

The background of the entire page is a vibrant blue. On the left, a hand is shown holding a bright, glowing white arrow that points diagonally upwards and to the right. In the background, there is a faint, semi-transparent bar chart with several vertical bars of increasing height from left to right. Scattered throughout the scene are small, out-of-focus light spots in various colors, creating a bokeh effect.

# UNLOCKING EXCEPTIONAL RETURNS

**INNOVATION & GROWTH**



## WE ARE ARIF HABIB LIMITED

Arif Habib Group has been serving the investors for over four decades. Over the years the company has constantly evolved and adapted to changing times. As a premium brokerage and financial services, AHL strives to build an environment that promotes team work, leadership and resilience to better serve the ever growing market.

During testing economic conditions, AHL has always endeavored to deliver consistent results to its trusting family of investors. It is only through consistency that we are able to maintain high levels of client satisfaction and have achieved industry wide recognition for our work.

Being steadfast, determined and persistent are characteristics that strongly resonate with AHL's code of conduct.

# AWARDS & ACCOLADES



**Best Equity Brokerage House - 2023**  
CFA Society Pakistan



**Best Gender Equality Bond - 2024**  
The Asset Triple A Sustainable Finance Awards



**Best Economic Research House - 2023-2021**  
CFA Society Pakistan



**Best for Research in Pakistan - 2024**  
Euromoney



**Best for Corporate Access 2023**  
Asiamoney Brokers Poll



**Best Corporate Finance House - Equity & Advisory 2022 - 2013**  
CFA Society Pakistan



**Best Corporate Finance House - Fixed Income 2023**  
CFA Society Pakistan



**Investment Ideas Competition - 2023**  
CFA Society Pakistan



**Best Research Analyst - 2021 - 2018**  
CFA Society Pakistan



**Best Investment Bank - Country Awards - 2022**  
FinanceAsia



**Best Securities House - 2022**  
Asiamoney



**Best Investment Bank - 2022**  
Asiamoney



**Best for Diversity & Inclusion in Pakistan - 2024**  
Euromoney



**Best Brokerage House 2023**  
International Finance



**Most Innovative Financial Market Brokerage - 2022**  
The European



**Best Money Markets Conventional Brokerage House - Runner up - 2024**  
Financial Markets Association of Pakistan

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# COMPANY INFORMATION

## Board of Directors

Mr. Zafar Alam	Chairman & Independent Director
Mr. Muhammad Shahid Ali Habib	Chief Executive Officer & Executive Director
Mr. Haroon Usman	Non-executive Director
Ms. Sharmin Shahid	Non-executive Director
Syed Manzoor Raza	Non-executive Director
Dr. Muhammad Sohail Salat	Independent Director
Mr. Mohsin Madni	Non-executive Director

## Audit Committee

Dr. Muhammad Sohail Salat	Chairman
Mr. Haroon Usman	Member
Mr. Mohsin Madni	Member

## Human Resource & Remuneration Committee

Dr. Muhammad Sohail Salat	Chairman
Mr. Haroon Usman	Member
Mr. Muhammad Shahid Ali Habib	Member

## Company Secretary & Chief Financial Officer

Mr. Muhammad Taha Siddiqui

## Auditors

M/s. Rahman Sarfaraz Rahim Iqbal Rafiq  
Chartered Accountants

## Credit Rating

JCR-VIS Credit Rating Company Limited

## Management Rating

The Pakistan Credit Rating Agency

## Legal Advisors

Mirza & Minto  
Advocate High Court

## Bankers

Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Sindh Bank Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Bank Makramah Limited  
The Bank of Khyber  
The Bank of Punjab  
United Bank Limited

## Registrar & Share Transfer Office

Share Registrar Department  
Central Depository Company of Pakistan  
Limited  
CDC House, 99-B, Block-B  
S.M.C.H.S., Main Shahra-e-Faisal  
Karachi-74400  
Tel: Customer Support Services:  
0800-CDCPL (23275)  
Fax: (92-21) 34326053  
Email: info@cdcpak.com  
Website: www.cdcpakistan.com

## Registered Office

Arif Habib Centre  
23, M.T. Khan Road Karachi-74000  
UAN: (92-21) 111-245-111  
Fax No: (92-21) 32416072; 32429653  
E-mail: info@arifhabibltd.com  
Company website: www.arifhabibltd.com  
Online Trade: www.ahletrade.com  
Branch Reg. No: BOA-050/01

## Lahore Branch

Office Nos. G-05 & G-06, Ground Floor, LSE Plaza 19,  
Khayaban-e-Aiwan-e-Iqbal, Lahore  
Tel: +92 (42) 3631 3710, +92 (42) 3631 3700-1,  
+92 (42) 3631 3702, +92 (42) 3631 3703

## Islamabad Branch

Office No. 506, 5th Floor, ISE Towers, Jinnah Avenue,  
Islamabad  
Tel: +92 (51) 2894505 – 06

## Peshawar Branch

Shops No. F16 & F17, 1st Floor, The Mall Tower,  
Peshawar Cantt.  
Tel: +92 91 5253910-13

## Faisalabad Branch

Office No. 04, 3rd Floor Legacy Tower, Kohinoor City,  
Faisalabad.  
Tel: +92 41 8531010-3

## Multan Branch

Office No. 5, 3rd Floor, United Mall, Plot No. 74,  
Abdali Road, Multan  
Tel: +92 61 4514413  
+ 92 61 4514412

# OUR VISION

Our Vision is to be the most Preferred and Respected Financial Institution, renowned for our expertise in Securities Brokerage and Investment Banking Services.

# OUR MISSION

Our Mission is to create value for our stakeholders by providing outstanding securities Brokerage Services and Investment Banking solutions to our customers. We strive to build an environment that encourages teamwork at the workplace to deliver superior products and services and to serve the development of our capital market.







# DIRECTOR'S REPORT

Dear Fellow Members of Arif Habib Limited,

On behalf of the Board of Directors, I am pleased to present the financial statements of Arif Habib Limited (AHL) for the second quarter & half year ended December 31, 2024.

## Economic Review

The first half of fiscal year 2025 marked a period of positive economic developments for Pakistan. The country successfully secured a USD 7 billion Extended Fund Facility (EFF) agreement with the International Monetary Fund (IMF), resulting in an increase in foreign exchange reserves, which reached USD 15.9 billion by December 2024 end. Consequently, the PKR remained stable during the first half of FY25 and closed at PKR 278.5 against the greenback. The Large-Scale Manufacturing sector during the first five months of fiscal year 2025 contracted by 1.3%. However, a notable achievement was the transformation of the current account, which shifted from a deficit of USD 1.4 billion in 1HFY24 to a surplus of USD 1.2 billion in the outgoing half of FY25. Inflation also experienced a significant decline, falling to 7.2% in 1HFY25, down from 28.8% in the prior year, primarily driven by easing food prices and high base effect. This reduction in inflation led the State Bank of Pakistan (SBP) to reduce the policy rate by 750 basis points, bringing it down to 13%.

## Stock Market Performance

In 1HFY25, the PSX market reached significant milestones, with the KSE-100 index hitting a record high of 115,259 points. This impressive surge was driven by several key factors, including: i) the securing of a USD 7 billion Extended Fund Facility (EFF) from the IMF, ii) inflows and rollovers from friendly countries and international financial institutions, iii) influx of fresh domestic liquidity iv) inflation dropping to single digits, and v) a substantial reduction in interest rates. During 1HFY25, the benchmark KSE-100 index closed at 115,126, up by 46.76% / 36,682 points YoY.

Average trading volumes surged by 44% YoY to 685 million shares, while the average traded value rose by 98% to USD 99 million. Key sectors that outperformed were Oil and Gas Marketing (+125%), Oil and Gas Exploration (+88%), Refineries (+86%), Pharmaceutical (+80%), and Fertilizer (75%). On the other hand, Automobile Parts (-13%), Synthetics (-12%), and Power (-6%) experienced a decline.

In 1HFY25, foreign net outflows amounted to USD 187 million. The selling pressure was predominantly observed in the following sectors: i) Commercial Banks (USD 60.5 million), ii) Fertilizers (USD 56.6 million), iii) Exploration & Production (E&Ps) (USD 41.3 million), iv) Food (USD 23.4 million), and v) Power (USD 15.6 million). Despite these outflows, the market remained resilient, registering a remarkable increase of 46.76% YoY.

## Your Company's Performance

During the reporting period, our Company has demonstrated robust performance, achieving an unconsolidated profit after tax of PKR 504.79 million, which translates to an earnings per share (EPS) of PKR 7.73. On a consolidated basis, our profit after tax reached PKR 509.95 million, resulting in an EPS of PKR 7.80.

For the half year ending December 31, 2024, our brokerage and investment banking divisions exhibited significant growth, generating revenues of PKR 743.88 million, a substantial increase from PKR 453.55 million recorded in the first half year of FY24. During this quarter, we actively engaged in initial public offerings (IPOs), mergers and acquisitions (M&A), and Sukuk advisory transactions, successfully completing several key deals, including the IPO of BF Biosciences, which attracted considerable investor interest, as well as the M&A transaction involving UBL Currency Exchange and Sukuk advisory for Ismail Industries Limited & Airlink Communications Limited.

Following the demerger, our Company has shifted its focus from equity investments with smaller capital to low-risk fixed-income securities and cash for future hedging activities. This strategic pivot has resulted in a gain of PKR 433.28 million for the first half, compared to PKR 51.97 million in the first half of FY24.

AHL is committed to enhancing its services and has made significant investments in technology and workforce development to better serve our customers. While this has led to higher fixed costs and a 150% increase in operating expenses, our financial costs have decreased slightly to PKR 34.88 million (down from PKR 79.78 million in 1HFY24) due to declining interest rates and more efficient borrowing practices.

As of the balance sheet date, our Company's equity stands at PKR 1.45 billion (up from PKR 1.27 billion in June 2024), resulting in a book value per share of PKR 22.21 (compared to PKR 19.49 on June 30, 2024).

We are proud to announce that AHL has received numerous accolades from prestigious global and local institutions during this period. Notable awards include 'Best for Research in Pakistan' and 'Best for Diversity & Inclusion in Pakistan' from Euromoney, as well as the Best Equity Brokerage House and Best Economic Research House Category awards from the CFA Society. Additionally, we received recognition for Best Trader and Best Analyst categories from the CFA Society, along with the 'Best Brokerage House' title from International Finance.

### Future Prospects

The future of AHL looks highly promising, driven by strategic initiatives designed to expand our market presence and strengthen engagement across all business segments. Our key growth areas include digital brokerage, IPOs, and M&A advisory, with the recent launch of our app and web-based trading platform expected to attract a broader client base and significantly enhance the trading experience.

Our primary focus remains on increasing trading volumes from both existing and prospective clients, both domestically and internationally. We aim to achieve this by fostering strong client relationships, delivering a premium suite of services, and introducing innovative products backed by robust research capabilities that provide actionable insights and guidance.

Looking ahead, we anticipate heightened activity fueled by new equity and debt listings, mergers and acquisitions, privately placed Term Finance Certificates (TFCs), Sukuks, and advisory and underwriting services for equity fundraising through rights issues. Our Investment Banking Division is well-positioned to capitalize on these opportunities, leveraging its deep expertise and resources to deliver superior results.

As we navigate an evolving market landscape, our steadfast commitment to excellence and innovation will remain the cornerstone of our strategy. We are excited about the substantial growth opportunities ahead and remain dedicated to delivering lasting value to our clients and stakeholders in the coming quarters.

## Acknowledgement

We are grateful to the Company's shareholders for their continuing confidence and patronage. We record our sincere appreciation to all Stakeholders and to our Parent Company, the State Bank of Pakistan, the Securities & Exchange Commission of Pakistan and the Management of Pakistan Stock Exchange Limited for their unwavering support and guidance.

We acknowledge and appreciate the hard work put in by the employee of the Company during the period. We also acknowledge the valuable contribution and active role of the members of the Board Committees in supporting and guiding the management on matters of great importance.

For and on behalf of the Board of Directors,



**Muhammad Shahid Ali**  
Chief Executive Officer and Director



**Zafar Alam**  
Chairman

Karachi.

**Dated: January 31, 2025**

# INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF M/S. ARIF HABIB LIMITED

## Report on Review of Condensed Interim Unconsolidated Financial Statements

### Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of **M/s. Arif Habib Limited** ("the Company") as at **December 31, 2024** and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated statement of cash flows and notes thereto for the six-month period then ended (here-in-after referred to as the "unconsolidated interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated interim financial statements based on our review.

### Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As part of our engagement, we were only required to review the cumulative figures for the six-month period ended December 31, 2024. Accordingly, we have not reviewed the figures in the condensed interim unconsolidated statement of profit or loss and the condensed interim unconsolidated statement of comprehensive income for the three-month period ended December 31, 2024.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Mr. Muhammad Rafiq Dosani.

*Rahman Sarfaraz*

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ  
Chartered Accountants

Karachi

Date: February 01, 2025

UDIN: RR202410210wLQzvbTd

# UNCONSOLIDATED FINANCIAL STATEMENTS







# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2024

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	Rupees	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	3	55,125,819	58,108,527
Right-of-use assets		50,494,726	63,325,707
Intangible assets		5,332,129	5,436,719
Long term investment	4	78,772,483	68,461,607
Investment property		38,900,000	38,900,000
Long-term advances, deposits and other receivable	5	17,220,372	41,594,332
Deferred tax - net	6	6,620,750	8,941,185
		<u>252,466,279</u>	<u>284,768,077</u>
<b>Current assets</b>			
Short term investments	7	2,328,920,810	550,705,642
Trade debts	8	249,436,321	344,498,851
Receivable against margin financing		816,523,084	117,387,003
Advances, deposits and prepayments	9	611,356,099	185,081,675
Accrued markup on margin financing		9,467,136	4,526,291
Other receivables	10	509,468,726	998,174,239
Income tax refundable	11	-	2,594,059
Cash and bank balances	12	4,903,080,204	3,192,161,622
		<u>9,428,252,380</u>	<u>5,395,129,382</u>
		<u>9,680,718,659</u>	<u>5,679,897,459</u>
<b>Total assets</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized capital		750,000,000	750,000,000
Issued, subscribed and paid-up capital		653,400,000	653,400,000
Capital reserves		7,835,000	7,835,000
Surplus on revaluation of property		-	-
Revenue reserves		-	-
Unappropriated profits		790,037,273	611,946,740
<b>Total equity</b>		<u>1,451,272,273</u>	<u>1,273,181,740</u>
<b>Non-current liabilities</b>			
Lease liability		26,771,085	43,866,648
<b>Current liabilities</b>			
Short term borrowings - secured	13	2,868,127,531	664,317,881
Current portion of lease liability		28,877,145	31,137,864
Trade and other payables	14	5,141,340,047	3,447,012,295
Unclaimed dividend		23,251,829	21,659,825
Payable against trading of securities - net		40,649,667	198,721,206
Accrued markup on short term borrowings		17,192,074	-
Income tax payable	11	83,237,008	-
		<u>8,202,675,301</u>	<u>4,362,849,071</u>
<b>Contingencies and commitments</b>			
	15	-	-
		<u>9,680,718,659</u>	<u>5,679,897,459</u>
<b>Total equity and liabilities</b>			

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

For the half year ended December 31, 2024

Note	For the half year ended		For the quarter ended		
	December 31, 2024	Restated December 31, 2023	December 31, 2024	Restated December 31, 2023	
----- Rupees -----					
Operating revenue	16	786,460,126	497,166,477	517,327,321	313,806,085
Realized gain on disposal of investments	17	433,284,499	51,976,057	384,842,744	52,281,833
Realized gain on sale of investment property		-	649,029	-	649,029
		1,219,744,625	549,791,563	902,170,065	366,736,947
Net change in unrealized gain on investments	18	106,386,668	12,575,157	103,218,751	(18,578,152)
Net change in unrealized loss on investment property		-	(749,029)	-	(749,029)
		1,326,131,293	561,617,691	1,005,388,816	347,409,766
Administrative and operating expenses	19	(793,836,197)	(334,034,685)	(614,117,482)	(195,136,043)
Other charges	20	(46,551,572)	(1,854,955)	(46,551,572)	(1,854,955)
Other operating income	21	237,070,729	84,291,335	188,477,969	54,372,217
		722,814,253	310,019,386	533,197,731	204,790,985
Finance costs	22	(34,882,884)	(79,787,142)	(30,570,876)	(53,520,354)
<b>Profit before levies and taxation</b>		<b>687,931,369</b>	<b>230,232,244</b>	<b>502,626,855</b>	<b>151,270,631</b>
Levies	23	(66,603,281)	(25,225,107)	(66,096,400)	(24,320,913)
<b>Profit before taxation</b>		<b>621,328,088</b>	<b>205,007,137</b>	<b>436,530,455</b>	<b>126,949,718</b>
Taxation	24	(116,537,555)	(23,729,110)	(68,286,791)	(4,960,428)
<b>Profit after taxation</b>		<b>504,790,533</b>	<b>181,278,027</b>	<b>368,243,664</b>	<b>121,989,290</b>
<b>Earnings per share - basic and diluted</b>	25	<b>7.73</b>	<b>2.77</b>	<b>5.64</b>	<b>1.87</b>

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the half year ended December 31, 2024

	For the half year ended		For the quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- Rupees -----			
Profit after taxation	504,790,533	181,278,027	368,243,664	121,989,290
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>504,790,533</u>	<u>181,278,027</u>	<u>368,243,664</u>	<u>121,989,290</u>

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the half year ended December 31, 2024

	Revenue reserve				Total
	Issued, subscribed and paid up capital	Unappropriated profits	Surplus on revaluation of property	Sub-total	
	<b>Rupees</b>				
Balance as at June 30, 2023	653,400,000	4,333,017,286	7,835,000	4,340,852,286	4,994,252,286
<i>Total comprehensive income for the six months ended December 31, 2023</i>					
- Profit after taxation	-	181,278,027	-	181,278,027	181,278,027
- Other comprehensive income	-	-	-	-	-
	-	181,278,027	-	181,278,027	181,278,027
<i>Transaction with owners</i>					
- Cash dividend paid @ 25% for the year ended June 30, 2023	-	(163,350,000)	-	(163,350,000)	(163,350,000)
- Transfer of net assets	-	(4,169,667,286)	-	(4,169,667,286)	(4,169,667,286)
	-	(4,333,017,286)	-	(4,333,017,286)	(4,333,017,286)
<b>Balance as at December 31, 2023</b>	<b>653,400,000</b>	<b>181,278,027</b>	<b>7,835,000</b>	<b>189,113,027</b>	<b>842,513,027</b>
Balance as at June 30, 2024	653,400,000	611,946,740	7,835,000	619,781,740	1,273,181,740
<b>Balance as at July 1, 2024</b>	<b>653,400,000</b>	<b>611,946,740</b>	<b>7,835,000</b>	<b>619,781,740</b>	<b>1,273,181,740</b>
<i>Total comprehensive income for the six months ended December 31, 2024</i>					
- Profit after taxation	-	504,790,533	-	504,790,533	504,790,533
- Other comprehensive income	-	-	-	-	-
	-	504,790,533	-	504,790,533	504,790,533
<i>Transaction with owners</i>					
- Cash dividend paid @ 50% for the year ended June 30, 2024	-	(326,700,000)	-	(326,700,000)	(326,700,000)
<b>Balance as at December 31, 2024</b>	<b>653,400,000</b>	<b>790,037,273</b>	<b>7,835,000</b>	<b>797,872,273</b>	<b>1,451,272,273</b>

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

For the half year ended December 31, 2024

	Note	For the half year ended	
		December 31, 2024	Restated December 31, 2023
Rupees			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before levies and taxation		687,931,369	230,232,244
<i>Adjustments for:</i>			
- Depreciation on property and equipment		5,970,080	6,642,960
- Depreciation on right-of-use-assets		12,830,981	13,444,486
- Amortization of intangible assets		104,590	62,322
- Net change in unrealized loss on investments		(106,386,668)	(12,575,157)
- (Gain) / Loss on sale of short term investment		(433,284,499)	(51,976,057)
- Loss on disposal of property and equipment		57,113	-
- Realized gain on sale of investment property		-	(649,029)
- Net change in unrealized gain on investment property		-	749,029
- Mark up on reverse repo transactions		(24,154,906)	(7,921,244)
- Profit on savings accounts		(204,669,189)	(73,617,633)
- Profit on exposure deposit		(8,246,634)	(2,480,914)
- Reversal of provision of bad debt		-	(271,544)
- Finance costs		34,882,884	79,787,142
<b>Cash generated from operating activities before working capital changes</b>		<b>(722,896,248)</b>	<b>(48,805,639)</b>
		(34,964,879)	181,426,605
<b>Effect on cash flow due to working capital changes</b>			
<i>(Increase)/decrease in current assets</i>			
- Short-term investments		(1,248,854,877)	561,107,869
- Trade debts		95,062,530	(323,004,309)
- Receivable / payable against sales / purchase of securities - net		(158,071,539)	51,467,412
- Receivable against margin financing		(699,136,081)	(32,412,307)
- Advances, deposits and prepayments		(426,274,424)	(204,220,882)
- Accrued markup on margin financing		(4,940,845)	5,942,677
- Other receivables		430,229,446	489,599,644
<i>Increase/(decrease) in current liabilities</i>			
- Trade and other payables		1,694,327,752	1,052,558,342
		(317,658,038)	1,601,038,446
<b>Cash generated from operations</b>		<b>(352,622,917)</b>	<b>1,782,465,051</b>
Taxes paid	11.1	(94,989,334)	(51,445,404)
Finance costs paid		(17,690,810)	(57,172,761)
<b>Net cash generated from operating activities</b>		<b>(465,303,061)</b>	<b>1,673,846,886</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property and equipment	3	(3,113,483)	(2,798,047)
Proceeds from disposal of investment property		-	7,500,000
Proceed from disposal of property and equipment		69,000	320,000
Investment in Naya Nazimabad REIT		-	-
Profit on savings accounts received during the year		204,669,189	73,617,633
Profit on exposure deposit received during the year		8,246,634	2,480,914
Proceeds from reverse repo receivable		(294,373,626)	-
Amount received against scheme of demerger		377,004,597	-
Long-term advances and deposits		24,373,960	(22,000)
<b>Net cash generated from / (used in) investing activities</b>		<b>316,876,271</b>	<b>81,098,500</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liability (principal)		(19,356,282)	(15,311,820)
Short term loan repaid to Arif Habib Corporation Limited		1,585,000,000	-
Short term loan received from sponsor		1,250,000,000	-
Dividend paid		(325,107,996)	(162,619,273)
<b>Net cash used in financing activities</b>		<b>2,490,535,722</b>	<b>(177,931,093)</b>
Net increase / (decrease) in cash and cash equivalents		2,342,108,932	1,577,014,293
Cash and cash equivalents at the beginning of the year		2,527,843,741	(630,707,406)
<b>Cash and cash equivalents at the end of the year</b>	26	<b>4,869,952,673</b>	<b>946,306,887</b>

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

## 1. STATUS AND NATURE OF BUSINESS

1.1 Arif Habib Limited ("the Company") is a public listed company incorporated in Pakistan under the repealed Companies Ordinance, 1984 ('the Ordinance') which has now been replaced by Companies Act, 2017 ('the Act'). The shares of the Company are listed on Pakistan Stock Exchange Limited ("the Exchange"). The Company was initially incorporated as an unquoted public limited company wholly owned by Arif Habib Corporation Limited ("the Parent Company"). Subsequently, the Parent Company offered its 25% share holding in the Company to general public and the Company obtained listing on the Exchange on January 31, 2007. As of December 31, 2024, the Parent Company held 74.94% shares of the Company (June 30, 2024: 72.92% shares).

1.2 The Company is a holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited. The principal activities of the Company are investments, share brokerage, inter-bank brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services.

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

- Karachi	Head office (Registered office)	Arif Habib Centre, 23 M.T. Khan Road, Karachi
- Lahore	Regional office	Office Nos. G-05 & G-06, Ground Floor, LSE Plaza, 19, Khayaban-e-Aiwan-e-Iqbal, Lahore
- Islamabad	Regional office	Office No. 506, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.
- Peshawar	Regional office	Shops No. F16, and F17, 1st Floor, The Mall Tower, Peshawar Cantt.
- Multan	Regional office	Office # 305, 3rd Floor, United Mall, Abdali Road, Multan.
- Faisalabad	Regional office	Office No. 04, 3rd Floor at Legacy Tower, Koh-e-noor City, Faisalabad.

1.4 On October 21, 2024, the High Court of Sindh sanctioned the Scheme of Arrangement (the ""Scheme"") approved by the shareholders of Arif Habib Limited (AHL) and Arif Habib Corporation Limited (AHCL). The Scheme involves the demerger of certain non-core businesses from AHL, with these businesses being merged into AHCL, effective from July 1, 2023. In consideration of this demerger, AHCL allotted 13,321,747 ordinary shares to AHL's shareholders (excluding AHCL itself) based on a swap ratio of 0.8673 shares of AHCL for every 1 share of AHL.

As AHL is a subsidiary of AHCL, this transaction qualifies as a common control transaction and has been accounted for using the predecessor method, as required by the Accounting Standard on Common Control Transactions. Under this method, the assets, liabilities, and reserves of the Demerged Undertaking have been derecognized from AHL's financial statements at their carrying values as of July 1, 2023, the effective date of the Scheme.

In accordance with the Accounting Standard on Common Control Transactions, the comparative information for the Condensed Interim Unconsolidated Statement of Profit or Loss, Condensed Interim Unconsolidated Statement of Other Comprehensive Income, Condensed Interim Unconsolidated Statement of Changes in Equity, and Condensed Interim Unconsolidated Statement of Cash Flows has been restated to reflect the removal of the Demerged Undertaking from AHL's operations, effective July 1, 2023.

The comparative Statement of Financial Position has not been restated, as the Scheme's impact was already incorporated into the balances reported as of June 30, 2024. The restatement ensures that financial performance and movements in equity are presented consistently as if the restructuring had occurred at the beginning of the earliest comparative period presented. Adjustments to comparatives reflect the removal of income, expenses, and cash flows related to the Demerged Undertaking.

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These condensed interim unconsolidated financial statements (here-in-after referred to as the 'interim financial statements') have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise:

- International Financial Reporting Standards (IFRS Standards) 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 Standards, the provisions of, and directives issued, under the Companies Act, 2017 have been followed.

These interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2024.

### 2.2 Basis of measurement of items in the condensed interim financial statements.

Items in these condensed interim financial statements have been measured at their historical cost, except for:

- Long term investments in ISE Tower REIT Management Limited, LSE Proptech Limited and LSE Ventures Limited which are carried at fair value; and
- Short term investments in quoted equity securities and corporate debt securities which are carried at fair value.

### 2.3 Functional and presentation currency

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

### 2.4 Judgments and sources of estimation uncertainty

In preparing these interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2024.

## 2.5 MATERIAL ACCOUNTING POLICIES

- The material accounting policies applied in the preparation of these interim financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements of the Company for the year ended June 30, 2024, except for a restatement in the comparative figures for December 31, 2023, arising from a change in accounting policy.
- Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax'.
- The Company has accounted for the effects of these changes in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been reclassified in these financial statements. The effects of reclassification are as follows:



# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

Effect on statement of profit or loss	Note	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
		(Rupees)			(Rupees)		
		For the half year ended December 31, 2023			For the quarter ended December 31, 2023		
Profit before levies and taxation		230,232,244	-	230,232,244	151,270,631	-	151,270,631
Levies	23	-	(25,225,107)	(25,225,107)	-	(24,320,913)	(24,320,913)
Profit before taxation		230,232,244	(25,225,107)	205,007,137	151,270,631	(24,320,913)	126,949,718
Taxation	24						
- Current tax		(43,066,469)	25,225,107	(17,841,362)	(29,281,341)	24,320,913	(4,960,428)
- Prior year		-	-	-	-	-	-
- Deferred tax		(5,887,748)	-	(5,887,748)	-	-	-
		(48,954,217)	25,225,107	(23,729,110)	(29,281,341)	24,320,913	(4,960,428)
Profit after taxation		181,278,027	-	181,278,027	121,989,290	-	121,989,290

## 3. PROPERTY AND EQUIPMENT

	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----			
Owned assets	3.1	55,125,819	58,108,527

3.1 During the period ended December 31, 2024, additions made amounting to Rs. 3.11 million (June 30, 2024: Rs. 5.37 million) which comprised of office equipment and computer and allied items. However, no material disposals were made during the period.

## 4. LONG TERM INVESTMENTS

	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----			
Investment in subsidiary	4.1	38,000,000	38,000,000
Investment in other entities	4.2	40,772,483	30,461,607
		78,772,483	68,461,607

4.1 This represents investment in Rayaan Commodities Private Limited, a wholly owned subsidiary.

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

4.2	Investment in other entities - at fair value through profit or loss	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Unquoted - Equity Instruments		----- Rupees -----	
	ISE Towers REIT Management Company Limited	4.2.1	30,635,806	24,850,127
			30,635,806	24,850,127
	Quoted - Equity Instruments			
	LSE Capital Limited	4.2.2	4,473,685	765,317
	LSE Ventures Limited	4.2.2	5,662,992	4,846,163
			10,136,677	5,611,480
			40,772,483	30,461,607
4.2.1	This represents the investment in 3,034,604 (June 2024: 3,034,604) unquoted ordinary shares of M/s. ISE Towers REIT Management Company Limited.			
4.2.2	This represents the investment in 245,295 (June 2024: 245,295) quoted ordinary shares of M/s. LSE Capital Limited and 842,811 (June 2024: 842,811) quoted ordinary shares of M/s. LSE Ventures Limited.			
5.	LONG TERM ADVANCES, DEPOSITS AND OTHER RECEIVABLE		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Advance against equity		----- Rupees -----	
	Gross Amount		37,000,000	37,000,000
	Less: Provision for doubtful advance		(37,000,000)	-
			-	37,000,000
	Deposits			
	- Pakistan Stock Exchange Limited		14,900,461	500,461
	- National Clearing Company of Pakistan Limited		1,500,000	1,500,000
	- Other security deposits		819,911	819,911
			17,220,372	2,820,372
	Other receivable			
	- from employees		-	1,773,960
			17,220,372	41,594,332
6.	DEFERRED TAX - net		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	<i>Deferred tax (asset) / liability in respect of:</i>		----- Rupees -----	
	- Capital gain / (loss) on short term investments		9,104,977	(4,455,986)
	- Other temporary differences		(15,725,727)	(8,941,185)
			(6,620,750)	(13,397,171)
	- Capital loss on short term investments not recognised during the period / year		-	4,455,986
	Net Deferred tax asset recognised		(6,620,750)	(8,941,185)

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

6.1	Deferred tax in respect of other temporary differences	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----				
	Deferred tax liabilities recognized	6.1.1	20,312,589	23,599,575
	Deferred tax asset recognized	6.1.2	<u>(26,933,339)</u>	<u>(32,540,760)</u>
			<u>(6,620,750)</u>	<u>(8,941,185)</u>
6.1.1	Deferred tax liabilities		(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----				
	Accelerated depreciation		5,669,118	5,235,120
	Right-of-use assets		<u>14,643,471</u>	<u>18,364,455</u>
			<u>20,312,589</u>	<u>23,599,575</u>
6.1.2	Deferred tax assets		(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----				
	Intangible assets		6,602,683	6,572,351
	Long term investment		4,192,669	4,217,101
	Lease liability		<u>16,137,987</u>	<u>21,751,308</u>
	Deferred tax assets available for recognition		<u>26,933,339</u>	<u>32,540,760</u>
7.	SHORT TERM INVESTMENTS - At fair value through profit or loss		(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----				
	Quoted equity securities		2,270,613,192	484,827,933
	Quoted debt securities		<u>58,307,618</u>	<u>65,877,709</u>
			<u>2,328,920,810</u>	<u>550,705,642</u>

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

8. TRADE DEBTS	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----			
Gross receivables			
Equity brokerage - secured		212,816,438	284,667,075
Equity brokerage - unsecured		888,540,881	879,031,666
	8.1	<u>1,101,357,319</u>	<u>1,163,698,741</u>
Inter bank brokerage - unsecured		40,725,223	33,566,485
Advisory and consultancy fee - unsecured		79,108,360	109,493,747
		<u>1,221,190,902</u>	<u>1,306,758,973</u>
Less: Provision for expected credit losses			
Equity brokerage - unsecured		(888,540,881)	(879,031,666)
Inter bank brokerage - unsecured		(8,973,001)	(5,972,463)
Advisory and consultancy fee - unsecured		(74,240,699)	(77,255,993)
		<u>(971,754,581)</u>	<u>(962,260,122)</u>
		<u>249,436,321</u>	<u>344,498,851</u>

## 8.1 Gross receivables - Equity brokerage

8.1.1 These receivables include Rs. 0.151 million (June 30, 2024: Rs.10.380 million) due from the related parties. The maximum aggregate amount outstanding during the period from such parties (with reference to month-end balances) amounted to Rs. 5.94 million (June 30, 2024: Rs. 15.738 million).

8.1.2 The Company holds capital securities having fair value of Rs. 139,247 million (June 30, 2024: Rs. 146,942 million) owned by its clients, as collaterals against trade debts.

8.2 Movement in provision for expected credit losses	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----		
Balance at the beginning of the year	962,260,122	949,633,030
Charge for the year	12,509,753	12,627,092
Reversal during the year	(3,015,294)	-
Balance at the end of the year	<u>971,754,581</u>	<u>962,260,122</u>

## 9. ADVANCES, DEPOSITS AND PREPAYMENTS

### Advances

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----		
Advance to consultant	99,760	99,760
Advance against expenses	3,273,801	3,273,801
Advance against salary	459,799	1,558,349
	<u>3,833,360</u>	<u>4,931,910</u>

### Trade deposits

Exposure deposit with National Clearing Company of Pakistan Limited (NCCPL)	601,434,406	179,308,766
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### Prepayments

Insurance	6,088,333	840,999
	<u>611,356,099</u>	<u>185,081,675</u>

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

## 10. OTHER RECEIVABLES

Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----		
Receivable from Arif Habib Corporation Limited	10.1	-
Receivable against reverse repo arrangements	10.2	800,437,464
Others		190,940,196
		6,796,579
	<u>509,468,726</u>	<u>998,174,239</u>

10.1 As disclosed in Note 14.1 to the Company's annual financial statements for the year ended June 30, 2024, a receivable of Rs. 800.437 million was recognized in connection with the transfer of the Demerged Undertaking to the Parent Company, M/s. Arif Habib Corporation Limited, pursuant to the Scheme of Arrangement ("the Demerger Scheme"). The Demerger Scheme, which became effective from July 1, 2023, was duly sanctioned by the Honourable High Court of Sindh ('the Court') on October 21, 2024.

During the six-month period ended December 31, 2024, this receivable was first adjusted by Rs. 423.433 million, representing the impact of business transactions related to the Demerged Undertaking that were carried out by the Company on behalf of the Parent Company up to October 21, 2024, the date of the Court's sanction of the Demerger Scheme. The remaining balance of Rs. 377.004 million was subsequently received in cash from the Parent Company, resulting in the full settlement of the receivable.

For a detailed overview of the Demerger Scheme and its financial implications, please refer to Note 1.4 to these condensed interim unconsolidated financial statements.

## 10.2 Receivable against reverse repo arrangements

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----		
Ahsan Ahmed Khawaja	207,938,708	190,940,196
Roomi Fabrics Ltd & Masood Fabrics Ltd	103,013,699	-
Ranipur Sugar Mills Ltd	198,516,319	-
	<u>509,468,726</u>	<u>190,940,196</u>

## 11. TAXATION PAYABLE / REFUNDABLE

Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----		
11.1	<u>(83,237,008)</u>	<u>2,594,059</u>

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

11.1	Movement for the period / year	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
		----- Rupees -----		
	As at start of period / year		2,594,059	15,457,413
	Charge for the period / year			
	- current		(114,217,120)	(159,816,769)
	- prior		-	3,464,521
	Levies	23	(114,217,120)	(156,352,248)
	Taxes paid during the period / year		(66,603,281)	(2,953,850)
	As at end of period / year		(178,226,342)	(143,848,685)
			94,989,334	146,442,744
			(83,237,008)	2,594,059
			<u>2,594,059</u>	<u>15,457,413</u>
			<u>2,594,059</u>	<u>15,457,413</u>
12.	CASH AND BANK BALANCES	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
		----- Rupees -----		
	Cash in hand		742,640	746,630
	Cash held in central depository company		8,858,673	6,908,525
	Cash at bank			
	- current accounts	12.1	333,375,241	442,929,838
	- savings accounts	12.2	4,560,103,650	2,741,576,629
			4,893,478,891	3,184,506,467
			4,903,080,204	3,192,161,622
			<u>4,903,080,204</u>	<u>3,192,161,622</u>
			<u>4,903,080,204</u>	<u>3,192,161,622</u>
12.1	The return on these balances is 6% to 19.5% (June 30, 2024: 8% to 19.5%) per annum on daily product basis.			
12.2	Bank balances include customers' bank balances held in designated bank accounts amounting to Rs. 4,805.778 million (June 30, 2024: Rs. 3,107.776 million).			
13.	SHORT TERM BORROWINGS	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
		----- Rupees -----		
	From banking companies			
	- Running finance	13.1	33,127,531	664,317,881
	From related parties			
	- Mr. Arif Habib	13.2	1,250,000,000	-
	- Arif Habib Corporation Limited	13.3	1,585,000,000	-
			2,835,000,000	-
			2,868,127,531	664,317,881
			<u>2,868,127,531</u>	<u>664,317,881</u>
			<u>2,868,127,531</u>	<u>664,317,881</u>

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

## 13.1 Running finance arrangements from banking companies - secured

13.1.1 Short term running finance facilities are available from various commercial banks, under mark-up arrangements, amounting to Rs. 5,000 million (2024: Rs. 5,000 million). These facilities have various maturity dates up to May 31, 2025 (2024: May 31, 2025). These arrangements are secured against pledge of marketable securities. These running finance facilities carry mark-up ranging from 1 month KIBOR + 0.5% to 1.0%, 3 month KIBOR + 0.50% to 1.5% (2024: 1 month KIBOR + 0.5% to 1.0%, 3 month KIBOR + 0.50% to 1.5%) calculated on a daily product basis that is payable quarterly.

13.1.2 Fair value of shares pledged with banking companies against various short term running finance facilities and bank guarantees as at December 31, 2024 amounted to Rs. 7,894.54 million (2024: Rs. 7,799.35 million). Total value of securities pledged with financial institutions, indicating separately securities belonging to customers, is as under:

	December 31, 2024		June 30, 2024	
	Number of securities	Amount (Rupees)	Number of securities	Amount (Rupees)
Clients	100,850,000	7,894,538,000	129,150,000	6,666,723,000
House	-	-	164,900,000	1,132,626,000
<b>Total</b>	<b>100,850,000</b>	<b>7,894,538,000</b>	<b>294,050,000</b>	<b>7,799,349,000</b>

## 13.2 Financing facility from Sponsor - unsecured

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees -----	
Opening balance	-	-
Add: Finance obtained during the period	1,250,000,000	-
Less: Repayments made during the period	-	-
<b>Closing balance</b>	<b>1,250,000,000</b>	<b>-</b>

Opening balance  
Add: Finance obtained during the period  
Less: Repayments made during the period  
Closing balance

13.2.1 The Company obtained an unsecured financing facility of Rs. 2.2 billion from Mr. Arif Habib to finance its working capital requirements. The loan is repayable on demand and carries interest at the rate of 3 month KIBOR + 1% (payable quarterly). The agreement is valid for a period of one year and will be renewed automatically, unless otherwise the lender submits in writing to discontinue the same.

## 13.3 Financing facility from the Parent Company - unsecured

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees -----	
Opening balance	-	-
Add: Finance obtained during the period	1,585,000,000	-
Less: Repayments made during the period	-	-
<b>Closing balance</b>	<b>1,585,000,000</b>	<b>-</b>

Opening balance  
Add: Finance obtained during the period  
Less: Repayments made during the period  
Closing balance

13.3.1 Financing facility of Rs. 2.5 billion is available from M/s. Arif Habib Corporation Limited to finance its working capital requirements. The loan is repayable within 30 days of notice of demand and carried interest (payable quarterly) at the rate of 16.5% per annum for the first drawdown applicable till December 31, 2024 and for remaining quarter applicable rate will be communicated by the lender. The agreement will expire on December 01, 2025.

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

## 14. TRADE AND OTHER PAYABLES

	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----			
Creditors	14.1	4,603,637,555	3,023,733,425
Commission payable	14.2	354,467,751	233,243,989
Advance from customers		2,857,123	899,847
Future profit withheld		70,598,413	21,060,553
Accrued expenses		22,476,055	16,897,421
Withholding tax payable		40,013,030	106,751,403
Sindh sales tax and federal excise duty payable		17,307,036	14,653,555
Advance against committed sale of investment property		25,390,545	25,390,545
Other liabilities		4,592,539	4,381,557
		<u>5,141,340,047</u>	<u>3,447,012,295</u>

14.1 This includes Rs. 137.18 million (June 30, 2024: Rs. 249.33 million) payable to related parties.

14.2 This includes Rs. 30 million (June 30, 2024: Rs. 102 million) payable to related parties.

## 15. CONTINGENCIES AND COMMITMENTS

### 15.1 Contingent liability existing as at the reporting date

There were no change in contingencies at the period end as disclosed in the financial statements for the year ended June 30, 2024.

### 15.2 Commitments

Following commitments were outstanding as at the reporting date:

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----		
- Outstanding settlements against Margin Trading contracts	<u>823,593,612</u>	<u>138,417,338</u>
- Outstanding settlements against sale / purchase of securities in regular market - net	<u>478,268,924</u>	<u>97,136,093</u>
- Financial guarantees given by commercial banks on behalf of the Company	<u>647,500,000</u>	<u>750,000,000</u>



# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

16. OPERATING REVENUE	Note	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----			
Equity brokerage revenue		512,378,522	300,926,250
Inter bank brokerage revenue		93,362,032	88,583,025
Advisory and consultancy fee	28.2	138,138,850	64,041,598
		<u>743,879,404</u>	<u>453,550,873</u>
Markup on margin financing		33,646,632	27,431,909
Dividend income on investment in equity securities		5,761,956	8,261,886
Markup on corporate debt securities	28.2	3,172,134	7,921,809
		<u>42,580,722</u>	<u>43,615,604</u>
		<u>786,460,126</u>	<u>497,166,477</u>
17. REALIZED GAIN ON DISPOSAL OF INVESTMENT		(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----			
Quoted equity securities - Ready Market		47,784,073	-
Quoted equity securities - Futures		73,589,856	29,130,282
Debt Securities		311,910,570	22,845,775
		<u>433,284,499</u>	<u>51,976,057</u>
18. NET CHANGE IN UNREALIZED (LOSS) / GAIN ON INVESTMENTS		(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----			
Long term investments		10,310,876	(4,844,195)
Short term investments		96,075,792	17,419,352
		<u>106,386,668</u>	<u>12,575,157</u>

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

## 19. ADMINISTRATIVE AND OPERATING EXPENSES

Note	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
	----- Rupees -----	
19.1	635,785,225	204,070,660
	32,346,752	28,493,925
	23,128,331	9,282,082
	22,358,199	14,690,608
	12,830,981	13,444,486
	5,970,080	6,642,960
19.2	9,630,000	12,614,800
	15,607,361	12,030,663
	576,200	1,049,625
	6,194,319	5,276,423
	5,539,888	2,247,651
	9,919,079	11,381,669
	911,217	689,251
	3,022,623	2,397,442
	1,001,900	497,402
	500,000	500,000
	1,025,513	766,875
	3,409,538	2,558,042
	588,630	850,000
	104,590	62,322
	3,385,771	4,487,799
	<u>793,836,197</u>	<u>334,034,685</u>

### 19.1 Salaries and other benefits

(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----	
117,445,390	95,080,235
518,339,835	108,990,425
<u>635,785,225</u>	<u>204,070,660</u>

19.2 These represent charges paid to M/s. Arif Habib Consultancy (Private) Limited, a related party, in respect of recruitment services obtained for providing senior and highly qualified consultants to lead the Company's investment banking department.

## 20. OTHER CHARGES

(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----	
9,494,459	1,754,955
37,000,000	-
57,113	100,000
<u>46,551,572</u>	<u>1,854,955</u>

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

21. OTHER INCOME		(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----			
Markup on reverse repo transaction		24,154,906	7,921,244
Profit on savings accounts		204,669,189	73,617,633
Profit on exposure deposit		8,246,634	2,480,914
Reversal of provision of bad debt		-	271,544
		<u>237,070,729</u>	<u>84,291,335</u>

  

22. FINANCE COSTS	Note	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----			
Markup on short term borrowings	22.1	17,192,074	61,251,403
Other finance costs	22.2	17,690,810	18,535,739
		<u>34,882,884.00</u>	<u>79,787,142</u>

  

22.1 Markup on short term borrowings		(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----			
Markup on borrowing from banking companies		6,679,715	61,251,403
Markup on borrowing from related parties:			
- M/s. Arif Habib Corporation Limited		9,792,359	-
- Mr. Arif Habib		720,000	-
		10,512,359	-
		<u>17,192,074.00</u>	<u>61,251,403</u>

  

22.2 Other finance costs		(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----			
Finance cost on lease liability		7,618,656	8,955,040
Markup on MTS securities		633,558	851,859
Bank charges		9,438,596	8,728,840
		<u>17,690,810</u>	<u>18,535,739</u>

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

23. LEVIES	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
	----- Rupees -----	
Income tax - Separate block of income and Final tax regime	66,214,281	24,253,107
Income tax - Tax on deemed rental income u/s 7E	<u>389,000</u>	<u>972,000</u>
	<u>66,603,281</u>	<u>25,225,107</u>
	----- Rupees -----	
24. TAXATION	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
	----- Rupees -----	
Current tax	114,217,120	17,841,362
- for the period / year	-	-
- for prior period / year	<u>114,217,120</u>	<u>17,841,362</u>
Deferred	<u>2,320,435</u>	<u>5,887,748</u>
	<u>116,537,555</u>	<u>23,729,110</u>
	----- Rupees -----	
25. EARNINGS PER SHARE - BASIC AND DILUTED	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
	----- Rupees -----	
25.1 Basic earnings per share		
Profit after taxation	<u>504,790,533</u>	<u>181,278,027</u>
	----- Number of shares -----	
Weighted average number of ordinary shares outstanding during the period	<u>65,340,000</u>	<u>65,340,000</u>
	----- Rupees -----	
Earnings per share - basic	<u>7.73</u>	<u>2.77</u>
	----- Rupees -----	
25.2 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 June 30, 2024.		

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

## 26. CASH AND CASH EQUIVALENTS

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

	Note	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----			
Cash and bank balances	12	4,903,080,204	2,023,073,042
Short term borrowings from banking companies - running finance	13	(33,127,531) 4,869,952,673	(1,076,766,155) 946,306,887

## 27. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of group companies (the Parent Company, fellow subsidiary and the subsidiaries), key management personnel and directors of the Company and their close family members, and the staff provident fund. Transactions entered into, and balances held with, related parties during the period, are as follows:

### PARENT COMPANY

	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
----- Rupees -----		
<b>Arif Habib Corporation Limited</b>		
<i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	6,853,100	1,368,865
Loan obtained	1,585,000,000	-
Markup expense on loan received during the year	9,792,359	-
Amount received against scheme of arrangement	377,004,596	-

### SUBSIDIARY

	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
----- Rupees -----		
<b>Rayaan Commodities (Private) Limited</b>		
<i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	42,172	262,778

### KEY MANAGEMENT PERSONNEL

	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
----- Rupees -----		
<b>Zafar Alam (Chairman)</b>		
<i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	1,470,401	159,388
Meeting Fee Paid	100,000	100,000

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
	----- Rupees -----	
<b>Muhammad Shahid Ali (CEO)</b> <i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	6,904,783	7,414,745
Salaries and other benefits	7,274,424	6,474,423
Commision on profit	98,895,430	118,208,056
<b>Muhammad Haroon (Director)</b> <i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	263,685	288,942
Meeting Fee Paid	-	100,000
<b>Sharmin Shahid (Director)</b> <i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	557,599	-
Meeting Fee Paid	-	100,000
<b>Mohsin Madni (Director)</b> <i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	533,913	70,576
<b><u>CLOSE FAMILY MEMBERS OF KEY MANAGEMENT PERSONNEL</u></b>		
	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
	----- Rupees -----	
<b>Arif Habib</b> <i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	141,778	3,981,495
Loan obtained	1,250,000,000	-
Markup on loan charged during the year	720,000	-
<b>Abdus Samad A. Habib</b> <i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	3,469,325	31,325
<b>Nida Ahsan</b> <i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	3,151,473	39,294
Meeting Fee Paid	-	100,000
<b>Muhammad Kashif A. Habib</b> <i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	-	6,500

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
<u>OTHER RELATED PARTIES</u>		
----- Rupees -----		
<b>Rotocast Engineering Co. (Private) Limited</b> <i>Transaction during the year</i> Rent paid	8,542,020	14,480,972
<b>Arif Habib Equity (Private) Limited</b> <i>Transaction during the year</i> Brokerage commission earned on sale and purchase of securities	925,491	857,821
<b>Arif Habib Provident Fund Trust</b> <i>Transaction during the year</i> Contribution paid during the year	2,541,134	5,111,235
 Balances with related parties at the end of the period are as follows:		
<u>PARENT COMPANY</u>		
----- Rupees -----		
<b>Arif Habib Corporation Limited</b> <i>Balances at the year end</i> Trade receivable at year end Receivable against demerger Mark-up Payable	17,969 - 9,792,359	50,666 800,437,464 -
 <u>SUBSIDIARY</u>		
----- Rupees -----		
<b>Rayaan Commodities (Private) Limited</b> <i>Balances at the year end</i> Advance received against sale of investment property Trade payable at year end Trade receivable at year end Advances	26,000,000 1,318,501 - 609,455	26,000,000 - 9,204,406 609,455
 <u>KEY MANAGEMENT PERSONNEL</u>		
----- Rupees -----		
<b>Zafar Alam (Chairman)</b> <i>Balances at the year end</i> Trade payable at year end	264,094	51,359

# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees -----	
<b>Muhammad Shahid Ali (CEO)</b> <i>Balances at the year end</i> Trade payable at year end	129,984,807	249,003,382
<b>Muhammad Haroon (Director)</b> <i>Balances at the year end</i> Trade payable at year end Trade receivable at year end	2,628,966 -	17,055 -
<b>Muhammad Sohail Salat (Director)</b> <i>Balances at the year end</i> Trade receivable at year end	1,899	1,899
<b>Sharmin Shahid (Director)</b> <i>Balances at the year end</i> Trade receivable at year end	9,515	43,263
<b>Mohsin Madni (Director)</b> <i>Balances at the year end</i> Trade payable at year end	3,224,841	289,099

## CLOSE FAMILY MEMBERS OF KEY MANAGEMENT PERSONNEL

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees -----	
<b>Arif Habib</b> <i>Balances at the year end</i> Trade receivable at year end Mark-up payable	250 720,000	30,318 -
<b>Abdus Samad A. Habib</b> <i>Balances at the year end</i> Trade receivable at year end	46,999	87,860
<b>Nida Ahsan</b> <i>Balances at the year end</i> Trade payable at year end Trade receivable at year end	24,341 11,241	24,341 609,448
<b>Muhammad Kashif A. Habib</b> <i>Balances at the year end</i> Trade receivable at year end	244	244



# CONDENSED INTERIM SELECTED NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the half year ended December 31, 2024

<u>OTHER RELATED PARTIES</u>	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees -----	
<b>Javedan Corporation Limited</b> <i>Balances at the year end</i> Trade receivable at year end	-	270,192
<b>Arif Habib Dolmen REIT Management Limited</b> <i>Balances at the year end</i> Trade receivable at year end	2,456	2,456
<b>Rotocast Engineering Co. (Private) Limited</b> <i>Balances at the year end</i> Trade receivable at year end	58,399	43,550
<b>Arif Habib Equity (Private) Limited</b> <i>Balances at the year end</i> Trade receivable at year end	2,486	35,464

## 28. GENERAL

### 28.1 Operating segment

These condensed interim unconsolidated 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 and integrated business strategy.

All non-current assets of the Company as at December 31, 2024 are located in Pakistan.

### 28.2 Reclassification of corresponding figures

Corresponding figures have been rearranged and reclassified in these financial statements, wherever necessary, for the purpose of comparison. Major reclassification are detailed hereunder:

Reclassification from component	Reclassification to Component	Note	-- Rupees --
Operating Revenue (Markup on corporate debt securities)	Operating Revenue (Advisory and consultancy fee)	16	<u>15,945,950</u>

### 28.3 Date of authorization for issue

These unconsolidated financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on January 31, 2025.

### 28.4 Level of rounding off

Figures have been rounded off to the nearest rupee.

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

# CONSOLIDATED FINANCIAL STATEMENTS





# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2024

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	Rupees	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	4	57,729,954	60,293,364
Right-of-use assets		50,494,726	63,325,707
Intangible assets		6,332,129	6,436,719
Long term investment		40,772,483	30,461,607
Investment property		38,900,000	38,900,000
Long-term advances, deposits and other receivable	5	26,120,373	50,494,333
Deferred tax - net	11	6,620,750	8,941,185
		<u>226,970,415</u>	<u>258,852,915</u>
<b>Current assets</b>			
Short term investments	6	2,328,920,811	550,705,642
Trade debts	7	249,436,321	335,294,445
Receivable against margin financing		816,523,084	117,387,003
Receivable under margin trading system		2,324,853	12,631,269
Advances, deposits and prepayments		612,980,725	186,809,177
Accrued markup on margin financing		9,467,136	4,526,291
Other receivables	8	509,468,725	998,174,239
Income tax refundable	9	-	1,790,619
Cash and bank balances	10	4,928,352,579	3,214,235,795
		<u>9,457,474,234</u>	<u>5,421,554,480</u>
		<u>9,684,444,649</u>	<u>5,680,407,395</u>
<b>Total assets</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized capital		750,000,000	750,000,000
Issued, subscribed and paid-up capital		653,400,000	653,400,000
Capital reserves			
Surplus on revaluation of property		7,835,000	7,835,000
Revenue reserves			
Unappropriated profits		815,443,395	632,189,798
<b>Total equity</b>		<u>1,476,678,395</u>	<u>1,293,424,798</u>
<b>Non-current liabilities</b>			
Lease liability		26,771,085	43,866,648
		<u>26,771,085</u>	<u>43,866,648</u>
<b>Current liabilities</b>			
Short term borrowings - secured	12	2,868,122,531	664,317,881
Current portion of lease liability		28,877,145	31,137,864
Trade and other payables	13	5,120,886,879	3,427,279,173
Unclaimed dividend		23,251,829	21,659,825
Payable against trading of securities - net		40,649,667	198,721,206
Accrued markup on short term borrowings		17,192,074	-
Income tax payable		82,015,044	-
		<u>8,180,995,169</u>	<u>4,343,115,949</u>
Contingencies and commitments	14	-	-
		<u>9,684,444,649</u>	<u>5,680,407,395</u>
<b>Total equity and liabilities</b>			

The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the half year ended December 31, 2024

		(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
	Note	Rupees		Rupees	
Operating revenue	15	807,856,709	515,073,106	526,433,831	321,176,738
Realized gain / (loss) on disposal of investments		433,284,499	51,976,057	384,842,744	52,281,833
Realized gain on sale of investment property		-	649,029	-	649,029
		1,241,141,208	567,698,192	911,276,575	374,107,600
Net change in unrealized (loss) / gain on investments		106,386,668	12,575,157	103,218,751	(18,578,152)
Net change in unrealized loss on investment property		-	(749,029)	-	(749,029)
		1,347,527,876	579,524,320	1,014,495,326	354,780,419
Administrative and operating expenses	16	(819,725,056)	(351,496,658)	(626,897,881)	(201,383,926)
Other charges		(46,551,572)	(1,854,955)	(46,551,572)	(1,854,955)
Other operating income		247,142,092	87,098,391	192,546,870	55,626,085
		728,393,340	313,271,098	533,592,743	207,167,623
Finance costs		(34,905,031)	(79,796,425)	(30,582,117)	(53,525,879)
<b>Profit before levies and taxation</b>		<b>693,488,309</b>	<b>233,474,673</b>	<b>503,010,626</b>	<b>153,641,744</b>
Levies	17	(66,603,281)	(25,225,107)	(66,096,400)	(24,320,913)
<b>Profit before taxation</b>		<b>626,885,028</b>	<b>208,249,566</b>	<b>436,914,226</b>	<b>129,320,831</b>
Taxation	18	(116,931,431)	(18,370,723)	(67,180,448)	549,074
<b>Profit after taxation</b>		<b>509,953,597</b>	<b>189,878,843</b>	<b>369,733,778</b>	<b>129,869,905</b>
<b>Earnings per share - basic and diluted</b>	19	<b>7.80</b>	<b>2.91</b>	<b>5.66</b>	<b>1.99</b>

The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the quarter ended December 31, 2024 (unaudited)

	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
	----- Rupees -----	
Profit after taxation	509,953,597	189,878,843
Other comprehensive loss		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Net change in fair value of the investment in equity securities	-	-
<b>Total comprehensive income for the year</b>	<b>509,953,597</b>	<b>189,878,843</b>

The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended December 31, 2024

	Issued, subscribed and paid up capital	<u>Revenue reserve</u>	<u>Capital reserves</u>	Total
		Unappropriated profits	Surplus on revaluation of property	
<b>Rupees</b>				
Balance as at June 30, 2023	653,400,000	4,347,081,897	7,835,000	5,008,316,897
Total comprehensive income for quarter ended December 31, 2023 (Restated)	-	189,878,843	-	189,878,843
<b>Transactions with owners</b>				
Cash dividend paid @ 25% for the year ended June 30, 2023	-	(163,350,000)	-	(163,350,000)
Transfer of Net Assets (Refer note no. 1.5)	-	(4,169,667,286)	-	(4,169,667,286)
	-	(4,333,017,286)	-	(4,333,017,286)
Balance as at December 31, 2023	<u>653,400,000</u>	<u>203,943,454</u>	<u>7,835,000</u>	<u>865,178,454</u>
Balance as at June 30, 2024	<u>653,400,000</u>	<u>632,189,798</u>	<u>7,835,000</u>	<u>1,293,424,798</u>
Total comprehensive income for quarter ended December 31, 2024	-	509,953,597	-	509,953,597
<b>Transactions with owners</b>				
Cash dividend paid @ 50% for the year ended June 30, 2024	-	(326,700,000)	-	(326,700,000)
	-	(326,700,000)	-	(326,700,000)
Balance as at December 31, 2024	<u>653,400,000</u>	<u>815,443,395</u>	<u>7,835,000</u>	<u>1,476,678,395</u>

The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended December 31, 2024

## CASH FLOWS FROM OPERATING ACTIVITIES

	Note	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
----- Rupees -----			
Profit before levies and taxation		693,488,309	233,474,673
<i>Adjustments for:</i>			
- Depreciation on property and equipment		7,012,978	6,918,285
- Depreciation on right-of-use-assets		12,830,981	13,444,486
- Amortization of intangible assets		104,590	62,322
- Net change in unrealized loss on investments		(106,386,668)	(12,575,157)
- Gain on sale of short term investment		(433,284,499)	(51,976,057)
- Loss on disposal of property and equipment		57,113	-
- Realized gain on sale of investment property		-	(649,029)
- Net change in unrealized gain on investment property		-	749,029
- Mark up on reverse repo transactions		(24,154,906)	(7,921,244)
- Profit on savings accounts		(214,524,061)	(76,424,689)
- Profit on exposure deposit		(8,463,125)	(2,480,914)
- Reversal of provision of bad debt		-	(271,544)
- Finance costs		34,905,031	79,796,425
		(731,902,566)	(51,328,087)
<b>Cash generated from operating activities before working capital changes</b>		<b>(38,414,257)</b>	<b>182,146,586</b>
<b>Effect on cash flow due to working capital changes</b>			
<i>(Increase)/decrease in current assets</i>			
- Short-term investments		(1,248,854,878)	561,107,869
- Trade debts		85,858,124	(17,511,590)
- Receivable / payable against sales / purchase of securities - net		(158,071,539)	51,467,412
- Receivable against margin financing		(699,136,081)	(32,412,307)
- Receivable under margin trading system		10,306,416	(1,281,949)
- Advances, deposits and prepayments		(426,171,548)	(205,495,758)
- Accrued markup on margin financing		(4,940,845)	5,942,677
- Other receivables		807,234,043	167,327,832
<i>Increase/(decrease) in current liabilities</i>			
- Trade and other payables		1,693,607,706	1,052,558,342
<b>Cash generated from operations</b>		<b>59,831,398</b>	<b>1,581,702,528</b>
Taxes paid		21,417,141	1,763,849,114
Finance costs paid	9.1	(97,408,614)	(51,182,478)
<b>Net cash generated from operating activities</b>		<b>(17,712,957)</b>	<b>(57,172,761)</b>
		(93,704,430)	1,655,493,875
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property and equipment	4	(3,532,783)	(3,306,047)
Proceeds from disposal of investment property		-	7,500,000
Proceed from disposal of property and equipment		(973,898)	320,000
Investment in Naya Nazimabad REIT		-	-
Profit on savings accounts received during the year		214,524,061	76,424,689
Profit on exposure deposit received during the year		8,463,125	2,480,914
Proceeds from reverse repo receivable		(294,373,623)	-
Long-term advances and deposits		24,373,960	(22,000)
<b>Net cash generated from / (used in) investing activities</b>		<b>(51,519,158)</b>	<b>83,397,556</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liability (principal)		(19,356,282)	(15,311,820)
Short term loan repaid to Arif Habib Corporation Limited		1,585,000,000	-
Short term loan received from sponsor		1,250,000,000	-
Dividend paid		(325,107,996)	(162,619,273)
<b>Net cash used in financing activities</b>		<b>2,490,535,722</b>	<b>(177,931,093)</b>
Net increase / (decrease) in cash and cash equivalents		2,345,312,134	1,560,960,338
Cash and cash equivalents at the beginning of the year		2,549,917,914	(614,653,451)
<b>Cash and cash equivalents at the end of the year</b>	20	<b>4,895,230,048</b>	<b>946,306,887</b>

The annexed notes from 1 to 22 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended December 31, 2024

## 1. STATUS AND NATURE OF BUSINESS

1.1 Arif Habib Limited ("the Company") is a public listed company incorporated in Pakistan under the repealed Companies Ordinance, 1984 ('the Ordinance') which has now been replaced by Companies Act, 2017 ('the Act'). The shares of the Company are listed on Pakistan Stock Exchange Limited ("the Exchange"). The Company was initially incorporated as an unquoted public limited company wholly owned by Arif Habib Corporation Limited ("the Parent Company"). Subsequently, the Parent Company offered its 25% share holding in the Company to general public and the Company obtained listing on the Exchange on January 31, 2007. As of December 31, 2024, the Parent Company held 74.94% shares of the Company (2024: 72.92% shares).

1.2 The Company is a holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited. The principal activities of the Company are investments, share brokerage, inter-bank brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services.

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

- Karachi	Head office (Registered office)	Arif Habib Centre, 23 M.T. Khan Road, Karachi
- Lahore	Regional office	Office Nos. G-05 & G-06, Ground Floor, LSE Plaza, 19, Khayaban-e-Aiwan-e-Iqbal, Lahore
- Islamabad	Regional office	Office No. 506, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.
- Peshawar	Regional office	Shops No. F16, and F17, 1st Floor, The Mall Tower, Peshawar Cantt.
- Multan	Regional office	Office # 305, 3rd Floor, United Mall, Abdali Road, Multan.
- Faisalabad	Regional office	Office No. 04, 3rd Floor at Legacy Tower, Koh-e-noor City, Faisalabad.

1.4 The Company has following subsidiaries: Holding %

- Rayaan Commodities (Private) Limited (Formerly Arif Habib Commodities (Private) Limited)	100%
--	------

1.5 On October 21, 2024, the High Court of Sindh sanctioned the Scheme of Arrangement (the ""Scheme"" ) approved by the shareholders of Arif Habib Limited (AHL) and Arif Habib Corporation Limited (AHCL). The Scheme involves the demerger of certain non-core businesses from AHL, with these businesses being merged into AHCL, effective from July 1, 2023. In consideration of this demerger, AHCL allotted 13,321,747 ordinary shares to AHL's shareholders (excluding AHCL itself) based on a swap ratio of 0.8673 shares of AHCL for every 1 share of AHL.

As AHL is a subsidiary of AHCL, this transaction qualifies as a common control transaction and has been accounted for using the predecessor method, as required by the Accounting Standard on Common Control Transactions. Under this method, the assets, liabilities, and reserves of the Demerged Undertaking have been derecognized from AHL's financial statements at their carrying values as of July 1, 2023, the effective date of the Scheme.

1.6 In accordance with the Accounting Standard on Common Control Transactions, the comparative information for the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows has been restated to reflect the removal of the Demerged Undertaking from AHL's operations, effective July 1, 2023.

The comparative balance sheet has not been restated, as the Scheme's impact was already incorporated into the balances reported as of June 30, 2024. The restatement ensures that financial performance and movements in equity are presented consistently as if the restructuring had occurred at the beginning of the earliest comparative period presented. Adjustments to comparatives reflect the removal of income, expenses, and cash flows related to the Demerged Undertaking.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These condensed interim financial statements are the separate financial statements of the Company and 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 Standards) 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 Standards, the provisions of, and directives issued, under the Companies Act, 2017 have been followed.

These interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2024.

### 2.2 Basis of measurement of items in the condensed interim financial statements.

Items in these condensed interim financial statements have been measured at their historical cost, except for:

- Long term investments in ISE Tower REIT Management Limited, LSE PropTech Limited and LSE Ventures Limited which are carried at fair value; and
- Short term investments in quoted equity securities and corporate debt securities which are carried at fair value.

### 2.3 Functional and presentation currency

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

### 2.4 Judgments and sources of estimation uncertainty

In preparing these interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual consolidated financial statements of the Company as at and for the year ended June 30, 2024.

## 2.5 SIGNIFICANT ACCOUNTING POLICIES

- The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of annual audited consolidated financial statements of the Company as at and for the year ended 30 June 2024.
- Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax'.

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the quarter ended December 31, 2024 (unaudited)

Effect on statement of profit or loss	Note	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
(Rupees in '000)				
<b>For the quarter ended September 30, 2023</b>				
Profit before levies and taxation		233,474,673	-	233,474,673
Levies	17	-	(25,225,107)	(25,225,107)
<b>Profit before taxation</b>		<b>233,474,673</b>	<b>(25,225,107)</b>	<b>208,249,566</b>
Taxation	17			
- Current tax		(43,063,185)	25,225,107	(17,838,078)
		(43,595,830)	25,225,107	(18,370,723)
<b>Profit after taxation</b>		<b>189,878,843</b>	<b>-</b>	<b>189,878,843</b>

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these interim financial statements are the same as those applied in the preparation of the annual consolidated financial statements of the Company for the year ended June 30, 2024.

### 4. PROPERTY AND EQUIPMENT

Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024	
----- Rupees -----			
Owned assets	4.1	57,729,954	60,293,364

4.1 During the period ended December 31, 2024, additions made amounting to Rs. 3.53 million (30 June 2024: Rs. 5.37 million) which comprised of office equipment and computer and allied items. However, no disposals were made during the period.

### 5. LONG TERM ADVANCES, DEPOSITS AND OTHER RECEIVABLE

Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024	
----- Rupees -----			
<b>Advance against equity</b>			
- Neem Exponential Technology Pte. Limited	5.1	37,000,000	37,000,000
Less: Provision for doubtful advance		(37,000,000)	-
		-	37,000,000
<b>Deposits</b>			
- Pakistan Stock Exchange Limited		14,900,461	500,461
- National Clearing Company of Pakistan Limited		1,500,000	1,500,000
- Pakistan Mercantile Exchange Limited		8,900,001	8,900,001
- Other security deposits		819,911	819,911
		26,120,373	11,720,373
<b>Other receivable</b>			
- from employees	5.2	-	1,773,960
		26,120,373	50,494,333

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

5.1 In the year ended June 30, 2023, the Company gave advance against purchase of preference shares of Neem Exponential Technology Pte. Limited (company registered in Singapore) amounting to Rs. 37,000,000 (\$180,000) under the SAFE (Simple agreement for future equity). It is expected that the preference share will be issued in December, 2024.

5.2 This represents amount paid for the parental insurance of employees which will be recoverable at the time of their retirement and secured against their retirement benefits.

6.	SHORT TERM INVESTMENTS - At fair value through profit or loss	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----				
	Equity securities: - quoted	6.1	2,266,542,759	484,827,933
	Debt securities: - quoted	6.2	62,378,052 <u>2,328,920,811</u>	65,877,709 <u>550,705,642</u>

6.1.	Investment in quoted equity securities	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----			
	Cost of the investments	2,201,654,579	513,845,829
	Unrealised gain / (loss):		
	Balance as at July 01	(29,017,896)	(7,691,860)
	Unrealised gain / (loss) for the year	93,906,076	(21,326,036)
	Balance as at June 30	64,888,180 <u>2,266,542,759</u>	(29,017,896) <u>484,827,933</u>

6.2	Investment in quoted debt securities	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----				
	Cost of investment		66,566,383	66,566,383
	Unrealised gain / (loss):			
	Balance as at July 01		(688,674)	(3,063,629)
	Unrealised gain / (loss) for the year		(3,499,657)	2,374,955
	Balance as at June 30	6.2.1	(4,188,331) <u>62,378,052</u>	(688,674) <u>65,877,709</u>

6.2.1 These represent the investments in Term Finance (TFC) and Sukuk Certificates made under Market Making arrangements. The Company has entered into such arrangements in accordance with Chapter 12 of PSX Rule Book with various Financial and Corporate Institution. Under the arrangements, the Company has to maintain minimum inventory of TFCs and Sukuks to place bid & offer on daily basis. These TFCs and Sukuks carry coupon rate ranging from 3 month KIBOR + 1.5% to 1.7% (2024: 3 month KIBOR + 1.5% to 1.7%), 6 month KIBOR + 1.4% to 2.25% (6 month KIBOR + 1.4% to 2.25%) calculated on the face value of the respective TFCs or Sukuks that is payable quarterly / semi annually.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

7. TRADE DEBTS	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----			
<i>Gross receivables</i>			
Equity brokerage - secured		212,816,438	275,462,669
Equity brokerage - unsecured		888,540,881	879,031,666
	7.1	1,101,357,319	1,154,494,335
Inter bank brokerage - unsecured		40,725,223	33,566,485
Advisory and consultancy fee - unsecured		79,108,360	109,493,747
		1,221,190,902	1,297,554,567
<i>Less: Provision for expected credit losses</i>			
Equity brokerage - unsecured		(888,540,881)	(879,031,666)
Inter bank brokerage - unsecured		(8,973,001)	(5,972,463)
Advisory and consultancy fee - unsecured		(74,240,699)	(77,255,993)
		(971,754,581)	(962,260,122)
		249,436,321	335,294,445

## 7.1 Gross receivables - Equity brokerage

7.1.1 These receivables include Rs. 0.711 million (2024: Rs.10.380 million) due from the related parties. The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs. 5.940 million (2024: Rs. 15.738 million).

7.1.2 The Company holds capital securities having fair value of Rs. 139,311 million (2024: Rs. 146,942 million) owned by its clients, as collaterals against trade debts.

8. OTHER RECEIVABLES	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----			
Receivable from Arif Habib Corporation Limited	8.1	-	800,437,464
Receivable against reverse repo arrangements		509,468,725	190,940,196
Others		-	6,796,579
		509,468,725	998,174,239

8.1 This represents liabilities forming part of the Demerged undertaking, as on the balance sheet date.

9. TAXATION PAYABLE / REFUNDABLE	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----			
	9.1	(82,015,044)	1,790,619

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

9.1	Movement for the year	Note	(Un-audited)	(Audited)
			December 31, 2024	June 30, 2024
----- Rupees -----				
	As at July 01,		1,790,619	15,111,277
	Charge for the year			
	- current year		(114,610,996)	(161,082,234)
	- prior year		-	3,464,521
	Levies	17	(114,610,996)	(157,617,713)
	Taxes paid during the year		(66,603,281)	(2,953,850)
	As at June 30,		(179,423,658)	(145,460,286)
			97,408,614	147,250,905
			(82,015,044)	1,790,619
10.	CASH AND BANK BALANCES	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----				
	Cash in hand		742,640	746,630
	Cash held in central depository company		8,858,673	6,908,525
	Cash at bank			
	- current accounts	10.1	333,715,259	443,212,503
	- savings accounts	10.2	4,585,036,007	2,763,368,137
			4,918,751,266	3,206,580,640
			4,928,352,579	3,214,235,795
10.1	The return on these balances is 6% to 19.5% (2024: 8% to 19.5%) per annum on daily product basis.			
10.2	Bank balances include customers' bank balances held in designated bank accounts amounting to Rs. 4,497.391 million (2024: Rs. 3,107.776 million).			
11.	DEFERRED TAX - net		(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----				
	<i>Deferred tax (asset) / liability in respect of:</i>			
	- Capital loss on short term investments		( 9,104,977)	(4,455,986)
	- Other temporary differences		(15,725,727)	(8,941,185)
			(6,620,750)	(13,397,171)
	- Capital loss on short term investments not recognised during the year		-	4,455,986
	Net Deferred tax asset recognised		(6,620,750)	(8,941,185)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

12. SHORT TERM BORROWINGS	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----			
From banking companies			
- Running finance	12.1	33,122,531	664,317,881
From related parties			
- Mr. Arif Habib		1,250,000,000	-
- Arif Habib Corporation Limited		1,585,000,000	-
		<u>2,868,122,531</u>	<u>664,317,881</u>

## 12.1 Running finance arrangements from banking companies - secured

**12.1.1** Short term running finance facilities are available from various commercial banks, under mark-up arrangements, amounting to Rs. 5,000 million (2024: Rs. 5,000 million). These facilities have various maturity dates up to May 31, 2025 (2024: May 31, 2025). These arrangements are secured against pledge of marketable securities. These running finance facilities carry mark-up ranging from 1 month KIBOR + 0.5% to 1.0%, 3 month KIBOR + 0.50% to 1.5% (2024: 1 month KIBOR + 0.5% to 1.0%, 3 month KIBOR + 0.50% to 1.5%) calculated on a daily product basis that is payable quarterly.

**12.1.2** Fair value of shares pledged with banking companies against various short term running finance facilities and bank guarantees as at December 31, 2024 amounted to Rs. 7,894.54 million (2024: Rs. 7,799.35 million). Total value of securities pledged with financial institutions, indicating separately securities belonging to customers, is as under:

	September 30, 2024		June 30, 2024	
	Number of securities	Amount (Rupees)	Number of securities	Amount (Rupees)
Clients	100,850,000	7,894,538,000	129,150,000	6,666,723,000
House	-	-	164,900,000	1,132,626,000
<b>Total</b>	<u>100,850,000</u>	<u>7,894,538,000</u>	<u>294,050,000</u>	<u>7,799,349,000</u>

12.2 Financing facility from Sponsor - unsecured	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----		
Opening balance	-	-
Add: Finance obtained during the year	1,250,000,000	-
Less: Repayments made during the year	-	-
<b>Closing balance</b>	<u>1,250,000,000</u>	<u>-</u>

**12.2.1** The Company obtained an unsecured financing facility of Rs. 2 billion from Mr. Arif Habib to finance its working capital requirements. The loan is repayable within 30 days of notice of demand and carries interest at the rate of 3 month KIBOR + 1% (payable quarterly).

12.3 Financing facility from the Parent Company	(Un-audited) December 31, 2024	(Audited) June 30, 2024
----- Rupees -----		
Opening balance	-	-
Add: Finance obtained during the year	1,585,000,000	-
Less: Repayments made during the year	-	-
<b>Closing balance</b>	<u>1,585,000,000</u>	<u>-</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

12.3.1 Financing facility of Rs. 2.2 billion is available from M/s. Arif Habib Corporation Limited to finance its working capital requirements. The loan was repayable within 30 days of notice of demand and carried interest at the rate of 3 month KIBOR + 1% (payable quarterly).

13. TRADE AND OTHER PAYABLES	Note	(Un-audited)	(Audited)
		December 31, 2024	June 30, 2024
----- Rupees -----			
Creditors	13.1	4,602,319,054	3,023,733,425
Commission payable	13.2	355,011,491	233,243,989
Advance from customers		2,857,123	899,847
Future profit withheld		70,598,413	21,123,253
Accrued expenses		22,476,055	19,853,515
Withholding tax payable		40,999,050	108,373,754
Sindh sales tax and federal excise duty payable		17,583,582	15,017,968
Other liabilities		9,042,111	5,033,422
		<u>5,120,886,879</u>	<u>3,427,279,173</u>

13.1 This includes Rs. 132.64 million (2024: Rs. 249.33 million) payable to related parties.

13.2 This includes Rs. 130 million (2024: Rs. 118 million) payable to related parties.

## 14. CONTINGENCIES AND COMMITMENTS

### 14.1 Contingent liability existing as at the reporting date

There were no change in contingencies at the period end as disclosed in the financial statements for the year ended June 30, 2024.

### 14.2 Commitments

Following commitments were outstanding as at the reporting date:

- Outstanding settlements against Margin Trading contracts
- Outstanding settlements against sale / purchase of securities in regular market - net
- Financial guarantees given by commercial banks on behalf of the Company

14.2 Commitments	Note	(Un-audited)	(Audited)
		December 31, 2024	June 30, 2024
----- Rupees -----			
- Outstanding settlements against Margin Trading contracts		<u>823,593,612</u>	<u>138,417,338</u>
- Outstanding settlements against sale / purchase of securities in regular market - net		<u>478,268,924</u>	<u>97,136,093</u>
- Financial guarantees given by commercial banks on behalf of the Company		<u>750,000,000</u>	<u>750,000,000</u>

15. OPERATING REVENUE	(Un-audited)	Restated (Un-audited)
	December 31, 2024	December 31, 2023
----- Rupees -----		
Equity brokerage revenue	512,336,350	300,926,250
Inter bank brokerage revenue	93,362,032	88,583,025
Commodity brokerage revenue	21,438,755	16,694,657
Advisory and consultancy fee	138,138,850	48,095,648
Markup on margin financing	33,646,632	28,643,881
Dividend income on investment in equity securities	5,761,956	8,261,886
Markup on corporate debt securities	3,172,134	23,867,759
	<u>807,856,709</u>	<u>515,073,106</u>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

16. ADMINISTRATIVE AND OPERATING EXPENSES	(Un-audited) December 31, 2024	Restated (Un-audited) December 30, 2023
	----- Rupees -----	
Salaries and other benefits	647,077,773	211,313,425
Motor vehicle and travelling expense	36,025,146	29,418,911
CDC and clearing house charges	23,128,331	9,282,082
Building maintenance	22,358,199	14,690,608
Depreciation on right-of-use assets	12,830,981	13,444,486
Depreciation on property and equipment	7,012,978	6,918,285
Man power services	9,630,000	12,614,800
Communication	15,866,075	12,276,213
Legal and professional charges	576,200	1,049,625
Insurance	6,206,199	5,276,423
Repairs and maintenance	5,539,888	2,247,651
Fees and subscription	9,991,104	11,478,091
Printing and stationery	1,077,667	689,251
Business representation	3,022,623	2,397,442
Rent, rates and taxes	1,663,725	704,902
Auditors' remuneration	500,000	500,000
Advertisement and business promotion	4,290,244	4,717,921
Conveyance and meals	3,409,538	2,558,042
Meeting expenses	588,630	850,000
Amortization on intangible assets	104,590	62,322
Others	8,825,165	9,006,178
	<u>819,725,056</u>	<u>351,496,658</u>
	(Un-audited) December 31, 2024	Restated (Un-audited) December 30, 2023
	----- Rupees -----	
16.1 Salaries and other benefits	122,836,455	100,072,567
	524,241,318	111,240,858
	<u>647,077,773</u>	<u>211,313,425</u>
16.1.1 Salaries and benefits include Rs. 10.05 million (2023: Rs. 10.66 million) in respect of provident fund contribution.		
	(Un-audited) December 31, 2024	Restated (Un-audited) December 30, 2023
	----- Rupees -----	
17. LEVIES	66,214,281	24,253,107
Income tax - Final tax regime	389,000	972,000
Income tax - Tax on deemed rental income u/s 7E	<u>66,603,281</u>	<u>25,225,107</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

18. TAXATION	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
	----- Rupees -----	
Current tax	114,610,996	17,838,078
- for the year	-	-
- for prior year	<u>114,610,996</u>	<u>17,838,078</u>
Deferred	<u>2,320,435</u>	<u>532,645</u>
	<u>116,931,431</u>	<u>18,370,723</u>
19. EARNINGS PER SHARE - BASIC AND DILUTED	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
	----- Rupees -----	
19.1 Basic earnings per share		
Profit after taxation	<u>509,953,597</u>	<u>189,878,843</u>
Weighted average number of ordinary shares outstanding during the year	<u>65,340,000</u>	<u>65,340,000</u>
Earnings per share - basic	<u>7.80</u>	<u>2.91</u>
19.2 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 June 30, 2024.		
20. CASH AND CASH EQUIVALENTS	(Un-audited) December 31, 2024	Restated (Un-audited) December 31, 2023
	----- Rupees -----	
Cash and bank balances	4,928,352,579	2,023,073,042
Short term borrowings from banking companies - <i>running finance</i>	(33,122,531)	(1,076,766,155)
	<u>4,895,230,048</u>	<u>946,306,887</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

## 21. RELATED PARTY TRANSACTIONS AND BALANCES

21.1 Related parties comprise of group companies (the Parent Company, fellow subsidiary and the subsidiaries), key management personnel and directors of the Company and their close family members, and the staff provident fund. Transactions entered into, and balances held with, related parties during the year, are as follows:

<u>PARENT COMPANY</u>	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
	----- Rupees -----	
<b>Arif Habib Corporation Limited</b>		
<i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	6,853,100	1,368,865
Loan obtained	1,585,000,000	-
Markup expense on loan received during the year	9,792,359	-
Amount received against scheme of arrangement	377,004,596	-
<u>KEY MANAGEMENT PERSONNEL</u>	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
	----- Rupees -----	
<b>Zafar Alam (Chairman)</b>		
<i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	1,470,401	159,388
Meeting Fee Paid	100,000	100,000
<b>Muhammad Shahid Ali (CEO)</b>		
<i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	6,904,783	7,414,745
<b>Muhammad Haroon (Director)</b>		
<i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	263,685	288,942
Meeting Fee Paid	-	100,000
<b>Sharmin Shahid (Director)</b>		
<i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	557,599	-
Meeting Fee Paid	-	100,000
<b>Mohsin Madni (Director)</b>		
<i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	533,913	70,576
<u>CLOSE FAMILY MEMBERS OF KEY MANAGEMENT PERSONNEL</u>	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
	----- Rupees -----	
<b>Arif Habib</b>		
<i>Transaction during the year</i>		
Brokerage commission earned on sale and purchase of securities	141,778	3,981,495
Loan obtained	1,250,000,000	-
Markup on loan charged during the year	720,000	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
	----- Rupees -----	
<b>Abdus Samad A. Habib</b> <i>Transaction during the year</i> Brokerage commission earned on sale and purchase of securities	3,469,325	31,325
<b>Nida Ahsan</b> <i>Transaction during the year</i> Brokerage commission earned on sale and purchase of securities Meeting Fee Paid	3,151,473 -	39,294 100,000
<b>Muhammad Kashif A. Habib</b> <i>Transaction during the year</i> Brokerage commission earned on sale and purchase of securities	-	6,500
<b>OTHER RELATED PARTIES</b>	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
	----- Rupees -----	
<b>Rotocast Engineering Co. (Private) Limited</b> <i>Transaction during the year</i> Rent paid	8,542,020	14,480,972
<b>Arif Habib Equity (Private) Limited</b> <i>Transaction during the year</i> Brokerage commission earned on sale and purchase of securities	925,491	857,821
<b>Arif Habib Provident Fund Trust</b> <i>Transaction during the year</i> Contribution paid during the year	2,541,134	5,111,235
Balances with related parties at the end of the period are as follows:		
<b>PARENT COMPANY</b>	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees -----	
<b>Arif Habib Corporation Limited</b> <i>Balances at the year end</i> Trade receivable at year end Receivable against demerger Mark-up Payable	17,969 - 9,792,359	50,666 800,437,464 -
<b>KEY MANAGEMENT PERSONNEL</b>	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees -----	
<b>Zafar Alam (Chairman)</b> <i>Balances at the year end</i> Trade payable at year end	264,094	51,359

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees -----	
<b>Muhammad Shahid Ali (CEO)</b> <i>Balances at the year end</i> Trade payable at year end	129,984,807	249,003,382
<b>Muhammad Haroon (Director)</b> <i>Balances at the year end</i> Trade payable at year end Trade receivable at year end	2,628,966 -	17,055 -
<b>Muhammad Sohail Salat (Director)</b> <i>Balances at the year end</i> Trade receivable at year end	1,899	1,899
<b>Sharmin Shahid (Director)</b> <i>Balances at the year end</i> Trade receivable at year end	9,515	43,263
<b>Mohsin Madni (Director)</b> <i>Balances at the year end</i> Trade payable at year end	-	289,099
 <b><u>CLOSE FAMILY MEMBERS OF KEY MANAGEMENT PERSONNEL</u></b>		
	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees -----	
<b>Arif Habib</b> <i>Balances at the year end</i> Trade receivable at year end Mark-up payable	250 720,000	30,318 -
<b>Abdus Samad A. Habib</b> <i>Balances at the year end</i> Trade receivable at year end	-	87,860
<b>Nida Ahsan</b> <i>Balances at the year end</i> Trade payable at year end Trade receivable at year end	24,341 11,241	24,341 609,448
<b>Muhammad Kashif A. Habib</b> <i>Balances at the year end</i> Trade receivable at year end	244	244
 <b><u>OTHER RELATED PARTIES</u></b>		
	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	----- Rupees -----	
<b>Javedan Corporation Limited</b> <i>Balances at the year end</i> Trade receivable at year end	-	270,192
<b>Arif Habib Dolmen REIT Management Limited</b> <i>Balances at the year end</i> Trade receivable at year end	2,456	2,456

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

For the half year ended December 31, 2024

	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
	----- Rupees -----	
<b>Rotocast Engineering Co. (Private) Limited</b>		
<i>Balances at the year end</i>		
Trade receivable at year end	58,399	43,550
<b>Arif Habib Equity (Private) Limited</b>		
<i>Balances at the year end</i>		
Trade receivable at year end	2,486	35,464

## 22. GENERAL

### 22.1

#### Operating segment

These consolidated 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 and integrated business strategy.

All non-current assets of the Company as at December 31, 2024 are located in Pakistan.

### 22.2 Date of authorization for issue

These consolidated financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on January 31, 2025.

### 22.3 Level of rounding off

Figures have been rounded off to the nearest rupee.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# PATTERN OF SHAREHOLDING REPORT

As of December 31, 2024

Categories of Shareholders	Shareholders	Shares Held	Percentage
<b>Directors, Chief Executive Director and their spouse(s) and minor children</b>			
MUHAMMAD HAROON	1	1,712	0.00
SHARMIN SHAHID	1	1,208	0.00
MOHSIN MADNI	1	550	0.00
SYED MUHAMMAD MANZOOR RAZA	1	1	0.00
MUHAMMAD SHAHID ALI	1	965	0.00
ZAFAR ALAM	1	75,000	0.11
MUHAMMAD SOHAIL SALAT	1	660	0.00
<b>Associated Companies, undertakings and related parties</b>			
	3	48,967,338	74.94
<b>NIT &amp; ICP</b>			
	-	-	-
<b>Banks Development Financial Institutions, Non Banking Financial Institutions.</b>			
	1	59	0.00
<b>Insurance Companies</b>			
	-	-	-
<b>Modarabas and Mutual Funds</b>			
	-	-	-
<b>General Public</b>			
a. Local	3,005	13,787,779	21.10
b. Foreign	29	74,472	0.11
<b>Foreign Companies</b>			
	-	-	-
<b>Others</b>			
	31	2,430,256	3.72
<b>Totals</b>	<b>3,076</b>	<b>65,340,000</b>	<b>100.00</b>

Share Holder Holding 10% or more	Shares Held	Percentage
M/S ARIF HABIB CORPORATION	48,966,130	74.94



## ARIF HABIB CENTRE

23, M.T Khan Road, Karachi-74000

Fax No (92-21) 32416072; 32429653

UAN (92-21) 111-245-111

Group Website: [www.arifhabib.com.pk](http://www.arifhabib.com.pk)

[www.arifhabibltd.com](http://www.arifhabibltd.com)