

ALPHA CAPITAL (PRIVATE) LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2024**

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE CODE

FOR SECURITIES BROKER

This statement is being presented to comply with the Corporate Governance Code (Code) for Securities Broker contained in the Securities Brokers (Licensing and Operations) Regulations No 6(1)(f) of Securities Exchange Commission of Pakistan for the purpose of establishing a framework of good governance, whereby a company is managed with the best practices of corporate governance.

Alpha Capital (Private) Limited has applied the principles contained in the Code in the following manners:

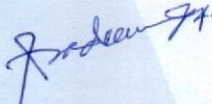
1. The composition of Board for the year ended as at June 30, 2024 is as follows:

Category	Name
Non-Executive Director & Chairman of the Board	Muhammad Iqbal Adhi
Non-Executive Director and Chairman of the Audit Committee	Muhammad Iqbal Adhi
Non-Executive Director	Sana Mahmood
Executive Director & Chief Executive Officer	Azfer Naseem -CEO / Director Mohsin Adhi -Director Nadeem ul-Haq -Director

2. The directors have confirmed that none of them and their spouses are serving as a director in a Listed Company.
3. All the directors of the Company are registered as tax payers and none of them has defaulted in payment of any loan to a banking company, DFI or an NBFIs.
4. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Company has developed a vision/mission statement. A complete record of particulars of significant approved policies is maintained.
6. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board. The Board met at least once in every quarter. The minutes of the meetings were appropriately recorded and circulated.
7. The Directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
8. The financial statements of the Company were duly endorsed by the Chief Executive Officer before approval of the Board.

9. The Company has complied with all the corporate and financial reporting requirements of the Code.
10. There is no transaction entered in to by the broker during the year, which are fraudulent, illegal or in violation of any securities market laws.
11. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, and firm is enlisted in Category "A" of the State Bank of Pakistan.
12. We confirm that all other material principles enshrined in the Code have been complied.

On behalf of the Board of Directors



Company Secretary

October 31, 2024

**Independent Auditor's Report
To the Members of Alpha Capital (Private) Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the annexed financial statements of the **Alpha Capital (Private) Limited** (the Company) which comprise the statement of financial position as at June 30, 2024 and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the profit and loss statement, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of its profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

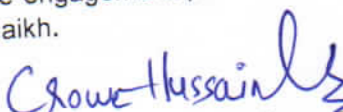
We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

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

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


Crowe Hussain Chaudhury & Co.
Chartered Accountants

Karachi

Date: 29 OCT 2024

UDIN: AR202410207v86yUY9zP

**ALPHA CAPITAL (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024**

		2024	2023 Restated	2022 Restated
	Note	----- Rupees -----		
ASSETS				
Non-Current Assets				
Property and equipment	6	13,716,606	18,505,885	20,250,005
Intangible assets	7	3,709,713	3,998,753	4,137,497
Long-term deposits	8	5,264,000	5,264,000	5,264,000
Deferred tax asset	9	-	-	-
		22,690,319	27,768,638	29,651,502
Current Assets				
Trade debts	10	22,836,873	23,232,042	42,179,398
Loans and advances	11	896,187	1,177,631	10,126,448
Deposits, prepayments and other receivables	12	59,663,780	34,825,088	53,511,472
Short-term investments	13	-	12,825,410	-
Taxation-net	14	8,073,738	5,947,327	5,338,334
Cash and bank balances	15	166,124,694	65,477,168	80,140,491
		257,595,272	143,484,666	191,296,143
Total Assets		280,285,591	171,253,304	220,947,645
EQUITY AND LIABILITIES				
Share Capital and Reserves				
Authorized share capital				
10,000,000 Ordinary shares of Rs. 10 each		<u>100,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid-up capital	16	50,490,000	50,490,000	50,490,000
Revenue reserve				
Unappropriated profit		44,955,571	47,948,874	80,458,821
Remeasurement of post employment benefits		214,307	524,903	-
Capital reserve				
Surplus on revaluation of property and equipment	17	-	-	1,368,357
Shareholders' equity		95,659,878	98,963,777	132,317,178
Non-Current liabilities				
Staff retirement benefit	18	4,830,266	2,656,827	1,536,775
Current liabilities				
Trade and other payables	19	178,195,172	69,632,700	79,191,637
Short-term borrowings	20	-	-	7,898,526
Mark-up accrued		1,600,275	-	3,529
		179,795,447	69,632,700	87,093,692
Total Equity and liabilities		280,285,591	171,253,304	220,947,645
Contingencies and Commitments	21	-	-	-

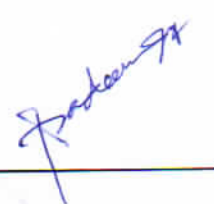
The annexed notes from 1 to 38 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER



DIRECTOR



ALPHA CAPITAL (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023 Restated
	Note	----- Rupees -----	
Operating revenue - net	22	76,535,671	30,362,324
Commission paid to agents and dealers	22	<u>(13,543,569)</u>	<u>(3,206,589)</u>
		62,992,102	27,155,735
Operating and administrative expenses	23	<u>(67,363,945)</u>	<u>(69,680,399)</u>
Operating loss		(4,371,843)	(42,524,664)
Other charges	24	<u>(586,480)</u>	<u>(461,110)</u>
Other income	25	20,555,331	10,951,656
Finance cost	26	<u>(4,909,834)</u>	<u>(226,732)</u>
		15,059,017	10,263,814
Profit/(loss) before levy and taxation		10,687,174	(32,260,850)
Levy - final tax	27	<u>(100,725)</u>	<u>(20,250)</u>
Profit/(loss) before taxation		10,586,449	(32,281,100)
Taxation	28	<u>(3,481,752)</u>	<u>(1,597,204)</u>
Profit/(loss) after taxation		7,104,697	(33,878,304)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of post employment benefits - actuarial (loss)/gain		(310,596)	524,903
Total comprehensive income/(loss) for the year		<u>6,794,101</u>	<u>(33,353,401)</u>

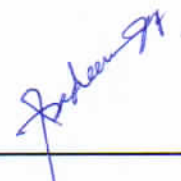
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CHIEF EXECUTIVE OFFICER



DIRECTOR

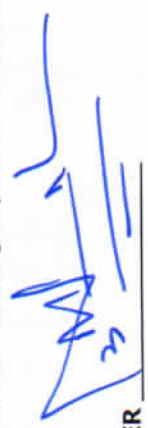


ALPHA CAPITAL (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

Description	Share Capital Issued, Subscribed and Paid-up Capital	Capital reserves Surplus on Revaluation of Property	Revenue Reserves		Total Equity
			Unappropriated Profit	Remeasurement of post employment benefits	
Balance as at July 1, 2022 - previously reported	50,490,000	1,368,357	77,025,272	-	128,883,629
Impact of restatement (refer to note 4)	-	-	3,433,549	-	3,433,549
Balance as at July 1, 2022 - restated	50,490,000	1,368,357	80,458,821	-	132,317,178
Loss for the year	-	-	(33,878,304)	-	(33,878,304)
Other comprehensive income	-	-	-	524,903	524,903
Transferred from surplus on revaluation on account of disposal of assets - net of deferred tax	-	(1,368,357)	1,368,357	-	-
Balance as at June 30, 2023 - restated	50,490,000	-	47,948,874	524,903	98,963,777
Profit for the year	-	-	7,104,697	-	7,104,697
Other comprehensive loss	-	-	-	(310,596)	(310,596)
Dividend paid during the year	-	-	(10,098,000)	-	(10,098,000)
Balance as at June 30, 2024	50,490,000	-	44,955,571	214,307	95,659,878

The annexed notes from 1 to 38 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER

DIRECTOR

**ALPHA CAPITAL (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023 Restated
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before levy and taxation	10,687,174	(32,260,850)
Adjustment for:		
Depreciation	2,927,007	3,726,455
Amortization	289,040	138,744
Provision in respect of employees gratuity fund	1,862,843	1,644,955
Financial charges	4,909,834	226,732
Bad debts expense	5,420	-
Capital gain on disposal of investments	(1,387,200)	(859,327)
Unrealized loss on investment	-	706,610
Gain on disposal of property and equipment	(32,500)	(5,679,067)
Cash inflows /(outflows) before working capital changes	19,261,618	(32,355,748)
(Increase) / decrease in current assets		
Trade debts	(2,529,382)	18,947,357
Loans and advances	281,444	8,948,817
Deposits, prepayments and other receivables	(24,838,692)	18,839,100
Increase / (decrease) in current liabilities		
Trade and other payables	108,562,472	(9,558,937)
	81,475,842	37,176,337
Cash generated from operations	100,737,460	4,820,589
Financial charges paid	(3,309,559)	(230,261)
Income taxes paid	(1,378,557)	(2,226,447)
Net cash generated from operating activities	96,049,344	2,363,881
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property and equipment	(3,329,228)	(4,503,268)
Proceeds from sales of vehicle	5,200,000	8,200,000
Short term investments-net	12,825,410	(12,825,410)
Net cash generated / (used in) from investing activities	14,696,182	(9,128,678)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings - net	-	(7,898,526)
Dividened paid	(10,098,000)	-
Net cash used in generated from financing activities	(10,098,000)	(7,898,526)
Net increase /(decrease) in cash and cash equivalent	100,647,526	(14,663,323)
Cash and cash equivalents at the beginning of the year	65,477,168	80,140,491
Cash and cash equivalents at the end of the year	166,124,694	65,477,168

The annexed notes from 1 to 38 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR