



FINANCIAL STATEMENTS
OF
UBL CURRENCY EXCHANGE (PRIVATE) LIMITED
FOR THE PERIOD FROM
JULY 1, 2024 TO DECEMBER 31, 2024

The Board of Directors
UBL Currency Exchange (Private) Limited
S-22 M-5, Business Arcade, 75350, Shahrah-e-Faisal
Karachi

March 24, 2025
A-36/AA-1647/25

AUDIT OF FINANCIAL STATEMENTS FOR THE PERIOD FROM JULY 01 TO DECEMBER 31, 2024

Dear Members of the Board,

We are pleased to enclose herewith two copies of the draft financial statements of UBL Currency Exchange (Private) Limited (the Company) for the period from July 01 to December 31, 2024 together with our draft audit report duly initialed by us for identification purposes only. We shall be pleased to sign our audit report in its present or amended form after the draft financial statements are approved by the Board of Directors (the Board) and signed on their behalf by the Chief Executive Officer and at least one other Director and upon receipt of the following:

- a) Letter of representation addressed to us on behalf of the Board of Directors and signed by the Chief Executive and Chief Financial Officer as per draft provided by us.
- b) The Board's resolutions in respect of following:
 - Additions in Property and Equipment amounting to Rs. 14.934 million;
 - Additions in Right-of-use asset amounting to Rs. 62.066 million;
 - Additions in lease liabilities amounting to Rs. 68.215 million;
 - Write off of Right-of-Use Assets having net book value of Rs. 23.402 million;
 - Write off of Property and Equipment having net book value of Rs. 1.036 million;
 - Additions of Pakistan Investment Bonds (PIBs) amounting to Rs 190.360 million;
 - Confirmation balance of other receivable amounting to Rs 38.446 million;
 - Adoption of accounting policies as stated in relevant notes to the financial statements;
 - Adoption of International Financial Reporting Standard, issued by the International Accounting Standards Board (IASB);
 - Remuneration to Chief Executives and Directors as disclosed in note 31 to the financial statements;
 - Contingencies and commitments as disclosed in note 23 to the financial statements; and,
 - Transaction with related parties as disclosed in the note 32 to the financial statements.
- c) Director's report as required under section 223(6) of the Companies Act, 2017.



We would like to advise you that unless we sign our audit report, these draft financial statements shall remain and be deemed to be unaudited.

Below are the matters, which we would like to bring into attention of the Board:

1. RESPONSIBILITIES OF THE MANAGEMENT AND AUDITORS IN RELATION TO THE FINANCIAL STATEMENTS

The responsibilities of the independent auditors in a usual examination of financial statements are stipulated in section 249 of the Companies Act, 2017 and International Standards on Auditing. While the auditors are responsible for forming and expressing their opinion on the financial statements, the responsibility for preparation of such statements is primarily that of the Company's management.

The management's responsibilities include the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularities. The audit of financial statements does not relieve the management of its responsibilities.

The Board is responsible for overseeing the company's financial reposting process.

2. ACCOUNTING PROCEDURES MANUAL

During the course of our audit, we have observed that the Company has not yet developed a comprehensive Accounting Procedures Manual. The purpose of this Manual is to harmonize accounting procedures at all locations and to serve as a reference point for trouble-shooting. The Manual also facilitates training and induction to new staff members. In the absence of a Manual, there is inherent risks that accounting procedures may be adopted that are not consistent resulting in errors of accounting. Upon inquiry, we were informed that draft policies are expected to be approved at the upcoming Board's meeting.

We recommend that approved comprehensive accounting policies should be in place to strengthen the financial controls and provide a clear framework for accounting practices.

3. IMPAIRMENT OF GOODWILL

The Company has recorded Goodwill on acquisition of net assets of Wall Street Exchange Company (Private) Limited (WSEC) amounting Rs. 251.526 million dated June 01, 2024 when the assets and liabilities were transferred from WSEC as a part of the asset purchase agreement (APA) the Company.

We have been informed by the management that the loss during the period pertains to expansion in operations which includes setting up new branches during this period. Management is confident of the future profitability based on the projections and is of the view that, the carrying amount of goodwill does not exceeds its fair value, hence no impairment was required as on December 31, 2024.

We request the Board to confirm in this regard and would request to monitor the progress on frequent basis.

4. FIXED ASSET REGISTER

During the course of our audit, we noted that fixed assets register is not maintained by the Company as required under the Companies Act, 2017 and as prescribed under the Technical Release issued by the Institute of Chartered Accountants of Pakistan (ICAP). This is an important record as it enables the management to provide itemized control over the fixed assets of the Company. We recommend that fixed assets register should be maintained as required under the Companies Act, 2017 in the manner prescribed by ICAP to provide the required details for exercising itemized control over the fixed assets of the Company.

We recommend that fixed assets register should be maintained in the normal form to provide the required details for exercising itemized control over the fixed assets of the Society in accordance with the requirements of Technical Release 6 issued by Institute of Chartered Accountants of Pakistan.

5. NOVATION AGREEMENTS

During our audit, we have observed that cash insurance agreements which reflects rights of Wall Street (WS) instead of UBL which depicts that insurance agreements are currently in the name of Wall street (WS). It is suggested that all agreements should be made in the name of UBL Currency Exchange (Private) Limited rather on its previous holding entity

6. FORECASTED CASHFLOWS

The financial statements ended during the year ended December 31, 2024 reported a loss amounting to Rs. 43.954 million and hence deferred tax asset impact was recognized during the year amounting to Rs. 15.777 million. Management believes that the loss incurred during the year is primarily due to the setup of new branches. Based on the projections, they are confident that profitability will be achieved in future periods. Therefore, the recognized deferred tax asset will be offset against prospective income in later years. We request Board to confirm on the management's assertion in this regard.



7. CONTINGENCIES AND COMMITMENTS

We have been informed by the management that there were no contingencies and commitments other than those disclosed in the draft financial statements.

8. RELATED PARTY TRANSACTIONS

We have been informed by management that there were no transactions with related parties other than those disclosed in the draft financial statements.

9. FRAUDS AND ERRORS

We have been informed by the management of the Company that there have been no instances of frauds or irregularities during the year that could have a material effect on the financial statements of the Company.

10. SUBSEQUENT EVENTS

We have been informed by the management that there were no subsequent events that could have an impact on amounts and/or disclosure in the financial statements except as disclosed in the draft financial statements.

11. COMPLIANCE WITH STATUTORY LAWS AND REGULATIONS

We have been informed by the management that there were no instances of non-compliance with statutory laws and regulations that would have financial reporting implications.

12. INDEPENDENCE

We confirm that in our professional judgment, the Firm is independent within the meaning of regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff has not been compromised.

We take this opportunity to thank all your staff for the courtesy and cooperation extended to us during the course of our audit.

Yours faithfully,

BDO EBRAHIM & CO.

Enclosed as above

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF UBL CURRENCY EXCHANGE (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **UBL Currency Exchange (Private) Limited** (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period from July 01 to December 31, 2024, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other 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 loss and other comprehensive loss, the changes in equity and its cash flows and for the period from July 01 to December 31, 2024.

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 Auditors' 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 : Change of financial year from June to December

We draw attention to note 1.4 to the accompanying financial statements which describes the basis of presentation. The year end of the entity has changed from June 30 to December 31 in order to comply with the rules issued by State Bank of Pakistan (SBP) in paragraph 4 of Chapter 5 of the Regulatory Framework for Exchange Companies. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditors 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 auditors report thereon.

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



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

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of 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 is responsible for overseeing the Company's financial reporting process.

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

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

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



we conclude that a material uncertainty exists, we are required to draw attention in our auditors 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 auditors 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.

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 cash flows and the statement of changes in equity 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 period were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Zulfikar Ali Causer.

KARACHI

DATED: 29 AUG 2025

UDIN: AR202410067Em0dw8c3I


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

UBL CURRENCY EXCHANGE (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Note	December 31, 2024 Rupees	June 30, 2024 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	6	184,749,755	189,311,078
Right-of-use assets	7	254,169,828	261,272,094
Goodwill	8	251,526,377	251,526,377
Intangible Assets	9	6,396,662	7,311,667
Long-term deposits	10	44,720,503	37,418,106
Long-term investments	11	326,197,465	139,853,888
		1,067,760,590	886,693,210
CURRENT ASSETS			
Loans, advances and other receivables	12	65,968,812	22,222,831
Short-term prepayments	13	16,640,314	7,854,633
Trade receivables	14	56,316,629	492,226,812
Short-term investment	15	-	176,356,893
Deferred taxation - net	16	15,777,332	-
Cash and bank balances	17	1,346,572,691	1,079,166,291
		1,501,275,778	1,777,827,460
		2,569,036,368	2,664,520,670
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
200,000,000 ordinary shares of Rs 10/- each	18.1	2,000,000,000	2,000,000,000
Paid-up capital and unappropriated profit			
Ordinary share of Rs. 10/- each	18.2	2,000,000,000	2,000,000,000
Unappropriated profit		(23,989,041)	10,230,522
Investment value reserve		(1,324,237)	705,095
		1,974,686,722	2,010,935,617
NON-CURRENT LIABILITIES			
Long-term deposits	19	153,270,911	83,502,360
Deferred taxation - net	16	-	1,995,616
Lease liability against right-of-use asset	20	205,785,238	212,934,832
		359,056,149	298,432,808
CURRENT LIABILITIES			
Current portion of lease liability	20	65,499,262	44,263,391
Trade payable and other payables	21	165,385,300	308,443,692
Taxation - net	22	4,408,935	2,445,162
		235,293,497	355,152,245
		2,569,036,368	2,664,520,670
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			

The annexed notes from 1 to 41 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

UBL CURRENCY EXCHANGE (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD FROM JULY 01, 2024 TO DECEMBER 31, 2024

		For the period from July 01, 2024 to December 31, 2024	For the period from November 08, 2023 to June 30, 2024
	Note	Rupees	Rupees
Revenue			
- Income from exchange operation	24	278,722,395	59,875,596
- Fee income	25	73,992,391	2,528,185
		352,714,786	62,403,781
Administrative expenses	26	(417,335,383)	(166,635,251)
Operating loss		(64,620,597)	(104,231,470)
Finance cost	27	(31,334,803)	(3,655,421)
Other income	28	49,200,704	122,270,194
(Loss) / profit before levy		(46,754,696)	14,383,303
Levy	29	(4,408,935)	(2,445,162)
(Loss) / profit before taxation		(51,163,631)	11,938,141
Taxation	30	16,944,068	(1,707,619)
(Loss) / profit for the period		(34,219,563)	10,230,522

The annexed notes from 1 to 41 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR

UBL CURRENCY EXCHANGE (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM JULY 01, 2024 TO DECEMBER 31, 2024

	For the period from July 01, 2024 to December 31, 2024	For the period from November 08, 2023 to June 30, 2024
	Rupees	Rupees
Profit for the period	(34,219,563)	10,230,522
Other comprehensive Income		
Items that may be reclassified to profit or loss account in subsequent periods:		
- Fair value gain on investment in debt instruments measured at fair value through OCI	(2,858,214)	993,092
- Related deferred tax impact	828,882	(287,997)
Total comprehensive (loss) / income for the period	(36,248,895)	10,935,617

The annexed notes from 1 to 41 form an integral part of these financial statements.



 CHIEF FINANCIAL OFFICER



 CHIEF EXECUTIVE OFFICER



 DIRECTOR

UBL CURRENCY EXCHANGE (PRIVATE) LIMITED
 STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD FROM JULY 01, 2024 TO DECEMBER 31, 2024

	Issued, subscribed, paid-up share capital	Unappropriated profit	Investment value reserve	Total
----- Rupees -----				
Balance as at start of the period	-	-	-	-
Transactions with owners:				
Introduction of new share capital	2,000,000,000	-	-	2,000,000,000
Total comprehensive income for the period:				
Profit for the period	-	10,230,522	-	10,230,522
Other comprehensive income	-	-	705,095	705,095
	-	10,230,522	705,095	10,935,617
Balance as at June 30, 2024	2,000,000,000	10,230,522	705,095	2,010,935,617
Balance as at start of the period July 01, 2024	2,000,000,000	10,230,522	705,095	2,010,935,617
Transactions with owners:				
Introduction of new share capital	-	-	-	-
Total comprehensive loss for the period:				
Loss for the period	-	(34,219,563)	-	(34,219,563)
Other comprehensive loss	-	-	(2,029,332)	(2,029,332)
	-	(34,219,563)	(2,029,332)	(36,248,895)
Balance as at December 31, 2024	2,000,000,000	(23,989,041)	(1,324,237)	1,974,686,722

The annexed notes from 1 to 41 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

UBL CURRENCY EXCHANGE (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM JULY 01, 2024 TO DECEMBER 31,2024

For the period from July 01, 2024 to December 31, 2024 **For the period from November 08, 2023 to June 30, 2024**

Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(46,754,696)	14,383,303
Adjustment for non cash items:		
Depreciation on property and equipment	18,459,494	3,885,469
Depreciation on right of use asset	45,766,724	6,072,211
Amortization on intangible assets	915,005	238,333
Property and equipment - write off	1,025,052	6,594,116
Interest income on T-Bills	(17,026,546)	(12,807,518)
Interest income on sukuku	(14,987,710)	(4,312,208)
Exchange gain on long term deposit - Ria	-	(3,660)
Gain on sale of T-Bills	-	-
Gain on sale of debt securities	-	(157,374)
Exchange gain on long term deposit - Money Transfer	-	(2,801)
Gain on amortization of sukuk	-	(11,585)
Gain on Termination on Lease	(1,194,924)	-
Interest income on deposit accounts	-	(104,915,868)
Finance cost on lease liabilities	21,817,992	3,314,067
	54,775,087	(102,106,819)
Operating cash flows before working capital changes	8,020,391	(87,723,516)
Working capital changes		
Loans, advances and other receivables	(38,793,452)	(2,825,825)
Short-term prepayments	(8,785,681)	(7,854,633)
Trade debts	435,910,183	(492,226,812)
Trade and other payables	(143,058,392)	308,443,692
Cash generated from operations	253,293,049	(282,187,094)
Long-term deposit received	69,768,551	83,505,161
Long-term deposits paid	(7,302,397)	(37,414,446)
Income taxes paid	(5,292,309)	(19,397,006)
Net cash flows generated from / (used in) operating activities	310,466,894	(255,493,385)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(14,934,223)	(199,790,662)
Purchase of intangible assets	-	(7,550,000)
Premium paid over acquisition of net assets	-	(251,526,377)
Mark-up / interest income received	14,286,632	119,526,033
Purchase of T-BILLS / PIBS	(187,954,722)	(300,793,240)
Sale of T-BILL / PIBS	192,836,200	138,236,475
Purchase of Sukuku	-	(149,982,404)
Net cash generated from / (used in) investing activities	4,233,887	(651,880,175)
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of new shares	-	2,000,000,000
Impact of Lease Liability & ROUA	4,073,871	-
Repayment of lease liabilities	(51,368,252)	(13,460,149)
Net cash (used in) / generated from financing activities	(47,294,381)	1,986,539,851
Net increase in cash and cash equivalents	267,406,400	1,079,166,291
Cash and cash equivalents at beginning of the period	1,079,166,291	-
Cash and cash equivalents at end of the period	1,346,572,691	1,079,166,291

The annexed notes from 1 to 41 form an integral part of these financial statements.


CHIEF FINANCIAL OFFICER


CHIEF EXECUTIVE OFFICER


DIRECTOR

UBL CURRENCY EXCHANGE (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM JULY 01, 2024 TO DECEMBER 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 UBL Currency Exchange (Private) Limited (the Company) was incorporated in Pakistan on November 08, 2023 under the Companies Act, 2017 ('the Act'). The Company obtained a license for commencement of business on April 30, 2024 from State Bank of Pakistan. The registered office of the Company is situated at 2nd Floor, UBL Head Office, I.I. Chundrigar Road, Karachi. As at period end, the Company has 58 branches in operations.
- 1.2 The Company was established by United Bank Limited (the Parent Company) as a private limited company dedicated to foreign exchange services. This establishment is in line with the State Bank of Pakistan's (SBP) directive for banks to incorporate exchange companies to stabilize exchange rates and enhance market integrity. The Company operates under the ownership of UBL, providing currency exchange and money transfer services to individuals and corporates.

At its inception, the Company entered into an Asset Purchase Agreement (APA) with Wall Street Exchange Company (Private) Limited (WSEC). Under this agreement, the Company acquired WSEC's infrastructure, including 48 branches, 2 regional offices, and the head office. Additionally, the Company onboarded 348 employees from WSEC ensuring a seamless transition and continuity of services. This strategic move allowed the Company to expand its network and service capabilities significantly.

In addition to the acquired assets and human resources from WSEC, the Company has established its own currency exchange booths within UBL branches premises. This integration of services and infrastructure has enabled the Company to offer comprehensive foreign exchange solutions across an extensive network, enhancing its operational efficiency and customer reach.

- 1.3 The Company is a wholly owned subsidiary of United Bank Limited (the Parent Company).
- 1.4 The Company has changed its financial year-end from 30 June to 31 December to comply with the directives issued by the State Bank of Pakistan (SBP) in paragraph 4 of Chapter 5 of the Regulatory Framework for Exchange Companies. This change is intended to harmonize the Company's financial reporting with the regulatory requirements. The financial statements for the period ended 31 December 2024 have been prepared to reflect this change for a period of 6 months starting from 1 July 2024 to 31 December 2024.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention unless otherwise stated.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees ("Rs" or "Rupees"), which is the functional currency of the Company. All amounts have been rounded to the nearest rupee, unless otherwise indicated.

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO THE PUBLISHED ACCOUNTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended December 31, 2024

The following standards, amendments and interpretations are effective for the year ended December 31, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

**Effective date
(annual periods
beginning on or
after)**

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

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 01, 2026

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and judgments, if any, are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the financial statements or where judgment was exercised in application of accounting policies are as follows:

- Classification and impairment of investment (note 11.1 and 15.1).
- Depreciation rates of property and equipment & intangible assets (note 6 and 9).

5 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year.

5.1 Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

5.2 Lease liabilities

The Company recognized leases as a right-of-use-asset and corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant period rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

5.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property and equipment are depreciated over their estimated useful lives using straight line method at the rates specified in note 6. Depreciation on additions is charged from the month in which the item of property and equipment is available for use and no depreciation is charged in the month of disposal.

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

Item of property and equipment is derecognized when disposed off or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of property and equipment, if any, are recognized in statement of profit or loss as and when incurred.

Assets' residual values, if significant and their useful lives are reviewed at each financial position date and adjusted prospectively, if appropriate.

5.4 Intangible asset

Intangible assets are stated at cost less accumulated amortization and any impairment losses. Amortization is charged over the estimated useful life of the asset on a systematic basis applying the straight line method at the rates specified in note 6 to the financial statements. The estimate of useful life and amortization method are reviewed at the end of each financial year with the effect of any changes in estimate being accounted for prospectively.

The amortization is charged from the month in which asset is available for use while no amortization is charged for the month in which that asset is disposed off.

5.5 Cash and cash equivalents

Cash in hand and at banks is carried at cost. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and bank, running finance obtained to meet short term cash requirements and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

5.6 Financial instruments

5.6.1 Recognition, initial measurement and derecognition

Regular purchases and sales of financial assets are recognized on the trade date i.e. the date on which the Company commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the profit and loss account.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. After initial recognition, an entity shall measure a financial asset at fair value or amortized cost.

Gains or losses arising from changes in fair value of the 'financial assets at fair value through profit or loss' category are presented in the profit and loss account within 'Other income / other expenses' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the profit and loss account as part of 'Other income' when the Company's right to receive payments is established.

Gains or losses arising from changes in fair value of the 'financial assets at fair value through other comprehensive income' category are recognized in other comprehensive income with only dividend income recognized in statement of profit or loss account.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when the financial asset and all substantial risk and rewards are transferred.

A financial liability is derecognized when it is extinguished, discharged, cancelled or has expired.

5.6.2 Subsequent measurement of financial assets

The Company classifies its financial assets into following categories: financial assets at amortized cost, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. The financial assets are classified at initial recognition based on the business model used for managing the financial assets and contractual terms of the cash flows.

a) Financial assets at amortized cost

Financial assets are measured at amortized cost if both of the following conditions are met (and are not designated as FVTPL):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVOCI)

The fair value through other comprehensive income classification is mandatory for certain debt instrument assets unless the option to classify as fair value through profit or loss is taken.

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- They are held under a business model whose objective 'hold to collect and sell'; and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorized at fair value through profit or loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

All equity instruments are to be classified as financial assets at fair value through profit or loss, except for those equity instruments for which the Company has elected to present value changes in other comprehensive income.

Gains or losses arising from changes in fair value of the 'financial assets at fair value through other comprehensive income' category are recognized in other comprehensive income with only dividend income recognized in profit or loss.

5.6.3 Impairment of financial assets

IFRS 9 impairment requirements use more forward-looking information to recognize expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortized cost and FVOCI, trade receivables, contract assets recognized and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affects the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1');
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').;
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

12-month expected credit losses' are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

5.7 Financial liabilities

Financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value less directly attributable transactions costs, if any, and subsequently measured at amortized cost using effective interest method unless financial liabilities are held for trading, in which case it is required to be measured at fair value through profit or loss or where entity elects to measure at financial liability, under fair value option.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of original liability and recognition of a new liability and the difference in respective carrying amounts is recognized in the profit and loss account.

5.8 Goodwill on business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred by the Company to the former owners of the acquiree. Acquisition-related costs are recognised in profit and loss account as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred over the net assets of the acquiree. Goodwill arising on an acquisition of a net assets is carried at cost as established at the date of acquisition of the net assets of the company.

If the carrying amount exceeds the fair value, an impairment loss is recognized. This loss is recorded in the income statement, reducing net income and the carrying amount of goodwill on the balance sheet.

5.9 Trade and other payables

Liabilities for trade and other amounts payable are measured at cost which is the fair value of the consideration to be paid in the future for goods and services received whether billed to the Company or not.

5.10 Off setting of financial assets and liabilities

A financial asset and a financial liability is offset and the net amount reported in the statement of financial position if the Company has a legally enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.11 Transactions with related parties

Transactions in relation to sales, purchases and services with related parties are made at arm's length prices for which the pricing mechanism is subject to approval of the Board of Directors.

5.12 Taxation

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

The Institute of Chartered Accountants of Pakistan has issued IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes and defined two approaches for bifurcation of tax between current and minimum taxes. The Company has adopted an approach to account for current tax calculated on taxable income using the notified tax rate as an income tax and minimum tax any amount over the current tax calculated on taxable income is accounted for as excess over the current tax and is recognised as a levy as per IFRIC 21/IAS37.

a) Current

Current tax is the expected tax payable on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using tax rates enacted or substantively enacted at the reporting date after taking into account tax credits and tax rebates. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

b) Deferred

Deferred tax is accounted for using the Balance Sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available in future years to utilize deductible temporary differences, unused tax losses and tax credits. Deferred tax is not recognized on temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

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

5.13 Revenue

Income from exchange operations:

Income from exchange operations are the difference between the cost and selling price of foreign currency, including wire transmission. Income from exchange is recognized at the time of each transfer occurs on transfer date basis or/and the end of each reporting period when revaluation of foreign exchange position takes place.

a) Fee income:

Fee income includes fee collected on wire transfer and currency exchange transfers. Fee income is recognized at the time the transaction occurs on trade date basis.

b) Mark-up / interest income:

Mark-up / interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

c) Income on Inward / outward remittances:

Commission income on inward and outward remittance through MTOs is recognized when remittance is paid to customer or received from customer on behalf of MTOs.

d) Telegraphic transfer (TT) / Demand Draft (DD):

Income on TT / DD is recognized when transaction is entered into with the customer.

e) Unrealized gains / (losses) arising on revaluation of investments:

Unrealized gains / (losses) arising on revaluation of investments classified as fair value through profit or loss are included in the profit and loss account in the year in which they arise.

f) Other income:

Other income is recognized as and when incurred.

5.14 Foreign currencies

Transactions in currencies other than Pakistani Rupees are recorded at the rates of exchange prevailing on the dates of the transactions. At each financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the financial position date. Gains and losses on translation are taken to statement of profit and loss.

PROPERTY AND EQUIPMENT

	OWNED					Total
	Furniture and Fittings	Office equipment	Computer and related accessories	Leasehold Improvements	Vehicles	
	(Rupees)					
Period ended December 31, 2024						
Net carrying value basis						
Opening net book value	19,622,826	19,485,849	11,100,348	12,956,319	126,145,736	189,311,078
Additions (at cost)	7,878,058	1,991,126	753,175	4,245,864	66,000	14,934,223
Disposals during the year	(102,518)	-	-	(933,534)	-	(1,036,052)
Depreciation for the period	(1,366,923)	(2,990,620)	(1,593,267)	(979,708)	(11,528,976)	(18,459,494)
Closing net book value	<u>26,031,443</u>	<u>18,486,355</u>	<u>10,260,256</u>	<u>15,288,941</u>	<u>114,682,760</u>	<u>184,749,755</u>
Gross carrying value basis						
Cost	27,638,420	22,128,564	12,319,226	16,750,727	128,132,737	206,969,674
Accumulated depreciation	(1,606,977)	(3,642,209)	(2,058,970)	(1,461,786)	(13,449,977)	(22,219,919)
Closing net book value	<u>26,031,443</u>	<u>18,486,355</u>	<u>10,260,256</u>	<u>15,288,941</u>	<u>114,682,760</u>	<u>184,749,755</u>
Period ended June 30, 2024						
Net carrying value basis						
Opening net book value	-	-	-	-	-	-
Additions (at cost)	20,790,120	24,154,120	12,486,376	14,293,310	128,066,737	199,790,663
Disposals during the year	(915,319)	(4,016,682)	(920,325)	(741,790)	-	(6,594,116)
Depreciation for the period	(251,975)	(651,589)	(465,703)	(595,201)	(1,921,001)	(3,885,469)
Closing net book value	<u>19,622,826</u>	<u>19,485,849</u>	<u>11,100,348</u>	<u>12,956,319</u>	<u>126,145,736</u>	<u>189,311,078</u>
Gross carrying value basis						
Cost	20,790,120	24,154,120	12,486,376	14,293,310	128,066,737	199,790,663
Accumulated depreciation	(1,167,294)	(4,668,271)	(1,386,028)	(1,336,991)	(1,921,001)	(10,479,585)
Closing net book value	<u>19,622,826</u>	<u>19,485,849</u>	<u>11,100,348</u>	<u>12,956,319</u>	<u>126,145,736</u>	<u>189,311,078</u>
Rate of depreciation (%)	12.5	20 - 33	25 - 33	12.5	20	

		December 31, 2024 Rupees	June 30, 2024 Rupees
7	RIGHT OF USE ASSETS		
	Cost		
	Opening Balance	267,344,305	-
	Additions during the year	62,066,699	267,344,305
	Disposal during the year	(26,400,285)	-
	Closing Balance	<u>303,010,719</u>	<u>267,344,305</u>
	Accumulated Depreciation		
	Opening Balance	6,072,211	-
	Charge for the year	26 45,766,724	6,072,211
	Disposal during the year	(2,998,044)	-
	Closing Balance	<u>48,840,891</u>	<u>6,072,211</u>
	Carrying Amount	<u>254,169,828</u>	<u>261,272,094</u>
7.1	Disclosures related to profit and loss		
	Depreciation expense on right-of-use assets	26 45,766,724	6,072,211
	Interest expense on lease liabilities	27 21,817,992	3,314,067
	Expense related to short-term leases	17,178,553	3,099,965
8	GOODWILL		
	Goodwill on business acquisition	8.1 <u>251,526,377</u>	<u>251,526,377</u>
8.1	This represents the excess amount paid over the fair value of net assets acquired from Wallstreet Exchange Company (Private) Limited as a business acquisition transaction. This acquisition includes the rights to money exchange transfer lists, the establishment of foreign currency export lines, and the transfer of employee resources as of June 30, 2024. Goodwill is not impaired as of reporting date.		
9	INTANGIBLE ASSETS		
	Net carrying value basis		
	Opening net book value	7,311,667	-
	Additions (at cost)	-	7,550,000
	Amortization for the period	(915,005)	(238,333)
	Closing net book value	<u>6,396,662</u>	<u>7,311,667</u>

	Note	December 31, 2024 Rupees	June 30, 2024 Rupees
Gross carrying value basis			
Cost		7,550,000	7,550,000
Accumulated amortization		(1,153,338)	(238,333)
Net book value		<u>6,396,662</u>	<u>7,311,667</u>
Rate of depreciation % (per annum)		20-33	20-33
10 LONG TERM DEPOSITS			
Deposit to franchiser - RIA Financials	10.1	13,933,650	13,917,060
Deposits against leased premises	10.2	28,931,853	21,666,046
Others		1,855,000	1,835,000
		<u>44,720,503</u>	<u>37,418,106</u>

10.1 This represents an amount deposited with RIA Money Transfer as a security deposit for business transactions. The deposit is interest free and will be refunded after the termination of the agreement or adjusted in case of any default by the Company.

10.2 This includes interest free security deposits against leased premises in respect of head office and branch offices of the Company.

11 LONG TERM INVESTMENT

Investment in debt instruments classified as fair value through OCI:

Ijara Sukuks - Government of Pakistan	11.1	140,967,000	139,853,888
Pakistan Investment Bonds - Government of Pakistan	11.2	185,230,465	-
		<u>326,197,465</u>	<u>139,853,888</u>

11.1 The amount represents investment in 03 year Sukuks with a face value of amounting Rs. 138 million purchased from United Bank Limited (the Parent Company) on May 9, 2024. The maturity and yield to maturity of these Sukuks is December 4, 2026 and 21.22% respectively. The carrying value of these Sukuks as of December 31, 2024 amounting to Rs 138.864 (June 30, 2024 : Rs. 139.696 million). These sukuks are carried at fair value through other comprehensive income (FVOCI).

- 11.2 The amount represents an investment in Pakistan Investment Bonds (PIBs) with a total value of Rs. 190.36 million, comprising the following:

Fixed-Rate PIB: Face Value: Rs. 40.4 million Coupon Rate: 14.00% Yield to Maturity: 12.42%
Tenure: 3 Years Issue Date: September 20, 2024 Transaction Date: November 28, 2024

Floating-Rate PIB: Face Value: Rs. 150 million Floating Rate: 12.82% Yield to Maturity: 13.76% Tenure: 5 Years Issue Date: December 12, 2024

These PIBs are carried at fair value through other comprehensive income (FVOCI). The valuation of these bonds will be subject to market interest rate movements, and any fair value adjustments will be reflected accordingly in the financial statements.

Sukuks and Pakistan Investment Bonds (PIBs) have been deposited with State Bank of Pakistan (SBP) to meet the Statutory Liquidity Reserve (SLR) requirement of 15 percent of paid-up capital in accordance with the requirement stipulated in EPD Circular Letter No.5 of 2021

	Note	December 31, 2024 Rupees	June 30, 2024 Rupees
12 LOANS, ADVANCES AND OTHER RECEIVABLES			
Loan to employees		1,639,091	1,567,026
Advances		32,500	93,000
Advance tax		24,689,315	19,397,006
Receivable From Parent Company	12.1	1,161,096	-
Other receivable		38,446,810	1,165,799
		<u>65,968,812</u>	<u>22,222,831</u>

- 12.1 This represents receivable occurred due to sell/handover assets of Hali Road Quetta booth to the parent company against which settlement of these assets is receivable from the UBL.

13 SHORT TERM PREPAYMENTS

Prepaid insurance		1,589,138	444,445
Prepaid club membership	13.1	4,934,841	5,694,047
Prepaid Rent		6,849,372	1,716,141
Prepaid Other		3,266,963	-
		<u>16,640,314</u>	<u>7,854,633</u>

- 13.1 This amount represents an advance payment made to Karachi Boat Club for the four year membership fees of the club.

	Note	December 31, 2024 Rupees	June 30, 2024 Rupees
14 TRADE RECEIVABLES			
Secured, Considered Good			
Receivable from Bahrain Financing Company (BFC)	14.1	-	472,066,614
Receivable from MoneyGram	14.2	33,530,383	20,160,198
Receivable from WesternUnion	14.3	22,786,246	-
		<u>56,316,629</u>	<u>492,226,812</u>

14.1 This amount represents receivables arising from the export of currencies to BFC, an international financial institution. The average collection period for such receivables is typically one to two working days, reflecting the short-term nature of these transactions. Based on the collection pattern and the short duration involved, these receivables are not considered credit-impaired.

14.2 This represents receivable in respect of inward remittances paid on behalf of MoneyGram. The average credit period for payment of inward remittances is two to three days and no interest is charged for this period. There are no past dues or impaired balance as of period end.

14.3 This represents receivable in respect of inward remittances paid on behalf of Western Union. The average credit period for payment of inward remittances is two to three days and no interest is charged for this period. There are no past dues or impaired balance as of period end.

15 SHORT TERM INVESTMENTS

Investment in debt instruments classified as fair value through OCI:

Market Treasury Bills (MTBs)	15.1	<u>-</u>	<u>176,356,893</u>
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15.1 This represents one year treasury bills purchased from the Parent company on December 28, 2023 and May 31, 2024 with a face value of amounting Rs. 150 million and Rs. 43 million, and were matured on December 26, 2024 and November 28, 2024 respectively. The yield to maturity rates ranged from 20.5% to 21.34%.

16 DEFERRED TAXATION - NET

Deferred taxation - net	16.1	<u>(15,777,332)</u>	<u>1,995,615</u>
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	December 31, 2024	June 30, 2024
Deferred tax liability on taxable temporary differences		
Accelerated tax depreciation	7,647,110	7,574,760
Exchange gain	1,874	1,874
Gain on amortization of Sukuks	3,360	3,360
	<u>7,652,344</u>	<u>7,579,993</u>
Deferred tax asset on deductible temporary differences		
Right-of-use assets	(3,521,351)	1,181,423
Revaluation of investments	(540,885)	287,997
	(4,062,236)	1,469,419
Tax credits carried forward	(6,854,097)	(2,445,162)
Carried forward tax losses	(12,513,343)	(4,608,636)
	(19,367,440)	(7,053,798)
	<u>(15,777,332)</u>	<u>1,995,615</u>
16.1 Movement in deferred tax is as follows		
As at July 01	1,995,615	-
Recognized as deferred tax expense / (income) in statement of profit or loss		
Accelerated tax depreciation	72,350	7,574,760
Exchange gain	-	1,874
Gain on amortization of Sukuks	-	3,360
Right-of-use assets	(4,702,773)	1,181,423
Tax credits carried forward	(4,408,935)	(2,445,162)
Carried forward tax losses	(7,904,707)	(4,608,636)
	(16,944,065)	1,707,618
Recognized as deferred tax expense / (income) in statement of comprehensive income		
Revaluation of investments	(828,882)	287,997
	<u>(15,777,332)</u>	<u>1,995,615</u>

	Note	December 31, 2024 Rupees	June 30, 2024 Rupees
17 CASH AND BANK BALANCES			
Cash in hand	17.1	1,090,364,925	613,910,183
Cash at banks	17.2	256,207,766	465,256,108
		<u>1,346,572,691</u>	<u>1,079,166,291</u>
17.1 Cash in hand			
Local currency		288,269,609	259,718,594
Foreign currency	17.1.1	802,095,316	354,191,589
		<u>1,090,364,925</u>	<u>613,910,183</u>
17.2 Cash at banks			
Local currency - conventional mode			
Saving account	17.2.1	24,711,705	4,782,328
Current account		194,247,903	389,890,146
		218,959,608	394,672,474
Local currency - shariah compliant			
Saving account	17.2.2	187,387	35,000,000
Foreign Currency			
Current account		37,060,771	35,583,634
		<u>256,207,766</u>	<u>465,256,108</u>

17.1.1 This represents the various foreign currencies held for trading. Foreign currencies other than USD are purchased locally and are usually exported outside Pakistan.

17.2.1 This amount is placed with the parent company and carries mark-up / interest at the rate of 13.5% - 20.5% per annum.

17.2.2 This amount is placed with the parent company in terms of Islamic saving and carries profit rate of 13.5% - 15.5% per annum.

17.2.3 The SLR (Statutory Liquidity Ratio) account is maintained with the State Bank of Pakistan to ensure compliance with the 15% minimum capital requirement, which can be held either in an SLR account or invested in government securities.

18 **SHARE CAPITAL**

18.1 **Authorized Share Capital**

June 30, 2024	December 31, 2024		June 30, 2024 Rupees	December 31, 2024 Rupees
<u>200,000,000</u>	<u>200,000,000</u>	Ordinary shares of	<u>2,000,000,000</u>	<u>2,000,000,000</u>

18.2 **Issued, Subscribed and Paid up Capital**

<u>200,000,000</u>	<u>200,000,000</u>	Ordinary shares of Rs. 10 each issued as fully paid in	<u>2,000,000,000</u>	<u>2,000,000,000</u>
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18.3 At December 31, 2024 the holding company held 199,999,998 (June 30,2024 : 199,999,998) ordinary shares of the Company, which comprises of 100% of the ordinary share capital (June 30, 2024: 100%)

19 **LONG TERM DEPOSITS**

Deposits from WesternUnion	19.1	69,669,011	-
Deposits from MoneyGram	19.1	<u>83,601,900</u>	<u>83,502,360</u>
		<u>153,270,911</u>	<u>83,502,360</u>

19.1 This represents amount deposited by MoneyGram and Western Union for entering into a business arrangement. The deposit is interest free and adjustable in the event of a default or surplus of payments to customers.

Note	December 31, 2024 Rupees	June 30, 2024 Rupees
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20 **LEASE LIABILITY AGAINST RIGHT OF USE ASSETS**

Lease Liability represented by:			
Non-current		205,785,238	212,934,832
Current		<u>65,499,262</u>	<u>44,263,391</u>
	20.1	<u>271,284,500</u>	<u>257,198,223</u>

20.1 Movement:	Note	December 31, 2024 Rupees	June 30, 2024 Rupees
Opening balance		257,198,223	-
Additions during the period		68,215,149	267,344,305
Finance cost for the period	27	21,817,992	3,314,067
Disposal of lease		(24,578,612)	-
Repayment during the period		(51,368,252)	(13,460,149)
Closing balance		<u>271,284,500</u>	<u>257,198,223</u>

December 31, 2024				
Minimum lease payments due in				
Not later than one year	Later than one year but not later than 5 years	Later than five years	Total	
Rupees				
Minimum lease payments	100,644,959	229,292,894	76,481,068	406,418,922
Less: Interest accrued	(35,145,697)	(86,118,292)	(13,870,432)	(135,134,422)
Net present value	<u>65,499,262</u>	<u>143,174,602</u>	<u>62,610,635</u>	<u>271,284,500</u>

June 30, 2024				
Minimum lease payments due in				
Not later than one year	Later than one year but not later than 5 years	Later than five years	Total	
Rupees				
Minimum lease payments	79,879,118	243,477,712	64,458,025	387,814,855
Less: Interest accrued	(35,615,726)	(84,098,956)	(10,901,950)	(130,616,632)
Net present value	<u>44,263,391</u>	<u>159,378,756</u>	<u>53,556,075</u>	<u>257,198,223</u>

21 TRADE AND OTHER PAYABLES	Note	December 31, 2024 Rupees	June 30, 2024 Rupees
Trade payable	21.1	82,610,735	5,012,891
Accrued liabilities		25,495,817	47,026,656
Withholding tax payable		4,565,396	1,811,072
Remittances payable		52,713,352	38,023,689
Others	21.2	-	216,569,384
		<u>165,385,300</u>	<u>308,443,692</u>

	Note	December 31, 2024 Rupees	June 30, 2024 Rupees
21.1 Trade payables			
MoneyGram Inc.	21.1.1	1,581,518	2,425,821
WesternUnion Inc	21.1.2	3,897,874	-
WesternUnion Inc (Advance Funds)	21.1.3	57,999,866	-
RIA Financials	21.1.4	19,127,107	2,587,070
Bahrain Financing Company (BFC)		4,370	-
		<u>82,610,735</u>	<u>5,012,891</u>

21.1.1 This represents payable to MoneyGram against outward remittances.

21.1.2 This represents payable to WesternUnion against outward remittances.

21.1.3 This represents payable to WesternUnion against Advance Funding (Occasional).

21.1.4 This represents advance payment from RIA Financials in respect of payment of inward remittances on its behalf.

	Note	December 31, 2024 Rupees	June 30, 2024 Rupees
21.2 Others			
Payable to Parent Company	21.2.1	-	122,534,269
Payable to WSEC	21.2.2	-	94,035,115
		<u>-</u>	<u>216,569,384</u>

21.2.1 The amount represents various payments made by UBL (the parent company) on behalf of the Company for establishing the business in normal scenarios. At December 31, 2024 receivable balance was recognised in the accounts against parent company due to Sell / Handover assets of Hali Road Quetta booth to it.

21.2.2 This amount represented the payable to Wallstreet Exchange Company (Private) Limited for the acquisition of their net assets.

22 TAXATION - NET

Provision for taxation - Levy	<u>4,408,935</u>	<u>2,445,162</u>
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This represents portion of alternate corporate tax payable under section 113C of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

23 CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

There were no contingencies as at the reporting date. (June 30, 2024 : nil)

23.2 Commitments

There were no commitments as at the reporting date .(June 30, 2024 : nil)

	Note	For the period from July 01, 2024 to December 31, Rupees	For the period from November 08, 2023 to June 30, 2024 Rupees
24 INCOME FROM EXCHANGE OPERATION			
Income from exchange operation	24.1	253,183,321	59,047,532
Remittance gain		25,539,074	828,064
		<u>278,722,395</u>	<u>59,875,596</u>
24.1	Income from exchange operations includes income from sale and purchase of foreign currencies and revaluation gain / loss on foreign currencies.		
25 FEE INCOME			
Inward remittances through MTOs(MG, WU,RIA)	25.1	24,282,599	1,183,682
Outward remittances through MTOs(MG, WU)	25.1	5,762,564	46,456
Telegraphic Transfer through United Bank Limited		5,500,787	332,000
Rebate income		38,446,441	966,047
		<u>73,992,391</u>	<u>2,528,185</u>
25.1	This includes commission income from fees charged for facilitating transactions across borders.		
26 ADMINISTRATIVE EXPENSES			
Salaries, wages and benefits	26.1	205,205,086	75,935,086
Employer contribution		3,886,127	
Travelling and transportation		3,580,657	305,397
Insurance expense		1,085,944	222,222
Security expenses		25,665,514	3,783,057
Repair and maintenance		10,437,579	1,926,058
Rent, rates and taxes		23,148,301	3,099,965
Communication expenses		5,670,137	474,610
Utilities		33,805,581	1,038,511

		For the period from July 01, 2024 to December 31, 2024	For the period from November 08, 2023 to June 30, 2024
	Note	Rupees	Rupees
Vehicle running expenses		15,783,713	1,369,649
Legal and professional charges	26.2	528,930	56,613,471
Printing and stationery		3,699,789	1,082,765
Entertainment expense		5,646,445	334,821
Marketing expense		2,485,229	6,225,453
Depreciation on right-of-use asset		45,766,724	6,072,211
Depreciation on property and equipment	6	18,459,494	3,885,469
Amortization of intangible asset	9	915,005	238,333
Donations	26.3	766,310	297,598
Auditors' remuneration	26.4	594,000	594,000
Currency transportation charges		10,174,279	1,462,794
Staff welfare expenses		-	1,588,631
Miscellaneous expenses		30,539	85,150
		<u>417,335,383</u>	<u>166,635,251</u>
26.1	Salaries include salary of Chief Executive Officer (CEO) and bonus to employees amounting to Rs. 21.848 million and Rs. 1.4 million respectively.		
26.2	This amount includes the arbitrage fee paid to Arif Habib for the acquisition of net assets of WSEC.		
26.3	This represents a donation made to Saylani Welfare Trust. None of the director or their spouses have any interest in donee institute.		
26.4	Auditors' remuneration		
		500,000	500,000
		50,000	50,000
		44,000	44,000
		<u>594,000</u>	<u>594,000</u>
27	FINANCE COST		
		21,817,992	3,314,067
		9,516,811	341,354
		<u>31,334,803</u>	<u>3,655,421</u>
28	OTHER INCOME		
	28.1	15,855,480	104,915,868
		17,026,546	12,807,518
		14,987,710	4,312,208
		-	11,585

	Note	For the period from July 01, 2024 to December 31, 2024 Rupees	For the period from November 08, 2023 to June 30, 2024 Rupees
Exchange gain long-term deposits		-	6,461
Gain on sale of debt securities		-	157,374
Gain on disposal of fixed assets		136,044	-
Others		1,194,924	59,180
		<u>49,200,704</u>	<u>122,270,194</u>

28.1 This represents mark-up / interest income on savings accounts maintained with the parent company and carries mark-up / interest rate of 14.35% to 21.75% per annum.

29 LEVY

Income tax levy under IFRIC 21/IAS 37		<u>4,408,935</u>	<u>2,445,162</u>
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29.1 This represents portion of alternate corporate tax payable under section 113C of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS

30 TAXATION

Current		-	-
Prior year		-	-
Deferred taxation (income) / expense	17	<u>(16,944,068)</u>	<u>1,707,619</u>

31 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged during the period in the financial statements for remuneration, including all benefits to Chief Executive of the Company were as follows:

Basic salary	7,800,660	12,396,310
House rent allowance	3,510,297	5,578,340
Conveyance allowance	1,884,963	2,995,463
Utilities allowance	1,560,134	2,479,265
Contribution to provident fund	650,057	1,033,029
Other allowances	979,888	1,557,176
Medical allowance	-	-
	<u>16,386,000</u>	<u>26,039,583</u>

TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties and associated undertakings comprise Parent Company, associated companies, Directors and their related concerns and key management personnel. All transactions involving, related parties arising in the normal course of business are conducted at agreed terms and conditions. Details of transactions during the period and outstanding balances with related parties as at reporting period, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	December 31, 2024	June 30, 2024
Note	----- (Rupees) -----	
32.1 United Bank Limited - the Holding Company		
<i>Transactions</i>		
Deposit in bank accounts maintained with UBL	61,628,288,590	11,376,252,071
Withdrawal from bank accounts maintained with UBL	61,715,576,758	10,999,834,093
Purchase of investment (T-Bill)	-	193,000,000
Sale of investment (T-Bills)	149,836,200	-
Purchase of investment (PIB / Sukuks)	187,954,722	138,000,000
Rent paid	-	-
Bank charges	5,377,203	341,357
Interest income on bank deposits	15,855,480	104,915,868
	28.1	
<i>Balances</i>		
Bank balances-Current Account	210,474,006	210,286,619
Bank balances-Saving Account	24,711,705	24,896,854
Accrued interest on savings accounts	880,042	5,516,919
Receivable from UBL	1,161,096	-
Payable to UBL	-	123,695,365
32.2 Chairman / Directors and CEO		
<i>Transactions during the year</i>		
Mr.Aqeel Ahmed Nasir the Chairman of Board / Non-Executive Purchase of Currencies from the counters		
Details of Transactions are :		
Sale and purchase of foreign currencies	4,373,750	-
Shares held by directors	1	-

	Note	December 31, 2024 Rupees	June 30, 2024 Rupees
Mr.Sharjeel Shahid Director / Non-Executive Sold the Currency at counter			
Details of Transactions are :			
Sale and purchase of foreign currencies		<u>1,745,000</u>	<u>-</u>
Shares held by directors		<u>1</u>	<u>-</u>
32.3 Key Management other than CEO			
Transactions during the year			
Sale and purchase of foreign currencies		<u>4,666,135</u>	<u>-</u>
Outstanding Balances as at period end:			
Bank balances		<u>235,185,711</u>	<u>465,256,107</u>
Payables to United Bank Limited		<u>-</u>	<u>(122,534,269)</u>

33 FINANCIAL RISK MANAGEMENT

The Company is exposed to the following risks in respect of financial instruments:

- Credit risk,
- Liquidity risk, and
- Market risk.

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

33.1 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation. The risk is generally limited to principal amounts and accrued interest thereon, if any. The Company's policy is to enter into financial contracts in accordance with the risk management framework. Out of total assets of Rs. 2,668 million the financial assets which are subject to credit risk amounted to Rs. The carrying amounts of these financial assets represents the maximum credit exposure

Long-term deposits	10	44,720,503	37,418,106
Trade receivables	14	56,316,629	492,226,812
Bank Balances	17.2	<u>256,207,766</u>	<u>465,256,107</u>
		<u>357,244,898</u>	<u>284,521,948</u>

33.1.1 Details of credit ratings of bank balances are as follows.

Name of Bank	Rating Agency	Rating		2024
		Long Term	Short Term	Rupees
United Bank Limited	VIS	AAA	A1+	465,246,107
Meezan Bank Limited	PACRA	AAA	A1+	1,000
				<u>465,247,107</u>

33.2 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:

December 31, 2024						
Carrying amount	Contractual maturities	Maturity upto three months	Maturity later than three months and not later than one year	Maturity later than one year and not later than five years	Maturity later than five years	
----- (Rupees) -----						
Lease liabilities	271,284,500	271,284,500	-	65,499,262	143,174,602	62,610,635
Trade and other payables	165,385,300	165,385,300	165,385,300	-	-	-
Long term deposits	153,270,911	153,270,911	-	-	-	83,502,360
	<u>589,940,711</u>	<u>589,940,711</u>	<u>165,385,300</u>	<u>65,499,262</u>	<u>143,174,602</u>	<u>146,112,995</u>
June 30, 2024						
Carrying amount	Contractual maturities	Maturity upto three months	Maturity later than three months and not later than one year	Maturity later than one year and not later than five years	Maturity later than five years	
----- (Rupees) -----						
Lease liabilities	257,198,223	257,198,223	-	44,263,391	459,378,756	53,556,075
Trade and other payables	308,443,692	308,443,692	308,443,692	-	-	-
Long term deposits	83,502,360	83,502,360	-	-	-	83,502,360
	<u>649,144,275</u>	<u>649,144,275</u>	<u>308,443,692</u>	<u>44,263,391</u>	<u>159,378,756</u>	<u>137,058,435</u>

33.3 Market risk

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

33.3.1 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market yield. At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

		December 31, 2024				
Effective yield / interest rate percent	Note	Interest / mark-up bearing			Non interest / mark-up bearing	Total
		Not later than one year	One to five years	Over five years		
----- (Rupees) -----						
Financial Assets						
Long-term deposits	10	-	-	-	44,720,503	44,720,503
Long-term investments	11	14%	326,197,465	-	-	326,197,465
Trade receivables	14	-	-	-	56,316,629	56,316,629
Advances to staff - secured	12	-	-	-	65,000	65,000
Short term prepayments	13	-	-	-	16,640,314	16,640,314
Short-term investments	15	0%	-	-	-	-
Other receivable	12	-	-	-	38,446,810	38,446,810
Cash and bank balances	18	12% - 14%	24,711,705	-	1,321,860,986	1,346,572,691
			<u>24,711,705</u>	<u>326,197,465</u>	<u>-</u>	<u>1,478,050,242</u>
Financial Liabilities						
Long-term deposits	20	-	-	-	153,270,911	153,270,911
Lease liability	21	various	65,499,262	143,174,602	62,610,635	271,284,500
Trade and other payables	22	-	-	-	165,385,300	165,385,300
			<u>65,499,262</u>	<u>143,174,602</u>	<u>62,610,635</u>	<u>318,656,211</u>
						<u>1,828,959,412</u>

		June 30, 2024				
Effective yield / interest rate percent	Note	Interest / mark-up bearing			Non interest / mark-up bearing	Total
		Not later than one year	One to five years	Over five years		
----- (Rupees) -----						
Financial Assets						
Long-term deposits	10	-	-	-	83,502,360	83,502,360
Long-term investments	11	21%	139,853,888	-	-	139,853,888
Trade receivables	14	-	-	-	492,226,812	492,226,812
Advances to staff - secured	12	-	-	-	1,660,026	1,660,026
Short term prepayments	13	-	-	-	7,854,633	7,854,633
Short-term investments	15	21%	176,356,893	-	-	176,356,893
Other receivable	12	-	-	-	1,165,799	1,165,799
Cash and bank balances	18	13.5% - 20.5%	4,782,328	-	1,074,383,962	1,079,166,291
			<u>181,139,221</u>	<u>139,853,888</u>	<u>-</u>	<u>1,660,793,593</u>
Financial Liabilities						
Long-term deposits	20	-	-	-	83,502,360	83,502,360
Lease liability	21	various	44,263,391	159,378,756	53,556,075	257,198,223
Trade and other payables	22	-	-	-	308,443,692	308,443,692
			<u>44,263,391</u>	<u>159,378,756</u>	<u>53,556,075</u>	<u>391,946,052</u>
						<u>649,144,275</u>

33.3.2 Currency risk

Currency risk is the risk that the value of the financial instrument will fluctuate due to changes in the foreign exchange rates. In order to avoid losses arising from adverse movements in the rate of exchange the management monitors compliance with all external and internal limits (including currency, dealer and counter party limits), review of foreign exchange exposure and regular revaluation of the entire portfolio.

	December 31, 2024			
	USD	GBP	EUR	Others
Financial Assets	----- (Equivalent Rupees) -----			
Foreign currencies - in hand and bank	183,291,023	58,785,288	63,719,679	533,359,475
Trade receivables	56,316,629	-	-	-
Long term deposits	44,720,503			
	<u>239,607,652</u>	<u>58,785,288</u>	<u>63,719,679</u>	<u>533,359,475</u>

	December 31, 2024			
	USD	GBP	EUR	Others
Financial Liabilities	----- (Equivalent Rupees) -----			
Long-term deposits	153,270,911	-	-	-
Trade payable and other payables	165,385,300	-	-	-
Net currency exposure	<u>86,336,741</u>	<u>58,785,288</u>	<u>63,719,679</u>	<u>533,359,475</u>
Currency exchange rates	278.67	289.75	349.50	Various

	June 30, 2024			
	USD	GBP	EUR	Others
Financial Assets	----- (Equivalent Rupees) -----			
Foreign currencies - in hand and bank	116,539,832	26,166,167	29,356,224	907,104,069
Trade receivables	492,226,812	-	-	-
Long term deposits	37,418,106	-	-	-
	<u>608,766,644</u>	<u>26,166,167</u>	<u>29,356,224</u>	<u>907,104,069</u>

	June 30, 2024			
	USD	GBP	EUR	Others
Financial Liabilities	----- (Equivalent Rupees) -----			
Long-term deposits	83,502,360	-	-	-
Trade payable and other payables	5,012,891	-	-	-
Net currency exposure	<u>525,264,284</u>	<u>26,166,167</u>	<u>29,356,224</u>	<u>907,104,069</u>
Currency exchange rates	278.74	348.36	294.76	Various

33.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is not exposed to any other price risks as at period end.

34 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

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

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table analyses financial assets and liabilities at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorized:

	December 31, 2024							
	Carrying Amount			Fair value				
	Fair value through profit and loss	Fair value through other comprehensive	Amortized Cost	Total	Level 1	Level 2	Level 3	Carrying Value
(Rupees)								
- Foreign currencies	839,156,087	-	-	839,156,087	839,156,087	-	-	839,156,087
Financial assets not measured at fair value:								
- Sukuks	-	140,967,000	-	140,967,000	-	140,967,000	-	140,967,000
- Market Treasury Bills	-	-	-	-	-	-	-	-
- Pakistan Investment Bonds (PIBs)	-	185,230,465	-	185,230,465	-	185,230,465	-	185,230,465
- Long term deposits	-	-	44,720,503	44,720,503	-	-	-	44,720,503
- Trade receivables	-	-	56,316,629	56,316,629	-	-	-	56,316,629
- Cash and bank balances	-	-	1,346,572,691	1,346,572,691	-	-	-	1,346,572,691
Financial liabilities not measured at fair value:								
- Long term deposits	-	-	153,270,911	153,270,911	-	-	-	153,270,911
- Trade and other payables	-	-	165,385,300	165,385,300	-	-	-	165,385,300

June 30, 2024							
Carrying Amount				Fair value			
Fair value through profit and loss	Fair value through other comprehensive	Amortized Cost	Total	Level 1	Level 2	Level 3	Carrying Value
(Rupees)							
- Foreign currencies	389,775,222	-	389,775,222	389,775,222	-	-	389,775,222
Financial assets not measured at fair value:							
- Sukuks	-	139,853,888	139,853,888	-	139,853,888	-	139,853,888
- Market Treasury Bills	-	176,356,893	176,356,893	-	176,356,893	-	176,356,893
- Long term deposits	-	37,418,106	37,418,106	-	-	-	37,418,106
- Trade receivables	-	492,226,812	492,226,812	-	-	-	492,226,812
- Cash and bank balances	-	1,079,166,291	1,079,166,291	-	-	-	1,079,166,291
Financial liabilities not measured at fair value:							
- Long term deposits	-	83,502,360	83,502,360	-	-	-	83,502,360
- Trade and other payables	-	308,443,692	308,443,692	-	-	-	308,443,692

35 CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management closely monitors the return on capital along with the level of distributions to

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

	December 31, 2024	June 30, 2024
Note	Rupees	Rupees
Shareholders' equity:		
- Issued, subscribed and paid up capital	2,000,000,000	2,000,000,000
- Unappropriated profit	(23,989,041)	10,230,522
Total capital managed by the Company	<u>1,976,010,959</u>	<u>2,010,230,522</u>

In accordance with circular bearing F.E. Circular No. 03 dated September 06, 2023 issued by the State Bank of Pakistan, the minimum capital requirement for Exchange Companies has been increased from PKR 200 million to PKR 500 million.

36 GEOGRAPHICAL LOCATIONS

1) **Head Office:** S22, M5 Business Arcade PECH Block 6 Shahrah-e-Faisal, Karachi

Regional Office:

2) **AL-Rahim:** Mezzanine Floor, M-4, Al-Rahim tower, I.I Chundrigar Road, Karachi

3) **Cavalry Ground:** 2nd & 3rd Floor Plaza # 21, Commercial Zone, Cavalry Ground, Lahore

Currency Exchange Booth:

- 4) **Circular Road Faisalabad Branch:** Circular Road, Faisalabad
- 5) **Chamber Of Commerce Gujranwala Branch:** Chamber of Commerce Building, Gujranwala
- 6) **Jinnah Avenue Islamabad Branch:** Ground Floor, Jinnah Avenue Building, Islamabad
- 7) **City Branch:** UBL Building, I.I Chundrigar Road, Karachi
- 8) **Nelagumbad Lahore Branch:** Nelagumbad, Al Jannat Building, Lahore
- 9) **8K Gulberg Lahore Branch:** 8-K, Gulberg, Lahore
- 10) **Police Lines Mirpur Branch:** Opposite Police Lines, Mirpur-AJK Mirpur (A.K)
- 11) **Jinnah Chowk Multan Branch:** Jinnah Chowk, Khanewal Road, Multan
- 12) **Dean Trade Center Peshawar Branch:** Deans Trade Centre Basement, Peshawar Cantt., Peshawar
- 13) **Hali Road Quetta Branch:** Hali Road, Quetta Cantt., Quetta

Branch

- 14) **Rabwah Branch:** Shop # 7/14 Gole Bazar, Gole Bazar, Rabwah, Chiniot Chenab Nagar
- 15) **Faisalabad Branch:** P-87-1, Katchery Bazar, Faisalabad
- 16) **D Ground Branch:** Shop # 2, Basement MS Centre B-24 Peoples Colony, D Ground, Faisalabad
- 17) **Toba Tek Singh Branch:** Shop No 70, Farooq Road Near Bank Alfalah, Toba Tek Singh Gojra
- 18) **Gujranwala Bank Square Branch:** Shop # BXX VII-6-76, Bank Square, Daal Baazar, Gujranwala
- 19) **Gujranwala GT Road Branch:** Shop # BX11-75-105, BX11-65-18, Chowni Road, Gujranwala
- 20) **Gujrat Branch:** Shop # 18-19, Center Point Plaza, GTS Adda, Gujrat
- 21) **Sheesha Chowk Branch:** Shop # 815-A/B-II, , Circular Road, New Sheeshanwala Gate, Gujrat
- 22) **Qasimabad Branch:** Shop #.2&13, Sakhi Wahab, Saddar Cantt., Hyderabad
- 23) **Hyderabad Cantt Branch:** Shop # 02, Ground Floor, Cantonment Survey No. 41/482, Hyderabad
- 24) **Al-Rahim Tower Branch Karachi:** G-4, Al-Rahim Tower, I.I. Chundrigar Road, Karachi
- 25) **AirPort Karachi (Br):** Counter # 03, Room # 2314, Jinnah International Airport, Karachi

- 26) **Sharah-e-Faisal Karachi Branch:** Show Room # 6, Amber Castle, Block-6, PECHS, Karachi
- 27) **Haidery Branch Karachi:** Shop # 9, 10 Ground Floor Al Burhan Building, North Nazimabad, Karachi
- 28) **Millenium Branch Karachi:** Shop # G-26, Millennium Classic Mega Mall, Rashid Minhas Road, Karachi
- 29) **D.H.A Branch Karachi:** Plot No 4-C, Shahbaz Commercial Lane No. 2 Phase VI DHA, Karachi
- 30) **P.E.C.H.S Branch Karachi:** Shop # 1, Plot # 61 & 62, CC, PECHS (Main Tariq Road), Karachi
- 31) **North Nazimabad Branch Karachi:** Shop # B-10, Ground Floor, Al Burhan Circle, North Nazimabad, Karachi
- 32) **Gulshan Branch Karachi:** Shop # 2, Ground Floor, Data Trade Center, Gulshan-e-Iqbal, Karachi
- 33) **Hyper Market Branch Karachi:** MAF Hyper Market Pakistan Pvt. Ltd Dolman Mall, Clifton, Karachi
- 34) **Garden East Branch Karachi:** Shop # 1 & Flat A-2, Ground Floor, Garden East, Karachi
- 35) **Gulistan-E-Johar Branch Karachi:** Shop # 05/A, Portion B, Billy's Paradise, Gulistan-e-Johar, Karachi
- 36) **UP More Branch Karachi:** Shop No. II-C/1, UP More, Adam Town, North Karachi,
- 37) **Disco Bakery Branch Karachi:** Shop # 7, Hamid Square Building, Gulshan-e-Iqbal,
- 38) **DHA Phase II Branch Karachi:** Shop No. 3-C/1 Ground Floor Plot No. 3-C, hase II DHA, Karachi
- 39) **Hyper Lucky One Branch:** HyperMall, Lucky One Mall, F.B. Area, Rashid Minhas Road, Karachi
- 40) **Tee-Emm Mart Branch Karachi:** TEE-EMM Mart, Creek Vistas, Khayaban-e-Shaheen, DHA Phase-VIII, Karachi.
- 41) **Karimabad Magnet Mall Branch:** Ground Floor, Plot No. ST-1/A, Block No. 04, Federal B. Area, Karachi
- 42) **Malir Branch:** Shop No. 26, Salman Tower, Highway, Malir, Karachi
- 43) **Al-Jadeed Mosmiyat Branch:** Al-Jadeed Super Market, Plot # 235,236&237, Gulistan-e-Johar, Karachi
- 44) **Model Colony Branch:** Shop No. 1, Sheet No. 5, Liaqat Ali Khan Road, Model Colony, Karachi
- 45) **Clifton Schon Circle Branch:** KDA Scheme No. 5, Kehkashen, Clifton Road , Karachi
- 46) **Kharian Branch:** Property # 1573-N-5, Shop # 7 Lower Ground, Kharian, Gujrat Kharian

- 47) **Kotla Branch:** Shop 366 Khewat # 128, Khatoni # 990 Khasra # 1909/886, Distr. Gujrat Kotla Arab Ali
- 48) **Cantt Board Market Branch:** CB Shop SVY # 88/356 Cantt Board Market Saddar Round About Lahore Cantt., Lahore
- 49) **Rahat Bakery Branch Lahore:** Shop # 4 Saint Jhon Building, Rahat Market Lahore Cantt., Lahore
- 50) **Lahore Gulberg Branch:** Shop No 1, 2, 3, Zam Zam Tower, 29-E Main Market, Gulberg II, Lahore
- 51) **Wapda Town Branch:** Shop No. LG 05, Sheranwala Complex, Block E, PIA Housing,
- 52) **Cavalery Branch:** Plaza No. 21, Commercial Area, Cavalry Ground, Lahore
- 53) **Wapda Town Round About Branch:** Shop -13 Al-Wahab Trader Center Wapda Town Round About, Lahore
- 54) **Moon Market Branch:** Shop # 47, Ground Floor, Moon Market, Allama Iqbal Town,
- 55) **Saddar Roundabout Branch:** 2/A, Madina Market, Saddar Round About, Lahore Cantt., Lahore
- 56) **Mandi Bahauddin:** Shop 1, Euro Tower Near Bank Alfalah, 169 Kutchery Road Mandi Bahauddin
- 57) **Peshawar Branch:** Shop No. UG-60 Deen Trade Center, Saddar, Peshawar
- 58) **University Road Branch Peshawar:** Shop no UG4 shaikh Yaseen Trade Center Arbab Road Stop University Road Peshawar
- 59) **Sahiwal Branch:** Shop No.165-B-II, Jinnah Road, Sahiwal
- 60) **Sambrial Branch:** Shop No. B1 and B2, Ground Floor, Sambrial, District Sialkot
- 61) **Sheikhupura Branch:** Shop B-III/S-8A Ground, 1st and 2nd Floor Sargodha Road, Sheikhupura
- 62) **Sialkot Branch:** Shop # 1 & Property # 788, Paris Road, Sialkot

37	NUMBER OF EMPLOYEES	December 31,2024 Rupees	June 30,2024 Rupees
	Total number of employees	344	349
	Total Average number of employees	340	349

38 **GENERAL**

Figures have been rounded off to the nearest thousand rupees.

39 SUBSEQUENT EVENT

There is no subsequent event affecting the financial statements for the period ended December 31, 2024. (June 30, 2024 : nil)

40 CORRESPONDING FIGURES

The comparative figures for the period ended June 30, 2024 relate to an 8-month reporting period and are not directly comparable to the current 6-month period ended December 31, 2024. (Note 1.4)

41 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on 13 AUG 2025.



Chief Financial Officer



Chief Executive Officer



Director