

**ABL Exchange (Private) Limited**

Financial Statements for the year  
ended 31 December 2025



KPMG Taseer Hadi & Co.  
Chartered Accountants  
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## INDEPENDENT AUDITORS' REPORT

To the members of ABL Exchange (Private) Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of ABL Exchange (Private) Limited ("the Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the year then ended, and notes to the financial statements, including 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 statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017) in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of the 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.

### 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, the requirements of the 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.

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

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- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flow together with the notes thereon have been drawn up in conformity with the Companies Act, 2017(XIX of 2017) 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 Company's business; and
- d) in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Fahad Bin Waheed.

Lahore

Date: 13 February 2026

UDIN: AR202510089x9keHVK3X

KPMG Taseer Hadi & Co.  
Chartered Accountants

# ABL Exchange (Private) Limited

## Statement of Financial Position

As at 31 December 2025

<b>ASSETS</b>	<b>Note</b>	<b>2025 Rupees</b>	<b>2024 Rupees</b>
<b><u>Non-current assets</u></b>			
Property and equipment	5	136,763,362	85,440,325
Intangible assets	6	4,880,365	5,336,105
Long term investments	7	189,548,823	188,227,555
Deferred Tax Asset	8	31,731,672	-
		<b>362,924,222</b>	<b>279,003,985</b>
<b><u>Current assets</u></b>			
Short term investments	9	101,062,950	658,341,283
Accrued markup	10	4,282,536	5,609,428
Advances and prepayments	11	2,801,351	1,332,446
Taxation - net	12	39,356,305	15,674,361
Cash and bank balances	13	1,176,200,710	268,484,029
		<b>1,323,703,852</b>	<b>949,441,547</b>
<b>Total assets</b>		<b>1,686,628,074</b>	<b>1,228,445,532</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Share capital and reserves</u></b>			
Authorized Share Capital 100,000,000 ordinary share of Rs.10 each	14	3,000,000,000	1,000,000,000
Ordinary share of Rs.10 each	15	1,500,000,000	1,000,000,000
Unappropriated (loss)/profit		(64,851,406)	19,746,991
Revaluation gain on investments		27,539	5,102,331
		<b>1,435,376,133</b>	<b>1,024,849,322</b>
<b><u>Non-current liabilities</u></b>			
Deferred tax liabilities	8	-	5,637,788
<b><u>Current liabilities</u></b>			
Accrued liabilities	16	34,215,086	24,489,720
Trade and other payables	17	217,036,855	173,468,702
		<b>251,251,941</b>	<b>197,958,422</b>
<b>Total equity and liabilities</b>		<b>1,686,628,074</b>	<b>1,228,445,532</b>
<b>Contingencies and commitments</b>	18		

The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

**ABL Exchange (Private) Limited**

## Statement of Profit or Loss

For the year ended 31 December 2025

		2025	Six months period ended 31 December 2024
	Note	Rupees	Rupees
Revenue from contracts with customers	19	<b>47,864,297</b>	8,022,473
Administrative expenses	20	<b>(271,042,189)</b>	(93,360,278)
<b>Operating loss</b>		<b>(223,177,892)</b>	(85,337,805)
Other income	21	<b>104,306,911</b>	95,583,304
<b>(Loss) / profit before income tax and minimum tax differential</b>		<b>(118,870,981)</b>	10,245,499
Minimum tax differential	22	<b>(607,856)</b>	(1,741,735)
<b>(Loss) / profit before income tax</b>		<b>(119,478,837)</b>	8,503,764
Taxation	23	<b>35,080,440</b>	(1,229,459)
<b>(Loss) / profit after tax for the year</b>		<b>(84,398,397)</b>	7,274,305

The annexed notes from 1 to 29 form an integral part of these financial statements.



Financial Officer



Chief Executive Officer



Director

**ABL Exchange (Private) Limited**  
 Statement of Comprehensive Income  
 For the year ended 31 December 2025

	<b>2025</b>	Six months period ended 31 December 2024
	<b>Rupees</b>	Rupees
<b>(Loss) / profit after tax for the year</b>	<b>(84,398,397)</b>	7,274,305
<b>Other comprehensive (loss)/income for the year</b>		
Items that may be reclassified subsequently to profit and loss:		
(Deficit) / Surplus on revaluation of investments	<b>(7,363,812)</b>	6,873,238
Related deferred tax impact	<b>2,289,020</b>	(2,146,754)
	<b>(5,074,792)</b>	4,726,484
<b>Total comprehensive (loss)/income for the year</b>	<b>(89,473,189)</b>	12,000,789

The annexed notes from 1 to 29 form an integral part of these financial statements.

*Kamil Qureshi*

*W. Ahmed Qureshi*

**Chief Financial Officer**

*Sajid Hussain*

**Chief Executive Officer**

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**Director**

**ABL Exchange (Private) Limited**


## Statement of Cash Flows

For the year ended 31 December 2025

		2025	For the six months period ended 31 December 2024
<u>Cash flows from operating activities</u>	Note	Rupees	Rupees
(Loss) / Profit before taxation		<b>(118,870,981)</b>	10,245,499
<b>Adjustments:</b>			
Depreciation on property and equipment		<b>27,001,465</b>	5,642,031
Amortization on intangible assets		<b>455,740</b>	211,726
Interest income on Pakistan Investment Bonds		<b>(25,352,275)</b>	(18,581,962)
Interest income on saving deposits		<b>(28,131,015)</b>	(13,096,208)
Interest Income on Market Treasury Bills		<b>(50,024,857)</b>	(62,023,319)
Gain on disposal of AFS security		<b>(13,439)</b>	-
		<b>(76,064,381)</b>	(87,847,732)
Operating cash flows before working capital changes		<b>(194,935,362)</b>	(77,602,233)
<b>Working capital changes</b>			
<i>Increase in current assets:</i>			
Advances and prepayments		<b>(1,468,905)</b>	968,299
<i>Increase in current liabilities:</i>			
Trade and other payable		<b>43,568,153</b>	94,424,792
Accrued liabilities		<b>9,725,366</b>	21,557,367
		<b>53,293,519</b>	115,982,159
Cash generated from operations		<b>(143,110,748)</b>	39,348,225
Income taxes paid		<b>(24,289,800)</b>	(11,138,575)
<b>Net cash generated from operating activities</b>		<b>(167,400,548)</b>	28,209,650
<b><u>Cash flows from investing activities</u></b>			
Investment in property and equipment		<b>(79,117,699)</b>	(61,523,020)
Capital expenditure incurred for intangible assets		-	(1,418,023)
Sale Proceeds from disposal of assets		<b>793,197</b>	-
Net mark-up / interest received		<b>147,259,674</b>	68,201,564
Net investment in Pakistan Investment Bonds		-	-
Net investment in Market Treasury Bills		<b>506,182,057</b>	45,097,360
<b>Net cash generated from investing activities</b>		<b>575,117,229</b>	50,357,881
<b><u>Cash flows from financing activities</u></b>			
Proceeds from issuance of ordinary shares		<b>500,000,000</b>	-
<b>Net increase in cash and cash equivalent</b>		<b>907,716,681</b>	78,567,531
<b>Cash and cash equivalent at the beginning of the period</b>		<b>268,484,029</b>	189,916,498
<b>Cash and cash equivalent at the end of the period</b>	13	<b>1,176,200,710</b>	268,484,029

The annexed notes from 1 to 29 form an integral part of these financial statements.

  
 Chief Financial Officer

  
 Chief Executive Officer

  
 Director

**ABL Exchange (Private) Limited**  
 Statement of Changes in Equity  
 For the year ended 31 December 2025

	Ordinary Share Capital	Capital reserve		Revenue reserve	Total
		Share subscription money	Surplus on revaluation of investments	Unappropriated (Loss)/Profit	
----- Rupees -----					
<b>Balance as at 1 July 2024</b>	-	1,000,000,000	375,847	12,472,686	1,012,848,533
<b>Total comprehensive income for the six months period ended 31 December 2024</b>					
Profit for the period	-	-	-	7,274,305	7,274,305
Other comprehensive income for the period - net of tax	-	-	4,726,484	-	4,726,484
	-	-	4,726,484	7,274,305	12,000,789
<b>Transactions with owners of the Company recognized directly in equity</b>					
Issuance of ordinary shares of Rs.10 each	1,000,000,000	(1,000,000,000)	-	-	-
<b>Balance as at 31 December 2024</b>	<b>1,000,000,000</b>	<b>-</b>	<b>5,102,331</b>	<b>19,746,991</b>	<b>1,024,849,322</b>
<b>Balance as at 1 January 2025</b>	1,000,000,000	-	5,102,331	19,746,991	1,024,849,322
<b>Total comprehensive (loss) for the year</b>					
Loss for year	-	-	-	(84,398,397)	(84,398,397)
Other comprehensive (loss) - net of tax	-	-	(5,074,792)	-	(5,074,792)
	-	-	(5,074,792)	(84,398,397)	(89,473,189)
<b>Transactions with owners of the Company recognized directly in equity</b>					
Issuance of ordinary shares of Rs.10 each	500,000,000	-	-	-	500,000,000
<b>Balance as at 31 December 2025</b>	<b>1,500,000,000</b>	<b>-</b>	<b>27,539</b>	<b>(64,651,406)</b>	<b>1,435,376,133</b>

The annexed notes from 1 to 29 form an integral part of these financial statements.

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 Chief Financial Officer

  
 Chief Executive Officer

  
 Director

# **ABL Exchange (Private) Limited**

## **Notes to the Financial Statements**

For the year ended 31 December 2025

### **1 Corporate and general information**

#### **1.1 Legal status and operations**

ABL Exchange (Private) Limited ( the "Company" or "ABL Exchange" ) was incorporated in Pakistan on 15 December 2023 as a private limited company under the Companies Act, 2017. The Company is required to operate in accordance with the rules and regulations laid down by the State Bank of Pakistan (SBP) in Exchange Companies Manual.

The registered office of the Company (head office) is situated at 3 - 4 Tipu block New Garden Town, Lahore, Pakistan.

The Company commenced its operations on 24 May 2024 and is engaged in the business of dealing in foreign exchange. The Company has a head office and 51 booths across the country. The details of business locations / addresses of the booths of ABL Exchange are disclosed as Annexure-I to these financial statements.

The Company is a subsidiary of Allied Bank Limited (the "Parent Entity"), which holds 100% shares (either directly or through its nominees) in the Company.

### **2 BASIS OF PREPARATION**

#### **2.1 Comparative Information**

These financial statements are prepared for the year ended 31 December 2025. Due to the change in the Company's financial year-end from 30 June to 31 December in 2024, the comparative information is based on the most recent audited financial statements for the six months ended 31 December 2024 and is therefore not fully comparable with the current year figures. The comparative figures in the Statement of Financial Position are presented as at 31 December 2024, while the comparative figures in the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity relate to the six-month period ended 31 December 2024. Unless stated otherwise, the comparative information disclosed in the notes to the financial statements comprises balances as at 31 December 2024 for statement of financial position items and amounts for the six-month period ended 31 December 2024 for income, expense and cash flow related items. Accordingly, the comparative amounts are not directly comparable with those for the year ended 31 December 2025.

#### **2.2 Statement of compliance**

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP)

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

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### **2.3 Basis of measurement**

These financial statements are prepared under the historical cost convention except for the following which are stated at fair values / present values:

- Investments classified as FVOCI are measured at fair value

### **2.4 Functional and presentation currency**

These financial statements are presented in Pakistani Rupees (PKR), which is also the Company's functional currency. All amounts have been rounded off to the nearest rupee, unless otherwise indicated.

### **2.5 Use of estimates and judgements**

The preparation of these financial statements in conformity with accounting and reporting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. There were no areas where assumptions, estimates and judgements executed in application of accounting policies were significant to Company's financial statements.

## **3 New standards / amendments to approved accounting standards and interpretations**

**3.1** During the year certain amendments to standards or new interpretations became effective, however, the amendments or interpretations did not have any material effect on the financial statements of the Company.

### **3.2 Standards, Interpretations and Amendments to published approved accounting standards that are not yet effective:**

The following accounting and reporting standards as applicable in Pakistan and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments:

- Financial Assets with ESG-Linked features:

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

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Although the new amendments are more permissive, they apply to all contingent features, not just ESG-linked features. While the amendments may allow certain financial assets with contingent features to meet the SPPI criterion, companies may need to perform additional work to prove this. Judgement will be required in determining whether the new test is met.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g., where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

The amendments apply for reporting periods beginning on or after 1 January 2026. Companies can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

- Recognition / Derecognition requirements of Financial Assets / liabilities by Electronic Payments:

The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognized and derecognized and provide an exception for certain financial liabilities settled using an electronic payment system. Companies generally derecognize their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the company to derecognize its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant

- Other related amendments:

Contractually linked instruments (CLIs) and non-recourse features:

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

Disclosures on investments in equity instruments:

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The amendments apply for reporting periods beginning on or after 1 January 2026. Earlier application is permitted

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- Annual Improvements to IFRS Accounting Standards – Amendments to:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash flows

The amendments to IFRS 9 address:

a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables:

Under IFRS 15, a trade receivable may be recognized at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially **measure** trade receivables without a significant financing component at the transaction price. The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15; and

- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9:
- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9:

When lease liabilities are derecognized under IFRS 9, the difference between the carrying amount and the consideration paid is recognized in profit or loss.

The amendment on trade receivables may require some companies to change their accounting policy.

The amendments apply for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

- Contracts Referencing Nature-dependent Electricity – (Amendments to IFRS 9 and IFRS 7):

address the challenges faced by Companies in applying IFRS 9 Financial Instruments to contracts referencing nature-dependent electricity – sometimes referred to as renewable power purchase agreements (PPAs). The IASB has also added new disclosure requirements for certain PPAs to IFRS 7 Financial Instruments: Disclosures.

The amendments include guidance on:

- The 'own-use' exemption for purchasers of electricity under such PPAs; and
- Hedge accounting requirements for companies that hedge their purchases or sales of electricity using PPAs.

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The amendments for the own-use exemption:

- Existing IFRS 9 guidance left ambiguity on whether PPAs could qualify for the own-use exemption (i.e., not accounted for as derivatives).
- The amendments allow a company to apply the own-use exemption to PPAs if the company has been, and expects to be, a net-purchaser of electricity for the contract period.
- The amendments apply retrospectively using facts and circumstances at the beginning of the reporting period of initial application, without requiring prior periods to be restated.

The amendments for hedge accounting:

- Virtual PPAs and other PPAs that do not meet the own-use exemption are accounted for as derivatives and measured at FVTPL. Hedge accounting under IFRS 9 can help reduce volatility by reflecting how PPAs hedge future electricity purchases or sales, but applying it presents challenges. A key issue arises from a mismatch between the P50 estimate used to measure the PPA and the P90 estimate required for the highly probable hedged transaction, which may prevent hedge accounting qualification. Subject to certain conditions, the amendments permit designation of a variable nominal volume of forecasted renewable electricity sales or purchases as the hedged transaction, rather than a fixed volume based on P90 estimates. This variable volume reflects what is expected to be delivered by the referenced generation facility, supporting an economic offset and enabling hedge accounting. A P50 estimate indicates the volume of energy production expected to be exceeded with 50 percent probability. A P90 estimate indicates the volume of energy production expected to be exceeded with 90 percent probability.
- The amendments apply prospectively to new hedging relationships designated on or after the date of initial application. They also allow companies to discontinue an existing hedging relationship if the same hedging instrument is designated under the new requirements.

The new disclosure requirements:

- A company may apply the own-use exemption to certain PPAs under the amendments and therefore would not recognise these PPAs in its statement of financial position.
- Where this is the case, a company is required to disclose further information such as:
  - contractual features exposing the company to variability in electricity volume and risk of oversupply;
  - estimated future cash flows from unrecognised contractual commitments to buy electricity in appropriate time bands;
  - qualitative information about how the company assessed whether a contract might become onerous; and

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- qualitative and quantitative information about the costs and proceeds associated with purchases and sales of electricity, based on the information used for the 'net-purchaser' assessment.

In addition, for PPAs designated in a cash flow hedging relationship, companies need to disaggregate the information disclosed about terms and conditions by risk category.

The amendments apply for reporting periods beginning on or after 1 January 2026.

– Adoption of IFRS 18 and IFRS 19

The Securities and Exchange Commission of Pakistan (SECP), vide S.R.O. 2444(I)/2025 dated December 12, 2025 has notified that "IAS-1, Presentation of Financial Statements", as referred to in the earlier notification S.R.O. No. 633(I)/2014, shall be replaced with "IFRS-18, Presentation and Disclosure in Financial Statements" and "IFRS-19, Subsidiaries without Public Accountability: Disclosures", and shall be followed for the preparation of financial statements for annual reporting periods beginning on or after January 01, 2027:

Provided that only unlisted subsidiaries without public accountability (i.e. unlisted companies other than those mentioned in clauses 1(b)(ii), 1(b)(iia) and 1(b)(iii) of the Third Schedule to the Act) may follow "IFRS-19, "Subsidiaries without Public Accountability: Disclosures" in preparation of their financial statements.

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

The above amendments and interpretation are not likely to have any material impact on the financial statements of the Company.

#### 4 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below:

##### 4.1 Property and equipment

Property and equipment's are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price, non refundable duties / taxes after deducting trade discounts and rebates, and includes other cost directly attributable to the acquisition as consideration.

Depreciation is calculated using the straight line method to allocate cost of asset over their estimated useful lives at rates specified in note 5.1. The depreciation is charged from the date at which asset is available for use till the date to which that asset is derecognized.

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Normal repairs and maintenance, including minor alterations, are charged to profit or loss as and when incurred. Renewals and improvements are capitalized and the assets so replaced, if any, are derecognized. Gain / (loss) on derecognition of assets are included in profit or loss in the period they are incurred.

#### **4.2 Intangible assets**

Intangible assets are stated at cost less accumulated amortization and any impairment loss. Amortization is charged over the estimated useful life of the asset on a systematic basis applying the straight line method at the rates specified in note 6.1 to the financial statements. The estimate of useful life and amortization method are reviewed at the end of each financial year with the effect of any changes in estimate being accounted for prospectively.

The amortization is charged from the date at which asset is available for use till the date to which that asset is derecognized.

#### **4.3 Cash and cash equivalent**

Cash and cash equivalents consist of cash and bank balances held with Banks.

#### **4.4 Leases**

##### **As a lessee**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

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When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### **4.4.1 Short term lease and lease of low value asset**

The company has elected not to recognize right of use asset and lease liabilities for the leases of low value assets and short term lease. The company recognizes the lease payments associated with these leases as an expense on a straight line basis over the lease term.

#### **4.5 Financial instruments**

##### **4.5.1 Classification and measurement of financial assets and financial liabilities**

Under IFRS 9, on initial recognition, the Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value either through other comprehensive income ("FVOCI"), or through profit or loss ("FVPL"); and
- measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:

- The determination of business model within which a financial asset is held; and
- The designation of certain financial assets with respect to subsequent measurement either through profit or loss or other comprehensive income.

A financial asset is measured at amortized cost if it meets both of the following conditions:

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

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets:

**Financial assets at FVPL**

These assets are subsequently measured at fair value. Net gains and losses, including an interest / markup or dividend income, are recognized in statement of profit or loss.

**Financial assets at amortized cost**

These assets are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses, if any. Interest / markup income, foreign exchange gains, losses and impairment are recognized in statement of profit or loss.

**Debt investment at FVOCI**

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in statement of profit or loss. Other net gains and losses are recognized in statement of comprehensive income. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss.

**Equity investments at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognized as income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to statement of profit or loss.

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#### **4.5.2 Financial liabilities**

Financial liabilities are classified as measured at amortized cost or at 'Fair Value Through Profit or Loss' (FVPL). A financial liability is classified as at FVPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses is recognized in statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss.

#### **4.5.3 Derecognition**

##### **4.5.3.1 Financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

##### **4.5.3.2 Financial liabilities**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

##### **4.5.3.3 Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

#### **4.5.4 Impairment**

##### **4.5.4.1 Impairment of non financial assets**

At each reporting date, entity reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

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For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### **4.5.4.2 Impairment of financial assets**

The Company recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost; and
- debt investments measured at FVOCI.

An impairment loss is recognized if the carrying amount of the assets exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

#### **4.6 Trade and other payable**

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

#### **4.7 Taxation**

Income tax on the profit or loss for the year comprises of current and deferred tax. Income tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income, in which case it is recognized in other comprehensive income.

##### **Current**

Provision for current tax is based on the taxable income for the year, determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

For minimum taxes The Company has adopted the guidance under circular dated May 2024 of ICAP "IAS 12 Application guidance on accounting for minimum taxes and final taxes". As per the circular an entity is required to bifurcate its minimum taxes into following two components:

- a component representing income tax within the scope of IAS 12; and
- a component representing levy within the scope of IFRIC 21 / IAS 37.

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The Company has designated the amount calculated under section 113 as a levy within the scope of IFRIC 21 / IAS 37. Any excess over the amount designated as income tax, if any, shall be recognized as a levy falling under the scope of IFRIC 21 / IAS 37.

### **Deferred**

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax assets are reviewed at each reporting date and excluded to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to the profit or loss, except in the case of items credited or charged to equity in which case it is included in the statement of changes in equity.

## **4.8 Revenue**

### **Income from exchange operations**

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

## **4.10 Foreign currency transactions and translation**

Foreign currency transactions are translated into Pakistani Rupee using the exchange rates approximating those prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pakistani Rupee at the rates of exchange approximating those prevailing at the reporting date. Exchange gains / losses on translation are taken to the statement of profit or loss.

## **4.11 Provident Fund**

The company operates an approved defined contribution provident fund scheme for all permanent employees. Equal monthly contributions are made by the company and the employees to the fund at the rate of 8.33% of basic salary per month. The contribution of the company is charged to profit and loss account.

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**5 Property and equipment**

Property and equipment

	2025	2024
	Rupees	Rupees
	<b>136,763,362</b>	85,440,325
	<b>136,763,362</b>	85,440,325

Note

5.1

31 December 2025

	Electrical and Other Office Equipments	Computers	Furniture and Fixtures	Total
<b>Leasehold Improvements</b>				
	31,860,498	15,699,992	5,788,973	92,963,600
	17,282,580	16,124,795	4,198,527	79,117,699
	(428,340)	-	(434,200)	(862,540)
	49,143,078	31,824,787	9,553,300	171,218,759
	3,333,973	1,786,767	234,685	7,523,275
	12,826,035	6,182,733	812,575	27,001,465
	(40,555)	-	(28,788)	(69,343)
	9,347,972	7,969,500	1,018,472	34,455,397
	<b>64,578,141</b>	<b>23,855,287</b>	<b>8,534,828</b>	<b>136,763,362</b>
	10-25 %	25 %	10 %	
	17 %			

**Net Book Value as at 31 December 2025**

**Annual rate of depreciation**

31 December 2024

	Electrical and Other Office Equipments	Computers	Furniture and Fixtures	Total
<b>Leasehold Improvements</b>				
	10,519,733	5,734,620	1,552,198	31,440,580
	21,340,765	9,965,372	4,236,775	61,523,020
	39,614,137	15,699,992	5,788,973	92,963,600
	888,968	479,194	50,897	1,881,244
	1,705,665	1,307,573	183,788	5,642,031
	3,333,973	1,786,767	234,685	7,523,275
	36,280,164	13,913,225	5,554,288	85,440,325
	10-25 %	25 %	10 %	
	17 %			

**Net Book Value as at 31 December 2024**

**Annual rate of depreciation**

*Annex*

	Note	2025 Rupees	2024 Rupees
<b>6 Intangible assets</b>			
Intangible assets	6.1	4,880,365	3,918,082
Intangible development cost	6.2	-	1,418,023
		<u>4,880,365</u>	<u>5,336,105</u>
<b>6.1 Intangible assets</b>			
<b>Cost</b>			
Opening balance		4,200,000	4,200,000
Additions during the year / period		1,418,023	-
As at 31 December 2025		<u>5,618,023</u>	<u>4,200,000</u>
<b>Accumulated Amortization</b>			
Opening balance		281,918	70,192
Charge for the year / period		455,740	211,726
As at 31 December 2025		<u>737,658</u>	<u>281,918</u>
<b>Net Book Value as at 31 December 2025</b>		<u>4,880,365</u>	<u>3,918,082</u>
<b>Annual rate of amortization</b>		<u>10 %</u>	<u>10 %</u>
<b>6.2 Intangible development cost</b>			
As at 01 January 2025		1,418,023	-
Additions		-	1,418,023
Transfer		(1,418,023)	-
As at 31 December 2025		<u>-</u>	<u>1,418,023</u>
<b>7 Long term investments</b>			
<b>At amortized cost</b>			
Pakistan Investment Bonds (PIBs)	7.1	189,548,823	188,227,555
		<u>189,548,823</u>	<u>188,227,555</u>

7.1 This represent 5 year floating rate PIBs purchased on February 29, 2024 and May 16, 2024 with a face value of Rs. 143.1 million and 51.2 million respectively. These carry coupon rate of 11.87% per annum receivable on semi annual basis and will be matured on October 19, 2028. The coupon rate will change semi annually. The investments having face value of Rs. 194.30 million are held for the purpose of statutory liquidity reserve. The yield to maturity rate is 11.9652%. The market value of these investments as at December 31, 2025 amounted to Rs.193.50 million.

	Note	2025 Rupees	2024 Rupees
<b>8 Deferred tax (Asset)/Liabilities</b>			
Deferred tax asset on deductible temporary differences arising in respect of:			
- Loss from business		31,172,555	5,948,161
- Minimum Tax		607,856	-
- Intangible assets		3,113,826	3,971,684
- Alternate corporate tax		4,013,689	4,013,689
		<u>38,907,926</u>	<u>13,933,534</u>
Deferred tax liability on taxable temporary differences arising in respect of:			
- Accelerated tax depreciation		5,168,767	2,596,889
- Unrealised income		1,996,238	14,674,164
- Revaluation gain on investments		11,249	2,300,269
		<u>7,176,254</u>	<u>19,571,322</u>
		<u>(31,731,672)</u>	<u>5,637,788</u>

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**8.1 Movement in deferred tax balances is as follows:**

Opening balance	<b>5,637,788</b>	2,261,575
Recognized in profit or loss account:		
- Deferred tax expense	<b>(35,080,440)</b>	1,229,459
Recognized in other comprehensive income:		
- Surplus on revaluation of available for sale securities	<b>(2,289,020)</b>	2,146,754
	<b>(31,731,672)</b>	<b>5,637,788</b>

	Note	2025 Rupees	2024 Rupees
<b>9 Short term investments</b>			
<b>At fair value through other comprehensive income</b>			
Book value of Market Treasury Bills		<b>101,024,162</b>	650,938,683
Revaluation gain		<b>38,788</b>	7,402,600
	9.1	<b>101,062,950</b>	<b>658,341,283</b>

**9.1** This includes Market Treasury Bills purchased on November 27, 2025 with maturity of 3 Months having face value of Rs. 102.50 million with the yield rate of 10.99%. The investments having face value of Rs. 50 million are held for the purpose of statutory liquidity reserve.

	2025 Rupees	2024 Rupees
<b>9.2 Surplus on revaluation of available for sale securities</b>		
Opening balance	<b>7,402,600</b>	529,362
Fair value (loss) / gain during the year / period	<b>(7,363,812)</b>	6,873,238
As at 31 December 2025	<b>38,788</b>	<b>7,402,600</b>

**10 Accrued markup**

Interest accrued on PIBs amounts to Rs. 4.2 million receivable on April 19, 2026.

**11 Advances and prepayments**

Prepaid insurance	<b>2,590,080</b>	1,268,540
Fee and subscription	<b>64,610</b>	63,906
Prepaid IT services	<b>140,661</b>	-
Advances to Staff	<b>6,000</b>	-
	<b>2,801,351</b>	<b>1,332,446</b>

**12 Taxation - net**

Provision for taxation	<b>(5,336,009)</b>	(4,728,153)
Tax deducted at source	<b>44,692,314</b>	20,402,514
Net	<b>39,356,305</b>	<b>15,674,361</b>

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	Note	2025 Rupees	2024 Rupees
<b>13 Cash and bank balances</b>			
<b>Cash in hand</b>			
Local currency		24,847,330	134,571
Foreign currencies		198,042,106	55,859,545
		<u>222,889,436</u>	<u>55,994,116</u>
<b>Cash at banks - current accounts</b>			
Local currency		709,607	6,539
Foreign currencies		117,556,663	20,564,173
		<u>118,266,270</u>	<u>20,570,712</u>
<b>Cash at banks - saving accounts</b>			
Local currency	13.1	835,045,004	191,919,201
		<u>1,176,200,710</u>	<u>268,484,029</u>

**13.1** This balance is maintained with Allied Bank Limited (the parent company) and carries markup / interest rate of 9.5 % - 11.5% per annum.

	2025 -----No of shares-----	2024	2025 -----Rupees-----	2024
<b>14 Authorized share capital</b>				
Ordinary shares of Rs. 10 each	<u>300,000,000</u>	100,000,000	<u>3,000,000,000</u>	1,000,000,000

	2025 -----No of shares-----	2024	2025 -----Rupees-----	2024
<b>15 Issued, subscribed and paid-up share capital</b>				
Ordinary shares of Rs. 10 each	<u>150,000,000</u>	100,000,000	<u>1,500,000,000</u>	1,000,000,000

<b>16 Accrued liabilities</b>				
Provision for auditor's remuneration			4,460,000	2,700,000
Provision for performance bonus			19,606,194	16,829,645
Provision for marketing & advertisement			4,104,739	2,491,200
Payable to provident fund			4,843,288	837,271
Other accrued liabilities			1,200,865	1,631,604
			<u>34,215,086</u>	<u>24,489,720</u>
<b>17 Trade and other payables</b>				
Payable to Allied Bank Limited		17.1	211,901,182	171,777,156
Other payables			5,135,673	1,691,546
			<u>217,036,855</u>	<u>173,468,702</u>

**17.1** This includes expenses incurred by Allied Bank Limited (parent company) on account of purchase of fixed assets and other operational expenses.

## **18 Contingencies and commitments**

### **Contingencies**

There were no significant contingencies or commitments at the reporting date. (2024 : Nil)

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		2025	For the six months period ended 31 December 2024
		Rupees	Rupees
<b>19 Revenue from contracts with customers</b>	<b>Note</b>		
Revenue from contracts with customers	19.1	<u>47,864,297</u>	<u>8,022,473</u>
		<u>47,864,297</u>	<u>8,022,473</u>

**19.1** Revenue has been recognized at a point in time for foreign exchange transactions executed during the year.

**19.2** The geographical market in which the Company delivers its services is Pakistan.

## 20 Administrative expenses

Depreciation on property and equipment		27,001,465	5,642,031
Amortization on intangible assets		455,740	211,726
Pre-commencement expenditure		-	-
Staff salaries and benefits		168,820,960	64,274,133
Rents, rates and taxes		28,838,225	8,245,840
IT expenses		7,369,178	3,196,188
Marketing and development		4,999,085	2,027,640
Outsource service cost		2,317,271	994,272
Professional and other fee charges		16,562,919	3,178,729
Insurance		1,967,728	971,339
Travelling and conveyance		576,899	192,898
Printing and stationery		3,460,545	794,025
Entertainment		1,062,030	592,219
Miscellaneous		3,150,344	339,238
Auditor's remuneration	20.1	4,460,000	2,700,000
		<u>271,042,189</u>	<u>93,360,278</u>

### 20.1 Auditor's remuneration

Audit fee	3,600,000	2,350,000
Out of pocket expenses	360,000	350,000
Statutory certification	500,000	-
	<u>4,460,000</u>	<u>2,700,000</u>

## 21 Other income

Interest income on deposit account	21.1	28,131,015	13,096,208
Interest income on Pakistan Investment Bonds		25,352,275	18,581,962
Interest income on Market Treasury Bills		50,024,857	62,023,319
Income from revaluation gain		764,223	1,881,815
Gain on disposal of AFS security		13,439	-
Other Income		21,102	-
		<u>104,306,911</u>	<u>95,583,304</u>

**21.1** This represent mark-up / interest income on savings account maintained with the parent company and carries markup / interest rate of 9.5 % - 11.5% per annum.

## 22 Minimum tax differential

This represents portion of minimum tax paid under section 113C of income tax ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21 / IAS 37.

		2025	For the six months period ended 31 December 2024
		Rupees	Rupees
<b>23 Taxation</b>			
Current tax expense		-	-
Deferred tax income		(35,080,440)	1,229,459
		<u>(35,080,440)</u>	<u>1,229,459</u>
<b>23.1 Relationship between accounting profit and tax expense</b>			
(Loss)/Profit before taxation		<u>(118,870,981)</u>	10,245,499
Tax at the applicable rate of 29%		(34,472,584)	2,971,194
Minimum tax differential		(607,856)	(1,741,735)
Income tax expense at the applicable tax rate		<u>(35,080,440)</u>	<u>1,229,459</u>

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## 24 Remuneration of chief executive officer, director and executives

The aggregate amounts charged in the financial statement in respect of remuneration, including all benefits, to the executive were as follows:

	2025	
	Chief Executive Officer Rupees	Executives Rupees
Basic salary	7,200,000	16,404,000
House rent allowance	4,320,000	9,840,000
Medical Allowance	1,440,000	3,276,000
Bonus	3,200,000	7,600,000
Utilities	1,440,000	3,276,000
Contribution to provident fund	600,000	1,368,000
Special out of range allowance	-	2,400,000
Others (Including CBA, CMA, Inflationary & Special Allowance)	3,240,000	7,728,000
	<b>21,440,000</b>	<b>51,892,000</b>
Number of persons	<b>1</b>	<b>5</b>
For the six months period ended 31 December 2024		
	Chief Executive Officer Rupees	Executives Rupees
Basic salary	3,000,000	6,470,000
House rent allowance	1,800,000	3,880,000
Medical Allowance	600,000	1,292,000
Bonus	4,000,000	6,000,000
Utilities	600,000	1,292,000
Contribution to provident fund	251,000	539,000
Special out of range allowance	-	888,000
Others (Including CBA, CMA, Inflationary & Special Allowance)	1,620,000	3,440,000
	<b>11,871,000</b>	<b>23,801,000</b>
Number of persons	<b>1</b>	<b>5</b>

## 25 Transaction and balances with related parties

The related parties and associated undertaking comprise holding company, its subsidiaries, fund established by the Company, directors and their related concerns and key management personnel. Details of transactions and balances with related parties during the period, other than those which have been disclosed elsewhere in the financial statements, are as follows:

Transactions during the year	2025	For the six months period ended 31 December 2024
	Rupees	
<b>Allied Bank Limited</b>		
Purchase of Market Treasury Bills through ABL	699,759,269	436,426,555
Sale of Market Treasury Bills to ABL	49,992,087	-
Sale of foreign currency	5,139,337,677	1,381,388,916
Purchase of foreign currency	4,512,931,077	981,476,925
Assets transferred from Allied Bank against payment to vendors	76,905,706	59,522,370
Amounts paid by ABL to third parties on behalf of ABL Exchange	60,000,000	85,688,278
Interest income on bank deposit	28,131,015	13,096,208
Rent	27,517,611	7,845,840
<b>Staff provident fund</b>		
Contribution to staff provident fund	2,337,847	313,830
<b>Chairman / directors and CEO</b>		
Sale and purchase of foreign currencies	49,742,029	8,308,945
<b>Key Management personnel of parent company</b>		
Sale and purchase of foreign currencies	295,981,278	80,909,973
<b>Balances</b>	<b>As at 31 December 2025</b>	<b>As at 31 December 2024</b>
<b>Allied Bank Limited</b>		
Bank balances	953,311,274	212,489,913
Payable to Allied Bank Limited	211,901,182	171,777,156
<b>Staff provident fund</b>		
Payable to provident fund	4,843,288	837,271

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## 26 Financial instruments

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

- Credit risk
- Liquidity risk, and
- Market risk

### 26.1 Risk management framework

The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

### 26.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed completely to perform as contracted, without taking into account the fair value of any collateral. The Company does not have significant exposure to any individual counter party.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date is:

	2025 Rupees	2024 Rupees
Bank balances	<u>953,311,274</u>	<u>212,489,913</u>
	<u>953,311,274</u>	<u>212,489,913</u>

#### 26.2.1 Bank balances

The Company held balances with banks amounting to Rs. 953 million as at 31 December 2025. These are held with banks and financial institutions counterparties, which are rated A1+ based on PACRA ratings.

The Company considers its cash at banks with low credit risk based on the external ratings of the counterparties.

Name of bank	Rating agency	Rating		Amount in rupees	
		Long term	Short term	December 2025	December 2024
Allied Bank Limited	PACRA	AAA	A1+	<u>953,311,274</u>	<u>212,489,913</u>

### 26.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the maturity date. The following are contractual maturities of financial liabilities as at the reporting date:

	31 December 2025				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years	Above 5 years
	- Rupees -				
<b>Non derivative financial liabilities</b>					
Trade and other payable	217,036,855	217,036,855	217,036,855	-	-
Accrued liabilities	<u>34,215,086</u>	<u>34,215,086</u>	<u>34,215,086</u>	-	-
	<u>251,251,941</u>	<u>251,251,941</u>	<u>251,251,941</u>	-	-
	31 December 2024				
	Carrying amount	Contractual cash flows	Less than 1 year	Between 1 to 5 years	Above 5 years
	- Rupees -				
<b>Non derivative financial liabilities</b>					
Trade and other payable	173,468,702	173,468,702	173,468,702	-	-
Accrued liabilities	<u>24,489,720</u>	<u>24,489,720</u>	<u>24,489,720</u>	-	-
	<u>197,958,422</u>	<u>197,958,422</u>	<u>197,958,422</u>	-	-

The gross outflows disclosed in the above table represents the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net - cash - settled.

### 26.4 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The company is not exposed to significant market risks as at 31 December 2025.

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## 26.5

### Currency risk:

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

The Company's exposure to foreign exchange risk is as follows :

	31 December 2025			
	USD	GBP	EUR (Equivalent Rupees)	Others Total
<b>Financial assets</b>				
Foreign currencies-in hand and Bank	122,296,231	15,708,736	22,103,983	155,489,819
<b>Net currency exposure</b>	<b>122,296,231</b>	<b>15,708,736</b>	<b>22,103,983</b>	<b>155,489,819</b>
Currency exchange rates	280.768	378.223	329.920	Various
				3,155,988
	31 December 2024			
	USD	GBP	EUR (Equivalent Rupees)	Others Total
<b>Financial assets</b>				
Foreign currencies-in hand and Bank	32,781,780	8,001,802	8,324,518	27,315,618
<b>Net currency exposure</b>	<b>32,781,780</b>	<b>8,001,802</b>	<b>8,324,518</b>	<b>27,315,618</b>
Currency exchange rates	278.673	349.5	289.75	Various
				764,237
<b>Sensitivity analysis</b>				

Every 1% increase or decrease in exchange rate , with all other variables held constant , will increase or decrease (loss)/profit for the year by Rs. 3.155 Million.

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**27 Fair value measurement of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Carrying amount		Fair value				
	Fair value through profit or loss	Fair value through other comprehensive income	Total	Level 1	Level 2	Level 3	Total
Market Treasury Bills	-	101,062,950	101,062,950	-	101,062,950	-	101,062,950
<b>Financial assets - not measured at fair value</b>							
Pakistan Investment Bonds	189,548,823	-	189,548,823	-	-	-	-
Cash and Bank balances	1,176,200,710	-	1,176,200,710	-	-	-	-
	1,365,749,533	-	1,466,812,483	-	101,062,950	-	101,062,950
<b>Financial liabilities - not measured at fair value</b>							
Trade and other payables	217,036,855	-	217,036,855	-	-	-	-
Accrued liabilities	34,215,086	-	34,215,086	-	-	-	-
	251,251,941	-	251,251,941	-	-	-	-

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31 December 2024

	Carrying amount		Fair value				
	Fair value through profit or loss	Fair value through other comprehensive income	Total	Level 1	Level 2	Level 3	Total
Market Treasury Bills	-	658,341,283	658,341,283	-	658,341,283	-	658,341,283
<b>Financial assets - not measured at fair value</b>							
Pakistan Investment Bonds	188,227,555	-	188,227,555	-	-	-	-
Cash and Bank balances	268,484,029	-	268,484,029	-	-	-	-
	456,711,584	658,341,283	1,115,052,867	-	658,341,283	-	658,341,283
<b>Financial liabilities - not measured at fair value</b>							
Trade and other payables	173,468,702	-	173,468,702	-	-	-	-
Accrued liabilities	24,489,720	-	24,489,720	-	-	-	-
	197,958,422	-	197,958,422	-	-	-	-

Rupees


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	<u>2025</u>	<u>2024</u>
<b>28 Number of employees</b>		
Number of employees as at 31 December	<u>155</u>	<u>85</u>
Average number of employees for the year / period	<u>120</u>	<u>62</u>


**29 Date of authorization for issue**

The financial statements were approved and authorized for issue on 06-Feb-2026 by the Board of Directors of the Company.

*Wahid*

  
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**Chief Financial Officer**

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

  
 \_\_\_\_\_  
**Director**

## ABL Exchange (Private) Limited

### Details of Shareholders/ Directors

Name	Name of Authorized Representative	Official Address	Number of shares	Class of Sahres	Nature of Directorship
Allied Bank Limited	Adeel Javaid	3-4 Tipu Block, New Garden Town, Lahore	149,999,999	Ordinay	N/A
Zubair Sharif Chaudhary	NA	3-4 Tipu Block, New Garden Town, Lahore	1	Ordinay	Non Executive
Adeel Javaid	NA	3-4 Tipu Block, New Garden Town, Lahore	0	N/A	Non Executive
Mansoor Zaighum	NA	3-4 Tipu Block, New Garden Town, Lahore	0	N/A	Non Executive

**ABL Exchange (Private) Limited****Details of Outlets**

<b>Outlet Type</b>	<b>Code</b>	<b>Branch/ Booth Name</b>	<b>City</b>
Booth	2	Model Town Branch	Lahore
Booth	3	Kotwali Road Branch, Faisalabad	Faisalabad
Booth	4	Shaheed Road, Sheikhpura	Sheikhpura
Booth	5	Ganja More Lala Moosa	Lala Moosa
Booth	6	Druma wala Chowk Branch, Sialkot	Sialkot
Booth	7	Phalia Road Mandi Bahauddin	Mandi Bahauddin
Booth	8	ABL Tower Branch, Gujrat	Gujrat
Booth	9	Blue Area Branch, Islamabad	Islamabad
Booth	10	The Mall Branch, Rawalpindi	Rawalpindi
Booth	11	GT Road Chamber Branch, Peshawar	Peshawar
Booth	12	Ocean Mall Branch, Karachi	Karachi
Booth	13	Lucky One Mall Branch, Karachi	Karachi
Booth	14	Kharian	Gujrat
Booth	15	Shinkiyari Road Mansehra	Mansehra
Booth	16	Sarai Alamgir	Sarai Alamgir
Booth	17	G-11 Islamabad	Islamabad
Booth	18	Lala Rukh Wah Cant	Wah Cant
Booth	19	LCCHS Branch	Lahore
Branch	20	Parliament House	Islamabad
Booth	21	Madina Town Bismillah Chowk Faisalabad	Faisalabad
Booth	22	PRC Chowk, Mardan	Mardan
Booth	23	ABL Tower, Gujranwala	Gujranwala
Booth	24	Civil Lines Jhelum	Jhelum
Booth	25	Faisal Town Lahore	Lahore
Booth	26	Supply Bazar Abbottabad	Abbottabad
Booth	27	Main Br Chakwal	Chakwal
Booth	28	Diplomatic Enclave Islamabad	Islamabad
Booth	29	Mirpur Branch	Mirpur
Booth	30	Karachi, Foreign Exchange	Karachi
Booth	31	Aziz Shaheed Road, Multan	Multan
Booth	32	Kalma Tower Lahore	Lahore
Booth	33	Bank Square, Gujranwala	Gujranwala
Booth	34	Block No. 1, Sargodha	Sargodha
Booth	35	College Road, Daska	Gujranwala
Booth	36	Napier Road, Lahore	Lahore
Booth	37	I-8 Markaz, Islamabad	Islamabad
Booth	38	Bank Square Muzaffarabad	Muzaffarabad
Booth	39	Satellite Town Rawalpindi	Rawalpindi
Booth	40	DHA Phase 1 Rawalpindi	Rawalpindi
Booth	41	Civic Center Hyderabad	Hyderabad
Booth	42	Farid Gate Bahawalpur	Bahawalpur
Booth	43	Shah Dola Road, Gujrat	Gujrat
Booth	44	Bahria Town, Lahore	Lahore
Booth	45	15 Club road, Faisalabad	Faisalabad
Booth	46	F-8, Islamabad	Islamabad
Booth	47	DHA Phase-II, Islamabad	Islamabad
Booth	48	Bahria Town, Rawalpindi	Rawalpindi
Booth	49	Sambrial	Sialkot
Booth	50	SMCHS Karachi	Karachi
Booth	51	Hali Road Quetta	Quetta
Booth	52	Chakswari	Mirpur
Booth	53	Liaquat Road Sahiwal	Sahiwal
Booth	55	Malakwal	Malakwal
Booth	56	Gujar Khan	Gujar Khan