

**20
23**
Annual
Report

ENRICHING SOCIETY THROUGH
Digitally Empowered Financial Solutions



JS Global

Registered Office
17th & 18th Floor, The Center
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Abdullah Haroon Road, Saddar
Karachi-74400, Pakistan

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Web: www.jsglobalonline.com

JS Global



EXCEPTIONAL

Values . Products . Services

**20
23**

**Annual
Report**

JS Global Capital Limited (“JS Global” or “the Company”) is one of Pakistan’s largest and oldest Brokerage and Investment Banking firms incorporated under the local laws of Pakistan. The company is part of the JS Group and majority owned by JS Bank Limited. The Company has exceptional leadership position in domestic capital markets together with one of the largest market share in equity brokerage. Besides this, the Company offers a range of other services as well, which includes Money Market, Forex and Commodity brokerage; Advisory, Underwriting, Book Running and Consultancy services. The Company objectively follows its long term strategic plan to achieve its goals which ultimately translate into better returns and value creation for all Stakeholders.

EXCEPTIONAL





“VALUES”

JS Global adheres to the highest standards of morality in all spheres it operates in. We stand out thanks to our dedication to professionalism, integrity, and openness. We put our clients' needs first and work to create sustainable connections based on mutual respect and trust. Our values serve as the cornerstone of our company and direct our decision-making process to make sure we stay true to our principles.

EXCEPTIONAL



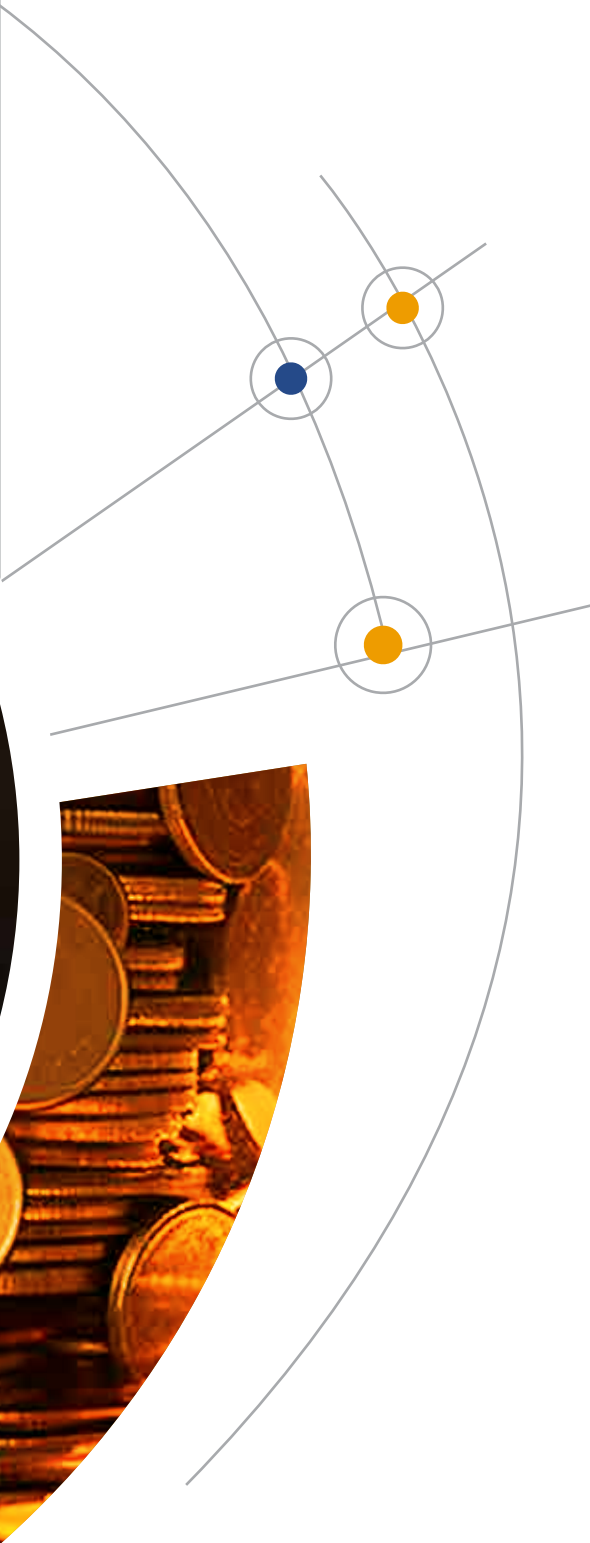


“PRODUCTS”

JS Global prioritizes innovation in its product offerings, constantly developing new financial products to meet evolving client needs. Our range includes advanced trading platforms and diversified investment portfolios, catering to investors with different risk profiles and objectives. Our focus on product innovation ensures that our clients have access to the latest tools and opportunities in the ever-changing financial landscape.

EXCEPTIONAL





“ SERVICES ”

In addition to offering exceptional products, JS Global provides exceptional services that enhance the client experience. We pride ourselves on delivering personalized service that is tailored to meet the needs of each client. Our online trading platform provides clients with access to real-time market data and research tools, enabling them to make informed investment decisions. We also offer educational resources and guidance to help clients navigate the complexities of the financial markets. At JS Global, we are committed to providing exceptional services that exceed our clients' expectations.

ABOUT THE REPORT

Dear valued reader,

At JS Global, we are committed to upholding strong corporate governance and transparency in our practices of value creation for our financial investors. Our annual report is designed to assist readers in evaluating our business by providing information about the various capitals of our company. We have adopted the International Integrated Reporting Framework (IR Framework) to structure this report, which provides insights into our strategic thinking, performance, governance and prospects in the context of the global environment.



We continually review the IR Framework to improve the quality of information shared with our stakeholders. This report integrates all 9 core content elements of the IR Framework and includes sections covering our:-

- Organizational overview,
- External environment,
- Risks and opportunities,
- Strategy and resource allocation,
- Governance,
- Stakeholder relationships and engagement,
- Outlook, sustainability,
- Corporate social responsibility
- Excellence in corporate reporting.

We will continue to improve the information produced to make it even easier to understand; while taking into account valuable opinions of stakeholders reading this report.

We are committed to ensuring that our reporting approach meets best practices of reporting standards and the expectations of our stakeholders while providing visibility on how we create sustainable value for the communities we serve. We take a systematic view of financial and non-financial information linked directly to business activities and provide explanations accordingly. Our reports strive to demonstrate our confidence, capacity to grow and ability to deliver on set strategies that can drive significant financial and non-financial value for everyone.

This report covers the period from January 1, 2023, to December 31, 2023 and provides in-depth information on JS Global Capital Limited, including our core brokerage operations, performance, strategy, operating model and outcomes using a multi-capital approach. It should be read in conjunction with our annual financial statements to gain a complete picture of our financial performance.

We would like to note that any performance outlook and forecasts based on projections and plans for the future are subject to several risks, uncertainties and assumptions that may cause actual results to differ materially from those indicated in any forward-looking statement. Furthermore, any forward-looking statements are subject to change as a result of new information, future events, or other developments.

Thank you for taking the time to read our report. We hope you find it informative and helpful

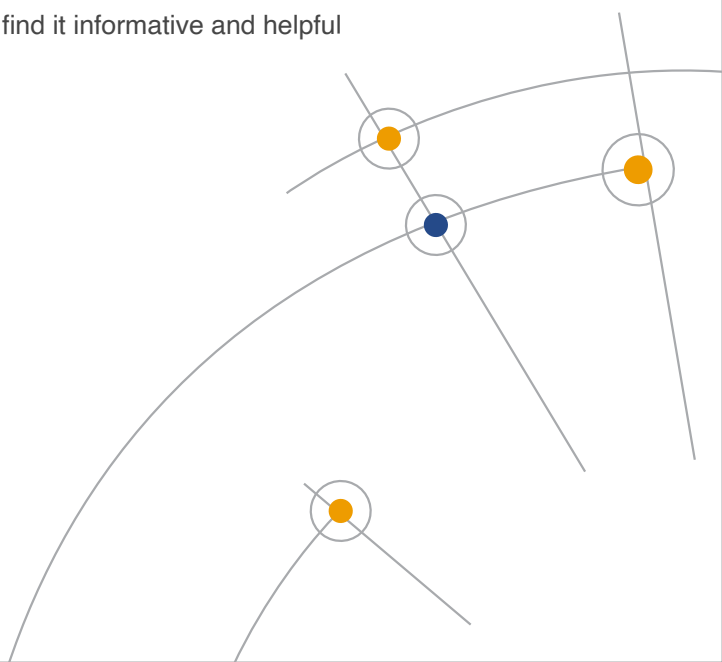


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The Company's financial statements are available at:
<https://www.jsglobalonline.com/investors/investor-information/annual-reports/>



The President/CEO's video on the Company's business performance and strategy is available at:
<https://www.jsglobalonline.com/investors/investor-information/>

ORGANIZATIONAL OVERVIEW



COMPANY INFORMATION

Board of Directors

Mr. Shahab Anwar Khawaja
Mr. Maximilian Felix Scheder
Ms. Rabiya Javeri Agha
Mr. Imtiaz Gadar - CFA
Mr. Fahad Viqar Siddiqui
*Mr. Amin Muhammad Virani
Syed Jafar Raza
Mr. Waqas Anis

Chairman- Independent Director
Independent Director
Independent Director
Chief Executive Officer
Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director

Audit Committee

Mr. Maximilian Felix Scheder
*Mr. Amin Muhammad Virani
Syed Jafar Raza

Chairman
Member
Member

Risk Management Committee

Mr. Shahab Anwar Khawaja
*Mr. Amin Muhammad Virani
Syed Jafar Raza
Mr. Imtiaz Gadar - CFA

Chairman
Member
Member
Member

Human Resource & Remuneration Committee

Mr. Shahab Anwar Khawaja
Mr. Fahad Viqar Siddiqui
Mr. Imtiaz Gadar - CFA
Ms. Rabiya Javeri Agha

Chairman
Member
Member
Member

Digital Committee

Mr. Waqas Anis
Mr. Maximilian Felix Scheder
Mr. Fahad Viqar Siddiqui
Mr. Imtiaz Gadar - CFA

Chairman
Member
Member
Member

* Mr. Amin Muhammad Virani has resigned as Director of the Company with effect from March 06, 2024.

Mr. Fahad Muslim
Mr. Muhammad Farukh

Chief Financial Officer
Company Secretary

External Auditor

KPMG Taseer Hadi & Co. Chartered Accountants
Sheikh Sultan Trust Building No. 2 Beaumont Road Karachi.

Legal Advisors

Bawaney & Partners
3rd & 4th Floors, 68-C, Lane-13, Bukhari Commercial Area, Phase-VI, D.H.A., Karachi.

Bankers

JS Bank Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
Bank Alfalah Limited
National Bank of Pakistan
Faysal Bank Limited
Meezan Bank Limited

Bank Islami Pakistan Limited
MCB Bank Limited
Habib Metropolitan Bank Limited
United Bank Limited
Askari Bank Limited
Sindh Bank Limited
Bank Makramah Limited

Share Registrar

CDC Share Registrar Services Limited CDC House, 99-B, Block-B, S.M.C.H.S, Main
Shahra-e-Faisal,
Karachi.

Registered Office

17th & 18th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi-74400,
Pakistan | www.jsglobalonline.com UAN: +92-21-111-574-111 | Fax: +92-21-356-325-74



OUR BUSINESS PARTNERS

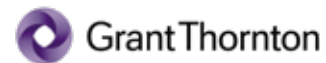
Accounting, Advisory and Auditing Partners



KPMG Taseer Hadi & Co.
(a Member Firm of KPMG in Pakistan)



A.F Ferguson & Co.
(a Member Firm of PWC in Pakistan)



Anjum Asim Shahid Rahman & Co.
(a Member Firm of GT in Pakistan)

Our Trading Partners



PAKISTAN STOCK EXCHANGE
Pakistan Stock Exchange Limited



NATIONAL CLEARING COMPANY
OF PAKISTAN LIMITED
National Clearing Company of Pakistan



Central Depository Company of Pakistan



Pakistan Mercantile Exchange Limited



World Economic Forum



Atlantic Council

Our Regulator, Legal and Rating Partners



Securities and Exchange Commission of Pakistan
(regulator)



advocates & investment & corporate advisors

Bawaney & Partners
(legal council)



Pakistan Rating Agency
(rating agency)

Our Professional Bodies Partners



The Institute of Chartered Accountants of Pakistan



The Institute of Cost and Management Accountants of Pakistan



Chartered Financial Analyst

BANKING PARTNERS



BankIslami



Bank Alfalah



faysalbank



Meezan Bank
The Premier Islamic Bank



بنك دبي الإسلامي
Dubai Islamic Bank



Bank for Life



where you come first





VISION

To be the leader in the financial services sector

MISSION

To ensure growth of various financial services by creating new products and services in financial sector

20
23

Annual
Report



CORPORATE CULTURE AND CORE VALUES



Innovation

We anticipate change, create new products & solutions for clients.



Responsibility

Consistently delivering our commitment.



Value

Our Success is incremental value for our clients and shareholders.

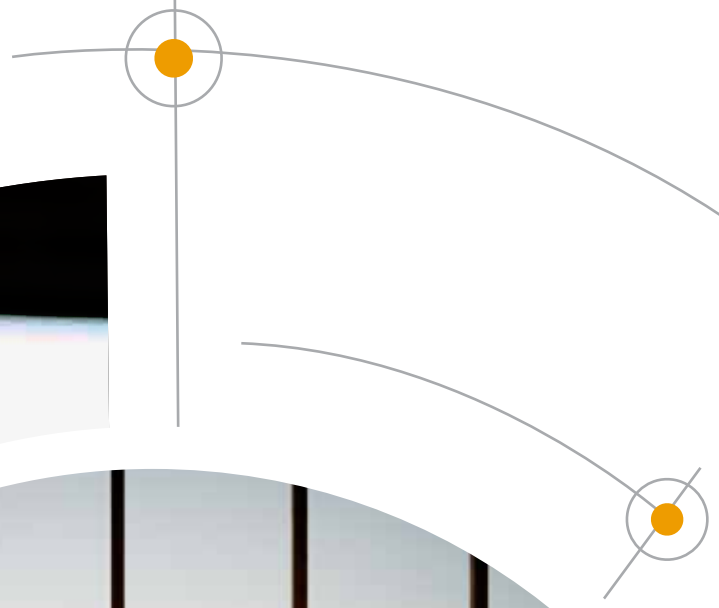


Quality

We strive for best quality services for our clients.



COMPANY PROFILE



JS Global Capital Limited (“JS Global” or the “Company”) is part of the prestigious JS Group and a subsidiary company of JS Bank Limited (“JSBL” or the “Bank”). The Company was incorporated as a private limited company on 28th June 2000 and commenced operations in May 2003 as Jahangir Siddiqui Capital Markets (Private) Limited. The Company was renamed and listed on the Pakistan Stock Exchange (previously Karachi Stock Exchange) in 2004 as Jahangir Siddiqui and Company Limited (JSCL). The Company’s name was renamed to JS Global Capital Limited in 2006-07.

The Company operates through eight branches; two in Karachi, and one each in Lahore, Islamabad, Hyderabad, Multan, Peshawar and Faisalabad besides the head (registered) office based in Karachi. The registered office of the Company is situated at The Centre, 17th & 18th Floor, Plot No. 28, SB-5, Abdullah Haroon Road, Karachi.

Principal Business Activities

The Company offers equity trading, investment banking, money market, foreign exchange trading, commodities trading and equity research services. JS Global manages an Exchange Traded Fund under Sandbox Guidelines, 2019 issued by the Securities and Exchange Commission of Pakistan. Consequently, the Company is a management company of JS Global Banking Sector Exchange Traded Fund (JSGBETF). *(BCR1.02)*

KEY MARKETS AND PRODUCTS

Key Markets

Pakistan Stock Exchange (PSX), where equities (shares of publicly listed companies) and debt securities of listed companies are traded. It's a primary market for equity and specific debt instruments and plays a crucial role in the capital market of Pakistan.

Pakistan Mercantile Exchange (PMEX) deals with commodities trading, including precious metals, agricultural commodities, energy products, and currencies. It provides a platform for investors and traders to participate in commodity futures and spot trading.

Fixed Income and Forex Markets: These markets involve trading in government securities, corporate bonds, and foreign exchange (forex). Fixed-income instruments offer fixed returns, while forex trading involves buying and selling currency within the banks.

Key Product

JS Global generates its major revenue through providing brokerage services for trading in equity securities. This trading is conducted on the Pakistan Stock Exchange (PSX), which is the only stock exchange in the country. JS Global is one of the largest brokers in terms of revenue generated from fixed-income trading and commodities trading.

Equities:

In equities, the penetration ratio of Unique Identification Numbers (customer base) as a percentage of the country's population is less than 0.15 percent, one of the lowest regionally and globally. We see this as an opportunity to expand our digital footprint and create a new market. We are optimistic about the potential to increase our customer base and make a positive impact.

Products

1

Equities Regular/Ready Market

PSX's Equities Regular/Ready Market provides a platform for the trading of listed companies' shares, with settlements occurring on a T+2 basis via the National Clearing Company of Pakistan Limited (NCCPL). This market constitutes a considerable proportion of the exchange's daily trading volumes and serves as the foundation for various derivative and leveraged products.

2

Negotiated Deal Market (NDM)

The Negotiated Deal Market (NDM) is a non-traditional marketplace that enables brokers to carry out off-market transactions outside of the Exchange Trading Systems. These deals are conducted between brokers and subsequently reported via the interface provided by the Exchange.

3

Deliverable Future Contracts (DFC)

DFCs are standardized futures contracts to buy or sell eligible underlying securities with actual delivery of the said security occurring at the expiry of the contract. The minimum lot for trading in DFC is 1 contract that consists of standard 500 shares of underlying security. Contract maturity is 90 days after the contract is listed. The new 90-day contract for the upcoming month is listed on Monday (or the next trading day if Monday is a holiday), preceding the last Friday of the current month. The contract matures or expires on the last Friday (or preceding trading day if Friday is a holiday) of the expiry month.

4

Stock Index Futures Contract (SIFC)

SIFC is a standardized contract that allows buying or selling a standardized value of the underlying stock index on a future date at a futures price i.e., the price at which it is bought or sold in the SIFC market. SIFC gives an opportunity to investors to trade in the relevant market by buying index futures with related underlying index instead of buying the index's individual securities. It has a contract multiplier of Rs. 5 and a contract maturity of 90 days. The new 90-day contract for the upcoming month is listed on Monday (or the next trading day if Monday is a holiday), following the last Friday of the current month.

5

Margin Trading System (MTS)

The Margin Trading System (MTS) offers leverage buy opportunities for MTS Eligible Securities in an undisclosed manner, to facilitate financier and financier. Financing is available exclusively for pre-identified ready market purchases ('Leverage Buy'). Transactions under this product are governed by a Financing Participation Ratio. Each MT Contract lasts a maximum of sixty (60) days, with automatic releases of one-fourth of the contract value every fifteenth (15th) day for flexibility.

6

Margin Financing System (MFS)

The Margin Financing System (MFS) at PSX allows investors to buy MFS-eligible securities with a part percentage of funds available of the total value of MFS-eligible securities purchased. The financing terms and conditions are predetermined by the Margin Finanee and Margin Financier. The National Clearing Company of Pakistan Limited (NCCPL) provides a system to MFS Participants for recording and settlement of MF Transactions. Margin financing is made available only in eligible securities. All MFS transactions are based on counterparty risk in a disclosed manner.

7

Exchange Traded Fund (ETF)

An Exchange Traded Fund (ETF) is a pooled investment vehicle with units that can be bought or sold on the Stock Exchange at a market-determined price. ETFs own underlying assets such as stocks or bonds and offer investors a proportionate share in a pool of assets.

Investment Banking Solutions

1

Listing, IPO and Book Building

We offer end-to-end transaction management for IPOs and listings through our investment banking services, which include corporate restructuring, valuation, marketing material creation, corporate roadshow planning and book-building process management.

2

Rights Issues

For right-issue transactions, our team provides consulting, underwriting, and arrangement services, including valuations, marketing material creation, coordination with regulatory bodies and transaction closure.

3

Debt-related Acts

We help businesses obtain capital through a range of vehicles, including TFCs, Sukuk, Commercial Papers, strategic investors, etc.

4

Merger and acquisitions

Our investment banking team provides comprehensive research and direction on the selection of possible targets as well as the supervision of the whole merger and acquisition process. We adopt a thorough strategy that satisfies the needs of all concerned parties.

Commodities Trading

1

Pakistan Mercantile Exchange Limited has been the country's first commodity futures market. Several important commodities, including gold, crude oil, silver, platinum, copper, the NSDQ, S&P, Dow Jones and JPY EQTY as well as major currencies, natural gas, cotton and cotton-based products, are traded on the exchange.

Fixed Income Trading

Money Market, Corporate Debt securities/ bonds and Government Debt securities/ bonds. These bonds are investment products that provide a return in the form of fixed periodic payments as mark-up and the eventual return of principal.

1

Money Market instruments: These include T-Bill, overnight, Repo, Reverse Repo, Commercial Paper, TDR, COI & LOP. In Islamic Terms the products include Mudarba, Musharka, Murahaba, & Bai-Muajjal.

Corporate Debt Instruments: These include Term Finance Certificates (TFCs), SUKUK Certificates, Registered Bonds, Corporate Bonds etc., and all kinds of debt instruments issued by any Pakistani company or corporation registered in Pakistan.

GoP Debt Instruments: These are debt instruments issued by the Government of Pakistan. These include PIBs, Treasury Bills, National Savings Bonds, and Islamic Ijarah Sukuks.

2

Foreign Exchange: Facilitate banks in foreign exchange transactions (buying /selling of dollars in spot, forward and swaps)

(BCR1.01)



KEY SERVICES

1

Online Trading

JS Global Trading App (JS Invest Pro) and Online Trading Platform, an integrated online trading service, has recently revamped and significantly enhanced its features to cater to the trading needs of clients in this digital era. The company's commitment to providing an exceptional customer experience is demonstrated through its focus on digital transformation and the development of innovative products and services.

2

Investment Banking Group

JS Global's Investment Banking division caters to a significant customer base consisting of both local and multinational enterprises. The team of professionals at JS Global possesses a proven track record of accomplishment in various investment banking areas. Through their expertise and successful project completion history, JS Global's Investment Banking Group has earned a reputable standing as a valuable partner for several corporations.

3

Equity Brokerage

JS Global's Equity Sales and Trading team has a well-established reputation for providing comprehensive and reliable services to their clients. The team is highly skilled and experienced in handling the needs of individual investors as well as institutional and foreign investors.

4

Research

JS Global's Research has long been at the forefront of Pakistan's Equity Brokerage industry, setting the standard for innovation and excellence. Through its dedication and commitment to delivering high-quality research and insights, JS Global's Research has earned a prominent reputation as a leader in their field.

5

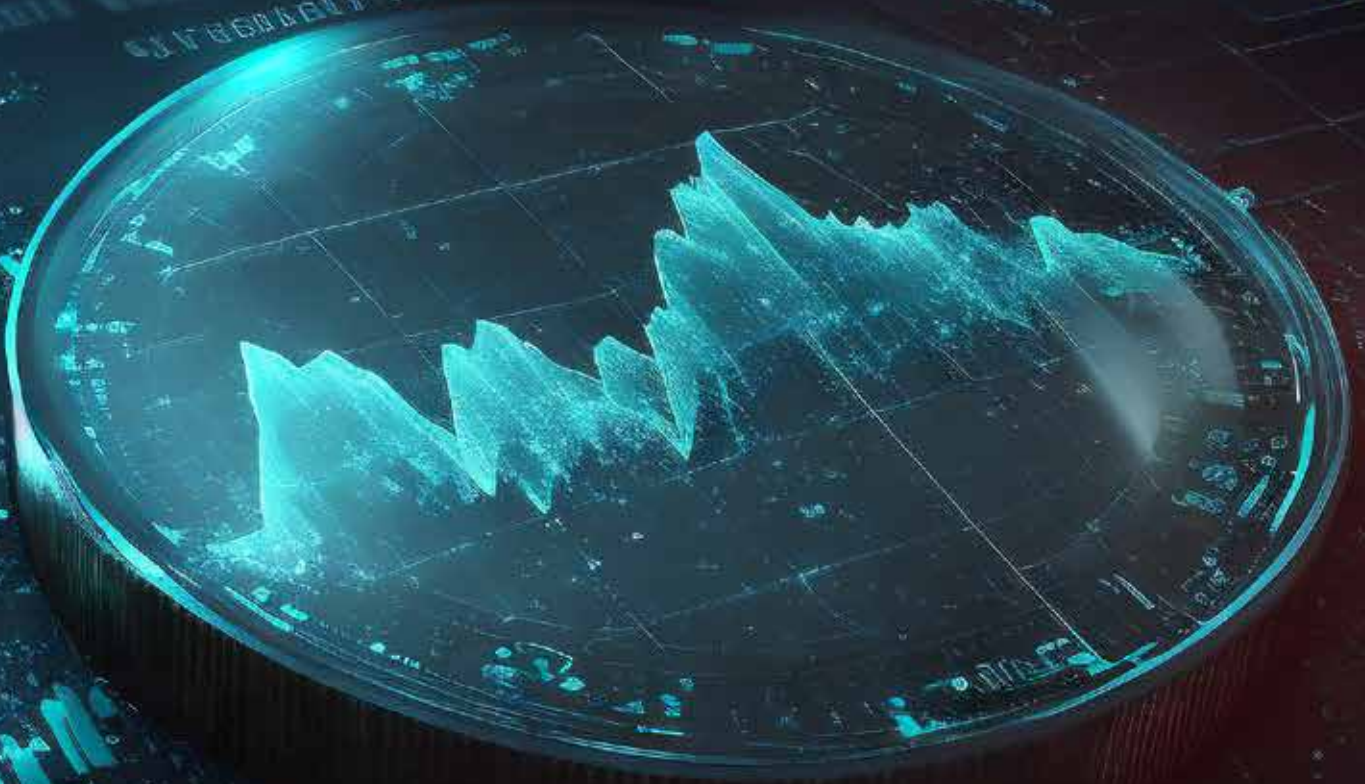
Fixed Income and Forex

JS Global's Fixed Income and Forex trading team is one of the most long-standing and experienced teams in the industry. The team has a wealth of knowledge and experience in these markets, making them well-equipped to handle the needs of a diverse range of clients.

6

Commodities Brokerage

JS Global's commodities trading team offers top-notch commodities brokerage services to both individual and institutional clients across Pakistan. With a strong commitment to excellence and a deep understanding of the commodities market, JS Global's team has established itself as a leader in the field of commodities trading. *(BCR1.02)*



GEOGRAPHICAL PRESENCE



● **Head Office**

The Center, 17th & 18th Floor,
Plot No. 28, S.B.5,
Abdullah Haroon Road,
Karachi.

● **Stock Exchange Branch**

Room No. 634, 6th Floor,
Stock Exchange Building,
Stock Exchange Road,
Karachi

● **Gulshan-e-Iqbal Branch**

Suite No. 607-A, 6th Floor, Al
Ameen Towers, Plot No E-2,
Block 10, Gulshan-e- Iqbal,
Main NIPA, Karachi

● **Hyderabad Branch**

Shop No. 20, Ground Floor,
Auto Bhan Towers, Auto Bhan
Road, Unit No. 3, Latifabad,
Hyderabad

● **Multan Branch**

Office No. 608-A, Sixth Floor,
The United Mall, Plot No. 74,
Abdali Road, Multan

● **Faisalabad Branch**

Office no G-04, Ground Floor,
Meezan Executive Tower Plot
No 4, Liaquat Road,
Faisalabad

● **Lahore Branzch**

Plot No. 434-G/1, MA Johar
Town, Lahore

● **Islamabad Branch**

Room No. 413, 4th Floor, ISE
Towers, 55-B, Jinnah Avenue,
Islamabad

● **Peshawar Branch**

First Floor, State Life Building,
Mall Road, Peshawar
Cantonment, Peshawar,
Khyber Pakhtunkhwa

OWNERSHIP, OPERATING STRUCTURE AND RELATIONSHIP WITH GROUP COMPANIES

The Company does not have any subsidiaries. However, it operates under the Group structure of JS Group



Jahangir Siddiqui & Co. Limited. (JSCL) is primarily an investment company in the financial services sector and also makes long-term investments in growing companies in Pakistan. In financial services sector, its investments are spread across asset management, commercial banking, investment banking, Islamic banking, securities brokerage and insurance. JSCL also benefits from strategic long-term investments in technology, transportation, media and industrial sector companies. JSCL was incorporated under the Companies Ordinance, 1984 on May 04, 1991, in Pakistan as a successor to the equity and fixed income securities and corporate finance business established by Mr. Jahangir Siddiqui. JSCL was the first securities company in Pakistan with a Wall Street Pedigree by virtue of its former joint venture partner Bear Stearns. JSCL was the first corporate member of the Karachi Stock Exchange and was listed on the Karachi and Islamabad stock exchanges in Pakistan on 10 August 1993.

Key financial figures of JSCL are as follows:

Financial Figures	31-Dec-23		31-Dec-22	
	(PKR in billions)			
Total Assets	32.52		32.4	
Total Liabilities	1.41		2.3	
Shareholder's Equity	31.10		30.2	
Profit after Tax	0.29		0.3	

For more information, please visit: <https://js.com>

JS Bank Limited (JSBL) is 71.21% owned by JSCL. JSBL was incorporated on March 15, 2006, as a public limited company under the repealed Companies Ordinance, 1984. JSBL is a commercial bank offering quality and innovative range of financial products and services to its clients. JSBL was formed from the amalgamation of Jahangir Siddiqui Investment Bank Limited and American Express Bank Limited's Pakistan operations in December 2006. JSBL is listed on the Pakistan Stock Exchange Limited having trading symbol of 'JSBL'. JSBL is amongst the fastest-growing Banks in Pakistan, with both a domestic and an international presence. JSBL is a leader in the SME space and has a substantial footprint in Digital Banking and Consumer Loans. JSBL has been recognized on multiple international and national forums, including the prestigious AsiaMoney, Asian Banking, Finance, DIGI and Pakistan Banking Awards. Key financial figures of JSBL are as follows:

Key financial figures of JSBL are as follows:

Financial Figures	31-Dec-23		31-Dec-22	
	(PKR in billions)			
Total Assets	589.43		616.71	
Total Advances – Net	203.72		231.10	
Total Deposits	486.28		464.13	
Shareholder's Equity	40.32		21.54	
Profit after Tax	4.33		0.96	

For more information, please visit: <https://jsbl.com>

JSBL owns an 84.56% stake in JS Investments Limited (JSIL). JSIL is a publicly traded company that was established in Pakistan on February 22, 1995, in accordance with the since-repealed Companies Ordinance, 1984. From April 24, 2007, the Company's shares have been traded on the Pakistan Stock Exchange Limited under the symbol "JSIL." Under the Non-Banking Financial Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, JSIL has secured the licenses of "Investment Adviser" and "Asset Management Company" (AMC) (the NBFC Regulations). Furthermore, it performs pension fund management duties in accordance with the 2005 Voluntary Pension System Rules. JSIL obtained licenses from the Securities and Exchange Commission of Pakistan for providing REIT Management Services and managing private equity and venture capital funds (SECP).

Key financial figures of JSIL are as follows:

Financial Figures	31-Dec-23		31-Dec-22	
	(PKR in billions)			
Total Assets	2.12		1.77	
Total Liabilities	0.45		0.41	
Shareholder's Equity	1.66		1.35	
Profit/ (Loss) after Tax	0.31		(0.14)	

For more information, please visit: <http://jsil.com>

JSBL owns an 75.12% stake in BankIslami Pakistan Limited (BIPL). BIPL was incorporated in Pakistan on October 18, 2004 as a public limited company to carry out the business of an Islamic Commercial Bank in accordance with the principles of Islamic Shariah. The State Bank of Pakistan (SBP) granted a 'Scheduled Islamic Commercial Bank' license to the Bank on March 18, 2005. The Bank commenced its operations as a Scheduled Islamic Commercial Bank with effect from April 07, 2006, on receiving Certificate of Commencement of Business from the State Bank of Pakistan (SBP) under section 37 of the State Bank of Pakistan Act, 1956. The Bank is principally engaged in corporate, commercial, consumer, retail banking and investment activities. On August 18, 2023, JS Bank Limited increased its shareholding in the Bank from 7.79% to 50.24% by acquiring shares from existing shareholders of the Bank through Share Purchase Agreement (SPA), effectively making BankIslami Pakistan Limited a subsidiary of JS Bank Limited. The shareholding in the Bank was further increased to 75.12% on August 25, 2023 by way of acquiring Bank's shares through a public offer.

Key financial figures of BIPL are as follows:

Financial Figures	31-Dec-23		31-Dec-22	
	(PKR in billions)			
Total Assets	654.79		487.59	
Total Liabilities	618.41		460.80	
Shareholder's Equity	36.37		26.79	
Profit after Tax	10.61		4.48	

For more information, please visit: <http://bankislami.com.pk>

(BCR1.04) - (BCR5.12)

KEY HIGHLIGHTS FOR THE YEAR



OUR JOURNEY

1991

BUSINESS ESTABLISHED

First brokerage house of the Pakistan Stock Exchange to corporatize itself in 1991.

1993

FOREIGN PARTNER

First brokerage firm to have a foreign equity house partner in 1993.

2001

ADVISOR - ICI AND PACKAGES TFC

First brokerage firm to be appointed as an Arranger and Advisor for ICI and Packages TFC in 2001.

2003

PRIMARY DEALER BY SBP

First brokerage firm to be appointed as Primary Dealer by State Bank of Pakistan in 2003

2006

MARKET MAKER FOR MOBILINK TFC

First brokerage house to act as a Market Maker for Mobilink TFC in 2006.

2008

BOOK BUILDING FOR NEW LISTINGS

First brokerage firm to introduce book building for new listings in Pakistan.

2009

INTERNATIONAL SOFTWARE SOLUTION

First brokerage firms introduced an internationally acclaimed software solution in 2009.

2013

MARGIN FINANCING SYSTEM

JS Global pioneered the Margin Financing System in 2013, setting a new standard for brokerage industry.

2013

MULTI-EXCHANGE TRADING SOLUTION

First brokerage firm to introduced a multi-exchange trading solution in 2013 – PSX & PMEX, enhancing trading capabilities for clients.

2015

NCS ACCOUNTS OF NCCPL

First brokerage firm to introduce NCS Accounts of National clearing Company of Pakistan Limited in 2015.

2016

INVESTMENT CONFERENCE

First investment conference in collaboration with the Government and PSX, contributing to Pakistan's reclassification into the MSCI Emerging Markets Index in 2016.

2017

COMMERCIAL PAPER

First & only brokerage firm to issue a Commercial Paper – PKR 1,000 mn

2018

AGP IPO

JS Global successfully completed the IPO of AGP Limited, Pakistan's largest IPO in the Pharmaceutical Sector as the Consultant to the issue and book runner.

2019

CFA AWARDS

JS Global received a record 5 awards at the 16th CFA Awards, making a remarkable achievement and clean sweeping the event with a feat that remains unmatched to this date.

2020

ASIAMONEY AWARDS

JS Global received top honors in the 2020 AsiaMoney Broker's Poll, showcasing its international recognition.

2020

MARKET MAKER ETF

JS Global was the first brokerage house to provide market-making services to exchange-traded funds (ETF) at PSX.

2021

AIR LINK IPO

JS Global successfully completed the largest private sector IPO of Air Link Communication as the Consultant to the Issue and Book Runner.

2021

COMMERCIAL PAPER

JS Global became the first and only brokerage firm to issue a 2nd Commercial Paper – PKR 1,000 mn.

2021

BEST CORPORATE REPORT AWARDS PAKISTAN

JS Global secured Certificate of Merit in the Best Corporate Report Awards 2020 from ICAP and ICMA Pakistan, showcasing excellence in reporting standards.

2021

BEST CORPORATE REPORT AWARDS SAFA

JS Global secured Certificate of Merit in the financial services category at the Best Presented Annual Report 2020 Awards by SAFA, an International recognition highlighting its commitment to quality reporting.

2022

CFA AWARDS

JS Global was awarded Best Transaction of the Year 2021 (Runner-Up), Best Equity Analyst of the Year FY22 at the Annual Excellence Awards by CFA Society Pakistan, reinforcing its excellence in financial analysis and brokerage services.

2022

ASIAMONEY AWARDS

JS Global won 14 awards at AsiaMoney Polls, affirming its position as a top brokerage firm in the region.

2022

BEST CORPORATE & SUSTAINABILITY REPORT AWARDS

JS Global attained the Certificate of Merit at the Best Corporate & Sustainability Report 2021 Awards, conferred by ICAP and ICMA Pakistan, showcasing its commitment to sustainable business practices.

2022

BEST PRESENTED ANNUAL REPORT 2021 AWARD – SAFA

JS Global secured the Certificate of Merit in the financial services category at the Best Presented Annual Report 2021 Awards by SAFA, an International recognition highlighting its commitment to quality reporting.

2023

CFA AWARDS

JS Global was recognized at the 20th Annual Excellence Awards by CFA Society Pakistan, receiving a total of four awards in categories including Best Salesperson, Research Analyst, Best Equity Brokerage House (Runner-Up), and Best Research Report (Runner-Up)

2023

ASIAMONEY AWARDS

JS Global received five awards: Best Analyst for Automobiles & Components, Banks, and Real Estate, while securing 3rd position in the category of Best Domestic Brokerages for Research and Best Brokerages for Corporate Access.

2023

PMEX TOP COMMODITY BROKER

JS Global was recognized in the category of Top Commodity Broker in Karachi by the Pakistan Mercantile Exchange.

2023

EXCHANGE-TRADED FUND (ETF)

JS Global demonstrated industry leadership by becoming the first brokerage house in Pakistan to launch an ETF under SECP Regulatory Sandbox Guidelines 2019,

2023

BEST CORPORATE & SUSTAINABILITY REPORT AWARDS

JS Global attained first position at the Best Corporate & Sustainability Report 2022 Awards, conferred by ICAP and ICMA Pakistan, showcasing its commitment to sustainable business practices.

PESTEL ANALYSIS



Political

In terms of political factors, government policies, political developments, or regulatory changes can significantly and adversely impact the capital market.

To address any potential threats from such scenarios, the Company stays abreast of political developments and makes necessary adjustments in a timely manner.



Economical

As for economic factors, the Company's performance is closely tied to global and national economic growth and the performance of the capital market.

Any event such as a sudden rise in commodity prices, exchange rate fluctuations, inflation or interest rates, may impact the Company's financial performance.

To mitigate the impact of such changes, the Company introduces new products, innovative digital trading services, end-to-end research services, niche and holistic marketing strategies and maintains a superior investment banking team.

A performance-based variable compensation structure is also in place to minimize the adverse impact of economic changes.



Social

Social changes in terms of consumption and investment behaviors can have a significant impact on asset classes including equities and fixed income.

Any change in literacy levels and financial awareness can lead to exponential growth in an otherwise limited investor base in the country.

Any such changes in social behaviors present an immense opportunity for the company.



Technological

Environmental

Legal

The advent and widespread adoption of technology provide an opportunity for the company to reach out to a much larger market via its pioneer digital trading platform while leveraging the strengths of JS Group.

The company is enthusiastic about collaborating with fintech and other technology-focused solutions providers to integrate new features into its products and processes.

Given the importance assigned to ESG in today's world, the preservation of the environment holds greater significance than ever before.

In pursuit of this goal, the company is dedicated to creating a paperless environment by embracing digital solutions.

The Company makes a concerted effort to comply with all of the laws, bylaws, rules, emulations and other statutory obligations.

The Board is in charge of all compliance matters and a separate compliance department has been established.



Legislative and Regulatory Environment

JS Global, as a listed stock brokerage house in Pakistan, operates within a legislative and regulatory environment designed to ensure market integrity, investor protection, and operational transparency. The capital market structure in Pakistan comprises key entities overseen by regulatory bodies. These entities and regulatory bodies include:

Securities and Exchange Commission Pakistan (SECP):

As the apex regulator of the markets, the SECP plays a pivotal role in formulating and enforcing regulations governing the capital markets. It oversees various aspects, including market operations, compliance standards, and investor protection measures.

Pakistan Stock Exchange (PSX):

The PSX is the primary securities exchange in Pakistan, providing a platform for the trading of equities, bonds, and other financial instruments. JS Global actively participates in the activities of the PSX, contributing to price discovery and liquidity in the capital markets.

Central Depository Company (CDC):

CDC serves as the central securities depository in Pakistan, responsible for the safekeeping and electronic transfer of securities. JS Global interacts with CDC in facilitating efficient settlement processes and ensuring the integrity of ownership records.

National Clearing Company (NCCPL):

This entity is tasked with the clearance and settlement of transactions executed on the Pakistan Stock Exchange. JS Global engages with NCCPL to ensure timely and accurate processing of trades, reducing counterparty risks and enhancing market efficiency.

Compliance with regulatory requirements is fundamental to JS Global's operations, encompassing adherence to licensing standards, operational guidelines, and investor protection measures prescribed by the SECP and other relevant regulatory bodies. By maintaining stringent compliance, JS Global upholds the integrity of market operations, fosters investor confidence, and promotes sustainable growth within Pakistan's capital markets.

As a responsible participant in the capital markets, JS Global is committed to upholding the highest standards of regulatory compliance, transparency, and ethical conduct. Our alignment with regulatory mandates and best practices contributes to the stability and vibrancy of Pakistan's financial ecosystem, creating a conducive environment for investment and economic development. *(BCR1.09)*

Interests of Key Stakeholders and Industry Trends

The stock brokerage industry contributes significantly to the economy by making it easier for investors to buy and sell shares thereby enhancing liquidity and investor engagement. The industry's key players, including investors, brokers, and regulators place a premium on maintaining trading transparency and fairness, protecting investor interests, and improving market efficiency. To achieve these objectives, industry trends are shifting towards stricter risk management and compliance frameworks, the use of technology to improve operational efficiency and customer service, and increased collaboration with regulators to ensure regulatory compliance. As the industry evolves, there is a growing emphasis on making financial markets more accessible to a broader range of investors by opening up the financial markets to spur economic growth. *(BCR1.10)*

SWOT ANALYSIS



Strengths

- Strong Sponsor Brand Name
- Subsidiary of a bank
- Leading presence in all key segments
- Geographical reach
- Balance Sheet Strength



Weaknesses

- Inherent business volatility
- Strong correlation to denting macros and political developments



Opportunities

- Scale up digital to tap under-penetration
- New Investment Banking Deals
- Research Soft Dollar income streams



Threats

- Unfavorable regulatory changes
- Imposition of new taxes
- Further penal KYC requirements
- Unfavorable/unequal tax on equities vs other asset classes



COMPETITIVE LANDSCAPE AND MARKET POSITIONING

Competitive Landscape:

JS Global operates within a dynamic and highly competitive environment shaped by regulatory frameworks, market conditions and technological advancements. The industry comprises a diverse array of firms, ranging from large, established players to smaller boutique firms. Over 200 brokerage firms are licensed by the Securities and Exchange Commission of Pakistan. These firms compete for market share in a landscape characterized by intense competition, regulatory oversight and evolving investor preferences. Out of these, just 8 are listed on the Pakistan Stock Exchange, only around 24 have Entity Ratings, around 27 have Broker Management Ratings and roughly 40 hold Broker Fiduciary Ratings. JS Global stands out as one of Pakistan's oldest and premier brokerage and financial services firms, with a strong market reputation and presence.

Market Positioning:

Services Offering:

JS Global is a leading provider of a diverse range of financial services, including brokerage for Equity Trading, Investment Banking, Money Market, Foreign Exchange Trading, Commodities Trading and Equity Research (ETF).

Technological Innovation:

With the increasing digitization of financial markets, JS Global competes based on technological capabilities. Advanced trading platforms, mobile applications, algorithmic trading and data analytics are key areas of investment to enhance market positioning.

JS Global is the first designated Market Maker and Authorized Participant of ETF for all funds on PSX. It has been at the forefront of developing new products and services for Pakistan's capital markets.

Brand Reputation and Trust:

JS Global is one of the largest brokerage and investment banking firms in Pakistan, with a dominant position in domestic capital markets. JS Global is backed by reputable domestic shareholders, namely JS Bank Limited and is listed on the Pakistan Stock Exchange. The company has a large network of branches throughout the country and has completed the largest private sector IPO in Pakistan, raising PKR 6.43 billion from institutional, individual and foreign investors.

Acknowledgements:

JS Global Capital Limited was recognized for its outstanding performance during the period and received numerous awards, in categories such as, Best Equity Analyst FY23(Winner), Best Equity Sales Person FY23(Winner), Best Equity Research Report (Runners up), Best Equity Brokerage House (Runners up) by the CFA Society Pakistan.

This year, JS Global Capital Limited has also been internationally recognized by a leading global publication, receiving 5 awards across various categories including several individuals in Sales and Research who were recognized as top performers in their respective categories, highlighting the company's strong dedication to achieving excellence. In addition, the Company received The Best Corporate Sustainability Report 2022 Award and was also recognized by PMEX as "Best Broker Karachi 2023". Please refer to the "Journey So Far" section of this Annual Report for further information on the significant achievements. (BCR1.12)

The Political Environment where the Organization Operates and in other Countries May Affect the Ability of the Organization to Implement its Strategy.

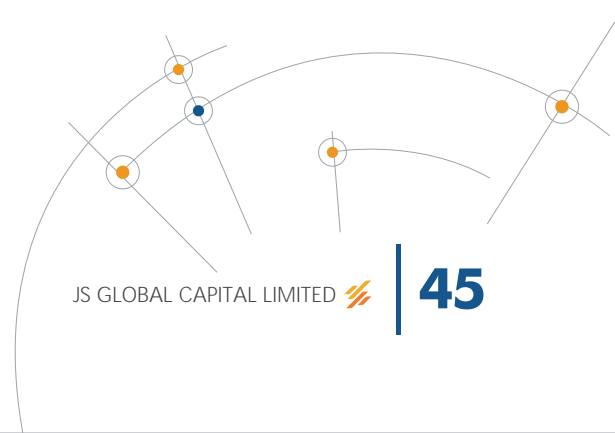
The political and regulatory environment in a country can significantly impact the stock brokerage industry, as government policies and regulations directly affect brokerage firms' ability to operate effectively. For example, changes in tax policies or new regulations on foreign investments can affect the industry's overall profitability.

Furthermore, a country's political stability is critical to the stock brokerage industry. Political unrest or instability can lead to uncertainty and potential disruptions in the industry, whereas a stable government and a peaceful environment can provide a favorable climate for business growth.

Moreover, the relationships and policies of other countries can impact Pakistan's stock brokerage industry's ability to implement its strategy. For instance, changes in the trade policies of major trading partners such as China, the US, or the EU can affect the performance of the Pakistani economy and indirectly impact the stock market. (BCR1.13)

Significant Changes from Prior Years

There is no significant deviation from our core strategic directions and objectives. Strategic direction and objectives are outlined in different sections of this annual report. Additionally, the report thoroughly discusses all events, and there were no significant occurrences during the year or after the reporting period. (BCR1.15)



CALENDER OF MAJOR EVENTS

05th

Jan-2023

Re-appointment of Chairman and Chief Executive Officer

22nd

Feb-2023

Approval of annual financial results for the year ended December 31, 2022

19th

Apr-2023

Approval of financial results for the 1st quarter by the Board

28th

Apr-2023

22nd Annual General Meeting (AGM)

16th

Aug-2023

Approval of financial results for the Half Year by the Board

11th

Sep-2023

Listing of JS Global Banking Sector Exchange Traded Fund on PSX





06th Oct-2023

JS Global received prestigious awards from the CFA Society Pakistan in four different categories

12th Oct-2023

First position in the 'Best Corporate and Sustainability Reports for the Year 2022 (in the category of NBFCs and Mutual Funds)

19th Oct-2023

Approval of financial results for the 3rd quarter ended September 30, 2023 by the Board

02nd Dec-2023

JS Global's recognition as the "Top Commodity Broker Karachi" by the Pakistan Mercantile Exchange showcases the company's expertise and reliability in commodity trading

07th Dec-2023

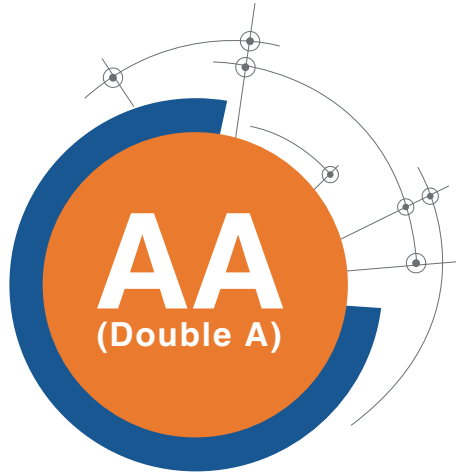
JS Global was internationally recognized by ASIAMONEY, a leading global publication, receiving 5 awards across various categories

15th Dec-2023

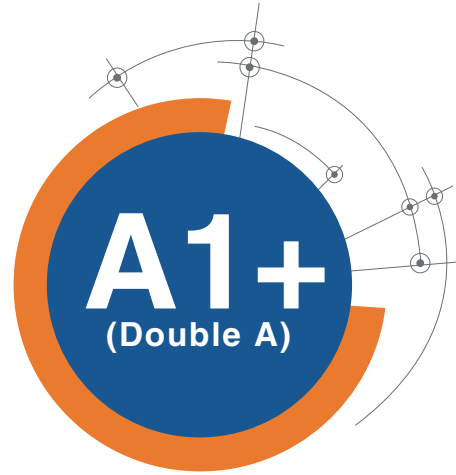
Approval of annual budget for FY-2022 by the Board



ENTITY RATING



Long Term Rating



Short Term Rating

Entity Rating	2023	2022	2021	2020	2019	2018
Long Term Rating	AA	AA	AA	AA	AA	AA
Short Term Rating	A1+	A1+	A1+	A1+	A1+	A1+
Outlook	Stable	Stable	Stable	Stable	Stable	Stable
Action	Maintained	Maintained	Maintained	Maintained	Maintained	Maintained

BROKER MANAGEMENT RATING



Broker Management Rating	2023	2022	2021	2020	2019	2018
Rating	BMR 1	BMR 1	BMR 1	BMR 1	BMR 1	BMR 1
Outlook	Stable	Stable	Stable	Stable	Stable	Stable
Action	Maintained	Maintained	Maintained	Maintained	Maintained	Maintained

BROKER FIDUCIARY RATING

2023
Annual Report



Broker Fiduciary Rating (BFR)	2023	2022
Rating	BFR 1	BFR 1
Outlook	Stable	Stable
Action	Maintain	Initial

CEO'S OVERVIEW



Dear Stakeholders,

JS Global Capital Limited reflects with pride on a successful 2023, despite a year marked by significant economic and market challenges. Even with these hurdles, JS Global demonstrated exceptional resilience and strategic agility. We proactively adapted operational strategies to navigate impactful shifts in the economic and market landscape, ultimately shaping positive outcomes and impressive profitability growth.

The economic landscape presented both challenges and opportunities in 2023. We navigated low foreign exchange reserves, high inflation, and sharp depreciation. These shifts impacted market sentiments, leading to subdued volumes and cautious investor behavior in the first half. However, the second half witnessed a remarkable turnaround fueled by increased investor confidence from stabilization measures and reforms. As market indices climbed and trading volumes improved, JS Global successfully capitalized on these changes, in addition to achieving a significant improvement in market share. Furthermore, practicing higher efficiencies in costs also contributed to enhanced shareholder value.

JS Global also established itself as a leader in the Pakistani financial services industry by becoming the benchmark in fintech and digital innovation in Pakistan equity markets. As a leading force in transforming the digital trading industry, JS Global launched a pioneering investment application in 2023. This application seamlessly integrates various platforms, offering users advanced trading features, rapid order execution, customizable workspaces, comprehensive research, technical analysis tools, and instant market insights across desktop, mobile, and web environments.

We also secured a pivotal role in launching the nation's first-ever Exchange Traded Fund (ETF) under the SECP Regulatory Sandbox Guidelines, owing to JS Global's expertise and track record in digitization. This milestone marked the first ETF introduction by a brokerage house.

Our commitment to excel was further recognized through several prestigious awards received in 2023. These include Best Equity Salesperson, Best Equity Research Analyst, Runner Up for Best Equity Brokerage House and Best Equity Research Report from CFA Society Pakistan. Additionally, Asia Money awarded JS Global four accolades, while ICAP and ICMAP recognized us for the 'Best Corporate and Sustainability Reports for the Year 2022.' We were also named among Top Commodity Broker Karachi by the Pakistan Mercantile Exchange, a testament to our expertise in commodity trading.

Zindigi, digital banking arm of JS Group, demonstrated exceptional performance in 2023, achieving robust year-over-year customer growth of 115%. Notably, the total number of UINs opened by Zindigi contributed to 9% of the nation's total. These figures not only highlight our commitment to fostering financial inclusion through digital solutions but also showcase our efforts towards strengthening the Pakistani stock market for long-term success.

We extend our sincere gratitude to our dedicated employees, valued clients, Chairman, Board of Directors, Regulators and Shareholders for their unwavering support and trust. Their collaboration and commitment have been instrumental in achieving our goals and delivering value in a challenging yet rewarding business environment.



AWARDS AND ACCOLADES

CFA Society Awards: The CFA Society Awards are highly esteemed accolades in the finance industry, recognizing excellence in various categories. These awards are a testament to the rigorous standards and best practices upheld by the CFA Society, making them a prestigious recognition for professionals and firms in the financial sector. The Company won the following awards in 2023:

- Best Equity Salesperson
- Best Equity Research Analyst
- Best Equity Brokerage House (Runner Up)
- Best Equity Research Report Award (Runner Up)
- **ASIAMONEY Awards:** ASIAMONEY, a leading UK-based financial publisher, recognizes exceptional brokerages in equities research, sales, and trading across Asia. These prestigious awards are highly competitive and cover various categories, showcasing diverse expertise within the brokerage industry. Winning an ASIAMONEY Award in the 34th annual brokers' poll signifies remarkable industry leadership and exceptional regional performance.
- Best Analyst for Automobiles & Components
- Best Analyst for Banks
- Best Analyst for Real Estate
- Best Domestic Brokerages for Research – Secured the 3rd Position
- Best Brokerages for Corporate Access – Secured the 3rd Position

Institute of Chartered Accountants of Pakistan and the Institute of Cost and Management Accountants of Pakistan: These institutes are vital in promoting excellence in financial reporting, accounting and management practices in Pakistan. Reflects a commitment to recognizing organizations that demonstrate transparency, accuracy, and adherence to accounting standards, contributing to the overall integrity of financial reporting in the country.

- First position in the 'Best Corporate and Sustainability Reports for the Year 2023 (in the category of NBFCs and Mutual Funds)

Pakistan Mercantile Exchange: As a leading commodity exchange in Pakistan, the Pakistan Mercantile Exchange plays a crucial role in facilitating transparent and efficient trading of commodities. The recognition of top commodity brokers, underscores the importance of expertise, reliability, and market knowledge in the commodity trading landscape, further enhancing trust and confidence among market participants.

- Top Commodity Broker Karachi

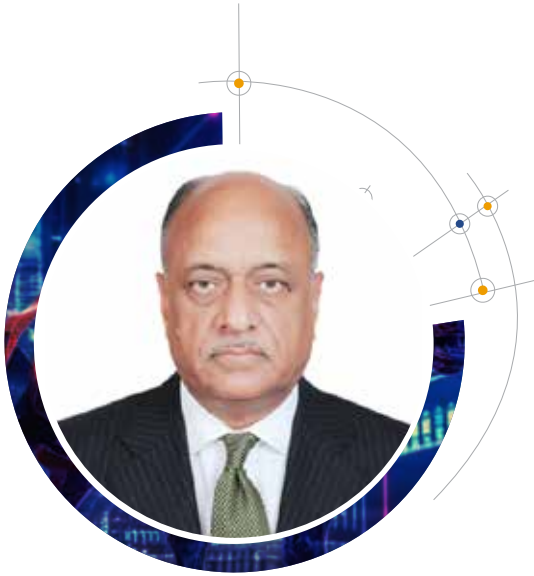




GOVERNANCE



PROFILE OF BOARD OF DIRECTORS



Mr. Shahab Anwar Khawaja
– Chairman and Independent Director

Mr. Shahab Khawaja has served in the public sector for almost 36 years as a career Civil Servant of the Pakistan Administrative Service (previously District Management Group) and has held many key positions such as Federal Secretary of Privatization and Industries and Production, Additional Secretary of Population Welfare, Joint Secretary Economic Affairs Division, CEO of Small and Medium Enterprises Development Authority (SMEDA) and held Director's position in various recognized companies. He has extensive experience in the field of social development, particularly in legal matters, community mobilization and community development. He is also a Certified Director, under Listed Companies' requirements, as prescribed by the SECP.

Before the above-mentioned positions, he served as Secretary to the Department of Agriculture and Livestock and Dairy Development, Government of Punjab. Post-retirement, he also held the positions of CEO, of the Competitiveness Support Fund (CSF), a joint Project of the Ministry of Finance and USAID and the Executive Director, of the Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC). He has served on several Public Sector Organizations' Boards and has represented the Government of Pakistan in multiple International Bodies and Seminars such as UNDP, UNFPA, UNIDO, ECOSOC APO etc. Mr. Shahab Khawaja holds an MSc. in Chemistry as well as Post Graduate Diplomas in Development Administration from Birmingham University, UK and in Public Policy from the University of Connecticut Hartford, USA.



Mr. Maximilian Felix Scheder
- Independent Director

Mr. Scheder has 39 years of professional corporate and banking experience, including serving as a board member, senior public company executive and senior international investment banker. As a Chief Financial Officer, Mr. Scheder was responsible for leading the implementation of corporate governance processes and overseeing public corporate filing and regulatory requirements. As a Chief Executive Officer and Board Member, Mr. Scheder has hands-on experience operating and advising on how to build and scale sustainable businesses. As a senior international investment banking executive, Mr. Scheder developed deep corporate and business development, mergers and acquisitions, finance and fundraising skills.

Mr. Scheder currently serves as the independent board member of 500 Global (California, USA) and Board Member and Chief Financial Officer of Drover AI (Montana, USA). Mr. Scheder’s previous roles included Founder and Chief Executive Officer of various start-ups, Managing Director of Deutsche Bank AG (Frankfurt, Germany), Managing Director of ING Barings/BHF-Bank (Frankfurt, Germany) and Associate Director of Bear Stearns & Co. (New York, USA).

Mr. Scheder began his career with Peat Marwick & Mitchell (New York, USA). Mr. Scheder earned a Bachelor’s of Arts in Economics from Stanford University. He also attended Stanford Executive Program at the Stanford Graduate School of Business and New York University’s accounting program.

PROFILE OF BOARD OF DIRECTORS



Ms. Rabiya Javeri Agha
– Independent Director

Rabiya Javeri Agha has been one of senior most bureaucrats in the Government of Pakistan and has spent 38 years in public service. She was the first female President of the Pakistan Administrative Service Association, the largest federal association of civil servants in the country. She is a graduate from Mount Holyoke College, USA and the Blavatnik School of Government, University of Oxford. Rabiya was conferred an honorary Doctorate in Law from her alma mater MHC for her work on women and vulnerable groups.

As Secretary, Ministry of Human Rights, she was instrumental in the drafting of 18 human rights-based legislations; including the very progressive Transgender Act 2018. Ms. Javeri also helped draft Pakistan's first and only Child Marriage Restraint Act, which outlawed the practice of early age marriages for young girls in Sindh.

She has recently taken charge as Chairperson National Commission for Human Rights (NCHR), and was unanimously selected by all three political parties of the Parliamentary committee. Under her leadership NCHR held nation-wide consultations to develop a 3-year strategic plan. The strategic plan identifies five core functions of the Commission: Complaint Redressal, Legal Watchdog, Knowledge Production, Awareness/Advocacy and Policy Advisor.

In the last ten months, Ms. Javeri has spearheaded the work on the core functions. The achievements include the enactment of Torture and Custodial Death (Prevention and Punishment) Act, adoption of the enforced disappearances bill and the bill to decriminalize suicide. In addition, NCHR's report on Minority rights has been applauded in the UK's House of Lords while the President of Pakistan has launched an action plan on mental health based on the NCHR's Mental Health report. The Commission has resolved 2613 complaints of Human Rights abuses across the country and taken 116 suo-moto actions on Human Right violations.

She has also actively advocated and raised awareness on various Human Rights issues ranging from juvenile justice to prison reforms, journalist protection and minority rights. The credibility of the Commission has been amplified under her guidance with the government and judiciary seeking the Commission's help in critical inquiries.



Mr. Imtiaz Gadar
Chief Executive Officer

Mr. Imtiaz Gadar has been associated with JS Global Capital Limited since December 2021 and has been leading the company as its Chief Executive Officer since October 2022. Mr. Gadar brings a rich experience of 21 years in local & international Brokerage / Investment Banking, Portfolio Management, Research and Investor Relations.

He has diversified experience based out of local / international broking and Equity Capital Markets at JP Morgan Pakistan and the local affiliate of Bank of America – Merrill Lynch, where he was recognized multiple times by Asia Money and CFA Society Pakistan as the Best Pakistan Analyst. As part of his ECM efforts, he has managed transactions worth over US\$1.8bn ranging from M&A, Buybacks, GDR Offerings, IPOs and SPOs, Rights Offerings and Tender Offers.

Prior to joining JS Global, he was associated with Bank Alfalah Limited for more than eight years as Head of Capital Markets, where he established and managed award-winning Public & Private Principal investment and Advisory businesses, being recognized for landmark Buy & Sell side M&A and Public Offerings on multiple occasions.

Simultaneously, he assisted in leading the bank to being voted Best in Investor Relations by CFA Society Pakistan for eight years running in addition to being awarded the Best Equity Corporate Finance House (Banks).

Mr. Gadar is a Chartered Financial Analyst (CFA) and Masters in Business Administration (MBA) specializing in Finance from the Institute of Business Administration.

PROFILE OF BOARD OF DIRECTORS



Mr. Fahad Viqar Siddiqui
– Non-Executive Director

Mr. Fahad Siddiqui is a career banker & relocated to Pakistan from Canada in 2020. During his career, Fahad has held Senior Management positions in various geographies like Asia, Middle East & North America while been associated with Financial Institutions such as, HSBC, Standard Chartered, Barclays Bank & Bank of Montreal. Fahad brings deep & well-rounded experience with him in which he has successfully covered all spectrums of Consumer & Retail Banking, Wealth Management, Business & Digital Transformation, Change, Program & Project Management, Transaction Banking & Customer Experience. He joined JS Bank Limited, Pakistan in 2020 & is currently the Head of Products & Analytics at JS Bank. His accountability includes but is not just limited to managing P&L's for Consumer & SME lending, Payment Services & ADC, Customer Propositions, including Wealth management, and Retail deposit products. He also oversees the Analytics function along with the Enterprise Project Management office (EPMO) at JS Bank. Fahad is also a member of JS Bank's "Extended Leadership team". Fahad Siddiqui holds an MBA from the University of Middlesex, UK and is also a Certified Change Management Professional (CCMP) designation holder. His passion & focus in transforming businesses has led him towards becoming a Global PROSCI "CERTIFIED" Change practitioner.



Mr. Amin Muhammad Virani
– Non-Executive Director

Mr. Amin Muhammad Virani is a seasoned professional with over 30 years of diversified work experience in Finance, Accountancy, Risk, Compliance, Strategic Planning, Audit & Internal Controls. He has served in various leadership roles with local and multinational financial institutes including United Bank Limited, Union National Bank (UAE), Bank Muscat, Mashreq Bank (UAE), Allied Bank Ltd and Price Waterhouse Coopers. He is a Chartered Accountant – Member of the Institute of Chartered Accountants of Pakistan. Amin has extensive banking industry exposure in delivering robust solutions at the C-suite level, analyzing portfolio of opportunities and preparing financial information for external publications and communications to the capital markets. Amin has been associated with JS Bank as Chief Financial Officer since September 2022.

PROFILE OF BOARD OF DIRECTORS



Syed Jafar Raza
– Non-Executive Director

Syed Jafar Raza is a finance professional, with over 2 decades of experience in the areas of Trade Finance, Corporate Relationship Management, Investment and Transaction Banking. He holds a Master's degree in Commerce and Business Administration from University of Karachi and Institute of Business Administration, respectively. He is currently heading Investment, International and Transaction Banking Group at JS Bank. He held various senior management roles with Bank Al-Habib and Askari Bank Limited where he also served as nominee director of the latter for its brokerage subsidiary.



Mr. Waqas Anis
– Non-Executive Director

Mr. Waqas Anis is a career banker and a digital enthusiast currently serving as the Chief Digital Officer at JS Bank Limited, where he previously served as the Head of Digital Transformation & International Business. Waqas has over 20 years of professional experience in various local and multinational organizations such as ABN AMRO Bank N.V., Faysal Bank, The Bank of Punjab and Atlas Bank. He has also worked extensively in the tech implementation business with Inbox Consulting (Private) Limited. Waqas has been leading Digital Banking at various Financial Institutions with a dynamic experience in payment systems, G2P / P2G payments, consulting, IT, ADC, CRM and Financial Sector Digitization. He has led various large-scale automation programs in the banking industry including Organizational Integration, Financial Service Solutions, Digital Onboarding, Business Process Re-engineering, Alternative Distribution - E-Banking, Core Banking Migrations and various CRM initiatives.

Waqas holds a Master's degree in Business Administration from Institute of Business Management Karachi and graduated in Software Engineering from Bahria University, Islamabad.

CHAIRMAN'S REVIEW REPORT

I take immense pleasure in presenting you the annual performance of JS Global Capital Limited ("JSGCL" or 'the Company') for FY2023.

Economy

The fiscal year unfolded in two distinct phases, characterized by a dynamic economic landscape. Initially, the nation faced a myriad of challenges, including shrinking forex reserves, geopolitical tensions, and soaring prices, resulting in record inflation and subdued economic activity. However, the latter half witnessed a pivotal breakthrough with the successful negotiation with the IMF, ushering in a period of economic stabilization and revitalization of the capital markets, exemplified by the remarkable milestone of the KSE100 index surpassing the 60K mark.

Composition of the Board

Our Board comprises a well-balanced and diverse mix of independent and non-executive directors, each bringing a wealth of experience and expertise in business, finance, and banking to the table.

Governance and Oversight

The Board remains unwavering in its commitment to upholding the highest standards of corporate governance. We are dedicated to fostering transparency, accountability, and ethical conduct, while promoting professionalism, integrity, and openness in all our endeavors. Each board member diligently fulfills their responsibilities, actively participating in board and general meetings, rigorously reviewing agenda items, and providing strategic guidance and oversight.

Strategic Outlook

Recognizing the evolving landscape and challenges facing both the nation and the capital markets, the Board is committed to continuously refining its strategic vision. We are steadfast in our determination to enhance market share and explore new avenues for sustainable growth.

Company Accolades

JS Global Capital Limited achieved notable recognition across various prestigious industry awards ceremonies, including the 20th Annual Excellence Awards Ceremony by the CFA Society Pakistan, where we secured wins in Best Equity Sales and Best Equity Research, with runner-up positions in Best Equity Brokerage House and Best Research Report categories.

Additionally, we attained top honors in the NBFIs & Modaraba sector at the "Best Corporate & Sustainability Report Awards 2022" and received accolades in five categories at the 34th Annual Asiamoney Awards 2023.

Furthermore, our excellence was acknowledged with the "Best Brokers Award 2023" at the Pakistan Mercantile Exchange, emphasizing our unwavering commitment to excellence and top-tier performance in the brokerage industry.

Company's Rating

The Company's exceptional performance is underscored by its prestigious AA (long-term) and A1+ (short-term) entity ratings, as well as the BMR1 Management rating with a stable outlook conferred by PACRA. These accolades are a testament to our unwavering commitment to operational excellence and structural integrity, and a reflection of the dedication and hard work of our entire team.

Last, but not the least, strengthening of overall investing frameworks should go a long way in bridging the trust gap between small investors and the markets. I would like to commend the management for their dedication and thank the stakeholders for their continued support and trust in the Company. I assure you that the Company is on the trajectory of continuously improving its compliance to all ethical and legal obligations and setting itself as a leading example in the industry.

I, on behalf of the Board and Management, extend my best wishes for a year filled with prosperity, success, and growth.

Shahab Anwar Khawaja

Chairman

Date: February 14, 2024

مزید برآں، ہم نے ”بیسٹ کارپوریٹ اینڈ سسٹین لیبیلیٹی رپورٹ ایوارڈز 2022“ میں NBFIs اور مضاربہ کے شعبے میں اعلیٰ اعزازات حاصل کیے ہیں، اس کے علاوہ ہمیں 34 ویں سالانہ ایشیا منی ایوارڈز 2023 میں پانچ کیٹیگریز میں اعزازات سے نوازا گیا۔

مزید برآں، پاکستان مرکنٹائل ایکسچینج میں شاندار ”بیسٹ بروکرز ایوارڈ 2023“ کے ساتھ ہمارے عزم کو تسلیم کیا گیا۔ یہ اعزاز بروکرز انڈسٹری میں اعلیٰ درجے کی کارکردگی فراہم کرنے اور سروس کے اعلیٰ معیار کو برقرار رکھنے کے لیے ہماری لگن کو واضح کرتا ہے۔

کمپنی کی درجہ بندی:

AA (طویل مدتی) اور A1+ (مختصر مدتی) درجہ بندی اور BMR1 بینجمنٹ کی درجہ بندی مستحکم آؤٹ لک کے ساتھ، جو کہ PACRA کی جانب سے ملک میں کسی بھی انیکوٹی بروکرز فرم کے لئے سب سے زیادہ ہے یہ نہ صرف کمپنی کے آپریشنل اور اسٹرکچرل اہلیت میں انڈسٹری لیڈر ہونے کے عزم کا ثبوت ہیں بلکہ اس بات کو یقینی بنانے میں ٹیم کی محنت کا بھی ثبوت ہیں کہ کمپنی کو مارکیٹ لیڈر کے طور پر جانا جاتا رہے گا۔

آخر میں، لیکن کم از کم، مجموعی سرمایہ کاری کے فریم ورک کو مضبوط بنانے سے چھوٹے سرمایہ کاروں اور مارکیٹوں کے درمیان اعتماد کے فرق کو ختم کرنے میں بہت آگے جانا چاہئے۔ میں انتظامیہ کا ان کی لگن اور اسٹیک ہولڈرز کا کمپنی پر مسلسل تعاون اور اعتماد کیلئے ان کا شکریہ ادا کرتا ہوں۔ میں آپ کو یقین دلاتا ہوں کہ کمپنی اپنی تمام اخلاقی اور قانونی ذمہ داریوں کی تعمیل میں مسلسل بہتری لانے اور انڈسٹری میں اپنے آپ کو ایک اہم مثال کے طور پر قائم کرنے کے راستے پر ہے۔

میری، بورڈ اور انتظامیہ کی جانب سے آپ کو کامیابی، خوشحالی اور صحت کا ایک اور سال مبارک ہو۔

شہاب انور خواجہ
چیرمین

مورخہ: 14 فروری 2024

چیمبرمین جائزہ رپورٹ

میں جے ایس گلوبل کیپیٹل لمیٹڈ ("JSGCL" یا "کمپنی") کے مالیاتی سال 2023 کی سالانہ کارکردگی پیش کرنے میں مسرت محسوس کر رہا ہوں۔

معاشی جائزہ:

مالی سال دو الگ الگ مراحل میں سامنے آیا، جس کی نشاندہی ایک متحرک اقتصادی منظر نامے سے ہوئی ہے۔ ابتدائی طور پر، قوم کو غیر ملکی زرمبادلہ کے ذخائر میں کمی، جغرافیائی سیاسی تناؤ، اور بڑھتی ہوئی قیمتوں کے باعث کافی چیلنجز کا سامنا کرنا پڑا جس کی وجہ سے افراط زر ریکارڈ کی گئی اور معاشی سرگرمیوں میں کمی آئی۔

بورڈ کی تشکیل:

ہمارا بورڈ آزاد اور غیر ایگزیکٹو ڈائریکٹرز پر مشتمل ہے، جن میں سے ہر ایک کاروبار، مالیات اور بینکنگ جیسے مختلف شعبوں میں تجربے اور مہارت کا حامل ہے۔

گورننس اور نگرانی:

ہمارا بورڈ ثابت قدمی سے کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو برقرار رکھتا ہے۔ ہم اپنے آپریشنز کے تمام پہلوؤں میں پیشہ ورانہ مہارت، دیانتداری اور شفافیت کو فروغ دیتے ہوئے شفافیت، جوابدہی، اور اخلاقی رویے کو فروغ دینے کے لیے پرعزم ہیں۔ بورڈ کا ہر رکن ایمانداری کے ساتھ اپنے فرائض سرانجام دیتا ہے، بورڈ اور عام اجلاس میں فعال طور پر شامل ہوتا ہے، ایجنڈے کے آئٹمز کی باریک بینی سے جانچ پڑتال کرتا ہے، اور حکمت عملی کی سمت اور نگرانی کی پیشکش کرتا ہے۔

حکمت عملی اور مستقبل کے امکانات:

بدلتے ہوئے منظر نامے اور قوم اور کیپیٹل مارکیٹس دونوں کو درپیش چیلنجز کو مد نظر رکھتے ہوئے بورڈ اپنی حکمت عملی کو بہتر بنانے کیلئے پرعزم ہے۔ ہم مارکیٹ شیئر میں اضافہ اور پائیدار ترقی کیلئے نئی راہیں تلاش کرنے کیلئے بھی پرعزم ہیں۔

کمپنی کے اعزازات:

جے ایس گلوبل کیپیٹل لمیٹڈ کو صنعت کی مختلف اعزازات کی تقریبات میں نمایاں پذیرائی ملی، خاص طور پر CFA سو سائٹی پاکستان کے زیر اہتمام 20 ویں سالانہ ایسی لینس ایوارڈز کی تقریب میں کافی پذیرائی ملی۔ ہمیں بہترین ایجوٹی سیلز اور بہترین ایجوٹی ریسرچ کی کیٹیگریز میں فتوحات حاصل کرنے کے ساتھ ساتھ بہترین ایجوٹی بروکرنگ ہاؤس اور بہترین ریسرچ رپورٹ کیٹیگریز میں رنر اپ پوزیشنز حاصل کرنے کا اعزاز حاصل ہوا۔

DIRECTORS' REPORT





DIRECTORS' REPORT

We are pleased to present the Annual Report of JS Global Capital Limited (“the Company”) along with the Audited Financial Statements and Auditors’ Report for the year ended December 31, 2023.

The Economy

The first half of CY23 witnessed turbulence in the macroeconomic landscape with low reserve levels, high inflation & interest rates and sharp PKR depreciation during the first 6 months of the year. A fresh IMF program in the mid of CY23, followed by nascent energy and other reforms by the government and respective regulators addressed some of the concerns providing some semblance of stability in the economy.

The Stand-By Arrangement (SBA) worth US\$3bn in late June 2023 followed by unlocking of external assistance of other lenders during the remaining part of CY23 outpaced debt payments during the year. As a result, SBP foreign exchange reserves closed at US\$8.2bn at year end, US\$2.7bn above the opening mark. The increase was also supported by a current account surplus of a little over US\$500mn during the same time. The surplus was supported by prioritizing essential imports and discouraging consumption-led imports during the year. The surplus was achieved despite 10%/12% decline in exports/remittances, respectively.

On the currency front, while 1HCY23 witnessed sharp PKR depreciation of +20% over dwindling SBP reserves, factors such as fresh inflows and swift action towards reforms that pertained to exchange companies led to a relatively stable PKR/US\$ movement during the second half of the year.

The stable PKR/US\$, in addition to favorable global oil prices, assisted in slight decline in inflation pace towards the end of the year, as compared to the earlier months of the year. While higher inflation took SBP’s Policy Rate from 16% at the start of the year to 22% by Jun-2023, some respite in inflation pace helped SBP to maintain rates at 22% for the remainder of CY23.

On the fiscal side, successful implementation of consolidation measures during the period led to a significant rise in revenue receipts, surpassing targets during 1HFY24. For 1QFY24, fiscal deficit clocked in at 0.9% of GDP whereas the primary surplus improved to Rs417bn (0.4% of GDP). Improvement was reported on both fronts, when compared to same period last year (1QFY23: fiscal deficit 1% of GDP, primary surplus 0.2% of GDP) led by both, higher revenues and controlled expenditures.

Performance of various markets

Equity Capital Markets

Some stability in the macroeconomic landscape and fresh inflows revived investor confidence in the equity markets. Pakistan equity market benchmark index, KSE-100, reported 55% YoY return during CY23, closing at 62,451 as of Dec-2023, marking KSE-100 as the best performing market in the region.

A lion’s share of these returns was contributed during the last quarter of the year (4QCY23 return: 35% QoQ), where in December 2023 the market at one point crossed 66,000 levels but cooled off in last few sessions to close at the 62,451 mark. The December frenzy marked a multi-year high of monthly market return and all-time high turnover. Relatively higher volumes were also witnessed in other months of 2HCY23, taking average traded volumes for the year up 41% in terms of shares traded and up 4% in terms of US\$ value on a YoY basis.

Foreign investors participation (FIPI) also registered a 9-year high of US\$73mn in CY23 compared to a net outflow of US\$47mn witnessed in CY22. Within FIPI, major inflows were seen in Banks and Power sectors. Among Local investors' segment, Corporates ranked highest with net buying of US\$126mn, followed by Retailers with US\$24mn. Mutual Funds were net sellers with net selling of US\$131mn during the year.

Sector-wise returns showed Banks (+85%) Chemicals (+85%) and Power (+105%) among higher return sectors during the year, including dividends in their respective total returns. Cements (+81%) and Autos (+62%) were among other outperformers. Pharmaceuticals (+3%) and Technology (+3%) were among key underperformers this year.

Money Market

A projected disinflation trend and anticipation of a monetary easing cycle to be initiated led to market participants pricing in the same in secondary market yields. As a result, money market remained on the lower side during the 4QCY23, where yields trimmed 200bps – 300bps in various tenors, where participation in government securities auctions also garnered higher interest in the 12M, 3YR and 5YR papers.

During the same time, the State Bank of Pakistan maintained Policy Rate at 22% in the 2 monetary policy announcements scheduled during the last quarter of the year. As a result, shorter tenor secondary market yields traded almost 150bps below the benchmark rate at year end, where yield curve remained inverted.

Foreign Exchange Markets

After a volatile 9MCY23, foreign exchange market turned steady during 4QCY23. The PKR/US\$ movement fluctuated between 276 and 288, while quarter's appreciation was close to 1%. The gain in currency was led by relatively stable foreign exchange reserves, support from rollovers, refinances, fresh inflows and a Current Account surplus during this time.

Commodities Market

Geopolitical noise and Middle East tensions brought volatility in global commodity prices in the last leg of the year. Crude oil prices peaked at US\$92.20 per barrel followed by a decline to US\$67.70 per barrel in December owing to demands for changes in OPEC quota allocations. Gold also increased from US\$1,900 at the start of 4QCY23, regaining its losses marked in 2Q & 3Q, and remaining above US\$2,000 level till the year end. These were also the highest levels for CY23. The volatility positively impacting PMEX trading.

Overview of Financial Performance

The Summarized results are set out below:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Profit before tax	258,977,958	120,380,925
Profit after tax	187,296,353	76,121,264
Earnings per share	6.82	2.77

Monetary impacts of significant P&L items on the Company's bottom-line are highlighted as under:

The Company earned operating revenue amounting to PKR 762 million relative to PKR 481 million in the corresponding period prior year, thus clocking an increase of over 58%. Brokerage income, which accounts for the majority of operating income, increased by 57% as market sentiment improved following the IMF announcement which led to improved activity at the bourse.

Revenue streams from Investment Banking also reported growth of 123% over the previous year. Given the healthy pipeline of deals, the Company expects further positive contribution to its profitability as and when the market situation improves.

The rising interest rates, contributed positively to treasury income of the company, however the interest income reported a decrease of 10% as the balances maintained/invested with the financial institution was lower than previous year due to retirement of commercial papers and settlement of long-term loans.

Similarly, commodities, foreign exchange and fixed income brokerage divisions have shown growth over last year. Despite inflationary pressures, the management was able to contain the administration and operating expenses at 29% over the previous year, resulting in total administrative and operating expenses of PKR 913 million.

During the year, the Company has been recognized at various local and international forums which reflects the company's strong commitment to excellence. The categories in which the company was recognized includes;

- i. Best equity brokerage house, Best equity research analyst, Best equity research report and Best equity sales person of the year – awards by CFA Society Pakistan;
- ii. Best Corporate Reporting Award – awarded jointly by Institute of Chartered Accountants of Pakistan and Institute of Cost and Management Accountants of Pakistan;
- iii. Top Commodity Broker Karachi – awarded by Pakistan Mercantile Exchange; and
- iv. Best domestic brokerage house, Best Corporate Access, Best analyst (for banks, automobiles and real estate) – awarded by ASIA MONEY.

Looking ahead, the Company is focused on maintaining its growth momentum in the long run. The management is actively monitoring its resources to reap the maximum benefits for its shareholders. This involves optimizing revenue generation from treasury management, core brokerage and fee-based operations whilst at the same time rationalizing the cost base.

Dividend and Appropriation

Keeping in the view of economic conditions and upcoming debt repayments the board decided to retain cash reserves to meet working capital needs. Therefore, the board has decided not to pay dividend for the year ended December 31, 2023.

Corporate Governance and Financial Reporting Framework

The Directors confirm compliance for the following matters:

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.

- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan have been followed in preparation of financial statements and any departures therefrom has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- The Company has not defaulted in payment of any debt, liability during the year.
- Reasons for significant deviation from the last year's operating results have been explained in the relevant section of the Directors' Report.
- There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- Key operating and financial data of last six years has been given in annual report.
- Information about outstanding taxes, duties, levies and charges, if any, is given in notes to the accounts.
- The Company operates an approved Contributory Provident Fund for its eligible employees. Value of investments as per un-audited financial statements for the year ended June 30, 2023 amounts to approximately PKR 103 million (June 30, 2022: PKR 109 million).
- Material changes and commitments (if any) affecting the financial position of the Company that have occurred between the balance sheet date and the date of the Directors' Report is appropriately disclosed in accounts.

The Board

The Board comprises of three independent directors, four non-executive directors and the CEO who is a deemed director. The Board is comprised of seven male and one female member. The Board includes a mix of Directors with the right expertise and necessary experience required to fulfill their essential oversight roles. The Board values diversity of business skills and experience as the Directors with diverse skill set, capabilities and experience gained from different geographic and cultural background are critical in today's competitive business environment.

The positions of the Chairman and CEO are separate in line with the Code and best governance practices.

The Board of Directors of the Company approved the formal policy and transparent procedures for fixing remuneration of its directors. All non-executive directors, excluding directors currently employed in any entity of JS Group receive a fixed fee for attending each meeting of the Board and its committees along with travelling, conveyance and accommodation charges at actual. The purpose is to provide fixed remuneration to reflect the scale and complexity of both the business and the role, and to be competitive with the external market. No benefits like retirement, pension, gratuity, provident fund or insurance shall be available for any non-executive directors. Non-Executive directors cannot receive any rewards under any incentive or performance-based remuneration plans, and personal loans or guarantees shall not be granted to them by the Company.

The aggregate remuneration, including certain benefits to the CEO, Directors and Executives of the Company are disclosed in financial statements.

The annual formal process of evaluation of performance of the Board as a whole along with its committees and directors for FY2023 is being performed by an engaging external independent firm – Grant Thornton Anjum Rahman, Chartered Accountants.

The Board has four subcommittees comprising the Audit Committee, Risk Management Committee, Digital Committee and Human Resource & Remuneration Committee, which assist the Board in the performance of its functions during the period under consideration.

Board Meetings and Attendance

During FY23, the Board of directors held 7 meetings. The attendance record of the directors is as follows:

S. No	Name of Director	Eligibility	Meetings Attended
1	Mr. Shahab Anwar Khawaja	7	7
2	Mr. Imtiaz Gadar	7	7
3	Mr. Maximilian Felix Scheder	7	7
4	Ms. Zubina Asad Sadick*	2	2
5	Ms. Rabiya Javeri Agha**	3	3
6	Mr. Amin Muhammad Virani	7	6
7	Mr. Fahad Viqar Siddiqui	7	7
8	Mr. Waqas Anis	7	7
9	Mr. Syed Jafar Raza Rizvi	7	6

* Resigned as Director effective February 06, 2023

** Appointed as Director effective April 19, 2023 to fill casual vacancy in place of Ms. Zubina Asad Sadick.

The Board Audit Committee

During FY23, the Board Audit Committee held 4 meetings. The attendance record of the directors is as follows:

S. No	Name of Director	Eligibility	Meetings Attended
1	Mr. Maximilian Felix Scheder	4	4
2	Mr. Amin Muhammad Virani	4	3
3	Mr. Syed Jafar Raza Rizvi	4	4

The Board Human Resource & Remuneration Committee

During FY23, the Board Human Resource & Remuneration Committee held 1 meeting. The attendance record of the directors is as follows:

S. No	Name of Director	Eligibility	Meetings Attended
1	Mr. Shahab Anwar Khawaja	1	1
2	Mr. Imtiaz Gadar	1	1
3	Ms. Zubina Asad Sadick*	1	1
4	Mr. Fahad Viqar Siddiqui	1	1
5	Ms. Rabiya Javeri Agha**	-	-

* Resigned as Director effective February 06, 2023.

** Appointed as Director effective April 19, 2023 to fill casual vacancy in place of Ms. Zubina Asad Sadick.

The Board Risk Management Committee

During FY23, the Board Risk Management Committee held 4 meetings. The attendance record of the directors is as follows:

S. No	Name of Director	Eligibility	Meetings Attended
1	Mr. Shahab Anwar Khawaja	4	4
2	Mr. Imtiaz Gadar	4	4
3	Mr. Syed Jafar Raza Rizvi	4	4
4	Mr. Amin Muhammad Virani	4	3

The Board Digital Committee

During FY23, the Board Digital Committee held 4 meetings. The attendance record of the directors is as follows:

S. No	Name of Director	Eligibility	Meetings Attended
1	Mr. Waqas Anis	4	4
2	Mr. Maximilian Felix Scheder	4	4
3	Mr. Fahad Viqar Siddiqui	4	4
4	Mr. Imtiaz Gadar	4	4

Adequacy of Internal Financial Control

The Board of Directors has established a system of sound internal financial controls, for achieving effectiveness and efficiency in its operations, reliable financial reporting and compliance with applicable laws and regulations. The outsourced Internal Audit function of the Company to the parent company regularly monitors implementation of financial controls, whereas the Audit Committee reviews the effectiveness of the internal control framework and financial statements on a quarterly basis.

Corporate Social Responsibility

Statement of Corporate & Social Responsibility is disclosed in relevant section of Annual Report.

Management Discussion of Financial Responsibility and Significant Risks and Uncertainty

The Company's management is responsible for preparing the financial statements and related notes contained in the Annual Report. The Board Audit Committee ('BAC') monitors and supervises the functions of the outsourced Internal Audit Department and assists the Board in overseeing internal control and monitoring and managing risks, (including but not limited to credit risk, liquidity risk, market risk, operational risk, legal/regulatory risk and reputational risk among others) that results from operating in the capital market industry.

Internal Audit adopts a risk-based approach for planning and conducting business process audits, which are very much consistent with the established Framework. The Committee also reviews the performance of the Company's external auditors and recommends their appointment and the terms of their appointment.

BAC operates in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 issued by the Securities Exchange Commission of Pakistan (SECP). Terms of reference as approved by the Board sets out the scope of the Committee. The Committee comprises of two non-executive directors and the Chairman who is an independent director. The Chairman of the BAC satisfies the requirement of having at least one financial literate member, being a member of a recognized body of professional accountants. The Internal Audit function is outsourced to the parent company, who reports directly to the Chairman of the BAC, and the Chief Financial Officer is invited to attend the meetings. During the year, the Committee held four meetings. The financial statements of the company were reviewed by the BAC before approval by the Board.

Auditors

The Auditors M/s KPMG Taseer Hadi & Co. Chartered Accountants is eligible for reappointment for FY 2024. BAC has recommended the re-appointment of M/s KPMG Taseer Hadi & Co. Chartered Accountants as auditors of the Company at a remuneration to be mutually agreed, and on its recommendation the Board recommends the same for members' approval at the forthcoming Annual General Meeting.

Pattern of Shareholding

Major shareholder of JS Global Capital Limited is JS Bank Limited who holds 92.90% shares. Other shareholders include local institutions and the general public.

A statement of the general pattern of shareholding along with pattern of shareholding of certain classes of shareholders whose disclosure is required under the regulatory framework and the statement of purchase and sale of shares, if any, by Directors, Executives and their spouses including minor children during the year ended December 31, 2023 is presented later in annual report.

Credit Rating and Broker Management Rating

The Pakistan Credit Rating Agency (PACRA) has maintained the Company's long term and short-term ratings at AA (Double A) and A1+ (A-One Plus) respectively, for FY23. These ratings reflect the Company's sound financial position resulting from a robust capital structure and denotes a very low expectation of credit risk and very strong capacity for timely payments of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

During FY23, PACRA conducted the Broker Management (BM) Rating and assigned BMR1 with a 'Stable' outlook. The rating derives comfort from the Company's policy prohibiting proprietary trading stocks, thus limiting the market risk and liquidity risk. The rating also reflects Strong regulatory compliance, control environment, and financial management; governance and risk management frameworks are highly effective; HR, IT, and customer services are highly proactive.

Outlook

While Pakistan is expected to remain in a consolidation phase due to ongoing measures taken by government and regulators, external and fiscal balance are expected to remain on track under the IMF program. Furthermore, a disinflation trend is also expected to commence from this year, leading to initiation of a monetary easing cycle, maintaining higher participation in various asset classes of the market. On the political front, any slippages may derail adjustments needed to balance the economy. Challenges on macros and increase in political noise may negatively impact investor sentiments, hence keeping traded volumes limited.

The future performance of the stock market is closely tied to the macroeconomic and political stability of a country. If there are positive indicators in these areas, market activity is likely to be positively impacted. Additionally, attractive valuations can draw in investors from both local and international markets, which will positively impact the brokerage and advisory business.

The Board is cognizant of the challenges faced by the Country in general and Capital Markets in specific and is continuously evolving its strategic thinking with a view to further drive its market share and find new avenues for growth.

Acknowledgement

We express our sincere appreciation to our employees for their dedication and hard work and to our clients, business partners and shareholders for their support and confidence. The Board also takes this opportunity to express its gratitude to all the employees of JS Global Capital Limited for their untiring efforts.

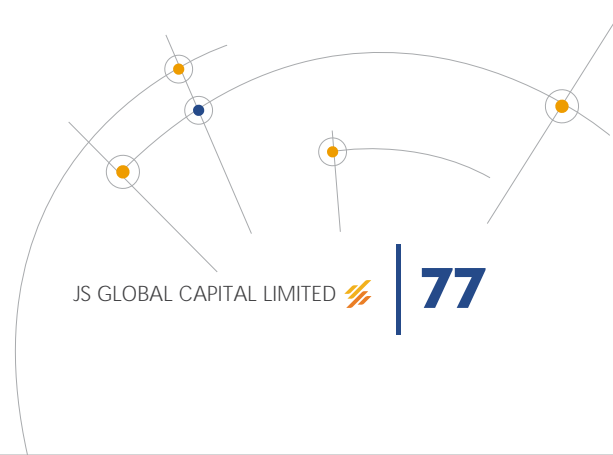
We would like to acknowledge the Securities and Exchange Commission of Pakistan, Central Depository Company of Pakistan Limited, National Clearing Company of Pakistan Limited and the management of Pakistan Stock Exchange Limited for their efforts to strengthen capital markets and their measures to protect investor rights.

For and on behalf of the
Board of Directors

Chief Executive Officer

Date: February 14, 2024

Director



مستقبل کے امکانات:

حکومت اور ریگولیٹرز کی جانب سے جاری اقدامات کے باعث توقع ہے کہ پاکستان کی معیشت مستحکم رہے گی اور IMF پروگرام کے تحت بیرونی اور مالیاتی توازن برقرار رہے گا۔ مزید برآں، اس سال افراط زر کی شرح میں کمی کا رجحان شروع ہونے کی توقع ہے، جس سے مالیاتی نرمی کا دور شروع ہو گا اور مارکیٹ کے مختلف اثاثوں کی کلاسوں میں اعلیٰ شرکت کو برقرار رکھا جائے گا۔ سیاسی محاذ پر، مزید کوئی بھی نامساعد صورتحال معیشت کے توازن کے لیے درکار ایڈجسٹمنٹ کو بگاڑ سکتی ہے۔ معاشی اور سیاسی محاذ پر کسی قسم کا عدم استحکام سرمایہ کاروں کے جذبات پر منفی اثر ڈال سکتا ہے، نتیجتاً تجارتی حجم کو محدود کر سکتا ہے۔

ملک کے معاشی اور سیاسی استحکام سے اسٹاک مارکیٹ کے مستقبل کی کارکردگی کا گہرا تعلق ہے۔ اگر ان علاقوں میں مثبت اشارے ہیں تو، مارکیٹ کی سرگرمیوں پر مثبت اثر پڑنے کا امکان ہے۔ مزید برآں، پرکشش قیمتیں مقامی اور بین الاقوامی دونوں مارکیٹس سے سرمایہ کاروں کو راغب کر سکتی ہیں، جس سے بروکریج اور ایڈوائزری بزنس پر مثبت اثر پڑے گا۔

بورڈ ملک بالخصوص کیپٹل مارکیٹس کو درپیش چیلنجز سے بخوبی واقف ہے اور اپنے مارکیٹ شیئر میں مزید اضافہ کرنے اور ترقی کی نئی راہیں تلاش کرنے کے لیے اپنی اسٹریٹجک سوچ کو مسلسل بہتر کر رہا ہے۔

تسلیمات:

ہم اپنے کلائنٹس، کاروباری شراکت داروں اور حصص یافتگان، اور ملازمین کی انتھک محنت اور کوششوں اور تعاون کا اعتراف کرتے ہیں اور جے ایس گلوبل کیپیٹل لمیٹڈ کے تمام ملازمین کا شکریہ ادا کرتے ہیں۔

ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ، نیشنل کلیئرنگ کمپنی آف پاکستان لمیٹڈ اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کو بھی کیپیٹل مارکیٹ مستحکم کرنے اور سرمایہ کاروں کے حقوق کے تحفظ کیلئے اقدامات کرنے پر سراہتے ہیں۔

از طرف بورڈ آف ڈائریکٹرز

چیف ایگزیکٹو آفیسر

مورخہ: 14 فروری 2024

ڈائریکٹر

انٹرنل آڈٹ فنکشن پیرنٹ کمپنی کو آؤٹ سورس کیا جاتا ہے جس کی رپورٹ براہ راست چیئرمین بورڈ آڈٹ کمیٹی کو بھیجی جاتی ہے، اور چیف فنانشل آفیسر کو میٹنگ میں شرکت کی دعوت بھی دی جاتی ہے۔ کمیٹی نے پورے سال کے دوران چار اجلاس منعقد کئے۔ ایکسٹرنل آڈیٹرز نے بھی ان مقررہ مسائل پر مشاورت کی۔ کمپنی کی مالی تفصیلات کا بورڈ آف آڈٹ کمیٹی نے بورڈ کی منظوری سے قبل جائزہ لیا۔

آڈیٹرز:

آڈیٹرز میسرز KPMG تاثیر ہادی اینڈ کمپنی چارٹرڈ اکاؤنٹینٹ نے مالی سال 2023ء کیلئے اہل ہونے کی بناء پر خود کو دوبارہ تقرری کیلئے پیش کیا۔ بورڈ آڈٹ کمیٹی نے میسرز KPMG تاثیر ہادی اینڈ کمپنی چارٹرڈ اکاؤنٹینٹ کی بطور کمپنی آڈیٹر بشمول معاوضہ دوبارہ تقرری کی سفارش کی ہے جسے بورڈ آئندہ سالانہ اجلاس عام میں ممبران کی منظوری کیلئے ان کی سفارش کرے گا۔

شیر ہولڈنگ کا پیٹرن:

جے ایس گلوبل کیپٹل لمیٹڈ کا بڑا شیر ہولڈر جے ایس بینک لمیٹڈ ہے جو 92.90 فیصد حصص کا حامل ہے۔ دیگر حصص یافتگان مقامی ادارے اور عام پبلک ہیں۔

شیر ہولڈنگ کے عام نمونہ کے ساتھ حصص یافتگان کی خاص درجہ بندیوں کی شیر ہولڈنگ کا پیٹرن کا بیان جن کا انکشاف ریگولیٹری فریم ورک کے تحت ضروری ہے، کم عمر بچوں سمیت ڈائریکٹرز، ایگزیکٹوز اور ان کی شریک حیات کی طرف سے حصص کی خرید و فروخت، اگر کی گئی ہوں، کی اسٹیٹمنٹ 31 دسمبر 2023 کو اختتام ہونے والے سال کی سالانہ رپورٹ میں پیش کیا گیا ہے۔

کریڈٹ ریٹنگ اینڈ بروکر مینجمنٹ ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی (پاکرا) نے کمپنی کو طویل اور قلیل مدت کیلئے مالی سال 2023ء کیلئے بالترتیب AA (ڈبل اے) اور A1+ (اے ون پلس) ریٹنگ دی۔ یہ ریٹنگز نہ صرف کمپنی کی مستحکم مالی صورت حال کو ظاہر کرتی ہیں جو مضبوط سرمائے اور بہترین نفع کے باعث ممکن ہوا بلکہ کریڈٹ رسک میں کمی اور مالی طور پر کئے گئے وعدوں کے سلسلے میں بروقت ادائیگی کو بھی ظاہر کرتی ہیں۔ یہ صلاحیت قابل ذکر واقعات کیلئے نمایاں طور پر کمزور نہیں ہے۔

سال 2023 کے دوران، پاکرا نے بروکر مینجمنٹ (BM) کی درجہ بندی کا آغاز کیا اور مستحکم آؤٹ لک کے ساتھ BMR1 کا درجہ تفویض کیا۔ یہ درجہ بندی کمپنی پالیسی سے ماخوذ ہے جو پروپرائٹری ٹریڈنگ اسٹاکس سے روکتی ہے، جو کہ مارکیٹ رسک اور لیکویڈٹی رسک کو محدود رکھتی ہے۔ درجہ بندی مضبوط ریگولیٹری تعمیل، کنٹرول ماحول، اور مالیاتی انتظام کی بھی عکاسی کرتی ہے۔ گورننس اور رسک مینجمنٹ فریم ورک انتہائی موثر ہیں۔ HR، IT اور کسٹمر سروسز انتہائی فعال ہیں۔

بورڈ اڈیجیٹل کمیٹی:

مالی سال 2023 کے دوران بورڈ اڈیجیٹل کمیٹی نے چار اجلاس منعقد کئے جن میں ڈائریکٹرز کی حاضری درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	اجلاس میں شرکت کی اہلیت	اجلاس میں شرکت
1	جناب وقاص انیس	4	4
2	جناب میکسی میلین فیلکس شیڈر	4	3
3	جناب فہد وقار صدیقی	4	4
4	جناب امتیاز گڈر	4	4

نٹرنیشنل فنانشل کنٹرول کی موزونیت:

بورڈ آف ڈائریکٹرز نے کمپنی کے آپریشنز میں کارکردگی اور بہتری کے حصول کیلئے معتبر فنانشل رپورٹنگ اور قابل اطلاق قوانین و ضوابط کی تعمیل کے ساتھ مستحکم انٹرنل فنانشل کنٹرولز سسٹم قائم کیا ہے۔ کمپنی کا خود مختار آؤٹ سورسڈ انٹرنل آڈٹ فنکشن فنانشل کنٹرولز کے نفاذ کی متواتر نگرانی کر رہا ہے، جبکہ آڈٹ کمیٹی انٹرنل کنٹرول فریم ورک کی کارکردگی اور مالیاتی گوشواروں پر سہ ماہی بنیادوں پر نظر ثانی کرتی ہے۔

کارپوریٹ سماجی ذمہ داری:

کارپوریٹ و سماجی ذمہ داری کا بیان سالانہ رپورٹ کے متعلقہ سیکشن میں ظاہر کیا گیا ہے۔

مالی ذمہ داری، اہم خطرات اور غیر یقینی صورتحال کے حوالے سے انتظامی گفتگو:

کمپنی کی انتظامیہ سالانہ رپورٹ میں موجود مالیاتی گوشواروں اور متعلقہ نوٹس کی تیاری کی ذمہ دار ہے۔ بورڈ آڈٹ کمیٹی ("BAC") آؤٹ سورسڈ انٹرنل آڈٹ ڈیپارٹمنٹ کے امور کی نگرانی کرتی ہے اس کے ساتھ ساتھ بورڈ کو انٹرنل کنٹرول، رسک مینجمنٹ (بشمول کریڈٹ رسک، لیکویڈیٹی رسک، مارکیٹ رسک، آپریشنل رسک، لیگل ریگولیٹری رسک اور ساکھ کا رسک) جو کیپٹل مارکیٹ سے منسلک ہے میں بورڈ کی مدد بھی کرتی ہے۔ انٹرنل آڈٹ بزنس پروسیس آڈٹس کی انجام دہی اور منصوبہ بندی کیلئے Risk Based Approach استعمال کرتا ہے جو مقرر شدہ طریقہ نظام کے عین مطابق ہے۔ کمیٹی کمپنی کے ایکسٹرنل آڈیٹرز کی کارکردگی کا بھی جائزہ لیتی ہے اور ان کی تقرری اور تفریغ کی شرائط بھی تجویز کرتی ہے۔

BAC، سیکیورٹیز ایکسچینج کمیشن آف پاکستان (SECP) کے جاری کردہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق کام کرتی ہے اور شرائط کی منظوری دے کر بیرونی دائرہ کار کا تعین کرتی ہے۔ کمیٹی دو نان ایگزیکٹو ڈائریکٹرز بشمول چیئرمین جو کہ ایک آزاد ڈائریکٹر پر مشتمل ہے۔ BAC کا چیئرمین پیشہ ورانہ اکاؤنٹنٹس کی ایک تسلیم شدہ باڈی کا ممبر ہونے کے ناطے کم از کم ایک فنانشل لیٹریٹ ممبر کی ضروریات کو پورا کرتا ہے۔

بورڈ آڈٹ کمیٹی:

مالی سال 2023 کے دوران بورڈ آڈٹ کمیٹی نے چار اجلاس منعقد کئے جن میں ڈائریکٹرز کی حاضری درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	اجلاس میں شرکت کی اہلیت	اجلاس میں شرکت
1	جناب میکسی میلین فیکس شیڈر	4	4
2	جناب امین محمد ویرانی	4	3
3	جناب سید جعفر رضا رضوی	4	4

بورڈ ہیومن ریسورس اینڈ ریمونریشن کمیٹی:

مالی سال 2023 کے دوران بورڈ ہیومن ریسورس اینڈ ریمونریشن کمیٹی نے ایک اجلاس منعقد کیا جس میں ڈائریکٹرز کی حاضری درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	اجلاس میں شرکت کی اہلیت	اجلاس میں شرکت
1	جناب شہاب انور خواجہ	1	1
2	جناب امتیاز گڈر	1	1
3	محترمہ زوبینہ اسد صادق *	1	1
4	جناب فہد وقار صدیقی	1	1
5	محترمہ رابعہ جویری آغا **	-	-

* مورخہ 06 فروری 2023 کو بطور ڈائریکٹر استعفیٰ دے دیا تھا۔

** محترمہ زوبینہ اسد صادق کی خالی آسامی کو پُر کرنے کیلئے مورخہ 19 اپریل 2023 کو بطور ڈائریکٹر تقرر کیا گیا۔

بورڈ رسک مینجمنٹ کمیٹی:

مالی سال 2023 کے دوران بورڈ رسک مینجمنٹ کمیٹی نے چار اجلاس منعقد کئے جن میں ڈائریکٹرز کی حاضری درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	اجلاس میں شرکت کی اہلیت	اجلاس میں شرکت
1	جناب شہاب انور خواجہ	4	4
2	جناب امتیاز گڈر	4	3
3	جناب سید جعفر رضا رضوی	4	4
4	جناب امین محمد ویرانی	4	3

مالیاتی بیانات میں مجموعی معاوضے، بشمول کمپنی کے چیف ایگزیکٹو ڈائریکٹر، ڈائریکٹرز اور ایگزیکٹوز کو ملنے والے کچھ فوائد ظاہر کیے گئے جاتے ہیں۔

مالیاتی سال 2023 کے لیے کمپنی کی کمیٹیوں اور ڈائریکٹرز کے ساتھ مجموعی طور پر بورڈ کی کارکردگی کے جائزے کا سالانہ رسمی عمل ایک پرکشش بیرونی آزاد فرم گرانٹ تھورنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس کے ذریعے انجام دیا جا رہا ہے۔

بورڈ کی چار ذیلی کمیٹیاں ہیں جن میں آڈٹ کمیٹی، رسک مینجمنٹ کمیٹی، ڈیجیٹل کمیٹی اور ہیومن ریسورس اینڈ ریمونزیشن کمیٹی شامل ہیں جو زیر جائزہ مدت کے دوران بورڈ کو اس کے امور کی کارکردگی میں معاونت کرتی ہیں۔

بورڈ کے اجلاس اور حاضری:

مالی سال 2023 کے دوران بورڈ آف ڈائریکٹرز نے سات اجلاس منعقد کئے جن میں ڈائریکٹرز کی حاضری درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	اجلاس میں شرکت کی اہلیت	اجلاس میں شرکت
1	جناب شہاب انور خواجہ	7	7
2	جناب امتیاز گڈر	7	7
3	جناب میکسی میلین فیلکس شیڈر	7	7
4	محترمہ زوبینہ اسد صادق*	2	2
5	محترمہ رابعہ جویری آغا**	3	3
6	جناب امین محمد ویرانی	7	6
7	جناب فہد وقار صدیقی	7	7
8	جناب وقاص انیس	7	7
9	جناب سید جعفر رضا رضوی	7	6

* مورخہ 06 فروری 2023 کو بطور ڈائریکٹر استعفیٰ دے دیا تھا۔

** محترمہ زوبینہ اسد صادق کی خالی آسامی کو پُر کرنے کیلئے مورخہ 19 اپریل 2023 کو بطور ڈائریکٹر تقرر کیا گیا۔

- ☆ اندرونی کنٹرول کے نظام کو موثر طریقے سے واضح کیا گیا اور اس پر بہتر طور پر عمل درآمد اور نگرانی کی گئی۔
- ☆ فعال بزنس کو جاری رکھنے کیلئے کمپنی کی صلاحیت سے متعلق کوئی شبہ نہیں ہے۔
- ☆ دوران سال کمپنی نے کسی قرض، ذمہ داری کی ادائیگی میں ڈیفالٹ نہیں کیا ہے۔
- ☆ گزشتہ سال کے آپریٹنگ نتائج سے نمایاں انحراف کی وجوہات ڈائریکٹرز کی رپورٹ کے متعلقہ حصے میں بیان کی گئی ہیں۔
- ☆ گذشتہ سال کے آپریٹنگ نتائج سے تبدیلی کی وجوہات ڈائریکٹرز رپورٹ کے متعلقہ سیکشن میں بیان کردی گئی ہیں۔
- ☆ کارپوریٹ گورننس کے بہترین ضابطہ عمل سے کچھ بھی انحراف نہیں کیا گیا ہے جس کی تفصیلات لسٹنگ ریگولیشنز میں موجود ہیں۔
- ☆ گذشتہ چھ سالوں کی اہم آپریٹنگ اور فنانشل معلومات سالانہ رپورٹ میں بیان کردی گئی ہیں۔
- ☆ واجب الادا ٹیکسز، ڈیویڈنڈ، عائد کردہ محصول اور چارجز، اگر کوئی ہوں، سے متعلق معلومات اکاؤنٹس کے نوٹس میں دی گئی ہیں۔
- ☆ کمپنی اپنے اہل ملازمین کیلئے ایک منظور شدہ کٹریسیوٹری پروویڈنٹ فنڈ بھی چلاتی ہے۔ 30 جون 2023ء کو ختم ہونے والے سال کیلئے آڈٹ شدہ مالیاتی حسابات کے مطابق سرمایہ کاری مالیت تقریباً 103 ملین روپے ہے (جبکہ 30 جون 2022 کو 109 ملین روپے تھی)۔
- ☆ بیلنس شیٹ کی تاریخ اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان واقع ہونے والی مادی تبدیلیاں اور وعدے (اگر کوئی ہیں) جو کمپنی کی مالی حالت کو متاثر کرتے ہیں انہیں اکاؤنٹس میں مناسب طور پر ظاہر کیا گیا ہے۔

بورڈ:

بورڈ تین آزاد ڈائریکٹرز، چار نان ایگزیکٹو ڈائریکٹرز اور ایک چیف ایگزیکٹو آفیسر پر مشتمل ہے جو کہ ایک ڈائریکٹر سمجھا جاتا ہے۔ بورڈ سات مرد ممبران اور ایک خاتون ممبر پر مشتمل ہے۔ بورڈ مہارت اور تجربہ رکھنے والے ڈائریکٹرز کا مرکب ہے جو اہم امور کی انجام دہی کیلئے ضروری ہے۔ بورڈ بزنس میں مختلف مہارت اور تجربے کو خاص اہمیت دیتا ہے کیونکہ آج کے اس مسابقتی کاروباری ماحول میں ڈائریکٹرز کیلئے ضروری ہے کہ وہ متنوع مہارت، اہلیت اور تجربے کے حامل ہوں، جو مختلف جغرافیائی اور ثقافتی پس منظر سے حاصل کیا گیا ہو۔

چیئرمین اور چیف ایگزیکٹو آفیسر کی پوزیشن کو ڈاور بیسٹ گورننس پریکٹسز کے مطابق علیحدہ ہیں۔

اپنے ڈائریکٹرز کے معاوضے کے تعین کے لیے کمپنی کے بورڈ آف ڈائریکٹرز نے باضابطہ پالیسی اور شفاف طریقہ کار کی منظوری دی۔ تمام نان ایگزیکٹو ڈائریکٹرز، سوائے ڈائریکٹرز کے جو فی الحال بے ایس گروپ کے کسی بھی ادارے میں ملازم ہیں، بورڈ اور اس کی کمیٹیوں کی ہر میٹنگ میں شرکت کے لیے ایک مقررہ فیس وصول کرتے ہیں اور ساتھ ہی ساتھ سفر، آمدورفت اور رہائش کے چارجز بھی وصول کرتے ہیں۔ مقصد یہ ہے کہ کاروبار اور کردار دونوں کے پیمانے اور پیچیدگی کی عکاسی کرنے کے لیے مقررہ معاوضہ فراہم کیا جائے، اور بیرونی مارکیٹ کے ساتھ مسابقتی ہو۔ کسی بھی نان ایگزیکٹو ڈائریکٹر کے لیے ریٹائرمنٹ، پنشن، گریجویٹی، پراویڈنٹ فنڈ یا انشورنس جیسے کوئی فوائد دستیاب نہیں ہوں گے۔ نان ایگزیکٹو ڈائریکٹرز کسی بھی ترغیب یا کارکردگی پر مبنی معاوضے کے منصوبوں کے تحت کوئی انعام حاصل نہیں کر سکتے، اور کمپنی کی طرف سے انہیں ذاتی قرض یا ضمانتیں نہیں دی جائیں گی۔

اسی طرح کموڈٹیز، زر مبادلہ اور فیکسڈ انکم بروکریج ڈویژنز نے گزشتہ سال کے مقابلے میں خاطر خواہ ترقی دکھائی ہے۔ افراط زر کے دباؤ کا سامنا کرنے کے باوجود، کمپنی کے انتظامی اور آپریٹنگ اخراجات کو کامیابی سے کنٹرول کیا، جس میں گزشتہ سال کے مقابلے میں 29 فیصد اضافہ ہوا۔ اس کے نتیجے میں مجموعی انتظامی اور آپریٹنگ اخراجات 913 ملین روپے ہو گئے۔

دوران عرصہ کمپنی کو مختلف مقامی اور بین الاقوامی فورمز پر تسلیم کیا گیا جو کہ کمپنی کی بہترین کارکردگی کے لیے مضبوط عزم کی عکاسی کرتا ہے جن میں درج ذیل شامل ہیں:

1. سی ایف اے سوسائٹی ایوارڈز کی جانب سے بیسٹ ایکوئیٹی بروکریج ہاؤس، بیسٹ ایکوئیٹی ریسرچ اینالسٹ، بیسٹ ایکوئیٹی ریسرچ رپورٹ اور بیسٹ ایکوئیٹی سیلز پرسن آف دی ایئر۔
2. مشترکہ طور پر انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان اور انسٹیٹیوٹ آف کوسٹ اینڈ مینجمنٹ اکاؤنٹنٹس آف پاکستان کی جانب سے بیسٹ کارپوریٹ رپورٹنگ ایوارڈ۔
3. پاکستان مرکنٹائل ایکسچینج کی جانب سے ٹاپ کموڈٹی بروکر کراچی ایوارڈ۔
4. ایشیا منی کی جانب سے بیسٹ ڈومیسٹک بروکریج ہاؤس، بیسٹ کارپوریٹ ایکسز، بیسٹ اینالسٹ (برائے مینکس، آٹوموبائلز اور ریئل اسٹیٹ) ایوارڈ۔

مستقبل میں، کمپنی کی توجہ طویل مدتی ترقی کی رفتار کو برقرار رکھنے پر مرکوز ہے۔ انتظامیہ اپنے حصص یافتگان کے لیے زیادہ سے زیادہ فوائد حاصل کرنے کے لیے اپنے وسائل کی فعال طور پر نگرانی کر رہی ہے۔ اس میں ٹریڈری مینجمنٹ، کور بروکریج، اور فیس پر مبنی آپریشنز سے ریونیو جزیشن کو بہتر بنانے کے ساتھ ساتھ لاگت کی بنیاد کو معقول بنانا بھی شامل ہے۔

ڈویڈنڈ اور منظوری:

معاشی حالات اور آئندہ قرضوں کی ادائیگیوں کے پیش نظر بورڈ نے ورکنگ کیسیٹل کی ضروریات کو پورا کرنے کیلئے کیش ریزرو کو برقرار رکھنے کا فیصلہ کیا ہے۔ لہذا بورڈ نے فیصلہ کیا ہے کہ 31 دسمبر 2023 کو ختم ہونے والے مالیاتی سال کیلئے کوئی ڈویڈنڈ تجویز نہ کرنے کا فیصلہ کیا ہے۔

کارپوریٹ گورننس اور فنانشل رپورٹنگ فریم ورک:

- ☆ ڈائریکٹرز کوڈ آف کارپوریٹ گورننس کی تعمیل کی درج ذیل تصدیق کرتے ہیں:
- ☆ کمپنی کی انتظامیہ کے تیار کردہ مالیاتی حسابات کاروباری عمل درآمد کے نتائج، کیش کی روانی، سرمائے میں تبدیلی اور کاروباری معاملات کو شفافیت سے ظاہر کرتی ہے۔
- ☆ کمپنی کے اکاؤنٹ کی کتابیں مناسب طریقے سے مرتب کی گئی ہیں۔
- ☆ مالیاتی گوشوارے اور اکاؤنٹس کے تخمینوں میں موزوں اکاؤنٹنگ پالیسیز استعمال کی گئی ہیں اور اکاؤنٹنگ کے لئے تخمینے معقول حد تک تجزیے کی بنیاد پر ہیں۔
- ☆ مالیاتی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق بین الاقوامی فنانشل رپورٹنگ اسٹینڈرڈ (IFRS) اختیار کیا گیا ہے اور کسی بھی قسم کے انحراف کو مناسب طریقے سے ظاہر اور بیان کیا گیا ہے۔

فارن ایکسچینج مارکیٹ کا جائزہ:

سال 2023 کے پہلے نو مہینوں میں اتار چڑھاؤ کا سامنا کرنے کے بعد، زرمبادلہ کی مارکیٹ چوتھی سہ ماہی کے دوران مستحکم ہوئی۔ پاکستانی روپیہ امریکی ڈالر کی تحریک 276 اور 288 کے درمیان اتار چڑھاؤ رہی، سہ ماہی میں کرنسی کی قدر میں 1 فیصد کے قریب اضافہ دیکھا گیا۔ یہ اضافہ بنیادی طور پر اس عرصے کے دوران نسبتاً مستحکم غیر ملکی زرمبادلہ کے ذخائر، رول اوور اور ری فنانسز کی مدد، تازہ آمدن اور کرنٹ اکاؤنٹ سرپلس کی وجہ سے ہوا۔

کموڈٹی مارکیٹ کا جائزہ:

مشرق وسطیٰ میں جغرافیائی سیاسی تناؤ سال کے آخر تک کموڈٹی کی عالمی قیمتوں میں اتار چڑھاؤ کا باعث بنا۔ خام تیل کی قیمتیں دسمبر میں 67.70 ڈالر فی بیرل تک گرنے سے قبل 92.20 امریکی ڈالر فی بیرل کی سطح پر پہنچ گئیں، جو اوپیک کوٹہ مختص کرنے میں تبدیلی کے مطالبات کی وجہ سے کارفرما ہے۔ دریں اثنا، سال 2023 کی چوتھی سہ ماہی کے آغاز میں سونے کی قیمتیں 1,900 امریکی ڈالر سے بڑھ گئیں، دوسری اور تیسری سہ ماہی میں ہونے والے نقصانات سے وصولی، اور سال کے آخر تک 2,000 امریکی ڈالر کی سطح سے اوپر رہیں۔ قیمتوں کی یہ سطحیں سال 2023 کے لیے سب سے زیادہ ہیں۔ نتیجے میں اتار چڑھاؤ کا PMEX ٹریڈنگ پر مثبت اثر پڑا۔

مالیاتی کارکردگی کا جائزہ:

مالیاتی نتائج کا خلاصہ درج ذیل ہے:

سال مختتم	سال مختتم	
31 دسمبر 2022	31 دسمبر 2023	
120,380,925	258,977,958	قبل از ٹیکس منافع
76,121,264	187,296,353	بعد از ٹیکس منافع
2.77	6.82	نی حصص آمدنی

کمپنی کی باٹم لائن پر اہم P&L آئٹمز کے مالیاتی اثرات کو ذیل میں بیان کیا گیا ہے:

کمپنی نے 762 ملین روپے کی آپریٹنگ آمدنی حاصل کی جس کا موازنہ گذشتہ سال کی اسی مدت کے 481 ملین روپے سے کیا جاسکتا ہے جو کہ 58 فیصد سے زائد اضافہ ہے۔ بروکرینج کی آمدنی، جو کہ آپریٹنگ آمدنی کا زیادہ تر حصہ ہے، میں 57 فیصد اضافہ کا ہوا کیونکہ IMF کے اعلان کے بعد مارکیٹ میں بہتری آئی جس کی وجہ سے مارکیٹوں میں کاروباری سرگرمیاں بہتر ہوئیں۔

انویسٹمنٹ بینکنگ سے حاصل ہونے والی آمدنی میں بھی گذشتہ سال کے مقابلے میں 123 فیصد کا نمایاں اضافہ ہوا۔ سودوں کے بہتر روابط کے ساتھ کمپنی مارکیٹ کے حالات میں بہتری اور اپنے منافع میں مزید مثبت شراکت کی توقع رکھتی ہے۔

دوران سال بڑھتی ہوئی شرح سود نے کمپنی کی ٹریڈری آمدنی پر مثبت اثر ڈالا۔ تاہم، سود کی آمدنی میں 10 فیصد کمی ہوئی کیونکہ مالیاتی اداروں کے ساتھ رکھے گئے یا سرمایہ کاری کے بیلنس گذشتہ سال کے مقابلے میں کم تھے۔ اس کمی کی وجہ کمرشل پیپرز کی ریٹائرمنٹ اور طویل مدتی قرضوں کا تصفیہ ہے۔

مختلف مارکیٹوں کی کارکردگی: ایکوٹی کیسیٹل مارکیٹ کا جائزہ:

میکرواکنامک ماحول میں کچھ استحکام اور نئی آمد نے ایکوٹی مارکیٹوں میں سرمایہ کاروں کا اعتماد بحال کیا۔ پاکستان ایکوٹی مارکیٹ کے بیچ مارک انڈیکس KSE-100 نے سال 2023 کے دوران سال بہ سال 55 فیصد کا منافع ریکارڈ کیا جو دسمبر 2023 تک 62,451 پر بند ہوا۔ اس کارکردگی نے KSE-100 کو خطے میں بہترین کارکردگی کا مظاہرہ کرنے والی مارکیٹ قرار دیا۔

ان آمدنیوں کا بڑا حصہ 2023 کی چوتھی سہ ماہی میں 35 فیصد کی قابل ذکر سہ ماہی بہ سہ ماہی آمدنی کے ساتھ پیدا ہوا۔ دسمبر 2023 میں، مارکیٹ ایک موقع پر 66,000 سے اوپر کی سطح پر پہنچ گئی لیکن گزشتہ چند سیشنز میں مندی کا سامنا کرنا پڑا، بالآخر 62,451 پر بند ہوا۔ دسمبر میں تیزی نے ماہانہ مارکیٹ ریٹرن میں کئی سال کی بلند ترین سطح کو عبور کیا اور ایک ہمہ وقتی بلند کاروبار ریکارڈ کیا۔ 2023 کی دوسری ششماہی کے دیگر مہینوں میں بھی نسبتاً زیادہ حجم دیکھے گئے، جس کی وجہ سے گزشتہ سال کے مقابلے میں حصص کی تجارت کے لحاظ سے اوسطاً 41 فیصد اور امریکی ڈالر کی قدر کے لحاظ سے 4 فیصد سال بہ سال اضافہ ہوا۔

غیر ملکی شراکت (FIPI) بھی 9 سال کی بلند ترین سطح پر پہنچ گئی جو کہ سال 2023 میں 73 ملین امریکی ڈالر ہو گئی، اس کے مقابلے میں سال 2022 میں 47 ملین امریکی ڈالر کا خالص اخراج دیکھا گیا تھا۔ FIPI کے اندر، بینکوں اور پاور سیکٹرز میں نمایاں آمد دیکھی گئی۔ مقامی سرمایہ کاروں کے شعبے میں، کارپوریٹس 126 ملین امریکی ڈالر کی خالص خرید کے ساتھ سب سے زیادہ، اس کے بعد 24 ملین امریکی ڈالر کے ساتھ ریٹیلرز ہیں۔ دوران سال 131 ملین امریکی ڈالر کی خالص فروخت کے ساتھ میوچل فنڈز خالص فروخت کنندگان رہے۔

دوران سال زیادہ منافع دینے والے شعبوں میں بینک (مثبت 85 فیصد)، کیمیکلز (مثبت 85 فیصد) اور پاور (مثبت 105 فیصد) شامل تھے۔ سیمنٹ (مثبت 81 فیصد) اور آلوز (مثبت 62 فیصد) بھی بہتر کارکردگی دکھانے والوں میں شامل تھے۔ تاہم فارماسیوٹیکلز (مثبت 3 فیصد) اور ٹیکنالوجی (مثبت 3 فیصد) نے سال کے لئے ناقص کارکردگی رپورٹ کی۔

متوقع کمی کے رجحان اور مانیٹری زمی کے سائیکل کی توقع نے مارکیٹ کے شرکاء کو ثانوی مارکیٹ کی پیداوار میں ان توقعات پر عمل کرنے پر آمادہ کیا۔ نتیجتاً، 2023 کی چوتھی سہ ماہی کے دوران کرنسی مارکیٹ کی شرحیں کم رہیں، مختلف مدتوں میں پیداوار میں 200 سے 300 بیسیس پوائنٹس (bps) کی کمی واقع ہوئی۔ مزید برآں، سرکاری سیکورٹیز کی نیلامی میں دلچسپی بڑھی، خاص طور پر 12 ماہ، 3 سالہ اور 5 سالہ کاغذات میں۔

اسی مدت کے دوران، اسٹیٹ بینک آف پاکستان نے سال کی آخری سہ ماہی کے دوران طے شدہ دو مانیٹری پالیسی کے اعلانات میں پالیسی ریٹ کو 22 فیصد پر برقرار رکھا۔ نتیجتاً، قلیل مدتی ثانوی مارکیٹ کی yield سال کے آخر تک بیچ مارک کی شرح سے تقریباً 150 بیسیس پوائنٹس نیچے ٹریڈ ہوئی، جس کے نتیجے میں yield curve تبدیل ہو گیا۔

ڈائریکٹرز رپورٹ

ہم 31 دسمبر 2023ء کو اختتام پذیر ہونے والے سال کیلئے جے ایس گلوبل کیپیٹل لمیٹڈ ("JSGCL" "کمپنی") کی سالانہ رپورٹ بشمول آڈٹ شدہ مالیاتی حسابات اور آڈیٹرز رپورٹ پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

معاشی جائزہ:

سال 2023 کی پہلی ششماہی کے دوران مجموعی اقتصادی صورتحال میں عدم استحکام رہا، جس کی بنیادی وجہ ذخائر کی کم سطح، بلند افراط زر اور شرح سود اور روپے کی قدر میں تیزی سے کمی کے تھی۔ تاہم سال کے وسط میں آئی ایم ایف کا نیا پروگرام شروع کیا گیا، اور بعد ازاں حکومت اور متعلقہ ریگولیٹرز نے ابتدائی مرحلے میں توانائی اور دیگر اصلاحات پر عملدرآمد شروع کیا ان اقدامات سے کچھ خدشات کو دور کرنے میں مدد ملی اور معاشی صورتحال میں بہتری آئی۔

اسٹینڈ بائی اریئینجمنٹ (SBA) جو کہ جون 2023 کے آخر میں 3 بلین امریکی ڈالر کی رقم ہے، اس کے ساتھ ساتھ سال 2023 کے بقیہ حصے میں دیگر قرض دہندگان کی جانب سے بیرونی امداد کے اجراء نے سال کے لیے قرض کی ادائیگیوں سے تجاوز کیا۔ اس کے نتیجے میں اسٹیٹ بینک آف پاکستان کے زر مبادلہ کے ذخائر سال کے اختتام پر 8.2 بلین امریکی ڈالر پر بند ہوئے، جو ابتدائی نشان سے 2.7 بلین امریکی ڈالر زیادہ ہے۔ ذخائر میں یہ اضافہ دوران مدت کرنٹ اکاؤنٹ 500 ملین امریکی ڈالر سے زیادہ ہونے کی وجہ سے ہوا۔ ضروری درآمدات کو ترجیح دے کر اور سال بھر کھپت پر مبنی درآمدات میں کمی کر کے اس اضافہ کو برقرار رکھا گیا۔ برآمدات/ترسیلات زر میں بالترتیب 10 فیصد اور 12 فیصد کمی کے باوجود سرپلس حاصل کیا گیا۔

سال 2023 کی پہلی ششماہی کے دوران، اسٹیٹ بینک آف پاکستان کے ذخائر میں کمی کی وجہ سے پاکستانی روپے کی قدر میں تقریباً 20 فیصد کمی ہوئی۔ تاہم، نئے محصولات اور ایکسچینج کمپنیوں سے متعلق اصلاحات کے فوری نفاذ جیسے عوامل نے سال کے آخر میں امریکی ڈالر کے مقابلے میں پاکستانی روپے کو مستحکم کیا۔

پاکستانی روپیہ امریکی ڈالر کی شرح مبادلہ کے استحکام اور تیل کی عالمی قیمتوں کے باعث سال کے آخر میں افراط زر کی شرح میں گذشتہ مہینوں کے مقابلے میں معمولی کمی ہوئی۔ اگرچہ بڑھتی ہوئی افراط زر کی وجہ سے اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی ریٹ کو سال کے آغاز میں 16 فیصد سے بڑھا کر جون 2023 تک 22 فیصد کر دیا، افراط زر کی شرح میں ریلیف نے اسٹیٹ بینک کو 2023 کے بقیہ مہینوں کیلئے شرح 22 فیصد پر برقرار رکھنے کی اجازت دی۔

مالیاتی پہلو پر، دوران مدت استحکام کے اقدامات کے کامیاب نفاذ کے نتیجے میں محصولات کی وصولیوں میں قابل ذکر اضافہ ہوا، جو مالی سال 2024 کی پہلی ششماہی میں اہداف سے زیادہ ہے۔ مالی سال 2024 کی پہلی سہ ماہی میں، مالیاتی خسارہ جی ڈی پی کا 0.9 فیصد رہا، جبکہ بنیادی سرپلس 417 بلین روپے (جی ڈی پی کا 0.4 فیصد) تک بہتر ہوا۔ گزشتہ سال 2023 کی پہلی ششماہی کی اسی مدت کے مقابلے میں دونوں محاذوں پر بہتری آئی ہے، جب مالیاتی خسارہ جی ڈی پی کے 1 فیصد اور بنیادی سرپلس GDP کے 0.2 فیصد پر تھا۔ یہ بہتری زیادہ آمدنی اور کنٹرول شدہ اخراجات کی وجہ سے ہوئی۔

ROLE OF CHAIRMAN

The Chairman of the Board plays a pivotal role as the foremost leader of the Board of Directors, charged with a spectrum of duties and obligations aimed at overseeing the company's decision-making processes and safeguarding its commercial interests. Beyond merely presiding over board meetings, the Chairman's responsibilities encompass:

- Leadership and Direction:** Providing strategic leadership and guidance to the Board of Directors, effectively managing its activities and ensuring alignment with the overarching goals and decisions of the company's management.
- Strategic Focus:** Ensuring the Board remains steadfast in its pursuit of organizational objectives and remains on course to fulfill its fiduciary duties.
- Meeting Facilitation:** Presiding over board meetings and general assemblies, orchestrating proceedings to facilitate efficient deliberations on key agendas and foster the formulation of consequential conclusions and decisions.
- Decision Oversight:** Exercising oversight over the Board's pivotal decision-making processes, thereby ensuring that all deliberations adhere to established protocols and best practices.
- Authority Execution:** Carrying out the powers and authorities endowed upon the Chairman as delineated within the Terms of Reference of Board Committees, which are duly approved by the Board of Directors.

The Chairman serves as a linchpin in the governance framework, wielding influence to steer the Board towards strategic success while upholding the highest standards of corporate stewardship and integrity.

ROLE OF CHIEF EXECUTIVE OFFICER (CEO)

The Chief Executive Officer (CEO) assumes a paramount role within the Company, wielding authority to direct, manage, administer and control its affairs, subject to the oversight and directives of the Board of Directors. The CEO's mandate encompasses a multifaceted array of responsibilities:

Strategy Execution: The CEO is tasked with the execution and implementation of the company's strategies, policies and business plans as sanctioned by the Board, thereby driving the organization towards its strategic objectives.

Performance Management: Responsible for achieving performance targets set by the Board, the CEO ensures that these benchmarks are disseminated throughout the organization, serving as guiding standards for management.

Stakeholder Communication: Maintaining open and effective lines of communication with the Chairman and the Board is imperative. The CEO apprises them of significant matters and seeks their guidance on key strategic decisions.

Risk Management: The CEO bears the responsibility for the effective management of strategic and operational risks, ensuring they are mitigated to an acceptable level. Additionally, the CEO oversees the establishment and maintenance of robust internal control systems across major operational and financial domains.

Ethical Leadership: A cornerstone of the CEO's role is to foster a corporate culture imbued with the highest moral, ethical and professional values. By exemplifying integrity and ethical conduct, the CEO sets the tone for all business dealings within the company.

The CEO serves as the linchpin in the execution of the company's vision and mission, wielding leadership qualities to navigate complexities, anticipate trends and drive sustainable growth while upholding the highest standards of corporate governance and ethical conduct. *(BCRS.02)*



Best Corporate Governance Practices, Structure, Decision-Making and Delegation

The connection between a company's governance and its decision-making process is crucial for achieving superior performance. Therefore, a company must have well-defined policies and procedures, a board of directors and senior management committed to upholding a compliance culture to support fast and improved decision-making. At JS Global, the best corporate governance practices are ingrained in the corporate mission, which aims to create shareholder wealth through sensible investment choices, risk management and ethical and legal compliance. JS Global has a robust system in place to ensure compliance with all legal and regulatory requirements. The Company Secretary's Office oversees compliance within given deadlines. JS Global's best corporate governance practices include the composition of a strong and qualified board of directors. The board possesses the relevant expertise, qualifications, ethical integrity and diverse backgrounds and skill sets. The board's performance is evaluated annually by an external consultant in compliance with regulatory requirements.



Independent Directors

The Company takes pride in maintaining a high standard of corporate governance and as such, has appointed three independent directors to its Board. These directors represent the non-controlling interests and are selected after a rigorous due diligence process from a database maintained by the Pakistan Institute of Corporate Governance (PICG).

In accordance with the Companies Act 2017, these independent directors have provided their consent to act as a director and have submitted a 'Declaration to the Company' attesting that they meet the criteria for independence as per the Act. The process of selecting independent directors from the PICG database ensures that the Company benefits from the wealth of knowledge and experience that these individuals bring to the Board.

We believe that our commitment to sound corporate governance practices will help us achieve long-term sustainability and growth and we will continue to review and improve our governance policies and procedures to stay at the forefront of best practices in the industry. *(BCR5.01(b))*

Diversity on the board

The presence of diversity on a company's board is crucial for achieving effective, efficient and independent decision-making. JS Global's board is composed of a team of highly qualified professionals from diverse disciplines, with a balanced mix of competencies, knowledge, skill sets and professional backgrounds. This enables the company to benefit from a diverse range of perspectives, knowledge, experience and expertise, which are necessary for effectively managing the company's operations and affairs. *(BCR5.01(c))*

Executive Director(s) and their Directorship

The Executive Director on the Company's Board, Mr. Imtiaz Gadar, is not serving as a non-executive Director/Member on the Board of any other listed company(ies) and institute(ions). *(BCR5.01(e))*

Board Function, Decision-making and Management Delegation.

The Board of Directors of JS Global is in charge of setting the organization's strategic goals and upholding its vision, purpose and core values. It plays a crucial part in decision-making and offers entrepreneurial leadership and direction to the Company's Management. When managing and overseeing the Company's affairs, the Board takes policy-related issues into consideration and maintains high standards of ethical corporate practice.

The Board, comprised of both domestic and foreign directors, contributes a variety of experiences, knowledge, skills and expertise to make decisions that are pertinent to the Company's operations. The Board's collective understanding is transformed into decisions that direct Management in achieving its objectives, improving shareholder value, offering exceptional returns to stakeholders and delivering sustainable performance and value-added services.

Significant Matters Discussed and Approved by the Board of Directors

Throughout the year, the Board of Directors at JS Global deliberated and approved several significant matters. These matters included the annual budget, strategic business plans and plans for different segments. Additionally, the Board examined and approved the quarterly, semi-annual and annual financial reports.

In addition, the Board regularly reviewed, amended and approved Company policies and authorized related party transactions as advised by the Audit Committee of the Board.

The Board's performance as a whole, as well as that of its Committees and individual Directors, was also evaluated externally. It also supplied updates on pertinent laws, rules and regulations and assessed the status and ramifications of all significant cases brought by and against the Corporation.

Overall, JS Global's Board of Directors was crucial in assuring the company's regulatory compliance, financial stability and strategic direction.

Management Delegation

Moreover, the Board is committed to fostering a corporate culture of equality, trust and team spirit. It oversees the Company's business in light of emerging risks and opportunities and establishes and reviews its strategies, yearly targets and financial objectives. Overall, the Board's primary function is to ensure that the Company operates efficiently and effectively while creating long-term value for its stakeholders. (BCR5.03)

JS Global's Board of Directors provides strategic direction to the Senior Management, empowering them to deliver outstanding returns to shareholders, sustainable performance and value-added services to stakeholders. This helps cultivate a corporate culture of trust, equality and teamwork.

The Board periodically reviews the Company's financial and operational performance and sets budgetary targets for the Management to implement. The Management is responsible for effectively conducting the Company's operations in accordance with the strategies approved by the Board. Tactical and operational matters are delegated to the Management for execution.

Under the direction and oversight of the CEO, the Senior Management manages the Company's activities in alignment with the Board's approved strategies, business goals, risk appetite, incentive compensation and other policies. By carrying out their duties in a manner consistent with the Board's directives, the Senior Management ensures the Company's continued success and growth.

Disclosure of the Annual Performance Review of Board Members and their Committees, the CEO and the Chairman is Conducted by an External Consultant.

JS Global conducted an annual performance evaluation of its Board of Directors, Board Committees and individual Board Members. To ensure the objectivity and impartiality of the evaluation, the company engaged the services of an external independent consultant, Grant Thornton Anjum Rahman, Chartered Accountants, a member firm of Grant Thornton International Limited.

The evaluation process involved the preparation of performance assessment surveys and the circulation of survey questionnaires to relevant Board members. The survey responses were then collected, collated and analyzed by the external consultant to generate the final report.

The performance of each Board Committee was also assessed based on their specific mandates and responsibilities. Additionally, the individual performance of each Board Member was evaluated based on their contributions to Board discussions and decision-making.

Overall, the performance evaluation conducted by Grant Thornton provided valuable insights into the strengths and weaknesses of the Board, Committees and individual Members. The results of the evaluation helped the company. *(BCR5.05 & 5.06)*

Directors' Training and Orientation

JS Global places significant emphasis on the development and preparation of its Directors to effectively manage the company's business on behalf of shareholders. To achieve this goal, a majority of the Directors have completed the Directors' Training Program by obtaining certification from approved and accredited institutions. Furthermore, the company provides formal orientation to its Directors during Board of Directors and Committee meetings to ensure they remain updated on any amendments and fully understand their duties and responsibilities. This process helps to maintain the Directors' awareness of changes in the regulatory landscape and their impact on the company's operations. By prioritizing the training and orientation of its Directors, JS Global can enhance the effectiveness of its Board and Committees in carrying out their responsibilities. This, in turn, helps to safeguard the interests of shareholders and promote the long-term success of the company. *(BCR5.07 & 5.08)*

External Oversight of Functions and Measures Taken to Enhance the Credibility of Internal Controls and Systems

The Company's management enlists the assistance of external subject matter experts or consultants to carry out periodic evaluations of performance and quality in order to ensure the effectiveness, relevance and applicability of the implemented controls and systems. In the event that the control environment for the Business significantly changes, such assessments can be carried out earlier than anticipated. This strategy aims to give the Firm useful advice and insights from outside sources, improving the overall efficacy of its control environment. *(BCR5.09)*

Related Parties

The Company has provided detailed information on related party transactions in its financial statements annexed to this Annual Report which complies with all legal and financial reporting frameworks.

The Company maintains a comprehensive and updated list of all related parties. All transactions with related parties arising in the normal course of business are carried out on an unbiased, arm's length basis at normal commercial terms and conditions. The Company has not entered into any contract or arrangement with the related party other than in the ordinary course of business on an arm's length basis.

In compliance with the Code of Corporate Governance and applicable laws, a comprehensive list of all related party transactions is placed before the Audit Committee for review at the end of each quarter. After review by the Committee, the transactions are considered and approved by the Board keeping in view the recommendations made by the Committee. *(BCR5.10(a))*

Details of All Related Party Transactions

The Company has made detailed disclosures about related party transactions in its financial statements annexed with this annual report. *(BCR5.10(b))*

Contract or Arrangement with the Related Party Other than in the Ordinary Course

During the year, no contract or arrangement was entered into with any of its related parties other than in the ordinary course of business on an arm's length basis. *(BCR5.10(c))*

Governance Policies: Empowering Effective Management Delegation and Communication

Policy for Actual and Perceived Conflict of Interest

All Directors are obligated to avoid actual, potential and perceived conflicts of interest. Agenda points for the Board's proceedings are finalized after obtaining relevant information regarding vested interests and quantification thereof, whereas all observations / suggestions of Board members during their proceedings are accordingly recorded.

The Company is managed on the basis of high standards of professionalism, ethics and integrity. The Company makes decisions on the choice of markets, customers and activities on an objective basis. The Company does not extend services to companies in which any of its directors have, direct or indirect, beneficial ownership unless:

- (1) this interest is previously disclosed;
- (2) the decision is made without the presence or participation of the individual(s) concerned.

The Company avoids all conflict of interest or appearance of impropriety by instituting a policy prohibiting the employment (whether as employee, independent contractor or otherwise) of any parent, child, grandparent, grandchild, brother or sister (or any entity controlled by any such person) of any officer, director or a person holding more than 5% shares of the Company, unless

- (1) the family relationship is fully disclosed and
- (2) the decision to retain such services is notified to the Board of Directors.

The employees of the Company are allowed to trade in the regular/ready market only. Employee of the Company are required not to be involved in intraday transactions and shall retain their position for at least seven days from the date of the transaction. Further, the employees shall settle the transaction on the settlement date. The employees are required to abstain from short-selling. They are required not to transact in the future market or any other leveraged market. Further, financing of any kind is not allowed to the employees from JS Global. However, the CEO is authorized to relax the said conditions if deemed necessary on a case-to-case basis. Where any non-compliance of the above is noted, the Company shall inquire in writing the reason for such violation. A copy of the inquiry letter along with the response of the employee shall also be filed in the employee's personnel file maintained by HR. (BCR5.10(e))

Board's Policy Over Governance of Risk and Internal Controls.

In order to ensure that the key roles, responsibilities and accountabilities required for implementing efficient governance, risk management, internal control and compliance functions in each jurisdiction are properly defined and carried out in accordance with the Company's approved policy frameworks and applicable regulatory requirements, the Board regularly evaluates all risk governance structures and lines of defense. Please refer to the Annual Report's "Risk Management Framework" section for more details. (BCR5.11(a))

Board's Policy on Diversity

When it comes to work, learning, growth and achievement, JS Global is committed to encouraging an inclusive environment where everyone has an equal chance to succeed. The Company supports diversity and tries to retain a workforce that includes individuals with a range of ages, genders, abilities and skills, as a forward-thinking company. The advancement of gender equality and diversity is a priority for our business and a crucial part of our human capital strategy. The Company also offers an inspiring work environment and rewarding career opportunities by attracting top talent and developing them into the future business leaders. *(BCR5.11(b))*

Disclosure of Interest in Significant Contracts and Arrangement by Directors

The Company's Directors do not hold any significant interest in the contracts and arrangements the Company has entered into. However, according to the policy, if any Director has a direct or indirect interest or concern in any contract or arrangement entered into or to be entered into by the Company, to disclose the nature of such interest or concern during Board meeting, in compliance with regulatory requirements. Further, such Director shall abstain from participating or voting in the Board meeting's proceedings on such agenda. *(BCR5.11(c) & (BCR5.10(d))*

Policy of Remuneration to Non-executive Directors

The policy of remuneration paid to non-executive Directors including independent directors is disclosed in the relevant section of the Directors' Report. *(BCR5.11(d))*

Policy of Retention of Fee/Remuneration from Nomination on the Board of Other Companies

According to the Directors' Remuneration Policy, Executive Directors are not compensated for their attendance at Board, Committee, or General Meetings. This policy is also applicable to executives of the Company, who likewise do not receive any fees for attending such meetings. *(BCR5.11(e))*

Policy for Security Clearance of Foreign Directors

Foreign directors who serve on the Board are required to provide the relevant documents to the Securities and Exchange Commission of Pakistan (SECP) within the designated timeframe for security clearance by the Federal Ministry of Interior. The Company facilitates all necessary arrangements for the clearance process. The appointment of a Foreign Director is contingent on the provision of a security clearance certificate from the Ministry. If clearance cannot be obtained, the Company will take appropriate steps to replace the Director. *(BCR5.11(f))*

Board Meetings are Held Outside Pakistan.

In line with the Company Policy, all Board meetings were conducted within Pakistan. *(BCR5.11(g))*

Succession Planning

The Company plans its manpower needs as far ahead as possible. Thus, the Company endeavors to maintain an optimal number of employees, possessing the necessary skills, experience and qualifications, to efficiently carry out its operations.

It is the Company policy to ensure that, for each key position, there is a documented succession plan to cover the eventuality of the individual who holds that position no longer being employed by the Company. To keep up with the Company's policy, job succession planning is conducted and monitored by the relevant Departmental Heads in conjunction with the Human Resources Department. Managers identify individuals who demonstrate quality performance and have potential for further growth based on their performance reviews and relevant job competencies as defined in the current and next-level job descriptions. These individuals are specially monitored to assess any training and development needs or any other job-related assistance in order to prepare them for the next level job whenever it becomes available. Line Managers and Human Resources work together to identify and support these individuals and, wherever possible, the Company strives to follow this internal succession planning to promote from within existing employee ranks. *(BCR5.11(h))*

Social and Environmental Responsibility

JS Global undertakes the responsibility of being recognized as a corporation that comprehends its social and environmental obligations. Through raising awareness among stakeholders, optimizing its operational procedures and reinforcing these actions through various policies, the company consistently endeavors to cultivate this mindset. The primary objectives of the business are centered around providing a secure and healthy workplace, protecting the environment and conserving energy through the use of appropriate technology and management techniques. *(BCR5.11(i))*

Communication with Stakeholders.

This section is covered under the Stakeholder Relationship & Engagement Position section of this annual report. *(BCR5.11(j))*

Investors' Relationship and Grievances Policy

JS Global places a high value on its relationships with shareholders and investors and is dedicated to maintaining their trust. To address and resolve grievances in a timely and effective manner and ensure shareholders' satisfaction, we have developed an Investor Grievance Procedure. This policy aims to safeguard the interests of all investors and shareholders and to ensure the prompt resolution of their complaints. We have established an internal mechanism to manage investor services and engaged an independent Share Registrar for this purpose.

Under our Investor Grievance Policy, investors can file their complaints with the Share Registrar of the Company, who will take appropriate measures to resolve the matter or inform the Company if the complaint falls outside their purview. They can also use a designated email address, which is provided on our website's shareholder grievances section, as directed by the Securities and Exchange Commission of Pakistan (SECP).

JS Global is committed to resolving all investors' complaints within ten (10) working days of receipt. Once resolved, we communicate the resolution to the investor via email or letter, duly signed by the Company Secretary and notify the Shares Registrar, SECP and/or Stock Exchange, as required. Our dedicated resources maintain a complete record of all complaints received through various channels, such as email, fax, post, Share Registrar, SECP and/or Stock Exchanges, along with their corresponding replies. (BCR5.11(k))

Employee Health, Safety & Protection

JS Global is dedicated to ensuring the well-being, security and health of its workforce by reducing the likelihood of job-related harm or sickness and advancing its management procedures for health and safety goals. This directive defines the essential safety protocols that every office and branch of the organization must adhere to, while also encouraging all personnel to foster a culture of safety for their colleagues. (BCR5.11(l))

Whistle Blowing Policy

JS Global is committed to creating a climate where people can freely communicate their concerns or warn against the possibility of fraud and non-compliance with the Company's policies, code of conduct and regulatory framework, an effective reporting mechanism has been put in place.

This policy is designed to allow officers and all employees of the company to bring complaints to a designated platform. This policy governs procedures that must be followed when allegations of impropriety are made by a whistleblower and such allegations:

- (i) regardless of scope, accounting, internal accounting controls, or auditing matters, or
- (ii) regardless of the scope of liability, could cause serious damage to the Company's brand or reputation or,
- (iii) could result in a material liability to the Company.

This policy establishes guidelines and procedures for handling whistleblower claims. JS Global is committed to maintaining the highest standards of integrity and compliance with the law and its Code of Conduct. It is the responsibility of everyone in the company to assume this responsibility. By responding appropriately to allegations of non-compliance by employees, suppliers, customers, or contractors, the company can promote an environment where compliance is the norm, thereby safeguarding shareholder value. (BCR5.11(m))

Policy for Safety of Records

According to the type of data (e.g. soft/hard format) and data requirements (call recordings of different markets, financial data, client communication and any other documentation retention requirement) required by different regulators (e.g. SECP, PSX, PMEX, etc.) The Company will retain its data accordingly. The same shall be monitored through the Risk Management and Compliance department checklist periodically. (BCR5.11(n))

Company's Approach to Managing and Reporting Policies

JS Global is a stock brokerage house that focuses primarily on financial services. However, we are committed to responsible corporate practices, including managing procurement and waste under environmental sustainability principles and regulatory requirements. We understand the importance of ethical sourcing and waste reduction in our operations and therefore aim to minimize waste generation, promote recycling, and explore energy-efficient measures. We believe in transparent reporting, which helps us to keep our stakeholders informed about our sustainability initiatives. This underscores our commitment to environmental stewardship and social responsibility. *(BCR5.11(o))*

Compliance with the Best Practices of Code of Corporate Governance

Compliance with the Best Practices of Code of Corporate Governance the Board of Directors has complied with the requirements for Listed Companies (Code of Corporate Governance) Regulations, 2019, the listing regulations of the Pakistan Stock Exchange and the requirements for Financial Reporting framework of Securities & Exchange Commission of Pakistan (SECP). Statement of Compliance with the Code of Corporate Governance, Review Report by the Company's Auditors and Report of the Board's Audit Committee on adherence to the Code of Corporate Governance are also included in this Report. *(BCR5.13)*

Shares Held by Sponsors Directors and Executives

Number of shares held by the sponsors, directors and executives of the Company, as of December 31, 2023 are as follows:

Particulars	Number of Shares
Associated companies, undertakings and related parties including Holding Company	25,525,264
Directors	8
Executives	0

(BCR5.14)

Compliance of Corporate Governance Code for Securities and Futures Broker*

To the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or in violation of any securities and futures market laws.

Karachi: February 14, 2024.

Imtiaz Gadar
Chief Executive Officer

This statement is given as per the requirement of regulations of Securities Brokers (Licensing & Operations) Regulations, 2016 and Futures Brokers (Licensing & Operations) Regulations, 2018.

Presence of the Chairman of the Audit Committee at the Annual General Meeting.

The Chairperson of the Board's Audit Committee participates in the Annual General Meeting (AGM) and responds to inquiries (if any) related to the activities and responsibilities falling under the purview of the Audit Committee. These proceedings are documented in the minutes that are then disseminated to the Company's shareholders and regulators. (BCR5.18)

Disclosure on Enterprise Resource Planning (ERP) System

JS Global is a technologically advanced and robust company that was a first mover in the industry and implemented a state-of-the-art system a decade ago. This was done with the aim of ensuring compatibility with its existing offerings and anticipating future possibilities. The company offers a range of complete range products to its customers across various segments.



IT Governance which discusses the subject matter in detail is disclosed separately in another section of this report. (BCR5.19)

Appointment of Non-executive Director - External Search Consultancy

The Company has a rigorous mechanism for selecting non-executive directors including independent directors. The profiles of directors are cross-matched with the relevant skill set required as these are further scrutinized by regulators before assigning fit and proper criteria certificates. The Company has used the database maintained by the Pakistan Institute of Corporate Governance ('PICG') to select candidates for Non-Executive Independent Directors. (BCR5.20)

Chairman's Significant Commitments

The Chairman's responsibilities are disclosed separately in another section of this report. (BCR5.21)

Government Policies Impact the Company's Performance

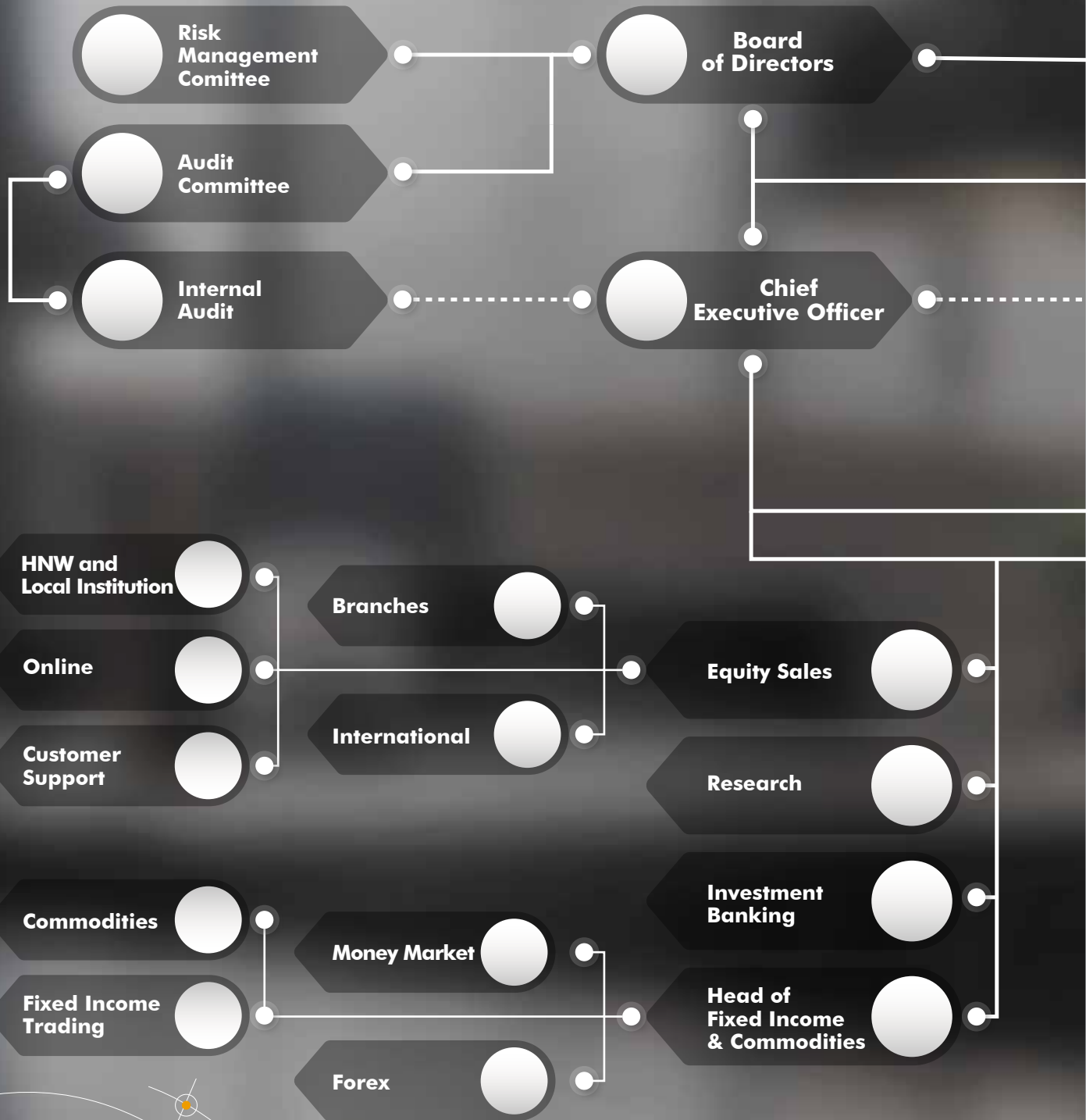
Please refer to the Directors' report for the impacts of government policies on the Company's business. (BCR5.22)

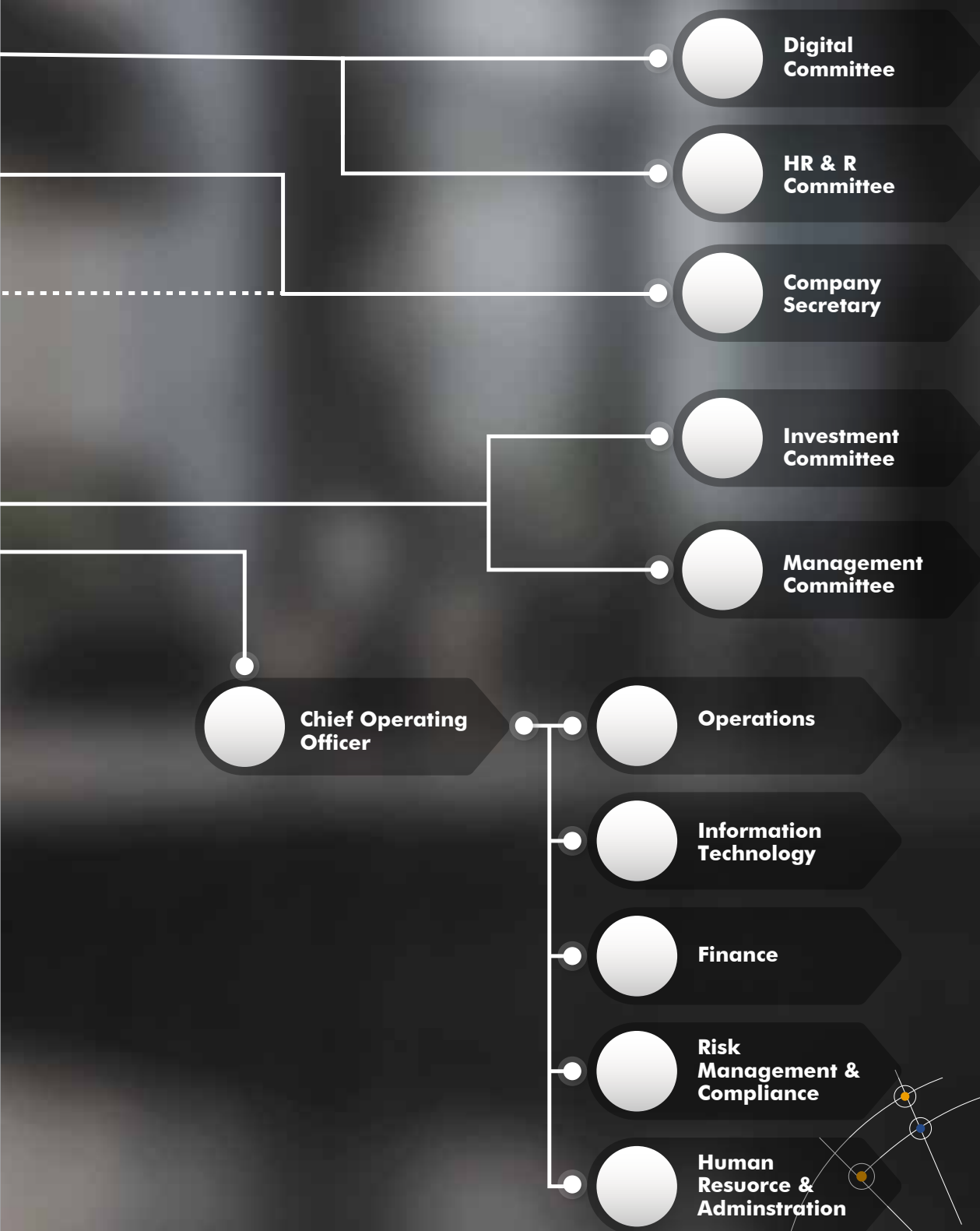
Governance Practices Exceeding Legal Requirements

The processes, procedures, corporate and other structures, policies, plans and stakeholder interactions that control the business have been developed by the Board of Directors and Management. The Company has put in place updated procedures to ensure compliance with changing governance needs. The Company demonstrates its dedication to upholding the highest Corporate Governance standards by following the guidelines for best practices provided by the Pakistan Stock Exchange Limited and Securities Exchange Commission as well as Pakistan's legal requirements for Corporate Governance. Further, the inclusion of additional information and disclosures in this Annual Report on Corporate Governance depicts the Company's commitment to go beyond the minimal legal obligations. (BCR5.22)



ORGANIZATION STRUCTURE





TERMS OF REFERENCE (TOR')

TOR - Board Audit Committee

The terms of reference of the Audit Committee determined by the board shall be as follows:

- i. determination of appropriate measures to safeguard the company's assets;
- ii. review of annual and interim financial statements of the company, prior to their approval by the Board, focusing on,
 - a. major judgmental areas;
 - b. significant adjustments resulting from the audit;
 - c. going concern assumption;
 - d. any changes in accounting policies and practices;
 - e. compliance with applicable accounting standards;
 - f. compliance with these Regulations and other statutory and regulatory requirements; and
 - g. all related party transactions;
- iii. review of preliminary announcements of results prior to external communication and publication;
- iv. facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- v. review of management letter issued by external auditors and management's response thereto;
- vi. ensuring coordination between the internal and external auditors of the company;
- vii. review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;
- viii. consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- ix. ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales,
- x. receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- xi. review of the company's statement on internal control systems prior to endorsement by the Board and internal audit reports;
- xii. instituting special projects, value for money studies or other investigations on any matter specified by the Board, in consultation with the Chief Executive Officer and to consider remittance of any matter to the external auditors or to any other external body;
- xiii. determination of compliance with relevant statutory requirements;
- xiv. monitoring compliance with these Regulations and identification of significant violations thereof;
- xv. review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- xvi. recommend to the Board the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations. The Board shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof; and
- xvii. consideration of any other issue or matter as may be assigned by the Board. *(BCRS.15)*

TOR - Risk Management Committee

The terms of reference of Risk Management Committee determined by the board shall be as follows:

- i. monitoring and review of all material controls related to trading limits, exposure margins, collateral management, financing products and compliances activities;
- ii. appropriate extent of disclosure of company's risk framework and internal control system in Directors' report;
- iii. evaluate and recommend to the Board the approval of major additions/ deletions in trading and financing portfolio and changes in investment portfolio in accordance with the Risk Management Guidelines specified in SIOF of the Company and other internal guidelines;
- iv. review the Company's adherence to the Policy Statement and, if needed, make recommendations to the Board of Directors for changes as a result of new developments;
- v. review Company's operations based on monthly operating reports (to include a summary of the Company's net capital position based on market value) prepared and submitted by the Chief Financial Officer or any other person nominated by the Board of Directors in comparison with the annual budget;
- vi. review and recommend changes in Company Policies, to the Board for approval;
- vii. review the status of legal matters of the Company;
- viii. ensure that the margin requirements are commensurate with the risks and avoid concentration;
- ix. review and approve the position/trading limits of clients; and
- x. review and approve the list of Margin Financing Eligible securities. *(BCR5.15)*

TOR - Human Resource & Remuneration Committee ("HR&R Committee")

The terms of reference of HR&R Committee determined by the board shall be as follows:

- i. recommendation to the Board for consideration and approval of a policy framework for determining the remuneration of directors (both executive and non-executive directors and members of senior management). The definition of senior management will be determined by the Board which shall normally include the first layer of management below the chief executive officer level;
- ii. undertaking, annually, a formal process of evaluation of the performance of the Board as a whole and its committees either directly or by engaging an external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing therein name and qualifications of such consultant and major terms of his / its appointment;
- iii. recommending human resource management policies to the Board;

- iv. recommending to the Board the selection, evaluation, development, and compensation (including retirement benefits) of the Chief Operating Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit;
- v. consideration and approval on recommendations of the Chief Executive Officer on such matters for key management positions who report directly to the Chief Executive Officer or Chief Operating Officer; and where human resource and remuneration consultants are appointed, they shall disclose to the committee their credentials and as to whether they have any other connection with the company. *(BCR5.15)*

TOR - Board Digital Committee

The terms of reference of Board Digital Committee determined by the board shall be as follows:

- i. Review digital strategies and relevant policies before submission to the Board and make recommendations for strategic decisions thereon;
- ii. review progress and implementation of the Strategic Plan and deliberate changes to it, as and when required;
- iii. ensure the alignment of Digital strategy with business strategy, optimization of resources, value delivery and performance measurement to achieve business objectives and effective technology risk management;
- iv. ensure that risk management strategies are designed and implemented that have the capability to respond to wide-scale disruptions, including cyber-attacks and attacks on multiple critical infrastructure sectors;
- v. review progress and implementation of various Digital projects;
- vi. make recommendations on major investment decisions and ensure that investments are aligned with the Digital Strategy approved by the Board; and
- vii. review and approve cloud-based outsourcing arrangements in line with the policy approved by the Board of Directors. *(BCR5.15)*

REPORT OF THE AUDIT COMMITTEE

20
23
Annual
Report

The members of the Audit Committee are pleased to present their report to the shareholders for the year ended December 31, 2023. We would like to make the following submissions:

Composition of the Audit Committee

The Audit Committee comprises three non-executive directors including one Independent Director, who is also the Chairperson of the Committee. The members of the Audit Committee are qualified professionals and possess enriched experience working at the Boards & Senior Management levels of entities operating in various sectors. Further, two members are qualified as financial literates as per the Code of Corporate Governance. The Company Secretary is the Secretary of the Audit Committee. The Chief Financial Officer of the Company attends the meeting by invitation, while the Committee meetings are attended by the external Auditors and internal auditors on a requirement basis.

The Financial Statements

The Committee has concluded its annual review of the conduct and operations of the Company during 2023 and reports that:

- The annual financial statements for the year ended December 31, 2023, have been prepared on a going concern basis under requirements of the Companies Act 2017, incorporating the requirements of the Code of Corporate Governance, International Financial Reporting Standards and other applicable regulations.
- There were no issues in the application of the Companies Act 2017 and these financial statements present a true and fair view of the Company's state of affairs, results of operations profits, cash flows and changes in equity of the Company for the year under review.
- Appropriate accounting policies have been consistently applied except for the changes, if any, which have been appropriately disclosed in the financial statements.
- The Chairman of the Audit Committee, the Chief Executive Officer and the Chief Financial Officer have endorsed the financial statements of the Company, while the Directors' Report is signed by the Chairman of the Audit Committee and the Chief Executive Officer. They acknowledge their responsibility for a true and fair presentation of the Company's financial condition and results, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls and systems of the Company.
- Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with the Companies Act, 2017. The financial statements comply with the requirements of the Fourth Schedule to the Companies Act, 2017 and the external reporting is consistent with management processes and adequate for shareholder needs.
- All Related Party transactions have been reviewed by the Committee before approval by the Board.
- The Company has issued a "Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations 2019" which has also been reviewed and certified by the External Auditors of the Company.
- Understanding and compliance with Company codes and policies has been affirmed by the members of the Board, the Management and employees of the Company. Equitable treatment of shareholders has also been ensured.

- All direct and indirect trading and holdings of Company's shares (if any) by Directors & executives or their spouses were notified in writing to the Company Secretary along with the price, number of shares, form of share certificates and nature of transaction, and the same was presented by the Company Secretary to the Board within the stipulated time. All such holdings have been disclosed in the Pattern of Shareholding.
- Closed periods were duly determined and announced by the Company, precluding the Directors, the Chief Executive and executives of the Company from dealing in Company shares, prior to each Board meeting involving announcement of interim / final results, distribution to shareholders or any other business decision, which could materially affect the share market price of the Company, along with maintenance of confidentiality of all business information.

Risk Management and Internal Control

- The Company has developed a sound mechanism for identification of risks and assigning appropriate criticality level and devising appropriate mitigation measures which are regularly monitored and implemented by the management across all major functions of the Company.
- The Company has devised and implemented an effective internal control framework which also includes an outsourced independent internal audit function.
- The Internal Auditors is responsible for monitoring of compliance, inherent and other risks associated with the internal controls and other areas of operations of the Company.
- The Company's approach towards risk management has also been disclosed in the relevant portion of the Directors' Report.
- The Company's system of internal controls is sound in design and has been continually evaluated for effectiveness and adequacy.

Internal Audit

- The Audit Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company and the shareholders' wealth at all levels within the Company.
- The independent outsourced Internal Audit function has carried out its duties under the charter defined by the Committee. The Committee has reviewed Internal Audit findings as reported by internal auditors via its reports on quarterly basis in its meeting, taking appropriate action or bringing the matters to the Board's attention where required.
- Audit Committee has provided proper arrangement for staff of independent outsourced internal audit function and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters. Adequate remedial and mitigating measures are applied, where necessary.
- The Head of Internal Audit (Internal audit coordinator) has direct access to the Chairperson of the Audit Committee and independent outsourced internal audit function has staff with sufficient internal audit acumen and that the function has all necessary access to Management and the right to seek information and explanations.

- Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

External Auditors

- The Statutory Auditors of the Company, KPMG Taseer Hadi & Co. Chartered Accountants, have completed their audit assignment of the "Company's Financial Statements" and the "Statement of Compliance with the Code of Corporate Governance" for the financial year ended December 31, 2023.
- The Auditors attended the Audit Committee meeting where their audit report was discussed and the external auditor discussed the major areas concerning their audit with the members of the Audit Committee.
- The Auditors do not provide any services other than external audits of the Company. The audit firm has no financial or other relationship of any kind with the Company except that of External Auditors.
- The Statutory Auditors of the Company, KPMG Taseer Hadi & Co. Chartered Accountants stand eligible for reappointment for the financial year ending on December 31, 2024. The Audit Committee has recommended the appointment of KPMG Taseer Hadi & Co. Chartered Accountants as auditors of the Company along with its remuneration to the board and recommends the same for members' approval at the forthcoming Annual General Meeting.

Annual Report 2023

- The Company has issued a very comprehensive Annual Report which besides presentation of the financial statements and the Directors' Reports of the Company, also discloses other information much in excess of the regulatory requirements to offer an in depth understanding about the management style, the policies set in place by the Company, its performance during the year and future prospects to various stakeholders of the Company.
- The information has been disclosed in the form of ratios, trends, graphs, analysis, explanatory notes and statements etc. and the Audit Committee believes that the Annual Report 2023 gives a detailed view of how the Company evolved, its state of affairs and future prospects.

The Audit Committee

- The Audit Committee believes that it has carried out responsibilities to the full, in accordance with Terms of Reference approved by the Board which includes principally the items mentioned above and the actions taken by the Audit Committee in respect of each of these responsibilities. Evaluation of the Board's performance, which also included members of the Audit Committee was carried out separately and is detailed in the Annual Report 2023. *(BCRS.17)*



KPMG Taseer Hadi & Co.
Chartered Accountants
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Karachi 75530 Pakistan
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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of JS Global Capital Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of JS Global Capital Limited ("the Company") for the year ended 31 December 2023 in accordance with the requirements of Regulation No. 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval of its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 31 December 2023.

Date: 7 March 2024

Karachi

UDIN: CR202310106umWNIOb9E

KPMG Taseer Hadi & Co.
Chartered Accountants

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 ("THE REGULATIONS")

Name of Company: JS Global Capital Limited

Year end : December 31, 2023

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are Eight (8) including CEO who is deemed director as per the following:

Gender	Number of Directors
Male	Seven (7)
Female	One (1)

2. The composition of the Board is as follows:

Category	Name of Directors
Independent	<ul style="list-style-type: none"> • Mr. Shahab Anwar Khawaja • Mr. Maximilian Felix Scheder
Non-Executive	<ul style="list-style-type: none"> • Mr. Fahad Viqar Siddiqui • Mr. Amin Muhammad Virani* • Mr. Anis Waqas • Syed Jafar Raza Rizvi
Executive	<ul style="list-style-type: none"> • Mr. Imtiaz Gadar
Female	<ul style="list-style-type: none"> • Ms. Rabiya Javeri Agha

* resigned subsequent to year end.

3. The directors have confirmed that none of them is serving as a director on any other listed company, except JS Global Capital Limited.
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 Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. All meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Out of total eight (including Chief Executive Officer), six directors are already certified under Directors' Training Program ("DTP") from recognized institutes.
10. There is no new appointment of Chief Financial Officer during the year. Further, the Board has approved the appointment of Head of Internal Audit and Company Secretary including his remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

a) Audit Committee

- i. Mr. Maximilian Felix Scheder (Chairman)
- ii. Mr. Amin Muhammad Virani
- iii. Syed Jafar Raza

b) Human Resource and Remuneration ("HR&R") Committee

- i. Mr. Shahab Anwar Khawaja (Chairman)
- ii. Mr. Fahad Viqar Siddiqui
- iii. Mr. Imtiaz Gadar
- iv. Ms. Rabiya Javeri Agha

c) Risk Management Committee

- i. Mr. Shahab Anwar Khawaja (Chairman)
- ii. Mr. Amin Muhammad Virani
- iii. Syed Jafar Raza
- iv. Mr. Imtiaz Gadar

d) Digital Committee

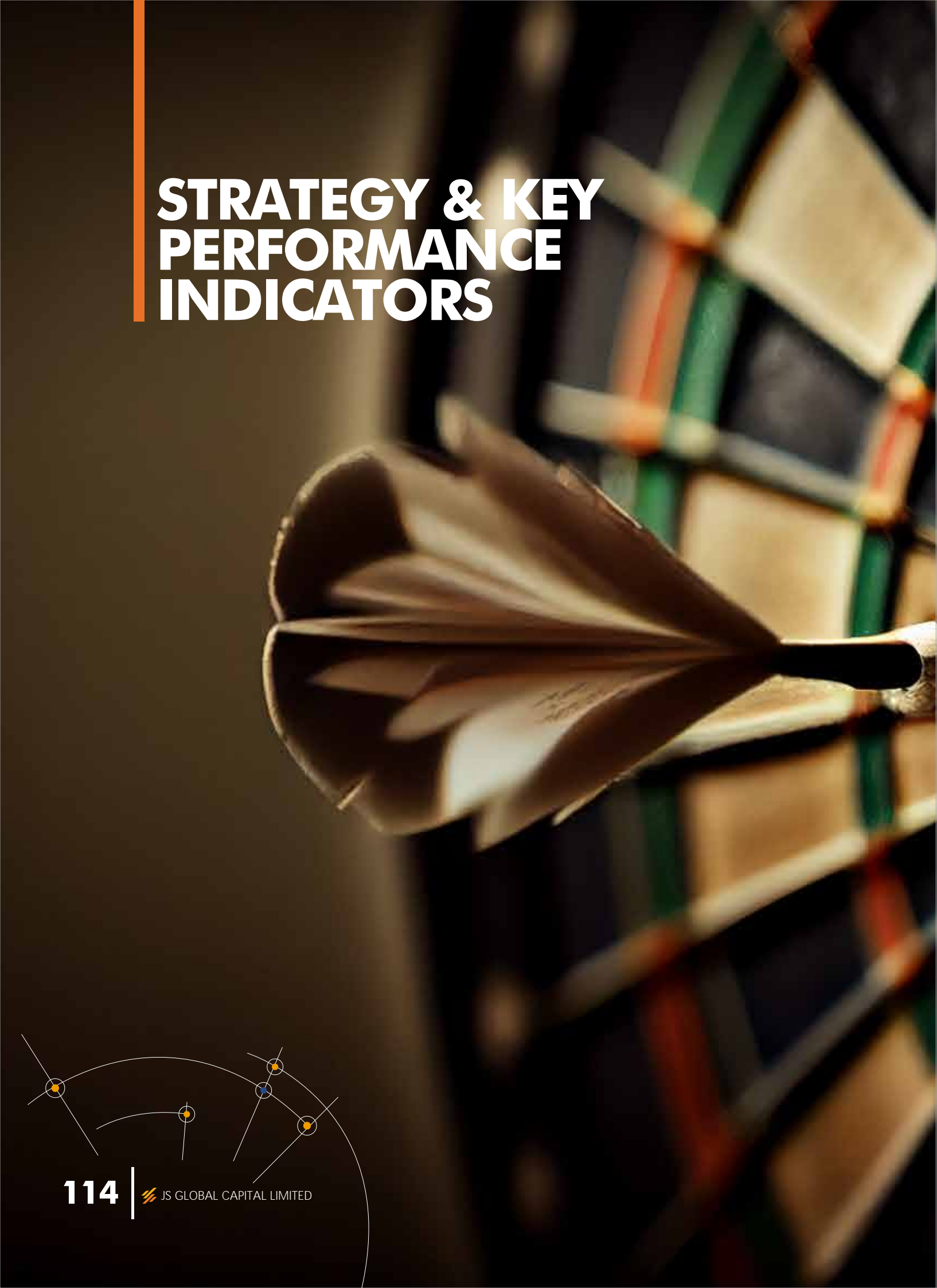
- i. Mr. Waqas Anis (Chairman)
- ii. Mr. Maximilian Felix Scheder
- iii. Mr. Fahad Viqar Siddiqui
- iv. Mr. Imtiaz Gadar

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings of the committee were as per following;
 - a) Audit Committee – Quarterly
 - b) HR&R Committee – At least yearly and as and when required
 - c) Risk Management Committee – Quarterly
 - d) Digital Committee - Quarterly
15. The Board has outsourced the internal audit function to the Holding Company who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not close relatives (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

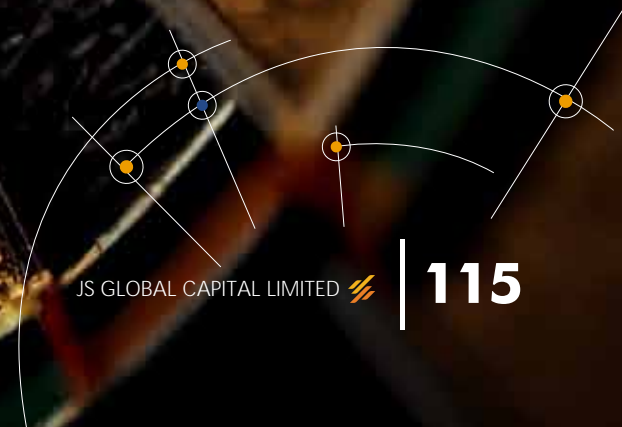
Shahab Anwar Khawaja
Chairman

Dated: February 14, 2024
Karachi

Imtiaz Gadar
Chief Executive Officer



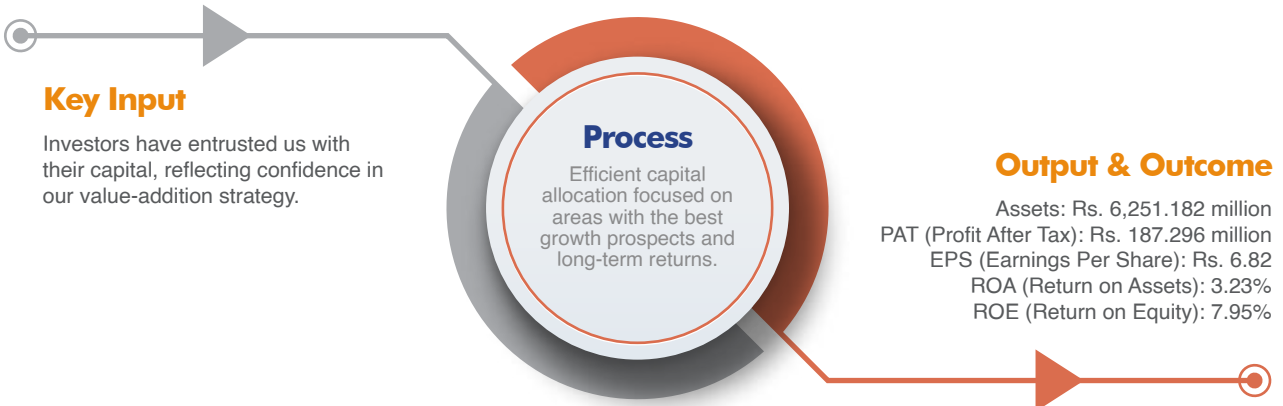
STRATEGY & KEY PERFORMANCE INDICATORS



BUSINESS MODEL

The Company's business model is in accordance with the guidance as set out under section 4C of the International Integrated Reporting Framework.

Investors



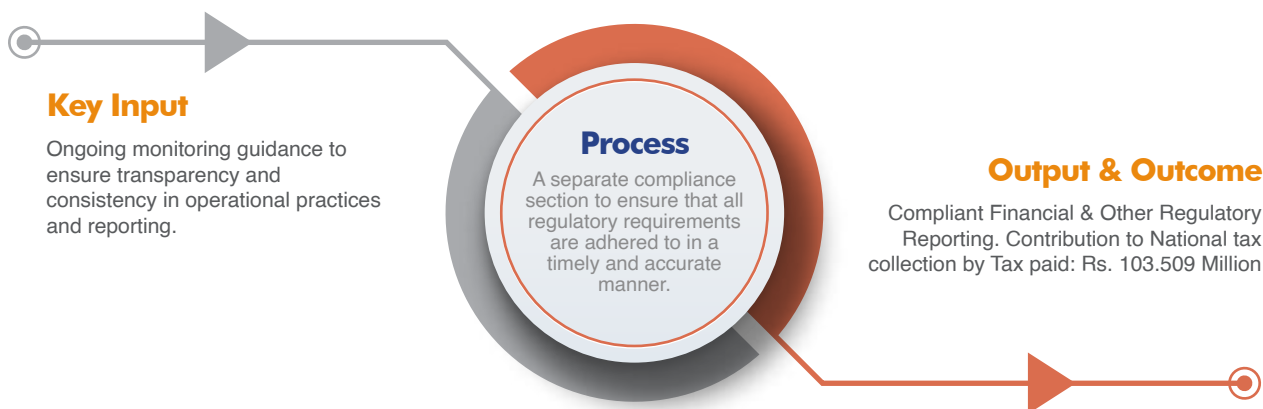
Employees



Customers



Regulators & Government



Community



There is no change to report in our business model. We continue to operate as a stock brokerage house, steadfast in our commitment to providing exceptional service to our clients. However, it's worth noting our pioneering achievement as the first brokerage house in Pakistan to launch Exchange Traded Fund 'ETF' under SECP Sand Box Regulations, marking a significant milestone in our journey. This development underscores our dedication to innovation within the financial services industry while maintaining the core principles that define our business. (BCR7.01)

THE VALUE CHAIN

The value chain and outlining its key processes, it becomes clear how each aspect contributes to the overall value creation for clients and stakeholders in the financial markets.

Head	Process	Output
Market Analysis and Research	<p>Conduct in-depth market analysis, including macroeconomic factors, sector performance and company-specific research. Utilize advanced research tools and data analytics to gather and analyze market information.</p> <p>Employ highly skilled analysts to monitor market trends, identify investment opportunities and assess risks.</p>	<p>Comprehensive market reports, investment insights and research recommendations for clients. Timely updates on market developments and investment opportunities.</p>
Client Acquisition and Onboarding	<p>Develop targeted marketing strategies to attract potential clients, including individual investors, institutional investors and corporate clients.</p> <p>Educate prospective clients about the brokerage services, investment products and trading platforms.</p> <p>Streamline the account opening process, ensuring compliance with regulatory requirements and risk assessments.</p>	<p>Expanded client base through effective marketing campaigns and client acquisition efforts. Seamless onboarding experience for clients, with complete account setups and risk profiles established.</p>
Investment Advisory and Portfolio Management	<p>Assess clients' financial goals, risk tolerance and investment preferences through personalized consultations. Provide tailored investment advice and portfolio management solutions based on individual client needs and market conditions.</p> <p>Monitor client portfolios regularly to optimize performance and mitigate risks.</p>	<p>Customized investment strategies and portfolio allocations for clients. Regular performance reviews and portfolio updates to clients.</p>

Head	Process	Output
Trading Execution and Order Management	Execute buy and sell orders on behalf of clients across various asset classes, including stocks, bonds and derivatives. Utilize advanced trading platforms and technology to facilitate efficient order execution and market access. Manage order flow and ensure compliance with regulatory requirements and best execution practices.	Timely and accurate execution of client trades. Transaction confirmations and trade settlement services for clients.
Technology Development and Innovation:	Invest in cutting-edge technology infrastructure and trading platforms to enhance client experience and operational efficiency. Continuously evaluate and implement innovations in trading algorithms, data analytics and risk management systems.	State-of-the-art trading platforms and tools for clients. Improved trading capabilities, reliability and security.
Regulatory Compliance and Risk Management	Stay informed about regulatory changes and ensure compliance with relevant laws and regulations governing brokerage services. Implement robust risk management practices to identify, assess and mitigate operational, financial and compliance risks.	Compliance with regulatory requirements, including reporting and disclosure obligations. Effective risk mitigation strategies and controls to safeguard client assets and maintain operational resilience.

JS Global is one of the largest brokerage and investment banking firms in Pakistan, with a dominant position in domestic capital markets. It acts as an intermediary between buyers and sellers, facilitating financial market transactions. Brokerage firms typically receive compensation through commissions or fees billed after successful transaction completion. JS Global's primary activities include equity brokerage, money market brokerage, forex brokerage, commodity brokerage, investment banking and equity research. JS Global adds value to its business model through its people, systems and relationships. *BCR 1.07*

FUTURE OUTLOOK AND FORWARD LOOKING STATEMENT

Despite severe macro-level challenges, JS Global remains strongly positioned to achieve sustainable growth and generate long-term value for its shareholders. To further extend our reach and consistently provide exceptional services to our clients, we will pursue the expansion of our digital presence and strive to expand our market share. The Directors' Report of JS Global effectively articulates the future outlook of the company's external environment as well as the company's forward-looking statement.

Forward-looking statements including expectations about known trends and uncertainties that may affect the Company's resources, revenues and operations in the short, medium and long term are tabulated as follows:

Volatility in Financial Markets: (Short Term)

Pakistani stock market story can best be explained as a tale of two halves pre- and post-June. Positive developments rolled in following the signing of the IMF agreement, along with the initiatives taken by the Government to stabilize the economy, have rejuvenated markets. KSE 100 Index touched record high levels, with record high participation in last quarter. PSX closed above 62,000 levels, marking 55% return for CY 2023.

The Company's Investment Committee adheres to a formal Statement of Investment and Operational Policies (SIOPs) approved by the Board. Before making any investment decisions, the Investment Committee conducts regular appraisals and research.

Effect of Interest Rate Change (Short-Term and Long-Term)

The State Bank of Pakistan maintained Policy Rate at 22% in the 2 monetary policy announcements scheduled during the last quarter of the year. As a result, shorter tenor secondary market yields traded almost 150bps below the benchmark rate at year end, where yield curve remained inverted.

The financial impact of any change in interest rate on the bottom line of JS Global is described in Note 33 to the annexed financial statements. In order to finance its operations, JS Global predominantly uses equity capital and its usage of debt is restricted to a manageable level. Interest rate changes are closely watched. Long-term bank loans issued by the Company are tied to KIBOR and are repriced on the date of each reset

Progress in 2023

Pakistan equity market benchmark index, KSE-100, reported 55% YoY return during CY23, post successful IMF SBA followed by unlocking of external assistance of other lenders easing pressure on Pak Rupee. The Index closed at 62,451 as of Dec-2023, marking KSE-100 as the best performing market in the region. A lion's share of these returns was contributed during the last quarter of the year (4QCY23 return: 35% QoQ), where in December 2023 the market at one point crossed 66,000 levels but cooled off in last few sessions to close at the 62,451 mark. Average market volumes increased by 38% which had positive impact on the Company's performance. Similarly, money market, fixed income, advisory and forex were able to increase their respective market shares. On the expenses front, costs increased by 29% mainly due to inflationary pressures.

Our commitment to excel was further recognized through several prestigious awards received in 2023. These include Best Equity Salesperson, Best Equity Research Analyst, Runner Up for Best Equity Brokerage House and Best Equity Research Report from CFA Society Pakistan. Additionally, Asia Money awarded JS Global four accolades, while ICAP and ICMAP recognized us for the 'Best Corporate and Sustainability Reports for the Year 2022'. We were also named among Top Commodity Broker Karachi by the Pakistan Mercantile Exchange, a testament to our expertise in commodity trading. *(BCR9.01-9.03)*

Sources of Information and Assumptions Used for Projections / Forecasts

The future projections and forecasts are based on certain assumptions after critically analyzing the current macroeconomic conditions, historical trends and prospective developments as well as other relevant factors that might have an impact on the Brokerage Industry.

The external information, such as industry trends, macro and microeconomic factors and, market dynamics reliable sources i.e., Bloomberg, Business newspapers and Research reports.

The management internally carries out a corporate planning activity to forecast future revenues and trends for the Company while considering the market dynamics, seasonal variations and international economic trends. The Board critically scrutinizes the budgets and forecasts. The future projections are based on management's best judgments and estimates.

Uncertainties that could Affect the Company's Resources, Revenues and Operations

All projections are inevitably subject to risks and uncertainties, some of which are unavoidable. The following variables could affect the company's assets, earnings and activities:

- Effect of climate conditions on economic activity and corporate operations;
- Disciplined fiscal policy and business taxation policies;
- Economic judgments on the discount rate and monetary policy;
- The country's political climate and law and order condition;
- Government policies and procedures;
- Disruptive technology development and cyber-attacks risk.

To maintain operating performance and safeguard shareholders' interest, the Company proactively examines these uncertainties and risks and makes sure that preventive and corrective measures are taken. *(BCR9.04)*



STRATEGIC OBJECTIVE

JS Global is dedicated to upholding its longstanding commitment to sustained growth and excellence within Pakistan's Corporate Equity Brokerage Sector. To achieve this objective, the company has implemented a comprehensive strategy, emphasizing digital transformation while remaining true to its core values. Our primary aim is to retain our position as the premier brokerage firm while simultaneously expanding our presence in the market. Through targeted initiatives, we endeavor to enrich the overall value proposition extended to our customers and stakeholders, thereby fostering success across all facets of our operations.

Short Term:

JS Global's main priority in the upcoming period is to provide its clients with an exceptional experience, which includes the provision of innovative and digital solutions that broaden our product and service offerings and add immense value for customers.

We take our clients' interests seriously and are committed to maintaining a secure operational environment by continuously improving our risk management practices.

Medium Term:

Our objective is to consolidate our status and stay ahead of the curve in terms of changing preferences of customer base and evolving technology.

Additionally, we aim to enhance our internal procedures and systems to increase productivity and reduce expenses.

Long-Term:

To achieve sustainable growth and maximize shareholder value, we believe that the company needs to adopt a continuous evaluation approach, pivoting its business strategies as and when required.

Our goal remains to maintain our market-leading position in the equity brokerage space and play a role in development of the financial eco system of capital markets.

(BCR2.01)

RESOURCE ALLOCATION

The Company recognizes the importance of all of its Capital resources in achieving its goals, including financial, human, intellectual and natural capital. As a result, the Company ensures the availability, quality and affordability of these capitals for effective operation. Furthermore, the Company carefully plans its resources to ensure that it can generate flows to meet future demands while adhering to regulatory minimums and maintaining an optimal risk appetite.

Effective planning ensures that the Company's capitals are integrated with its financial performance and outcomes. The Company's strategies, resource allocation plans and risk management arrangements are intended to maximize value creation for stakeholders while increasing future capital generation.

Our Capital



Financial Capital:

The Company has a sound financial management strategy that entails the efficient allocation of resources and working capital through the preparation of budgets/forecasts for cash inflows and outflows, with periodic planning spanning daily, monthly, quarterly and yearly timeframes. Additionally, engaging in timely negotiations with financial institutions to secure external financing and capitalize on opportunities contributes to sustaining a healthy working capital cycle. Moreover, liquidity needs are met by utilizing sales revenue, return on investment and external financing, provided that it is deemed economically viable.

Human Capital:

Human capital refers to the knowledge, skills and experience that an organization's employees possess. The success of an organization largely depends on the quality of its human resources. Effective human capital management involves attracting and retaining talent, providing ongoing training and development and creating a positive work culture. It is essential to ensure all employees receive equal opportunities and guidance to enhance their skills and capabilities. The Company also focuses on diversity and inclusion to promote a diverse workforce and create an inclusive environment.

Manufactured Capital:

The physical assets that JS Global owns, such as buildings, equipment and infrastructure, are referred to as manufactured capital. Our goal is to use these resources to create an appealing environment that will attract customers. We follow strict guidelines outlined in our offices' design to ensure safety, security, energy efficiency and maximizing natural capital benefits. Furthermore, to increase customer engagement, we strategically place our locations in all major cities in Pakistan.

Natural Capital:

The company is currently digitizing manual processes in key areas to minimize the environmental impact. Positive contributions through promoting a paperless environment will reduce the environmental burden.

Intellectual Capital:

The Company recognizes the importance of technological progress in ensuring long-term growth and sustainability in the Corporate sector. The Company has seen remarkable advances in technology integration, such as digital trading channels. To become Pakistan's most innovative brokerage house, the company has leveraged cutting-edge technology to provide customers with end-to-end solutions. Software upgrades, process reengineering, technological solutions tailored to customer needs, secure channels and digitization all play a role in the company's progress and sustainability. The company intends to continuously adopt and implement cutting-edge digital solutions, as well as to build internal capacity to achieve technological advancement.

Social and Relationship Capital:

JS Global embraces its responsibility of contributing to the overall society through direct and indirect initiatives. The Company's efforts towards digitization will result in a significant decline in paper usage. CSR activities are dealt with at the Group level, underlining the importance with which social responsibility is regarded within the group. Please refer CSR activities section of this annual report for further details. (BCR2.02)

Key Resources and Capabilities of the Company which Provide Sustainable Competitive Advantage.

JS Global's competitive advantage in the market stems from a number of factors that sets us apart from our competitors. Some examples are provided below:

Superior Trading Experience:

Our team of experienced traders possess the necessary skills and knowledge to effectively execute trades seamlessly. Their efforts are aided by a trading platform that is simple to navigate and offers a wide range of trading tools to assist them in making informed decisions.

Advanced Technology Infrastructure:

JS Global has invested heavily in technology to ensure that the trading platform is fast, reliable and secure. We employ the latest technology that provides real-time market data and analysis, allowing traders to make timely decisions.

Comprehensive Research Capabilities:

JS Global has a fully dedicated research team that provides comprehensive research reports and analysis to its clients. This research focuses on a variety of topics, such as market trends, company analysis, and economic data.

Strong Institutional Foundation:

JS Global has a strong institutional foundation, having formed alliances with other financial institutions such as banks, asset management firms and family businesses. These collaborations allow us to offer a broader range of financial products and services to our clients. By combining these factors, JS Global has gained a competitive advantage in the market, allowing it to attract and retain clients who value a superior trading experience, advanced technology infrastructure, extensive research capabilities and a strong network of partnerships. *(BCR2.03)*

Technological Change:

The impact of technology's continuous evolution and the necessity for flexibility and adaptability are fully recognized by JS Global. Startups and FinTechs are upending the digital environment, creating constructive chaos and opening up possibilities for innovation. By reducing costs and leveraging cutting-edge technology, JS Global promotes operational efficiency while using digital trading platforms to expand its clientele. With an ecosystem designed for capital market transactions, the company aims to surpass client expectations and transform the trading environment. To maintain its competitive advantage and ensure that its personnel are prepared for the digital age, JS Global invests in data analytics and infrastructure enhancements.

Social Concerns:

Societal concerns influence JS Group's strategy and resource allocation. The most important societal issues are population and demographic shifts, human rights, health, poverty, societal ideals and educational institutions. As a responsible corporate citizen, JS Global (and the JS Group) makes concerted efforts to fulfill its obligation to society. Giving back is a crucial part of our group ethos and how we can effect positive change. As a brokerage firm, we prioritize assisting in leadership development, sports, arts, culture, health, education and social welfare. Communities across Pakistan have been severely damaged and are still suffering from the human, health and economic crises brought on by the floods in 2022. The JS Group remained at the forefront, playing its part in assisting the underprivileged sectors of society by aiding them in recovering from flood damages through CSR projects. *(BCR2.04)*

KEY PERFORMANCE INDICATORS AND FUTURE RELEVANCE

As a company, we rigorously evaluate our strategic objectives to ensure their alignment with the dynamic economic, political, social, global, demographic, technical and regulatory contexts that influence our performance, operations and resources. To achieve these goals in line with our strategy, the Board actively supports management. We place significant emphasis on ensuring that our short-term, medium-term and long-term KPIs remain relevant, regularly realigning our goals while considering KPI progress.

Corporate Strategy

The corporate strategy of JS Global aims to create value for shareholders by strategically expanding business opportunities that align with the company's core competencies. This strategy involves identifying growth opportunities in both domestic and international markets, as well as exploring potential mergers and acquisitions.

To achieve this objective, JS Global will continue to focus on providing exceptional services to its customers, maintaining a strong brand image and enhancing its presence in capital markets. The company will also invest in its human capital, technology and infrastructure to support its growth strategy.

Moreover, the company aims to achieve sustainable growth by adopting best practices in corporate governance, risk management and compliance. This will enable JS Global to maintain the trust and confidence of its stakeholders, which is essential for building a successful and enduring business.

- **Increasing Market Share**

The goal is to increase market share by implementing a comprehensive digital strategy that complements brick-and-mortar infrastructure, offering customers innovative trading solutions and enhancing operational efficiency.

- **Brand Value and Customer Confidence**

JS Global has established a strong brand image by providing high-quality services to customers and developing long-term relationships with them.

- **Innovation**

JS Global is focusing on business process and digital transformation to enhance investment and technological capabilities, creating an environment that allows technology to fully realize its potential.

- **Shareholders' Equity**

The aim is to increase return on investment by implementing sound risk management practices, effectively monitoring risks and aligning all strategies to meet shareholder expectations. (BCR2.05)



Key Performance Indicator (KPI)

Increasing Market Share

Brand Value and Customer Confidence

Innovation through Technology

Return on Equity and Investment

(BCR2.05)

Strategic Initiatives and Plans for Achieving Goals

Become the top franchise by expanding market share through outperforming our client's expectations and providing quality services, along with digitization efforts.

Establish JS Global as a premier brokerage and financial services firm.

Drive innovation through technology to maximize long-term shareholder value and sustainable returns.

Achieve efficient target monitoring, effective risk management and synchronization of all KPIs to meet shareholder expectations.

Future Relevance

- Aim for excellence and explore new avenues for service enhancement, continuously raising the bar for others to follow. - Utilize technology development to enhance services and maintain an industry leadership position.

- Conduct frequent brand reviews to ensure alignment with business goals and effectively represent our unique value proposition.

- Intensify business process and digital transformation activities to optimize investment choices, enhance technological capabilities and create an environment that fully unleashes the potential of technology.

Ensure that return on equity and investment is achieved by meeting shareholder expectations through efficient target monitoring and risk management.

The Company's Sustainability Strategy with Measurable Objectives

At JS Global, our sustainability strategy is centered around responsible investing, ethical business practices and minimizing our environmental footprint. We have set measurable objectives to achieve our sustainability goals. These objectives include reducing paper usage by 50% within the next fiscal year through digitalization initiatives, implementing energy-efficient practices to lower our carbon emissions by 20% by 2025. Moreover, we are committed to enhancing transparency by regularly disclosing our sustainability efforts and progress to stakeholders. By aligning our business goals with sustainable practices, we are not only aiming to achieve financial success but also striving to make a positive contribution to the environment and society. *(BCR2.06)*

Significant Plans and Decisions Such as Corporate Restructuring, Business Expansion and Discontinuation of Operations

The Company currently has no plans for corporate restructuring. Also, there are no immediate plans for further physical expansion or discontinuation of operations. However, the Company is in the process of enhancing its digital footprint through investments in technology. *(BCR2.07)*

Information About Defaults in Payment of any Debts

JS Global takes pride in maintaining a strong financial position and upholding our commitments to creditors and stakeholders. As of the latest reporting period, we are pleased to report that there have been no instances of default in payment of any debts. Our stringent financial management practices, robust risk assessment procedures and proactive approach to debt management have enabled us to avoid such situations. We remain dedicated to transparent communication with our stakeholders and will continue to uphold the highest standards of financial integrity and responsibility in all aspects of our operations. *2.08 (A)*

Board Strategy to Overcome Liquidity Problem

In response to liquidity challenges, JS Global board has devised a comprehensive strategy to address these issues while ensuring financial stability and continued operations. Firstly, we aim to diversify our revenue streams by expanding into new markets and offering innovative financial products to attract more clients. Simultaneously, we plan to optimize our existing assets and investments to generate additional cash flow. To manage the repayment of debts, we will implement stringent cost-saving measures, including streamlining processes and prioritizing essential expenditures. Through prudent financial management and strategic decision-making, we are confident in our ability to navigate through these challenges and emerge stronger than before. *2.08 (B)*

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RISKS AND OPPORTUNITIES

SOURCES OF RISKS AND OPPORTUNITIES (INTERNAL AND EXTERNAL)

Key Risks

The company encounters numerous risks during its day-to-day operational activities as a result of the ever-changing business environment. Both internal and external factors play a role in these risks. The following key risks are properly monitored, evaluated and addressed:



OPPORTUNITIES

The risk described above also brings opportunities with it, such as changes in market-making regulations and the introduction of Exchange Traded Funds (ETFs), which brought the opportunity for the Company to become the pioneer Market-Maker and Authorized Participant of Pakistan’s first equity and debt market ETFs. This activity is very capital-intensive and bears high market risk. However, the Company overcame this requirement by enhancing its technological infrastructure, which allowed it to simultaneously hedge ETF market-making with very minimal capital, and the Company became the Market Maker of all ETFs listed on the Exchange.

JS Global's expertise in ETF market-making led to the first ETF by a brokerage house in Pakistan, “the JS Global Banking Sector Exchange Traded Fund.” The performance details of this ETF are mentioned in the "ETF performance" section of the annual report.

The key risk delineated above has been thoroughly discussed in the segment of the risk management framework.

Key Opportunities

Source	Opportunity	Strategy to Materialize
Internal	Strong capital base which reflecting in robust trading capacity permits to expand client network internationally to execute high volume trades.	<ul style="list-style-type: none"> - Conduct market analysis to identify promising international markets. - Invest in research and due diligence for targeted expansion opportunities.
Internal	Introducing innovative investment products to diversify offerings and capitalize on the growing trend towards digital trading platforms.	<ul style="list-style-type: none"> - Analyze market trends and investor preferences to identify product gaps. - Develop user-friendly digital platforms for trading and investment management.
Internal	Emphasizing digitalization and automation of processes to enhance operational efficiency and client experience.	<ul style="list-style-type: none"> - Upgrade technology infrastructure for seamless trading operations. - Implement advanced trading algorithms and automation tools.
Internal	Tailoring new investment products to cater to diverse investor segments and their specific financial goals.	<ul style="list-style-type: none"> - Conduct market research to understand the needs and preferences of different investor segments. - Design custom investment solutions tailored to each segment's risk appetite and objectives.
External	Exploring new markets through thorough market research and feasibility studies to identify lucrative opportunities.	<ul style="list-style-type: none"> - Analyze regulatory frameworks and market dynamics in potential new markets. - Establish strategic alliances or partnerships with local brokerage firms. - Customize services to meet the needs of diverse global investors.

(BCR3.01)

Source	Opportunity	Strategy to Materialize
External	Expanding the reach of brokerage services into untapped regions to attract new clients and broaden market presence.	<ul style="list-style-type: none"> - Identify underserved regions with growth potential through market analysis. - Expand physical or online presence in strategic locations. - Offer localized support and educational resources for new clients.
External	Aligning expertise with client demographics to provide tailored investment solutions and personalized services.	<ul style="list-style-type: none"> - Analyze client demographics and preferences to customize service offerings. - Provide targeted investment advice and educational resources for different client segments. - Train staff in cultural sensitivity and client engagement.

Board of Director's Statement on Comprehensive Analysis of the Main Risks the Company Faces

The Board of Directors and its subcommittees, using a variety of internal and external analytical data, with the assistance of management, have carried out a thorough review of several significant risks, including Credit Risk, Market Risk, Interest Rate Risk, Operational Risk and Liquidity Risk. To manage any risk that could adversely influence the company's objectives, performance and financial viability, the Company has designed and put in place the necessary policies, procedures, systems, controls and frameworks.

The Board's initiatives to establish risk management policies to assess the company's level of risk tolerance.

The Board initiates the establishment of risk management policies to assess the company's risk tolerance level. The Board defines broad-level risk management policies to ascertain the company's risk tolerance level. Additionally, the Board of Directors reviews and confirms the existence of the culture, procedures and systems necessary to address risks faced by the business. Management continuously monitors and manages the risks the Company faces.

Risk management and defining the company's risk tolerance level fall under the purview of the company's board of directors. The Board has approved a risk management policy. It regularly conducts comprehensive examinations of business risks to ensure that management maintains a robust system for risk identification, management, prevention and implementation of related systemic and internal controls to safeguard the Company's assets, resources, reputation and shareholders' interests.

The Board also evaluates reports from auditors, consultants and service providers to stay updated on significant operational and financial issues pertaining to the Company. The Board is primarily responsible for the following risk management tasks:

- Monitoring a comprehensive risk management strategy for the entire company.
- Formulating a corporate strategy that includes a risk and management approach.
- Defining the company's overall risk tolerance and allocating sufficient funds for the operation of its various business lines and products.
- Establishing policies for risk management.

- Ensuring the implementation of the framework and maintaining a functional and appropriate infrastructure to support it.
- Reviewing exception reports from the Risk Management Division highlighting deviations from established standards in activities and operations.
- Assessing significant risk concerns regularly to evaluate their impact on the company's strategy and adjusting the strategy to address any current or future risks.

The Company has implemented sound risk management policies and controls, reflected in our entity ratings of AA and A1+ for the long and short term, respectively, along with Fiduciary Rating and Broker Management Rating of BFR-I and BMR-I.

Risk Management

Board's efforts to determine the company's level of risk tolerance by establishing risk management policies.

The Management recognizes the risks to which the Company is exposed, which are reviewed by the Board of Directors and the Board of Directors ensure that the required culture, practices and systems are in place to address such risks.

The Board sets the company's risk tolerance and manages risk by approving a Risk Management Policy. It reviews business risks regularly to ensure that management has effective risk identification, management and internal controls to safeguard the Company's assets, resources, reputation and shareholder interests. The Board also reviews reports from external parties to stay informed about important operational and financial matters.

The Board shall mainly be responsible for the following risk management activities:

- Oversight of an integrated Company-wide risk management framework;
- Establishing a Company-wide strategy incorporating the risk management strategy;
- Defining the overall risk appetite of the Company and maintaining adequate capital for carrying out business activities under various business lines and products;
- Defining the risk management policies;
- Ensuring implementation of the risk management framework and maintaining adequate and capable infrastructure to support the framework;
- Reviewing exception reports prepared by the Risk Management Division highlighting deviations of activities and operations from established standards; and
- Regularly reviewing significant risk issues to determine their impact on the Company's strategy and aligning the strategy to address the existing or potential risks.

Strategy to Mitigate the Risk

Risk is referred to as a possibility that the outcome of an action or event could bring adverse impacts resulting in direct losses of earnings/capital, or imposition of constraints on the Company's ability to meet its business objectives. Risks may therefore potentially hinder the Company's ability to continue its ongoing business as planned or to take benefit of opportunities to enhance stakeholder value.

The Company has implemented sound risk management policies and controls which are depicted in our entity rating of AA and A1+ for the long and short term, Broker Management Rating of BMR I and Broker Fiduciary Rating BFR I. *(BCR3.02)*

RISK MANAGEMENT FRAMEWORK:

JS Global Capital Limited has a robust risk management framework that is designed to assess and mitigate risks to minimize their potential impact and support JS Global's long-term business strategy. The Company continuously conducts risk assessments to gain a comprehensive understanding of its key risks and then allocates ownership to drive specific actions to mitigate them. We recognize that uncertainties and risks can influence the achievement of our corporate goals and objectives, so we manage these risks while also identifying and pursuing opportunities. Our material issues and principal risks are integrated into our business planning processes and are closely monitored by our Board of Directors. We prioritize and rank risks based on their impact on JS Global and the probability of their occurrence. We then develop and implement appropriate mitigating strategies and action plans to address identified risks. Our continuous focus on risk management has enabled us to maintain all our risk management routines and ensure business continuity. We remain committed to identifying, assessing and mitigating risks as we continue to pursue our strategic objectives.

Framework:

Sr. #	Risk type	Strategy to mitigate the risk	Likelihood	Materiality
1	Credit Risk	Credit risk of the Company arises principally from trade debts, short-term investments, loans & advances, deposits and other receivables. To reduce exposure, the Company has developed risk management policies and guidelines. Clients are provided trading limits and financing based on predefined risk criteria and availability of margins. Financial contracts are entered into according to internal risk management policies and guidelines approved by the Board. Additionally, credit risk is minimized by investing in high-quality financial assets, the majority rated by reputable agencies.	High	Medium
2	Market Risk	A well-defined risk management structure, approved by the Board, is implemented to manage and control market risk. The Risk Management Department identifies, measures and sets risk control limits. The Investment Committee oversees market risk, supported by the Risk Management Department.	High	Medium
3	Interest Rate Risk	Interest rate risk management involves investing primarily in variable-rate term finance certificates, preferably with no cap and floor. The Company also invests in bank accounts and government securities such as Market Treasury Bills and Pakistan Investment Bonds to manage fair value risk.	Medium	Medium
4	Operational Risk	Operational risk arises from various causes associated with processes, technology, infrastructure and external factors. The Company's objective is to manage operational risk to balance financial losses, damage to reputation and generate returns. Strategies include identification, assessment, mitigation, monitoring, reporting and measurement of operational risk.	Medium	Medium

Sr. #	Risk type	Strategy to mitigate the risk	Likelihood	Materiality
5	Liquidity Risk	Prudent liquidity risk management involves maintaining sufficient cash and marketable securities, availability of funding and flexibility in funding by keeping committed credit lines available. The Company has a Board-approved policy for liquidity risk management, defining risk methodology, control structure and roles and responsibilities for managing the risk.	Medium	High
6	Cybersecurity Risk	Cybersecurity risk is mitigated through measures such as data encryption, regular security audits and employee training on cybersecurity best practices. The Company maintains a robust IT infrastructure and implements disaster recovery plans to safeguard against cyber threats.	Medium	High
7	Regulatory Compliance Risk	Compliance with regulations is ensured through adherence to know-your-customer (KYC) requirements, anti-money laundering (AML) regulations and Securities and Exchange Commission (SEC) guidelines. The Company conducts regular audits to monitor compliance and updates policies and procedures as required by regulatory changes.	High	High
8	Client Relationship Risk	Client satisfaction is maintained through excellent customer service, regular communication and prompt resolution of complaints. The Company focuses on building long-term relationships with clients and seeks feedback to continuously improve services.	Medium	Medium
9	Technology Risk	Technology risk is managed through measures such as system redundancy, software testing and continuous monitoring of systems. The Company invests in advanced technology solutions and conducts regular IT security assessments to identify and mitigate potential risks.	High	Medium

Each risk type is identified along with its respective strategy to mitigate the risk, likelihood and materiality. (BCR3.03)

SPECIFIC STEPS ARE BEING TAKEN TO MITIGATE RISKS AND VALUE CREATION STRATEGY.

At JS Global, we're committed to effectively managing risks and seizing opportunities to benefit all stakeholders. To achieve this, we're taking strategic steps aligned with our objectives. These include implementing various strategies, plans, policies, targets, and Key Performance Indicators (KPIs). Through these efforts, we aim to secure our long-term success and stability while delivering maximum value to our stakeholders.

Risk Mitigation:

Market Risk:

1. Objective: Minimize market volatility exposure.

- Strategies: Diversification, hedging, and market trend monitoring.
- Plans: Regular risk assessments and scenario analysis.
- Policies: Adherence to regulatory risk limits.
- Targets: Maintain diversified portfolios.
- KPIs: Portfolio volatility and correlation tracking.

2. Operational Risk:

- Objective: Ensure operational resilience.
- Strategies: Internal controls and business continuity planning.
- Plans: Audits, staff training, and process improvements.
- Policies: Compliance with regulations.
- Targets: Minimize downtime and errors.
- KPIs: Error rates, system uptime, and incident response times.

3. Compliance and Regulatory Risk:

- Objective: Ensure regulatory compliance.
- Strategies: Dedicated compliance team and regulatory monitoring.
- Plans: Compliance audits and staff training.
- Policies: Adherence to regulatory standards.
- Targets: Avoid regulatory violations.
- KPIs: Audit results and resolution timelines.

Value Creation:

1. Client Service Excellence:

- Strategic Objective: Enhance client satisfaction and loyalty.
- Strategies: Personalized investment advisory, innovative trading solutions, and superior customer support.
- Plans: Client feedback mechanisms, continuous service improvement initiatives, and CRM systems.
- Policies: Client-centric approach embedded in organizational culture.
- Targets: Increase client retention rates and referrals.
- KPIs: Client satisfaction surveys, Net Promoter Score (NPS), and client asset growth.

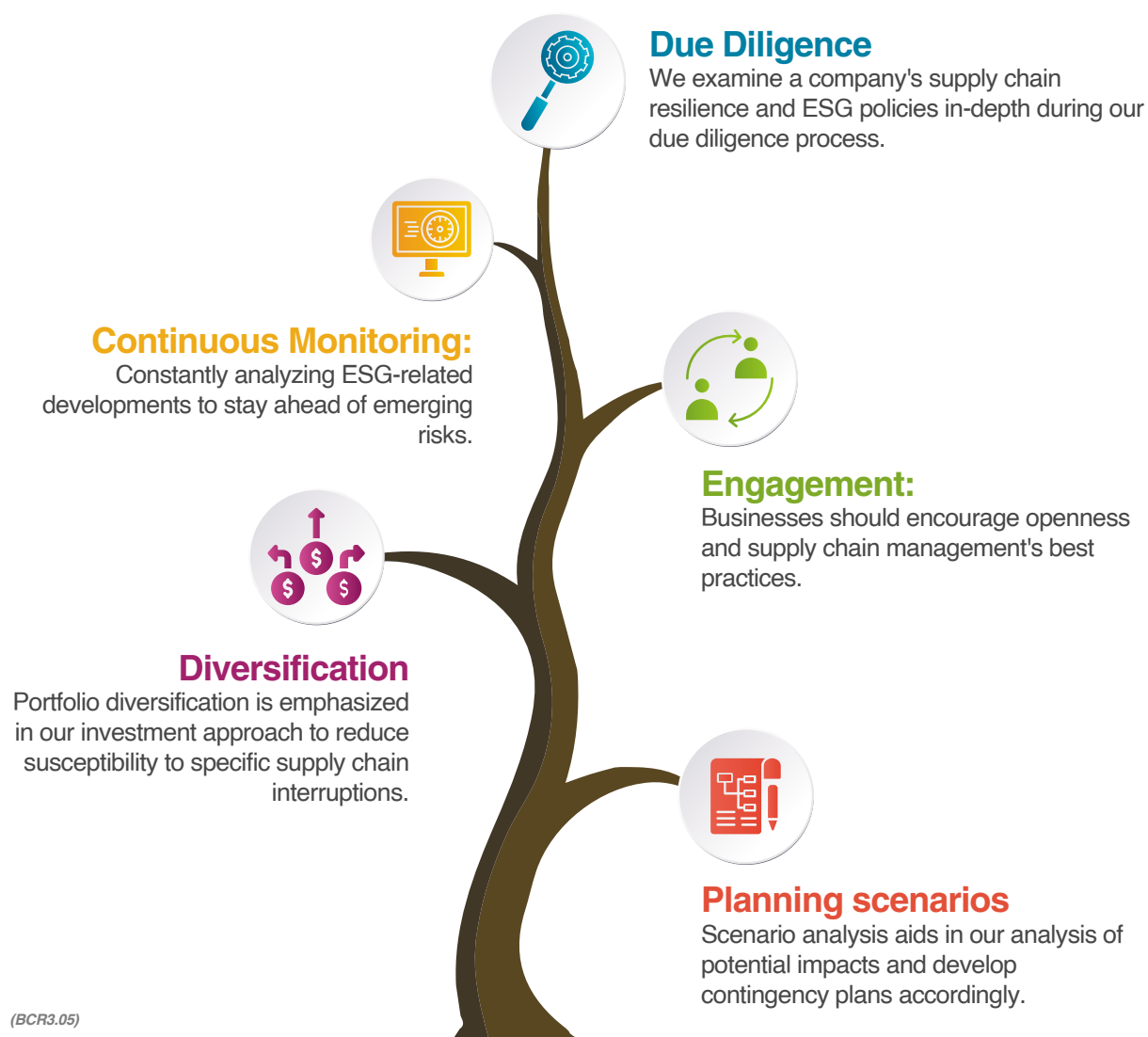
2. Innovation and Technology Adoption:

- Strategic Objective: Stay ahead of market trends through technological innovation.
- Strategies: Investment in cutting-edge trading platforms, automation of processes, and exploration of emerging technologies.
- Plans: R&D initiatives, partnerships with technology providers, and talent acquisition in tech fields.
- Policies: Encourage a culture of innovation and experimentation.
- Targets: Improve trading efficiency and expand service offerings.
- KPIs: Adoption rate of new technologies, time-to-market for new features, and technology ROI.

JS Global, remains committed to diligently managing risks while capitalizing on opportunities to deliver sustainable value to our clients and stakeholders. Through adherence to our strategic objectives, rigorous planning, and continuous monitoring of KPIs, we strive for excellence in all aspects of our operations. (BRC3.04)

RISK OF SUPPLY CHAIN DISRUPTION DUE TO ESG INCIDENTS

At JS Global, we understand how Environmental, Social, and Governance (ESG) disruptions can cause supply chain interruptions. These events, which include societal unrest, environmental catastrophes, and governance problems, could have a big impact on our business. We carefully take into account the following elements when researching a firm and choosing which investments to make:



DISCLOSURES ON IT GOVERNANCE & CYBERSECURITY



IT GOVERNANCE

Board's evaluation and enforcement of legal and regulatory implications of cyber risk

The Board oversees the evaluation and enforcement of legal and regulatory implications of cyber risk within the company's governance structure. This ensures that the information systems, strategies, functional processes and practices underlying the organization can effectively evaluate, enforce and meet the relevant legal, regulatory, and business needs. The Information Technology team regularly evaluates the regulatory framework in light of cyber risks and stays up-to-date on best practices to effectively monitor cyber risks. Additionally, in collaboration with the compliance department, the Information Technology department monitors any changes to laws and regulations, including the Prevention of Electronic Crimes Act 2016 and the Copyright Ordinance of 1962. Throughout the year, no cybersecurity breaches were reported. *(BCR8.01)*

IT Governance

At JS Global, our vision is to be recognized as a technology-driven company and the leader in innovation, delivering superior customer experience. Our technology teams are geared to provide personalized customer experiences through innovative product offerings, leveraging big data analytics, and digital platforms. Our capacity and resource planning ensures that our people are equipped with the best skill sets and tools, delivering exceptional value and experience through high-quality digital platforms powered by highly efficient transaction processing systems and fault-tolerant self-healing infrastructures.

The Company, through a continued commitment to IT governance and emphasis on providing efficient and secure IT systems, has been meeting its customers' expectations in the most innovative and convenient manner.

To ensure efficient service delivery, an independent Service Quality Assurance (SQA) setup is also in place to focus on business requirements, customer satisfaction, high performance and strong security in line with industry best practices. Service standards for all ITG services offered to business units are commissioned through Operating Level Agreements (OLAs), whereas the IT Helpdesk, equipped with specialized technical support teams, ensures prompt resolution of incidents and service issues.

IT Governance is an essential element of Enterprise Governance, encompassing the managerial, organizational and procedural frameworks that ensure the Company's IT aligns with and advances its strategy and objectives. Board members, senior management and supporting employees all play a central role in IT governance.

A well-designed IT governance program can facilitate the creation of efficiencies, enhance compliance with widely accepted best practices, improve overall IT performance and provide better control and security. By implementing a structured IT governance framework, the Company can establish a disciplined approach to decision-making and ensure that IT initiatives are aligned with broader business goals and objectives. This, in turn, can enable the Company to achieve a more secure and effective IT environment while also delivering improved value to stakeholders. *(BCR8.02)*

Board's Oversight on Cybersecurity and Engagement with Management

The Board takes its responsibility for the evaluation and enforcement of legal and regulatory implications of cyber risks very seriously. Management of JS Global is committed to maintaining a strong cyber security posture, responding promptly to breaches and promoting cyber security awareness throughout the organization. Management regularly updates the Board of Directors on the status and functionality of the company's IT infrastructure. To address any IT-related issues, the organization routinely reviews and updates its risk register, which lists risk profiles, mitigation tactics and corrective action plans. In addition to the regulatory IT security audit, an independent team of IT professionals conducts IT security audit. The resulting reports are presented to the Board for review and based on their recommendations, the management implements additional controls and upgrades as necessary to enhance the security posture of the company's IT infrastructure. *(BCR8.03)*

Board-level committee charged with oversight of IT governance and cybersecurity matters

As a leading stock brokerage house, JS Global recognizes the critical importance of robust IT governance and cybersecurity measures to ensure the integrity, confidentiality and availability of our systems and data. In alignment with best practices and regulatory requirements, our Board of Directors has established a dedicated committee charged with the oversight of IT governance and cybersecurity matters.

The Digital Committee, composed of experienced directors with expertise in technology and cybersecurity, is responsible for providing oversight, guidance and strategic direction on matters related to IT governance and cybersecurity risks. This committee works closely with management to assess and mitigate IT-related risks effectively.

In administering its IT risk oversight function, the Board of Directors employs a comprehensive approach that encompasses several key areas:

Policy Development: The senior management, establishes and reviews IT governance policies, including those related to cybersecurity, to ensure alignment with industry best practices and regulatory requirements.

Risk Assessment: Regular risk assessments are conducted to identify and evaluate IT-related risks, including cybersecurity threats. These assessments inform the development of risk mitigation strategies and the allocation of resources to address identified vulnerabilities.

Compliance Oversight: The management monitors compliance with relevant laws, regulations and industry standards pertaining to IT governance and cybersecurity. This includes staying abreast of evolving regulatory requirements and adjusting our practices accordingly.

Incident Response Planning: The senior management oversees the development and testing of robust incident response plans to ensure our organization is prepared to effectively respond to and recover from cybersecurity incidents or breaches.

Board Education: Directors receive ongoing education and training on emerging IT governance and cybersecurity trends, threats and best practices to enhance their understanding and ability to fulfill their oversight responsibilities effectively.

Through these measures, JS Global demonstrates its commitment to maintaining strong IT governance and cybersecurity practices, safeguarding our organization, clients and stakeholders against evolving threats in the digital landscape. We remain vigilant in our efforts to uphold the highest standards of IT risk oversight and governance to protect the integrity and stability of our operations. *(BCR8.04)*

Information security early warning system

At JS Global, we prioritize the implementation of robust controls and procedures to proactively identify, assess, address and communicate cybersecurity risks and incidents. Our commitment to maintaining a strong information security early warning system is integral to safeguarding our operations, clients and stakeholders against evolving cyber threats.

Aligned with industry best practices, we adhere to the National Institute of Standards and Technology (NIST) framework, which encompasses the five fundamental functions of identify, protect, detect, respond and recover. This framework serves as the cornerstone of our approach to cybersecurity risk management

CYBERSECURITY FRAMEWORK

➤ Risk management:

Take a risk-based approach to securing your data and system.

➤ Engagement and training:

Collaboratively build security that works for people in your organization.

➤ Architecture and configuration:

Design, build, maintain, and manage system security.

➤ Vulnerability management:

Keep your system protected throughout its lifecycle.

➤ Asset management:

Know what data and systems you have and what business need they support.



➤ Identity and access management:

Control who and what can access your systems and data.

➤ Data security:

Protect data where it is vulnerable.

➤ Logging and monitoring:

Design your systems to be able to detect and investigate incidents.

➤ Incident management:

Plan your response to cyber incidents in advance.

➤ Supply chain security

Collaborate with your suppliers and partners

Our information security early warning system is designed to continuously monitor and detect potential threats and vulnerabilities across our systems and networks. Through advanced threat detection technologies and vigilant monitoring processes, we strive to stay ahead of emerging risks and preemptively mitigate potential cyber threats.

Moreover, our procedures include robust measures for protecting our systems and data from unauthorized access, ensuring the integrity and confidentiality of sensitive information. We regularly assess and enhance our security controls to adapt to evolving cyber threats and maintain the resilience of our infrastructure.

In the event of a cybersecurity incident, our early warning system enables prompt response and mitigation efforts. We have established clear protocols for incident response and escalation, facilitating timely communication and coordination with relevant stakeholders.

At JS Global, we recognize the critical importance of maintaining a proactive and robust information security early warning system. Through adherence to industry-leading frameworks and continuous enhancement of our controls and procedures, we remain committed to safeguarding the integrity, confidentiality and availability of our systems and data against cyber threats. *(BCR8.05)*

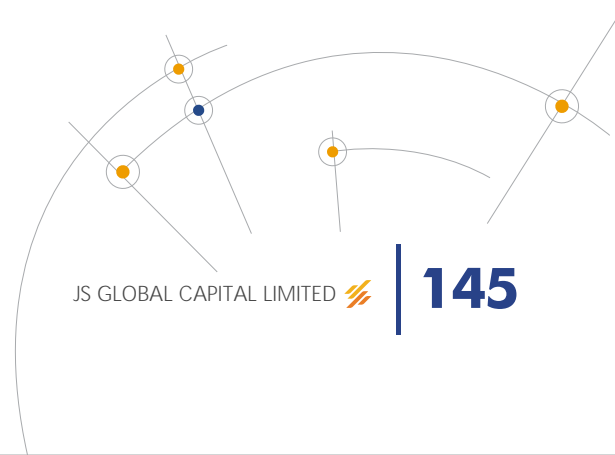
Independent comprehensive security assessment of technology environment, including third party risks

JS Global maintains a rigorous policy for conducting independent comprehensive security assessments of our technology environment, including evaluations of third-party risks. These assessments are conducted regularly by reputable third-party cybersecurity firms to identify vulnerabilities and ensure the integrity of our systems and processes.

1. **Third-Party Risk Evaluation:** We assess the security practices of third-party vendors to ensure compliance with our standards and mitigate associated risks.
2. **Vulnerability Assessment:** Regular testing is conducted to identify and address weaknesses in our technology infrastructure and applications.
3. **Compliance Review:** We align our security practices with regulatory requirements and industry standards to maintain compliance and enhance our security posture.
4. **Incident Response Preparedness:** We continuously assess and improve our incident response capabilities to effectively detect, respond to, and recover from cybersecurity incidents.

The comprehensive security assessment is conducted once every two years and we have since implemented remediation measures to address any identified vulnerabilities.

At JS Global, our commitment to maintaining a secure technology environment underscores our dedication to safeguarding the interests of our clients and stakeholders. *(BCR8.06)*



Business Continuity and Disaster Recovery

JS Global Capital Limited's Board of Directors is committed to ensuring that the Company has a comprehensive Business Continuity and Disaster Recovery plan in place to ensure business continuity and operations in the face of unexpected circumstances. The plan is designed to protect the Company's operations and assets, including regular archival and system backups at remote sites. The key highlights and actions of JS Global Capital Limited's Business Continuity Plan are as follows:

- Adequate systems of IT security, real-time data backup and off-site storage of data backup at the Company's site have been put in place by the Management. This ensures that the Company's IT infrastructure and data are protected in case of any extraordinary circumstances, such as cyber-attacks, power outages, or natural disasters.
- The development of the plan is based on ongoing business needs and the environment in which the Company operates. The plan takes into consideration the specific risks and challenges faced by the Company and outlines measures to mitigate those risks and ensure business continuity.
- JS Global has the Standard Operating Procedures to ensure that all IT processes and systems are operating effectively and that the Company can quickly recover its IT systems in case of any disruption.
- The Management ensures that all employees are trained on how to respond in case of unforeseen or extraordinary events. This training helps employees understand their roles and responsibilities in ensuring business continuity and responding to emergencies.
- Employees are given multi-skill training to ensure the continuity of business activities. This means that employees are trained to perform multiple roles and responsibilities, which ensures that essential business activities can continue even if some employees are unavailable.
- Fire alarm systems are installed in all offices and adequate systems are in place to extinguish fires, ensuring the safety of employees and assets. This ensures that the Company can quickly respond to any fire-related emergencies and prevent damage to assets.
- Adequate security staff is deployed at Company's premises to ensure uninterrupted operations, regardless of the political situation or other external factors. This means that the Company has measures in place to mitigate any security-related risks and ensure business continuity.
- The Company ensures the backup of all assets, whether physical or virtual. Physical assets are backed by insurance, while virtual assets and data are backed up routinely. This ensures that the Company can recover its assets and data in case of any disruption, whether physical or virtual.
- Regular monitoring is conducted to ensure that Data Recovery processes are operating effectively.

This means that the Company regularly tests its data recovery processes and systems to ensure that they are functioning correctly and can be relied upon in case of any data loss or corruption.

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Integration of core business processes

The integration of core business processes at JS Global encompasses feature-rich back-office support and frontend trading systems that offer a wide array of services, including straight-through-order processing, custody and settlement. These systems are equipped with comprehensive online exposure and margin control capabilities. Moreover, they boast a flexible architecture that allows for seamless adaptation to regulatory changes and the addition of new products with minimal modifications required. Additionally, a flexible interface has been implemented across various functions, including depository clearing and settlement, finance, human resources, vendor management and fixed asset inventory management, ensuring efficiency and adaptability across all aspects of our operations.

System Security, Access Rights and Segregation of Duties

JS Global has established robust frameworks for System Security, Access Rights and Segregation of Duties. However, authorization for transactions and reports adheres to the principle of least privilege, considering the user's role and business requirements. Users have the option to request authorization through site IT offices or designated power users, following which system administrators carefully scrutinize these requests to ensure proper authentication before granting access. This meticulous process guarantees that only authorized personnel with legitimate business needs can access sensitive information, thereby mitigating the risk of unauthorized access and potential data breaches.

Education and Training efforts of the Company to mitigate Cybersecurity Risks

JS Global prioritizes cybersecurity education and training across three key stages: Employee Training, Incident Response Planning and Security Awareness Programs.

1. Employee Training:

We conduct comprehensive training sessions to ensure that all employees understand cybersecurity best practices and their role in protecting sensitive information. These sessions cover topics such as identifying phishing attempts, creating strong passwords and recognizing potential cyber threats.

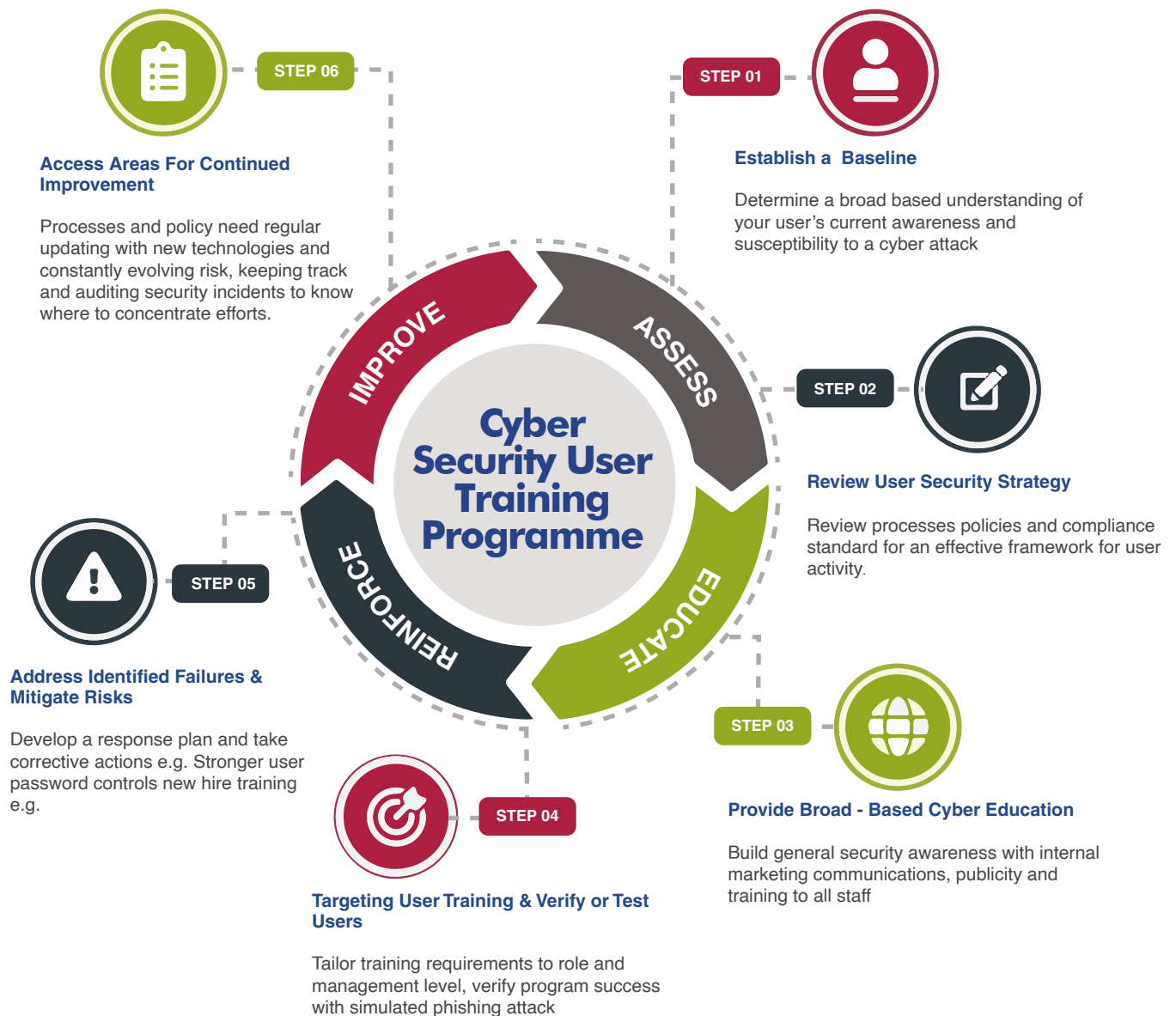
2. Incident Response Planning:

Our team develops and implements incident response plans to effectively address cybersecurity incidents should they occur. These plans outline step-by-step procedures for detecting, assessing and mitigating cyber threats, ensuring a swift and coordinated response to protect our systems and data.

3. Security Awareness Programs:

We organize ongoing security awareness programs to reinforce cybersecurity principles and promote a culture of vigilance among employees. These programs include workshops, newsletters and simulated phishing exercises to keep cybersecurity at the forefront of employees' minds and empower them to actively contribute to our cyber defense efforts. (BCR8.08)





Integrating these initiatives into our cybersecurity strategy, JS Global ensures that employees are equipped with the knowledge and skills necessary to mitigate cybersecurity risks effectively and protect our organization against potential threats.

User Training

The Management regularly conducts staff training for key users, particularly new hires, on how to properly use systems and related risk controls/access prevention measures to ensure an amazing customer experience. Employees have access to a help desk for quick user complaint handling. (BCR8.09)





STAKEHOLDERS RELATIONSHIP AND ENGAGEMENT



STAKEHOLDERS' RELATIONSHIP AND ENGAGEMENT

Stakeholders' engagement analysis, policy and procedures

Stakeholder engagement analysis, policy and procedures are vital components for any organization. Proper stakeholder identification not only involves determining who the company's stakeholders are but also finding the most effective methods to manage their expectations. The management of our company takes pride in thoroughly identifying and assessing the needs of all stakeholders involved. Our stakeholders encompass individuals and corporations affected by our business operations. They include:



In today's interconnected business landscape, effective stakeholder engagement has become paramount for organizational success and sustainability. By fostering meaningful relationships with stakeholders, companies can harness valuable insights, build trust and drive positive outcomes. Here are five guiding principles to enhance stakeholder engagement:

- Transparency and Communication:**
Transparent communication lies at the heart of successful stakeholder engagement. Organizations should strive to provide clear, honest and timely information to all stakeholders, including shareholders, employees, customers, suppliers and the community at large. By fostering an environment of open dialogue, companies can address concerns, share progress and demonstrate accountability, thus fostering trust and credibility.
- Inclusivity and Diversity:**
Effective stakeholder engagement requires the inclusion of diverse perspectives and voices. Companies should actively seek input from stakeholders representing various demographics, backgrounds and interests. By embracing diversity and inclusivity, organizations can gain valuable insights, foster innovation and ensure that decision-making processes reflect the needs and priorities of all stakeholders.
- Collaboration and Partnership:**
Collaboration is key to building strong relationships with stakeholders. Companies should actively seek opportunities to collaborate with stakeholders on shared goals and initiatives. By partnering with stakeholders, organizations can leverage collective expertise, resources and networks to drive positive change and create shared value. Collaboration fosters mutual understanding, fosters trust and strengthens the overall resilience of the business ecosystem.
- Responsiveness and Adaptability:**
Stakeholder needs and expectations are dynamic and evolving. Companies must be responsive and adaptable to effectively address changing stakeholder concerns and priorities. By actively listening to feedback, monitoring emerging trends and anticipating future challenges, organizations can proactively adjust their strategies and operations to better meet stakeholder needs and maintain relevance in a rapidly changing environment.
- Long-Term Relationship Building:**
Successful stakeholder engagement is built on long-term relationships grounded in mutual respect, trust and shared values. Companies should prioritize efforts to cultivate enduring relationships with stakeholders, investing in regular communication, engagement activities and initiatives that demonstrate a commitment to sustainability, social responsibility and ethical business practices. By nurturing these relationships over time, organizations can create lasting impact and unlock new opportunities for growth and innovation.

Considering the above five principles JS Global values collaborative relationships with stakeholders, fostering open and sustained communication. Our approach prioritizes fair dealings with banks, enhanced risk management, compliance with laws and regulations, improved corporate reputation, increased commitment from valuable human resources and a focus on building a positive public image. JS Global is committed to providing comprehensive and transparent information to all stakeholders, ensuring full and fair disclosure of relevant information. This commitment extends to sharing strategic insights and financial data through our Annual Report and website, catering to the needs of all stakeholders. *(BCR 10.01)*

SHAREHOLDERS' ENGAGEMENT

JS Global is unwaveringly committed to transparently disclosing all pertinent information to the public in a timely and accurate manner, in alignment with the listing regulations set forth by the Pakistan Stock Exchange ("PSX") and the directives of the Securities and Exchange Commission of Pakistan ("SECP").

All disclosures and announcements are promptly submitted to the PSX and are readily accessible on the Company's website.

The Company ensures that shareholders and potential investors receive comprehensive and relevant information conveyed in a balanced, effective, accurate and easily understandable manner.

We deeply value the trust and confidence placed in the Company by our investors and we strive to uphold this trust by providing fair and transparent operational results. Shareholders are provided with a platform to express their concerns and inquiries during general meetings, where such matters are addressed with due diligence. Additionally, the Company engages shareholders through the dissemination of annual/quarterly financial reports and timely notices/updates.

Activity	Frequency
Annual General Meetings	Annually
Extraordinary General Meetings	As needed
Quarterly, Half-Yearly and Annual Reports	Annually / Quarterly
Analyst briefing	Annually
Announcements	As needed

(all the historical records are readily available on the Pakistan Stock Exchange Website).

Customer Engagement

JS Global is dedicated to fostering strong relationships with customers, aiming to enhance brand reputation and cultivate a customer-centric culture. Customer relationship management is prioritized, with a dedicated focus on fair treatment, high satisfaction levels and fostering loyalty through our committed customer support team.

At JS Global, we have implemented a comprehensive customer protection policy that outlines broad guidelines to ensure the holistic management of customers throughout their journey. This policy covers aspects such as product offerings, sales practices, marketing activities, communication protocols and customer handling procedures. In addition to our robust sales team, we have established a fully dedicated customer support team aimed at addressing the daily needs of customers and enhancing their overall experience. This team is tasked with diligently resolving customer complaints while upholding the highest standards of fairness and transparency in all interactions.

Activity	Frequency
Customer Surveys	As and when needed basis
Service Feedback Sessions	Quarterly
Monthly Customer details	Fortnightly / Monthly
Customer Support Webinars	Bi-weekly
Customer Support Interactions	Daily
Market Research	Daily
Daily Trade confirmation	Daily

This structured approach ensures that we proactively engage with our customers, gather valuable feedback and continuously strive to improve their overall experience with JS Global.

Employees' Engagement

At JS Global, we boast an exceptional cadre of professional employees who are deeply engaged and dedicated to their roles. Our Human Resources department (HRD) consistently encourages the adoption of policies that foster a culture of merit-based rewards and teamwork.

We firmly believe in managing our employees by leading rather than driving them. Our recruitment process is stringent, ensuring that we employ the most qualified individuals. Furthermore, we are committed to retaining, motivating, empowering and rewarding our employees for their invaluable contributions. Providing an optimal work environment is central to our mission, as it enables our employees to attain the highest levels of performance.

Our goal is to build the best teams in the industry, characterized by collaboration, innovation and excellence. Through ongoing support, development opportunities and a culture of recognition, we nurture the talents of our employees, driving both individual and organizational success.

Activity	Frequency
In-house and External Training Programs for Professional Development	Regularly Scheduled
Employee Surveys for Needs Assessment and Well-being	Quarterly
Personalized Experiences and Growth Opportunities	Ongoing
Continuous Improvement Initiatives	Continuous
Multiple in-house and external trainings are conducted for continuing professional development of our employees. JS Global provides a nurturing and employee-friendly work environment.	Continuous
Recreational activities	Continuous

These activities form an integral part of our employee engagement strategy, ensuring that our workforce remains motivated, fulfilled and equipped with the necessary skills to drive our company forward.

Banks and Lenders Engagement

At JS Global, fostering robust relationships with banks and financial institutions is integral to our success. We recognize the critical role these entities play in supporting our operations and facilitating growth. To this end, we have strategically leveraged our partnerships to access short-term commercial paper and secure long-term facilities at competitive rates, demonstrating our commitment to financial prudence and stability.

In addition to securing financing, we actively engage with banks on a regular basis to streamline our daily operations. This includes managing settlements with the National Clearing Company Limited and overseeing the meticulous management of funds for both local and international clients. Our dedication to efficiency and transparency ensures that all interactions with our banking partners are conducted with the utmost integrity and professionalism.

Furthermore, we place a strong emphasis on compliance, striving to uphold agreed timelines and safeguard the interests of our lenders. By adhering to industry regulations and best practices, we bolster trust and confidence in our brokerage services, further solidifying our standing within the financial community.

Activity	Frequency
Compliance with Agreed Timelines	Continuous
Regular Meetings and Consultations with Lenders	Monthly
Financial Performance Reviews and Reporting	Quarterly
Evaluation of Financing Options and Negotiations	As Needed

These proactive measures underscore our unwavering commitment to nurturing fruitful relationships with banks and lenders, ensuring the continued success and stability of JS Global in the ever-evolving financial landscape.

Regulators' Engagement

At JS Global, ensuring sound business operations, regulatory compliance and a transparent legal environment are paramount. We recognize the crucial role of regulatory bodies in maintaining market integrity and investor confidence. To this end, we prioritize ongoing engagement with regulators throughout the year. This involves not only adhering to existing regulations but also actively participating in discussions with governmental bodies and regulatory authorities to shape regulatory frameworks that promote innovation and investor protection.

Our commitment to regulatory compliance is unwavering. We diligently submit various statutory forms and returns as required by law, ensuring full transparency and accountability in our operations. Furthermore, we proactively seek to understand and fulfill the requirements set forth by regulators, addressing any issues or concerns promptly and comprehensively.

Activity	Frequency
Submission of Statutory Forms and Returns	Continuous
Ongoing Communication with Regulatory Authorities	Monthly
Participation in Regulatory Workshops and Consultations	Quarterly
Compliance Audits and Reviews	As Needed

These proactive measures underscore our commitment to operating within the bounds of regulatory frameworks and maintaining transparency in all our dealings. By fostering a collaborative relationship with regulators, we aim to contribute to the development of a robust regulatory environment that fosters market integrity and investor confidence.

Media Engagement

In the fast-paced landscape of today's digital era, where information travels at the speed of a click, the role of media stands as an indispensable force shaping perceptions and driving conversations. From the traditional bastions of print and broadcast to the dynamic realm of social media, the need for agile and strategic engagement has never been more critical. JS Global, cognizant of the pivotal role in shaping narratives and influencing stakeholders, remains at the forefront of media engagement strategies.

Whether it's through robust marketing initiatives aimed at enhancing customer awareness and education or through thoughtfully curated interviews featuring our senior management, we recognize the profound impact of media engagement on our brand perception and market positioning. Each interaction, whether in the form of a press release or a social media campaign, is a strategic endeavor aimed at not just disseminating information but also fostering deeper engagement and fostering lasting relationships.

In this spirit of continuous evolution and adaptation, we approach media engagement as a dynamic journey, one where every interaction presents an opportunity to reinforce our brand ethos, project our vision and foster trust among our stakeholders. By remaining agile, responsive and attuned to the pulse of media dynamics, we ensure that our presence transcends mere visibility, evolving into a narrative that resonates and endures.

Activity	Frequency
Hardcore Marketing, customer awareness/education and various interviews with senior management in mainstream media.	Continuous basis
Press Releases, addressing significant corporate events, financial results and industry insights.	Bi-monthly
Social Media Campaigns, including targeted ads, interactive content and community engagement initiatives.	Weekly
Media Partnerships, strategic content dissemination and brand association.	Monthly
Participation in Industry Conferences and Webinars, showcasing expertise, networking and thought leadership.	Quarterly

JS Global, emphasizing its proactive approach towards fostering meaningful connections and advancing its strategic objectives within the media sphere.

Community/Society Engagement

Our commitment extends beyond the realm of financial transactions. At our stock brokerage house, we deeply value our role in the wider community. Through Corporate Social Responsibility (CSR) initiatives, we actively seek opportunities to engage with and contribute to societal welfare. These endeavors enable us to identify pressing needs across various sectors such as education, healthcare, environmental sustainability, and more. By participating in CSR activities, we not only aim to make a positive impact but also demonstrate our dedication to fostering a better future for all.

JS Global carries out major benevolent activities in partnership with Future Trust by donating a certain amount each year to support its cause. Future Trust (FT) is one of the main philanthropic arms of JS Group.

Activity	Frequency
CSR Activities: Engaging in philanthropic endeavors to address societal needs and promote positive social impact.	As and when required
Community Outreach Programs: Organizing events to foster community engagement and participation.	Quarterly
Cause-Based Campaigns: Launching campaigns to raise awareness and support for specific social causes.	Bi-annually
Employee Volunteerism: Encouraging and facilitating employee involvement in community service projects.	Monthly
Stakeholder Dialogues: Facilitating open dialogues with stakeholders to address societal challenges.	Annually

Analysts Engagement

As a reputable stock brokerage house, fostering trust and transparency with investors is paramount. To attract potential investors, the Company consistently engages with analysts, ensuring compliance with regulatory restrictions on inside information and trading activities to safeguard its reputation and share price. Analyst Briefings are organized to provide detailed insights into operational and financial performance, offering attendees a comprehensive understanding of the Company's trajectory.

Activity	Frequency
Corporate Briefing: Organizing Analyst Briefings to update attendees on operational and financial performance.	Annually
Regular Analyst Meetings: Conducting meetings with analysts to discuss disclosed projects and address queries.	As and when required
Research Reports Distribution: Providing analysts with comprehensive research reports to facilitate informed investment decisions.	
Market Insights Webinars: Hosting webinars to share market insights and industry trends with analysts.	
Investor Relations Conferences: Participating in investor relations conferences to enhance visibility and engagement with analysts and investors.	

(BCR10.02 & 10.07)

Encouraging Minority Shareholders to Attend General Meetings

As a steadfast proponent of shareholder inclusivity, the Company endeavors to ensure robust attendance at its general and extraordinary meetings. Notices for these meetings are meticulously disseminated through English and Urdu newspapers with extensive circulation, accompanied by direct mailing to shareholders' postal addresses. These concerted efforts aim to maximize shareholder participation and engagement in these crucial forums. Furthermore, the Company maintains a timely and transparent update process on its website, ensuring shareholders are promptly informed of all meeting notices. (BCR10.03)

Investors' Relations Section on the Corporate Website

The corporate website serves as a beacon of transparency and accessibility, meticulously curated to comply with regulatory mandates while disseminating comprehensive and up-to-date Company information. Investors can access a wealth of resources, including financial highlights, investor guides, shareholding patterns, and essential updates. Additionally, the website provides seamless navigation to regulatory portals such as the SECP's investor education platform, 'Jamapunji,' and the 'Service Desk Management System.' To foster robust investor relations, the 'Investors' Relations' section on www.jsglobalonline.com serves as a dedicated platform for grievance redressal and query resolution, further bolstering transparency and accessibility. *(BCR10.04)*

Issues Raised in Last AGM

The Twenty-secondth Annual General Meeting (AGM) of the Company was convened on April 28, 2023, via both physical attendance and Zoom video conference call at the prestigious 15th Floor, The Center, Abdullah Haroon Road, Saddar, Karachi. The AGM, as outlined in the Notice, concluded with the passage of ordinary resolutions, marking yet another milestone in the Company's journey towards shareholder value creation and corporate governance excellence. *(BCR10.05)*

Customers' grievance policy

To create awareness amongst investors about changes in laws/regulations that affect the shareholders, the company periodically sends notices apprising them of the introduction of new laws/changes in existing laws. Further, to facilitate investors to communicate their grievances to the SECP, the website of the Company has a link to the query form to lodge any complaints and grievances. According to the nature of the query, the Company Secretary and/or Head of Risk and Compliance respond to it within 72 hours. It is further reviewed and monitored by the CEO throughout the year.

The company shall take reasonable measures to amicably redress customers' grievances promptly but not later than thirty days of receipt thereof under clause No. 27(2) of Securities Brokers(Licensing & Operations) Regulations, 2016 (the Regulations) by providing an amicable solution of the issue to the customer in writing and/or through a recorded telephone line.

In case, the resolution of the complaint is not mutually agreed upon within thirty days of receipt of the complaint, the same shall be closed at the company's end to comply with the Regulations, which require the brokerage house to resolve the complaint within 30 days.

In case the complaint is directly lodged with SECP/PSX, the complaint shall be reopened and the requirement of closing/resolving the complaint within 30 days shall not be applicable. The status of pending/unresolved complaints shall be reviewed by the COO every month to identify any unusual delay in resolving the complaints by the management and identify any unusual or frequent complaints that indicate control deficiency.

Furthermore, quarterly reports regarding number of complaints received, redressed and unresolved shall be submitted to the PSX by the company as required under Securities Brokers (Licensing & Operations). Regulations, 2016 and Internal Control Framework and Compliance Function guidelines of PSX. There shall be system-based controls over recording, processing, tracking, escalation and resolution of complaint. Proper database shall also be available to save and fetch complaints records and related resolution. *(BCR10.08)*

CORPORATE SOCIAL RESPONSIBILITY REPORT

- 1** NO POVERTY
- 2** ZERO HUNGER
- 3** GOOD HEALTH AND WELL-BEING
- 4** QUALITY EDUCATION
- 5** GENDER EQUALITY
- 6** CLEAN WATER AND SANITATION
- 7** AFFORDABLE AND CLEAN ENERGY
- 8** DECENT WORK AND ECONOMIC GROWTH





INDUSTRY, INNOVATION AND INFRASTRUCTURE **9**

REDUCED INEQUALITIES **10**

SUSTAINABLE CITIES AND COMMUNITIES **11**

RESPONSIBLE CONSUMPTION AND PRODUCTION **12**

CLIMATE ACTION **13**

LIFE BELOW WATER **14**

PEACE, JUSTICE AND STRONG INSTITUTIONS **15**

PARTNERSHIPS FOR THE GOALS **16**

CORPORATE SOCIAL RESPONSIBILITY REPORT

JS Global Capital Limited, as a responsible organization, strives to encourage Corporate Social Responsibility (CSR) initiatives that nurture economic growth, social progress, and environmental protection in Pakistan.

JS Global carries out major benevolent activities in partnership with Future Trust by donating a certain amount each year to support its cause. The Company has a policy of making donations and contributions towards its CSR initiatives, contributing certain part of its profit after tax. JS Global aims to promote Corporate Social Responsibility (CSR) initiatives that align with achieving the Sustainable Development Goals (SDGs) of Pakistan.

Future Trust (FT) is one of the main philanthropic arms of the JS Group.



CO₂

CORPORATE SOCIAL RESPONSIBILITY REPORT

JS Global Capital Limited, as a leading Stock Brokerage House, recognizes the importance of Corporate Social Responsibility (CSR) in today's dynamic business landscape. We understand that our operations impact not only our clients and stakeholders but also the broader community and environment. Therefore, JS Global is committed to adopting and promoting best practices for CSR across all aspects of our operations.

Our dedication to CSR is rooted in our belief that sustainable and responsible business practices not only enhance our reputation but also contribute positively to society. We aim to integrate CSR principles into our core business strategy, aligning our financial objectives with social and environmental goals.

Through our CSR initiatives, we seek to address key societal challenges, promote ethical behavior, and mitigate risks associated with our operations. This includes fostering diversity and inclusion within our workforce, supporting community development projects, promoting environmental sustainability, and upholding the highest standards of corporate governance and transparency.

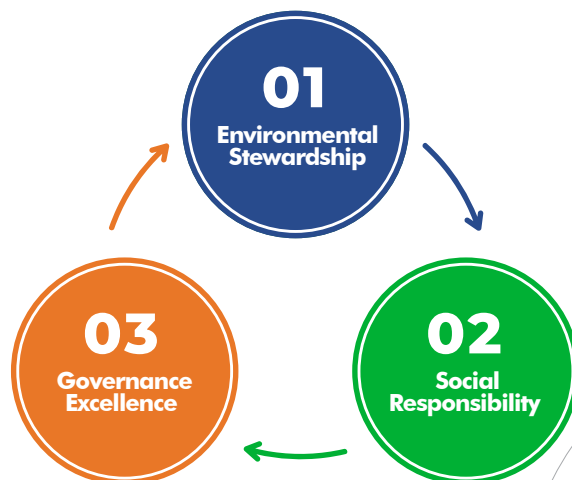
Furthermore, we recognize that collaboration and engagement with our stakeholders are essential for the success of our CSR efforts. Therefore, we will actively seek feedback from our clients, employees, shareholders, and communities to continuously improve and refine our CSR practices.

By embracing best practices for CSR, JS Global reaffirms its commitment to creating long-term value for all stakeholders while making a positive impact on society and the environment. We believe that by integrating CSR into our business model, we can achieve sustainable growth and contribute to a better future for generations to come. *(BCR4.01)*

JS Global continues to navigate the complexities of the financial landscape, we recognize the imperative role of Environmental, Social, and Governance (ESG) factors in shaping sustainable business practices and ensuring long-term value creation. Our commitment to ESG principles underscores our responsibility towards not only our shareholders but also the broader society and environment.

JS Global is firmly dedicated to integrating ESG considerations into our strategic objectives and sustainability reporting framework. We understand that by incorporating ESG metrics into our decision-making processes, we can better identify risks and opportunities, enhance our resilience, and drive sustainable growth.

Our strategic objectives on ESG and sustainability reporting encompass several key areas:



Our sustainability reporting efforts will be comprehensive and transparent, providing stakeholders with meaningful insights into our ESG performance, goals, and progress. We will engage with stakeholders, including investors, clients, employees, regulators, and communities, to ensure alignment with their expectations and to foster dialogue on ESG-related matters.

Through our strategic focus on ESG and sustainability reporting, JS Global reaffirms its commitment to responsible business practices, long-term value creation, and positive societal impact. We believe that by integrating ESG considerations into our operations, we can contribute to a more sustainable and resilient future for all stakeholders. *(BCR4.02)*

Driving Financial Success Through Sustainable Practices:

A Chairman's Perspective

As the Chairman of JS Global, I am proud to provide an overview of how our company's sustainable practices can significantly influence our financial performance. At JS Global, we firmly believe that integrating sustainable practices into our operations not only aligns with our core values but also strengthens our ability to deliver long-term value to our shareholders and stakeholders.

First and foremost, embracing sustainable practices mitigates risks and enhances resilience. By integrating Environmental, Social, and Governance (ESG) considerations into our decision-making processes, we proactively identify and manage risks related to environmental impact, regulatory compliance, and social responsibility. This risk management approach helps safeguard our financial interests and protects shareholder value.

Furthermore, sustainable practices can drive operational efficiency and cost savings. Implementing energy-efficient measures, reducing waste generation, and optimizing resource utilization not only benefit the environment but also lead to lower operating expenses. By minimizing waste and maximizing efficiency across our operations, we improve our bottom line and enhance profitability.

Moreover, adopting sustainable practices enhances our reputation and strengthens customer loyalty. In today's increasingly conscious consumer and investor landscape, companies that demonstrate a commitment to sustainability are viewed more favorably by customers, investors, and other stakeholders. By fostering trust and loyalty through our sustainable initiatives, we attract and retain clients, driving revenue growth and market competitiveness.

Additionally, sustainable practices open up opportunities for innovation and growth. By investing in sustainable technologies, products, and services, we position ourselves at the forefront of market trends and capitalize on emerging opportunities. Whether it's exploring renewable energy investments, offering sustainable investment products, or expanding into new markets with high ESG standards, our commitment to sustainability fuels innovation and drives business growth.

In conclusion, the impact of our sustainable practices on our financial performance is undeniable. By managing risks, driving efficiency, enhancing reputation, and fostering innovation, JS Global not only strengthens its financial resilience but also positions itself for sustainable growth and long-term success. As Chairman, I am committed to championing our sustainability agenda and ensuring that it remains integral to our business strategy, delivering value to our shareholders while making a positive impact on society and the environment. *(BCR4.03)*



JS Global, strives to uphold the highest standards of corporate responsibility, we are pleased to present an overview of our performance, policies, initiatives, and future plans concerning sustainability and Corporate Social Responsibility (CSR).

a) Environment Related Obligations:

JS Global acknowledges its environmental responsibilities and is committed to complying with all applicable environmental regulations and standards. Throughout the year, we have implemented measures to reduce our environmental footprint, including the adoption of energy-efficient technologies, waste reduction initiatives, and promoting responsible resource management practices. Additionally, we have taken steps to minimize our carbon emissions and actively engage in environmental conservation efforts within our operations.

b) Progress Towards ESG Initiatives:

JS Global has made significant strides in advancing Environmental, Social, and Governance (ESG) initiatives. We have integrated ESG considerations into our investment decisions, offering sustainable investment options to our clients and advocating for responsible business practices among the companies we engage with. Moreover, we have enhanced transparency and accountability in our reporting practices, providing stakeholders with comprehensive insights into our ESG performance and progress.

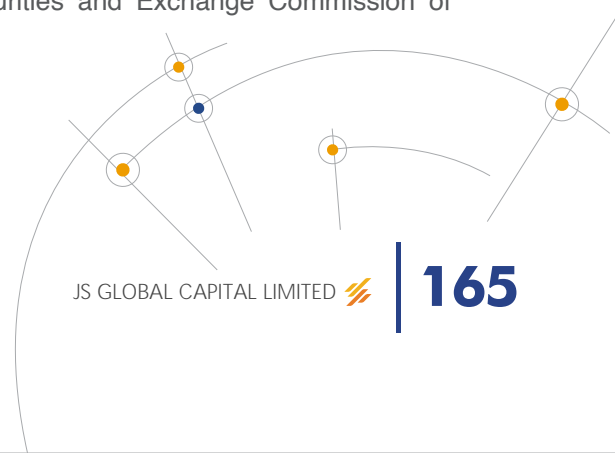
c) Company's Responsibility Towards Staff, Health & Safety:

At JS Global, we prioritize the well-being and safety of our employees as a fundamental aspect of our corporate responsibility. We have implemented robust health and safety protocols to ensure a safe working environment for all staff members. Additionally, we are committed to fostering a supportive workplace culture that promotes diversity, inclusion, and employee development. Through various initiatives, including training programs, employee wellness initiatives, and career advancement opportunities, we demonstrate our commitment to the professional growth and welfare of our staff.

Looking ahead, JS Global remains dedicated to advancing sustainability and CSR initiatives as integral components of our business strategy. We will continue to collaborate with stakeholders, monitor our performance, and identify opportunities for improvement to drive positive social and environmental impact while delivering long-term value to our shareholders.

In conclusion, JS Global reaffirms its commitment to sustainable business practices, responsible investment, and corporate citizenship. By adhering to best business practices and embracing our obligations towards the environment, society, and our employees, we aim to contribute to a more sustainable and equitable future for all. **(BCR4.04)**

JS Global, recognizes the importance of Corporate Social Responsibility (CSR) as a cornerstone of sustainable business practices. We are committed to aligning our operations with the highest standards of CSR, including voluntary guidelines set forth by the Securities and Exchange Commission of Pakistan (SECP).



Our adherence to the Corporate Social Responsibility (Voluntary) Guidelines, 2013, issued by the SECP reflects our dedication to integrating CSR principles into our business strategy and operations. These guidelines serve as a comprehensive framework for promoting ethical behavior, environmental sustainability, and social responsibility within the corporate sector. At JS Global, we have embraced these guidelines as a roadmap for enhancing transparency, accountability, and stakeholder engagement in our CSR initiatives.

In addition to compliance with the SECP's guidelines, JS Global remains committed to staying abreast of emerging regulatory frameworks and best practices in CSR.

As we continue our CSR journey, JS Global remains steadfast in our commitment to making a positive impact on society and the environment. We recognize that CSR is not just a regulatory obligation but a fundamental aspect of responsible business citizenship. Through our adherence to voluntary guidelines and proactive CSR initiatives, we aim to contribute to sustainable development, foster stakeholder trust, and create long-term value for all.



FUTURE TRUST DETAILS OF PROGRAM/PROJECTS

For the Year Ended December 31, 2023

20
23
Annual
Report



1. MEDICAL

The Trust has a deep commitment to public health and supports existing medical facilities all over the country. This includes developing healthcare facilities in deprived rural areas, providing mobile health care in difficult-to-reach areas and establishing a diagnostic laboratory. Major activities during the year are:

- **The Indus Hospital (for Jahangir Siddiqui Hospital, Sehwan)**

Future Trust continued its collaboration with Indus Hospital for providing free diagnostic and health services to underprivileged population through Jahangir Siddiqui Hospital, Sehwan. Among others, these services include outpatient's department, EPI Enrolments, mental health screening, blood test, family planning counselling, ECG, ultrasound and X-Rays. With the collaboration of Indus Hospital team, Jahangir Siddiqui Hospital is creating an impact on vulnerable communities of the neighbourhood.



During 2023, almost 29,000 patients were provided family medicine and other additional services at the hospital. Additionally, 3,826 sessions of Community Engagements for raising health awareness were also conducted.

- **Rehabilitation of Jahangir Siddiqui Hospital Sehwan**

During September 2022, devastating floods hit Bagh-e-Yousuf and Sehwan, severely damaging Jahangir Siddiqui Hospital (JS Hospital). Submerged for about two months, the hospital resumed operations in January 2023. However, comprehensive repair and rehabilitation of the hospital was required. Future Trust initiated the repair work with the OPD block being prioritized due to its high utilization.



During 2023, almost 29,000 patients were provided family medicine and other additional services at the hospital. Additionally, 3,826 sessions of Community Engagements for raising health awareness were also conducted.

- **Sindh Institute of Urology and Transplantation**

The Trust supported The Sindh Institute of Urology and Transplantation (SIUT). SIUT is regarded as one of the premier institutes in Pakistan that provides free of cost treatment of Urological and Nephrological ailments, Oncological treatments, treatments of Hepatic and Gastrointestinal diseases, and Organ Transplantation facilities to the general public.

- **Uro Gynae Clinic**

The Trust supported Uro Gynae Clinic which provides specialized free of cost treatment for urological and gynecological diseases to underprivileged population of Pakistan. During the year 2023, 856 patients were provided consultation and treatment at the clinic.

- **PinkDetect**

PinkDetect and Future Trust are working together to support women in remote areas of Pakistan, particularly in terms of tech and healthcare. Future Trust recently teamed up with PinkDetect for an event in an underprivileged area of Karachi, engaging 120 women aged 19-65 with the help of medical students. The event included educational sessions on breast health, one-on-one consultations with doctors, and free vital checks and supplements. Additionally, FT is collaborating on a mobile app for breast cancer awareness and diagnosis, with a prototype already in development.

- **Medical Support to Individuals**

The Trust also provided financial support to various deserving and needy individuals for their medical treatment. During the year, Future Trust has supported 12 individuals in their treatments and surgeries at various renowned hospitals including Aga Khan University Hospital.



2. EDUCATIONAL

The Trust's educational initiative encompasses support for the special education, higher education, institutional development and capacity building with the vision of building an educated society. Major initiatives of the Trust in education are:

- **JS Academy for the Deaf**

Future Trust continued its support to JS Academy for the Deaf which focuses on education of deaf and hearing-impaired children to read, write and communicate in sign language. The Academy is educating students from class Nursery to Graduation. During the year 2023, 162 students were enrolled at the Academy.



- **Solarization of JS Academy for the Deaf**

During 2023, Future Trust has solarized the JS Academy for the Deaf. The implementation of this solar system is in line with our dedication to sustainability and environmental stewardship. Utilizing solar power will substantially diminish our carbon emissions and lessen dependence on non-renewable energy sources. Additionally, solar energy will lead to substantial reductions in electricity expenses, generating long-term savings that can be directed towards educational initiatives and infrastructure.



Furthermore, the solar system will function as an educational resource, enabling students to gain insights into renewable energy, sustainability, and the significance of energy conservation.



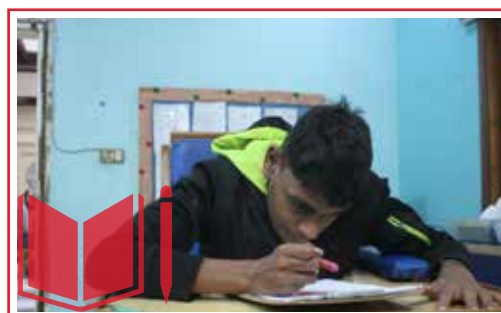
- **Autism Spectrum Disorder Welfare Trust (ASDWT)**

The Trust supported Autism Spectrum Disorder Welfare Trust (ASDWT) with a view to create awareness, acceptance, support and inclusion of people with Autism, Specific Learning Disorder and other related neuro-disabilities. ASDWT conducts workshops, seminars and other outreach programs to educate the society and to train parents, teachers, professionals, doctors, paramedics and psychologists in their identification and management of Autism and other related disabilities. During the year 3,019 people benefited directly from various activities of ASDWT.



- **Milestone Charitable Trust**

The Trust continued its support to Milestone Charitable Trust that focuses on children with Autism, Down syndrome and Cerebral Palsy etc. with individual attention on each child through personalized curriculum, group activities and individual therapy sessions with the aim to overcome their academic, emotional and behavioral hurdles. Most of the children belong to the underprivileged population of the society. During the year 22 students were enrolled in the center.



- **Dost Foundation Pakistan**

The Trust continued its support to Dost Foundation Pakistan (DFP). DFP is operating ten schools in Gilgit Baltistan, out of which eight schools are providing free education to the students. The vocational centers are established for sustainability of the Foundation and to enhance the technical skills of people.



- **Fakhr-e-Imdad Foundation**

Fakhr-e-Imdad Foundation (FIF) serves as a philanthropic entity within the JS Group. Established on May 13, 2000, as a non-profit organization, FIF primarily focuses on delivering quality education, vocational training, IT training, and healthcare services in rural regions of the country. FIF's educational institutions are situated in underserved areas such as Mirwah Gorchani, Mandranwala, and Tando Ghulam Ali. During the year, Future Trust has supported FIF through Endowment Fund.



- **Basant Hall Children’s Library**

The Basant Hall, Hyderabad, founded in 1901, is undergoing conservation efforts by the Endowment Fund Trust to transform it into an arts and cultural complex. This historical building, functioning solely as a community center without commercial intent, houses a children’s library aimed at facilitating access to information, promoting literacy, cultural enrichment, and offering recreational programs. The library provides materials in both physical and digital formats. Future Trust has aided the Endowment Fund Trust in digitizing the library as part of this initiative.

- **Institute of Contemporary Studies**

During the year, Future Trust has supported Institute of Contemporary Studies (ICS). ICS, established 24 years ago, manages institutes specializing in health sciences and skill-based training across Pakistan. The National Excellence Institute in Islamabad, accredited by the Pakistan Nursing Council and the Punjab Medical Faculty, offers diverse education in pharmacy, nursing, physics, chemistry, physiotherapy, and psychology. Additionally, ICS operates the College of International Skills Development (CISD) with 30 campuses nationwide, providing training in IT, artificial intelligence, data sciences, culinary arts, fashion design, English language, and other fields.

- **Educational Support to Individuals**

Future Trust offers financial assistance to low-income individuals by reimbursing educational expenses for their children. Specifically, the program covers the costs associated with the education of up to two children per eligible family. Over the course of the year, the Trust has extended its support to a total of 61 students, ensuring that they have access to the educational resources they need to thrive. This initiative serves as a vital means of promoting equal opportunities for children from economically disadvantaged backgrounds, empowering them to pursue their academic goals without financial barriers.



3. VOCATIONAL AND CAREER GUIDANCE

The Trust’s vocational and career guidance initiative encompasses support for skills enhancement, promoting and job placement in the industries.

- **Karigar Training Institute**

Future Trust has extended support to less privileged youth of society to become economically independent, through acquisition of specialized vocational skills of motorcycle repair work, air-conditioning/refrigeration, plumbing and electrical trades through Karigar Training Institute.



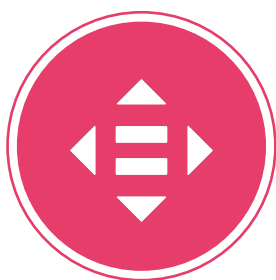


4. COMMUNITY SERVICES

The Trust strives for and contributes towards the general social and economic uplift of the people without any discrimination.

- **Support to Individuals**

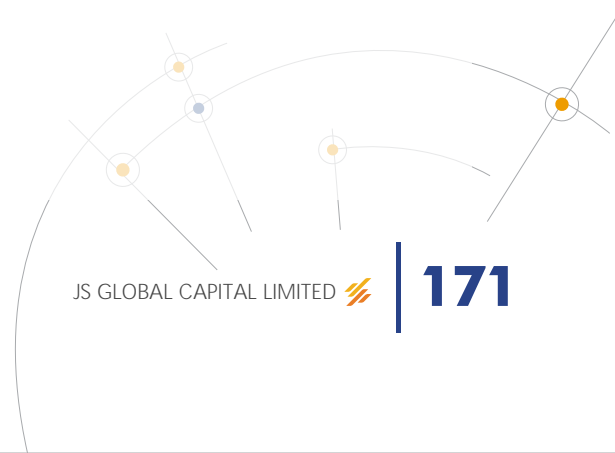
In these hard times people cannot even afford the basic requirements of living. Future Trust provided financial support to various under privileged and needy families with the purpose of solving their basic problems of living.



5. GENERAL

- **Anjuman Kashana-e-Atfal-o-Naunihal**

It is providing shelter for the orphan, abandoned and unclaimed girls, where these girls are being educated in reputable schools and colleges, and also being taught some basic life skills. At present, the institute is providing shelter to 125 girls with the ages ranging between 6-24 years. The institute has also made arrangements for placement of 800 abandoned babies, so far, with respectable families all over the world.



A large crowd of people is shown from a low angle, reaching up to hold a large, ornate golden trophy. The trophy has a spherical top and a fluted base. The scene is dimly lit, with the trophy being the brightest element, creating a sense of achievement and collective effort.

STRIVING FOR EXCELLENCE IN CORPORATE REPORTING



STRIVING FOR EXCELLENCE IN CORPORATE REPORTING

At JS Global, our Directors are unwaveringly committed to fostering value creation through exemplary corporate governance, accountability, and transparency across all facets of our operations. Recognizing the dynamic nature of the business landscape, the Board acknowledges the imperative of providing stakeholders with comprehensive information that transcends traditional financial reporting.

Compliance Statement

The Directors affirm that the Company's financial statements adhere meticulously to Pakistani accounting and reporting standards, encompassing the International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017. Furthermore, the Company complies with all provisions and directives stipulated under the Companies Act, 2017.

Statement of Adoption and Adherence with the International Integrated Reporting Framework

JS Global Capital Limited places paramount importance on fostering trust and transparency with both internal and external stakeholders. Our commitment to upholding rigorous standards of corporate governance and human resource practices underscores our dedication to facilitate informed decision-making among shareholders and stakeholders, pivotal for sustained success.

To bolster transparency, JS Global Capital Limited goes beyond basic financial disclosures, offering a comprehensive array of information encompassing management commentary, governance disclosures, performance analysis, forward-looking insights, and detailed footnotes to financial statements. This multifaceted approach to corporate reporting reflects our commitment to meeting the diverse information needs of stakeholders in an ever-evolving corporate landscape.

Our focus remains on creating value for both the organization and stakeholders alike. The Integrated Report serves as a dynamic tool to elucidate how JS Global Capital Limited generates value through its robust business model. We are steadfast in our commitment to continuous improvement, striving to enhance our Integrated Reporting framework to deliver greater value for our shareholders, aligned with the evolving needs of businesses and stakeholders.

The successful adoption of Integrated Reporting necessitates unwavering support from the Board of Directors and leadership team. The Management of the Company assumes a pivotal role in providing guidance, assessing and monitoring business strategies, ensuring their effective execution and adaptation, and evaluating their overall efficacy and contribution. The Board and Management maintain vigilant oversight over reporting practices, ensuring the seamless dissemination of relevant information to stakeholders. Moreover, the Board reiterates its commitment to enriching stakeholder communications, making information easily comprehensible while actively soliciting and incorporating stakeholder's feedback.

International Integrated Reporting Framework

At JS Global, we are committed to embracing the fundamental concepts, content elements, and guiding principles outlined in the International Integrated Reporting Framework within our Annual Report 2023. By meticulously incorporating both financial and non-financial information, our report endeavors to enhance stakeholders' comprehension of JS Global's positioning and facilitate informed decision-making.

INTERNATIONAL INTEGRATED REPORTING FRAMEWORK

20
23
Annual
Report

Fundamental Concepts Covered:

Our report delves into essential concepts such as value creation, preservation, or erosion, elucidating the holistic impact on the Company and external stakeholders, including shareholders and society at large. Furthermore, we expound upon the Capitals framework, encompassing financial, social relationship, human, and intellectual capital vital for value creation. Additionally, we outline the intricate process through which value is generated, preserved, or eroded, underscoring the interplay of diverse capitals in stakeholder's value creation.

Guiding Principles Addressed:

Aligned with the International Integrated Reporting Framework, our report adheres to guiding principles essential for integrated reporting. These principles encompass strategic focus and future orientation, ensuring connectivity of information, nurturing stakeholder relationships, emphasizing materiality, promoting conciseness, and upholding reliability, completeness, consistency, and comparability of information.

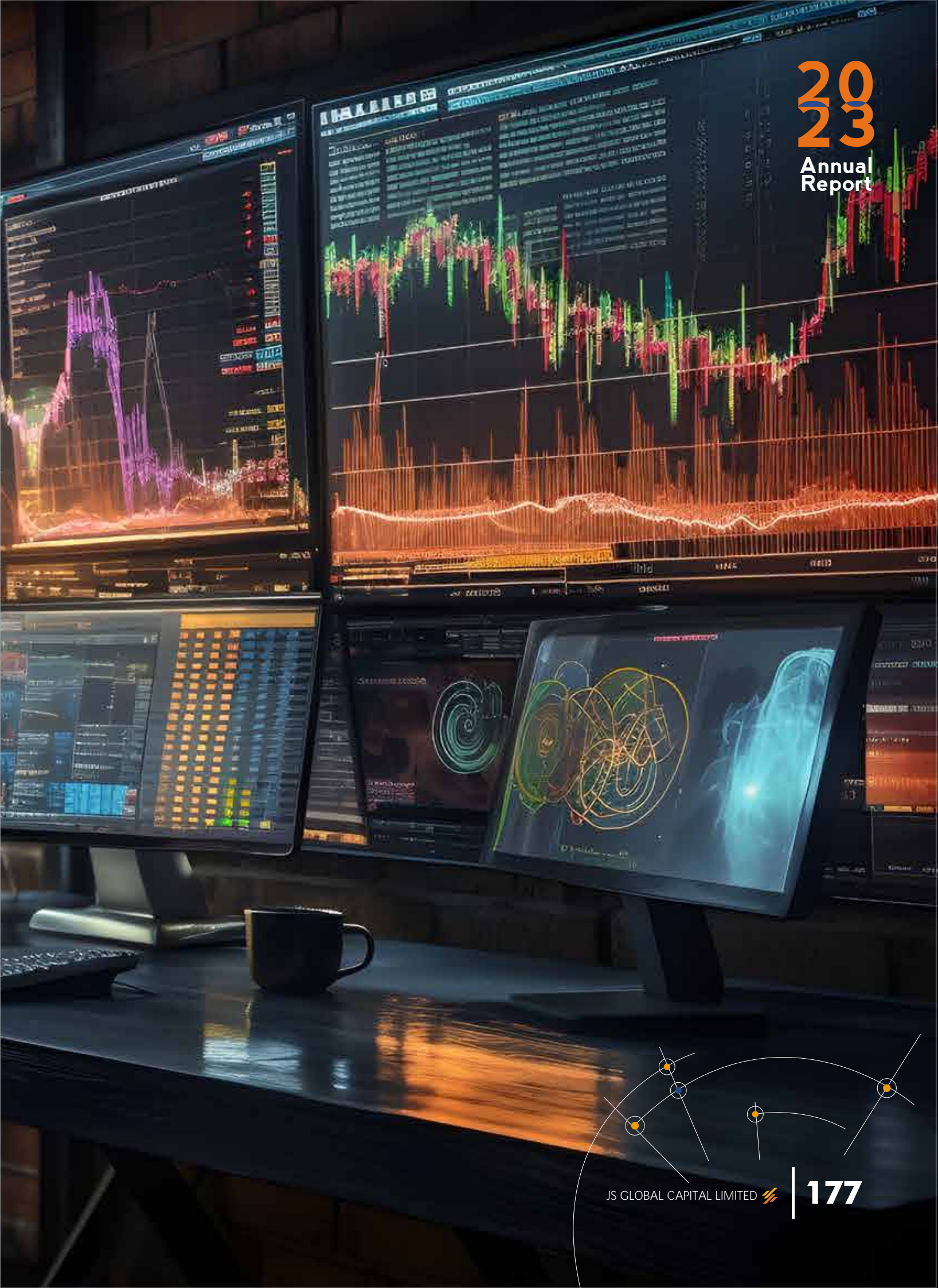
Content Elements Encompassed:

Our report encompasses detailed chapters addressing key content elements vital for integrated reporting. These include an organizational overview, governance structure, strategic insights and resource allocation, elucidation of our business model, analysis of the external environment, risk and opportunity assessment, forward-looking outlook, performance evaluation, and transparent disclosure of the basis of preparation and presentation.

Commitment to Integrated Reporting Principles:

As articulated in our report, JS Global's Annual Report 2023 reflects our unwavering commitment to integrated reporting principles. Through comprehensive coverage of our organizational position, strategic imperatives, and performance metrics, we endeavor to keep stakeholders informed and promote sustainable value creation. By adhering to the principles of transparency, accountability, and stakeholder engagement, we strive to foster trust and confidence among our stakeholders, driving long-term value and resilience in an ever-evolving business landscape.

FINANCIAL PERFORMANCE AND POSITION



ANALYSIS OF FINANCIAL STATEMENTS

Ratio Analysis

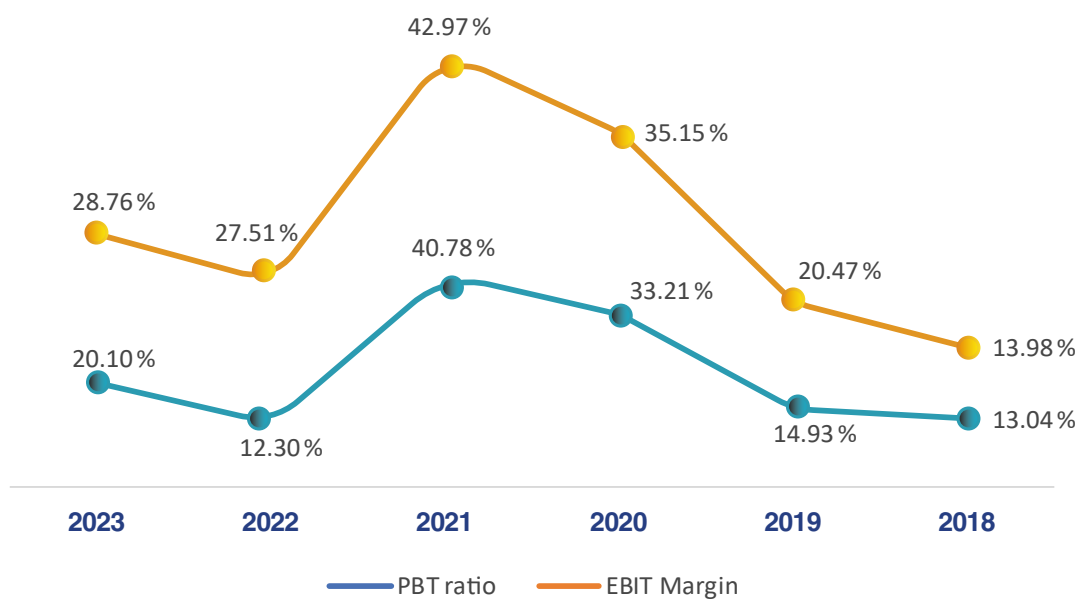
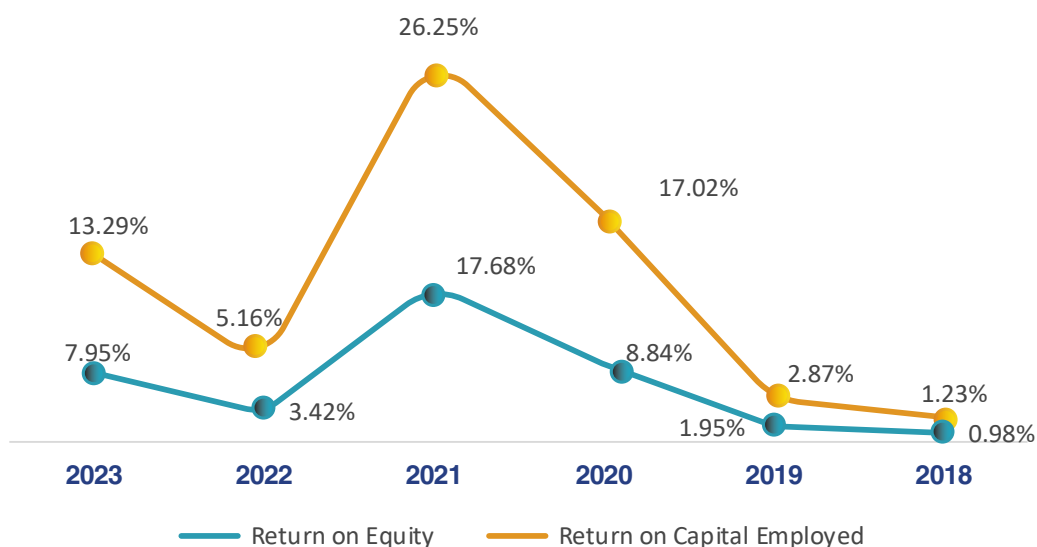
For Six Years

	2023	2022	2021	2020	2019	2018
Profitability Ratios						
Profit before tax ratio	20.1%	12.3%	40.8%	33.2%	14.9%	13.0%
Gross Yield on Earning Assets	19.53%	24.56%	12.74%	18.44%	29.67%	19.54%
Cost/Income ratio	70.83%	72.24%	56.20%	64.18%	79.22%	85.75%
Return on Equity	7.95%	3.42%	17.68%	8.84%	1.95%	0.98%
Return on Capital employed	13.29%	5.16%	26.25%	17.02%	2.87%	1.23%
Shareholders' Funds	2,451.71	2,260.54	2,196.38	2,446.44	2,233.55	2,608.40
Return on Shareholders' Funds	7.95%	3.42%	17.68%	8.84%	1.95%	0.98%
Liquidity Ratios:						
Current ratio	1.37	1.53	1.41	1.42	2.01	1.93
Quick / Acid test ratio	1.37	1.53	1.41	1.42	2.01	1.93
Cash to Current Liabilities	0.45	0.70	0.70	0.64	1.06	1.16
Cost of Funds	9.81%	10.90%	2.23%	1.04%	3.31%	0.45%
Cash flow coverage ratio	60.64%	36.96%	-27.62%	747.11%	-	-
Net interest income as a percentage of working funds / Operating cost - Efficiency ratio	70.83%	72.24%	56.20%	64.18%	79.22%	85.75%
Cash Reserve Ratio / Liquid Asset ratio	68.91%	68.91%	74.34%	67.48%	71.37%	81.71%
Investment /Market Ratios:						
Earnings per share (EPS) and diluted EPS	6.82	2.77	14.94	6.77	1.55	0.67
Price Earnings ratio	23.41	36.28	5.70	12.26	47.93	48.18
Price to Book ratio	1.79	1.22	1.07	1.04	1.01	0.47
Dividend Payout ratio / Dividend Cover Ratio	-	-	100.40%	-	-	-
Cash Dividend per share / Stock Dividend per share	-	-	15	-	-	-
Market Value per Share (Year End)	159.56	100.50	85.15	83.00	74.11	32.50
Market Value per Share (Highest)	365.00	131.10	131.10	83.00	123.99	48.00
Market Value per Share (Lowest)	106.00	65.01	63.50	50.00	24.26	25.01
Breakup value per share	89.23	82.27	79.93	80.06	73.09	68.63
Capital Structure:						
Net assets per share	89.23	82.27	79.93	80.06	73.09	68.63
Debt to Equity ratio	0.13	0.32	0.31	0.04	-	-
Non-Financial Ratios						
Staff Turnover Ratio	13.33%	14.69%	14.25%	11.27%	15.86%	18.69%
Employee Productivity Rate:	4.43	2.78	5.86	3.61	2.00	2.32

PROFITABILITY RATIOS

- The company achieved a notable improvement in profitability, with a positive Profit before tax to Revenue ratio of 20.1% in FY 2023, compared to 12.3% in FY 2022.
- ROE (Return on Equity) showed efficient utilization of shareholder's equity for profit generation, improving from 3.42% to 7.95%.
- ROCE (Return on Capital Employed) increased significantly from 5.16% to 13.29%, reflecting positive returns on capital investments.
- Shareholders' Funds rose from PKR 2,260.54 million to PKR 2,451.71 million, primarily due to the net income in FY 2023.

In summary, FY 2023 marked a substantial improvement in profitability with positive returns on equity and capital employed compared to FY 2022.



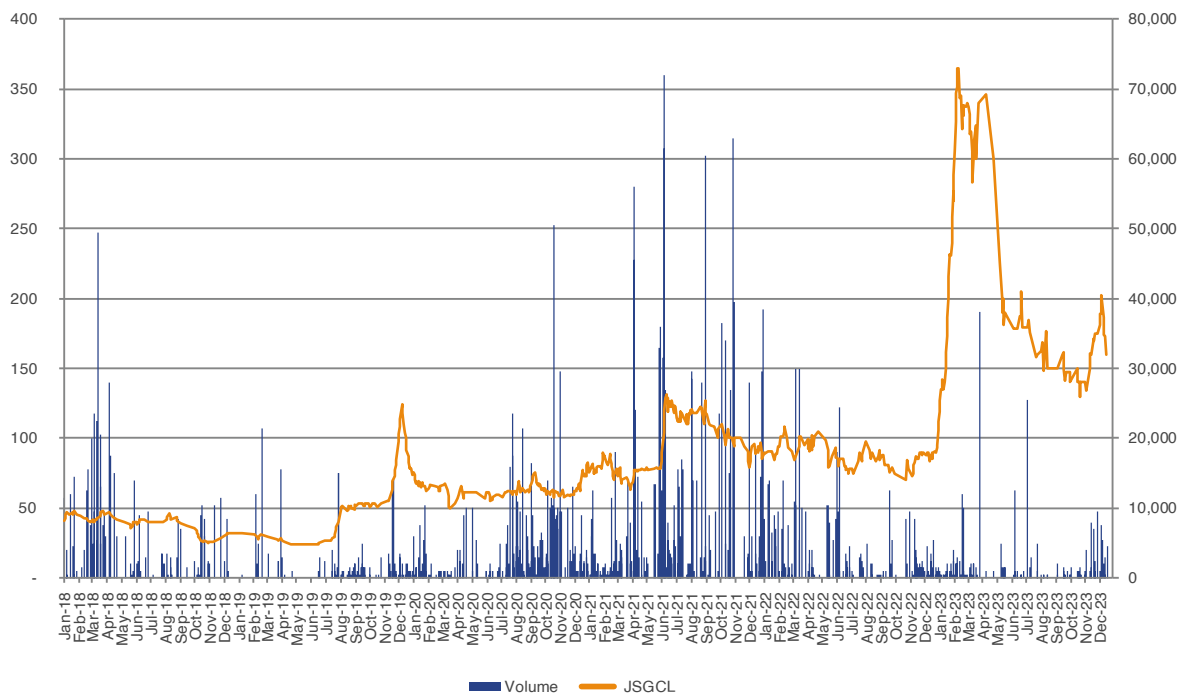
EMPLOYEE PRODUCTIVITY RATIOS

In FY 2023, JS Global's revenue per employee increased to Rupees 4.43 million from Rupees 2.78 million in FY 2022, showcasing a substantial growth trend. Additionally, the company achieved a noteworthy improvement in its staff turnover ratio, which decreased to 13.33% in FY 2023 compared to 14.69% in FY 2022. This stability indicates that JS Global effectively managed its workforce and maintained consistency in employee retention throughout the year.

Share Price Sensitivity Analysis:

The fluctuations in share prices on the stock market can be attributed to a range of factors, including the performance of the company, general market sentiment, economic events, and interest rates. As a responsible and law-compliant entity, JS Global Capital Limited follows all listing regulations and ensures that price-sensitive information is communicated to the stock exchange in a timely manner.

During the year, the Company's share price reached a peak of Rs. 365 and a low of Rs. 106 with a closing price of Rs. 159.56 at the end of the year. This demonstrates the volatility of the stock market and highlights the importance of keeping investors informed of any changes that may impact the share price.



There are various factors that might affect the share price of our Company. A few of them are listed below:

i. Changes in Law/Regulations and Government Policies:

The share price of the company can be affected either positively or negatively by government and regulatory policies, including those specific to the financial sector and tax laws. For example, recent changes in tax policies have impacted investor sentiment.

ii. Exchange Rate Risk:

Currency exchange rate volatility impacts the interest of foreign investors in Pakistan equities, which would negatively impact segment revenues for the company, ultimately affecting the share price. An example of this is the depreciation of the local currency against major international currencies which drives away the foreign investors from Pakistani markets, thus impacting trading activity at the bourse.

iii. Interest Rate Risk:

Interest rate risk is the potential decline in the value of a financial instrument due to changes in market interest rates, primarily from short and long-term borrowings and short-term deposits with banks.

iv. Price Risk:

Price risk is the risk of loss due to a decline in the value of a financial instrument caused by changes in market prices (not arising from interest or currency risk). This risk can be mitigated through diversification. For example, fluctuations in commodity prices can impact companies in sectors such as oil and gas, affecting their stock prices.

v. Diversification:

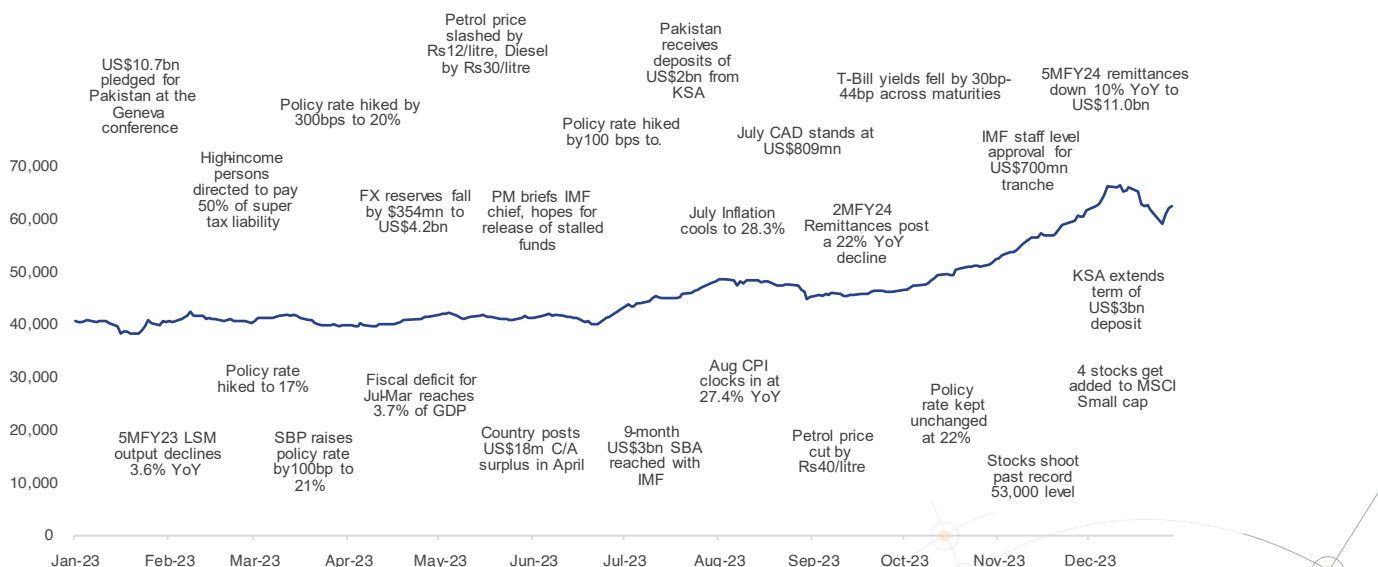
Diversification, including the company's geographical and business diversification, exposes it to the benefits and risks of the markets it operates in, ultimately affecting earnings, EPS, and share price positively or negatively. For instance, expanding into new markets can drive growth but also introduce market-specific risks.

vi. Trust and Confidence:

The perception of the company by investors can affect its market share price, which is susceptible to news and events associated with the company. Building and maintaining investor trust through transparent communication and strong corporate governance practices are crucial for maintaining share price stability.

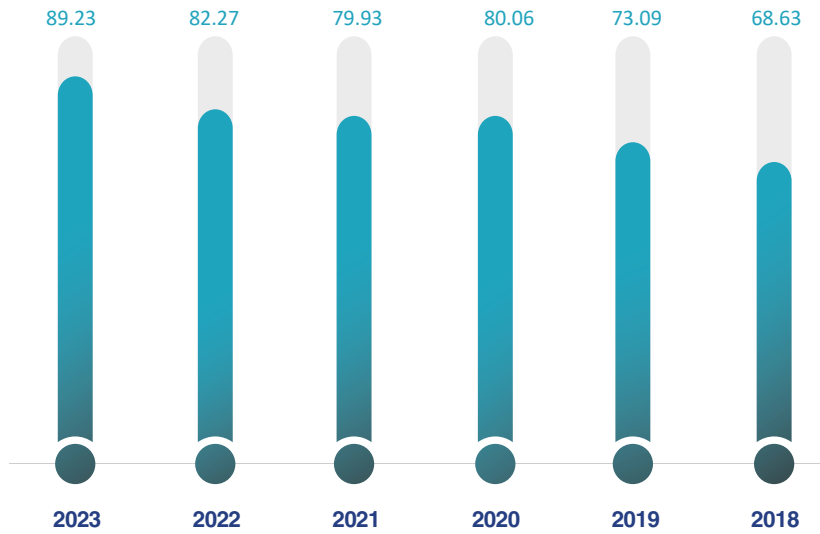
vii. Acts of God:

Natural catastrophes, floods, and pandemics are examples of acts of God that are beyond the Company's control and could negatively affect business operations and, eventually, the share price of the company.

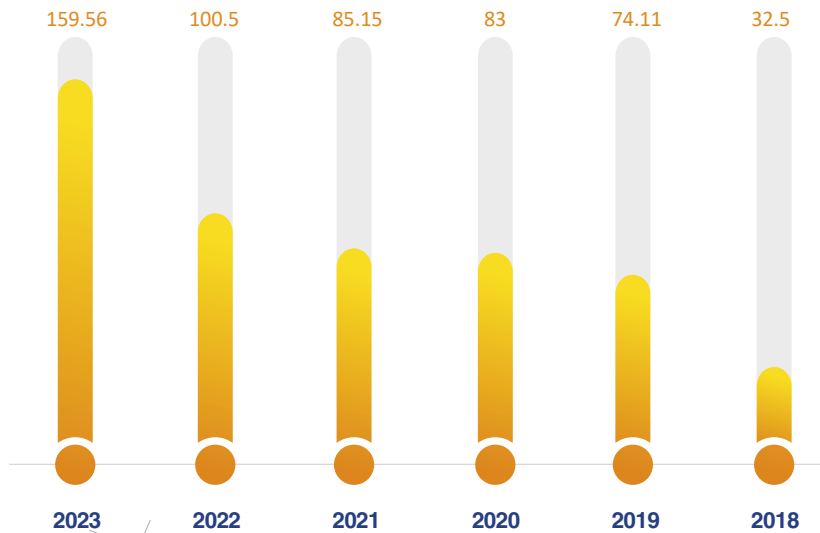


Capital Structure

Key Performance Indicators



Breakup value per share



Market Value per Share

Capital Structure:

JS Global has effectively maintained a substantial market share by leveraging its well-known brand, solid operating platform, strong sponsor profile, and robust capital structure. This has enabled the Company to manage its liquidity effectively and improve its efficiency ratios, thereby consolidating its position as a top brokerage house in the financial services sector. Its investment portfolio is in compliance with its investment policy and is primarily composed of equity spread transactions and bank placements, which provide a reliable source of income. The Company's diverse revenue stream is supplemented by consultancy income, Ready Buy and Future Sell trades (RBFS), margin financing, and investment returns.

Ownership Structure:

JS Bank Limited is the major shareholder of the Company, holding 92.9% stake, while the remaining stake lies with the General Public. JS Bank is the subsidiary of Jahangir Siddiqui & Co. Limited ('JSCL') making JSCL the ultimate parent of the Company.

Business Acumen:

JS Bank is a medium-sized commercial bank, operating with 281 branches in Pakistan and one branch in Bahrain. JS Bank is one of the fastest-growing Banks in Pakistan, with both domestic and international presence. The Bank is a leader in digital financial services, SME & consumer loans space. JS Bank has been recognized on multiple international and national forums including the prestigious AsiaMoney, Asian Banking and Finance, DIGI, and Pakistan Banking Awards. The Bank is part of JS Group, one of Pakistan's most diversified and progressive financial services groups.

Jahangir Siddiqui & Company Limited is the holding company of JS Bank Limited, owning 71.21% of the ordinary shares. Jahangir Siddiqui & Company Limited is also the holding company for JS Group's business interest in banking, insurance, investment services, media, textile, and port terminal operations.

Financial:

With a strong capital structure, JS Bank's equity stood at approximately PKR 40.3 billion at the end of Dec'23. JS Bank has a long-term rating of AA- and a short-term rating of A1+.

JS Global's topline depicts a diversified revenue stream of brokerage income, supplemented by consultancy income, equity spread transactions "RBFS trade," margin financing, and the return on investment. The topline increased by 45% compared to the same period last year. This increase is a direct result of the increase in traded volumes on the bourse over the period.

On the other hand, administrative expenses represent 83.85% of the revenue. The Company registered a profit after-tax of Rs. 187 million versus Rs 76 million a year ago, depicting an increase of 146%.

Analyzing a company's cash flow activities is crucial to evaluate its financial health as it shows how the company generates and uses its cash. By analyzing each cash flow activity and understanding its impact on the company's cash and cash equivalents, we can gain insights into the company's financial position.

VERTICAL ANALYSIS

For the last Six Years

Statement of Financial Position

	2023		2022	
	Rupees	%	Rupees	%
Non-current assets				
Property and equipment	779.66	12.47%	797.56	14.89%
Investment property	116.16	1.86%	119.34	2.23%
Intangible assets	5.00	0.08%	5.00	0.09%
Long term investment	26.36	0.42%	38.42	0.72%
Long term loans, advances and deposits	30.30	0.48%	33.43	0.62%
Deferred taxation - net	97.05	1.55%	111.60	2.08%
Total Non-current assets	1,054.53	16.87%	1,105.35	20.63%
Current assets				
Short term investments	568.73	9.10%	575.90	10.75%
Trade debts	1,286.11	20.57%	644.44	12.03%
Receivable against margin finance	670.34	10.72%	425.97	7.95%
Loans and advances - considered good	68.21	1.09%	56.78	1.06%
Deposits and short-term prepayments	1,289.12	20.62%	1,068.04	19.94%
Interest and mark-up accrued	34.22	0.55%	32.51	0.61%
Other receivables	15.61	0.25%	0.04	0.00%
Advance tax	127.10	2.03%	83.09	1.55%
Cash and bank balances	1,137.21	18.19%	1,364.93	25.48%
Total Current assets	5,196.66	83.13%	4,251.69	79.37%
Total Assets	6,251.18	100.00%	5,357.04	100.00%
Capital and reserves				
Issued, subscribed and paid up capital	274.77	4.40%	274.77	5.13%
Share premium	1,810.10	28.96%	1,810.10	33.79%
Re-measurement FV	1.31	0.02%	(2.57)	-0.05%
Accumulated profit / (loss)	365.53	5.85%	178.23	3.33%
Total capital and reserves	2,451.71	39.22%	2,260.54	42.20%
Non current liabilities				
Deferred liability	-	0.00%	-	0.00%
Long-term financing	-	0.00%	315.44	5.89%
Liability against assets subject to finance lease	11.97	0.19%	3.17	0.06%
Total non current liabilities	11.97	0.19%	318.61	5.95%
Current liabilities				
Creditors, accrued expenses and other liabilities	3,455.23	55.27%	2,347.89	43.83%
Unclaimed dividend	3.36	0.05%	3.36	0.06%
Current portion of deferred liability	-	0.00%	-	0.00%
Commercial Paper	-	0.00%	-	0.00%
Short term borrowing - secured	-	0.00%	91.99	1.72%
Accrued profit	9.53	0.15%	10.93	0.20%
Current maturity of long-term financing	315.44	5.05%	315.44	5.89%
Current maturity of liability against assets subject to finance lease	3.94	0.06%	8.27	0.15%
Taxation - net	-	0.00%	-	0.00%
Total current liabilities	3,787.50	60.59%	2,777.89	51.85%
Total liabilities and equity	6,251.18	100.00%	5,357.04	100.00%

FINANCIAL POSITION'S VERTICAL ANALYSIS

The vertical analysis of the statement of financial position provides a detailed insight into JS Global's financial structure, highlighting the distribution of assets, equity, and liabilities across short-term and long-term categories as of December 31, 2023. Non-current assets constitute 16.87% of the total, reflecting investments in property and equipment, investment property, intangible assets, and long-term investments. Current assets, accounting for 83.13%, include short-term investments, trade debts, receivables against margin finance, loans and advances, deposits, and cash balances.

2021		2020		2019		2018	
Rupees	%	Rupees	%	Rupees	%	Rupees	%
857.69	13.01%	895.58	16.61%	518.46	12.67%	216.76	4.48%
123.32	1.87%	126.50	2.35%	-	0.00%	-	0.00%
5.00	0.08%	5.00	0.09%	14.51	0.35%	17.79	0.37%
62.34	0.95%	112.18	2.08%	130.10	3.18%	142.00	2.93%
31.11	0.47%	32.49	0.60%	32.48	0.79%	26.50	0.55%
112.54	1.71%	114.77	2.13%	121.37	2.97%	122.10	2.52%
1,192.00	18.09%	1,286.51	23.87%	816.91	19.96%	525.14	10.85%
1,392.51	21.13%	237.12	4.40%	518.53	12.67%	1,019.07	21.05%
1,537.97	23.34%	1,097.30	20.36%	515.71	12.60%	1,085.99	22.44%
453.31	6.88%	419.52	7.78%	315.47	7.71%	297.73	6.15%
30.30	0.46%	21.43	0.40%	17.97	0.44%	13.52	0.28%
619.82	9.40%	569.43	10.56%	552.88	13.51%	136.24	2.81%
13.95	0.21%	6.37	0.12%	14.95	0.37%	12.68	0.26%
7.49	0.11%	14.59	0.27%	4.31	0.11%	56.94	1.18%
56.31	0.85%	116.92	2.17%	132.06	3.23%	121.13	2.50%
1,286.87	19.53%	1,621.54	30.08%	1,203.06	29.40%	1,571.60	32.47%
5,398.53	81.91%	4,104.22	76.13%	3,274.94	80.04%	4,314.91	89.15%
6,590.53	100.00%	5,390.73	100.00%	4,091.85	100.00%	4,840.05	100.00%
274.77	4.17%	305.57	5.67%	305.57	7.47%	380.07	7.85%
1,810.10	27.47%	1,810.10	33.58%	1,810.10	44.24%	1,810.10	37.40%
9.39	0.14%	11.44	0.21%	5.51	0.13%	8.16	0.17%
102.11	1.55%	319.32	5.92%	112.37	2.75%	410.07	8.47%
2,196.38	33.33%	2,446.44	45.38%	2,233.55	54.59%	2,608.40	53.89%
-	0.00%	1.84	0.03%	-	0.00%	-	0.00%
552.14	8.38%	37.27	0.69%	-	0.00%	-	0.00%
7.60	0.12%	16.64	0.31%	227.45	5.56%	-	0.00%
559.74	8.49%	55.75	1.03%	227.45	5.56%	-	0.00%
2,724.57	41.34%	2,802.41	51.99%	1,602.62	39.17%	2,228.28	46.04%
3.36	0.05%	3.36	0.06%	3.36	0.08%	3.36	0.07%
1.90	0.03%	4.67	0.09%	-	0.00%	-	0.00%
953.67	14.47%	-	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%
6.33	0.10%	-	0.00%	-	0.00%	-	0.00%
135.31	2.05%	69.59	1.29%	-	0.00%	-	0.00%
9.27	0.14%	8.51	0.16%	24.87	0.61%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%
3,834.42	58.18%	2,888.54	53.58%	1,630.85	39.86%	2,231.65	46.11%
6,590.53	100.00%	5,390.73	100.00%	4,091.85	100.00%	4,840.05	100.00%

In terms of equity and liabilities, share capital and reserves represent 39.22%, comprising issued, subscribed, and paid-up capital, share premium, and accumulated profits. Non-current liabilities are minimal at 0.19%, primarily from lease liabilities. Current liabilities stand at 60.59%, dominated by trade creditors, accrued expenses, and short-term borrowings, indicating the company's short-term financial obligations and trade-related liabilities.

This analysis underscores JS Global's balanced asset allocation, strong liquidity position with significant current assets, and prudent management of long-term financing and equity reserves, contributing to its overall financial stability.

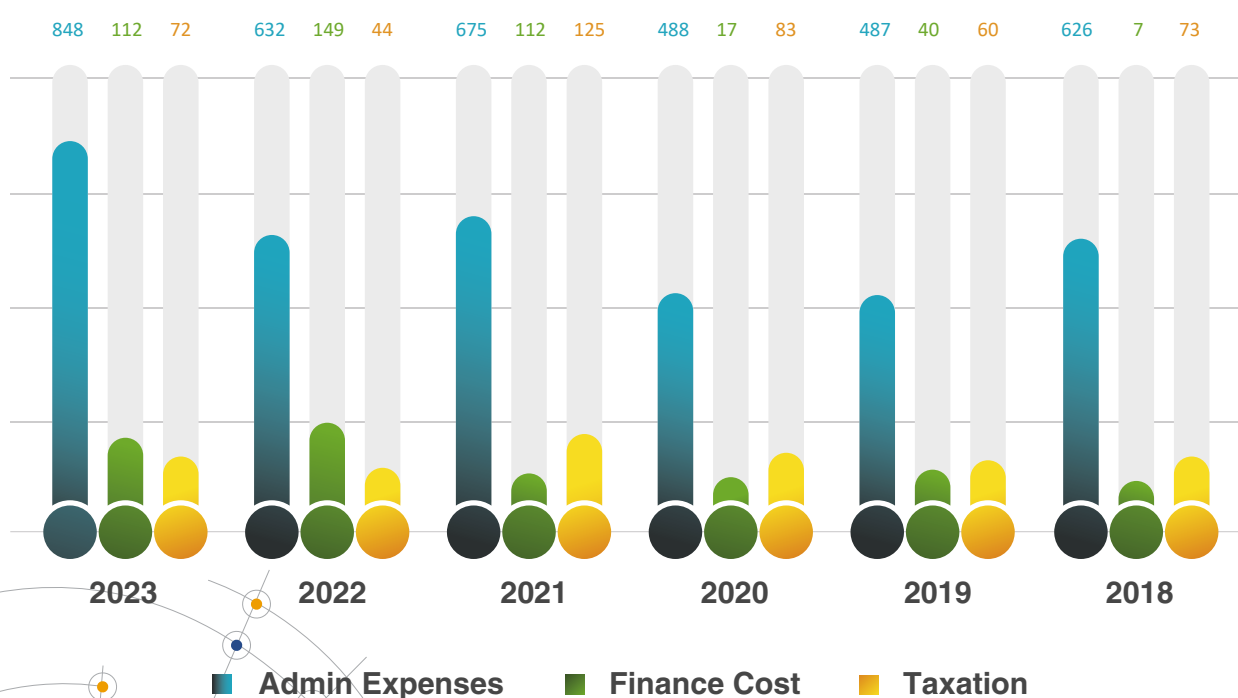
Statement of Profit & Loss

	2023		2022	
	Rupees	%	Rupees	%
Revenue	1,095.43	85%	754.05	77%
Other Income	193.17	15%	224.39	23%
Admin Expenses	(848.08)	-66%	(632.24)	-65%
EBITDA	440.52	34%	346.20	35%
Depreciation	(69.98)	-5%	(77.02)	-8%
EBIT	370.5	29%	269.2	28%
Finance Cost	(111.56)	-9%	(148.80)	-15%
Profit Before Tax	258.98	20%	120.38	12%
Taxation	(71.68)	-6%	(44.26)	-5%
Profit After Tax	187.30	15%	76.12	8%

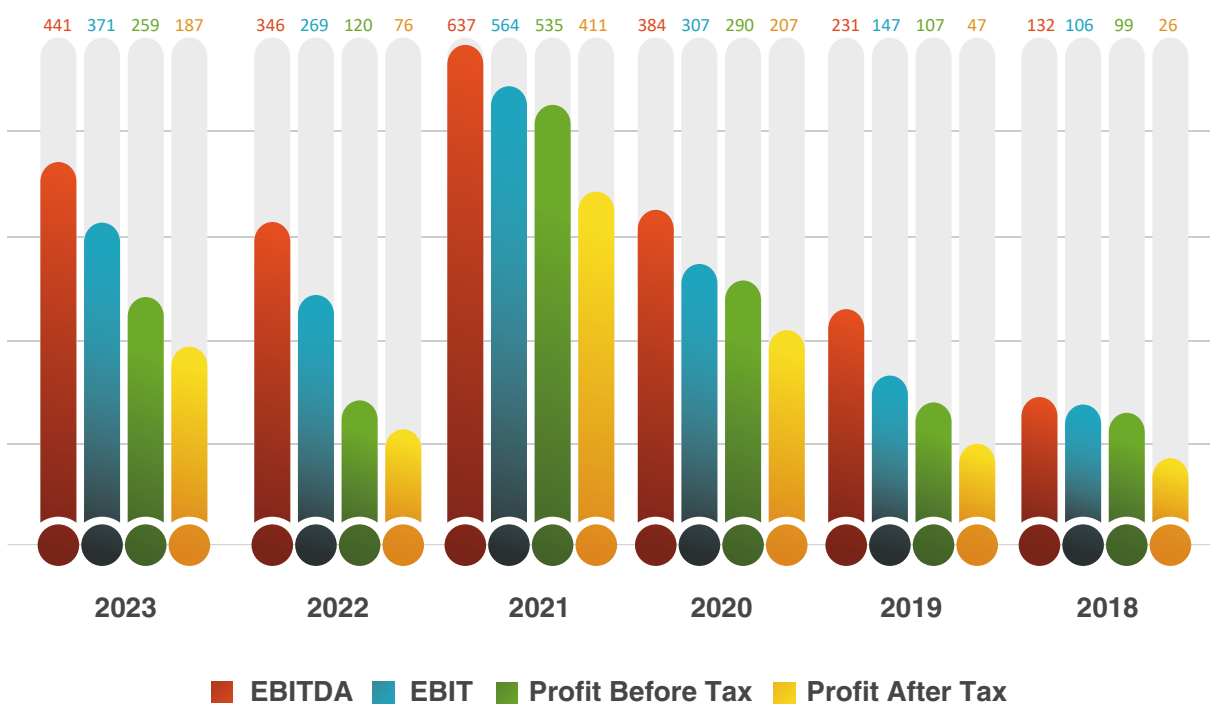
STATEMENT OF PROFIT OR LOSS VERTICAL ANALYSIS

Over the past six years, JS Global's gross profit and EBITDA have shown a mixed trend, reflecting the dynamic nature of the stock brokerage industry. However, in the current fiscal year, there has been a notable uptick in financial performance indicators. Specifically, EBITDA and EBIT now represent only 34% and 29% of the net revenue, respectively, signaling a shift in revenue dynamics influenced by increased brokerage revenue. This change highlights JS Global's adaptability to market challenges and its strategic focus on maximizing revenue from core brokerage activities. Despite industry fluctuations, JS Global remains resilient in managing market share and driving financial performance, as evidenced by the positive impact on overall financial metrics in the current fiscal year.

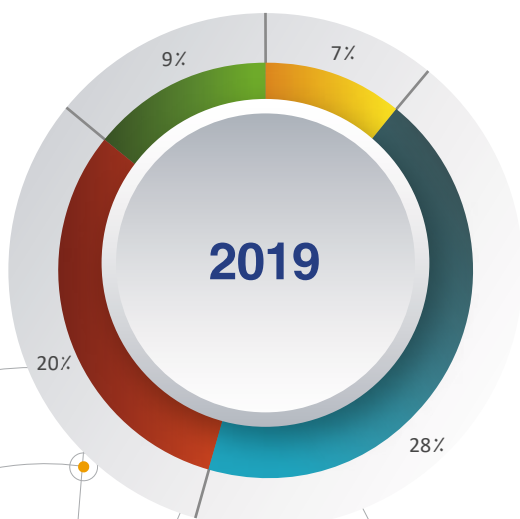
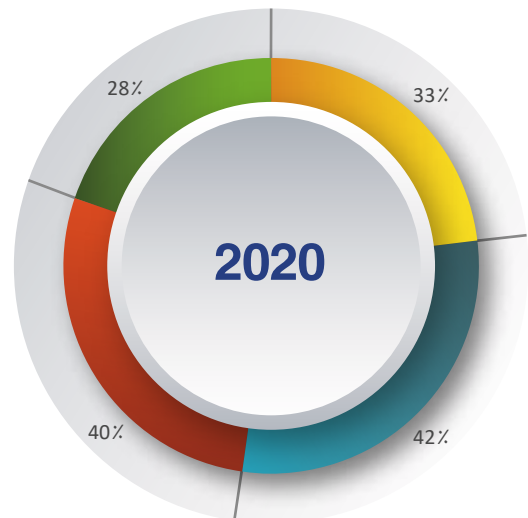
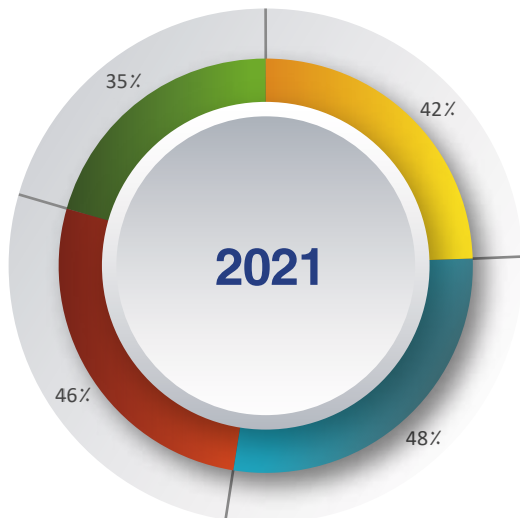
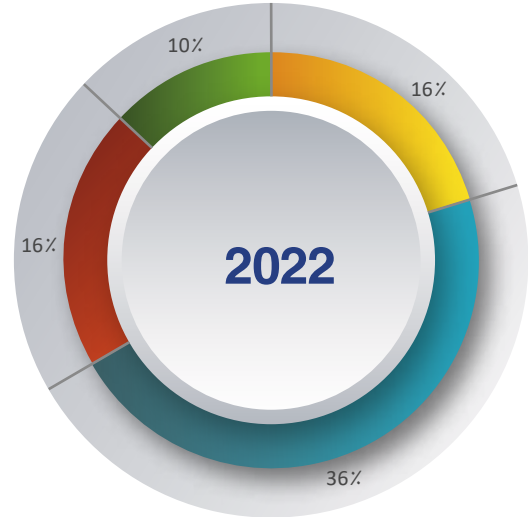
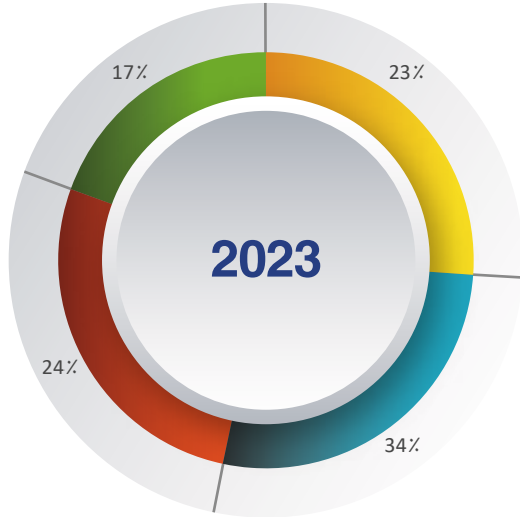
Vertical Analysis-Expenses (2018 ~ 2023)



2021		2020		2019		2018	
Rupees	%	Rupees	%	Rupees	%	Rupees	%
1,166.70	89%	727.41	83%	526.63	73%	651.70	86%
145.88	11%	144.75	17%	191.91	27%	106.06	14%
(675.32)	-51%	(487.85)	-56%	(487.31)	-68%	(625.96)	-83%
637.26	49%	384.31	44%	231.24	32%	131.81	17%
(73.29)	-6%	(77.78)	-9%	(84.14)	-12%	(25.86)	-3%
563.97	43%	306.52	35%	147.09	20%	105.95	14%
(28.63)	-2%	(16.91)	-2%	(39.80)	-6%	(7.11)	-1%
535.34	41%	289.61	33%	107.29	15%	98.84	13%
(124.81)	-10%	(82.66)	-9%	(60.04)	-8%	(73.20)	-10%
410.53	31%	206.95	24%	47.25	7%	25.64	3%



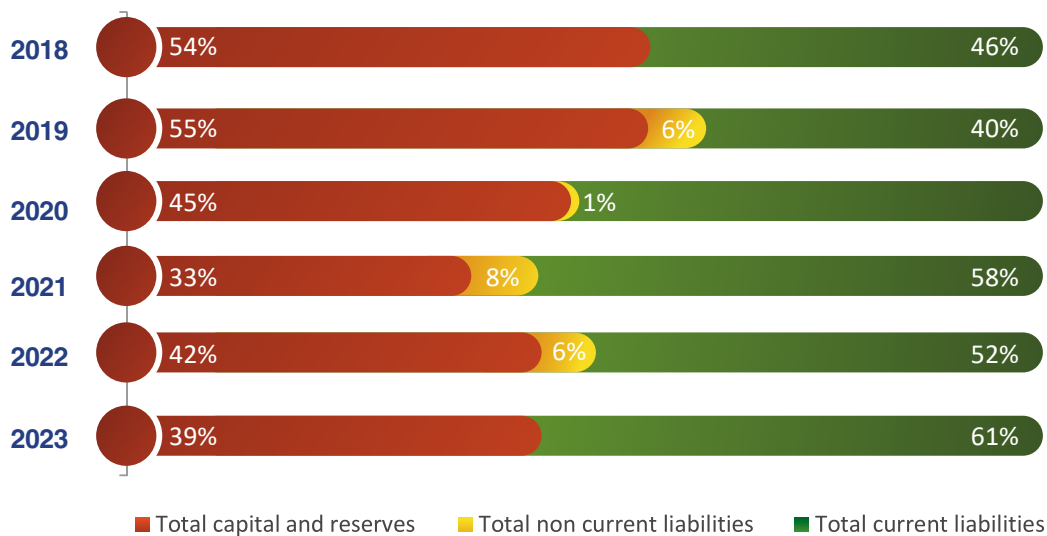
Vertical Analysis-Statement of Profit & Loss (2018 ~ 2023)



Vertical Analysis-Assets



Vertical Analysis-Liabilities



HORIZONTAL ANALYSIS

For the last Six Years

Statement of Financial Position

	2023		2022	
	2023 vs 2022		2022 vs 2021	
	In Mn	%age	In Mn	%age
Non-current assets				
Property and equipment	779.66	-2.24%	797.56	-7.01%
Investment property	116.16	-2.67%	119.34	-3.23%
Intangible assets	5.00	0.00%	5.00	0.00%
Long term investment	26.36	-31.39%	38.42	-38.37%
Long term loans, advances and deposits	30.30	-9.37%	33.43	7.48%
Deferred taxation - net	97.05	-13.04%	111.60	-0.84%
Total Non-current assets	1,054.53	-4.60%	1,105.35	-7.27%
Current assets				
Short term investments	568.73	-1.24%	575.90	-58.64%
Trade debts	1,286.11	99.57%	644.44	-58.10%
Receivable against margin finance	670.34	57.37%	425.97	-6.03%
Loans and advances - considered good	68.21	20.13%	56.78	87.43%
Deposits and short-term prepayments	1,289.12	20.70%	1,068.04	72.32%
Interest and mark-up accrued	34.22	5.28%	32.51	132.96%
Other receivables	15.61	37490.08%	0.04	-99.45%
Advance tax	127.10	52.96%	83.09	47.55%
Cash and bank balances	1,137.21	-16.68%	1,364.93	6.07%
Total Current assets	5,196.66	22.23%	4,251.69	-21.24%
Total Assets	6,251.18	16.69%	5,357.04	-18.72%
Capital and reserves				
Issued, subscribed and paid up capital	274.77	0.00%	274.77	0.00%
Share premium	1,810.10	0.00%	1,810.10	0.00%
Re-measurement FV	1.31	-150.81%	(2.57)	-127.39%
Accumulated profit / (loss)	365.53	105.09%	178.23	74.55%
Total capital and reserves	2,451.71	8.46%	2,260.54	2.92%
Non current liabilities				
Deferred liability	-	0.00%	-	0.00%
Long-term financing	-	-100.00%	315.44	-42.87%
Liability against assets subject to finance lease	11.97	277.68%	3.17	-58.30%
Total non current liabilities	11.97	-96.24%	318.61	-43.08%
Current liabilities				
Creditors, accrued expenses and other liabilities	3,455.23	47.16%	2,347.89	-13.83%
Current portion of deferred liability	-	0.00%	-	-100.00%
Short term borrowing - secured	-	-100.00%	91.99	0.00%
Commercial Paper	-	100.00%	-	100.00%
Accrued profit	9.53	-12.83%	10.93	72.75%
Current maturity of long-term financing	315.44	0.00%	315.44	133.12%
Unclaimed dividend	3.36	0.00%	3.36	0.00%
Current maturity of liability against assets subject to finance lease	3.94	-52.39%	8.27	-10.82%
Total current liabilities	3,787.50	36.34%	2,777.89	-27.55%
Total liabilities and equity	6,251.18	16.69%	5,357.04	-18.72%

FINANCIAL POSITION HORIZONTAL ANALYSIS

In the analysis of JS Global's financial position, it is observed that non-current assets experienced a slight decline of 4.60% compared to the previous year (2022), primarily attributed to the de-recognition of a deferred income tax asset. Conversely, current assets demonstrated a notable increase of 22.23%, propelled by elevated levels of trade debts and receivables against margin finance. This growth underscores the company's strategic management of its current asset portfolio.

2021		2020		2019		2018	
2021 vs 2020		2020 vs 2019		2019 vs 2018		2018 vs 2017	
In Mn	%age	In Mn	%age	In Mn	%age	In Mn	%age
857.69	-4.23%	895.58	72.74%	518.46	139.19%	216.76	199.31%
123.32	-2.52%	126.50	0.00%	-	0.00%	-	0.00%
5.00	0.00%	5.00	-65.55%	14.51	-18.42%	17.79	106.85%
62.34	-44.43%	112.18	-13.78%	130.10	-8.38%	142.00	187.76%
31.11	-4.26%	32.49	0.03%	32.48	22.58%	26.50	-1.36%
112.54	-1.94%	114.77	-5.44%	121.37	-0.60%	122.10	-2.68%
1,192.00	-7.35%	1,286.51	57.48%	816.91	55.56%	525.14	85.77%
1,392.51	487.26%	237.12	-54.27%	518.53	-49.12%	1,019.07	65.14%
1,537.97	40.16%	1,097.30	112.77%	515.71	-52.51%	1,085.99	93.37%
453.31	8.05%	419.52	32.98%	315.47	5.96%	297.73	-9.28%
30.30	41.39%	21.43	19.25%	17.97	32.91%	13.52	-16.19%
619.82	8.85%	569.43	2.99%	552.88	305.81%	136.24	-26.06%
13.95	118.93%	6.37	-57.38%	14.95	17.88%	12.68	-16.27%
7.49	-48.62%	14.59	238.54%	4.31	-92.43%	56.94	162.21%
56.31	-51.84%	116.92	-11.47%	132.06	9.02%	121.13	112.01%
1,286.87	-20.64%	1,621.54	34.79%	1,203.06	-23.45%	1,571.60	-6.37%
5,398.53	31.54%	4,104.22	25.32%	3,274.94	-24.10%	4,314.91	24.00%
6,590.53	22.26%	5,390.73	31.74%	4,091.85	-15.46%	4,840.05	28.64%
274.77	-10.08%	305.57	0.00%	305.57	-19.60%	380.07	0.00%
1,810.10	0.00%	1,810.10	0.00%	1,810.10	0.00%	1,810.10	0.00%
9.39	-17.94%	11.44	107.65%	5.51	-32.47%	8.16	-69.57%
102.11	-68.02%	319.32	184.18%	112.37	-72.60%	410.07	6.67%
2,196.38	-10.22%	2,446.44	9.53%	2,233.55	-14.37%	2,608.40	0.27%
-	-100.00%	1.84	0.00%	-	0.00%	-	0.00%
552.14	1381.45%	37.27	0.00%	-	0.00%	-	0.00%
7.60	-54.33%	16.64	-92.68%	227.45	0.00%	-	0.00%
559.74	903.94%	55.75	-75.49%	227.45	0.00%	-	0.00%
2,724.57	-2.78%	2,802.41	74.86%	1,602.62	-28.08%	2,228.28	92.49%
1.90	-59.36%	4.67	0.00%	-	0.00%	-	0.00%
-	0.00%	-	0.00%	-	0.00%	-	0.00%
953.67	100.00%	-	0.00%	-	0.00%	-	0.00%
6.33	0.00%	-	0.00%	-	0.00%	-	0.00%
135.31	94.46%	69.59	0.00%	-	0.00%	-	0.00%
3.36	0.00%	3.36	0.00%	3.36	0.00%	3.36	-2.03%
9.27	8.98%	8.51	-65.78%	24.87	0.00%	-	0.00%
3,834.42	32.75%	2,888.54	77.12%	1,630.85	-26.92%	2,231.65	92.21%
6,590.53	22.26%	5,390.73	31.74%	4,091.85	-15.46%	4,840.05	28.64%

Furthermore, JS Global's total equity recorded a commendable uptick of 8.46%, reflecting the profitability achieved during the fiscal year. On the liabilities front, there was a significant reduction of 96.24% in non-current liabilities, primarily driven by the successful repayment of long-term financing obligations. Concurrently, current liabilities witnessed a moderate increase of 36.34%, predominantly due to an upsurge in creditors, accrued expenses, and other liabilities, indicative of operational expansions and investments.

Shareholders' equity experienced a substantial increase of Rs. 191.17 million, representing an 8.46% growth, largely attributable to the robust financial performance and profit generation during the reporting period. Additionally, non-current liabilities decreased by Rs. 306.64 million (-96.24%) owing to strategic reductions in lease liabilities. In contrast, current liabilities registered a notable increase of Rs. 1,009.61 million (36.34%), primarily due to heightened trade activities.

Statement of Profit & Loss

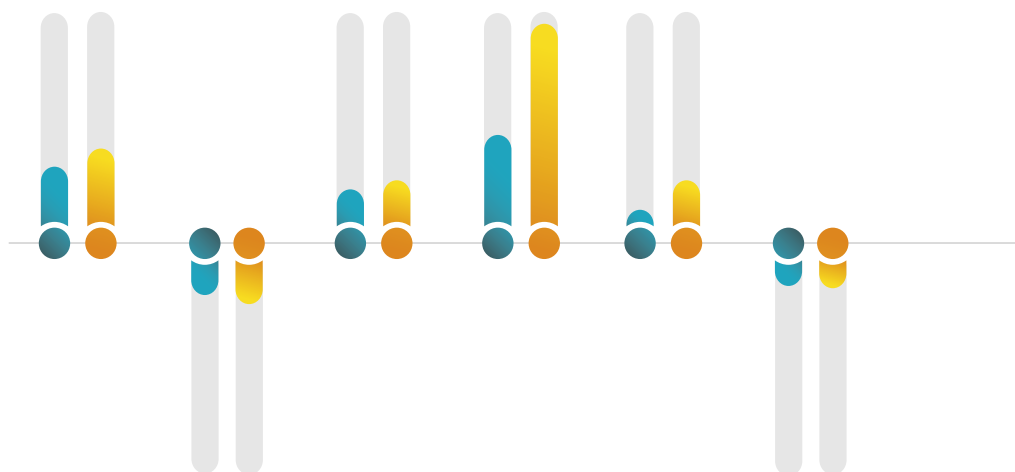
	2023		2022	
	2023 vs 2022		2022 vs 2021	
	In Mn	%age	In Mn	%age
Revenue	1,095.43	45.27%	754.05	-35.37%
Admin Expenses	(848.08)	34.14%	(632.24)	-6.38%
Other Income	193.17	-13.92%	224.39	53.82%
EBITDA	440.52	27.24%	346.20	-45.67%
Depreciation	(69.98)	-9.14%	(77.02)	5.09%
EBIT	370.54	37.65%	269.18	-52.27%
Finance Cost	(111.56)	-25.02%	(148.80)	419.68%
Profit Before Tax	258.98	115.13%	120.38	-77.51%
Taxation	(71.68)	61.96%	(44.26)	-64.54%
Profit After Tax	187.30	146.05%	76.12	-81.46%

STATEMENT OF PROFIT OR LOSS HORIZONTAL ANALYSIS

Despite the economic uncertainties, cautious investor sentiment, and subdued trading volumes in the first half of 2023, the second half saw a turnaround with increased investor confidence, positive economic indicators, and strategic reforms, contributing positively to our financial performance. JS Global net revenue surged by 45.27% in FY2023, driven by increased market share and brokerage revenue, the core revenue for a stock brokerage house. Although, administrative expenses increased by 34.14%, impacting gross profit margins, our EBITDA increased significantly by 27.24%, reflecting enhanced operational performance. Finance costs decreased by -25.02% due to actions like repayment of long-term loan obligations and improved financial management. JS Global achieved a profit of Rupees 187.30 after taxation in FY2023 up 146.05 showcasing resilience amidst dynamic market conditions.

2021		2020		2019		2018	
2021 vs 2020		2020 vs 2019		2019 vs 2018		2018 vs 2017	
In Mn	%age	In Mn	%age	In Mn	%age	In Mn	%age
1,166.70	60.39%	727.41	38%	526.63	-19%	651.70	-15%
(675.32)	38.43%	(487.85)	0.11%	(487.31)	-22%	(625.96)	2%
145.88	0.78%	144.75	-25%	191.91	81%	106.06	-12%
637.26	65.82%	384.31	66%	231.24	75%	131.81	-53%
(73.29)	-5.78%	(77.78)	-8%	(84.14)	225%	(25.86)	-6%
563.97	83.99%	306.52	108%	147.09	39%	105.95	-58%
(28.63)	69.32%	(16.91)	-58%	(39.80)	459%	(7.11)	-87%
535.34	84.84%	289.61	170%	107.29	9%	98.84	-50%
(124.81)	50.99%	(82.66)	38%	(60.04)	-18%	(73.20)	-35%
410.53	98.37%	206.95	338%	47.25	84%	25.64	-70%

ANNUAL PROFITABILITY GROWTH



	2023 vs 2022 %age	2022 vs 2021 %age	2021 vs 2020 %age	2020 vs 2019 %age	2019 vs 2018 %age	2018 vs 2017 %age	2017 vs 2016 %age
■ PBT	115%	-78%	85%	170%	9%	-50%	-17%
■ PAT	146%	-81%	98%	338%	84%	-70%	-50%

Non Current Assets

There has been a decrease of Rs. 50.82 million (4.6%) in non-current assets as compared to the previous year. This decline is mainly a result of depreciation charges on fixed assets and the maturity of long-term investments.

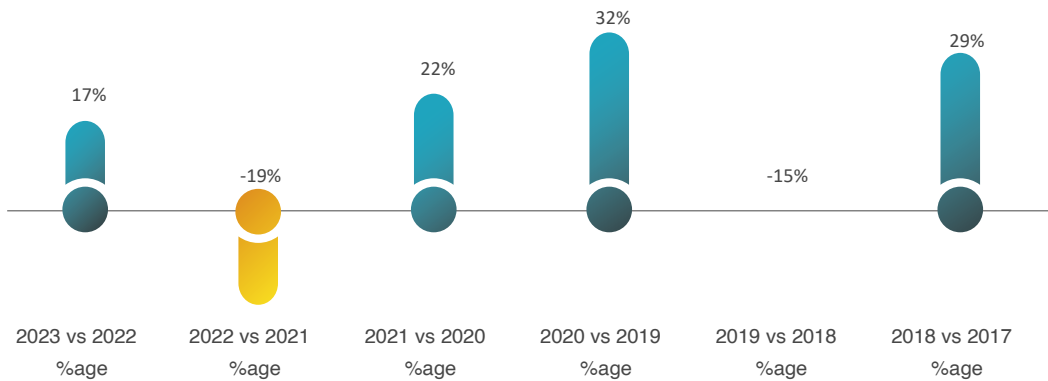
Current Assets

The category of current assets is made up of various components such as short-term investments, trade debts, receivables from margin finance, deposits, and cash and bank balances. When considering all of these components together, there has been an increase of Rs. 944.97 million (22.23%) in current assets as compared to the previous year. This increase can be attributed to the trade debts and receivable from margin financing.

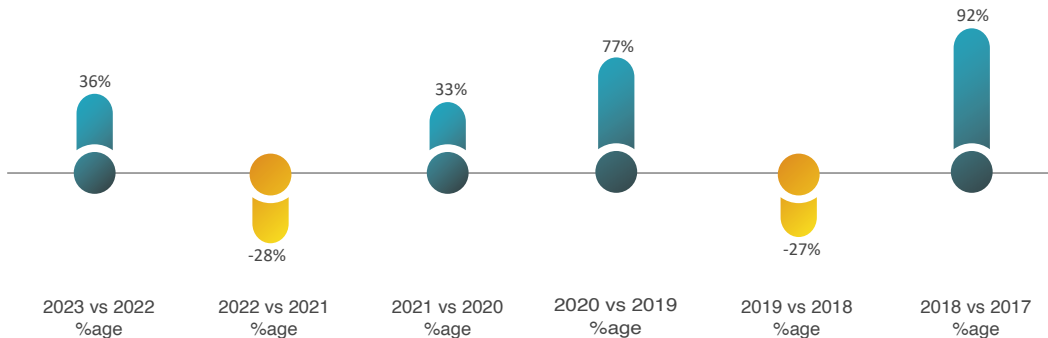
Shareholders' Equity

The shareholders' equity has seen an increase of Rs. 191.17 million, which represents a growth of 8.46%. This increase can be primarily attributed to the rise in attributable unappropriated profits, which have gone up by Rs. 187.30 million. This increase reflects the profit earned after tax during the year.

HORIZONTAL ANALYSIS-TOTAL ASSETS



HORIZONTAL ANALYSIS NON Current LIABILITIES



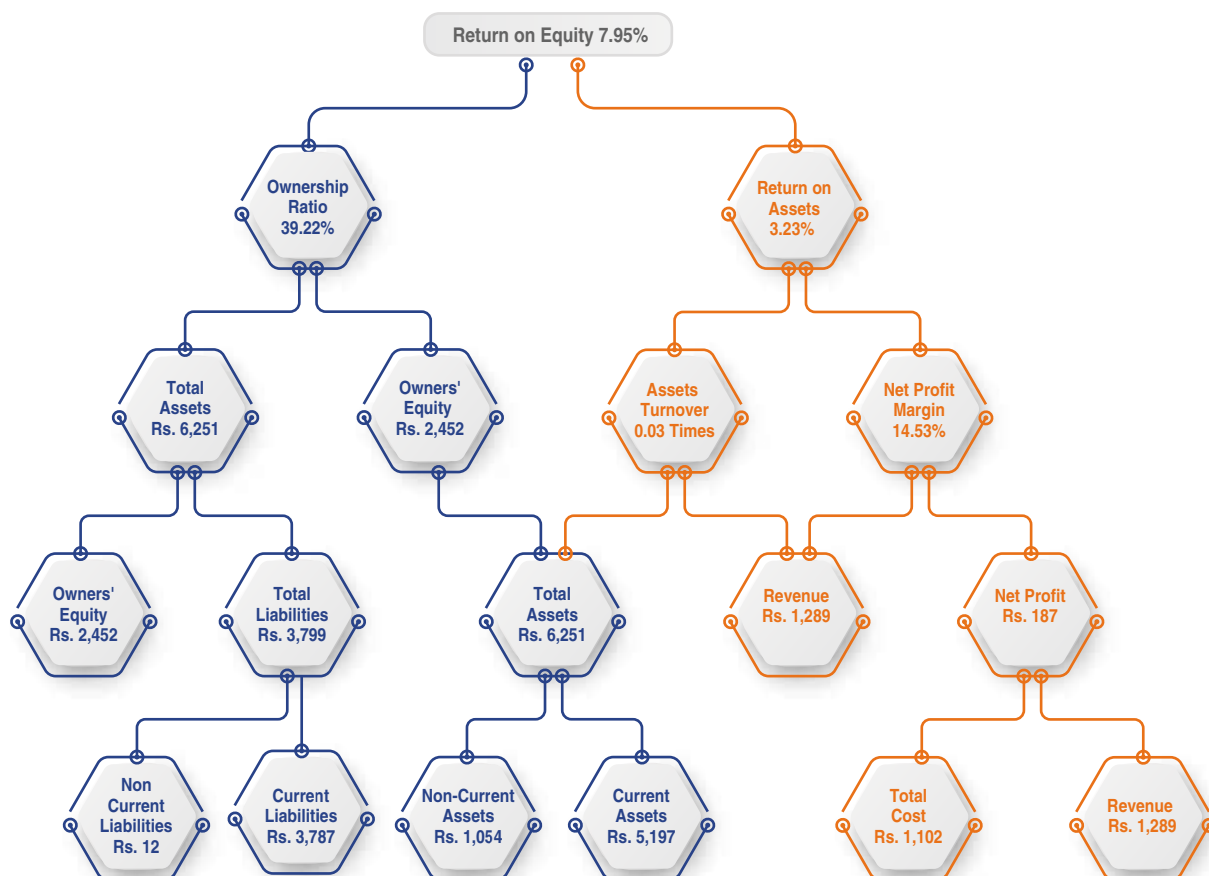
FINANCIAL POSITION HORIZONTAL ANALYSIS

Non-current liabilities for the year have been decreased by 96.24% with an amount of Rs. 306.64 million due to classification of Rs. 315.44 million as current maturity.

Whereas the the Company's current liabilities have increased by Rs. 1,009.61 million. i.e. 36.34% as compare to the previous year, mainly due to increase in trade creditors.

DUPONT ANALYSIS

Rupees in million



The Company earned operating revenue amounting to PKR 762 million, compared to PKR 481 million in the corresponding period of the previous year, marking an increase of over 58%. Brokerage income, which constitutes the majority of operating income, saw a 57% increase due to improved market sentiment following the IMF announcement, resulting in enhanced activity at the bourse.

Revenue streams from Investment Banking also experienced growth of 123% compared to the previous year. With a healthy pipeline of deals, the Company anticipates further positive contributions to its profitability as market conditions improve.

In respect to the Company's administrative and operating expenses, it incurred PKR 918.06 million for the period, indicating an increase of 29.43%.

The Earnings per Share (EPS) for the period were PKR 6.82, which is an increase of 146.17% compared to the corresponding period in the previous year.

In the face of favorable market conditions and a conducive macroeconomic environment, the Company attained a noteworthy net income of PKR 187.30 million, marking a substantial surge of 146.04% from the previous year's net income of PKR 76.121 million during the corresponding period.

			2022	2022	2021	2020	2019
Net Operating Margin	Profit After Tax / Total Income	%	14.53%	7.78%	31.28%	23.73%	6.58%
Asset Turnover	Total Income / Average Assets	%	3.23%	1.27%	6.85%	4.36%	1.06%
Equity Multiplier	Average Assets / Average Equity	Times	2.37	2.64	2.73	1.94	2.00
Return on Equity	Profit After Tax / Average Equity	%	7.95%	3.42%	17.68%	8.84%	1.95%

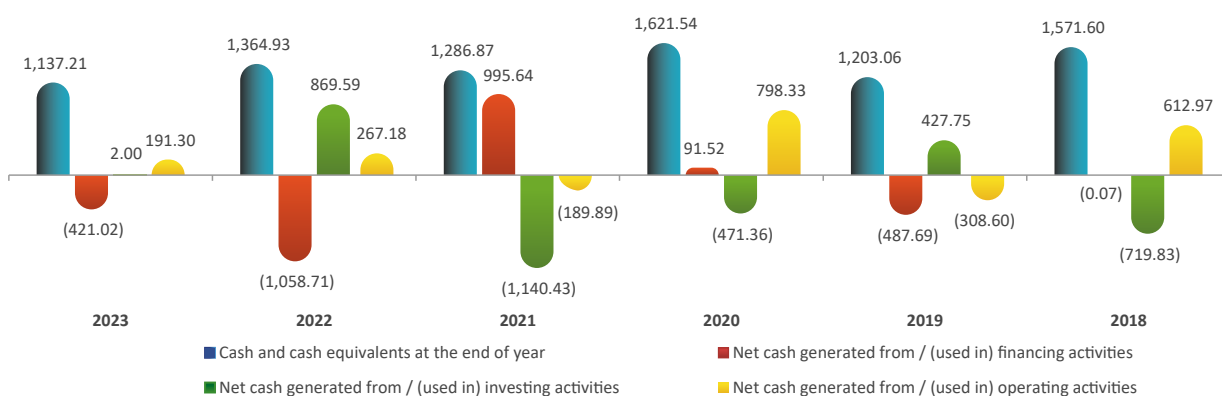
Following are the main DuPont analysis highlights:

CASH FLOWS ANALYSIS

FOR THE LAST SIX YEARS

Summary of Cash Flow Statement

	2023	2022	2021	2020	2019	2018
Cash Generated from Operating Activities	402.67	489.24	(118.13)	864.93	(237.60)	753.12
PAYMENT FOR:						
Finance charges	(107.86)	(153.41)	(9.36)	(5.71)	(4.90)	(7.11)
Taxes	(103.51)	(68.65)	(62.40)	(60.89)	(66.09)	(133.04)
Net cash generated from / (used in) operating activities	191.30	267.18	(189.89)	798.33	(308.60)	612.97
CASH FLOW FROM INVESTING ACTIVITIES						
Capital Expenditure on Property and Equipment (PPE)	(33.15)	(13.24)	(32.24)	(662.57)	(90.66)	(172.15)
Investment in Property	-	-	-	(127.30)	-	-
Proceeds from Disposal of Fixed Assets	10.79	50.81	0.02	3.87	11.58	15.33
Addition intangible	-	-	-	-	-	(9.51)
Long term loans, advances and deposits	3.13	(2.33)	1.38	(0.01)	(3.48)	0.36
Long Term Investment	16.51	5.62	47.73	20.25	9.22	(124.51)
Short Term Investment	4.72	828.73	(1,157.31)	294.39	501.09	(429.35)
Net cash used in investing activities	2.00	869.59	(1,140.43)	(471.36)	427.75	(719.83)
CASH FLOW FROM FINANCING ACTIVITIES						
Dividend paid / adjustment	-	(137.39)	(274.77)	-	-	-
Lease rentals paid	(13.58)	(11.44)	(11.83)	(17.26)	(77.94)	(0.07)
Deferred Liabilities	-	(1.90)	4.61	1.93	-	-
Repayment of long term financing	(315.44)	(56.56)	(50.29)	-	-	-
Proceeds from running finance	(91.99)	91.99	-	-	-	-
Commercial Paper	-	(943.41)	943.41	-	-	-
Long-term financing	-	-	630.89	106.86	-	-
Payment of buy back of shares	-	-	(246.38)	-	(409.75)	-
Net cash generated from / (used in) financing activities	(421.02)	(1,058.71)	995.64	91.52	(487.69)	(0.07)
Net increase / (decrease) in cash and cash equivalents	(227.72)	78.06	(334.68)	418.49	(368.54)	(106.93)
Cash and cash equivalents at the start of year	1,364.93	1,286.87	1,621.54	1,203.06	1,571.60	1,678.53
Cash and cash equivalents at the end of year	1,137.21	1,364.93	1,286.87	1,621.54	1,203.06	1,571.60



Operating Activities

Cash flow from operating activities showed a positive trend in most of the years from 2015 to 2020. This is primarily due to growth in profitability and focus on maintaining optimal levels of trade receivables.

Investing Activities

The Company witnessed decrease of 99.77% in its cash outflows from investing activities as compared to last year. The decrease is mainly due to investment into the spread transaction.

Financing Activities

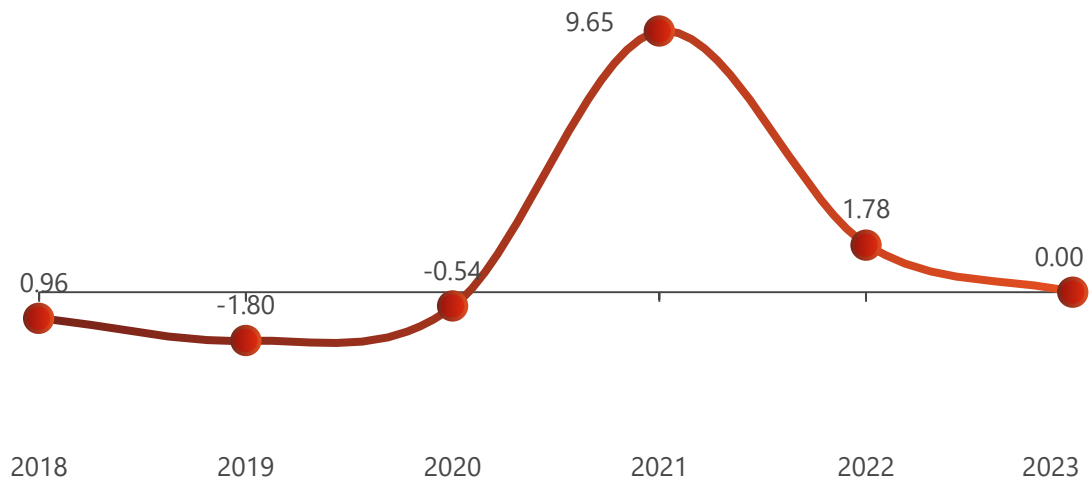
The Company has bought back its shares by Rs. 246.38 million, Rs. 409.75 million and Rs. 551.68 million in FY21, FY19 and FY16 respectively. The buyback payments have resulted in negative cash flow from financing activities. However, in FY21, the company obtained the long term financing facilities and commercial resulting in positive closing balance.

Free Cash Flows to Firm	2023	2022	2021	2020	2019	2018
Cash Flows From operating Activities	191.30	267.18	(189.89)	798.33	(308.60)	612.97
Finance Cost Paid	107.86	153.41	9.36	5.71	4.90	7.11
Cash Flows From Investing Activities	2.00	869.59	(1,140.43)	(471.36)	427.75	(719.83)
Tax Savings on Finance Cost	(31.28)	(44.49)	(2.71)	(1.66)	(1.42)	(2.06)
Free Cash Flows to Firm	269.88	1,245.68	(1,323.67)	331.02	122.63	(101.81)

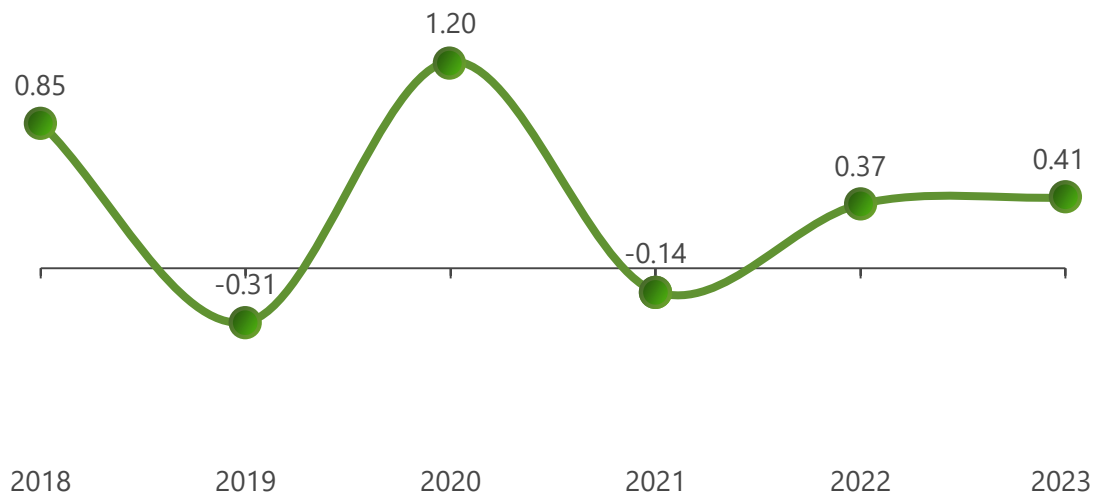
Direct Method Cash Flows	2023	2022	2021	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received From Customers (including sales tax)	139.53	1,363.91	780.30	148.47	870.80	1,377.06
Cash Paid to Employees as Remuneration	(430.25)	(349.36)	(420.70)	(288.18)	(270.94)	(289.00)
Cash Paid to the Vendors	693.39	(525.31)	(477.72)	1,004.63	(837.47)	(334.95)
Income Tax Paid	(103.51)	(68.65)	(62.40)	(60.89)	(66.09)	(133.04)
Finance Cost Paid	(107.86)	(153.41)	(9.36)	(5.71)	(4.90)	(7.11)
Net Cash Flows From Operating Activities	191.30	267.18	(189.89)	798.33	(308.60)	612.96
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of property and equipment	(33.15)	(13.24)	(32.24)	(662.57)	(90.66)	(172.15)
Purchase of investment property	-	-	-	(127.30)	-	-
Proceeds from disposal of operating assets	10.79	50.81	0.02	3.87	11.58	15.33
Long term loans, advances and deposits	3.13	(2.33)	1.38	(0.01)	(3.48)	0.36
Addition to intangible assets	-	-	-	-	-	(9.51)
Long term investments - net	16.51	5.62	47.73	20.25	9.22	(124.51)
Short term investments - net	4.72	828.73	(1,157.31)	294.39	501.09	(429.35)
Net cash from / (used in) investing activities	2.00	869.59	(1,140.43)	(471.36)	427.75	(719.83)
CASH FLOWS FROM FINANCING ACTIVITIES						
Dividend paid / adjustment	-	-	-	-	-	-
Lease rentals paid	(13.58)	(11.44)	(11.83)	(17.26)	(77.94)	(0.07)
Deferred Liabilities	-	(1.90)	4.61	1.93	-	-
Repayment of long term financing	(315.44)	(56.56)	(50.29)	-	-	-
Proceeds from running finance	(91.99)	91.99	-	-	-	-
Commercial Paper	-	(943.41)	943.41	-	-	-
Long-term financing	-	-	630.89	106.86	-	-
Payment of buy back of shares	-	-	(246.38)	-	(409.75)	-
Net cash from / (used in) financing activities	(421.02)	(1,058.71)	995.64	91.52	(487.69)	(0.07)
Net (decrease) / increase in cash and cash equivalents	(227.72)	78.06	(334.68)	418.49	(368.54)	(106.93)
Cash and cash equivalents at the beginning of the year	1,364.93	1,286.87	1,621.54	1,203.06	1,571.60	1,678.53
Cash and cash equivalents at the end of the year	1,137.21	1,364.93	1,286.87	1,621.54	1,203.06	1,571.60

CASH FLOW RATIOS

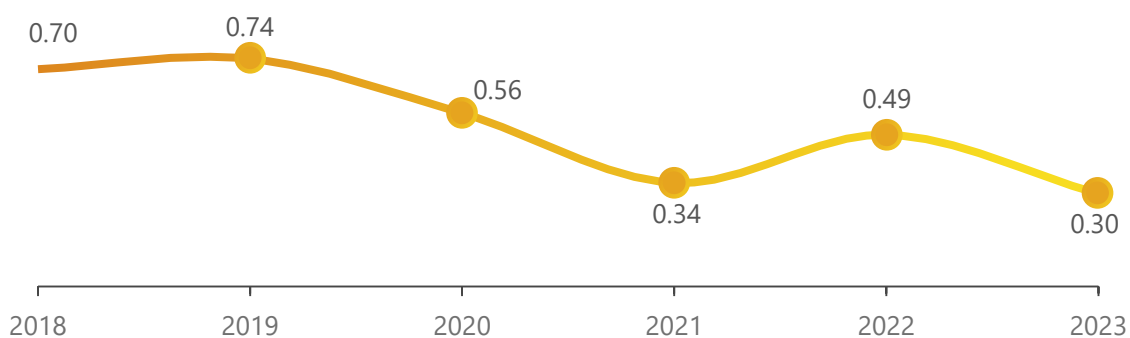
Investing Cash Flow Ratio



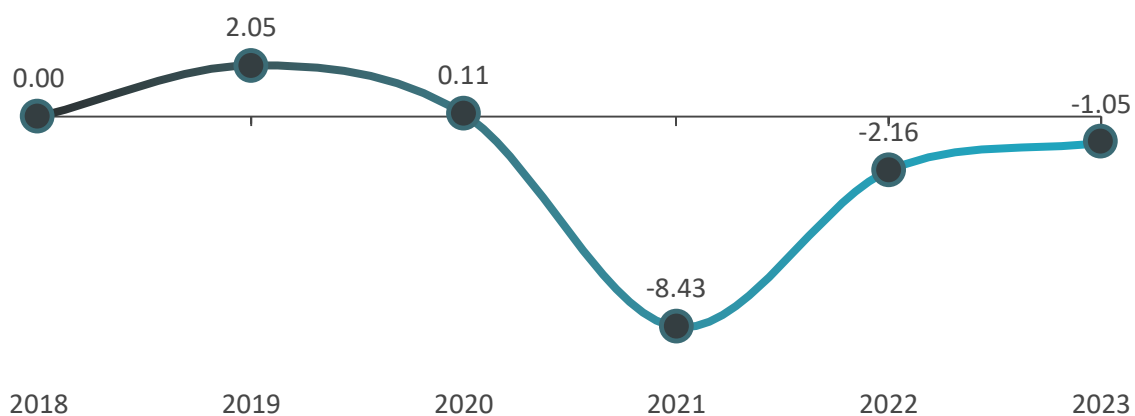
Operating Cash Flow Ratio:



Cash Ratio



Financing Cash Flow Ratio:



QUARTERLY ANALYSIS

FOR THE CURRENT YEAR

Statement of Financial Position

1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
---------	---------	---------	---------

Amounts in PKR'Millions

EQUITY AND LIABILITIES

Share capital and reserves

Authorised capital:

150,000,000 (2019: 150,000,000) ordinary shares of Rs.10 each

1,500.00 1,500.00 1,500.00 1,500.00

Issued, subscribed and paid-up share capital

274.77 274.77 274.77 274.77

Share premium

1,810.10 1,810.10 1,810.10 1,810.10

Surplus on re-measurement of equity securities at fair value through OCI

(1.84) (5.54) (1.48) 1.31

Unappropriated profit

209.63 238.89 266.66 365.53

2,292.67 2,318.23 2,350.05 2,451.71

LIABILITIES

Non-current liabilities

Deffered liability

- - - -

Long-term financing

236.58 157.72 78.86 -

Lease liability

1.50 4.93 11.07 11.97

238.08 162.66 89.93 11.97

Current liabilities

Creditors, accrued expenses and other liabilities

3,279.19 2,297.50 2,713.91 3,455.23

Current portion of deferred liability

- - - -

Commercial paper

- - - -

Accrued Profit

13.78 14.00 12.27 9.53

Unclaimed dividend

3.36 3.36 3.36 3.36

Current maturity of long term financing

315.44 315.44 315.44 315.44

Current maturity of lease liability

6.84 5.37 4.50 3.94

3,618.62 2,635.67 3,049.48 3,787.50

6,149.38 5,116.56 5,489.47 6,251.18

ASSETS

Non-current assets

Property and equipment

782.94 773.28 790.63 779.66

Investment property

118.54 117.75 116.95 116.16

Intangible assets

5.00 5.00 5.00 5.00

Long term investments

31.69 20.46 21.49 26.36

Long term loans, advances and deposits

39.73 32.95 39.34 30.30

Deferred taxation - net

108.07 103.83 110.88 97.05

1,085.97 1,053.27 1,084.29 1,054.53

Current assets

Short term investments

528.86 771.09 730.78 568.73

Trade debts

1,646.56 671.15 962.38 1,286.11

Receivable against margin finance

438.53 427.26 401.20 670.34

Loans and advances

48.24 70.64 53.52 68.21

Short-term deposits and prepayments

630.77 915.71 652.47 1,289.12

Interest and mark-up accrued

39.51 42.40 63.20 34.22

Other receivables

24.15 2.92 14.02 15.61

Advance tax

80.68 113.86 126.13 127.10

Cash and bank balances

1,626.10 1,048.25 1,401.48 1,137.21

5,063.40 4,063.28 4,405.18 5,196.66

6,149.38 5,116.56 5,489.47 6,251.18

Profit & Loss

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
	Amounts in PKR Millions			
Operating revenue	152.98	290.49	476.22	762.15
Capital gain on sale of investments - net	25.77	56.02	43.97	55.40
Unrealised gain / (loss) on remeasument of investments at fair value - p&l - net	(1.05)	8.23	2.73	18.87
Unrealised gain / (loss) on remeasurement of derivatives at fair value - p&l - net	1.98	(14.15)	(9.48)	(16.44)
Dividend income	11.16	40.60	85.05	140.31
Margin finance income	28.90	58.05	90.40	135.14
	219.75	439.24	688.89	1,095.43
Administrative and operating expenses	(174.92)	(377.51)	(612.77)	(912.77)
	44.83	61.73	76.12	182.66
Other operating income - net	35.73	90.10	135.40	193.17
	80.55	151.83	211.52	375.83
Provision for Sindh Workers' Welfare Fund	(1.03)	(1.94)	(2.48)	(5.29)
Finance cost	(29.28)	(58.85)	(87.47)	(111.56)
Profit before taxation	50.25	91.04	121.57	258.98
Taxation - current	(15.89)	(24.87)	(30.91)	(68.45)
- prior year	-	-	-	10.75
- deferred	(2.96)	(5.51)	(2.23)	(13.98)
	(18.84)	(30.38)	(33.14)	(71.68)
Profit after taxation	31.40	60.66	88.43	187.30
Earnings per share - basic and diluted	1.14	2.21	3.22	6.82



STATEMENT OF VALUE ADDED

	2023		2022	
	PKR in Mn	%	PKR in Mn	%
Value Added				
Total Operating Income	1,095.43	135%	754.05	121%
Other Income	193.17	24%	224.39	36%
	1,288.60	159%	978.44	158%
Operating and other expenses excluding salaries, donation, amortisation and workers welfare fund	(479)	-59.96%	(355.94)	(-57.56%)
	809.97	100%	622.50	100%
Value Allocated				
To Employees				
Salaries, allowances & other benefits	430.25	53.12%	349.36	56%
To Government				
Workers Welfare Fund	5.29	0.65%	2.46	1%
Income tax	71.68	8.85%	44.26	7%
	76.97	9.50%	46.72	8%
To Financial Institution				
Markup on Loans, Commercial Paper, Bank Guarantee and Other Bank Charges	111.56	13.77%	148.80	23%
To Society's welfare				
Donations	3.89	0.48%	1.5	1%
To Expansion				
Retained in business	187.30	23.12%	76.12	12%
	809.97	100%	622.50	100%

ECONOMIC VALUE ADDED

Economic Value Added (EVA) stands as a critical metric employed for the comprehensive evaluation of the Company's overarching performance and the efficacy of its management. This assessment is visually represented through a graphical presentation, which encompasses two years, spanning from FY 2022 to FY 2023, offering a clear illustration of the Company's EVA trends over this period.

PERFORMANCE AGAINST TARGETS DURING 2023,

Throughout 2023, the stock market's performance followed a nuanced path, influenced by challenging political and economic landscapes within the country, leading to adverse impacts on business profitability. However, your business adeptly navigated these challenges, showcasing steadfast dedication to meeting its responsibilities.

Notably, the year culminated with remarkable achievements as the company demonstrated resilience and strategic prowess, successfully expanding its market share and achieving targeted objectives. For a thorough analysis of the company's performance, we recommend delving into the Directors' Report and CEO Message sections of the Annual Report. These sections offer an insightful evaluation of the company's accomplishments, strategic initiatives, and significant milestones accomplished during the reporting period.

Objectives to Assess Stewardship of Management

The Company is committed to delivering outstanding returns and sustainable performance that exceed market and shareholder expectations, aiming to maximize shareholder value. To assess its stewardship, the Company has disclosed Key Performance Indicators (KPIs) and corresponding strategies in the Strategic and Resource Allocation section of the Annual Report. The Directors' Reports and the Forward-Looking Statement section of the Annual Report provide insights into the Company's future profitability prospects.

Explanation of negative change in the performance against prior year

Despite the initial economic uncertainties, cautious investor sentiment, and subdued trading volumes characterizing the first half of 2023, the second half witnessed a notable turnaround marked by heightened investor confidence, positive economic indicators, and the Pakistan Stock Exchange (PSX) experiencing a substantial increase of 55%, reaching a settlement of 62,451 points by the year's end. This positive market momentum was bolstered by a 33% surge in average daily trading volumes and a 38% rise in average daily trading value, indicative of robust investor interest. However, the company's strategic initiatives, including the enhancement of market share through intensified client engagement efforts that expanded the client base, contributed to a positive turnaround, achieving the set targets and laying a resilient foundation for future growth.

Change in accounting policies

There has been no change to the accounting policies, judgments, or estimates. Please see notes 1-3 of the financial statements for further details.

Methods in compiling indicators Quantitative KPI's

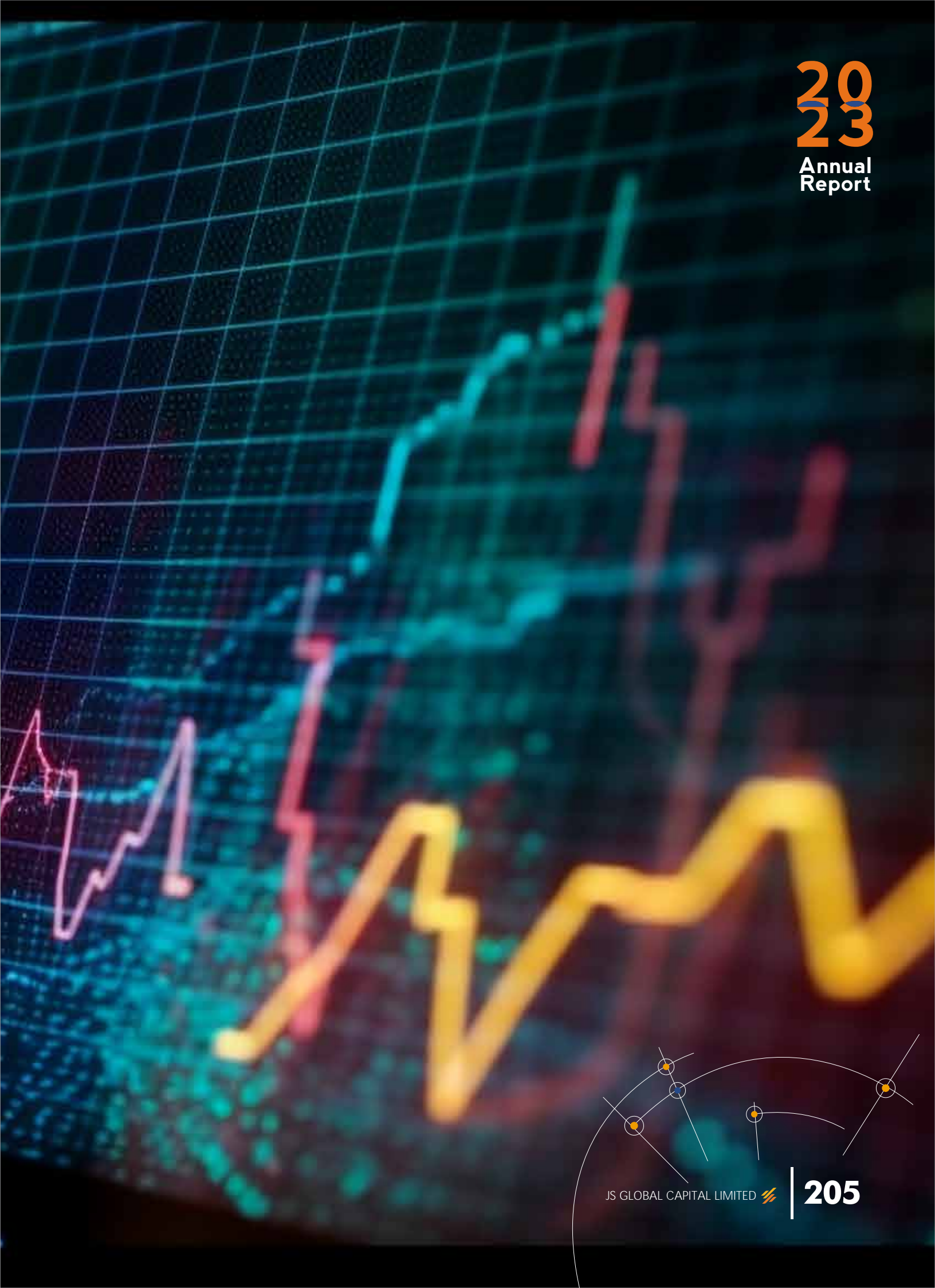
JS Global's key objectives involve enhancing its market share in equity brokerage, assessing market share through comparative analysis, and aligning financial performance with investor confidence. The Company diligently tracks share price dynamics and value growth relative to book value, implements cost control measures while ensuring profitability, and strives for optimal shareholder returns via sustainable strategies. Furthermore, maintaining robust capital adequacy and liquidity ratios remains paramount to uphold regulatory standards and financial resilience.

The notable improvement in profitability ratios reflects JS Global's adeptness in increasing market share despite a challenging macroeconomic landscape, indicating its competitiveness and strategic advantage in seizing market opportunities for customer base expansion.

The Company's strategic outlook emphasizes long-term growth objectives and a steadfast focus on future prospects. While external market forces can influence overall financial performance, JS Global remains committed to its growth trajectory and strategic resilience.

The background of the page is a blurred image of a computer monitor displaying several financial line charts. The charts feature various colored lines (cyan, yellow, red, purple) plotted against a grid. The overall lighting is dark with a blue and green color palette.

FINANCIAL STATEMENTS





KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 37131900, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REPORT

To the members of JS Global Capital Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **JS Global Capital Limited** ("the Company"), which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss, the statement of 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 material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, 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 2023 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with 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.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Following are the Key audit matters:

S.No.	Key audit matter	How the matter was addressed in our audit
1.	<p>Revenue recognition</p> <p>Refer notes 3.5 and 23 to the financial statements relating to revenue recognition.</p> <p>The Company generates revenue from brokerage services as well as Advisory and related services. Brokerage represent 97% while corporate finance and related services represents 3% of the Operating Revenue.</p> <p>We identified revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company, large number of revenue transactions, inherent risk that revenue could be recorded in an incorrect period or subject to manipulation in order to achieve financial targets and expectations.</p>	<p>Our audit procedures to verify revenue, amongst others, included the following:</p> <ul style="list-style-type: none">• Assessing the design, implementation and operating effectiveness of key controls including IT automated controls established by the Company for recording of revenue;• Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable financial reporting framework;• On sample basis, analyzing the invoices and related documents to assess whether the related revenue is recognized in accordance with the requirements of applicable financial reporting framework; and• On sample basis, analyzing specific revenue transactions before and after the reporting date with underlying documentation to assess whether the revenue is recognized in the current accounting period.

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

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our Auditor's Report thereon. We were provided with the Director's Report prior to date of this Auditor's Report and the remaining parts of the Annual Report are expected to be made available to us after that date.

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



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In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this Auditor's Report, 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.



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- 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.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- 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 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;
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980); and
- e) the Company was in compliance with the requirements of section 78 of the Securities Act, 2015 and section 62 of the Futures Act, 2016, and the relevant requirements of the Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the financial statements were prepared.

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

Date: 7 March 2024

Karachi

UDIN: AR202310106tuCJ0RKfS

Kamal Taseer -
KPMG Taseer Hadi & Co.
Chartered Accountants

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STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	Note	2023 ----- (Rupees) -----	2022 ----- (Rupees) -----
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital: 150,000,000 (2022: 150,000,000) ordinary shares of Rs.10 each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid-up share capital	4	274,772,970	274,772,970
Share premium		1,810,104,900	1,810,104,900
Surplus / (Deficit) on re-measurement of securities at fair value through other comprehensive income		1,306,700	(2,571,815)
Unappropriated profit		365,526,535	178,230,182
		2,451,711,105	2,260,536,237
LIABILITIES			
Non-current liabilities			
Long-term financing - secured	5	-	315,442,500
Lease liability	6	11,973,002	3,170,104
		11,973,002	318,612,604
Current liabilities			
Current maturity of long-term financing	5	315,442,500	315,442,500
Current maturity of lease liability	6	3,937,543	8,271,047
Creditors, accrued expenses and other liabilities	7	3,455,225,753	2,347,889,402
Short-term borrowing - secured	8	-	91,994,547
Accrued profit		9,530,525	10,933,269
Unclaimed dividend		3,361,843	3,361,843
		3,787,498,164	2,777,892,608
Contingencies and commitments	9		
Total equity and liabilities		<u>6,251,182,271</u>	<u>5,357,041,449</u>

The annexed notes 1 to 39 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	Note	2023 ----- (Rupees) -----	2022 ----- (Rupees) -----
ASSETS			
Non-current assets			
Property and equipment	10	779,659,938	797,556,231
Investment property	11	116,157,670	119,340,261
Intangible assets	12	5,000,000	5,000,000
Long-term investments	13	26,361,948	38,420,312
Long-term loans, advances and deposits	14	30,299,853	33,431,090
Deferred taxation - net	15	97,046,127	111,602,125
		1,054,525,536	1,105,350,019
Current assets			
Short term investments	16	568,734,707	575,900,796
Trade debts	17	1,286,110,917	644,435,971
Receivable against margin finance		670,343,114	425,971,947
Loans and advances	18	68,214,212	56,783,317
Short-term deposits and prepayments	19	1,289,120,177	1,068,037,507
Interest and mark-up accrued	20	34,222,713	32,506,463
Other receivables	21	15,609,658	41,526
Advance tax		127,096,000	83,088,775
Cash and bank balances	22	1,137,205,237	1,364,925,128
		5,196,656,735	4,251,691,430
Total assets		6,251,182,271	5,357,041,449

The annexed notes 1 to 39 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	2023 ----- (Rupees) -----	2022 -----
Operating revenue	23	762,149,340	480,985,479
Capital gain on sale of investments - net	24	55,398,154	71,345,813
Unrealised gain on re-measurement of investments at fair value through profit or loss - net	16.1 & 16.2	18,873,964	11,564,556
Unrealised loss on re-measurement of derivatives at fair value through profit or loss - net		(16,436,922)	(9,122,226)
Dividend income		140,309,257	88,757,340
Margin finance income		135,139,063	110,518,499
		<u>1,095,432,856</u>	<u>754,049,461</u>
Administrative and operating expenses	25	(901,470,937)	(706,803,043)
Provision for expected credit loss	17	(11,301,398)	-
		<u>182,660,521</u>	<u>47,246,418</u>
Other operating income - net	26	193,166,572	224,392,176
		<u>375,827,093</u>	<u>271,638,594</u>
Provision for Sindh Workers' Welfare Fund		(5,285,264)	(2,456,754)
Finance cost	27	(111,563,870)	(148,800,915)
Profit before taxation		<u>258,977,959</u>	<u>120,380,925</u>
Taxation - current		(68,450,137)	(34,823,218)
- prior year		10,751,408	(7,989,023)
- deferred		(13,982,877)	(1,447,420)
	28	<u>(71,681,606)</u>	<u>(44,259,661)</u>
Profit after taxation		<u><u>187,296,353</u></u>	<u><u>76,121,264</u></u>
Earnings per share - basic and diluted	29	<u><u>6.82</u></u>	<u><u>2.77</u></u>

The annexed notes 1 to 39 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	2023 ----- (Rupees) -----	2022 -----
Profit for the year		187,296,353	76,121,264
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss subsequently			
Surplus / (Deficit) on re-measurement of investments at fair value through OCI during the year - equity securities		4,427,936	(12,490,744)
Add: Related tax		(569,566)	510,300
		3,858,370	(11,980,444)
Items that may be reclassified to statement of profit or loss subsequently			
Surplus on re-measurement of investments at fair value through OCI during the year - debt securities		23,700	23,434
Less: Related tax		(3,555)	(3,515)
		20,145	19,919
Other comprehensive income for the year		3,878,515	(11,960,525)
Total comprehensive income for the year		191,174,868	64,160,739

The annexed notes 1 to 39 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023

	Reserves					
	Issued, subscribed and paid-up share capital	Share premium	Surplus / (Deficit) on re-measurement of securities at fair value through other comprehensive income	Unappropriated profit	Sub-total	Total
	(Rupees)					
Balance as at January 01, 2022	274,772,970	1,810,104,900	9,388,710	102,108,918	1,921,602,528	2,196,375,498
Total comprehensive income for the year						
Profit for the year	-	-	-	76,121,264	76,121,264	76,121,264
Other comprehensive loss - net of tax	-	-	(11,960,525)	-	(11,960,525)	(11,960,525)
Total comprehensive income for the year	-	-	(11,960,525)	76,121,264	64,160,739	64,160,739
Balance as at December 31, 2022	<u>274,772,970</u>	<u>1,810,104,900</u>	<u>(2,571,815)</u>	<u>178,230,182</u>	<u>1,985,763,267</u>	<u>2,260,536,237</u>
Balance as at January 01, 2023	274,772,970	1,810,104,900	(2,571,815)	178,230,182	1,985,763,267	2,260,536,237
Total comprehensive income for the year						
Profit for the year	-	-	-	187,296,353	187,296,353	187,296,353
Other comprehensive income - net of tax	-	-	3,878,515	-	3,878,515	3,878,515
Total comprehensive income for the year	-	-	3,878,515	187,296,353	191,174,868	191,174,868
Balance as at December 31, 2023	<u>274,772,970</u>	<u>1,810,104,900</u>	<u>1,306,700</u>	<u>365,526,535</u>	<u>2,176,938,135</u>	<u>2,451,711,105</u>

The annexed notes 1 to 39 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	258,977,959	120,380,925
Adjustments for:		
Depreciation of operating assets	10.1 57,945,016	65,296,621
Depreciation of right-of-use assets	10.2 8,853,053	8,541,843
Depreciation of investment property	11 3,182,591	3,182,591
Gain on sale of operating assets	10.1.1 (10,789,994)	(47,150,485)
Unrealised gain on re-measurement of investments at fair value through profit or loss - net	(18,873,964)	(11,564,556)
Unrealised loss on re-measurement of derivatives at fair value through profit or loss - net	16,436,922	9,122,226
Provision for Sindh Workers' Welfare Fund	5,285,264	2,456,754
Finance cost	27 111,563,870	148,800,915
	173,602,759	178,685,909
Cash generated from operating activities before working capital changes	432,580,718	299,066,834
(Increase) / decrease in current assets		
Trade debts	(641,674,946)	893,532,564
Receivable against margin finance	(244,371,167)	27,339,574
Loans and advances	(11,430,895)	(26,488,246)
Short-term deposits and prepayments	(221,082,670)	(448,221,227)
Interest and mark-up accrued	(1,716,250)	(18,552,802)
Other receivables	(15,568,132)	7,452,500
	(1,135,844,060)	435,062,363
Increase / (Decrease) in current liabilities		
Creditors, accrued expenses and other liabilities	1,105,933,607	(244,892,233)
Cash generated from operations	402,670,265	489,236,964
Finance cost paid	(107,860,953)	(153,405,231)
Income taxes paid	(103,509,300)	(68,652,489)
Net cash generated from operating activities	191,300,012	267,179,244
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	10.1 (33,150,083)	(13,244,885)
Proceeds from disposal of operating assets	10.1.1 10,790,000	50,808,000
Long-term loans, advances and deposits	3,131,237	(2,326,084)
Long-term investments - net	16,510,000	5,616,667
Short-term investments - net	4,718,470	828,731,718
Net cash generated from investing activities	1,999,624	869,585,416
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(13,582,479)	(11,444,798)
Deferred liabilities	-	(1,897,534)
Repayment of commercial paper	-	(943,409,391)
(Repayment) / Proceed from Running Finance	(91,994,547)	91,994,547
Repayment of Long-term financing	(315,442,500)	(56,564,633)
Dividend paid	-	(137,386,485)
Net cash used in financing activities	(421,019,526)	(1,058,708,294)
(Decrease) / Increase in cash and cash equivalents during the year	(227,719,891)	78,056,366
Cash and cash equivalents at the beginning of the year	1,364,925,128	1,286,868,762
Cash and cash equivalents at the end of the year	1,137,205,237	1,364,925,128

The annexed notes 1 to 39 form an integral part of these financial statements.

Director

Chief Executive Officer

Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

1. STATUS AND NATURE OF BUSINESS

- 1.1** JS Global Capital Limited (the Company) was incorporated as a private limited company on June 28, 2000, under repealed Companies Ordinance, 1984 (now Companies Act, 2017). However, the Company commenced its operations in May 2003 and name of the Company was changed from JSCL Direct (Private) Limited to Jahangir Siddiqui Capital Markets (Private) Limited. Subsequently, the Company was converted into a public unquoted company and the holding company Jahangir Siddiqui & Co. Limited (JSCL) offered its 25% shareholding to the general public for subscription in December 2004 and the Company obtained listing on Karachi Stock Exchange Limited and Islamabad Stock Exchange Limited on February 07, 2005. During 2006-07, the Company issued 10,009,700 shares to Global Investment House K.S.C.C Kuwait, ('Global'). The shares were issued to Global without offering right shares based on a special resolution passed on July 11, 2006. The Securities and Exchange Commission of Pakistan vide its letter no. EMD/CI/49/2006-458 dated July 19, 2006, gave its in-principle approval to the scheme.
- 1.2** During the year 2012, JS Bank Limited (the Parent Company), a subsidiary of JSCL, acquired 25,525,169 shares of the Company from JSCL and other shareholders against issuance of 185,321,537 shares in lieu thereof. As a result, the principal ownership of the Company was transferred to the Parent Company. Presently, the Company is a subsidiary of JS Bank Limited, which is a subsidiary of JSCL, the ultimate parent of the Company.
- 1.3** During the year 2016, a special resolution was passed by the Company in the Annual General Meeting held on March 22, 2016, authorising the Company to buyback its own shares under section 95A of the repealed Companies Ordinance, 1984, read with the then Companies (BuyBack of Shares) Rules, 1999 upto a maximum of 12,000,000 ordinary shares. Following the announcement, 11,993,000 ordinary shares were offered by the public which was accepted resulting in cancellation of the same on April 15, 2016. Consequently, the paid-up capital was reduced to 380,070,000 ordinary shares.
- 1.4** During the year 2019, the Company publicly announced a buyback offer for the purchase of its own shares. The maximum number of shares to be bought back was 7,450,000, through a tender offer for cancellation purposes. Payment for accepted shares was made on October 01, 2019. The unaccepted shares were returned to the unsuccessful shareholders, while the accepted shares were cancelled on October 02, 2019.
- 1.5** During the year 2021, the Company made a public announcement regarding a buyback of its own shares. The buyback allowed for the purchase of a maximum of 3,991,525 shares through a tender offer. Out of these, the company purchased 3,079,703 shares which were cancelled. Payment for the accepted shares was made on June 4, 2021, and the accepted shares were subsequently cancelled on June 10, 2021.
- 1.6** The Company is a Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited (PSX) and is a member of Pakistan Mercantile Exchange Limited (PMEX). The primary services provided by the company include share brokerage, money market brokerage, forex brokerage, commodity brokerage, advisory, underwriting, book running and consultancy services. Other than these, it also invests in a mix of listed and unlisted equity and debt securities and undertakes reverse repurchase transactions. The company's registered office is located on the 17th floor of The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan.
- 1.7** During the year, the Company has obtained the license of Asset Management Company (AMC) under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), and Sandbox Guidelines, 2019 - Third Cohort, issued by Securities and Exchange Commission of Pakistan ('SECP'). The license was issued on March 27, 2023 and is provisional. The Company is an asset management company of JS Global Banking Sector Exchange Traded Fund (JSGBETF) for the year ended December 31, 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

1.8 The company has eight branches located in seven cities of Pakistan which are as follows:

Branch Name	Address
1 Stock Exchange Branch	Room No. 634, 6th Floor, Stock Exchange Building, Stock Exchange Road, Karachi
2 Gulshan-e-Iqbal Branch	Suite No. 607-A, 6th Floor, Al Ameen Towers, Plot No E-2, Block 10, Gulshan-e- Iqbal, Main NIPA, Karachi
3 Hyderabad Branch	Address: Shop No. 20, Ground Floor, Auto Bhan Towers, Auto Bhan Road, Unit No. 3, Latifabad, Hyderabad
4 Islamabad Branch	Room No. 413, 4th Floor, ISE Towers, 55-B, Jinnah Avenue, Islamabad
5 Faisalabad Branch	Office no G-04, Ground Floor, Meezan Executive Tower Plot No 4, Liaquat Road, Faisalabad
6 Lahore Branch	Plot No. 434-G/1, MA Johar Town, Lahore
7 Multan Branch	Office No. 608-A, Sixth Floor, The United Mall, Plot No. 74, Abdali Road, Multan
8 Peshawar Branch	First Floor, State life Building No. 34, The Mall Road, Peshawar Cantt, Peshawar

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984;
- Provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where the provisions and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984 and the NBFC Regulations differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984 and the NBFC Regulations have been followed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

2.2 Consolidation of mutual funds by the Asset Management Company

The Securities and Exchange Commission of Pakistan (SECP) vide SRO 56 (1)/2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and Section 237 of the repealed Companies Ordinance, 1984 (Section 228 of Companies Act 2017) are not applicable in case of investments made by companies in mutual funds established under Trust structure. Accordingly, the Company has not consolidated the financial position and result of operations of mutual fund managed by it in its financial statements.

2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain investments and derivative financial instruments which are stated at fair value. Further, lease liability and related Right-of-use Assets which are initially measured at present value of lease payments that were unpaid at lease commencement date.

2.4 Functional and presentation currency

These financial statements are presented in Pakistani Rupee, which is also the functional and presentation currency of the Company and rounded off to the nearest rupee.

2.5 Use of estimates and judgements

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

The estimates and as other comprehensive income at assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which are 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 recognised 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.

The estimates and judgements that have a significant effect on the financial statements are with respect to the following:

- Residual values and useful lives of property and equipment (notes 3.2 and 10);
- Recognition of current and deferred taxation (notes 3.6 and 15);
- Provision for impairment on financial assets (3.4.3); and

The estimates and judgements that have other than significant effect on the financial statements are following:

- Valuation of investments (notes 3.4, 13 and 16);
- Residual values and useful life of investment property (notes 3.15 and 11);
- Useful lives of intangible assets (notes 3.3 and 12);
- Right of use assets and lease liability (note 3.14).

2.6 Standards, interpretations of and amendments to the published accounting and reporting standards that are effective in the current year:

The Bank has adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from January 1, 2023. These amendments neither resulted in any changes to the accounting policies nor impacted the accounting policies' information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

The information disclosed in Note 6 material accounting policies has been assessed to be in line with the amendments.

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on January 1, 2023 but are considered not to be relevant or do not have any significant effect on the Bank's operations and are therefore not detailed in these financial statements.

2.7 New accounting standards/amendments and IFRS interpretations that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 January 2024:

- Classification of liabilities as current or non-current (Amendments to IAS 1 in January 2020) apply retrospectively for the annual periods beginning on or after 1 January 2024 (as deferred vide amendments to IAS 1 in October 2022) with earlier application permitted. These amendments in the standards have been added to further clarify when a liability is classified as current. Convertible debt may need to be reclassified as 'current'. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity's expectation and discretion at the reporting date to refinance or to reschedule payments on a long-term basis are no longer relevant for the classification of a liability as current or non-current. An entity shall apply those amendments retrospectively under IAS 8.
- Non-current Liabilities with Covenants (amendment to IAS 1 in October 2022) aims to improve the information an entity provides when its right to defer settlement of liability for at least twelve months is subject to compliance with conditions. The amendment is also intended to address concerns about classifying such a liability as current or non-current. Only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. These amendments also specify the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments to IAS 1 (as referred above).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

- Lease Liability in a Sale and Leaseback (amendment to IFRS 16 in September 2022) adds subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements to be accounted for as a sale. The amendment confirms that on initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 with earlier application permitted. Under IAS 8, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16 and will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments. If an entity (a seller-lessee) applies the amendments arising from Lease Liability in a Sale and Leaseback for an earlier period, the entity shall disclose that fact.
- 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
- Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7) introduce two new disclosure objectives for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk. Under the amendments, companies also need to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement. The amendments also add supplier finance arrangements as an example to the existing disclosure requirements in IFRS 7 on factors a company might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities. The amendments are effective for periods beginning on or after 1 January 2024, with early application permitted. However, some relief from providing certain information in the year of initial application is available.
- Lack of Exchangeability (amendments to IAS 21) clarify:
 - when a currency is exchangeable into another currency; and
 - how a company estimates a spot rate when a currency lacks exchangeability.

Further, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include:

- the nature and financial impacts of the currency not being exchangeable;
- the spot exchange rate used;
- the estimation process; and
- risks to the company because the currency is not exchangeable.

The amendments apply for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented:

3.1 Employee benefits

Defined contribution plan

The Company operates a defined contribution plan i.e., a recognised provident fund scheme for all its eligible employees in accordance with the trust deed and rules made thereunder. Equal monthly contributions at the rate of 7.33% of the basic salary are made to the fund by the Company and the employees.

3.2 Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Depreciation is calculated on straight-line basis over the estimated useful lives of the assets. Depreciation on additions is charged from the month in which they are available for use and on deletions up to the month of deletion.

Category of Operating Assets

Useful life

Office equipment - computer related items	03 years
Office equipment - others	04 years
Office furniture	10 years
Leasehold improvements	10 years
Building	40 years
Motor vehicles	05 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits as associated with the item will flow to the Company and its cost can be reliably measured. Cost incurred to replace an item of property and equipment is capitalized and the asset, so replaced is retired from use and its carrying amount is derecognised. Normal repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

The residual values and useful lives of assets are reviewed and adjusted, if appropriate at each reporting date. Capital work-in-progress is stated at cost less impairment loss, if any.

Gains and losses on disposal of assets, if any, are taken to statement of profit or loss.

3.3 Intangible assets

Intangible assets having finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Such intangible assets are amortised using the straight-line method, taking into account residual value, if any, at the rates specified in note 12 to these financial statements. Amortisation is charged from the date the asset is available for use while in the case of assets disposed off, it is charged till the date of disposal. The useful lives and amortisation method are reviewed and adjusted, if appropriate, at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

Intangible assets having an indefinite useful life are stated at cost less accumulated impairment losses, if any. An intangible asset is regarded as having an indefinite useful life, when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortised. However, the carrying amount is reviewed at each reporting date or whenever there is an indication that the asset may be impaired, to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds the estimated recoverable amount, it is written down to its estimated recoverable amount.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in statement of profit or loss when the asset is derecognised.

3.4 Financial instruments

Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances, loans and advances to employees / counter parties and due to counterparties, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Bank balances and loans and advances to employees / counter parties are recognised when funds are transferred to the banks / employees / counterparties. The Company recognises due to counterparties when funds reach the Company.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded as 'at fair value through profit or loss' whereby transaction costs are not capitalised.

3.4.1 Financial assets

The financial assets are subsequently measured at fair value through profit or loss, amortised cost or fair value through other comprehensive income on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

Financial assets measured at fair value through other comprehensive income

a) Debt instruments at fair value through other comprehensive income

Debt Instrument at fair value through other comprehensive income are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income. Interest income and foreign exchange gains and losses are recognised in profit or loss. On de-recognition, cumulative gains or losses previously recognised in other comprehensive income are reclassified from other comprehensive income to profit or loss. Debt instruments are subject to impairment under Expected Credit Loss model. The ECLs for debt instruments measured at fair value through other comprehensive income do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in other comprehensive income as an accumulated impairment amount, with a corresponding charge to statement of profit or loss. The accumulated loss recognised in other comprehensive income is recycled to the statement of profit or loss upon de-recognition of the assets.

b) Equity instruments at fair value through other comprehensive income

Upon initial recognition, the Company elects to classify irrevocably its equity investments as equity instruments at fair value through other comprehensive income when they meet the definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The Company's policy is to designate equity investments as fair value through other comprehensive income when those investments are held for purposes other than to generate investment returns. Such classification is determined on an instrument by instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in other comprehensive income. Equity instruments at fair value through other comprehensive income are not subject to an impairment assessment.

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order 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 the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets measured at fair value through profit or loss

A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding;
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

3.4.2 Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss, if any.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Company has:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises as other comprehensive income liability. The transferred asset and the as other comprehensive income liability are measured on a basis that reflects the rights and obligations that the Company has retained. The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

3.4.3 Impairment of financial assets

Financial assets at fair value through profit or loss are not subject to impairment under IFRS 9.

The ECL allowance on financial assets (other than trade debts, receivable against margin finance, loans and advances and other receivables) is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. In order to determine appropriate staging for financial assets (other than trade debts, receivable against margin financing, loans and advances and other receivables) under IFRS 9, the Company applies the Low Credit Risk (LCR) expedient. The Company considers only those balances as LCR that have investment grade rating from an External Rating Agency (BBB- or equivalent or higher) at the reporting date. The LCR balances are considered as stage 1. The Company considers a financial instrument defaulted and therefore, Stage 3 (credit-impaired) for ECL calculations in all cases when there is an objective evidence of impairment of financial assets and Company believes that the counter party will not be able to make its contractual payments. All other balances are considered as stage 2 as at reporting date. For measurement of ECL, PD, EAD and LGD are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in earlier year) on annual basis. This effectively calculates an ECL for each future year, which is then discounted back to the reporting date and summed. The discount rate used in ECL computation is the original effective interest rate or an approximation thereof. Forward looking economic information is also included in determining the 12 month and lifetime ECL and economic variables (the "base economic scenario") are obtained from external sources. For ECL estimation, the PDs as other comprehensive income with each rating grade are determined based on realized default rates as published by the rating agency.

The Company holds trade debts, receivable against margin finance and other receivables which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9 to all its trade debts, receivable against margin finance, loans and advances and other receivables. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date. The Company's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company uses the provision matrix as a practical expedient to measuring ECLs on trade receivables, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature. The provision matrix is based on historical observed loss rates over the expected life of the receivables and is adjusted for forward-looking estimates.

3.4.4 Offsetting of financial assets and financial liabilities

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

3.5 Revenue recognition

Brokerage, consultancy, advisory fee, underwriting, book running fee, commission on foreign exchange dealings and debt securities etc. are recognised as and when such services are provided.

Income from reverse repurchase transactions, debt securities and bank deposits is recognised at effective yield on time proportionate basis.

Remuneration for management services is recognized on an accrual basis by applying pre-defined remuneration percentage on daily net average value of the fund. The fee so charged does not exceed the limit prescribed in the NBFC Regulations.

Interest income on financial assets (including margin financing) is recognised on time proportionate basis taking into account effective / agreed rate of the instrument.

Dividend income is recorded when the right to receive the dividend is established.

Gains / losses arising on sale of investments are included in the statement of profit or loss in the period in which they arise.

Unrealised capital gains / losses arising from mark to market of investments classified as 'financial assets at fair value through profit or loss' are included in statement of profit or loss in the period in which they arise.

Unrealised gains / losses arising from mark to market of investments classified as 'fair value through other comprehensive income' are taken directly to statement of comprehensive income in the period in which they arise.

Gains / losses arising on revaluation of derivatives to fair value are taken to statement of profit or loss under other income / other expense in the period in which they arise.

3.6 Taxation

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

Current

Provision for current taxation is based on taxability of certain income streams of the Company under minimum / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credits and tax rebates available, if any.

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Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the carrying amount of assets and liabilities used for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the rates that are expected to be applied to the temporary differences when they arise, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax is charged or credited to the statement of profit or loss.

3.7 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash in hand, current and deposit accounts held with banks.

3.8 Impairment of non-financial assets

The carrying amount of the Company's non-financial assets other than deferred tax asset and intangible assets with indefinite useful life is reviewed at each reporting date to determine whether there is any objective evidence that an asset or group of assets may be impaired. If any such evidence exists, the asset or group of assets' recoverable amount is estimated. Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in statement of profit or loss immediately. 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 amortisation, if no impairment loss had been recognised.

3.9 Foreign currency translation

Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are converted into rupees at the rates of exchange prevailing at the transaction date. Exchange gains or losses are taken to statement of profit or loss.

3.10 Borrowing costs

Borrowing costs incurred on long term finances directly attributable for the construction / acquisition of qualifying assets are capitalized up to the date the respective assets are available for intended use. All other mark-up, interest and other related charges are taken to the statement of profit or loss directly.

3.11 Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

3.12 Earnings per share

Earnings per share is calculated by dividing the profit after tax for the period by the weighted average number of ordinary shares outstanding during the period.

3.13 Dividend distributions and appropriations

Dividend distributions and appropriations are recorded in the period in which the distributions and appropriations are approved.

3.14 Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under some of its leases to lease the assets for additional terms of one to five years. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

The Company included the renewal period as part of the lease term for leases of Company's branches due to the significance of these assets to its operations. These leases have a short non-cancellable period (i.e. three to five years) and there will be a significant negative effect on operations if a replacement is not readily available.

3.15 Investment property

Investment property is stated at cost less accumulated depreciation and impairment, if any. Depreciation on investment property is charged on straight line method at 2.5% per annum. Depreciation on additions is charged from the month of addition and in case of deletion up to the month of disposal. Maintenance and normal repairs are charged to statement of profit or loss as and when incurred while major repairs and renewals are capitalised. Any gains or losses on disposal of an investment property are recognised in the profit and loss account in the year of disposal. The carrying values of investment properties are reviewed at each financial year end for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the investment properties are written down to their recoverable amount.

3.16 Government Grants

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g., a government subsidy.

The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Company recognizes government grants when there is reasonable assurance that grants will be received and the Company will be able to comply with conditions associated with grants.

Government grants are recognized at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

A loan is initially recognized and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - i.e., the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

3.17 Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Board of Directors and Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

The operating segments of the Company are as follows:

Brokerage

The brokerage activities include services provided in respect of share brokerage, money market brokerage, forex brokerage, commodity brokerage and share subscription commission.

Investment and treasury

It consists of capital market, money market investment and treasury functions. The activities include profit / mark-up on bank deposit, term deposit receipts, capital gains on equity and debt securities, mark-up income on margin financing and term finance certificates and profit on sukuks and dividend income.

Other operations

It consists of advisory and consultancy function.

4. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2023 (Number of shares)	2022		2023 ----- (Rupees) -----	2022 -----
20,009,700	20,009,700	Ordinary shares of Rs.10 each fully paid in cash	200,097,000	200,097,000
29,990,300	29,990,300	Ordinary shares of Rs.10 each issued as bonus shares	299,903,000	299,903,000
(11,993,000)	(11,993,000)	First buy back of 11,993,000 shares having face value of Rs.10 each	(119,930,000)	(119,930,000)
(7,450,000)	(7,450,000)	Second buy back of 7,450,000 shares having face value of Rs.10 each	(74,500,000)	(74,500,000)
(3,079,703)	(3,079,703)	Third buy back of 3,079,703 shares having face value of Rs.10 each	(30,797,030)	(30,797,030)
<u>27,477,297</u>	<u>27,477,297</u>		<u>274,772,970</u>	<u>274,772,970</u>

4.1 The Parent company held 25,525,169 (2022: 25,525,169) ordinary shares of Rs.10 each at year end.

4.2 Voting rights, board selection, right of first refusal and block voting are in proportion to the respective shareholding.

5. LONG-TERM FINANCING - secured

Islamic

Long-term Loan
Short-term maturity
Long-term maturity

Current maturity of long term loan

Note	2023 ----- (Rupees) -----	2022 -----
5.1 & 5.2	315,442,500 (315,442,500)	630,885,000 (315,442,500)
	<u>-</u>	<u>315,442,500</u>
	<u>315,442,500</u>	<u>315,442,500</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

5.1 Long term finance utilised mark-up arrangements

	Number of installements and commencement date	Date of maturity	Rate of mark-up per annum	2023 ----- (Rupees) -----	2022 -----
Islamic					
i) BankIslami Pakistan Limited - Related Party					
Diminishing Musharakah	12 quarterly instalments 21 November 2022	21 Nov 24	3 months Kibor+1.5%	165,442,500	330,885,000
ii) Dubai Islamic Bank Pakistan Limited					
Diminishing Musharakah	12 quarterly instalments 21 November 2022	21 Nov 24	3 months Kibor+1.5%	150,000,000	300,000,000
				315,442,500	630,885,000

5.2 During the year 2021, the Company obtained Diminishing Musharakah term finance facility, aggregating to Rs. 630.885 Million. This facility is secured against charge over the property (16th and 17th Floor of building).

	Note	2023 ----- (Rupees) -----	2022 -----
6. LEASE LIABILITY			
As at January 01		11,441,151	16,876,402
Interest expense		2,300,173	1,896,646
Addition		15,751,700	4,112,901
Payment of rentals		(13,582,479)	(11,444,798)
As at December 31		15,910,545	11,441,151
Less: Current maturity		(3,937,543)	(8,271,047)
		11,973,002	3,170,104

7. CREDITORS, ACCRUED EXPENSES AND OTHER LIABILITIES

Trade creditors	7.1	2,900,067,622	1,974,183,576
Accrued expenses		110,795,995	63,921,413
Staff Provident Fund	7.2	2,826,314	2,693,030
Provision for staff bonus	7.3	50,000,000	27,125,376
Provision for Sindh Workers' Welfare Fund		54,780,953	48,470,194
Others		336,754,869	231,495,813
		3,455,225,753	2,347,889,402

7.1 This includes payable to Pakistan Stock Exchange Limited (PSX) and National Clearing Company of Pakistan Limited (NCCPL) amounting to Rs. 0.341 million (2022: Rs. 0.261 million) and Rs. 40.496 million (2022: Rs. 88.736 million) respectively in respect of trading in securities settled subsequent to the year end.

7.2 Investments out of Provident fund have been made in compliance with the provisions of section 218 of the Act and the rules formulated for this purpose.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	2023 ----- (Rupees) -----	2022 -----
7.3	Movement in provision for staff bonus is as follows:		
	Balance at the beginning of the year	27,125,376	88,763,376
	Paid during the year	(24,811,125)	(71,638,000)
	Charged during the year	47,685,749	10,000,000
	Balance at the end of the year	<u>50,000,000</u>	<u>27,125,376</u>

8. SHORT TERM BORROWING - SECURED

Short term borrowing - secured	8.1	<u>-</u>	<u>91,994,547</u>
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8.1 Running finance facility of Rs. 500 million has been obtained by the Company from Allied Bank Limited having expiry on 31 December 2023 and is secured against pledge of eligible securities with requisite margin. The mark-up on the facility is payable quarterly at 3 month KIBOR + 1.5%.

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There are no outstanding contingencies as at December 31, 2023 other than those disclosed in note 28 of these financial statements.

	Note	2023 ----- (Rupees) -----	2022 -----
9.2	Commitments		
	Future sale transactions of equity securities entered into by the Company in respect of which the settlement is outstanding - net	<u>553,782,260</u>	<u>567,163,001</u>
	Bank Guarantee from a commercial bank in favor of National Clearing Company of Pakistan Limited expiring on May 25, 2024	9.2.1 <u>400,000,000</u>	<u>400,000,000</u>

9.2.1. The Bank Guarantee is secured against pari passu charge of Rs. 667 million over current assets of the Company with 40% margin.

	Note	2023 ----- (Rupees) -----	2022 -----
10. PROPERTY AND EQUIPMENT			
Operating assets	10.1	<u>764,297,044</u>	789,091,984
Right-of-use assets	10.2	<u>15,362,894</u>	8,464,247
		<u>779,659,938</u>	<u>797,556,231</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
	----- (Rupees) -----	
10.2 Right-of-use assets		
As at January 01	8,464,247	12,893,189
Additions	15,751,700	4,112,901
Depreciation	<u>(8,853,053)</u>	<u>(8,541,843)</u>
As at December 31	<u>15,362,894</u>	<u>8,464,247</u>

11. INVESTMENT PROPERTY

Cost	127,303,650	127,303,650
Accumulated Depreciation	<u>(11,145,980)</u>	<u>(7,963,389)</u>
Closing balance	<u>116,157,670</u>	<u>119,340,261</u>

11.1 Investment property comprises of 5,805 square feet of 16th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan, the fair value of which has been determined on the basis of valuation carried out by an independent professional valuer as of December 31, 2023 which amounts to Rs. 243.810 million (2022: Rs. 226.395 million).

11.2 The Company has vis-à-vis rented out a portion of the property to JS Investments Limited, a related party, under a rental arrangement. (refer note 26.1)

12. INTANGIBLE ASSETS

	Note	2023	2022
		----- (Rupees) -----	
Trading Right Entitlement Certificate (TREC) - Pakistan Stock Exchange Limited (PSX)	12.1	2,500,000	2,500,000
Membership card - Pakistan Mercantile Exchange Limited	12.2	<u>2,500,000</u>	<u>2,500,000</u>
		<u>5,000,000</u>	<u>5,000,000</u>
Softwares	12.3	-	-
		<u>5,000,000</u>	<u>5,000,000</u>

12.1 This represents TREC received from PSX in accordance with the requirements of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012. The Company has also received shares of PSX after completion of the demutualization process.

12.2 This represents membership card of Pakistan Mercantile Exchange Limited as the company is a member of Pakistan Mercantile Exchange Limited as explained in note 1.6 of these financial statements.

12.3 Softwares

				2023			
Cost				Accumulated Amortisation			Written down
As at	As at			As at	As at	As at	value as at
January 01,	December 31,	Rate		January 01,	Charge for	December 31,	December 31,
2023	2023	(%)		2023	the year	2023	2023
----- (Rupees) -----				----- (Rupees) -----			
12,929,278	-	33.33		12,929,278	-	12,929,278	-

NOTES TO THE FINANCIAL STATEMENTS

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Cost		Rate (%)	2022			Written down value as at December 31, 2022
As at January 01, 2022	As at December 31, 2022		As at January 01, 2022	Charge for the year	As at December 31, 2022	
----- (Rupees) -----			----- (Rupees) -----			
12,929,278	-	33.33	12,929,263	15	12,929,278	-

13. LONG TERM INVESTMENTS	Note	2023	2022
		----- (Rupees) -----	----- (Rupees) -----
Classified as 'at fair value through Other Comprehensive Income'			
Shares of PSX - at cost			
2023: 2,202,953 shares (2022: 2,202,953 shares)		23,060,884	23,060,884
Term finance certificates and Sukuks - at cost	13.1	3,120,000	24,796,667
		26,180,884	47,857,551
Surplus / (Deficit) on revaluation - net	13.2	181,064	(4,270,572)
Less: Current maturity of long term investments - secured		-	(5,166,667)
		26,361,948	38,420,312

13.1 Term finance certificates and sukuku

Number of Certificates	Name of term finance certificates and sukuku	Note	Carrying value	
			2023	2022
2023	2022		----- (Rupees) -----	
-	3,000	13.1.1	-	5,000,000
-	20		-	166,667
624	3,926	13.1.3	3,120,000	19,630,000
			3,120,000	24,796,667
			-	(5,166,667)
			3,120,000	19,630,000

13.1.1 Significant terms and conditions of term finance certificates outstanding at the year end are as follows:

Name of security	Face Value Per Certificates (Rupees)	Unredeemed face value Per Certificates (Rupees)	Mark-up rate (per annum)	Maturity	Rating
Listed Debt Security - Unsecured					
Bank Islami - Pakistan Limited Ehad Sukuk	5,000	5,000	3 months KIBOR +2.75%	Perpetual	A-

13.1.2 These term finance certificates and sukuku held by the Company are secured against either marketable securities of the issuer or a charge on the shares of the issuer's core investments inclusive of 50% margin or a ranking charge over present and future fixed assets of the issuer with a 25% margin. The maximum aggregate amount of term finance certificates and sukuku loans due from related party at the end of any month during the year was Rs. 3.12 million (2022: Rs.5 million).

NOTES TO THE FINANCIAL STATEMENTS

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- 13.2** Movement of surplus on revaluation of investments classified as at fair value through Other Comprehensive Income is as follows:

	2023 ----- (Rupees) -----	2022 ----- (Rupees) -----
Balance at the beginning of the year	(4,270,572)	8,196,738
Surplus / (deficit) on re-measurement of investments during the year	<u>4,451,636</u>	<u>(12,467,310)</u>
Balance at the end of the year	<u>181,064</u>	<u>(4,270,572)</u>

	2023 ----- (Rupees) -----	2022 ----- (Rupees) -----
14. LONG TERM LOANS, ADVANCES AND DEPOSITS - considered good		
Long term loans - secured		
- Executives	14.1 <u>10,708,192</u>	13,570,369
- Employees	14.2 <u>5,359,244</u>	5,675,226
	<u>16,067,436</u>	19,245,595
Current maturity	18 <u>(7,654,851)</u>	(7,701,773)
	<u>8,412,585</u>	11,543,822
Advance for purchase of office	2,500,000	2,500,000
Security deposits	14.3 <u>19,387,268</u>	19,387,268
	<u>30,299,853</u>	<u>33,431,090</u>

	2023 ----- (Rupees) -----	2022 ----- (Rupees) -----
14.1 Reconciliation of carrying amount of loans to executives are as follows:		
Balance at the beginning of the year	13,570,369	10,904,806
Disbursements	3,350,000	7,819,471
Repayments	<u>(6,212,177)</u>	<u>(5,153,908)</u>
Balance at the end of the year	<u>10,708,192</u>	<u>13,570,369</u>

- 14.2** Loan to executives and employees are given for purchase of house, home appliances and other personal goods at variable interest rates per annum in accordance with the Company's policy and terms of employment. The loans are repayable over a period of two to ten years and are secured against their final settlement.

- 14.3** This includes Rs. 3.85 million (2022: Rs. 3.85 million) deposited with PSX, Rs. 1.55 million (2022: Rs. 1.55 million) with NCCPL, Rs. 0.40 million (2022: Rs. 0.30 million) with Central Depository Company of Pakistan Limited (CDC), Rs. 10.43 million (2022: Rs. 10.43 million) with Pakistan Mercantile Exchange Limited (PMEX).

NOTES TO THE FINANCIAL STATEMENTS

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2023

15. DEFERRED TAXATION - NET

Taxable temporary differences

	Opening	(Charge) / reversal to statement of profit or loss	Reversal to state- ment of compre- hensive income	Closing
	----- (Rupees) -----			
Operating assets and investment property	(12,116,398)	(32,742,756)	-	(44,859,154)

Deductible temporary differences

Lease liability - net	861,362	(686,114)	-	175,248
Revaluation of investments	203,217	(72,319)	(573,121)	(442,223)
Allowance for expected credit losses	122,653,944	19,518,312	-	142,172,256
	<u>111,602,125</u>	<u>(13,982,877)</u>	<u>(573,121)</u>	<u>97,046,127</u>

2022

Taxable temporary differences

	Opening	(Charge) / reversal to statement of profit or loss	Reversal to state- ment of compre- hensive income	Closing
	----- (Rupees) -----			
Operating assets and investment property	(11,065,821)	(1,050,577)	-	(12,116,398)
Government grant	(550,285)	550,285	-	-

Deductible temporary differences

Lease liability - net	1,155,131	(293,769)	-	861,362
Revaluation of investments	349,792	(653,360)	506,785	203,217
Allowance for expected credit loss	122,653,944	-	-	122,653,944
	<u>112,542,761</u>	<u>(1,447,421)</u>	<u>506,785</u>	<u>111,602,125</u>

16. SHORT TERM INVESTMENTS

At fair value through profit or loss

	Note	2023 ----- (Rupees) -----	2022 -----
Quoted equity securities	16.1	543,400,839	564,313,980
Exchange Traded Fund	16.2	25,333,868	6,420,150
		<u>568,734,707</u>	<u>570,734,130</u>

At fair value through other comprehensive income

Privately placed term finance certificates - unsecured	16.3	-	-
Current maturity of long term investments - secured	13	-	5,166,667
		<u>568,734,707</u>	<u>575,900,796</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

16.1 Quoted equity securities (note 16.1.1)

Fully paid ordinary shares of Rs. 10 each (unless stated otherwise)

Number of shares		Name of company	2023		2022		
2023	2022		Average cost	Fair value	Average cost	Fair value	
				(Rupees)			
150,100	-	Agha Steel Industries Limited	2,097,000	2,135,923	-	-	-
634,000	-	Agritech Limited*	8,764,886	8,635,080	-	-	-
1,012,000	895,000	Air Link Communication Limited*	51,070,197	61,489,120	-	-	26,474,100
-	343,000	Al Shaheer Corporation Limited	-	-	-	-	3,498,600
40,000	-	Askari Bank Limited	984,000	988,800	-	-	-
3,000	425,500	Attock Refinery Limited*	1,028,742	982,410	-	-	61,084,780
41,500	160,500	Avanceon Limited*	2,516,498	2,379,610	-	-	10,597,815
-	89,628	Bank Alfalah Limited*	-	-	-	-	2,701,388
-	81	Century Paper and Board Mills Limited	-	-	-	-	4,008
1,630,000	6,295,000	Energyico PK Limited*	8,186,045	8,019,600	-	-	23,228,550
42,500	29,500	D.G. Khan Cement Company Limited*	3,260,311	3,289,500	-	-	1,523,380
902,500	-	Dewan Cement Limited*	4,919,200	5,523,300	-	-	-
20,500	-	Engro Corporation Limited*	5,720,000	6,045,655	-	-	-
50,000	3,890,000	Fauji Cement Company Limited*	970,000	946,000	-	-	46,757,800
65,500	363,000	Fauji Fertilizer Company Limited*	7,339,295	7,413,945	-	-	35,831,730
110,000	66,000	Fauji Foods Limited*	1,220,083	1,225,400	-	-	310,860
-	351,134	Faysal Bank Limited	-	-	-	-	9,069,791
-	16,000	Flying Cement Company Limited	-	-	-	-	93,760
-	29,000	Ghandhara Industries Limited	-	-	-	-	3,151,430
1,130,000	72,500	Ghani Global Holdings Limited*	11,992,752	12,667,300	-	-	787,500
-	500	Habib Bank Limited*	-	-	-	-	31,865
800,500	660,000	Hum Network Limited*	5,799,927	5,483,425	-	-	3,854,400
-	1,500	International Industries Limited	-	-	-	-	113,490
679,100	2,454,500	K-Electric Limited*	3,098,999	3,572,066	-	-	6,627,150
-	38,000	Lotte Chemical Pakistan Limited	-	-	-	-	984,200
-	7,500	Lucky Cement Limited	-	-	-	-	3,349,350
550,000	-	Maple Leaf Cement Factory Limited*	21,829,500	21,406,000	-	-	-
-	121,000	National Refinery Limited*	-	-	-	-	21,302,050
19,500	44,000	NetSol Technologies Limited*	2,004,562	1,939,665	-	-	3,776,960
-	5,000	Nishat Chunian Limited	-	-	-	-	104,200
-	69,500	Nishat Chunian Power Limited	-	-	-	-	988,985
245,000	10,306	Nishat Mills Limited*	18,845,715	18,796,400	-	-	549,900
279,500	212,500	Oil & Gas Development Company Limited*	33,055,807	31,429,775	-	-	16,927,750
310,000	550,000	Pak Elektron Limited*	6,660,174	6,999,800	-	-	7,122,500
51,500	-	Pak Suzuki Motor Company Limited*	29,585,842	28,755,540	-	-	-
-	70,000	Pakistan Oilfields Limited	-	-	-	-	27,499,500
135,000	189,981	Pakistan Petroleum Limited*	15,462,032	15,529,050	-	-	12,810,320
742,500	2,316,000	Pakistan Refinery Limited*	21,795,185	21,673,575	-	-	30,038,520
463,000	683,500	Pakistan State Oil Company Limited*	83,828,368	81,816,730	-	-	98,598,058
5,979,500	4,162,500	Pakistan Telecommunication Company Limited*	70,163,445	73,129,285	-	-	25,391,250
-	21,000	Pioneer Cement Limited	-	-	-	-	1,080,030
140,000	2,500	Shell Pakistan Limited*	21,112,989	21,065,800	-	-	268,600
130,000	209,000	Sui Northern Gas Pipelines Limited*	9,435,626	9,557,600	-	-	7,847,950
-	3,000	Tariq Glass Industries Limited	-	-	-	-	195,360
-	145,500	Telecard Limited	-	-	-	-	983,580
1,000,000	145,576	The Bank of Punjab	6,310,000	6,480,000	-	-	664,935
228,500	335,000	The Hub Power Company Limited*	26,634,919	26,755,065	-	-	21,131,800
19,500	40,000	The Searle Company Limited*	999,977	1,003,860	-	-	2,354,800
854,500	109,500	TPL Properties Limited*	11,355,645	11,552,840	-	-	1,861,500
1,466,500	2,913,500	Unity Foods Limited*	34,958,463	34,653,395	-	-	41,138,620
-	185,500	Waves Corporation Limited	-	-	-	-	1,600,865
7,500	-	Waves Singer Pakistan Limited*	58,275	59,325	-	-	-
		Unrealised gain on remeasurment of investments at fair value through profit or loss - net	533,064,457	543,400,839	564,313,980		
			10,336,382	-	-		
			543,400,839	543,400,839	564,313,980		

16.1.1 These shares have been Pledged with NCCPL against ready and future exposure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

16.2 Exchange Traded Fund

Fully paid ordinary shares / units of Rs. 10 each (unless stated otherwise)

Number of shares / units		Name of company	2023		2022	
2023	2022		Average cost	Fair value		
				(Rupees)		
44,500	42,000	Alfalah Consumer Index Exchange Traded Fund	113,891	488,610	282,240	
490	-	Agha Steel Industries Limited	1,625	6,973	-	
1,109	-	Air Link Communication Limited	48,136	67,383	-	
-	978	Azgard Nine Limited	-	-	7,091	
-	196	Amreli Steels Limited	-	-	3,518	
478	-	Attock Refinery Limited	84,012	156,531	-	
-	843	Avanceon Limited	-	-	55,663	
2,103	170	Bank Alfalah Limited	75,157	102,017	5,124	
1,196	201	Bank AL Habib Limited	69,709	96,326	11,111	
-	360	BankIslami Pakistan Limited	-	-	4,810	
12,983	-	The Bank Of Punjab	61,979	84,130	-	
360	311	Cherat Cement Company Limited	13,676	58,673	31,691	
252	213	Citi Pharma Ltd.	1,394	5,982	5,144	
184	-	Dewan Farooque Motors Limited	642	2,753	-	
3,286	583	D.G. Khan Cement Company Limited	131,610	254,336	30,106	
599	2,762	Engro Fertilizers Limited	49,987	67,226	212,370	
1,808	1,597	Engro Corporation Limited	304,646	533,197	418,430	
-	1,299	Engro Polymer & Chemicals Limited	-	-	54,974	
2,121	383	Faysal Bank Limited	50,908	69,102	9,893	
917	-	Fauji Fertilizer Bin Qasim Limited	20,897	29,252	-	
575	610	Fauji Fertilizer Company Limited	48,051	65,084	60,213	
1,703	1,066	Fauji Foods Limited	13,553	18,971	5,021	
595	411	Gul Ahmed Textile Mills Limited	2,996	12,852	10,127	
-	4,416	Ghani Global Holdings Limited	-	-	49,680	
1,277	629	Habib Bank Limited	103,638	141,543	40,086	
-	75	Honda Atlas Cars (Pakistan) Limited	-	-	12,470	
6,431	4,544	The Hub Power Company Limited	448,136	753,006	286,636	
897	-	Interloop Limited	15,054	64,584	-	
210	194	International Industries Limited	6,798	29,163	14,678	
489	407	International Steels Limited	8,323	35,707	18,457	
1,002,000	-	JS Global Banking Sector (ETF)	10,305,072	13,987,920	-	
27,500	30,000	JS Momentum Factor Exchange Traded Fund	261,282	365,750	240,000	
718	620	Lucky Cement Limited	305,408	565,052	276,880	
759	299	MCB Bank Limited	96,061	130,965	34,732	
3,234	1,859	Meezan Bank Limited	313,600	521,838	185,045	
4,479	1,327	Maple Leaf Cement Factory Limited	75,410	174,323	29,950	
266	226	Mughal Iron & Steel Industries Limited	4,103	17,604	10,918	
251,500	251,000	Meezan Pakistan ETF	1,594,154	2,970,215	1,975,370	
22,000	24,500	NBP Pakistan Growth Exchange Traded Fund	313,218	303,820	243,285	
342	288	Nishat Chunian Limited	2,069	8,875	6,002	
284	284	Nishat Chunian Power Limited	1,852	7,943	4,041	
319	776	NetSol Technologies Limited	22,668	31,731	66,612	
21,000	21,000	NIT Pakistan Gateway ETF	197,724	308,700	213,990	
905	424	Nishat Mills Limited	32,689	69,432	23,316	
3,637	3,135	Oil & Gas Development Company Limited	235,973	408,981	249,734	
1,506	-	Pak Elektron Limited	24,293	34,005	-	
106	103	Pakistan Oilfields Limited	36,225	44,726	40,464	
3,445	705	Pakistan Petroleum Limited	228,403	396,278	48,039	
84	58	Pak Suzuki Motor Company Limited	33,506	46,902	9,905	
1,569	1,189	Pakistan State Oil Company Limited	137,671	277,258	171,204	
69	-	Sazgar Engineering Works Limited	2,861	12,272	-	
1,608	472	The Searle Company Limited	44,914	82,780	27,787	
3,074	1,464	Sui Northern Gas Pipelines Limited	100,560	226,000	54,973	
1,091	896	Systems Limited	263,285	462,104	433,601	
-	1,219	TPL Properties Limited	-	-	20,723	
257	-	Treet Corporation Limited	1,115	4,785	-	
377	732	TRG Pakistan Limited	27,428	29,809	79,363	
1,591	572	United Bank Limited	201,597	282,943	57,629	
26,500	22,500	UBLPakistan Enterprise ETF	249,785	380,805	225,450	
1,551	4,363	Unity Foods Limited	8,543	36,650	61,606	
			16,796,286	25,333,868	6,420,150	
		Unrealised gain on revaluation of investments at fair value through profit or loss - net	8,537,582	-	-	
			25,333,868	25,333,868	6,420,150	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

16.3 Privately Placed Term Finance Certificates (PPTFCs) - Unsecured

2023					
Number of certificates	Mark-up rate (%)	Name of company	Note	Maturity date	Cost (Rupees)
12	11	Azgard Nine Limited (Privately Placed Term Finance Certificates)	16.3.1	October 19, 2020	301,361,609
		Provision for impairment			(301,361,609)
					-
2022					
Number of certificates	Mark-up rate (%)	Name of company	Note	Maturity date	Cost (Rupees)
12	11	Azgard Nine Limited (Privately Placed Term Finance Certificates)	16.3.1	October 19, 2020	326,456,184
		Provision for impairment			(326,456,184)
					-

16.3.1 Considering the financial position of the issuer, the Company has fully provided outstanding amount of the PPTFCs and records mark-up on receipt basis.

17. TRADE DEBTS

Considered good

Purchase of shares on behalf of clients
Advisory services
Receivable from JSGBETF
Forex and fixed income commission
Commodity

Note	2023 ----- (Rupees)	2022 -----
	1,180,350,891	519,056,837
	159,392	1,774,940
	470,747	-
	7,902,490	10,364,759
	97,227,397	113,239,435
	1,286,110,917	644,435,971
	420,587,115	409,285,717
	1,706,698,032	1,053,721,688
	(420,587,115)	(409,285,717)
17.1	1,286,110,917	644,435,971

Considered doubtful

Allowance for expected credit losses

17.1 Included herein is a sum of Rs. 2.609 million (2022: Rs. 4.716 million) receivable from related parties.

18. LOANS AND ADVANCES - considered good

Current maturity of long term loans - secured
Advances to staff
Advances to suppliers

Note	2023 ----- (Rupees)	2022 -----
14	7,654,851	7,701,773
	11,494,518	10,868,256
	49,064,843	38,213,288
	68,214,212	56,783,317

19. SHORT-TERM DEPOSITS AND PREPAYMENTS

Deposits
Prepayments

Note	2023 ----- (Rupees)	2022 -----
19.1	1,261,351,368	1,051,019,691
	27,768,809	17,017,816
	1,289,120,177	1,068,037,507

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

19.1 This includes Rs. 1,230.635 million (2022: Rs.1,045.413 million) given to NCCPL against ready and future exposure.

2023 2022
----- (Rupees) -----

20. INTEREST AND MARK-UP ACCRUED

Accrued mark-up on margin finance	33,092,193	31,393,693
Accrued mark-up on term finance / sukuk certificates	606,108	711,928
Interest receivable on bank deposits	524,412	400,842
	34,222,713	32,506,463

Note 2023 2022
----- (Rupees) -----

21. OTHER RECEIVABLES

Sales tax paid on account of forex and advisory	16,012,274	16,012,274
Others	23,298,569	7,730,437
	21.1 39,310,843	23,742,711
Provision made against sales tax paid and others	21.2 (23,701,185)	(23,701,185)
	15,609,658	41,526

21.1 Included herein is a sum of Rs. NIL (2022: Rs. 0.346 million) receivable from related parties.

Note 2023 2022
----- (Rupees) -----

21.2 The movement in provision during the year is as follows:

Balance at beginning of the year	23,701,185	23,701,185
Provision recognised during the year	-	-
Reversal due to recoveries during the year	-	-
Balance at the end of the year	23,701,185	23,701,185

Note 2023 2022
----- (Rupees) -----

22. CASH AND BANK BALANCES

Bank balances in:		
- Current accounts	22.1 34,534,313	9,069,472
- Deposit accounts	22.2 1,102,446,924	1,355,631,656
Cash in hand:	1,136,981,237	1,364,701,128
	224,000	224,000
	1,137,205,237	1,364,925,128

22.1 These carry interest at the rates ranging from 9.25% to 20.82% (2022: 2.75% to 14.5%) per annum.

22.2 These include balances with the Parent Company amounting to Rs.1,029.772million(2022:Rs.1,334.985 million).

22.3 Details of customer assets held and securities pledged are as follows:

2023 2022
----- (Rupees) -----

Customers' assets held in the designated bank accounts	1,238,443,452	1,580,698,446
Customers' assets held in the CDC	37,054,404,535	34,240,753,023
Customers' securities pledged with financial institutions	10,684,213,058	12,947,575,235

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

		2023	2022
		----- (Rupees) -----	
23. OPERATING REVENUE			
Brokerage income		836,923,319	532,700,717
Management Fee - JSGBETF		145,664	-
Advisory and consultancy fee		24,159,771	10,812,874
Revenue including sales tax on services		<u>861,228,754</u>	<u>543,513,591</u>
Less: Sales tax on services		99,079,414	62,528,112
Net revenue excluding sales tax on services		<u>762,149,340</u>	<u>480,985,479</u>
24. CAPITAL GAIN ON SALE OF INVESTMENTS - NET			
Gain on sale of quoted equity securities - net		14,030,641	43,707,312
Loss on sale of Exchange Traded Fund - net		(112,482)	(450,835)
Gain on sale / redemption of term finance certificates and sukuks - net		9,636,347	25,254,282
Gain on sale of government securities - net		<u>31,843,648</u>	<u>2,835,054</u>
		<u>55,398,154</u>	<u>71,345,813</u>
	Note	2023	2022
		----- (Rupees) -----	
25. ADMINISTRATIVE AND OPERATING EXPENSES			
Salaries and benefits	25.1	413,192,306	331,750,750
Contribution to provident fund	25.2	17,060,716	17,612,780
Fee for directors / committee meetings	30	6,200,000	2,343,753
Printing and stationery		4,502,897	4,294,679
Telephone, fax, telegram and postage		12,355,790	8,025,007
Rent, rates and taxes		79,200	1,431,363
Vehicle running expenses		44,220,142	34,136,989
Utilities		36,343,651	20,954,422
Legal and professional charges		29,441,216	9,885,096
Insurance		23,139,708	17,672,060
Newspaper and periodicals		306,215	302,901
Entertainment		1,288,540	1,088,823
Advertisement and business promotion		25,263,771	13,903,597
Office supplies		3,913,324	2,985,818
Depreciation expense	10.1, 10.2 & 11	69,980,660	77,021,055
Auditors' remuneration	25.3	2,983,392	2,314,902
Fees and subscription		47,570,686	30,119,773
Conveyance and traveling		53,370,752	41,645,737
Repairs and maintenance		24,483,782	18,209,357
Computer expenses		26,418,540	24,103,139
PSX, NCCPL, SECP and CDC charges		35,466,937	27,001,042
Royalty	25.4	20,000,000	20,000,000
Donation	25.5	3,888,712	-
		<u>901,470,937</u>	<u>706,803,043</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

	Note	2023 ----- (Rupees) -----	2022 -----
25.1	Number of employees at the end of the year	<u>177</u>	<u>173</u>
	Average number of employees during the year	<u>177</u>	<u>176</u>

25.2 Investments in collective investment schemes, listed equity and listed debt securities out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

		2023 ----- (Rupees) -----	2022 -----
25.3	Auditors' remuneration		
	Statutory audit fee	1,250,000	1,000,000
	Half year review	500,000	400,000
	Review of code of corporate governance	200,000	150,000
	Other certifications	687,000	450,000
	Out of pocket expenses and sales tax on services	346,392	314,902
		<u>2,983,392</u>	<u>2,314,902</u>

25.4 This represents the royalty payable to Mr. Jahangir Siddiqui (associated person) on account of use of "JS" as a part of Company's name under an agreement dated February 07, 2007 which has been amended through addendum dated April 23, 2021 whereby the Company agreed to pay Rs.20 million per annum (previously Rs. 15 million per annum) effective from August 01, 2021

25.5 This represents donation extended to Future Trust, a related party.

	Note	2023 ----- (Rupees) -----	2022 -----
26.	OTHER OPERATING INCOME - NET		
	Income from financial assets:		
	Mark-up on debt and government securities	2,572,168	3,527,848
	Return on cash margin on future contracts	7,592,011	8,742,587
	Interest earned on deposit accounts	106,311,763	117,484,275
		<u>116,475,942</u>	<u>129,754,710</u>
	Income from non-financial assets:		
	Gain on sale of operating assets	10.1.1 10,789,994	47,150,485
	Other income	26.1 65,900,636	47,486,981
		<u>76,690,630</u>	<u>94,637,466</u>
		<u>193,166,572</u>	<u>224,392,176</u>

26.1 This includes rental income from JS investments Limited, a related party, amounting to Rs. 13.547 million (2022: Rs. 11.827 million). It further includes the markup received from Azgard Nine Limited amounting to Rs. 37.432 million.

	Note	2023 ----- (Rupees) -----	2022 -----
27.	FINANCE COST		
	Mark-up on long-term loans	103,291,211	94,403,312
	Mark-up on commercial paper	-	46,329,675
	Commission charges on bank guarantee	27.1 4,999,992	4,780,670
	Bank and other charges	972,494	512,361
	Interest expense on SBP Re-Finance Scheme for Salaries and Wages	-	878,251
	Interest expense on assets subject to finance lease	2,300,173	1,896,646
		<u>111,563,870</u>	<u>148,800,915</u>

- 27.1** During the year, the Company obtained bank guarantee from financial institution, to meet exposure requirements, amounting to Rs. 400 (2022: Rs.400 million). It was priced at 1.25% per annum and will be expiring on May 25, 2024.

28. TAXATION

28.1 Tax contingencies

- 28.1.1** Except for tax year 2009, 2014, 2015, 2016, 2017, 2018, 2020 - and 2021 - income tax assessments have been filed and are deemed to have been assessed under the Income Tax Ordinance, 2001 (the Ordinance) unless selected by taxation authorities for audit purposes.

- 28.1.2** For tax year 2009, an ITRA no. 07/2013 was filed by the Commissioner, Inland Revenue against an order passed by the Learned Appellate Tribunal Inland Revenue (ATIR) in ITA no. 923/KB/2011 dated August 28, 2012, which was related to the apportionment of expenses, allowability of expenses and claiming of tax deducted at source aggregating to Rs. 61.16 million. However, the same is pending for decision before the Sindh High Court (SHC).

- 28.1.3** For tax year 2015, an order dated November 23, 2016, was passed under section 4B of the Ordinance by the Deputy Commissioner Inland Revenue (DCIR). Through said order, an income of Rs.810.584 million was computed under section 4B of the Ordinance and resultant demand for super tax of Rs. 24.318 million was raised. An appeal was filed against the above order before CIR-A on December 01, 2016, identifying various errors/details not considered. The CIR-A has confirmed DCIR's order vide his order dated May 30, 2017. In pursuance of the order of CIR-A, the Company has filed an appeal before ATIR along with an application for a stay against recovery of demand. The appeal before ATIR has been heard and the order is reserved whilst ATIR vide order dated July 18, 2017, has granted a stay for 60 days and subsequently, the said stay was further extended vide various orders by ATIR. Subsequently, recovery of aforesaid tax demand was previously stayed by the Honorable Sindh High Court (SHC) through C.P No 4915 of 2018 vide order dated June 28, 2018, with direction to the Department not to enforce recovery of tax demand till the decision of ATIR. However, based on its order dated July 21, 2020, the SHC has dismissed the aforementioned C.P and has declared the super tax for TY 2015 to be constitutionally vires. The Company has however filed an Income Tax Reference Application (ITRA) No. 52 of 2020 before SHC which is pending adjudication.

- 28.1.4** For tax year 2016 and 2017, notices dated December 27, 2016 and January 3, 2018 were issued under section 4B of the Ordinance by the DCIR. In the said notices, the DCIR has contended that the Company is liable to pay Super Tax amounting to Rs. 24.483 million and Rs. 19.490 million on 'income' of Rs. 816.122 million and Rs. 649.676 million for Tax Years 2016 and 2017 respectively. The Company has challenged both notices through writ petition before SHC on constitutional grounds wherein the SHC has, vide its orders dated January 16, 2017 and January 11, 2018 for Tax Years 2016 and 2017 respectively, has stated that no coercive action shall be taken against the Company. The DCIR passed the orders under section 4B vide order dated April 23, 2018 and May 4, 2018 for tax years 2016 and 2017 respectively to levy Super tax of above-mentioned amounts under the view that SHC has not restrained the department from passing the orders. In pursuance of the said orders, the Company filed appeals which CIR-A rejected vide its order dated October 12, 2018 for both years. As a result, the Company has filed appeals before the Appellant Tribunal Inland Revenue (ATIR) against the orders of CIR-A. Meanwhile, the Company paid 50% of tax demand of both tax years to maintain the above suits in light of the judgment of Hon'ble Supreme Court of Pakistan (Civil Appeals No. 1171/2017 and other connected appeals) wherein, the pending suits are declared to be entertained on the condition that a minimum of 50% of tax demand is deposited with tax authorities during the pendency of the appeal. During the year the appeal has been heard before ATIR and is reserved in order. The Company has, however, filed an Income Tax Reference Application (ITRA) No. 53 and 54 of 2020 before SHC which is pending adjudication.

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FOR THE YEAR ENDED DECEMBER 31, 2023

- 28.1.5** For tax year 2018, a notice under section 4B of the Ordinance by the DCIR dated December 7, 2018, was issued, contending that the Company is liable to pay Super Tax amounting to Rs. 45.211 million in 'income' of Rs. 1,507.039 million. The Company had challenged the notice on constitutional grounds before SHC through C.P. No. 8670 of 2018. The SHC, vide its order dated December 14, 2018, had stated that no coercive action shall be taken against the Company. However, the SHC based on its order issued in September 2020 has dismissed the aforementioned C.P. The Company is hence awaiting the conclusion of ATIR on the above matter before it files a reference application for TY 2018. To date, no order has been passed by the Department, consequently, no outstanding tax demand exists to date.
- 28.1.6** For tax year 2016, an amended assessment order has been passed under section 122(5A) of the Ordinance by the Additional Commissioner Inland Revenue (ACIR). Through the said order, the ACIR raised demand amounting to Rs. 241.217 million. Upon appeal filed, CIR-A confirmed the ACIR's order vide its order dated December 12, 2017. In pursuance of the order of CIR-A, the Company had filed an appeal before ATIR. During last year ATIR vide its order dated March 29, 2019, had annulled CIRA's action on confirming disallowances made in the order passed by ACIR dated November 02, 2017, with directions to CIRA to pass speaking and reasoned order after providing due opportunity of being heard. As a result, the likely assessment position after the appeal effect of ATIR's order under section 124 of the Ordinance is that only tax demand on account of undistributed reserves is outstanding, which has also been stayed by SHC vide interim order in CP No. 0-2343 of 2019 dated April 09, 2019. Furthermore, during last year, a rectification application was filed for erroneously considered share premium reserves while computing excess reserves under section 5A of the Ordinance by the ACIR, in its order dated November 2, 2017. As a result, tax demand under section 5A would be reduced to Rs. 7.523 million. The Hon'ble Sindh High Court vide an interim order dated May 21, 2021, granted relief against the said notice.
- 28.1.7** The Company has been selected for an income tax audit under section 214C. as per the amendment order passed on June 28, 2023, via letter AT 238 dated July 17, 2023 a reduction in the refund amount has been imposed due to certain expense adjustments. However, the organization has duly filed an appeal with CIRA and is currently awaiting a decision.
- 28.1.8** In 2013, the Company received a show cause notice from the Sindh Revenue Board (SRB) under section 47 of the Sindh Sales Tax on Services Act, 2011. Subsequently, an order was passed reducing the demand to Rs. 9.86 million along with the default surcharge. The Company filed an appeal before the CIR-A and after being decided against the Company, it subsequently filed an appeal before Appellate Tribunal SRB. During the year 2014, the Company paid an amount of Rs. 7.15 million in respect of the abovementioned liability before June 25, 2014, under the notification SRB 3-4/8/2014 to avail the exemption from application of penalty and 75% of default surcharge. Appellate Tribunal SRB vide order dated November 29, 2017 decided the Sindh Sales Tax (SST) issue in favor of the Company. However, the issue of SST on advisory and consultancy services and commission earned on purchase/sale of mutual funds have been remanded back whilst the issue relating to SST on commission on foreign exchange dealing, services rendered outside Sindh and levy of default surcharge and penalty have been decided against the Company. The Company has filed a reference application before SHC in respect of the issues decided against the Company and remanded back.

During 2014, the Company also received another show cause notice from SRB under section 47 of the Sindh Sales Tax on Services Act, 2011. Subsequently, an order was passed raising a tax demand amounting to Rs. 10.77 million. The Company has filed an appeal against the order with CIR-A which is pending. Further, in respect of the same, a rectification application has also been filed with the department. The Company and other stock brokers have also filed a petition with the SHC and have been granted an interim stay against recovery of demand. However, the Company has paid an amount of Rs. 9.24 million before June 25, 2014, under the notification SRB 3-4/8/2014 to avail the exemption of penalty and 75% of default surcharge.

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FOR THE YEAR ENDED DECEMBER 31, 2023

Furthermore, for fiscal year 2014 and 2015, SRB alleged short payment of SST vide Notice dated February 02, 2017. The Company has submitted all the required details in response to the notice and no order in this respect has been passed.

28.1.9 SRB has also issued an order in another proceeding for tax periods January 2014 to December 2016, which were confronted, vide notice dated August 15, 2017, levying sales tax on certain services and disallowance of input tax of Rs. 35,877,012. In pursuance of the said order, the Company filed an appeal before the Commissioner (Appeals), SRB which has been partly heard. However, the recovery of the aforesaid tax demand has been stayed by the Hon'able SHC in Suit no 767 of 2018 vide order dated April 13, 2018.

28.1.10 The tax department issued a show cause notice dated June 08, 2015, confronting (alleged) non-payment of Federal Excise Duty (FED) on the Company's services under the Federal Excise Act, 2005 and subsequently issued an order raising a demand amounting to Rs.78.003 million for the tax year 2010 for the tax year 2013. The Company filed a rectification appeal, in addition, to filing an appeal to the SHC, through the Stockbroker Association (of which the Company is also the member) against the aforementioned order because after the 18th amendment to the Constitution, the services that were previously subjected to FED under the federal laws are now subject to the provincial sales tax and the Company has accordingly discharged its tax obligation. The SHC initially, stayed Federal Board of Revenue from demanding sales tax on services from stockbrokers and subsequently, disposed of the order in the Company's favor. However, CIR-A on the matter of appeal filed by the Company issued an order in favor of the department vide its order dated January 31, 2017. In pursuance of the order of CIR-A the Company had filed an appeal before Appellate Tribunal SRB along with an application for stay of demand, which was granted initially for 30 days and was subsequently extended vide various orders. Appellate Tribunal SRB has decided the matter vide order dated December 20, 2017, received by the Company on April 09, 2018, whereby ATIR decided that the FED is applicable only on the commission earned from trading of shares and no other type of commission comes under the ambit of FED. With this opinion, ATIR has remanded back the issue related to the amendment era. For the amendment era, ATIR has relied upon the decision of SHC (stated above) and declared the charge of FED after July 01, 2011, null and void.

28.2 Reconciliation of tax charge for the year

	2023	2022
	----- (Rupees) -----	
Profit before taxation	<u>258,977,959</u>	<u>120,380,925</u>
Tax at the applicable tax rate of 29% (2022: 29%)	<u>75,103,608</u>	34,910,468
Tax effect of income taxed at different tax rates	<u>7,329,405</u>	1,360,170
Tax effect of prior year tax charge	<u>(10,751,408)</u>	7,989,023
	<u>71,681,605</u>	<u>44,259,661</u>

29. EARNINGS PER SHARE - BASIC AND DILUTED

	2023	2022
	----- (Rupees) -----	
Profit after taxation	<u>187,296,353</u>	<u>76,121,264</u>
	----- (Number) -----	
Weighted average number of shares	<u>27,477,297</u>	<u>27,477,297</u>
	----- (Rupees) -----	
Earnings per share - basic and diluted	<u>6.82</u>	<u>2.77</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

29.1. There is no dilutive effect on the earnings per share of the Company, as the Company has no potential ordinary shares.

30. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration, including certain benefits to the Chief Executive Officer, Directors and Executives of the Company is as follows:

	Chief Executive		Directors		Executives	
	2023	2022	2023	2022	2023	2022
	----- (Rupees) -----					
Managerial remuneration	28,545,465	24,579,545	-	-	184,607,608	152,604,529
Medical allowance	1,854,546	409,091	-	-	15,013,511	15,260,453
House rent allowance	-	1,472,727	-	-	-	-
Utilities allowance	-	163,636	-	-	-	-
Car allowance	-	2,261,210	-	-	35,797,924	25,451,123
Staff retirement benefits	1,359,996	1,500,000	-	-	10,746,748	11,040,650
Medical	-	984,877	-	-	-	-
Fees for attending meetings	-	-	6,200,000	2,343,753	-	-
	<u>31,760,007</u>	<u>31,371,086</u>	<u>6,200,000</u>	<u>2,343,753</u>	<u>246,165,791</u>	<u>204,356,755</u>
Number of persons	<u>1</u>	<u>2</u>	<u>8</u>	<u>8</u>	<u>60</u>	<u>53</u>

30.1 In addition to the above, the Chief Executive is provided with Company maintained car as per the Company policy.

31. RELATED PARTY TRANSACTIONS

31.1 Following are the name of associated companies, related parties and associated undertakings with whom the Company had entered into transactions or had agreements in place during the year:

Name of Related parties	Relationship	Aggregate shareholding by related parties in the Company
JS Bank Limited - (JSBL)	Parent Company	92.90%
Jahangir Siddiqui & Co. Limited (JSCL)	Ultimate Parent Company	0.00%
Bank Islami Pakistan Limited	Group Company - Subsidiary of JSBL	0.00%
JS Investments Limited and its Funds	Group Company - Subsidiary of JSBL	0.00%
Future Trust	Group Company	0.00%
The Eastern Express Company (Private) Limited	Group Company	0.000186%
Jahangir Siddiqui & Sons Limited	Group Company - owned by Jahangir Siddiqui	0.00%
JS Lands (Private) Limited	Group Company - owned by Jahangir Siddiqui	0.00%
Jahangir Siddiqui Securities Services Limited	Group Company - owned by Jahangir Siddiqui	0.00%
EFU General Insurance Limited	Group Company - JSCL holds 21.10% of shares	0.00%
EFU Life Assurance Limited	Group Company - JSCL holds 20.05% of shares	0.00%
Azgard Nine Limited	Group Company - JSCL holds 24.96% of total voting shares	0.00%
JS Infocom Limited	Group Company - Subsidiary of JSCL	0.00%
JS International Limited	Group Company - Subsidiary of JSCL	0.00%
Quality Energy Solutions (Private) Limited	Group Company - Subsidiary of JSCL	0.00%
Khairpur Solar Power (Private) Limited	Group Company - Subsidiary of Quality Energy Solutions	0.00%
Energy Infrastructure Holding (Private) Limited	Group Company - Subsidiary of JSCL	0.00%
JS Petroleum Limited	Group Company - Subsidiary of Energy Infrastructure	0.00%
Quality 1 Petroleum (Private) Limited	Group Company - Subsidiary of Energy Infrastructure	0.00%

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Name of Related parties	Relationship	Aggregate shareholding by related parties in the Company
JS Engineering Investments 1 Private Limited	Group Company - Subsidiary of Energy Infrastructure	0.00%
JS Global Banking Sector Exchange Traded Fund	Fund operated by the Company	0.00%
JS Global Capital Limited - Staff Provident Fund	Post Employment Benefit plan of the Company	0.00%
Lahore General Hospital	Common directorship - Mr. Shahab Anwar Khawaja	0.00%
Mr. Jahangir Siddiqui	Ultimate Beneficial Owner	0.000160%
Mr. Shahab Anwar Khawaja	Chairman	0.000004%
Mr. Imtiaz Gadar	Chief Executive Officer	0.000004%
Mr. Maximilian Felix Scheder	Independent Director	0.000004%
Ms. Rabiya Javeri Agha	Independent Director	0.000004%
Mr. Amin Muhammad Virani	Non-Executive Director	0.000004%
Mr. Fahad Viqar Siddiqui	Non-Executive Director	0.000004%
Mr. Waqas Anis	Non-Executive Director	0.000004%
Mr. Syed Jafar Raza Rizvi	Non-Executive Director	0.000004%
Mr. Tanzeel ur Rehman	KMP - Chief Operating Officer	0.00%
Mr. Fahad Muslim	KMP - Chief Financial Officer	0.00%
Mr. Muhammad Farukh	KMP - Company Secretary	0.00%

31.2 Related parties comprise of parent company, major shareholders, associated companies with or without common directors, other companies with common directors, retirement benefit fund, directors, key management personnel and their close family members. Contribution to defined contribution plan (provident fund) are made as per the terms of employment. Remuneration of key management personnel are in accordance with their terms of engagements. Transactions with other related parties are entered into at rates negotiated with them (agreed terms).

Details of transactions and balances at year end with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2023		2022	
	Key management personnel of entity and associated entities	Associated entities other than parent company	Key management personnel of entity and associated entities	Associated entities other than parent company
	----- (Rupees) -----			
Trade debts				
Opening balance	72,922	1,088,415	14,206	3,627,068
Invoiced during the year	8,300,126	289,921,241	632,425	4,523,682
Received during the year	(7,962,026)	(289,349,993)	(573,709)	(7,062,335)
Closing balance	411,022	1,659,663	72,922	1,088,415
Trade payable				
Opening balance	12,285,027	175,894,970	130,336,990	254,963,606
Invoiced during the year	437,902,111	1,019,438,162	89,889,167	1,038,941,337
Paid during the year	(448,933,432)	(1,176,238,366)	(207,941,131)	(1,118,009,973)
Closing balance	1,253,706	19,094,766	12,285,026	175,894,970
Loans and advances				
Opening balance	13,570,369	-	12,926,331	-
Disbursements during the year	11,566,004	-	7,819,471	-
Repayments during the year	(11,264,474)	-	(7,175,433)	-
Closing balance	13,871,899	-	13,570,369	-

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	2023	2022
	----- (Rupees) -----	
Balances with Parent Company		
Trade debts	<u>539,065</u>	<u>3,555,021</u>
Trade Payable	<u>-</u>	<u>-</u>
Bank balances with parent company	<u>1,029,772,091</u>	<u>1,334,985,189</u>
Other payable	<u>-</u>	<u>6,960</u>
Balances with ultimate Parent Company		
Trade Payable	<u>5,988,714</u>	<u>138,089,575</u>
Other payable	<u>-</u>	<u>284,852</u>
Mark-up receivable on term finance certificates	<u>-</u>	<u>276,930</u>
Principal outstanding on term finance certificates	<u>-</u>	<u>5,000,000</u>
Balances with associated entities of group companies		
Other receivables	<u>-</u>	<u>61,628</u>
Mark-up paid on commercial paper	<u>-</u>	<u>8,601,772</u>
Mark-up payable on long-term financing	<u>4,032,219</u>	<u>6,119,922</u>
Principal outstanding on term finance certificates	<u>3,120,000</u>	<u>19,626,000</u>
Long term financing received	<u>-</u>	<u>330,885,000</u>
Donation payable	<u>3,610,997</u>	<u>1,224,710</u>
Transactions with associated entities of group companies		
Nature of transactions		
Brokerage income	<u>13,920,603</u>	<u>9,783,849</u>
Donation Paid	<u>1,522,425</u>	<u>1,010,512</u>
Commercial Paper Principle Outstanding Paid	<u>-</u>	<u>143,398,228</u>
Rent Received	<u>13,547,545</u>	<u>11,827,222</u>
Transactions with the Parent Company		
Nature of transactions		
Brokerage income	<u>2,394,976</u>	<u>5,303,065</u>
Bank charges	<u>451,779</u>	<u>454,394</u>
Mark-up on deposit accounts	<u>37,858,309</u>	<u>99,224,083</u>
Dividend Paid	<u>-</u>	<u>127,632,045</u>

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FOR THE YEAR ENDED DECEMBER 31, 2023

2023 2022
----- (Rupees) -----

Transactions with ultimate Parent Company

Nature of transactions

Brokerage income	<u>3,109,517</u>	<u>5,504,693</u>
Reimbursement of expenses by the ultimate parent company	<u>12,518,919</u>	<u>127,033,542</u>
Reimbursement of expenses to the ultimate parent company	<u>5,629,472</u>	<u>21,904,202</u>
Rent paid during the period to the ultimate parent company	<u>3,221,020</u>	<u>3,777,600</u>
Market maker fee received	<u>-</u>	<u>565,000</u>
Mark-up received on term finance certificates	<u>712,466</u>	<u>916,306</u>
Principal received on term finance certificates	<u>5,000,000</u>	<u>5,000,000</u>

Transactions with key management personnel of the Company and its Parent Company

Nature of transactions

Brokerage income	<u>4,045,824</u>	<u>1,462,879</u>
Directors' remuneration	<u>6,200,000</u>	<u>1,125,000</u>
Remuneration paid to Chief Executive Officer	<u>22,693,520</u>	<u>51,572,454</u>
Remuneration paid to key management personnel	<u>245,298,787</u>	<u>258,189,187</u>

Transactions with other related parties

Nature of transactions

Royalty expense	<u>20,000,000</u>	<u>20,000,000</u>
Insurance expense	<u>23,139,708</u>	<u>17,672,060</u>
Purchase of term finance Certificate	<u>50,456,440</u>	<u>201,804,320</u>
Sale of term finance certificates	<u>50,456,440</u>	<u>153,560,440</u>
Sale of sukuk certificates	<u>2,301,263,712</u>	<u>3,450,559,637</u>
Mark-up on sukuk certificates	<u>1,169,067</u>	<u>2,270,774</u>
Capital gain on sale of sukuk certificates	<u>17,128,699</u>	<u>17,547,600</u>
Contributions to staff provident fund	<u>17,060,716</u>	<u>17,612,780</u>

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	2023			
	Brokerage	Investment and treasury	Other operations	Total
	(Rupees)			
32. OPERATING SEGMENTS				
Segment revenues	729,979,019	442,167,446	105,662,969	1,277,809,434
Administrative and operating expenses (other than depreciation and amortization)	(402,143,450)	(8,947,149)	(431,701,076)	(842,791,675)
Depreciation	(19,971,556)	(453,334)	(49,555,767)	(69,980,657)
Finance cost	(111,563,870)	-	-	(111,563,870)
	<u>196,300,143</u>	<u>432,766,963</u>	<u>(375,593,874)</u>	<u>253,473,232</u>
Gain on sale of operating assets				10,789,992
Gain on modification of lease agreement				-
Provision for Sindh Workers' Welfare Fund				(5,285,264)
Taxation				(71,681,606)
Profit after tax				<u>187,296,353</u>
Segment assets	<u>4,239,449,522</u>	<u>311,837,895</u>	<u>1,699,894,854</u>	<u>6,251,182,271</u>
Segment liabilities	<u>3,278,095,145</u>	<u>354,641,295</u>	<u>166,734,727</u>	<u>3,799,471,166</u>
Capital expenditure	<u>32,739,024</u>	<u>226,830</u>	<u>184,229</u>	<u>33,150,083</u>
Non cash items other than depreciation and amortisation				
Gain on revaluation of investments	-	18,873,964	-	18,873,964
Loss on revaluation of future equity transactions	-	(16,436,922)	-	(16,436,922)

There were no major customer of the Company which derived 10 percent or more of the Company's revenue. All non-current assets of the Company as at December 31, 2023 and December 31, 2022 are located and operating in Pakistan.

	2022			
	Brokerage	Investment and treasury	Other operations	Total
	(Rupees)			
Segment revenues	471,416,564	394,076,105	65,798,483	931,291,152
Gain on revaluation of investments	-	-	-	-
Administrative and operating expenses (other than depreciation and amortization)	(310,611,620)	(28,595,713)	(290,574,655)	(629,781,988)
Depreciation	(27,305,052)	(2,921,183)	(46,794,820)	(77,021,055)
Amortisation of intangible assets	-	-	-	-
Finance cost	(148,800,915)	-	-	(148,800,915)
	<u>(15,301,023)</u>	<u>362,559,209</u>	<u>(271,570,992)</u>	<u>75,687,194</u>
Gain on sale of property and equipment				47,150,485
Gain on modification of lease agreement				-
Provision for Sindh Workers' Welfare Fund				(2,456,754)
Taxation				(44,259,661)
Profit after tax				<u>76,121,264</u>
Segment assets	<u>3,206,320,071</u>	<u>577,851,163</u>	<u>1,572,870,215</u>	<u>5,357,041,449</u>
Segment liabilities	<u>2,305,619,689</u>	<u>658,139,350</u>	<u>132,746,173</u>	<u>3,096,505,212</u>
Capital expenditure	<u>12,540,089</u>	<u>156,000</u>	<u>548,796</u>	<u>13,244,885</u>
Non cash items other than depreciation and amortisation				
Gain on revaluation of investments	-	11,564,556	-	11,564,556
Gain on revaluation of future equity transactions	-	(9,122,226)	-	(9,122,226)

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33. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

33.1 Financial instruments by category

33.1.1 Financial assets

2023			
At fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
----- (Rupees) -----			
Long term loans and deposits	-	30,299,853	30,299,853
Long term investments	26,361,948	-	26,361,948
Short term investments	568,734,707	-	568,734,707
Trade debts	-	1,286,110,917	1,286,110,917
Receivable against margin finance	-	670,343,114	670,343,114
Loans	-	19,149,369	19,149,369
Short-term deposits	-	1,261,351,368	1,261,351,368
Interest and mark-up accrued	-	34,222,713	34,222,713
Other receivables	-	15,609,658	15,609,658
Cash and bank balances	-	1,137,205,237	1,137,205,237
	568,734,707	4,454,292,229	5,049,388,884

2022			
At fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
----- (Rupees) -----			
Long term loans and deposits	-	33,431,090	33,431,090
Long term investments	38,420,312	-	38,420,312
Short term investments	570,734,130	5,166,666	575,900,796
Trade debts	-	644,435,971	644,435,971
Receivable against margin finance	-	425,971,947	425,971,947
Loans	-	18,570,029	18,570,029
Short-term deposits	-	1,051,019,691	1,051,019,691
Interest and mark-up accrued	-	32,506,463	32,506,463
Other receivables	-	41,526	41,526
Cash and bank balances	-	1,364,925,128	1,364,925,128
	570,734,130	3,570,901,845	4,185,222,953

33.1.2 Financial liabilities

2023		
Amortised cost	At fair value through profit or loss	Total
----- (Rupees) -----		
Creditors, accrued expenses and other liabilities	3,455,225,753	3,455,225,753
Long-term financing - secured	315,442,500	315,442,500
Accrued mark-up	9,530,525	9,530,525
Lease liability	15,910,545	15,910,545
Unclaimed dividend	3,361,843	3,361,843
	3,799,471,166	3,799,471,166

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	2022		
	Amortised cost	At fair value through profit or loss (Rupees)	Total
Creditors, accrued expenses and other liabilities	2,347,889,402	-	2,347,889,402
Commercial Paper	-	-	-
Long-term financing - secured	-	-	-
Accrued mark-up	630,885,000	-	630,885,000
Lease liability	10,933,268	-	10,933,268
Current portion of deferred liability	11,441,151	-	11,441,151
Unclaimed dividend	3,361,843	-	3,361,843
	<u>3,004,510,664</u>	<u>-</u>	<u>3,004,510,664</u>

33.2 Financial risk management

The Company primarily invests in a portfolio of money market investments and investments in marketable securities and short term debt securities. Such investments are subject to varying degrees of risk.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

33.2.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter parties in case of placements or other arrangements to fulfill their obligations.

Exposure to credit risk

Credit risk of the Company arises principally from the financial assets listed below. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies and investment and operational guidelines approved by the Board of Directors. In addition, credit risk is also minimised due to the fact that the Company invests only in high quality financial assets, majority of which have been rated by a reputable rating agency. All transactions are settled paid for upon delivery. Except for provision made against the trade debts and other receivables amounting to Rs. 420.587 million and Rs. 23.701 million respectively (refer note 17 and 21 to the financial statements) and impairment against investment in Privately Placed Term Finance Certificates amounting to Rs.301.361 million (refer note 16.3 to the financial statements), the Company does not expect to incur material credit losses on its financial assets. The maximum exposure to credit risk at the reporting date is as follows:

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	2023	2022
	----- (Rupees) -----	
Financial Assets		
Long term loans and deposits	30,299,853	33,431,090
Short term investments	25,333,868	11,586,816
Long term investments	3,120,000	24,796,667
Trade debts	1,286,110,917	644,435,971
Receivable against margin finance	670,343,114	425,971,947
Loans and advances	19,149,369	18,570,029
Short-term deposits	1,261,351,368	1,051,019,691
Interest and mark-up accrued	34,222,713	32,506,463
Other receivables	15,609,658	41,526
Bank balances	1,136,981,237	1,364,701,128
	<u>4,482,522,097</u>	<u>3,607,061,328</u>

33.2.1.1 The maximum exposure to credit risk for trade debts and margin finance at the reporting date by geographic region is as follows:

Local clients	1,956,294,639	1,068,632,978
Foreign clients	159,392	1,774,940
	<u>1,956,454,031</u>	<u>1,070,407,918</u>

The ageing of trade debts as at year end reporting date is as follows:

	2023			2022		
	Gross	Impairment	Net	Gross	Impairment	Net
	----- (Rupees) -----					
Past due 1-30 days	1,194,623,207	-	1,194,623,207	598,650,589	-	598,650,589
Past due 31 days -180 days	49,592,435	-	49,592,435	24,861,348	-	24,861,348
Past due 181 days -1 year	41,738,436	-	41,738,436	20,924,034	-	20,924,034
More than one year	420,743,955	420,587,115	156,840	409,285,717	409,285,717	-
Total	<u>1,706,698,033</u>	<u>420,587,115</u>	<u>1,286,110,917</u>	1,053,721,688	409,285,717	644,435,971

Except for the impairment disclosed above, no impairment has been recognised in respect of these debts as the custody of equity securities against the same is considered to be adequate.

The ageing of trade debts, other receivables and loans and advances from related parties as at year reporting date is as follows:

	Total	Past due 1-30 days	Past due 31 days -180 days	Past due 181 days - 1 year	More than one year
2023					
Trade debts	<u>2,609,749</u>	<u>1,965,621</u>	<u>322,163</u>	-	<u>321,965</u>
Other receivables	-	-	-	-	-
Loans and advances	<u>13,871,900</u>	<u>1,094,021</u>	<u>4,907,053</u>	<u>4,487,334</u>	<u>3,383,492</u>
2022					
Trade debts	<u>4,716,359</u>	<u>3,558,223</u>	<u>579,246</u>	-	<u>578,890</u>
Other receivables	<u>346,480</u>	<u>284,852</u>	-	-	<u>61,628</u>
Loans and advances	<u>13,570,369</u>	<u>1,070,241</u>	<u>4,800,389</u>	<u>4,389,793</u>	<u>3,309,946</u>

No provision has been recognized in respect of these trade debts, other receivables and loans and advances in these financial statements in respect of above balances.

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33.2.1.2 Bank balances

The analysis below summarizes the credit quality of the Company's bank balances:

	2023	2022
	----- (Rupees) -----	
AA+	3,222,545	4,709,834
AA	110,904	28,414
AAA	174,766,301	22,370,550
A+	2,872,784	2,599,166
AA-	956,008,703	1,334,993,164
	<u>1,136,981,237</u>	<u>1,364,701,128</u>

The above rating are assigned by PACRA and VIS.

33.2.1.3 Investment in debt securities

Exposure of the Company through investment in Term Finance Certificates and sukus according to credit ratings is as follows:

	2023	
	(Rupees)	Percentage
Term finance certificates and sukus		
Credit rating		
A-	3,120,000	100.00%
	<u>3,120,000</u>	<u>100.00%</u>
	2022	
	(Rupees)	Percentage
Term finance certificates and sukus		
Credit rating		
AA+	5,000,000	20.16%
AAA	166,667	0.67%
A-	19,630,000	79.16%
	<u>24,796,667</u>	<u>100.00%</u>

33.2.1.4 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

Details of the industrial sector analysis of the trade debts and margin finance are as follows:

	2023		2022	
	(Rupees)		(Rupees)	
Services (including insurance)	430,416,358	22.00%	233,287,004	22.00%
Manufacturing	16,037	0.00%	8,692	0.00%
Banking and financial institutions	586,931,398	30.00%	318,118,641	30.00%
Individuals	939,090,237	48.00%	508,989,826	48.00%
	<u>1,956,454,030</u>	<u>100.00%</u>	<u>1,060,404,163</u>	<u>100.00%</u>

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33.2.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to the dynamic nature of the business. The Company's treasury aims at maintaining flexibility in funding by keeping committed credit lines available. The following are the contractual maturities of financial liabilities:

	2023					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	----- (Rupees) -----					
Financial liabilities						
Creditors, accrued expenses						
and other liabilities	3,455,225,753	3,455,225,753	3,455,225,753	-	-	-
Lease Liability	15,910,545	15,910,545	4,971,808	5,361,927	5,576,810	-
Unclaimed dividend	3,361,843	3,361,843	3,361,843	-	-	-
	<u>3,474,498,141</u>	<u>3,474,498,141</u>	<u>3,463,559,404</u>	<u>5,361,927</u>	<u>5,576,810</u>	<u>-</u>

	2022					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	----- (Rupees) -----					
Financial liabilities						
Creditors, accrued expenses						
and other liabilities	2,347,889,402	2,347,889,402	2,347,889,402	-	-	-
Lease Liability	11,441,151	11,441,151	4,080,499	4,400,680	2,959,973	-
Unclaimed dividend	3,361,843	3,361,843	3,361,843	-	-	-
	<u>2,362,692,396</u>	<u>2,362,692,396</u>	<u>2,355,331,744</u>	<u>4,400,680</u>	<u>2,959,973</u>	<u>-</u>

The amounts disclosed in the table are the contractual undiscounted cash flows.

On the reporting date, the Company has cash and bank balances of Rs. 1,337.254 million (2022: Rs. 1,364.925 million) as mentioned in note 22 and unutilised credit lines of Rs. 400 million (2022: Rs. 400 million) against the investments of the Company.

33.2.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, management manages market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. Currently, the Company is not exposed to any foreign currency risk.

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Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company manages fair value risk by investing primarily in variable rate term finance certificates, preferably with no cap and floor which insulates the Company from fair value interest rate risk, as coupon rates correspond with current market interest rate. The Company also invests in fixed rated bank accounts and Government securities such as Market Treasury Bills and Pakistan Investment Bonds.

At the reporting date, the interest rate profile of Company's interest-bearing financial instruments is as follows:

	Carrying amount	
	2023	2022
	----- (Rupees) -----	
Fixed rate instruments (note 22)	<u>1,102,446,924</u>	<u>1,355,631,656</u>
Variable rate instruments:		
Financial assets - variable rate instruments		
BIPL Ehad Sukuk (note 13)	<u>3,120,000</u>	<u>43,586,979</u>
Receivable against margin finance	<u>670,343,114</u>	<u>425,971,947</u>
Loans to employees (note 14)	<u>16,067,436</u>	<u>19,245,595</u>
Financial liabilities - variable rate instruments		
Long-term financing (note 5)	<u>(315,442,500)</u>	<u>(630,885,000)</u>

Cash flow sensitivity analysis for variable rate instruments

The Company holds KIBOR based interest bearing investments sukuks, receivable against margin financing and loan to employees exposing the Company to cash flow interest rate risk. Moreover, the company has KIBOR based long term loan.

For cash flow sensitivity analysis of variable rate instruments, a hypothetical change of 100 basis points in interest rates during the year would have decreased / increased profit for the year by the amounts shown below. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. Actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

	Impact on profit before tax	
	100 bp increase	100 bp decrease
	----- (Rupees) -----	
As at December 31, 2023		
Cash flow sensitivity - variable rate instruments	<u>3,740,881</u>	<u>(3,740,881)</u>
As at December 31, 2022		
Cash flow sensitivity - variable rate instruments	<u>(1,420,805)</u>	<u>1,420,805</u>

Other price risk

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

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The Company is exposed to other price risk on investments in listed equity securities. The Company manages the risk through portfolio diversification, as per recommendation of Investment Committee of the Company. The Committee regularly monitors the performance of investees and assess their financial performance on an on-going basis.

However, the Company is not exposed to other price risk in equity securities as Ready Buy Future Sale (RBFS) securities are not exposed to any price risk.

	December 31, 2023		December 31, 2022	
	Rupees	%	Rupees	%
Pharmaceuticals	8,824,324	1.62%	2,354,800	0.42%
Food & Personal Care Products	-	0.00%	44,948,080	7.97%
Engineering	15,549,356	2.86%	113,490	0.02%
Refinery	10,098,197	1.86%	112,425,350	19.92%
Technology & Communication	136,088,819	25.04%	71,078,105	12.60%
Commercial Banks	71,265,391	13.11%	12,432,653	2.20%
Cement	53,520,578	9.85%	52,804,320	9.36%
Fertilizer	3,576,210	0.66%	35,831,730	6.35%
Chemical	41,260,142	7.59%	1,771,700	0.31%
Textile Composite	7,992,648	1.47%	654,100	0.12%
Glass & Ceramics	26,790,050	4.93%	3,346,790	0.59%
AutoMobile Assembler	11,567,947	2.13%	-	0.00%
Power Generation & Distribution	5,905,913	1.09%	51,976,485	9.21%
Oil & Gas Exploration Companies	21,701,916	3.99%	57,237,570	10.14%
Cable & Electrical Goods	28,793,141	5.30%	8,723,365	1.55%
Transport	-	0.00%	-	0.00%
Oil & Gas Marketing Companies	99,518,972	18.31%	106,749,934	18.92%
Miscellaneous	947,237	0.17%	1,865,508	0.33%
	543,400,841	100.00%	564,313,980	100.00%

33.2.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibility;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

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33.3 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction.

The carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair value. The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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

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

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

Fair value of the financial assets that are traded in active markets are based on quoted market prices or dealer price quotations.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

Note	2023			Total
	Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss				
	(Rupees)			
Quoted equity securities	543,400,839	-	-	543,400,839
Exchange Traded Fund	25,333,868	-	-	25,333,868
	<u>568,734,707</u>	<u>-</u>	<u>-</u>	<u>568,734,707</u>
Fair value through other comprehensive income				
Quoted securities	26,361,948	-	-	26,361,948
	<u>26,361,948</u>	<u>-</u>	<u>-</u>	<u>26,361,948</u>
2022				
	(Rupees)			
Financial assets at fair value through profit or loss				
Quoted equity securities	564,313,980	-	-	564,313,980
Exchange Traded Fund	6,420,150	-	-	6,420,150
	<u>570,734,130</u>	<u>-</u>	<u>-</u>	<u>570,734,130</u>
Fair value through other comprehensive income				
Quoted equity securities	43,586,979	-	-	43,586,979
	<u>43,586,979</u>	<u>-</u>	<u>-</u>	<u>43,586,979</u>

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33.3.1 Investment in term finance certificates and sukuks issued for the purpose of raising funds are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan (SECP).

33.3.2 The carrying values of remaining financial assets and liabilities reflected in these financial statements approximate to their fair values.

33.4 Capital risk management

The primary objective of the Company's capital risk management is to maintain healthy capital ratios, strong credit rating and optimal capital structure in order to ensure ample availability of finance for its existing operations, for maximizing shareholder's value, for tapping potential investment opportunities and to reduce cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

The Company finances its operations through equity, borrowing and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

Note 2023 2022
----- (Rupees) -----

34. CAPITAL ADEQUACY LEVEL

Total assets	34.1	6,251,182,271	5,357,041,449
Less: Total liabilities		(3,799,471,166)	(3,096,505,212)
Less: Revaluation Reserves (created upon revaluation of fixed assets)		-	-
Capital Adequacy Level		<u>2,451,711,105</u>	<u>2,260,536,237</u>

34.1 While determining the value of the total assets of the Company, Notional value of the TREC certificate held by the Company as at year ended December 31, 2023 as determined by the Pakistan Stock Exchange has been considered.

35. LIQUID CAPITAL BALANCE

The below statement has been prepared in accordance with regulation 6(3) and schedule III of the Securities Broker (licencing and operation) Regulation, 2016.

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	895,817,609	100.00%	-
1.2	Intangible Assets	5,000,000	100.00%	-
1.3	Investment in Govt. Securities	-	-	-
	Investment in Debt. Securities			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	5.00%	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	7.50%	-
1.4	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	3,120,000	10.00%	2,808,000
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	10.00%	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	12.50%	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	15.00%	-

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S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	Investment in Equity Securities			
1.5	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher. (Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital	591,795,591	138,091,354	453,704,237
	ii. If unlisted, 100% of carrying value.	-	100.00%	-
1.6	Investment in subsidiaries	-	100.00%	-
	Investment in associated companies/undertaking			
1.7	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	100.00%	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.	200,000	100.00%	-
i.	100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirements of base minimum capital may be taken in the calculation of LC			
1.9	Margin deposits with exchange and clearing house.	1,261,151,368	-	1,261,151,368
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	27,768,809	100.00%	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	1,130,520	-	1,130,520
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	1,996,846	100.00%	-
1.13	Dividends receivables.	5,552,007	-	5,552,007
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. (Securities purchased under repo arrangement shall not be included in the investments.)	-	-	-
	Advances and receivables other than trade receivables	-	-	-
1.15	i. No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months.	7,654,851	-	7,654,851
	ii. No haircut may be applied to the advance tax to the extent it is netted with provision of taxation .	127,096,003	-	127,096,003
	iii. In all other cases 100% of net value	96,226,014	100.00%	-
1.16	Receivables from clearing house or securities exchange(s)			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
	Receivables from customers			
	i. In case receivables are against margin financing, the aggregate of (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. i. Lower of net balance sheet value or value determined through adjustments.	703,435,306	29,891,192	673,544,114
	ii. In case receivables are against margin trading, 5% of the net balance sheet value. ii. Net amount after deducting haircut	-	5.00%	-
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, iii. Net amount after deducting haircut	-	-	-

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S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.17	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. iv. Balance sheet value	1,161,173,183	-	1,161,173,183
	v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. v. Lower of net balance sheet value or value determined through adjustments	19,189,791	5,868,776	13,321,015
	vi. In the case of amount of receivables from related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner:(a) Up to 30 days, values determined after applying var based haircuts. (b) Above 30 days but upto 90 days, values determined after applying 50% or var based haircuts whichever is higher. (c) above 90 days 100% haircut shall be applicable. vi. Lower of net balance sheet value or value determined through adjustments	-	100.00%	-
1.18	Cash and Bank balances			
	i. Bank Balance-proprietary accounts	24,992,876		24,992,876
	ii. Bank balance-customer accounts	1,111,988,361		1,111,988,361
	iii. Cash in hand	224,000		224,000
1.19	Subscription money against investment in IPO/ offer for sale (asset)			
	(i) No haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.	-		-
	(ii) In case of Investment in IPO where shares have been allotted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities.	-		-
	(iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares.	-		-
	Total Assets	6,045,513,135		4,844,340,535
2. Liabilities				
	Trade Payables			
2.1	i. Payable to exchanges and clearing house	47,144,842	-	47,144,842
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	1,946,581,032	-	1,946,581,032
	Current Liabilities			
2.2	i. Statutory and regulatory dues	8,557,544	-	8,557,544
	ii. Accruals and other payables	114,595,289	-	114,595,289
	iii. Short-term borrowings	-	-	-
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	315,442,500	-	315,442,500
	vi. Deferred Liabilities	-	-	-
	vii. Provision for bad debts	-	-	-
	viii. Provision for taxation	-	-	-
	ix. Other liabilities as per accounting principles and included in the financial statements	1,262,922,069	-	1,262,922,069

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

	Non-Current Liabilities			-
	i. Long-Term financing	-	-	-
	ii. Other liabilities as per accounting principles and included in the financial statements	11,973,003	100.00%	-
2.3	iii. Staff retirement benefits			
	Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. (b) Nil in all other cases	-	-	-
S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	Subordinated Loans	-	-	-
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted: The Schedule III provides that 100% haircut will be allowed against subordinated Loans which fulfill the conditions specified by SECP. In this regard, following conditions are specified:			
2.4	a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period	-	-	-
	b. No haircut will be allowed against short term portion which is repayable within next 12 months.			
	c. In case of early repayment of loan, adjustment shall be made to the Liquid Capital and revised Liquid Capital statement must be submitted to exchange.			
2.5	Total Liabilities	3,707,216,279		3,695,243,276
3. Ranking Liabilities Relating to :				
	Concentration in Margin Financing			
3.1	The amount calculated client-to-client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees.	-	219,158,667	219,158,667
	Concentration in securites lending and borrowing			
	The amount by which the aggregate of:			
3.2	(i) Amount deposited by the borrower with NCCPL	-	-	-
	(ii) Cash margins paid; and			
	(iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed			
	Net underwriting Commitments			
	(a) in the case of right issue : if the market value of securites is less than or equal to the subscription price; the aggregate of:			
3.3	(i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities.	-	-	-
	In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting			
	(b) in any other case : 12.5% of the net underwriting commitments	-	-	-
	Negative equity of subsidiary			
3.4	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-
	Foreign exchange agreements and foreign currency positions			
3.5	5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign cuurrency less total liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

3.7	Repo adjustment In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received, less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
3.8	Concentrated proprietary positions If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security .If the market of a security exceeds 51% of the proprietary position,then 10% of the value of such security	-	-	-
S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3.9	Opening Positions in futures and options i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	-	-	-
3.10	Short sell positions i. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts ii. Incase of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	Total Ranking Liabilities	-	219,158,667	219,158,667
		2,338,296,856	Liquid Capital	929,938,592

DISCLOSURE UNDER REGULATION 5(4) OF RESEARCH ANALYST REGULATIONS, 2015

At present, JSGCL employs eight members in its research department (including head of research, three senior analysts, a junior analyst, a technical analyst, a librarian and a data administrator). All members report to Head of Research who in turn reports to CEO.

Compensation structure of research analysts is flat and is subject to qualification, experience and skillset of the person. However, the compensation of anyone employed in the research department does not in any way depend on the contents / outcome of research report.

During the year ended December 31, 2023, the personnel employed in the Research Department have drawn an aggregate salary and benefits amounting to Rs. 19.171 million, which comprises basic salary, medical allowance, provident fund and other benefits as per company policy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors have proposed cash dividend of NIL (December 31, 2022: Nil) amounting to Rs. NIL (December 31, 2022: Rs. Nil) in their meeting held on February 14, 2024. This appropriation will be approved in the forthcoming Annual General Meeting.

GENERAL

38.1 Corresponding figures have been reclassified for the purpose of better presentation and comparison, wherever necessary. However, there are no material reclassifications to report.

DATE OF AUTHORISATION

These financial statements were authorised for issue in the Board of Directors' meeting held on February 14, 2024



Director

Chief Executive Officer

Chief Financial Officer

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SHAREHOLDER'S INFORMATION



PATTERN OF SHAREHOLDING REPORT

As of December 31, 2023

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors and their spouse(s) and minor children			
IMTIAZ GADAR	1	1	0.00
MR. SHAHAB ANWAR KHAWAJA	1	1	0.00
MR. MAXIMILIAN FELIX SCHEDER	1	1	0.00
MR. FAHAD VIQUAR SIDDIQUI	1	1	0.00
MR. AMIN MUHAMMAD VIRANI	1	1	0.00
MR. WAQAS ANIS	1	1	0.00
SYED JAFAR RAZA RIZVI	1	1	0.00
MS. RABIYA JAVERI AGHA	1	1	0.00
Associated Companies, undertakings and related parties	3	25,525,264	92.90
NIT & ICP	-	-	-
<u>Banks Development Financial Institutions, Non Banking Financial Financial Institutions.</u>	-	-	-
<u>Insurance Companies</u>	-	-	-
<u>Modarabas and Mutual Funds</u>	-	-	-
General Public			
a. Local	769	796,599	2.90
b. Foreign	2	27	0.00
Foreign Companies	-	-	-
Others	24	1,155,399	4.20
Totals	806	27,477,297	100.00

Share holders holding 10% or more	Shares Held	Percentage
JS BANK LIMITED.	25,525,169	92.90

PATTERN OF SHAREHOLDING REPORT

As of December 31, 2023

# Of Shareholders	Shareholdings Slab	Total Shares Held
475	1 To 100	5,291
150	101 To 500	46,354
51	501 To 1000	43,829
108	1001 To 5000	219,718
11	5001 To 10000	83,585
4	10001 To 15000	49,508
1	20001 To 25000	24,200
1	25001 To 30000	29,993
1	55001 To 60000	59,150
1	75001 To 80000	77,500
1	185001 To 190000	190,000
1	1120001 To 1125000	1,123,000
1	25525001 To 25530000	25,525,169
806		27,477,297

S.No.	Categories of Shareholder	No. of Shareholders	Total Shares Held	Percentage %
1	Individuals - local	778	796,651	2.90
2	Individuals - foreign	2	27	0.00
3	Banks, DFIs & NBFCs	1	25,525,169	92.90
4	Joint Stock Companies	4	2,086	0.01
5	Others	21	1,153,364	4.20
6	Insurance Companies	-	-	-
7	NIT & ICP	-	-	-
8	Modarabas and Mutual Funds	-	-	-
9	Foreign Institutions	-	-	-
		806	27,477,297	100.00

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the twenty-third (23rd) Annual General Meeting ("AGM") of the members of JS Global Capital Limited (the "Company" or "JSGCL") will be held on Thursday, April 25, 2024 at 08:45 a.m. PST at 15th Floor, The Center Building, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi – 74400, Pakistan to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2023, together with the Director's Report and Auditors' Report thereon and Chairman's Review Report; and
2. To appoint Company's auditors and fix their remuneration. The Audit Committee of the Board of Directors have recommended the appointment of M/s. KPMG Taseer Hadi & Co., Chartered Accountants, who being eligible have offered themselves for re-appointment.

SPECIAL BUSINESS:

1. To consider, and if deemed appropriate, to pass the following resolution as Ordinary Resolution with simple majority (with or without modifications) which would enable the Company to circulate the annual audited financial statements by way of QR enabled code and weblink to its shareholders as a part of the notice for annual general meeting:

"RESOLVED that permission and approval to the Company is be, and hereby, accorded for circulation of annual audited financial statements to members through QR enabled code and weblink within and as a part of the notice of general meeting, in line with notification number S.R.O. 389(1)/2023 issued by the Securities and Exchange Commission of Pakistan, and as a consequence thereof, the practice of circulation of annual audited financial statements through CD be discontinued."

By the Order of the Board

Muhammad Farukh
Company Secretary

Karachi
April 3, 2024

Notes:

1. The Company has placed the Notice of General Meeting along with form of proxy on its website.
2. The Share Transfer Books of the Company shall remain closed from April 18, 2024, to April 25, 2024, (both days inclusive) for determining shareholders for attending and voting at the AGM.
3. Physical transfers and deposit requests under Central Depository System received at the close of business on April 17, 2024 by the Company's Registrar i.e., CDC Share Registrar Services Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shakra-e-Faisal Karachi will be treated in time for the purpose of attending and voting at the meeting.
4. A member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him/her. A proxy must be a member of the Company.
5. Proxies must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting.
6. Beneficial owners of the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies will have to follow the following guidelines as laid down by the Securities and Exchange Commission of Pakistan:

A. For Attending the Meeting:

- a. In light of the clarification issued by the Securities and Exchange Commission of Pakistan for ensuring participation of members in AGM through electronic means as a regular feature, the Company has also provided the facility for attending the meeting via video-link to its shareholders.
- b. The members who intend to attend and participate in the AGM of the Company through video link arrangement are requested to complete identification and verification formalities i.e., to provide following required information at the email: jsgcl.cs@js.com on or before April 17, 2024.

Name of Shareholder:	CNIC No.:	Folio No.:	Cell Phone No.:	Email Address:

The video link of meeting will be sent to the members on their email addresses.

Further, the members can also provide their comments / suggestions for discussion on the agenda items of the AGM through following means:

WhatsApp	SMS	Email
+92 301 5658616	+92 301 5658616	jsgcl.cs@js.com

- c. The members who intend to attend and participate physically in the AGM of the Company will be allowed to participate as usual. The Company will follow the best practices and comply with the instructions of the Government and SECP to ensure protective measures are in place for well-being of its members.
- d. In case of Individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or original Passport along with Participant ID number and the account number at the time of attending the Meeting.
- e. In case of corporate entity, the Board of Directors' resolution/power of attorney with duly verified copy of valid CNIC and specimen signature of the representative shall be sent to the Company before the meeting.

B. For Appointing Proxies

- a. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per requirements given in this notice.
- b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
- c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- d. The proxy shall produce his original CNIC or original passport at the time of the meeting.
- e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.

C. APPLICABILITY OF POSTAL BALLOT REGULATIONS

In accordance with the Companies (Postal Ballot) Regulations 2018, for the purpose of approval of any special agenda item at the AGM and for election of Directors, members will be allowed to exercise their vote through postal ballot i.e., by post or e-voting, in the manner and procedure laid down below:

Procedure for E-Voting

- Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the Register of Members of the Company by the close of business on April 17, 2024.
- The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- Members shall cast vote online at any time from April 22, 2024 to April 24, 2024. Voting shall close on April 24, 2024 at 5:00 p.m. (PST). Once the vote on the resolution is cast by a member, he/she shall not be allowed to change it subsequently.

Procedure for Voting Through Postal

- The members shall ensure that the duly filled and signed ballot paper, as per with enclosed format which is also available on the Company’s website, along with a copy of the Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at the Company’s registered address, 18th Floor, The Center, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi, or email at jsgcl.cs@js.com one day before the AGM i.e., on April 24, 2024 before 5:00 p.m. (PST). A postal ballot received after time cutoff date/ time shall not be considered for voting. The signature on the Ballot Paper should match with signature on the CNIC.
- 7. Shareholders are requested to notify immediately of any change in their address to the Company’s share registrar.
- 8. According to Section 119 of the Companies Act, 2017 and Regulation 19 of the Companies (General Provisions and Forms) Regulation, 2018, all physical shareholders are advised to provide their mandatory information such as CNIC number, address, email address, contact mobile/telephone number, International Bank Account Number (IBAN), etc. to our Share Registrar at their below address immediately to avoid any non-compliance of law or any inconvenience in future:

CDC Share Registrar Services Limited

CDC House, 99 – B, Block ‘B’, S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400. Tel. Toll Free: 0800-23275, mail: info@cdcsrsl.com Website: www.cdcsrsl.com

- 9. Section 242 of the Act requires that the listed companies shall pay cash dividend only through electronic mode directly into the bank account designated by the shareholders. SECP vide its notification S.R.O.1145 (I)/2017 has also issued the Companies (Distribution of Dividends) Regulations, 2017 whereby every shareholder shall be responsible to provide valid information pertaining to its designated bank account to disburse any dividend payable in cash only through electronic mode directly into the bank account designated by the entitled shareholders.

The members are requested to provide duly filled in and signed e-dividend form available at the following link:

<https://www.jsglobalonline.com/wp-content/uploads/2024/01/E-Dividend-Mandate-JS-Global-Capital-Limited.docx>

In case of shares held as book-entry securities, the said information would be required to be provided to Central Depository System (“CDS”), through CDS Participants.

- 10. Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax exemption certificate or necessary documentary evidence, as the case may be.
- 11. Different tax rates are prescribed under Section 150 of the Income Tax Ordinance, 2001 for deduction of withholding tax on the amount of dividend paid by the Companies. These tax rates are as under;

For filer of income tax returns:	15%
For non-filers of income tax returns:	30%

To enable the Company to make tax deductions of the amount of cash dividend @ 15% instead of 30%, all shareholders whose names are not entered into Active Tax-payers List (“ATL”) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into the ATL before the date for payment of the cash dividend otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

12. The Shareholders who have joint shareholdings held by filers and non-filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable, then each shareholder will be assumed to hold equal proportion of shares and deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company.

Folio /CDC Account No	Total Shares	Principal Shareholder		Joint Shareholder	
		Name &CNIC	Shareholding proportion	Name &CNIC	Shareholding proportion

13. Shareholders who by any reason could not receive their dividends are advised to contact our Share Registrar to inquire about their unclaimed dividends, if any. In compliance with section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividends outstanding for a period of three (3) years or more from the due date shall be deposited to the credit of Federal Government.
14. Pursuant to Section 223(7) of the Companies Act, 2017 the Company is allowed to send financial statements and reports to its members electronically. In this regard, members are hereby requested to convey their respective information on the Form which is available at the Company website i.e., at the following link to ensure compliance with the above referred provision:

<https://www.jsglobalonline.com/wp-content/uploads/2024/01/consentform2017.doc>

Please ensure that your email account has sufficient rights and space available to receive such email which may be greater than 1 MB in size. Further, it is the responsibility of the member(s) to timely update the Share Registrar of any change in his (her/its/their) registered email address at the address of Company's Share Registrar mentioned at the end of the notice.

15. The Company has placed the Audited Financial Statements for the year ended December 31, 2023 along with Auditors and Directors Reports thereon and Chairman's Review Report on its website: <https://www.jsglobalonline.com/investors/investor-information/annual-reports/>

STATEMENT OF SPECIAL BUSINESS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

Provision of Accounts Via QR Enabled Code and Web Link

SECP vide SRO 389(I)/2023 dated March 21, 2023, allowed listed companies to circulate the annual audited financial statements to its members through QR-enabled code and web link subject to approval by the shareholders by simple majority.

This facility will help all members, wherever they are located, to access the financial statements of the Company. Moreover, it will also assist in curtailing unnecessary costs and carbon footprint.

It is pertinent to mention that a printed version of the financial statements will be provided to members on their request without any charge, and no change in that right/privileged is being proposed.

The Interest of Directors

The Directors are only interested to the extent of their shareholding in the Company.

FORM OF PROXY

The Company Secretary
JS Global Capital Limited
17th & 18th Floor, The Center, Plot No. 28
SB-5, Abdullah Haroon Road, Karachi.

I/We _____ of _____
being member(s) of JS Global Capital Limited holding _____ ordinary shares as per Registered
Folio No. / CDC A/c. No. (for members who have shares in CDS) _____ hereby appoint
Mr. / Mrs. / Miss _____ of (full address) _____
_____ of failing him/her Mr. / Mrs. / Miss _____ of
(full address) _____
as my / our proxy in my / our absence to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting
of the Company to be held on _____ and / or any Adjournment thereof.
As witness my / our hand / seal this _____ day of 2024.

Signed by _____

in the presence of _____

Witness:

1. Name _____

Signature _____

Address _____

CNIC or Passport No.: _____

Witness:

2. Name _____

Signature _____

Address _____

CNIC or Passport No.: _____

**Signature on
Rs.5/-
Revenue Stamp**

The Signature should
agree with the
specimen registered
with Company.

FORM OF PROXY

Important:

1. A member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him /her.
2. This proxy form, duly completed and signed, must be received at the Office of the Company situated at 17th & 18th Floor, The Center, Plot No. 28, S.B.5, Abdullah Haroon Road, Karachi, not less than 48 hours before the time of holding meeting.
3. No Person shall act as proxy unless he / she himself / herself is a member of the Company, except that a corporation may appoint a person who is not a member.
4. If a member appoints more than one proxy and / or more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
5. Beneficial Owner of the physical shares and the shares registered in the name of CDC Share Registrar Services Limited (CDCSRSL) and / or their proxies are required to produce their original Computerized National Identity Card (CNIC) or Passport for identification purposes at the time of attending meeting.

The Form of proxy must be submitted with the Company within the stipulated time, duly witnessed by two persons whose names, address and CNIC numbers must be mentioned on the form, along with attested copies of CNIC or the Passport of the beneficial owner and the proxy.

In case of a corporate entity, the Board of Directors' Resolution / Power of Attorney along with the specimen signature shall be submitted (unless it has been provided earlier along with the proxy form to the Company).



**AFFIX
CORRECT
POSTAGE**

The Company Secretary
JS Global Capital Limited
17th & 18th Floor, The Center,
Plot No. 28, S.B-5,
Abdullah Haroon Road,
Karachi-

فارم برائے پراسی

اہم:

- 1 کمپنی کا ممبر اپنی جگہ شرکت اور ووٹ دینے کے لئے ممبر کو بطور پراسی منتخب کرنے کا حق رکھتا رکھتی ہے۔
- 2 مکمل اور دستخط شدہ پراسی فارم کمپنی کے آفس بمقام سٹریٹس اور اٹھارویں منزل، دی سینٹر، پلاٹ نمبر 28، ایس۔ بی۔ 5، عبداللہ ہارون روڈ، کراچی پراجیکٹ کے انعقاد سے 48 گھنٹے قبل ضرور موصول ہو جانے چاہئیں۔
- 3 کوئی فرد بطور پراسی اجلاس میں شرکت نہیں کر سکتا/ کر سکتی بشرطیکہ وہ خود کمپنی کا/ کی ممبر نہ ہو، ماسوائے کارپوریشن کے جو اس فرد کو پراسی نامزد کر سکتا/ کر سکتی ہو جو ممبر نہ ہو۔
- 4 اگر ممبر ایک سے زائد پراسی نامزد کرتا/ کرتی ہے اور/یا کمپنی کے کسی ممبر کی جانب سے پراسی کے ایک سے زائد انسٹرمنٹس جمع کروائے جاتے ہیں تو ایسے تمام انسٹرمنٹس غیر مستند تصور کئے جائیں گے۔
- 5 فیکلٹ حصص کے ہیفیشل ماکان اور سی ڈی سی سینٹرز رجسٹرڈ سروس لمیٹڈ (سی ڈی سی آریس ایل) میں رجسٹرڈ حصص کے ماکان اور/یا ران کے پراسی اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا پاسپورٹ شناختی مقاصد کے لیے پیش کرنا ہوگا۔ باقاعدہ مکمل اور دستخط شدہ پراسی فارم کمپنی میں مقررہ وقت پر جمع کروا دیا جائے، جس پر دو گواہوں کے دستخط، نام، پتہ، کمپیوٹرائزڈ قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر درج ہو۔ اس کے ہمراہ ہیفیشل ماکان اور پراسی کے کمپیوٹرائزڈ قومی شناختی کارڈ نمبر یا پاسپورٹ کی تصدیق شدہ نقل بھی منسلک ہونا ضروری ہے۔ کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی بمعہ نمونے کے دستخط جمع کروائی جائے (اگر پہلے سے پراسی فارم کے ہمراہ جمع نہیں کروائی گئی)۔

درست لکٹ چکائیں

کمپنی سیکریٹری

JS گلوبل کمپیوٹل لمیٹڈ

سٹریٹس اور اٹھارویں منزل، دی سینٹر،

پلاٹ نمبر 28، ایس۔ بی۔ 5،

عبداللہ ہارون روڈ، کراچی۔

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7	Disclosure about Human Resource Accounting (includes the disclosure of process of identifying and measuring the cost incurred by the company to recruit, select, hire, train, develop, allocate, conserve, reward and utilize human assets).	Not Applicable
8	In financial statements issued after initial or secondary public offering(s) of securities or issuance of debt instrument(s) implementation of plans as disclosed in the prospectus/offering document with regards to utilization of proceeds raised till full implementation of such plans.	Not Applicable
9	Where any property or asset acquired with the funds of the company and is not held in the name of the company or is not in the possession and control of the company, this fact along with reasons for the property or asset not being in the name of or possession or control of the company shall be stated; and the description and value of the property or asset, the person in whose name and possession or control it is held shall be disclosed.	Not Applicable