 1 تا 6 سکیم کے مطابق انضمام کے ذریعے ڈائریکٹر بن گئے۔ جو ڈائریکٹر بورڈ کے اجلاس میں حاضر نہیں ہو سکے انہیں غیر حاضری کی منظوری دے دی گئی۔

دوران مدت آڈٹ کمیٹی کے چار (4) اجلاس منعقد ہوئے۔ ہر ممبر کی حاضری درج ذیل ہے۔

نمبر شمار	ممبر کا نام	اجلاسوں کی تعداد (قابل حاضری)	اجلاس کی تعداد (جن میں حاضر ہوئے)
۱-	جناب جوہان زہا نیلو گنل	4	3
۲-	جناب فیاض الیاس	4	1
۳-	جناب فریان آواری	4	4
۴-	محترمہ سارہ ماجہ	4	0

جو ممبرز/ ڈائریکٹرز آڈٹ کمیٹی کے اجلاس میں حاضر نہیں ہو سکے انہیں غیر حاضری کی منظوری دے دی گئی۔

دوران مدت ہیومن ریسورس اینڈ ریٹرنیشن کمیٹی کا اجلاس ایک (1) دفعہ منعقد ہوا۔

نمبر شمار	ممبر کا نام	اجلاسوں کی تعداد (قابل حاضری)	اجلاس کی تعداد (جن میں حاضر ہوئے)
۱-	جناب فریان آواری	1	1
۲-	جناب محمد عبید	1	1
۳-	محترمہ سارہ ماجہ	1	1

(k)۔ طرز حصص یا شیگان سالانہ رپورٹ کے آخر میں منسلک ہیں۔

(l)۔ ڈائریکٹرز 31 جنوری 2024 اور 22 نومبر 2024 کو منعقد ہونے والے واقفیت کے پروگراموں میں شامل ہو چکے ہیں۔ کمیٹی کا منصوبہ ہے کہ سال 2025 کے دوران ڈائریکٹرز ٹینگ پروگرام میں دو نئے ڈائریکٹرز کو بھیجیں۔

(m)۔ ایک ڈائریکٹر کے پاس بھی ڈائریکٹرز ٹینگ پروگرام (ڈی ٹی پی) کی سند ہے۔

(n)۔ کمیٹی کسی بھی طرح کے قرض، سکوئس اور دیگر وغیرہ میں نادہندہ یا قابل نادہندہ نہیں ہے۔

(o)۔ ڈائریکٹرز اور ایگزیکٹوز بشمول انکے بیوی، بچوں نے اس مدت کے دوران کمیٹی کے حصص کی تجارت نہیں کی۔

(اوپر دی گئی شق "o" کے تحت ضابطہ برائے کارپوریٹ گورننس کے مطابق 'Executive' کی ٹرم/ وضاحت میں کمیٹی کے دیگر ملازمین جن کی مالی سال میں بنیادی تنخواہ 1,200,000/- روپے یا اس سے زیادہ ہے 'Executive' میں جنہیں چاہے کسی بھی نام سے مخاطب کریں بشمول چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانس آفیسر، انٹرنل آڈٹ کاسربراہ اور کمیٹی سیکریٹری کے۔)

اقتصادی جائزہ

پاکستان نے ستمبر 2024 میں تقریباً 7 ٹین امریکی ڈالر کا 3 سالہ IMF EFF پروگرام حاصل کیا۔ یہ حکومت کی جامب سے فروری 2024 میں ہونے والے انتخابات کے بعد میکرو اکنامک استحکام کو ترجیح دینے کے بعد سامنے آیا۔ مالیاتی سختی، سال کے شروع میں 22 فیصد کی ریکارڈ بلند شرح پالیسی نے اس بات کو یقینی بنایا کہ CPI سال کے آغاز میں 28.3 فیصد Y-o-Y سے دسمبر تک 4.1 فیصد Y-o-Y تک گر گیا۔ اس کی تکمیل پاکستان نے سال کے لئے غیر معمولی کرنٹ اکاؤنٹ سرپلس پوسٹ کرنے سے کی، جو کہ 2024 میں تقریباً 800 ملین امریکی ڈالر تک پہنچ گئی، ترسیلات زر میں 32 فیصد Y-o-Y سے 34.6 ٹین امریکی ڈالر تک اضافہ ہوا۔ 2023 میں 20 فیصد قدر میں کمی کے بعد آخر کار پاکستانی روپیہ بھی تقریباً 280 روپیہ فی امریکی ڈالر پر مستحکم ہوا۔

آگے بڑھتے ہوئے، یہ ضروری ہے کہ پاکستان IMF پروگرام کی تعمیل کرتا رہے۔ اگرچہ میکرو اکنامک استحکام حاصل کر لیا گیا ہے، لیکن یہ ضروری ہے کہ معاشی نظم و ضبط قائم ہو تاکہ ادائیگیوں کے توازن کے بحران سے بچا جاسکے جو بد قسمتی سے گذشتہ 15 سالوں میں سامنے آئے۔ ٹیکس کی بنیاد کو وسیع کرنے اور چکارا جیسی اصلاحات، میکرو اکنامک استحکام کو برقرار رکھنے، پائیدار ترقی کی طرف منتقلی اور سرمایہ کاروں کے اعتماد کو بڑھانے میں اہم ہوں گی۔

مارکیٹ کارکردگی

KSE100 انڈیکس نے کیلنڈر سال 2024 کے دوران غیر معمولی 84 فیصد کا اضافہ کیا، جس سے یہ دنیا کی بہترین کارکردگی دکھانے والی ایکویٹی مارکیٹ میں سے ایک ہے۔ عام انتخابات کے بعد، ایک قائم مقام IMF EFF پروگرام، اور واضح مالیاتی نرمی سے افراط زر کے قابو میں آنے کے بعد سال بھر تیزی کی رفتار برقرار رہی۔ یومیہ تجارتی سرگرمی اس جوش و جذبہ سے مماثل ہے، KSE100 (ریڈی مارکیٹ) نے 2023 کے 8.0 ٹلین روپے کے مقابلے میں 2024 میں 14.9 ٹلین روپے کی اوسط یومیہ ٹریڈنگ ویلیو یعنی 87 فیصد 0-7 فراہم کی ہے۔ مقامی میوچل فنڈز سب سے زیادہ جارحانہ خریدار تھے، کیونکہ AUMs مقررہ آمدنی سے ایکویٹی فنڈز میں منتقل ہو گئے تھے۔

تاہم، غیر ملکی ادارہ جاتی سرمایہ کاروں نے ایکویٹی کی قیمتوں میں تیزی سی اضافے کا فائدہ اٹھاتے ہوئے اپنی ہولڈنگز کو فروخت کر دیا۔

آئندہ کے منصوبے

2024 انٹر مارکیٹ سکیورٹیز لمیٹڈ کے لئے ایک اہم سال تھا کیونکہ اس میں ای ایف جی ہرمزپاکستان کے ساتھ کامیاب انضمام ہوا۔ اس نے آپ کی کمپنی کو ٹھوس بنیادوں پر استوار کیا تاکہ اس وقت موجود بلند ایکویٹی تجارتی سرگرمی سے فائدہ اٹھایا جاسکے۔ اگر حکومت ڈھانچہ جاتی اصلاحات کرنے میں کامیاب ہو جاتی ہے، اور کامیابی کے ساتھ معیشت کو پائیدار ترقی کی راہ پر گامزن کرتی ہے تو ایکویٹی مارکیٹ کو مضبوط سرمایہ کاروں کے جوش و خروش اور تجارتی سرگرمیوں کی مدد سے فراہمی جاری رکھنی چاہئے۔ تاہم، اگر میکرو اکنامک استحکام عارضی ثابت ہوا تو امکان ہے کہ اس کا ایکویٹی مارکیٹ کی کارکردگی اور بروکرئج کی سرگرمی پر برا اثر پڑے گا۔ مجموعی طور پر، ہم 2025 کے متعلق پرامید ہیں۔


تصدیق

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز خواہش رکھتے ہیں کہ ریگولیٹرز، اسکے مینجرز، ممبران، گاہک اور کاروباری ساتھی حضرات ان کے ساتھ تعاون جاری رکھے گی۔ مزید برآں، بورڈ اپنے ملازمین کی جانب سے کمپنی کو فراہم کی جانے والی قابل قدر، مخلص اور قابل ستائش خدمات کو سراہتا ہے۔

آخر میں اللہ تعالیٰ سے دعا ہے کہ وہ ہم پر، ہماری کمپنی، ملک اور قوم پر اپنی برکت، ہدایت، صحت اور خوشحالی نازل فرمائے۔ آمین

مخانب بورڈ آف ڈائریکٹرز


ڈائریکٹر


چیف ایگزیکٹو آفیسر

کراچی 25 مارچ، 2025

Six Years at a Galance

PARTICULARS	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Operating Performance (Rupees in 000)						
Revenue	996,212	455,087	266,850	432,231	415,444	220,538
Operating expenses	670,438	354,667	249,600	341,479	301,622	184,708
Financial expenses	134,128	74,951	35,061	4,101	26,370	34,045
Other income	112,534	17,801	4,089	7,734	8,414	36,105
Gain / (loss) on investments - net	240,614	181,516	(170,009)	(66,734)	(1,635)	22,782
Profit / (loss) before lavies and tax	544,794	224,786	(183,731)	27,650	94,234	60,673
Profit / (loss) after lavies and tax	482,251	203,295	(197,958)	(160,491)	72,970	45,428
Per Ordinary Shares (Rupees)						
Earnings / (loss) per share	4.06	1.87	(1.82)	(1.47)	0.67	1.05
Break-up value per share	12.50	8.87	7.00	8.82	8.64	15.41
Dividends (Percentage)						
Cash	-	-	-	-	-	-
Bonus shares	-	-	-	-	-	-
Assets & Liabilities (Rupees in 000)						
Total assets	3,974,620	2,138,898	1,201,579	1,396,762	1,700,716	1,147,323
Current assets	3,733,247	2,051,579	1,136,581	1,316,672	1,589,644	1,059,834
Current liabilities	2,312,292	1,163,026	437,657	437,261	721,984	211,947
Financial Position (Rupees in 000)						
Shareholder's equity	1,608,815	965,837	761,542	959,501	939,526	667,572
Share capital	665,131	503,405	503,405	503,405	503,405	200,560
Reserves	-	-	-	-	-	-
Shares outstanding- (Number in 000) (Ref Note 1)	128,751,024	108,735,374	108,735,374	108,735,374	108,735,374	43,320,865
Return on capital employed-(%)	29.98%	21.05%	-25.99%	-16.73%	7.77%	6.80%
Return on total assets-(%)	12.13%	9.50%	-16.47%	-11.49%	4.29%	3.96%
Current ratio-times	1.61	1.76	2.60	3.01	2.20	5.00

The share capital of the year ended December 19 to December 23 have been retroactively restated to reflect the effect of merger.

Gender Pay Gap Statement

Gender pay gap statement under Circular 10 of 2024

Following is gender pay gap calculated for the year ended 2024:

- i) Mean Gender Pay Gap: 40%
- ii) Median Gender Pay Gap: 100%
- iii) Any other data/Details as deemed relevant: the above ratio reflect the overall gender pay gap across the organization



Chief Executive Officer

March 25, 2025

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations for year ended December 31, 2024

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: 6 directors
 - b. Female: 1 director
2. The composition of board is as follows:

CATEGORY	NAMES
a) Independent Directors	1) Mr. Shehzad Hussain 2) Mr. Muhammad Ashfaq 3) Mr. Ahmed Masood
b) Non-Executive Directors	4) Mr. Muhammad Rehan Alam
c) Female Non-Executive Director	5) Mrs. Erum Bilwani
d) Executive Director	6) Mr. Wajid Hussain 7) Syed Raza Haider Jafri

During the period under review, Directors Saad Iqbal and Murad Ansari resigned on January 31, 2024. Raza Jafri was appointed on the same date, while Shahid Kamal was appointed on April 24, 2024. Due to the merger, the entire board of EFG Hermes Pakistan ceased to hold office, and the entire board of Intermarket Securities Limited assumed the directorship of the Company as per the Scheme of Arrangement on November 22, 2024. Subsequently, upon the completion of the board's tenure, new election was held on December 20, 2024, and the aforementioned directors were elected on the same date.

3. The directors have confirmed that none of them is serving as a director of other Pakistani listed companies, excluding 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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by 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 board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations. In this respect all independent directors are paid board meeting attendance fee Rs. 25000/-
9. The Company encourages our director to attend directors' training program and the Company has plan to send two newly elected directors to get this training during calendar year 2025. Directors have gone through orientations held on January 31, 2024 and November 22, 2024, etc.
10. The Board has approved appointment of CFO, 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. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:
 - a) **Audit Committee**

Mr. Muhammad Ashfaq	Chairman
Mr. Shehzad Hussain	Member
Ms. Rehan Alam	Member
 - b) **HR and Remuneration Committee**

Mr. Shehzad Hussain	Chairman
Mr. Rehan Alam	Member
Mr. Wajid Hussain	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 (quarterly/half yearly/ yearly) of the committee were as per following:
 - a) **Audit Committee** Quarterly
 - b) **HR and Remuneration Committee** Yearly
15. The board has set up an effective internal audit function/ or has outsourced the internal audit function who are considered suitably qualified and experienced for the purpose and are 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 requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 have been complied with. Except below;
19. Explanation for non-compliance with requirements (non-mandatory), other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below;
 - 1) The Company has not setup a separate dedicated sustainability committee. However, the Board currently looks into the sustainability risks and opportunities related matters and formation of a separate sustainability committee is currently it's under consideration.
 - 2) The Company has not setup a separate Nomination Committee and is of the view that the Board currently includes individuals with extensive expertise in the areas for which a Nomination Committee is responsible in terms of Regulation 29(2) and, as such, the formation of a separate Nomination Committee shall be made in due course of time as and when deemed necessary.
 - 3) The Company has not setup a separate Risk Management Committee and is of the view that the Board currently includes individuals with extensive expertise in the areas for which a Risk Management Committee is responsible in terms of Regulation 30(2) and, as such, the formation of a separate Risk Management Committee is under consideration and shall be made in due course of time.


WAJID HUSSAIN
Chief Executive Officer

Dated: March 25, 2025
Karachi


RAZA JAFRI
Director

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of M/s. Intermarket Securities Limited (Formerly EFG Hermes Pakistan 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 **Intermarket Securities Limited (Formerly EFG Hermes Pakistan Limited)** for the year ended **December 31, 2024** in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company’s compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2024.

Further, we highlight below instances of non-compliance with the non-mandatory requirements of the Regulations as stated in the below-referred paragraphs of the Statement of Compliance:

S. No.	Nature of the Requirement	Paragraph No.	Description of the Non-Compliance
(1)	Explanation for non-compliance is required (Non-Mandatory)	19	As per the Regulation 10A, the Board is responsible for governance and oversight of sustainability risks and opportunities and, for this purpose, is required / encouraged to take a number of measures including, in particular, implementation of policies to promote diversity, equity and inclusion (DE&I); taking steps to proactively understand and address the principal as well as emerging sustainability risks and opportunities; ensuring that the Company’s sustainability and DE&I related strategies, priorities and targets as well as performance against these targets are periodically reviewed and monitored; and establishment of dedicated sustainability committee having at least one female director, or assignment of additional responsibilities to an existing board committee. Since the said requirements have been recently introduced vide S.R.O. 920 (I)/2024 dated June 12, 2024, as of the reporting date, 1), the Company has not setup a separate dedicated sustainability committee. However, the Board currently looks into the sustainability risks and opportunities related matters and formation of a separate sustainability committee is currently it’s under consideration.

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S. No.	Nature of the Requirement	Paragraph No.	Description of the Non-Compliance
(2)	Explanation for non-compliance is required (Non-Mandatory)	19	<p>As per the Regulation no. 29 of the Regulations, the Board may constitute a separate committee, designated as the Nomination Committee, of such number and class of directors, as it may deem appropriate in the circumstances.</p> <p>As stated in paragraph 19 of the Statement of Compliance, the Company has not setup a separate Nomination Committee and is of the view that the Board currently includes individuals with extensive expertise in the areas for which a Nomination Committee is responsible in terms of Regulation 29(2) and, as such, the formation of a separate Nomination Committee shall be made in due course of time as and when deemed necessary.</p>
(3)	Explanation for non-compliance is required (Non-Mandatory)	19	<p>As per the Regulation no. 30 of the Regulations, the Board may constitute a separate committee, designated as the Risk Management Committee, of such number and class of directors, as it may deem appropriate in the circumstances.</p> <p>As stated in paragraph 19 of the Statement of Compliance, the Company has not setup a separate Risk Management Committee and is of the view that the Board currently includes individuals with extensive expertise in the areas for which a Risk Management Committee is responsible in terms of Regulation 30(2) and, as such, the formation of a separate Risk Management Committee is under consideration and shall be made in due course of time.</p>



Karachi.

Date: March 26, 2025
UDIN: CR202410213pYDN9dRjy

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the members of Intermarket Securities Limited (Formerly EFG Hermes Pakistan Limited)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **M/s Intermarket Securities Limited (Formerly EFG Hermes Pakistan Limited)** - here-in after referred to as 'the Company', which comprise the statement of financial position as at **December 31, 2024**, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information ('the financial statements'), and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and, respectively, give a true and fair view of the state of the Company's affairs as at **December 31, 2024** and of the profit, total comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

Without modifying our opinion, we draw your attention to note 1.3 to the accompanying financial statements which, among other matters, explains that, as a consequence of the reverse merger, the financial statements represent a continuation of the financial statements of M/s. Intermarket Securities Limited (IMS), the accounting acquirer. Accordingly, the corresponding figures presented in the accompanying financial statements do not reflect the amounts previously reported by the Company (formerly 'EFG Hermes Pakistan Limited') in its financial statements for the year ended December 31, 2023. Instead, they represent the pre-combination amounts of the assets, liabilities, equity, income and expenses as recognized in the books of account of IMS for the twelve-month period ended December 31, 2023 (except for the retrospective adjustment made to the legal capital of IMS, the legal acquiree, to reflect the legal capital of the Company, the legal acquirer).

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Key Audit Matters

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

Following is the key audit matter:

Description of the Key audit matter	How the matter was addressed in our audit
<p>Reverse Merger</p> <p>(Refer note 1.3 to the financial statements)</p> <p>During the year, the Company (formerly 'EFG Hermes Pakistan Limited') entered into a Scheme of Arrangement ('the Merger Scheme') with a public unlisted company, Intermarket Securities Limited (IMS), whereby, with effect from July 01, 2024, the entire business undertaking of IMS, including all its assets and liabilities, were transferred to the Company in consideration for an issue of 108,735,374 ordinary shares of the Company to the owners of IMS. Additionally, per the Merger Scheme, which was duly sanctioned by the Honourable High Court of Sindh ('the Court') on October 09, 2024, IMS was dissolved without winding up and the name of the surviving entity (i.e. the Company) was changed from 'EFG Hermes Pakistan Limited' to 'Intermarket Securities Limited'. However, since the owners of IMS as a group have received the largest portion of the voting rights in the combined entity, and also that the former management of IMS dominates the senior management of the combined entity, the merger transaction has been accounted for as a 'reverse acquisition' with IMS being identified as the 'accounting acquirer' (legal acquiree) and the Company being identified as the 'accounting acquiree' (legal acquirer). Accordingly, the financial statements have been treated, and described as such, as a continuation of the financial statements of IMS, the accounting acquirer.</p>	<p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> ▪ Reading the minutes of meetings of the board of directors / members of the Company and IMS, as well as the Scheme of Arrangement duly sanctioned by the Court to gain an insight into the salient features of the merger scheme and its principal terms and conditions; ▪ Evaluating the adequacy of the management's assessment relating to identifying IMS as the accounting acquirer and treating the Company as a 'business' as defined in IFRS 3 '<i>Business Combinations</i>'; ▪ Verifying whether the identifiable assets acquired and liabilities assumed in the merger and recognized in the financial statements were, in fact, part of what was acquired in the in the merger transaction (i.e. excluding the effects of any separate connected transactions or events), including assessing whether all such assets and liabilities (including any identifiable assets or contingent liabilities not previously recognized by the accounting acquiree and that may require recognition as per IFRS 3 '<i>Business Combinations</i>') have been duly recognized in the financial statements;

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Description of the Key audit matter	How the matter was addressed in our audit
<p>Reverse Merger (continued)</p> <p>Since the merger transaction had a significant effect on the financial statements as well as our overall audit strategy, and also involved our significant judgements relating to areas in the financial statements that involved significant management judgement (including, but not limited to, those required in identifying the accounting acquirer, and identifying the assets acquired and liabilities assumed and estimating their fair value), it was determined as a matter involving significant risk, requiring significant auditor attention. Further, it was determined as a matter of most significance in our audit, and hence as a key audit matter, due to the nature and extent of audit effort needed to address its inherent complexities as well as due to its importance to intended users' understanding of the financial statements as a whole, in particular, its materiality to the financial statements.</p>	<ul style="list-style-type: none"> ▪ Assessing the appropriateness of the fair value of the identifiable assets acquired and liabilities assumed in the merger as determined by management's expert by evaluating the competence, capabilities and objectivity of the expert, obtaining an understanding of the expert's work, and evaluating the appropriateness of that expert's work as audit evidence; ▪ Recalculating the amounts of bargain purchase gain and the consideration deemed to be transferred by IMS, the accounting acquirer, as determined by management; ▪ Establishing whether the financial statements have been treated, and described as such in notes thereto, as a continuation of the financial statements of IMS, the accounting acquirer, and consequently, if the corresponding figures presented therein are those of IMS; ▪ Checking whether the retrospective adjustment made to the legal capital of IMS to reflect the legal capital of the Company, and the calculation of the earnings per share for the year are in line with the specific requirements of IFRS 3 'Business Combinations'; and ▪ Assessing whether the disclosures made in the financial statements in respect of the merger transaction are understandable, accurate and complete, in all material respects, in accordance with the requirements of the applicable financial reporting framework.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation 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 Matters

We would like you to note the following other matters which, we believe, are relevant to users' understanding of the audit, our responsibilities or this report. Our opinion, however, is not modified in respect of these matters:

- (a) As stated in note 1.3 to the accompanying financial statements (and also referenced in the section 'Emphasis of Matter' above), the corresponding figures presented in the accompanying financial statements represent the pre-combination amounts recognized in the books of account of IMS for the twelve-month period ended December 31, 2023 (with one exception). However, since IMS had a financial year-end of June 30, financial statements for the said twelve-month period were not previously prepared. Consequently, the corresponding figures presented in the accompanying financial statements have not been audited and are, therefore, not covered by our opinion expressed in this report.

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Other Matters (continued)

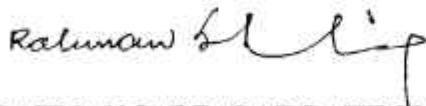
- (b) The annual financial statements of the Company (formerly 'EFG Hermes Pakistan Limited') for the year ended December 31, 2023 were audited by M/s. Riaz Ahmad, Saqib, Gohar & Co., Chartered Accountants who, vide their report dated March 20, 2024, expressed an unmodified opinion on those financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business;
- (d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980);
- (e) the Company was in compliance with the requirement of section 78 of the Securities Act, 2015 and section 62 of the Futures Market Act, 2016, and the relevant requirements of the Securities Brokers (Licencing and Operations) Regulations, 2016 as at the date on which the statement of financial position was prepared; and
- (f) The Company was in compliance with the relevant requirements of Futures Brokers (Licensing and Operations Regulations), 2018 as at the date on which the statement of financial position was prepared.

The engagement partner on the audit resulting in this independent auditor's report is **Mr. Muhammad Waseem**.



RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Karachi

Date: March 26, 2025

UDIN: AR202410213SiNz5ycA6

Statement of Financial Position

As at December 31, 2024

	Note	December 31, 2024 Rupees	(Restated) December 31, 2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	123,001,088	22,656,021
Right-of-use assets	5	67,043,100	19,933,745
Intangible assets	6	7,246,677	8,008,570
Long term investment	7	30,127,296	30,127,296
Long term advances and deposits	8	13,955,005	6,593,405
		241,373,166	87,319,037
CURRENT ASSETS			
Short term investments	9	280,373,189	441,989,715
Trade debts	10	735,039,582	551,990,331
Receivables against margin financing		640,570,348	402,392,261
Advances, deposits, prepayments and other receivables	11	1,833,114,089	492,081,767
Short term loan	12	-	42,646,012
Cash and bank balances	13	244,150,136	120,479,010
		3,733,247,344	2,051,579,096
TOTAL ASSETS		3,974,620,510	2,138,898,133
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital			
200,000,000 ordinary shares of Rs.10/- each	14	2,000,000,000	2,000,000,000
Issued, subscribed and paid-up capital	14	1,287,510,240	1,087,353,740
Capital reserve			
Discount on issue of shares		(622,379,278)	(583,949,230)
		665,130,962	503,404,510
Revenue reserve			
Unappropriated profit		943,684,154	461,432,866
		1,608,815,116	964,837,376
NON-CURRENT LIABILITIES			
Lease liability	15	34,022,474	10,101,776
Deferred liabilities	16	19,490,705	933,060
		53,513,179	11,034,836
CURRENT LIABILITIES			
Short term borrowings - secured	17	536,612,686	328,766,362
Trade and other payables	18	1,684,289,982	782,458,119
Taxation - net		43,237,969	26,338,676
Unclaimed dividend		11,019,239	-
Accrued markup on short term borrowings		17,165,702	18,919,858
Current portion of lease liability	15	19,966,637	6,542,906
		2,312,292,215	1,163,025,921
Contingencies and commitments	19	-	-
Total equity and liabilities		3,974,620,510	2,138,898,133

The annexed notes from 1 to 36 form an integral part of these financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer

Statement of Profit or Loss

For the year ended December 31, 2024

	Note	December 31, 2024 Rupees	(Restated) December 31, 2023 Rupees
Operating revenue	20	996,212,817	455,086,614
Income from investments - net	21	240,613,705	181,515,918
		1,236,826,522	636,602,532
Administrative expenses	22	(609,943,554)	(344,284,791)
Other expenses	23	(60,495,252)	(10,382,273)
Other income	24	112,534,436	17,801,184
		678,922,152	299,736,652
Finance costs	25	(134,128,087)	(74,951,034)
Profit before levies and taxation		544,794,065	224,785,618
Levies	26	(970,785)	-
Profit before taxation		543,823,280	224,785,618
Taxation - net	27	(61,571,992)	(21,490,634)
Profit after taxation		482,251,288	203,294,984
Earning per share - basic and diluted	28	4.06	1.87

The annexed notes from 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Statement of Comprehensive Income

For the year ended December 31, 2024

	December 31, 2024 Rupees	(Restated) December 31, 2023 Rupees
Profit after taxation	482,251,288	203,294,984
Other comprehensive income	-	-
Total comprehensive income for the year	<u><u>482,251,288</u></u>	<u><u>203,294,984</u></u>

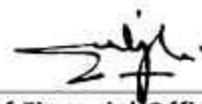
The annexed notes from 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Statement of Changes in Equity

For the year ended December 31, 2024

	Issued Subscribed and paid up Share Capital	Capital reserve Discount on Issue of Shares	Revenue reserve Unappropriated profit	Total
	----- Rupees -----			
Balance as at December 31, 2022 (as previously reported)	503,404,510	-	258,137,882	761,542,392
Effect of restatement as a result of the reverse merger	583,949,230	(583,949,230)	-	-
Balance as at December 31, 2022 (restated)	<u>1,087,353,740</u>	<u>(583,949,230)</u>	<u>258,137,882</u>	<u>761,542,392</u>
Total comprehensive income for the year ended December 31, 2023				
- Profit after taxation	-	-	203,294,984	203,294,984
- Other comprehensive income	-	-	-	-
	-	-	203,294,984	203,294,984
Balance as at December 31, 2023 (restated)	<u>1,087,353,740</u>	<u>(583,949,230)</u>	<u>461,432,866</u>	<u>964,837,376</u>
Transactions with owners				
Fair value of the consideration effectively transferred in the reverse merger	200,156,500	(38,430,048)	-	161,726,452
Total comprehensive income for the year ended December 31, 2024				
- Profit after taxation	-	-	482,251,288	482,251,288
- Other comprehensive income	-	-	-	-
	-	-	482,251,288	482,251,288
Balance as at December 31, 2024	<u><u>1,287,510,240</u></u>	<u><u>(622,379,278)</u></u>	<u><u>943,684,154</u></u>	<u><u>1,608,815,116</u></u>

The annexed notes from 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Statement of Cash Flows

For the year ended December 31, 2024

	Note	December 31, 2024 Rupees	(Restated) December 31, 2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxation		544,794,065	224,785,618
Adjustments for:			
- Change in unrealized gain on remeasurement of short term investments - net	21	(59,802,524)	(24,273,560)
- Capital gain on sale of short term investments - net	21	(170,603,926)	(142,164,721)
- Depreciation on property and equipment	22	11,408,007	3,387,538
- Depreciation on right-of-use-of-asset	22	7,336,145	3,834,730
- Amortization of intangible assets	22	357,940	281,200
- Receivables and deposits written off	23	231,147	51,322
- Intangible written off	23	5,689,370	-
- Provision for expected credit losses on trade debts	23	15,501,235	1,630,951
- Gain on disposal of property and equipment	24	(119,773)	(27,867)
- Bargain purchase gain on reverse merger	24	(25,737,911)	-
- Interest income on deposits with NCCPL	24.1	(61,168,064)	(8,826,252)
- Interest accrue on loan to related party	24.1	(15,560,970)	-
- Finance costs	25	134,128,087	74,951,034
- Property and equipment written off		610,979	811,364
		(157,730,258)	(90,344,261)
		387,063,807	134,441,357
Changes in working capital items			
(Increase) / decrease in current assets			
- Short term investments - net		656,617,119	(137,764,635)
- Trade debts		(187,730,830)	(76,541,430)
- Receivables against margin financing		(188,419,564)	(266,416,514)
- Advances, deposits, prepayments and other receivables		(914,005,027)	(402,465,863)
		(633,538,302)	(883,188,442)
Increase in current liabilities			
- Trade and other payables		735,043,407	583,964,166
		488,568,912	(164,782,919)
Income tax - net		(28,664,389)	55,625,934
Advance from employee		2,500,000	-
Long term advances and deposits - net		3,100,000	(1,599,010)
		465,504,523	(110,755,995)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(10,755,356)	(4,925,883)
Additions to right-of-use assets - initial direct cost		(876,400)	(4,937,675)
Loan disbursement made during the year to related parties		(237,000,000)	(30,000,000)
Loan repayment received during the year from related parties		757,450	82,500,000
Purchase of intangible assets		-	(2,500,000)
Cash and bank balances acquired in reverse merger		133,468,948	-
Interest income received on deposits with NCCPL		50,234,845	8,826,252
Proceeds from disposal of fixed assets		1,458,234	2,185,021
Net cash (used in) / generated from investing activities		(62,712,279)	51,147,715
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liability - Principal portion		(16,224,671)	(2,186,118)
Repayment of long term loan		(325,000,000)	-
Dividend paid		(27,885)	-
Loan recovered from a related party		(20,000)	-
Finance costs paid		(145,694,886)	(67,565,708)
Net cash used in financing activities		(486,967,442)	(69,751,826)
Net decrease in cash and cash equivalents		(84,175,198)	(129,360,106)
Cash and cash equivalents at the beginning of the year		(208,287,352)	(78,927,246)
Cash and cash equivalents at the end of the year	29	(292,462,550)	(208,287,352)

The annexed notes from 1 to 36 form an integral part of these financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer

Notes to the Financial Statements

For the year ended December 31, 2024

1. Legal Status and Principal Activities

1.1 Intermarket Securities Limited (formerly 'EFG Hermes Pakistan Limited') (the "Company") was originally incorporated as a private limited company under the name 'Invest and Finance Securities (Private) Limited' on September 27, 1999, under the Companies Ordinance, 1984 (subsequently repealed by the Companies Act, 2017 issued in May 2017).

On November 27, 2006, the Company was converted into a public unlisted company and, accordingly, renamed 'Invest and Finance Securities Limited'. The Company was subsequently listed on Karachi Stock Exchange Limited (now Pakistan Stock Exchange Limited) with effect from March 20, 2008.

In May 2017, the majority shareholding of the Company was acquired by EFG Hermes Brokerage Holding LLC, a foreign entity based in Dubai, UAE. Following this change in ownership, the Company was renamed 'EFG Hermes Pakistan Limited'.

As explained in note 1.3 below, with effect from July 01, 2024, EFG Hermes Pakistan Limited was merged with Intermarket Securities Limited (IMS), a public unlisted company, pursuant to a Scheme of Arrangement ('the Merger Scheme') sanctioned by the Honorable High Court of Sindh on October 09, 2024. In accordance with the terms of the Merger Scheme, IMS was dissolved without winding up, and the name of the Company was changed from 'EFG Hermes Pakistan Limited' to 'Intermarket Securities Limited'.

The principal activities of the Company are investments, share brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services. The registered office of the Company is situated at 5th Floor, Ext. Block, Bahria Complex IV, Ch. Khaliq-ur-Zaman Road, Clifton, Karachi, Pakistan.

1.2 The geographical location of Company's offices are as follows:

- Office # 139 and 140, 3rd Floor, Stock Exchange Building, Stock Exchange Road, Karachi.
- Office No. 904, 9th Floor, Emerald Tower, Plot No. G-19, Block- 5, Clifton, Karachi,
- Office No.319, located on 6s Floor of Siddiq Trade Centre, Bearing Plot No.72, Situated At Main Boulevard, Gulberg Lahore, Punjab, Pakistan,
- Office No.3L3, located On 3d Floor of Lahore Stock Exchange - South Tower, Situated At 19 Khayaban Aiwan-E-Iqbal Road, Lahore, Paksitan.
- Office # 409, 4th Floor, Stock Exchange Building, Stock Exchange Road, Karachi.
- Office # 212 2nd Floor Balad Trade Centre Plot No. # 118 Block 3, BMCHS, Karachi.
- Plot # 38-A, Adjacent Genix Pharma, Korangi Creek, Karachi.
- 11th Floor, M.M Towers, Property No. 28, Block K, M.M Alam Road, Gulberg III, Lahore.

1.3 Reverse merger

Description of the merger scheme

During the year, the Company (formerly 'EFG Hermes Pakistan Limited') entered into a Scheme of Arrangement ('the Merger Scheme') with Intermarket Securities Limited (IMS), a public unlisted company operating in the securities brokerage sector, whereby, with effect from July 01, 2024, the entire business undertaking of IMS, including all its assets and liabilities, were transferred to the Company in consideration for an issue of 108,735,374 ordinary shares of the Company to the owners of IMS (based on the swap ratio of 2.16 ordinary shares of EFG Hermes Pakistan Limited for each ordinary share of IMS). Additionally, per the Merger Scheme, which was duly sanctioned by the Honourable High Court of Sindh ('the Court') on October 09, 2024, IMS was dissolved without winding up, and the name of the surviving entity (i.e. the Company) was changed from 'EFG Hermes Pakistan Limited' to 'Intermarket Securities Limited'.

Primary reasons for the reverse merger

The reverse merger between EFG Hermes Pakistan Limited and Intermarket Securities Limited (IMS) aimed to enhance business growth, operational efficiency, and market presence. It allowed for resource consolidation, cost synergies, and improved shareholder value. Additionally, the merger enabled IMS to gain a listing on the Pakistan Stock Exchange (PSX) without a separate IPO, providing greater access to capital markets and investor confidence.

Recognition of the merger transaction in the financial statements

In terms of the requirements of IFRS 3 'Business Combinations', the merger transaction has been identified as a

'reverse acquisition' with IMS being identified as the 'accounting acquirer' and EFG Hermes Pakistan Limited being identified as the 'accounting acquiree'. This is due to fact that the owners of IMS, as a group, have received the largest portion of the voting rights in the combined entity, and also that the former management of IMS dominates the senior management of the combined entity.

In view of the above, these financial statements have been treated as a continuation of the financial statements of IMS, the accounting acquirer. Accordingly, the corresponding figures presented herein do not reflect the amounts previously reported by EFG Hermes Pakistan Limited in its financial statements for the year ended December 31, 2023. Instead, they represent the pre-combination amounts of assets, liabilities, equity, income and expenses as recognized in the books of account of IMS for the twelve-month period ended December 31, 2023 (except for the retrospective adjustment made to the legal capital of IMS to reflect the legal capital of EFG Hermes Pakistan Limited - see note 14.2.1 to these financial statements).

As of July 01, 2024 (the effective date of the merger scheme), the amounts recognized for each major class of assets acquired and liabilities assumed are as follows:

	Carring Amount as at July 01, 2024	Fair Value and other Adjustment	Fair Value as at July 01, 2024
Assets			
Property and equipment	37,796,270	22,504,876	60,301,146
Intangible assets	3,985,417	1,300,000	5,285,417
Investments	264,594,143	-	264,594,143
Long-term deposits	10,461,600	-	10,461,600
Taxation - net	4,737,583	-	4,737,583
Trade debts	10,819,656	-	10,819,656
Receivables against margin financing	49,758,523	-	49,758,523
Advances, deposits, prepayment and other receivables	164,521,703	-	164,521,703
Cash and bank balances	133,468,948	-	133,468,948
	680,143,843	23,804,876	703,948,719
Liabilities			
Long term loan	325,000,000	-	325,000,000
Trade and other payables	192,685,514	(25,877,058)	166,808,456
Accrued markup	9,812,643	-	9,812,643
Deferred tax liabilities	-	3,816,133	3,816,133
Unclaimed dividend	11,047,124	-	11,047,124
	538,545,281	(22,060,925)	516,484,356
Net assets acquired	141,598,562		187,464,363
Less: Fair value of the consideration deemed to be transferred by IMS*			(161,726,452)
Bargain purchase gain**			25,737,911

* The fair value of the consideration deemed to be transferred by IMS is based on the fair value of EFG Hermes Pakistan Limited as at September 30, 2023 (i.e., the date on which the swap ratio of 2.16 was worked out) as this provides the most reliable measure. The said fair value was determined as the number of ordinary shares of EFG Hermes Pakistan Limited outstanding before the merger (i.e., 20,015,650 shares) times the weighted average quoted market price of Rs. 8.08 per share (being the average of price quotations for the one-month period to September 30, 2023).

** The bargain purchase gain, reported in note 24 to these financial statements ('Other income'), is mainly attributable to the fair value and other adjustments made to the assets acquired and liabilities assumed.

Other requisite information

- (i) The revenue and profit or loss of EFG Hermes Pakistan Limited, the accounting acquiree, since July 01, 2024 (the effective date of the merger) included in the statement of profit or loss for the year are as follows:

	<u>Rupees</u>
Operating revenues	132,224,223
Income from investments - net	<u>23,304,167</u>
	155,528,390
Administrative expenses	(111,580,484)
Other expense	(168,303)
Other income	<u>11,927,495</u>
	55,707,098
Finance costs	(31,902,189)
Profit before levies and taxation	<u>23,804,909</u>

(ii) The revenue and profit or loss of the combined entity for the year, as though the effective date of the merger had been as of the beginning of the year (i.e., January 01, 2024), would have been as follows:

	<u>Rupees</u>
Operating revenues	1,129,166,287
Income from investments - net	<u>255,352,419</u>
	1,384,518,706
Administrative expenses	(722,339,060)
Other expense	(60,549,958)
Other income	<u>127,380,724</u>
	729,010,412
Finance costs	(172,764,957)
Profit before levies and taxation	<u>556,245,455</u>

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 as applicable in Pakistan comprise of:

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

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

2.2 Basis of measurement of items in the financial statements

Items in these financial statements have been measured at their historical cost, except for Short term investments in quoted equity securities which are carried at fair value.

2.3 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.4 Use of estimates and judgments

In preparation of these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in these financial statements is included in the following notes:

Area of Judgement	Brief description of the judgement applied
Reverse merger	significant judgment is exercised in accounting for the reverse takeover transaction under IFRS 3 Business Combinations. Key judgments included identifying the accounting acquirer (IMS'), determining whether the transaction qualifies as a business combination, measuring fair values of consideration and net assets acquired, recognizing a bargain purchase gain, and appropriately presenting financial statements.

(b) Assumptions and other major sources of estimation uncertainty

There are no assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year.

2.5 New accounting pronouncements

2.5.1 Amendments to existing standards that became effective during the year

The following new or amended standards and interpretations became effective during the year. However, the same are not considered to be relevant to the Company's financial statements:

- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
- Non-current Liabilities with Covenants (Amendments to IAS 1)

2.5.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following new IFRSs or amendments thereto will be effective for the annual reporting periods beginning on or after the dates specified below:

(a) Lack of Exchangeability (Amendment to IAS 21) – On August 15, 2023, the IASB issued Lack of Exchangeability which amended IAS 21 'The Effects of Changes in Foreign Exchange Rates'. The amendments arose as a result of a submission received by the IFRS Interpretations Committee about the determination of the exchange rate when there is a long-term lack of exchangeability. IAS 21, prior to the amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice. The amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

The amendments are effective for annual reporting periods beginning on or after January 01, 2025. However, the application of the amendments are not likely to affect the Company's financial statements for future reporting periods.

(b) IFRS 18 'Presentation and Disclosure in Financial Statements' – IFRS 18, which was published by the IASB on April 09, 2024, sets out significant new requirements for how financial statements are presented, with particular focus on:

- The statement of profit or loss, including requirements for mandatory sub-totals to be presented. IFRS 18 introduces requirements for items of income and expense to be classified into one of five categories in the statement of profit or loss. This classification results in certain sub-totals being presented, such as the sum of all items of income and expense in the operating category comprising the new mandatory 'operating profit or loss' sub-total.

- Aggregation and disaggregation of information, including the introduction of overall principles for how information should be aggregated and disaggregated in financial statements.
- Disclosures related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by IFRS Accounting Standards with adjustments made (e.g. 'adjusted profit or loss'). Entities will be required to disclose MPMs in the financial statements with disclosures, including reconciliations of MPMs to the nearest total or sub-total calculated in accordance with IFRS Accounting Standards.

The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies' performance reporting. IFRS 18 has also resulted in narrow changes to the statement of cash flows.

IFRS 18 replaces IAS 1 'Presentation of Financial Statements' and is effective for annual reporting periods beginning on or after January 01, 2027. However, the standard is yet to be notified by the Securities and Exchange Commission of Pakistan for adoption by companies in Pakistan. As of the reporting date, the Company was yet in the process of evaluating the potential impact of the amendments on its financial statements for future reporting periods.

- (c) **IFRS 19 'Subsidiaries without Public Accountability: Disclosures'** – On May 09, 2024, the IASB issued IFRS 19. Stakeholders have asked the IASB to permit a subsidiary reporting to a parent applying IFRS Accounting Standards in its consolidated financial statements to apply IFRS Accounting Standards with reduced disclosure requirements in its own financial statements. Considering this feedback, the IASB issued IFRS 19, which permits eligible subsidiaries to apply reduced disclosure requirements while applying the recognition, measurement and presentation requirements in IFRS Accounting Standards.

The eligibility criteria for an entity to apply IFRS 19 are:

- The entity is a subsidiary (as defined in Appendix A of IFRS 10 'Consolidated Financial Statements');
- The entity does not have public accountability; and
- The entity has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

An entity has public accountability if:

- Its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market; or
- It holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses or as one of its primary businesses.

IFRS 19 is effective for annual reporting periods beginning on or after January 01, 2027. However, the standard is yet to be notified by the Securities and Exchange Commission of Pakistan for adoption by companies in Pakistan. The application of the standard is not likely to affect the financial statements of the Company for future reporting periods.

- (d) **Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)** – In response to matters that had been raised to the IFRS Interpretations Committee as well as matters that arose during the post-implementation review of classification and measurement requirements of IFRS 9 'Financial Instruments', in May 2024, the IASB issued 'Amendments to the Classification and Measurement of Financial Instruments'. The amendments modify the following requirements in IFRS 9 and IFRS 7:

Derecognition of financial liabilities

- Derecognition of financial liabilities settled through electronic transfers.

Classification of financial assets

- Elements of interest in a basic lending arrangement (the sole payments of principle and interest assessment – 'SPPI test')
- Contractual terms that change the timing or amount of contractual cash flows
- Financial assets with non-recourse features
- Investments in contractually linked instruments.

Disclosures

- Investments in equity instruments designated at fair value through other comprehensive income
- Contractual terms that could change the timing or amount of contractual cash flows.

The amendments may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified. Further, the amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later.

The amendments are effective for annual reporting periods beginning on or after January 01, 2026. However, the application of the amendments are not likely to affect the Company's financial statements for future reporting periods.

(e) Annual Improvements to IFRS Accounting Standards (Volume 11) – Issued in July 2024, Annual Improvements are limited to changes that either clarify the wording in an IFRS Accounting Standard, or correct relatively minor unintended consequences, oversights or conflicts between requirements of the Accounting Standards. The proposed improvements are packaged together in one document. This cycle of annual improvements addresses the following:

- Hedge Accounting by a First-time Adopter (Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards)
- Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7)
- Gain or Loss on Derecognition (Amendments to IFRS 7)
- Introduction and Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7)
- Derecognition of Lease Liabilities (Amendments to IFRS 9)
- Transaction Price (Amendments to IFRS 9)
- Determination of a 'De Facto Agent' (Amendments to IFRS 10)
- Cost Method (Amendments to IAS 7)

The amendments are effective for annual reporting periods beginning on or after January 01, 2026. However, the application of the amendments are not likely to affect the Company's financial statements for future reporting periods.

(f) Contracts Referencing Nature-dependent Electricity (previously Power Purchase Agreements) (Amendments to IFRS 9 and IFRS 7)

On December 18, 2024, the IASB issued amendments to improve the reporting by companies of the financial effects of nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs). Nature-dependent electricity contracts assist companies to secure their electricity supply from wind and solar power sources. Since the amount of electricity generated under these contracts may vary based on uncontrollable factors related to weather conditions, current accounting requirements may not adequately capture how these contracts affect a company's performance. In response, the IASB has made targeted amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' to improve the disclosure of these contracts in the financial statements.

The amendments are effective for annual reporting periods beginning on or after January 01, 2026. However, the application of the amendments are not likely to affect the Company's financial statements for future reporting periods.

(g) IFRS 17 'Insurance Contracts'

IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

The Securities and Exchange Commission of Pakistan, vide its S.R.O. 1715(I)/2023 dated November 21, 2023, has directed that IFRS 17 shall be followed in the preparation of the financial statements for the annual reporting periods beginning on or after January 01, 2026 by companies engaged in insurance / takaful and re-insurance / re-takaful business. The application of the standard is not likely to affect the Company's financial statements for future reporting periods.

- (h) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – The amendments modify the accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these amendments has been deferred indefinitely until the completion of a broader review.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented .

3.1 Property and equipment

Owned

These are stated at cost less accumulated depreciation and impairment losses, if any. Cost include expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the carrying amount as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of profit or loss during the year in which they are incurred.

Depreciation is charged to statement of profit or loss applying the reducing balance method at the rates specified in note 4. Depreciation is charged when the asset is available for use till the asset is disposed off. Further, when the written down value of the item of assets falls below Rs. 25,000 the same is charged directly to the statement of profit or loss.

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

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each financial year end. The Company's estimate of residual value of property and equipment as at December 31, 2024 did not require any adjustment.

3.2 Intangible assets

3.2.1 Computer software

These are stated at cost less accumulated amortization and impairment losses, if any. Amortization is computed using the reducing balance method over assets estimated useful life at the rates stated in note 5.1, after taking into accounts residual value, if any. The residual values, useful life and amortization methods are reviewed and adjusted, if appropriate, at each reporting date.

Amortization is charged from the date the assets are put to use while no amortization is charged after the date when the assets are disposed off.

Gain and losses on disposal of such assets, if any, are included in the statement of profit or loss.

3.2.2 Membership cards and privileges (TREC)

These are stated at cost less impairment, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

3.3 Financial instruments

3.3.1 Initial recognition, classification and measurement

The Company recognizes a financial asset when and only when it becomes a party to the contractual provisions of the instrument evidencing investment.

Regular way purchase of investments are recognized using settlement date accounting i.e. on the date on which settlement of the purchase transaction takes place.

The Company classifies its financial assets into either of following three categories:

- (a) financial assets measured at amortized cost;
- (b) financial assets measured at fair value through other comprehensive income (FVOCI); and
- (c) financial assets measured at fair value through profit or loss (FVTPL).

- (a) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

- (b) Financial assets at FVOCI

A financial asset is classified as at fair value through other comprehensive income when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

- (c) Financial assets at FVTPL

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income, as aforesaid. However, for an investment in equity instrument which is not held for trading, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the investment.

Such financial assets are initially measured at fair value.

3.3.2 Subsequent measurement

- (a) Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the statement of profit and loss.

- (b) Financial assets at FVOCI

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Interest is calculated using the effective interest method and is recognised in profit or loss.

- (c) Financial assets at FVTPL

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in the statement of profit or loss. However, for an investment in equity instrument which is not held for trading and for which the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the investment, such gains or losses are recognized in other comprehensive income. Further, when such investment is disposed off, the cumulative gain or loss previously recognised in other comprehensive income is not reclassified from equity to profit or loss.

3.3.3 Impairment

The Company recognises a loss allowance for expected credit losses in respect of financial assets measured at amortised cost.

For trade debts and receivables from margin financing, the Company applies the IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected loss allowance.

For other financial assets, the Company applies the IFRS 9 'General Approach' to measuring expected credit losses whereby the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. However, if, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Company measures expected credit losses on financial assets in a way that reflects an unbiased and probability-weighted amount, time value of money and reasonable and supportable information at the reporting date about the past events, current conditions and forecast of future economic conditions. The Company recognises in profit or loss, as an impairment loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3.3.4 De-recognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

The Company directly reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

3.4 Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss. Any gain or loss on de-recognition is also recognized in the statement of profit or loss.

Financial liabilities are derecognized when the contractual obligations are discharged or cancelled or have expired or when the financial liability's cash flows have been substantially modified.

3.5 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle liability simultaneously.

3.6 Trade debts and receivables against margin financing

These are carried at their transaction price less any allowance for lifetime expected credit losses. A receivable is recognized on the settlement date as this is the point in time that the payment of the consideration by the customer becomes due.

3.7 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortized cost. For the purpose of the statement cash flows cash and cash equivalents comprise bank balances and short term borrowings.

3.8 Staff retirement benefits - Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. As a consequence, actuarial risk (that benefits will be less than expected) and investment risk (that assets will be insufficient to meet expected benefits) fall, in substance, on the employee.

The Company operates a defined contribution plan i.e. recognized provident fund ("the Fund") for all of its eligible employees in accordance with trust deed and rules made thereunder. Monthly contributions at the rate 10.00% of basic salary are made to the Fund by the Company and the employees.

When an employee has rendered service to the Company during a period, the Company recognises the contribution payable to a defined contribution plan in exchange for that service as an expense in profit or loss and as a liability in the statement of financial position (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Company recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

When contributions to a defined contribution plan are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service, they are discounted using the discount rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds (or when there is no deep market in such bonds, the government bonds) having term consistent with the estimated term of the post-employment benefit obligations.

3.9 Levies and Taxation

Levies

A levy is an outflow of resources embodying economic benefits imposed by the government that does not meet the definition of income tax provided in the International Accounting Standard (IAS) 12 'Income Taxes' because it is not based on taxable profit.

In these financial statements, levy includes minimum tax under section 113 or other sections of Income tax ordinance, Income tax under final tax regime, workers' welfare fund expense and workers' profit participation. The corresponding effect of levy other than worker's welfare fund expense and workers' profit participation, advance tax paid has been netted off and the net position is shown in the statement of financial position.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred taxes are liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax are not accounted for if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is measured using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and unused tax losses and credits. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognised deferred tax asset to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.10 Provisions and contingent liabilities

Provisions

A provision is recognised in the statement of financial position when the Company has a 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 can be made of the amount of obligation. Provisions are not recognised for future operating losses.

Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, 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; or the Company has a present legal or constructive 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.

3.11 Operating revenue

Revenue from trading activities - brokerage commission

Commission revenue arising from sales / purchase of securities on client's behalf is recognized on the date of settlement of transaction by the clearing house.

Revenue from advisory and consultancy services

Revenue is recognized when the performance obligation is satisfied i.e. when services are provided.

The Company does not expect to have contracts where the period between the services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Dividend income

Dividends received from investments measured at fair value through profit or loss and at fair value through other comprehensive income are recognized in the statement of profit or loss when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of a part of the cost of an investment. In this case, dividend is recognized in other comprehensive income if it relates to an investment measured at fair value through other comprehensive income.

Mark up / interest income

Mark-up / interest income is recognized on a time proportion basis on the principal amount outstanding and at the rate applicable.

4. PROPERTY AND EQUIPMENT - owned assets

	Leasehold land	Leasehold improvement	Furniture & fixture	Office equipment	Vehicles	Computer	Office premises	Total
(Rupees)								
As at December 31, 2022								
Cost	6,903,077	14,040,685	370,603	4,156,406	7,605,039	10,194,310	12,674,940	55,945,060
Accumulated depreciation	-	(13,001,642)	(150,075)	(1,060,079)	(5,547,412)	(5,013,729)	(7,966,864)	(32,739,801)
Net book value	6,903,077	1,039,043	220,528	3,096,327	2,057,627	5,180,581	4,708,076	23,205,259

For the year ended December 31, 2023

Opening net book value	6,903,077	1,039,043	220,528	3,096,327	2,057,627	5,180,581	4,708,076	23,205,259
Additions during the year	-	2,000,000	43,250	1,294,300	441,500	1,146,833	-	4,925,883
Disposals during the year								
- Cost	-	(1,455,647)	-	(164,638)	(2,854,499)	(1,982,075)	-	(6,456,859)
- Accumulated depreciation	-	1,287,788	-	41,215	1,849,417	1,190,857	-	4,369,277
	-	(167,859)	-	(123,423)	(1,005,082)	(791,218)	-	(2,087,582)
Depreciation for the year	-	(626,242)	(24,056)	(375,683)	(274,446)	(1,619,092)	(468,020)	(3,387,539)
Closing net book value	6,903,077	2,244,942	239,722	3,891,521	1,219,599	3,917,104	4,240,056	22,656,021

As at December 31, 2023

Cost	6,903,077	14,585,038	413,853	5,286,068	5,192,040	9,359,068	12,674,940	54,414,084
Accumulated depreciation	-	(12,340,096)	(174,131)	(1,394,547)	(3,972,441)	(5,441,964)	(8,434,884)	(31,758,063)
Net book value	6,903,077	2,244,942	239,722	3,891,521	1,219,599	3,917,104	4,240,056	22,656,021

For the year ended December 31, 2024

Opening net book value	6,903,077	2,244,942	239,722	3,891,521	1,219,599	3,917,104	4,240,056	22,656,021
Additions								
- Acquisitions through reverse merger	-	-	13,119,411	4,020,731	2,710,000	24,451,004	16,000,000	60,301,146
- Others	-	-	612,900	2,905,816	230,001	1,151,160	47,890,512	52,790,389
	-	-	13,732,311	6,926,547	2,940,001	25,602,164	63,890,512	113,091,535
Disposals during the year								
- Cost	-	(880,757)	(149,238)	(224,698)	(1,679,000)	(1,657,512)	-	(4,591,205)
- Accumulated depreciation	-	809,770	72,998	91,946	1,148,763	1,129,267	-	3,252,744
	-	(70,987)	(76,240)	(132,752)	(530,237)	(528,245)	-	(1,338,461)
Depreciation for the year	-	(726,982)	(683,029)	(663,157)	(441,885)	(5,025,657)	(3,867,297)	(11,408,007)
Closing net book value	6,903,077	1,446,973	13,212,764	10,022,159	3,187,478	23,965,366	64,263,271	123,001,088

As at December 31, 2024

Cost	6,903,077	13,704,281	13,996,926	11,987,917	6,453,041	33,303,720	76,565,452	162,914,414
Accumulated depreciation	-	(12,257,308)	(784,162)	(1,965,758)	(3,265,563)	(9,338,354)	(12,302,181)	(39,913,326)
Net book value	6,903,077	1,446,973	13,212,764	10,022,159	3,187,478	23,965,366	64,263,271	123,001,088

Depreciation rate (per annum)	33%	10%	10%	20%	30%	10%
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5. RIGHT-OF-USE ASSETS

	Note	2024 Rupees	(Restated) 2023 Rupees
Opening net book value		19,933,745	-
Add: Additions (including initial direct costs)		54,445,500	23,768,475
		74,379,245	23,768,475
Less: Depreciation charged during the year	22	(7,336,145)	(3,834,730)
Closing net book value		67,043,100	19,933,745

5.1 Gross carrying amounts	Note	2024 Rupees	(Restated) 2023 Rupees
Cost			
Opening balance		23,768,475	-
Addition during the year		54,445,500	23,768,475
Closing balance		<u>78,213,975</u>	<u>23,768,475</u>
Accumulated depreciation			
Opening balance		3,834,730	-
Depreciation for the year		7,336,145	3,834,730
Closing balance		<u>11,170,875</u>	<u>3,834,730</u>
Net book value		<u>67,043,100</u>	<u>19,933,745</u>
Depreciation rate (per annum)		<u>20%</u>	<u>20%</u>

5.2 This represents Company's right to use certain vehicles, held by it under lease arrangements. The principal terms and conditions of the said arrangements are as follows:

Name of Vehicles	Lessor Name	Lease Agreement Date	Lease Commencement Date	Initial Contractual Term of the Lease	Availability of Extension Option?	Estimated lease term (as on the Date of Commencement of the lease)
Toyota Yaris	First Habib	06-Dec-2022	06-Dec-2022	3 years	No	2.5 Years
Revo	Modaraba	06-Aug-2024	06-Aug-2024	4 years	No	4 years
MG H5	JS Bank Ltd.	31-May-2023	31-May-2023	4 years	No	4 Years
Sazgar Haval		31-May-2023	31-May-2023	4 years	No	4 Years
Honda City		30-May-2024	30-May-2024	4 years	No	4 Years
Tucson		04-Sep-2024	04-Sep-2024	4 years	No	4 years
Swift CAR-493		06-Sep-2024	06-Sep-2024	4 years	No	4 years
Elantra		20-Sep-2024	20-Sep-2024	4 years	No	4 years
Honda City		30-May-2024	30-May-2024	4 years	No	4 Years
Swift-BZU-741		04-Sep-2024	04-Sep-2024	4 years	No	4 years
Swift-CAD-081		04-Sep-2024	04-Sep-2024	4 years	No	4 years

6. INTANGIBLE ASSETS	Note	2024 Rupees	(Restated) 2023 Rupees
Trading Rights Entitlement (TRE) Certificate			
- Pakistan Stock Exchange Limited (PSX)		2,500,000	2,500,000
- Pakistan Mercantile Exchange Limited (PMEX)		2,500,000	2,500,000
Computer software	6.1	5,000,000	5,000,000
	6.2	2,246,677	3,008,570
		<u>7,246,677</u>	<u>8,008,570</u>

		2024 Rupees	(Restated) 2023 Rupees
6.1 Trading Right Entitlement Certificate (TREC)	Note		
Cost			
Opening balance		6,394,750	6,394,750
Acquisition through reverse merger		5,000,000	-
Write off during the year	6.1.1	(5,000,000)	-
		<u>6,394,750</u>	<u>6,394,750</u>
Accumulated impairment	6.1.2	(1,394,750)	(1,394,750)
		<u>5,000,000</u>	<u>5,000,000</u>
6.1.1	As a consequence of the reverse merger, the TREC of PSX and PMEX, as previously held by IMS, have been surrendered.		
6.1.2	PSX vide notice no. PSX/N - 225 dated February 16, 2021 have notified the notional value of a Trading Right Entitlement Certificate amounting to Rs. 2.5 million.		
6.2 Computer software			
Cost		2,785,417	5,204,409
Accumulated amortization		(538,740)	(2,195,839)
Net book value		<u>2,246,677</u>	<u>3,008,570</u>
Movement for the year			
Opening net book value		3,008,570	789,770
Additions			
- acquisition through reverse merger		285,417	-
- Others		-	2,500,000
		<u>285,417</u>	<u>2,500,000</u>
Write off during the year			
- Cost		(2,704,409)	-
- Accumulated amortization		2,015,039	-
		<u>(689,370)</u>	<u>-</u>
Amortization for the year	22	(357,940)	(281,200)
Closing net book value		<u>2,246,677</u>	<u>3,008,570</u>
7. LONG TERM INVESTMENT - unquoted			
Investment in shared of Coastal Company Limited	7.1	<u>30,127,296</u>	<u>30,127,296</u>
7.1	This represents shares of Coastal Company Limited which were acquired when the collateral relating to short term loan amounting to Rs. 36 million was realized in the form of shares of this NBFC. Shares are in the name of the then Director and not in Company's name in accordance to NBFC Rules 2003. An agreement was made between director and the Company under which the proceeds from sale of investment including gain/(loss) would be rendered back to Company. Shares are blocked but arrangement would be made for conversion into marketable lot and disposal in accordance to NBFC Rules 2003 as soon as economic condition of the above NBFC improves.		
8. LONG TERM ADVANCES AND DEPOSITS	Note	2024 Rupees	(Restated) 2023 Rupees
Deposit placed with			
- Central Depository Company - Basic deposit		250,000	100,000
- National Clearing Company of Pakistan - Basic deposit		400,000	200,000
- National Clearing Company of Pakistan - Future		2,000,000	1,000,000
- National Clearing Company of Pakistan - Reg		400,000	200,000
- National Clearing Company of Pakistan - SLB		-	100,000
- Pakistan Stock Exchange - Base minimum capital		4,225,000	-
- Pakistan Mercantile Exchange Limited		750,000	750,000
		<u>8,025,000</u>	<u>2,350,000</u>

	Note	2024 Rupees	(Restated) 2023 Rupees
Advances			
- Pakistan Mercantile Exchange Limited (PMEX)	8.1	2,500,000	2,500,000
Security deposits			
- Deposits against leased office premises		3,390,705	1,704,105
- Others		39,300	39,300
		3,430,005	1,743,405
		13,955,005	6,593,405

8.1 This represent an advance made to Pakistan Mercantile Exchange Limited (PMEX) for acquiring an office space at NCEL Project.

	Note	2024 Rupees	(Restated) 2023 Rupees
9. SHORT TERM INVESTMENTS			
At fair value through profit or loss			
- Quoted equity securities	9.1	121,840,657	441,937,699
- Units of mutual funds		62,098	52,016
		121,902,755	441,989,715
At amortized cost			
- Investment in T-Bill	9.2	158,470,434	-
		280,373,189	441,989,715

9.1 Investment in quoted equity securities

December 31, 2024	(Restated) December 31, 2023	Name of Investee	December 31, 2024 Rupees	(Restated) December 31, 2023 Rupees
2,000	-	Abbott Laboratories (Pakistan) Limited	2,475,720	-
69	-	Adamjee Insurance Company Limited	3,447	-
-	2,700,000	Agritech Limited	-	36,774,000
200	200,000	Air Link Communication Limited	44,000	12,152,000
36,507	36,507	Al Shaheer Corporation Limited	278,183	453,052
391	-	Avanceon Limited	24,121	-
-	50,000	Baluchistan Wheels Limited	-	9,774,500
-	186,000	Clover Pakistan Limited	-	4,369,140
-	5,000	Descon Oxychem Limited	-	113,000
-	10,000	Dewan Farooque Motors Limited	-	149,600
537	537	Dewan Salman Fibre Limited - Freeze	473	473
-	250	Fauji Cement Company Limited	-	4,730
2,430	-	Fauji Fertilizer Company Limited	890,158	-
-	2,833,003	Fauji Foods Limited	-	31,559,653
-	145,000	Ferozsons Laboratories Limited	-	31,992,800
546	-	Ghandhara Industries Limited	331,766	-
-	149,500	Gharibwal Cement Limite	-	4,332,510
15,000	-	Glaxosmithkline Pakistan Limited	5,953,650	-
-	823	Habib Bank Limited	-	91,221
-	16,000	Igi Holdings Limited	-	1,765,600
10,000	10,000	Indus Motor Company Limited	21,296,000	11,999,200
7,000	-	Js Bank Limited	63,420	-
-	23,772,705	K-Electric Limited	-	125,044,428
10,000	-	Ksb Pumps Company Limited	1,519,800	-

December 31, 2024	(Restated) December 31, 2023	Name of Investee	December 31, 2024 Rupees	(Restated) December 31, 2023 Rupees
-	10,000	Lotte Chemical Pakistan Limited	-	269,900
245,294	-	Lse Capital Limited	1,582,146	-
842,811	-	Lse Ventures Limited	8,554,532	-
-	1,010	Lucky Cement Limited	-	794,850
6,912	-	Mari Petroleum Company Limited	4,973,944	-
23,206	1,395	Meezan Bank Limited	5,615,156	225,097
-	102,000	Merit Packaging Limited	-	1,260,720
75,000	-	Mirpurkhas Sugar Mills Limited	2,265,750	-
5,000	20,661	National Refinery Limited	1,547,200	6,634,867
5,000	-	Nimir Industrial Chemicals Limited	720,000	-
233	153,283	Oil & Gas Development Company Limited	52,952	17,236,673
500	500	Pakistan Capital Market Fund	-	-
27,000	50,000	Pakistan Paper Products Limited	4,047,300	2,724,500
2,000	15,000	Pakistan Petroleum Limited	407,100	1,725,450
1,047	4,502,047	Pakistan Refinery Limited	46,403	131,414,752
2,500	1,074	Pakistan State Oil Company Limited	1,101,725	189,787
1,953,572	350,619	Pakistan Stock Exchange Limited	54,211,623	3,537,746
500	500	Paramount Spinning Mills Limited	2,275	1,010
1,000	1,000	Southern Electric Power Company Limited - Freeze	-	2,210
-	646	Sui Northern Gas Pipelines Limited	-	47,494
-	186	Systems Limited	-	78,782
-	49,485	Tariq Glass Industries Ltd	-	4,934,644
-	2,500	Thatta Cement Company Limited	-	45,350
29,274	-	The Hub Power Company Limited	3,831,674	-
-	23,000	Tri-Star Power Limited	-	237,820
318	318	Zeal Pak Cement Factory Limited - Freeze	140	140
3,305,847	35,400,549		121,840,656	441,937,699

9.1.1 The number and fair value of securities pledged with PSX and NCCPL are as follows:

	December 31, 2024		December 31, 2023	
	Number of securities	Fair Value (Rupees)	Number of securities	Fair Value (Rupees)
Clients	34,904,780	1,556,592,082	51,764,332	1,099,615,177
Brokerage House	2,744,557	64,603,199	9,339,319	92,083,308
	37,649,337	1,621,195,281	61,103,651	1,191,698,485

9.1.2 The number and fair value of securities pledged with financial institutions are as follows:

	December 31, 2024		December 31, 2023	
	Number of securities	Fair Value (Rupees)	Number of securities	Fair Value (Rupees)
Clients	15,829,820	1,139,077,514	9,695,798	364,895,349
Brokerage House	544,200	55,159,182	15,099,572	247,872,096
	16,374,020	1,194,236,696	24,795,370	612,767,445

9.2 Investment in T-Bills

This represents a T-Bills placed with M/s. Habib Bank Limited. It carries markup at a rate of 12.01% p.a and is due to mature on December 11, 2025.

10. TRADE DEBTS	Note	2024 Rupees	(Restated) 2023 Rupees
Gross receivables			
Equity brokerage	10.1	754,014,284	555,463,798
Advisory and consultancy fees		<u>203,400</u>	<u>203,400</u>
		754,217,684	555,667,198
Less: Provision for expected credit losses	10.2	<u>(19,178,102)</u>	<u>(3,676,867)</u>
		<u>735,039,582</u>	<u>551,990,331</u>
10.1 Trade debts - Equity brokerage			
10.1.1 Trade debts includes Rs. 117.10 million (2023: Rs. 105.94 million) due from related parties. The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs. 149.54 million (2023: Rs. 275.017 million).			
10.1.2 The Company holds capital securities having fair value of Rs. 9,144.94 million (2023: Rs. 2,456.61 million) owned by its clients including related parties, as collaterals against trade debts.			
10.2 Provision for expected credit losses	Note	2024 Rupees	(Restated) 2023 Rupees
Balance at the beginning of the year		3,676,867	2,045,916
Charged during the year	23	<u>15,501,235</u>	<u>1,630,951</u>
Balance at the end of the year		<u>19,178,102</u>	<u>3,676,867</u>
11. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Advances			
Advance to staff	11.1	3,362,072	4,826,668
Advance to supplier		<u>4,314,406</u>	<u>1,891,251</u>
		7,676,478	6,717,919
Deposits			
Deposits placed with NCCPL in respect of:			
- Loss on DFCs		41,318,360	121,472,925
- Exposure margin on regular market		779,000,000	85,000,000
- Exposure margin on DFCs		348,700,000	20,000,000
- Exposure margin on Margin Trading		129,850,000	61,000,000
- Loss on Margin Trading		125,143,548	70,061,453
- Exposure margin on Gem Market		160,000	50,000
- Loss margin on Gem Market		-	88,000
		1,424,171,908	357,672,378
Deposits placed with PMEX in respect of:			
- Clearing deposit		541,854	500,000
- Exposure margin		<u>541,757</u>	<u>-</u>
		1,083,611	500,000
Prepayments			
- Against leased office premises		7,226,010	5,533,650
- Others		<u>1,407,947</u>	<u>1,439,458</u>
		8,633,957	6,973,108
Other receivables			
Loan to related parties	11.2	299,677,849	47,874,329
Profit receivable on DFCs		78,818,652	52,567,494
Profit receivable on deposits with NCCPL		10,933,219	-
Receivable from dealers		64,653	120,427
Receivable against trading of securities		-	14,595,134
Sales tax receivable		1,954,273	4,560,834
Others		<u>99,489</u>	<u>500,144</u>
		391,548,135	120,218,362
		<u>1,833,114,089</u>	<u>492,081,767</u>

11.1 This represents interest free advances provided in accordance with the Company's policy and these has been secured against the provident fund balance.

11.2 Loan to related parties - unsecured	Note	2024 Rupees	(Restated) 2023 Rupees
Ms. Erum Bilwani	11.2.1	225,030,256	5,352,095
M/s. Intertechnologies (Private) Limited	11.2.2	46,004,383	42,522,234
M/s. AzureTech (Private) Limited	11.2.3	28,643,210	-
		<u>299,677,849</u>	<u>47,874,329</u>

11.2.1 Loan to Ms. Erum Bilwani

Opening balance		5,352,095	57,852,095
Disbursement made during the year		209,000,000	30,000,000
Interest charged		10,678,161	-
Repayment received during the year		-	(82,500,000)
Closing balance	11.2.1.1	<u>225,030,256</u>	<u>5,352,095</u>

11.2.1.1 This represents a loan provided to Ms. Erm Bilwani, a related party, which is repayable on demand. There is no security for this receivable. The maximum aggregate outstanding balance during the year, based on month-end balances, was Rs. 214.35 million (2023: Rs. 5.35 million).

11.2.2 Loan to M/s. Intertechnologies (Private) Limited

Opening balance		42,522,234	42,522,234
Interest charged		4,239,599	-
Repayment received during the year		(757,450)	-
Closing balance	11.2.2.1	<u>46,004,383</u>	<u>42,522,234</u>

11.2.2.1 This represents a loan provided to M/s. Intertechnologies (Private) Limited, a related party, for a working capital requirement, which is repayable on demand. There is no security for this receivable. The maximum aggregate outstanding balance during the year, based on month-end balances, was Rs. 42.52 million (2023: Rs. 42.52 million).

11.2.3 Loan to M/s. AzureTech (Private) Limited

Opening balance		-	-
Disbursement made		28,000,000	-
Interest charged		643,210	-
Closing balance	11.2.3.1	<u>28,643,210</u>	<u>-</u>

11.2.3.1 This represents a loan provided to M/s. AzureTech (Private) Limited, a related party, for a working capital requirement, which is repayable on demand. There is no security for this receivable. The maximum aggregate outstanding balance during the year, based on month-end balances, was Rs. 28 million (2023: Rs. Nil).

12. SHORT TERM LOAN

During the year, the Company received offices no. 1003-1010 located on the 10th floor of the New Stock Exchange Building, as full and final settlement of the outstanding loan receivable of Rs. 42.646 million.

13. CASH AND BANK BALANCES	Note	2024 Rupees	(Restated) 2023 Rupees
Cash in hand		87,214	34,351
Cash at bank			
- current accounts	13.1	231,301,165	119,965,120
- saving accounts		12,761,757	479,539
		244,062,922	120,444,659
	13.2	244,150,136	120,479,010

13.1 Markup on these balances ranges from **11.01 % to 20.05%** (2023: 9.5% to 17.5%) per annum on daily product basis.

13.2 Bank balances include customers' bank balances held in designated bank accounts amounting to **Rs. 222.88 million** (2023: Rs. 363.37 million).

14. SHARE CAPITAL

14.1 Authorized share capital

As a consequence of the reverse merger, the Company's authorized share capital has been increased from Rs. 1,000 million to Rs. 2,000 million (divided into 200,000,000 shares of Rs. 10 each). The Company's Memorandum and Articles of Association stand amended accordingly to align with the Merger Scheme.

14.2 Issued, subscribed and paid up capital

December 31, 2024 Rupees	(Restated) December 31, 2023 Rupees		Note	December 31, 2024 Rupees	(Restated) December 31, 2023 Rupees
(Number of Shares)		Ordinary shares of Rs. 10/- each			
108,735,374	108,735,374	- as consideration for the reverse merger	14.2.1	1,087,353,740	1,087,353,740
20,015,650	-	- as fully paid in cash		200,156,500	-
128,751,024	108,735,374			1,287,510,240	1,087,353,740

14.2.1 As described in note 1.3 above, following the reverse merger, these financial statements represent the continuation of the financial statements of IMS, the accounting acquirer. Accordingly, the corresponding figures presented herein reflect the pre-combination amounts of assets, liabilities, equity, income and expenses as recognized in the books of account of IMS for the twelve-month period ended December 31, 2023.

However, in compliance with the requirement of IFRS 3 'Business Combinations', the equity structure of IMS (previously reported as 50,340,451 ordinary shares of Rs. 10 each) has been restated using the exchange ratio (i.e. swap ratio) of 2.16 established in the Merger Scheme so as to reflect the number of shares issued by EFG Hermes Pakistan Limited, the accounting acquiree, in the reverse merger (i.e. 108,735,374 ordinary shares of Rs. 10 each).

14.2.2 There are no agreements among shareholders in respect of voting rights, board selection, rights of first refusal and block voting.

		2024 Rupees	(Restated) 2023 Rupees
15. LEASE LIABILITY	Note		
Opening balance		16,644,682	-
Additions		53,569,100	18,830,800
Interest expense	25	6,764,883	2,442,775
Payments		<u>(22,989,554)</u>	<u>(4,628,893)</u>
		53,989,111	16,644,682
Less: Current maturity shown under current liabilities		<u>(19,966,637)</u>	<u>(6,542,906)</u>
		<u>34,022,474</u>	<u>10,101,776</u>
16. DEFERRED LIABILITIES			
Deferred taxation - net	16.1	16,990,705	933,060
Advance from employee	16.2	2,500,000	-
		<u>19,490,705</u>	<u>933,060</u>
16.1 Deferred taxation - net			
Deferred tax liabilities			
- Accelerated tax depreciation		14,303,060	2,709,209
- Unrealized gain on short term investment		4,868,116	-
- Right-of-use assets		19,442,499	6,085,038
		<u>38,613,675</u>	<u>8,794,247</u>
Deferred tax assets			
- Provision for expected credit loss		(5,561,650)	(896,534)
- Lease liabilities		(15,656,842)	(5,112,114)
- Intangible assets		(404,478)	(404,476)
- Minimum tax		-	(1,448,063)
		<u>(21,622,970)</u>	<u>(7,861,187)</u>
		<u>16,990,705</u>	<u>933,060</u>
16.2			
During the year, the Company entered into an arrangement with an employee for the sale of a vehicle for Rs. 16.76 million, an amount deducted from the employee's monthly salary. Ownership will be transferred upon full payment, and the employee retains the right to settle the outstanding balance early with prior written notice.			
17. SHORT TERM BORROWINGS - Secured	Note	2024 Rupees	(Restated) 2023 Rupees
Running finance:			
JS Bank Limited	17.1	463,269,383	257,932,605
Bank Al Habib Limited	17.2	27,588,576	70,434,307
Habib Bank Limited	17.3	45,754,727	399,450
		<u>536,612,686</u>	<u>328,766,362</u>
17.1			
This represents the amount availed under a running finance facility obtained from M/s. JS Bank Limited with a limit of Rs. 480 million (2023: Rs.480 million). The facility carries mark-up at the rate of 3-month KIBOR plus 2% (2023: 3-Month KIBOR plus 2%) per annum and is secured by way of pledge of shares with minimum margin 35% and personal guarantees of Erum Bilwani. The expiry date of the facility is March 31, 2025.			
17.2			
This represents the amount availed under a running finance facility obtained from M/s. Bank Al-Habib Limited with a limit of Rs. 300 million (2023: Rs.300 million). The facility carries mark-up at the rate of 3-Month KIBOR plus 2% (2023: 3-Month KIBOR plus 2%) per annum and is secured by way of a pledge of shares of companies listed on the Pakistan Stock Exchange (PSX), held in the name of the company (registered with SECP) as per the bank's approved shares list. Additionally, the facility is secured by the personal guarantees of Mrs. Erum Bilwani. The expiry date of the facility is August 31, 2025.			

- 17.3** The Company has a total finance facility of Rs. 52 million (2023: Rs. Nil). these facilities are availed for working capital requirements. These are secured against the pledge of PIBs and T-bills with a 10% margin over market value. The rate of mark-up on these facilities carry at the rate of 1 month KIBOR plus 0.1% per annum (2023: Nil). The expiry date of the facility is April 30, 2025.
- 17.4** As of the reporting date, the Company had unutilized facilities for short term borrowings available from above mentioned banks amounting to Rs. 1,295.39 million (2023: Rs. 1,503.23 million).

18. TRADE AND OTHER PAYABLES	Note	2024 Rupees	(Restated) 2023 Rupees
Trade payables		1,350,621,795	366,585,261
Future profit withheld		112,917,581	161,617,929
Payable against Margin Trading		-	67,929,362
Commission payable		58,411,821	50,538,509
Withholding sales taxes payable		126,093	98,793
Sales tax payable		21,006,396	11,203,768
Withholding income tax payable		17,099,633	12,645,954
Capital gains tax payable to NCCPL		82,087,250	75,517,519
Accrued expenses		16,263,792	11,932,036
Due to a related party		3,778,358	3,798,358
Other payables		21,977,263	20,590,630
		<u>1,684,289,982</u>	<u>782,458,119</u>

19. CONTINGENCIES AND COMMITMENTS

19.1 Contingencies

- 19.1.1** The income tax authorities had issued Show Cause Notices under section 122(9) for amendment under section 122(5A) of the Income Tax Ordinance, 2001 for tax years 2010, 2011 and 2013. The Company has filed petitions in the Honorable High Court of Sindh at Karachi against notices/orders for tax years 2010 and 2011. The Honorable High Court of Sindh has granted Stay Orders in favor of the Company. In respect of tax year 2013, the Company had already filed an appeal and proceedings thereof are pending till date. The management is confident that the eventual outcome of the matter will be decided in favour of the Company. Accordingly, no provisions have been made in these financial statements.
- 19.1.2** The tax department had issued Show Cause Notice under section 121(1)(d) of the Income Tax Ordinance, 2001 for best judgment assessment for the tax year 2012. The Company had filed Suit before the Honorable High Court of Sindh at Karachi for challenging notice and merger of proceedings under section 122(5A) of the Income Tax Ordinance, 2001 initiated and closed earlier by the Additional Commissioner Inland Revenue. The management is confident that the eventual outcome of the matter will be decided in favour of the Company.
- 19.1.3** The income tax authorities had filed second appeal before the Appellate Tribunal Inland Revenue, Karachi against order no. 62/2016 & 63/2016 of the Commissioner Inland Revenue (Appeal-III), Karachi passed in favor of the Company in the matter of non withholding of tax Rs. 23,049,621/- and Rs. 35,389,628/- for tax year 2014 and 2015 respectively against payment of Buy-Back of shares under section 95A of the repealed Companies Ordinance, 1984. The management is confident that the eventual outcome of the matter will be decided again in favour of the Company. Accordingly, no provisions have been made in these financial statements.

19.2 Commitments

Following commitments were outstanding as at the reporting date:

	Note	2024 Rupees	(Restated) 2023 Rupees
Bank guarantee in favour of NCCPL	19.2.1	395,000,000	335,000,000
Bank guarantee in favour of PSX	19.2.2	25,000,000	25,000,000

19.2.1 This bank guarantee has been issued by M/s. Dubai Islamic Bank Pakistan Limited in favor of National Clearing Company Pakistan Limited amounting to Rs. 25 million against Ready Market and amounting to Rs. 370 million against Future Market.

19.2.2 This bank guarantee has been issued by M/s. Dubai Islamic Bank Pakistan Limited in favor of Pakistan Stock Exchange Limited amounting to Rs. 25 million against Base Minimum Capital requirement.

	Note	2024 Rupees	(Restated) 2023 Rupees
20. OPERATING REVENUE			
Brokerage commission		854,953,283	383,544,244
Underwriting and financial advisory service revenue		19,140,025	6,890,320
Markup on Margin Financing		122,119,509	64,652,050
		996,212,817	455,086,614
21. INCOME FROM INVESTMENTS - net			
Capital gain on sale of short term investments - net		170,603,926	142,164,721
Change in unrealized gain on remeasurement of short term investments - net		59,802,524	24,273,560
		230,406,450	166,438,281
Dividend income		10,207,255	15,077,637
		240,613,705	181,515,918
22. ADMINISTRATIVE EXPENSES			
Salaries, commission and other benefits	22.1	349,211,178	220,468,794
CDC and NCCPL charges		43,886,017	10,369,458
Communication expenses		41,256,935	25,047,805
Directors remuneration	31	30,997,540	23,957,648
Legal and professional charges		25,600,611	17,912,691
Brokerage commission to former parent		23,127,656	-
Rent, rates and taxes		22,737,905	14,962,008
Utility expense		11,742,830	7,268,652
Depreciation on operating fixed assets	4	11,408,007	3,387,538
Depreciation on right-of-use-asset	5	7,336,145	3,834,730
Repair and maintenance		6,684,058	1,058,326
Bank charges		6,621,238	4,181,329
Advertisement expense		5,738,555	28,198
Entertainment expense		5,132,651	1,464,570
Traveling and conveyance expenses		4,872,847	2,370,917
Insurance expense		3,515,943	1,069,570
PSX rent, electricity and service charges		2,258,595	1,844,056

	Note	2024 Rupees	(Restated) 2023 Rupees
Auditor's remuneration	22.2	1,750,000	-
Printing and stationery		554,802	672,250
Amortization of intangible assets	6.2	357,940	281,200
Postage and courier		213,746	167,767
Other expense		4,938,355	3,937,284
		<u>609,943,554</u>	<u>344,284,791</u>
22.1 Salaries, commission and other benefits			
Salaries and other benefits	22.1.1	164,399,611	96,411,083
Commission		184,811,567	124,057,711
		<u>349,211,178</u>	<u>220,468,794</u>
22.1.1	Salaries, commission and other benefits include Rs. 12.89 million (2023: Rs. 10.59 million) in respect of provident fund contribution.		
22.2 Auditors' remuneration	Note	2024 Rupees	(Restated) 2023 Rupees
Audit fee		1,300,000	-
Code of Corporate Governance		80,000	-
Other certifications		370,000	-
		<u>1,750,000</u>	<u>-</u>
23. OTHER EXPENSES			
Donation	23.1	39,073,500	8,700,000
Provision for expected credit losses on trade debts	10.2	15,501,235	1,630,951
Intangible assets written off		5,689,370	-
Other receivables and deposits written off		231,147	51,322
		<u>60,495,252</u>	<u>10,382,273</u>
23.1	None of the directors or their spouse had any interest in the donees. Further, the particulars of the parties to whom donation paid exceeds Rs. 1 million or 10% of the total donation, whichever is higher, are as follows:		
		2024 Rupees	(Restated) 2023 Rupees
Indus Hospital		5,000,000	-
Aitmaad Trust		5,000,000	5,000,000
Batwa Memon Jamat		5,000,000	3,000,000
Saylani Welfare Trust		5,000,000	-
Baitussalam Welfare Trust		10,000,000	-
24. OTHER INCOME			
Markup income		77,760,191	8,873,926
Bargain purchase gain on reverse merger		25,737,911	-
Gain on disposal of property and equipment		119,773	27,867
Others		8,916,561	8,899,391
		<u>112,534,436</u>	<u>17,801,184</u>

	2024 Rupees	(Restated) 2023 Rupees
24.1 Markup income		
Interest income on bank deposits	1,031,157	47,674
Interest income on deposits with NCCPL	61,168,064	8,826,252
Interest accrue on loan to related parties	15,560,970	-
	<u>77,760,191</u>	<u>8,873,926</u>
25. FINANCE COSTS		
Markup on short term borrowings	82,171,878	70,832,920
Markup on long term borrowing	26,395,533	-
Markup on MTS financing	18,795,793	1,675,339
Markup on lease	6,764,883	2,442,775
	<u>134,128,087</u>	<u>74,951,034</u>
26. LEVIES		
Excess of minimum tax over normal tax	-	-
Income tax - Final tax regime	970,785	-
	<u>970,785</u>	<u>-</u>
27. TAXATION - NET		
Current - for the year	49,330,480	40,343,792
Deferred	12,241,512	(18,853,158)
	<u>61,571,992</u>	<u>21,490,634</u>
27.1	The Company in the light of 'Application Guidance' issued by Institute of Chartered Accountants of Pakistan (ICAP) via Circular No.07/2024 dated May 15, 2024, has accounted for the accounting treatment and presentation of 'Minimum and Final Taxes', charged under the Income tax Ordinance, 2001 (ITO) as a change in accounting policy in the current year. The related corresponding effect is not restated retrospectively due to the consequential impacts being immaterial.	
27.2 Relationship between income tax expense and accounting profit before taxation		
	2024 Rupees	(Restated) 2023 Rupees
Profit before levies and taxation	544,794,065	224,785,618
Tax at the applicable rate of 29% (2023: 29%)	157,990,279	65,187,829
Tax effects of:		
- permanent difference	(67,033)	(644)
- income subject to taxation under Presumptive Tax Regime	(2,433,199)	(4,372,515)
- benefit of unused tax losses and tax credits for which deferred tax asset was not previously recognized	(50,913,941)	-
- Realized or unrealized capital gain on short term investments	(34,914,280)	(46,817,370)
- Tax effects on admissible / inadmissible adjustment	(8,089,834)	7,493,334
	<u>61,571,992</u>	<u>21,490,634</u>
27.3 Status of income tax assessments		

Income tax assessments of the Company are deemed to be finalized as per tax returns filed up to tax year 2024. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.

28. EARNING PER SHARE - BASIC AND DILUTED	2024 Rupees	(Restated) 2023 Rupees
28.1 Basic earnings per share		
Profit after taxation	<u>482,251,288</u>	<u>203,294,984</u>
	————— Number of shares —————	
Weighted average number of ordinary shares outstanding	<u>118,743,199</u>	<u>108,735,374</u>
	————— Rupees —————	
Earnings per share - basic	<u>4.06</u>	<u>1.87</u>

28.2 Diluted earnings per share

There is no dilutive effect on the basic earnings per share of the Company, since there were no potential ordinary shares in issue as at December 31, 2024 and December 31, 2023.

29. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows are reconciled to the related items in the statement of financial position as follows:

	Note	2024 Rupees	(Restated) 2023 Rupees
Cash and bank balances	13	244,150,136	120,479,010
Short-term borrowings - running finance	17	(536,612,686)	(328,766,362)
		<u>(292,462,550)</u>	<u>(208,287,352)</u>

30. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of associated companies, key management personnel including directors and their close family members. Remuneration of the Chief Executive and Directors is disclosed in note 31 to the financial statements. Transactions entered into, and balances held with, related parties during the year, are as follows:

Name of the related party	Relationship and percentage shareholding	Transactions during the year and year end balances	2024	(Restated) 2023
Intertechnologies (Private) Limited	Associated company	Transactions during the year		
		Interst Accrue	4,239,599	-
		Loan repaid	757,450	-
		Balance outstanding		
		Loan receivable	46,004,383	42,522,234
Intermarket Properties and Developers (Private) Limited	Associated company	Transactions during the year		
		Loan recovered	20,000	-
		Balance outstanding		
		Loan payable	3,778,358	3,798,358
AB Holdings Limited	Associated company	Transactions during the year		
		Brokerage commission earned	251,585	921,716
		Balance outstanding		
		Trade receivable	2,375,163	5,900,554
Azuretech (Private) Limited	Associated company	Transactions during the year		
		Markup income	643,210	-
		Loan disbursed	28,000,000	-
		Balance outstanding		
		Loan receivable	28,643,210	-

Name of the related party	Relationship and percentage shareholding	Transactions during the year and year end balances	2024	(Restated) 2023
Erum Bilwani	Director	Transactions during the year		
		Brokerage commission earned	15,505,268	14,237,332
		Loan disbursed during the year	209,000,000	30,000,000
		Loan recovered during the year	-	(82,500,000)
		Interst Accrue	10,678,161	-
		Balance outstanding		
		Loan receivable	225,030,256	5,352,095
		Trade receivable	91,311,879	11,569,465
Azneem Bilwani	Spouse of Director	Transactions during the year		
		Brokerage commission earned	91,789,479	43,473,029
		Balance outstanding		
		Trade receivable	-	85,411,291
		Trade payable	119,913,866	-
Shehzad Hussain	Director	Transactions during the year		
		Brokerage commission earned	1,060,089	902,872
		Balance outstanding		
		Trade receivable	-	364,516
		Trade payable	738,294	-
Muhammad Rehan Alam	Director	Transactions during the year		
		Brokerage commission earned	2,011,583	706,256
		Loan recovered	-	570,800
		Balance outstanding		
		Trade receivable	-	6,110,806
		Trade payable	51,177	-
Uraib Azneem Bilwani	Close Family Member of Director	Transactions during the year		
		Brokerage commission earned	1,515,276	233,219
		Balance outstanding		
		Trade receivable	22,100,049	8,961,186
Laiba Azneem Bilwani	Close Family Member of Director	Transactions during the year		
		Brokerage commission earned	49,177	139,174
		Balance outstanding		
		Trade receivable	3,683,427	-
		Trade payable	-	126,135

31. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including certain benefits to the Chief Executive, Directors and executives of the Company, are as follows:

	Chief Executive		Director		Executive		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Managerial remuneration	8,250,000	7,552,500	13,729,849	8,185,660	53,361,531	42,272,951	75,341,380	58,011,110
Bonus	4,200,000	3,095,000	3,000,000	3,089,397	5,485,000	3,834,982	12,685,000	10,019,379
Meeting fee	50,000	200,000	250,000	950,000	-	-	300,000	1,150,000
Retirement benefits	495,000	420,750	1,022,691	464,341	3,316,168	2,282,577	4,833,859	3,167,668
	12,995,000	11,268,250	18,002,540	12,689,398	62,162,698	48,390,509	93,160,239	72,348,157
Number of persons	1	1	7	6	14	12		

31.1 The Company has also provided its Chief Executive, Directors and certain executives with Company maintained car.

32. FINANCIAL INSTRUMENTS

32.1 Financial risk analysis

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (interest/mark-up rate risk and price risk). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. The Company consistently manages its exposure to financial risk without any material change from previous periods in the manner described in notes below.

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. All treasury related transactions are carried out within the parameters of these policies.

32.1.1 Market risk

Market risk means that the future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, equity prices and interest rates. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risks: foreign currency risk, price risk and interest rate risk. The market risks associated with the Company's business activities are discussed as under:

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. All foreign currency translations are carried out within acceptable parameters of policies established by Board of Directors.

(ii) Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/ mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. Presently, daily stock market fluctuation is controlled by regulatory authorities which reduces the volatility of prices of equity securities. The Company manages price risk by monitoring the exposure in quoted securities and implementing the strict discipline in internal risk management and investment policies, which includes disposing of equity investments and collaterals held before it leads the Company to incur significant mark-to-market and credit losses. As of the reporting date, the Company was exposed to price risk since it had investments in quoted equity securities and units of mutual funds, amounting in aggregate, to Rs. 121.90 million (2023: Rs. 441.99 million) and also because the Company held collaterals in the form of equity securities against their debtor balances.

The carrying value of investments subject to price risk is based on quoted market prices as of the reporting date. Market prices are subject to fluctuation and, consequently, the amount realized on the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amount realized on the sale of a particular security may be affected by the relative quantity of the security being sold.

The Company's portfolio of short term investments is broadly diversified so as to mitigate the significant risk of decline in prices of securities in particular sectors of the market.

Analysis of short term investment in quoted equity securities by business sector is as follows:

	December 31, 2024		December 31, 2023	
	(Rupees)	%	(Rupees)	%
Insurance	3,447	0.00%	1,765,600	0.40%
Fertilizer	890,158	0.73%	-	0.00%
Technology & Communication	68,121	0.06%	12,230,782	2.77%
Oil & Gas Exploration Companies	5,433,996	4.46%	18,962,123	4.29%
Cement	140	0.00%	5,177,580	1.17%
Textile Composite	2,275	0.00%	1,010	0.00%
Inv. Banks / Inv. Cos. / Securities Cos.	64,348,301	52.81%	3,537,746	0.80%
Synthetic & Rayon	473	0.00%	473	0.00%
Automobile Assembler	21,627,766	17.75%	12,148,800	2.75%
Refinery	1,593,603	1.31%	138,049,619	31.24%
Pharmaceuticals	8,429,370	6.92%	31,992,800	7.24%
Oil & Gas Marketing Companies	1,379,908	1.13%	690,332	0.16%
Chemical	720,000	0.59%	37,156,900	8.41%
Commercial Banks	5,678,576	4.66%	318,529	0.07%
Engineering	1,519,800	1.25%	-	0.00%
Paper, Board & Packaging	4,047,300	3.32%	3,985,220	0.90%
Power Generation & Distribution	3,831,673	3.14%	125,282,248	28.35%
Sugar & Allied Industries	2,265,750	1.86%	-	0.00%
Automobile Parts & Accessories	-	0.00%	9,774,500	2.21%
Food & Personal Care Products	-	0.00%	35,928,793	8.13%
Glass & Ceramics	-	0.00%	4,934,644	1.12%
	121,840,657	100.00%	441,937,699	100.00%

Sensitivity analysis:

The table below summarizes Company's price risk as of December 31, 2024 and 2023 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the reporting dates. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse because of the nature of markets and the aforementioned concentrations existing in Company's investment portfolio.

	Fair value	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase / (decrease) in profit / (loss) before tax
December 31, 2024	121,902,755	10% increase	134,093,031	12,190,276
		10% decrease	109,712,480	(12,190,275)
December 31, 2023	441,989,715	10% increase	486,188,687	44,198,972
		10% decrease	397,790,744	(44,198,972)

(iii) Interest rate risk

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The short term borrowing arrangements have variable rate pricing that is dependent on the Karachi Inter Bank Offer Rate (KIBOR) as indicated in note to these financial statements.

Sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate would not affect the carrying amount of any financial instrument.

Sensitivity analysis for variable-rate instruments

At the reporting date, the interest rate profile of the Company's significant interest-bearing financial instruments was as follows:

	2024	2023	2024	2023
	Effective interest rate (%)		Carrying amounts (Rs.)	
Financial assets - variable rate instruments				
Bank deposits - saving account	<u>11.01% to 20.05%</u>	<u>6% to 14%</u>	<u>12,761,757</u>	<u>479,539</u>
Deposits placed with NCCPL			<u>1,424,171,908</u>	<u>357,672,378</u>
Financial liabilities - variable rate instruments				
Short Term Borrowing	<u>12.70% to 21.99%</u>	<u>17.06% to 22.90%</u>	<u>536,612,686</u>	<u>328,766,362</u>
Lease liabilities	<u>24.49% to 16.25%</u>	<u>25.41% to 23.46%</u>	<u>53,989,111</u>	<u>16,644,682</u>

The following information summarizes the estimated effects of 1% hypothetical increases and decreases in interest rates on cash flows from financial assets and financial liabilities that are subject to interest rate risk. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. The hypothetical changes in market rates do not reflect what could be deemed best or worst case scenarios. Variations in market interest rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

	Effect on profit after tax	
	1% increase	1% (decrease)
	----- Rupees -----	
As at December 31, 2024		
Cash flow sensitivity - Variable rate financial instruments	<u>(3,719,342)</u>	<u>3,719,342</u>
As at December 31, 2023		
Cash flow sensitivity - Variable rate financial instruments	<u>(2,330,836)</u>	<u>2,330,836</u>

32.1.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

A financial asset is regarded as credit impaired as and when it falls under the definition of a 'defaulted' financial asset. For the Company's internal credit management purposes, a financial asset is considered as defaulted when it is **past due for 30 days or more**.

The Company writes off a defaulted financial asset when there remains no reasonable probability of recovering the carrying amount of the asset through available means.

Maximum exposure to credit risk

The maximum exposure to credit risk at the reporting date is as follows:

	Note	2024	2023
		Rupees	
Long term advances and deposits		13,955,005	6,593,405
Trade debts	(a)	735,039,582	551,990,331
Receivables against margin financing		640,570,348	402,392,261
Short term deposits		1,425,255,519	358,172,378
Other receivables		389,593,862	115,657,528
Short term loans		-	42,646,012
Bank balances	(b)	244,062,922	120,444,659
		<u>3,448,477,238</u>	<u>1,597,896,574</u>

Note (a) - Credit risk exposure on trade debts

To reduce the exposure to credit risk the Company has developed a policy of obtaining advance payments from its customers.

The aging of local trade debts as at the reporting date is as follows:

	December 31, 2024		December 31, 2023	
	Gross carrying amount	Provision for expected credit losses	Gross carrying amount	Provision for expected credit losses
Past due 1-30 days	635,223,680	-	457,635,980	-
Past due 31-180 days	57,693,778	2,336,062	47,860,367	414,478
Past due 181-365 days	26,698,406	3,217,729	28,891,385	916,714
More than 365 days	34,601,820	13,624,311	21,279,466	2,345,675
	<u>754,217,684</u>	<u>19,178,102</u>	<u>555,667,198</u>	<u>3,676,867</u>

Note (b) - Credit risk exposure on bank balances

The Company's credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. As of the reporting date, the external credit ratings of the Company's bankers were as follows:

Banks / other institutions	Short term rating	Credit rating agency	2024	2023
			Rupees	
Al Baraka Bank Limited	A+	JCR VIS	22,483,972	1,196,854
Allied Bank Limited	AAA	PACRA	13,182	-
Askari Bank Limited	AA+	PACRA	200,000	-
Bank Al Habib Limited	AAA	PACRA	7,987,317	4,801,832
Bank Alfalah Limited	AAA	PACRA	1,343,912	176,527
Dubai Islamic Bank	AA	JCR VIS	19,192,254	2,467,956
Habib Bank Limited	AAA	JCR VIS	55,731,923	14,937,171
Habib Metropolitan Bank	AA+	PACRA	33,162,784	3,011,857
JS Bank Limited	AA	PACRA	68,015,799	83,094,617
MCB Bank Limited	AAA	PACRA	3,428,727	2,438,653
Meezan Bank Limited	AAA	JCR JCR VIS	4,343,572	6,219,434
Standard Chartered Pakistan	AAA	PACRA	193,053	-
Summit Bank Limited	BBB-	JCR JCR VIS	22,006,059	1,372,112
United Bank Limited	AAA	JCR VIS	5,960,368	727,646
			<u>244,062,922</u>	<u>120,444,659</u>

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same party, or when counter parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. As of the reporting date, the Company was exposed to the following concentrations of credit risk:

	December 31, 2024			December 31, 2023		
	Total exposure	Concentration	% of total exposure	Total exposure	Concentration	% of total exposure
	Rupees					
Trade debts	735,039,582	93,389,492	13%	551,990,331	85,411,291	15%
Bank balances	244,062,922	56,128,371	23%	120,444,659	83,084,617	69%
		<u>149,517,863</u>			<u>168,495,908</u>	

32.1.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities, including interest payments:

	Contractual cash flows					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	Rupees					
December 31, 2024						
Short term borrowings - secured	536,612,686	536,612,686	536,612,686	-	-	-
Lease Liability	53,989,111	73,767,378	10,989,446	10,989,446	51,788,486	-
Advance from employee	2,500,000	2,500,000	-	-	2,500,000	-
Trade and other payables	1,563,970,610	1,563,970,610	1,563,970,610	-	-	-
Accrued markup	17,165,702	17,165,702	17,165,702	-	-	-
	<u>2,174,238,109</u>	<u>2,194,016,376</u>	<u>2,128,738,444</u>	<u>10,989,446</u>	<u>54,288,486</u>	-
December 31, 2023						
Short term borrowings - secured	328,766,362	328,766,362	-	-	-	-
Lease Liability	16,644,682	26,390,096	3,373,920	3,373,920	19,642,256	-
Trade and other payables	682,992,085	682,992,085	682,992,085	-	-	-
Accrued markup	18,919,858	18,919,858	18,919,858	-	-	-
	<u>1,047,322,987</u>	<u>1,057,068,401</u>	<u>705,285,863</u>	<u>3,373,920</u>	<u>19,642,256</u>	-

32.2 Financial instruments by categories

The table below provides reconciliation of the line items in the Company's statement of financial position to the categories of financial instruments.

Level 1: Quoted market price (unadjusted) in an active market.

Level 2: Valuation techniques based on observable inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

Fair values of financial assets that are traded in active markets are based on quoted market prices. For all other financial instruments the Company determines fair values using valuation techniques unless the instruments do not have a market / quoted price in an active market and whose fair value cannot be reliably measured.

The table below analyses assets measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

	Level 1	Level 2	Level 3	Total
----- Amount in Rupees -----				
December 31, 2024				
Financial assets measured at fair value				
Investment in quoted equity securities	<u>121,840,657</u>	-	-	<u>121,840,657</u>
Investment in units of mutual funds	<u>62,098</u>	-	-	<u>62,098</u>
	Level 1	Level 2	Level 3	Total
----- Amount in Rupees -----				
December 31, 2023				
Financial assets measured at fair value				
Short term investments	<u>441,989,715</u>	-	-	<u>441,989,715</u>

34. CAPITAL MANAGEMENT

34.1 Management of capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

Following is the quantitative analysis of what the Company manages as capital:

	Note	2024	(Restated) 2023
		----- Rupees -----	
Shareholders' equity:			
Issued, subscribed and paid up capital	14	1,287,510,240	1,087,353,740
Discount on issue of shares		(622,379,278)	(583,949,230)
Unappropriated profit		943,684,154	461,432,866
Total capital managed by the Company		<u>1,608,815,116</u>	<u>964,837,376</u>

34.2 Capital Adequacy Level

The Capital Adequacy Level as defined by Central Depository Company of Pakistan Limited (CDC) is calculated as follows:

	Note	2024	(Restated) 2023
		Rupees	
Total assets	34.2.1	3,974,620,510	2,138,898,133
Less: Total liabilities		2,365,805,394	1,174,060,757
Capital Adequacy Level		<u>1,608,815,116</u>	<u>964,837,376</u>

34.2.1 While determining the value of the total assets the notional value of the TRE certificate as at year end as determined by Pakistan Stock Exchange has been considered.

34.3 Liquid Capital [as per the requirements of the Securities Brokers (Licensing and Operations) Regulations, 2016]

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	190,044,188	190,044,188	-
1.2	Intangible Assets	7,246,677	7,246,677	-
1.3	Investment in Govt. Securities	158,470,434	-	158,470,434
1.4	Investment in Debt Securities			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
1.5	Investment In Equity Securities			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	67,284,141	12,006,021	55,278,120
	Provided, that if any of these securities are pledged with the securities exchange for maintaining Base Minimum Capital Requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base Minimum Capital.	54,618,614	54,618,614	-
	ii. If unlisted, 100% of carrying value.	30,127,296	30,127,296	-
1.6	Investment in subsidiaries	-	-	-
1.7	Investment in associated companies/undertaking			
	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity, however, any excess amount of cash deposited with securities exchange to comply with the requirements of Base minimum capital, may be taken in the calculation of LC.	8,025,000	8,025,000	-
1.9	Margin deposits with exchange and clearing house.	1,425,255,519	-	1,425,255,519
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	18,878,368	18,878,368	-

S. No.	Head of Account	Value In Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	-	-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing.	-	-	-
	Amount paid as purchaser under the REPO agreement. (Securities purchased under repo arrangement shall not be included in the investments.)	-	-	-
1.15	i. Short Term Loan To Employees: Loans are Secured and Due for repayment within 12 months	3,362,072	-	3,362,072
	ii. Advance tax to the extent it is netted with provision of taxation.	-	-	-
	iii. Receivables other than trade receivables	301,796,264	301,796,264	-
1.16	Receivables from clearing house or securities exchange(s)			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
	claims on account of entitlements against trading of securities in all markets including MtM gains.	89,751,871	-	89,751,871
1.17	Receivables from customers			
	i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut.	640,570,348	10,840,921	629,729,427
	i. Lower of net balance sheet value or value determined through adjustments:			
	ii. In case receivables are against margin trading, 5% of the net balance sheet value:	-	-	-
	ii. Net amount after deducting haircut	-	-	-
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract.	-	-	-
	iii. Net amount after deducting haircut	-	-	-
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value.	325,566,477	-	325,566,477
	iv. Balance sheet value			
	v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts.	292,377,751	118,912,391	173,465,360
v. Lower of net balance sheet value or value determined through adjustments				
vi. In the case of amount of receivable from related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner:				
a. Upto 30 days, values determined after applying VaR based haircuts;				
b. Above 30 days, but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher;				
c. Above 90 days, 100% haircut shall be applicable.				
Lower of net balance sheet values or values determined through adjustments	117,095,354	1,585,747	115,509,608	
1.18	Cash and Bank balances			
	i. Bank Balance-proprietary accounts	21,181,606	-	21,181,606
	ii. Bank balance-customer accounts	222,881,316	-	222,881,316
	iii. Cash in hand	87,214	-	87,214
1.19	Subscription money against Investment in IPO / offer for sale (asset)			
	i. No Haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.			
	ii. In case of investments in IPO where shares have been allotted but not yet credited in CDS account, 25% haircuts will be applicable on the value of such securities.	-	-	-

S. No.	Head of Account	Value In Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	iii. In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VaR based haircut whichever is higher, will be applied on Right Shares. Balance sheet values or net values after deducting haircuts.			
1.20	Total Assets	3,974,620,510	754,081,486	3,220,539,024
	2. Liabilities			
2.1	Trade Payables			
	i. Payable to exchanges and clearing house	17,099,633	-	17,099,633
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	1,350,621,795	-	1,350,621,795
2.2	Current Liabilities			
	i. Statutory and regulatory dues	120,319,372	-	120,319,372
	ii. Accruals and other payables	224,434,123	-	224,434,123
	iii. Short-term borrowings	536,612,686	-	536,612,686
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for bad debts	-	-	-
	viii. Provision for taxation	43,237,969	-	43,237,969
	ix. Other liabilities as per accounting principles and included in the financial statements	19,966,637	-	19,966,637
2.3	Non-Current Liabilities			
	i. Long-Term financing			
	a. Long-Term financing obtained from financial institution: Long term portion of financing obtained from a financial institution including amount due against finance lease	34,022,474	34,022,474	-
	b. Other long-term financing	-	-	-
	ii. Staff retirement benefits	-	-	-
	iii. Advance against shares for Increase in Capital of Securities broker; 100% haircut may be allowed in respect of advance against shares if: a. The existing authorized share capital allows the proposed enhanced share capital b. Board of Directors of the company has approved the increase in capital c. Relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed. e. Auditor is satisfied that such advance is against the increase of capital.	-	-	-
	iv. Other liabilities as per accounting principles and included in the financial statements	19,490,705	-	19,490,705
2.4	Subordinated Loans			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted: The Schedule III provides that 100% haircut will be allowed against subordinated Loans which fulfill the conditions specified by SECP. In this regard, following conditions are specified: a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period b. No haircut will be allowed against short term portion which is repayable within next 12 months. c. In case of early repayment of loan, adjustment shall be made to the Liquid Capital and revised Liquid Capital statement must be submitted to exchange	-	-	-
	ii. Subordinated loans which do not fulfill the conditions specified by SECP	-	-	-
2.5	Total Liabilities	2,365,805,394	34,022,474	2,331,782,920

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3	Ranking Liabilities Relating to :			
3.1	Concentration in Margin Financing			
	The amount calculated client-to- client basis by which any amount receivable from any of the finances exceed 10% of the aggregate of amounts receivable from total finances.	-	-	11,714,525
3.2	Concentration in securities lending and borrowing			
	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed	-	-	-
3	Ranking Liabilities Relating to :			
3.3	Net underwriting Commitments			
	(a) in the case of right issues : if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issues where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting (b) in any other case : 12.5% of the net underwriting commitments	-	-	-
3.4	Negative equity of subsidiary			
	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-
3.5	Foreign exchange agreements and foreign currency positions			
	5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO	-	-	-
3.7	Repo adjustment			
	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received ,less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
3.8	Concentrated proprietary positions			
	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security .If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security	-	-	-
3.9	Opening Positions in futures and options			
	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts	-	-	2,550,164
	ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met	-	-	-
3.10	Short sell positions			
	i. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts	-	-	-
	ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	Total Ranking Liabilities	-		14,264,689
		1,608,815,116		874,491,415

35. OPERATING SEGMENT

These financial statements have been prepared on the basis of a single reportable segment as the company's asset allocation decisions are based on a single, integrated business strategy, and the company's performance is evaluated on an overall basis:

Entity wide information with respect to IFRS-8 "Operating Segments" are stated below:

- (a) Revenue from brokerage commission represents 85.82% (2023: 84.28%) of total revenue whereas remaining represent revenue from Underwriting and financial advisory service revenue and markup on Margin Financing.
- (b) All non current assets of the Company as at December 31, 2024 are located in Pakistan.
- (c) 8.89% brokerage commission earned relates to customer outside Pakistan (2023: 3.67%).
- (d) There is no major customer that amount to more than 10% of the company's revenue excluding sales tax and federal excised duty.

36. GENERAL

36.1 Customers assets held in the Central Depository System

	2024	(Restated) 2023
	Number	
Number of shares as at 31 December	<u>507,336,166</u>	<u>339,215,179</u>
Value of shares as at 31 December	<u>18,575,417,474</u>	<u>6,132,350,754</u>

36.2 Corresponding figures

The corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of the Companies Act, 2017 and for the purpose of comparison and better presentation.

36.3 Investments made by the provident fund

The investments out of the provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

36.4 Number of employees

	2024	(Restated) 2023
	Number	
Total number of employees as at the year end	<u>92</u>	<u>67</u>
Average number of employees during the year	<u>80</u>	<u>65</u>

36.5 Date of authorization of financial statement for issue

These financial statements have been authorised by the Board of Directors of the Company in their meeting held on March 25, 2025.

36.6 Level of rounding

All the figures in the financial statements have been rounded off to the nearest rupee.



Chief Executive Officer



Director



Chief Financial Officer

**FORM 34
PATTERN OF SHAREHOLDING**

1 Incorporation Number 0040559
 2 Name of the Company INTERMARKET SECURITIES LIMITED
 3 Pattern of holding of the shares held by the shareholders as at 31-12-2024

4	No. of Shareholders	Shareholdings	Total Shares Held
	524	1 To	100 21,192
	169	101 To	500 64,143
	1611	501 To	1000 880,277
	224	1001 To	5000 460,467
	35	5001 To	10000 237,109
	13	10001 To	15000 72,428
	7	15001 To	20000 76,500
	2	20001 To	25000 95,593
	1	25001 To	30000 115,789
	2	30001 To	35000 63,500
	2	45001 To	50000 148,000
	1	50001 To	55000 51,926
	2	60001 To	65000 130,000
	1	85001 To	90000 89,000
	1	95001 To	100000 100,000
	1	100001 To	105000 102,900
	2	115001 To	120000 120,000
	4	130001 To	135000 133,713
	2	255001 To	260000 255,247
	1	825001 To	830000 825,563
	1	990001 To	995000 990,565
	1	1075001 To	1080000 1,076,001
	1	3695001 To	3700000 3,697,762
	1	10205001 To	10210000 10,207,982
	1	53280001 To	53285000 53,280,325
	1	55455001 To	55460000 55,455,041
	2611		128,751,024

Pattern Of Shareholding as on December 31, 2024

[Sub-Regulation 2(e) of Regulation 34 under chapter IV of Securities Brokers (licensing and Operation) Regulations, 2016

SHAREHOLDERS HOLDING 5% OR MORE OF THE VOTING SHARES/INTRESTS IN THE COMPANY			
Names	Number Of Shareholders	Number of Shares Held	% of Shareholding
Erum Bilwani	1	55,455,041	43.07
Uraib Bilwani	1	53,280,325	41.38
EFG-Hermes Frontiers Holdings LLC	1	10,207,982	7.93

CHANGES IN SHAREHOLDINGS HOLDING ABOVE 5%			
Names	Holding Balance as at December 31 2023	Holding Balance as at December 31 2024	Changes
Erum Bilwani	-	55,455,041	55,455,041
Uraib Bilwani	-	53,280,325	53,280,325
EFG-Hermes Frontiers Holdings LLC	10,207,982	10,207,982	-

*Post merger shareholding

**Pattern of Shareholding under Rule 5.19.11(x) of the Code of Corporate Governance as on December 31, 2024
 (additional information)**

Categories of Shareholders	Number of Shareholder	Number of shares Held	% of Shareholding
1 ASSOCIATED COMPANIES, UNDERTAKING AND RELATED PARTIES.			
Mr. Uraib Bilwani	1	53,280,325	41.38
2 MUTUAL FUNDS			
3 DIRECTORS THEIR SPOUSE AND MINOR CHILDREN			
Ms. Erum Bilwani	1	55,455,041	43.07
Mr. Wajid Hussain	1	2	
Mr. Muhammad Ahmed Masood	1	1	
Syed Raza Haider Jafri	1	1	
Mr. Shehzad Hussain	1	2	
Mr. Muhammad Ashfaq	1	2	
Mr. Muhammad Rehan Alam	1	2	
SPOUSE OF DIRECTORS			
AZNEEM BILWANI (P)	1	1,076,001	0.84
MINOR CHILDREN OF DIRECTORS			
		56,531,052	
4 EXECUTIVES		-	
5 PUBLIC SECTOR COMPANIES & CORPORATIONS		-	
6 BANKS, DEVELOPMENT FINANCE INSTITUTION		-	
7 OTHERS (INDIVIDUALS, BROKERAGE HOUSE, JOINT STOCK COMPANIES)		18,939,647	14.71
		128,751,024	100.00

Summary of Shareholding - Origin Wise

Origin	No. of Shares	%
Foreign	10,207,991	7.93
Local	118,543,033	92.07

SHAREHOLDERS HOLDING 5% OR MORE OF THE VOTING SHARES/INTRESTS IN THE COMPANY

Names	Number Of Shareholders	Number of Shares Held	% of Shareholding
Erum Bilwani	1	55,455,041	43.07
Uraib Bilwani	1	53,280,325	41.38
EFG-Hermes Frontiers Holdings LLC	1	10,207,982	7.92

SHAREHOLDERS HOLDING 10% OR MORE OF THE VOTING SHARES/INTRESTS IN THE COMPANY

Names	Number Of Shareholders	Number of Shares Held	% of Shareholding
Erum Bilwani	1	55,455,041	43.07
Uraib Bilwani	1	53,280,325	41.38

FORM OF PROXY

INTERMARKET SECURITIES LIMITED

IMPORTANT NOTE

This form of Proxy duly completed must be deposited at the Registered Office of the Company, 5th Floor, Bahria Complex-IV, Ext. Block, Choudhry Khalique-uz-Zaman Road, Gizri, Karachi, Pakistan, not later than 48 hours before the time of the meeting.

I/We _____ of _____ being member(s) of INTERMARKET SECURITIES LIMITED and holding _____ Ordinary Shares as per Registered Folio No./CDC Investor Account/Participant ID and investor/Sub Account No. _____ hereby appoint _____ of _____ or failing him/her _____ of _____ who is/are as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Monday, April 28, 2025 at 3:00 PM and / or any adjournment thereof.

Signed this _____ day of _____ 2025.

Signature
over
Revenue
Stamp
of Rs.5

Witness: _____
SIGNATURE

Witness: _____
SIGNATURE

Name: _____

Name: _____

CNIC No.: _____

CNIC No.: _____

Address: _____

Address: _____

**AFFIX
CORRECT
POSTAGE**

INTERMARKET SECURITIES LIMITED
5th Floor, Bahria Complex-IV, Ext. Block,
Choudhry Khaliq-uz-Zaman Road, Gizri, Karachi, Pakistan

انٹر مارکٹ سیکورٹیز لمیٹڈ

اہم/ضروری

یہ مکمل شدہ پراکسی اجلاس شروع ہونے سے 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس 5th فلور، بحریہ کمپلیکس-IV، ایکسٹنشن بلاک، چوہدری خلیق الزمان روڈ، گزری، کراچی۔ پاکستان میں پہنچ جانا چاہیے۔

جی/ہم..... کا

بطور ممبر (ز) انٹر مارکٹ سیکورٹیز لمیٹڈ اور ہولڈر برائے..... عام حصص برطابق رجسٹرڈ فولیو نمبر سی انویسٹر اکاؤنٹ/ پارٹنیشن ID

اور انویسٹر/ سب اکاؤنٹ نمبر..... نامزد کرتا/ کرتی ہوں

کا..... یا بصورت دیگر

کا

کو بطور میرا/ ہمارا نمائندہ نامزد کرتا/ کرتی ہوں جو کمپنی کا چھبیسواں سالانہ اجلاس عام جو بروز پیر 28، اپریل 2025 کو شام 3:00 بجے منعقد یا ملتوی ہونے والے میں میری/ ہماری طرف سے ووٹ دیگا۔

دستخط مورخہ..... بروز..... 2025ء

5 روپے والی
ریونیواسٹمپ پر دستخط

گواہ:.....
دستخط

نام.....
شناختی کارڈ نمبر.....

پتہ:.....

INTERMARKET
SECURITIES LTD

5th Floor, Bahria Complex-IV, Ext. Block,
Choudhry Khalique-uz-Zaman Road,
Gizri, Karachi, Pakistan.