

## INDEPENDENT AUDITOR'S REPORT

To the members of H.H MISBAH SECURITIES (PRIVATE) LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the annexed financial statement of **H.H MISBAH SECURITIES (PRIVATE) LIMITED**, which comprise the statement of financial position as at **June 30, 2021** and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flow together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2021 and of the loss for the year then ended; and other comprehensive income, the changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

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

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

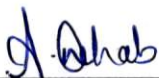
Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirement of Companies Act, 2017 and for such internal control as management determines is necessary to enable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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease

**H.H MISBAH SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2021**

	Note	2021 (Rupees)	2020 (Rupees)
<b><u>ASSETS</u></b>			
<b><u>NON CURRENT ASSETS</u></b>			
Property and equipment	4	16,987,230	15,515,239
Intangible assets	5	2,500,000	2,500,000
Investment at fair value through other comprehensive income	6	24,121,438	10,703,821
Long term deposits	7	1,505,858	1,505,858
		<b>45,114,526</b>	<b>30,224,918</b>
<b><u>CURRENT ASSETS</u></b>			
Trade debts - unsecured considered good	8	142,084,171	56,928,115
Investment at fair value through profit& loss	9	162,294,592	77,390,765
Advances, deposits, prepayments and other receivables	10	108,472,952	67,947,984
Cash and bank balances	11	151,091,420	142,407,706
		<b>563,943,135</b>	<b>344,674,570</b>
		<b>609,057,661</b>	<b>374,899,488</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>CAPITAL RESERVES</u></b>			
Authorized capital	12.1	120,000,000	120,000,000
Issued, subscribed and paid-up capital	12.2	100,000,000	100,000,000
Surplus/(Deficit) - Investment at fair value through other comprehensive income		21,490,680	8,073,062
Unappropriated profit		238,469,798	162,508,547
		<b>359,960,478</b>	<b>270,581,609</b>
<b><u>NON-CURRENT LIABILITIES</u></b>			
Long term loan	13	3,500,000	3,500,000
		<b>3,500,000</b>	<b>3,500,000</b>
<b><u>CURRENT LIABILITIES</u></b>			
Trade and other payable	14	245,597,183	100,817,879
		<b>245,597,183</b>	<b>100,817,879</b>
Contingencies and commitments	15	<b>609,057,661</b>	<b>374,899,488</b>

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

  
 Chief Executive

  
 Director

**H.H MISBAH SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Note	2021 (Rupees)	2020 (Rupees)
Revenue from contract with customers	16	126,079,972	43,215,860
Operating and administrative expenses	17	(110,039,752)	(39,194,709)
Other income	18	68,286,876	9,465,783
<b>NET PROFIT BEFORE TAXATION</b>		<u>84,327,096</u>	<u>13,486,935</u>
Taxation	19	(8,365,843)	(8,833,272)
<b>NET PROFIT AFTER TAXATION</b>		<u><u>75,961,253</u></u>	<u><u>4,653,663</u></u>

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Chief Executive

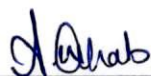


Director

**H.H MISBAH SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	2021 <i>(Rupees)</i>	2020 <i>(Rupees)</i>
Profit for the year	75,961,253	4,653,662
<b>Other comprehensive income:</b>		
Unrealised gain/(loss) on revaluation of investments at fair value through other comprehensive income	13,417,618	(3,351,702)
<b>TOTAL COMPREHENSIVE INCOME</b>	<u><u>89,378,870</u></u>	<u><u>1,301,959</u></u>

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Chief Executive




Director

**H.H MISBAH SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Issued, subscribed and paid-up capital	Accumulated Profit/(Loss)	Surplus/(Deficit) on investment at FVTOCI	Total
<hr/> <i>Rupees</i> <hr/>				
<b>Balance as at June 30, 2019</b>	100,000,000	157,854,885	11,424,764	269,279,649
Net profit for the year	-	4,653,662	-	4,653,662
Surplus/(Deficit) on Investment at fair value through OCI	-	-	(3,351,702)	(3,351,702)
<b>Balance as at June 30, 2020</b>	<b>100,000,000</b>	<b>162,508,547</b>	<b>8,073,062</b>	<b>270,581,609</b>
Net profit for the year	-	75,961,253	-	75,961,253
Surplus/(Deficit) on Investment at fair value through OCI	-	-	13,417,618	13,417,618
<b>Balance as at June 30, 2021</b>	<b>100,000,000</b>	<b>238,469,800</b>	<b>21,490,679</b>	<b>359,960,480</b>

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

  
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 Chief Executive

  
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 Director

**H.H MISBAH SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	2021 (Rupees)	2020 (Rupees)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	84,206,103	13,486,934
<b><u>Adjustment for non-cash items:</u></b>		
Depreciation	2,338,008	1,930,581
Capital Gain on investment at fair value through P&L	(60,638,375)	1,971,744
(Gain)/loss on Disposal of property and equipment	-	-
Dividend income	(3,628,103)	(2,566,610)
Operating profit before working capital changes	(61,928,470)	1,335,715
<b><u>Changes in working capital</u></b>		
Decrease /(Increase) in trade debts	(85,156,056)	13,682,347
Decrease /(Increase) in advances, deposits and prepayments	(47,456,897)	(88,809)
(Increase) in long term deposits	-	600,000
(Decrease) / increase in trade and other payable	144,779,304	43,864,077
<b>Net changes in working capital</b>	<b>12,166,351</b>	<b>58,057,615</b>
Taxes paid	(1,433,914)	(1,504,324)
<b>Net cash (used in)/generated from operating activities</b>	<b>33,010,070</b>	<b>71,375,940</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(3,689,005)	(174,433)
Proceeds from short term investment	(24,265,454)	(4,823,462)
Dividend received	3,628,103	2,566,610
	(24,326,356)	
<b>Net cash (used in)/generated from investing activities</b>		(2,431,285)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Net cash (used in)/generated from financing activities</b>		-
Net increase in cash and cash equivalent	8,683,714	68,944,655
Cash and cash equivalent at beginning of the year	142,407,706	73,463,054
Cash and cash equivalent at end of the year	<u>151,091,420</u>	<u>142,407,709</u>

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 Chief Executive

  
 Director