

Annual Report 2024



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COMPANY INFORMATION

AKD Hospitality Limited (AKDHL), was incorporated as a Public Limited Company in 1936. The principal line of business of the company is to carry on the tourism business including hospitality business, motels, destination management services, developing & building tourism attractions and to undertake all ancillary business activities to provide end to end service solutions.

Board of Directors	Human Resource and Remuneration Committee	Share Registrar
Nadeem Saulat Siddiqui Chairman	Uzma Piracha Chairperson	C & K management Associate (Pvt) Ltd. M-13, Progressive Plaza, Plot No. 5 - CL - 10, Civil Lines Quarter, Beaumont Road, Karachi - 75530, Pakistan.
Kanwar Adeel Zaman Director / Chief Executive	Aamir Nazir Dhedhi Member	Tel: +92 21-35685930 +92 21-35687839 Fax: +92 21 35687839
M. Siddiq Khokhar Director	M. Siddiq Khokhar Member	Registered Office
Muhammad Sohail Director	Risk Management Committee	511, 5th Floor, Continental Trade Centre, Main Clifton Road, Block 8, Clifton Karachi, Pakistan.
Huma Khurram Rashid Paracha Director	M. Siddiq Khokhar Chairman	Telephone: (92-21)35302977 Email: info@akdhospitality.com
Aamir Nazir Dhedhi Director	Kanwar Adeel Zaman Member	Bankers
Uzma Piracha Director	Muhammad Sohail Member	MCB Bank Limited Bank Al Habib Limited United Bank Limited
Syed Haris Ahmed Company Secretary	Management Committee	
Audit Committee	Kanwar Adeel Zaman Director / Chief Executive	
M. Siddiq Khokhar Chairman	Faisal Kasbati Chief Financial Officer	
Aamir Nazir Dhedhi Member	Auditors	
Uzma Piracha Member	M/s Riaz Ahmad Co., Chartered Accountants	
Muhammad Gulraiz Secretary & Head of Internal Audit		

VISION STATEMENT:

To be the most competitive, focused, quality driven and growth oriented Company in Pakistan.

MISSION STATEMENT:

Quality and Profitability with an emphasis on minimizing risk in order to optimize return to Shareholder.

STRATEGIC OBJECTIVES:

- **Enhance Customers' Experience**
- **Expand Market Presence**
- **Sustainability Initiatives**
- **Leverage Technology**

NOTICE OF ANNUAL GENERAL MEETING ("AGM")

Notice is hereby given that the Annual General Meeting ("AGM") of the shareholders of AKD Hospitality Limited ("the Company") will be held at 11:00 a.m. on Monday, October 28, 2024 at 5th Floor, Continental Trade Centre (CTC), Block 8, Clifton, Karachi and / or online through Zoom to transact the following business:

Ordinary Business:

1. To confirm Minutes of Annual General Meeting held on October 25th, 2023.
2. To receive, consider and adopt the Audited Annual Financial Statements of the Company for the year ended June 30, 2024 together with the Chairman's Review, Directors' and Auditors' Reports, thereon.

In accordance with Section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements have been uploaded on the website of the Company which can be downloaded from the following weblink and QR enabled code:

<http://akdhospitality.com/Investors.aspx>



3. To appoint auditors and fix their remuneration for the year ending June 30, 2025. The Board of Directors, on the recommendation of Audit Committee of the Company, has proposed re-appointment of M/s Riaz Ahmad & Co., Chartered Accountants, as external auditors, for the year ending June 30, 2025.
4. To transact any other business with the permission of the Chair.

Special Business

5. The Securities and Exchange Commission of Pakistan (SECP) through its SRO 389(1)/2023 dated March 21, 2023 has allowed listed companies to circulate annual balance sheet, profit & loss account, auditors' report and directors' report etc. ("collectively called annual report) to its members through Quick Response (QR) enabled code and web-link instead of through CD/DVD/USB, subject to the approval of shareholders in AGM. Therefore, the shareholders are requested to consider and if deemed fit approve the following resolution:

Resolved that the approval be and hereby given to allow the Company to circulate the audited financial statements along with directors report etc. ("collectively called annual report) to its members / shareholders through Quick Response (QR) enabled code and web-link instead of through CD/DVD/USB in accordance with the SRO S.R.O. 389(1)/2023 dated March 21, 2023.

By Order of the Board

Syed Haris Ahmed
Company Secretary

Karachi, October 7th, 2024

NOTES:

1. Closure of Share Transfer Books

The Share Transfer Books of the Company will remain closed from October 22, 2024 to October 28, 2024 (both days inclusive). Transfers received in order at the office of our Share Registrar M/s. C & K management Associate (Pvt) Ltd. M-13, Progressive Plaza, Plot No. 5 - CL - 10, Civil Lines Quarter, Beaumont Road, Karachi before the close of business on October 21, 2024 will be considered in time for determination of entitlement of shareholders to attend and vote at the meeting.

2. Participation in General Meeting

A member entitled to attend and vote at the General Meeting is entitled to appoint another member as a proxy to attend and vote on his / her behalf. In case of a corporate entity, being a member, may appoint as its proxy any of its officials or any other person, through Board Resolution / Power of Attorney.

The instrument appointing proxy must be received at the Registered Office of the Company or at the office of our Share Registrar or through email at investor.relations@akdhospitality.com not less than 48 hours before the time of the meeting. A proxy form is attached in the last portion of the Annual Report.

Members and their proxies / attorneys are required to produce their original CNICs or Passport at the time of attending the meeting.

3. Guidelines to the General Meeting for CDC Account Holders

CDC Account Holders will have to follow the guidelines below as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan ("SECP").

For Appointing Proxies

- a) In case of individual, the account holder or sub-account holder whose securities and their registration details are up-loaded as per the CDC Regulations, shall submit the proxy form as per above requirement.
- 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 CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- d) The proxy shall produce his / her original CNIC or original passport at the time of the meeting.
- e) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature and an attested copy of valid CNIC of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted along with proxy form to the Company.

For Attending the Meeting

- a) In case of individual, the account holder or sub-account holder whose securities and their registration details are up-loaded as per the CDC Regulations, shall authenticate his / her identity

by showing his / her original Computerized National Identity Card (“CNIC”) or original passport at the time of attending the general meeting.

b) In case of corporate entity, the Board of Directors’ Resolution / Power of Attorney with specimen signature and attested copy of valid CNIC of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

4. Change of Address and Contact Information

Members are requested to immediately inform the Company’s Share Registrar of any change in their mailing address, Cell phone number, email address and other contact information.

5. Submission of Mandatory Information

Computerized National Identity Card

The shareholders are informed that as per Sub Clause 9 (i) of Regulation 4 of Companies (Distribution of Dividends) Regulations, 2017 the identification of the registered shareholder or its authorized person should be made available with the Company. Therefore, it is requested that shareholders must provide copy of their valid CNIC (in case of individual) or NTN (in case of other than individual) or Passport (in case of foreign individual) along with their folio number by mail or email to the Company Secretary or Share Registrar, unless it has been provided earlier.

Submission of other information

As per Section 242 of the Act it is mandatory for the public listed companies to pay cash dividend to its shareholders only through electronic mode, directly into bank account designated by the entitled shareholders. Shareholders are requested to submit the dividend mandate form provided at <http://akdhospitality.com/Investors.aspx>.

Members are also requested to submit a declaration (CZ-50) under Zakat & Ushr Ordinance 1980 for zakat exemption.

6. Unclaimed Dividend

As per Section 244 of the Act any dividend and / or share certificate which are remained unclaimed or unpaid for a period of three years from the date these have become due and payable, the Company shall be liable to deposit those unclaimed / unpaid amounts with the Federal Government as per the directives to be issued by SECP from time to time.

7. Distribution of Financial Statement through Email or Hard Copy

Pursuant to the provisions of section 223(6) OF THE Companies Act, 2017, the companies are permitted to circulate their annual financial statements, along with auditors’ report, directors’ report etc. (“Annual Report”) and the notice of Annual General Meeting (“Notice”), to its shareholders by email.

Shareholders who wish to receive the Company’s Annual Report and Notice of Annual General Meeting by email or as hard copy are requested to provide the completed “Circulation of Annual Report Request Form” available on the Company’s web site.

<http://akdhospitality.com/Investors.aspx>

8. Transmission of Annual Audited Financial Statements, Annual Report and Notice of AGM

The Annual Audited Financial Statements, Annual Report and the Notice of AGM for the year ended June 30, 2024, have been placed on the Company's website, which can be accessed / downloaded from the link or QR Code: <http://akdhospitality.com/Investors.aspx>



9. Participation through video conferencing facility

The shareholders, can now participate in the AGM proceedings via video link also. Those members who are willing to attend and participate in the AGM via video link are requested to register themselves by sending an email along with following particulars and valid copy of both sides of CNIC at investor.relations@akdhospitality.com with subject of 'Registration for AGM' not less than 48 hours before the time of the meeting:

- Name of Shareholder,
- CNIC No.,
- Folio No. / CDC Account No.
- Cell Phone No. (registered against the CNIC of member), and
- Email Address

Upon receipt of the above information from the interested members, the Company will send the login credentials at their e-mail address. On the date of AGM, members will be able to login and participate in the AGM proceedings through their smartphone/computer devices. The login facility shall be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after identification/ verification process.

10. Deposit of Physical Shares in CDC Accounts

As per Section 72(2) of the Act, every existing company shall be required to replace its physical shares with book-entry form within four (4) years from the date of the promulgation of the Act. Further, vide its letter dated March 26, 2021, SECP has directed listed companies to pursue their such shareholders who are still holding shares in physical form to convert the same into book entry form. In order to ensure compliance with the aforementioned provision, all shareholders having physical shareholding are encouraged to open a CDC sub-account with any of the brokers or an Investor Account directly with CDC to place their physical shares into scrip-less form. This will facilitate them in many ways, including safe custody and sale of shares, at any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Limited. For any query / information, the investors may contact the Company / Share Registrar at the following:

Company's Registered Office	Share Registrar
511, 5th Floor, Continental Trade Centre, Main Clifton Road, Block 8, Clifton Karachi, Pakistan. Telephone: (92-21)35302977 Email: investor.relations@akdhospitality.com	C & K management Associate (Pvt) Ltd. M-13, Progressive Plaza, Plot No. 5 - CL - 10, Civil Lines Quarter, Beaumont Road, Karachi - 75530, Tel: +92 21-35685930 +92 21-35687839 Fax: +92 21 35687839

11. Postal Ballot / E-Voting

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 issued by the SECP, SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming Annual General Meeting to be held on Monday, October 28, 2024, at 11:00 A.M, in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

PROCEDURE FOR E-VOTING:

- a) Details of the e-voting facility will be shared through an e-mail with those shareholders who have their valid CNIC numbers, cell numbers and e-mail address (Registered email ID) available in the register of the shareholders of the Company by the close of business on October 21, 2024 by C & K management Associate (Private) Limited, Share Registrar of the Company.
- b) E-voting lines will be available to eligible shareholders from October 25, 2024, 9:00 am and shall close on October 27, 2024 at 5:00 pm. Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- c) Members can cast their votes at any time in this period. Once the vote on a resolution is cast by a shareholder, he/she shall not be allowed to change it subsequently.

PROCEDURE FOR VOTING THROUGH POSTAL BALLOT:

The shareholders shall ensure that duly filled and signed ballot papers along with copy of valid Computerised National Identity Card (CNIC)/ copy of passport (non-resident) should reach the Chairman of the meeting through post on the Company's registered address, 511, Continental Trade Centre, Block-8, Clifton, Karachi, or e-mail at investor.relations@akdhospitality.com on or before October 27, 2024 during working hours. The signatures on the ballot paper shall match with the signature on CNIC. For the convenience of the shareholders, ballot paper is available on the Company's website at www.akdsl.com.pk for the download. Ballot Paper for voting through postal ballot has been dispatched to eligible shareholders along with notice of AGM.

STATEMENT AS REQUIRED UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 IN RESPECT OF THE SPECIAL BUSINESS

Agenda Item No. 5 – Approval of circulation of Annual Audited Accounts of the Company to its members/shareholders through Quick Response (QR) enables link and web link The Securities and Exchange Commission of Pakistan (“SECP”) has, vide S.R.O. 389(I)/2023 dated March 21, 2023, allowed listed companies to circulate the Annual Report (including the audited financial statements, Auditors' report, Directors' report, Chairman's review report) to the members of the Company through QR enabled code and web link instead of through CD/DVD/USB.

In accordance with the aforesaid SRO, the same is subject to the approval of the members of the Company. Considering the optimum use of advancements in technology and in order to fulfil the Company's corporate social responsibility to the environment and sustainability, members' approval is being sought for the circulation of the Annual Report (including annual audited

financial statements and other reports contained therein) to the members of the Company through QR enabled code and web link. This arrangement will help all members wherever they are located to access the financial statements of the Company. Additionally, it will also reduce unnecessary expenditure for making CDs. It is pertinent to mention that if any member seeks to obtain a hard copy of the Annual Report, such member(s) will be provided a printed version of the same free of cost in accordance with the aforementioned SRO. No change to that right / privileged is being proposed. None of the Directors of the Company have any personal interest in the aforesaid special business, except in their capacity as members and Directors of the Company.

INFORMATION FOR SHAREHOLDERS:

<p>Company’s Registered Office 511, 5th Floor, Continental Trade Centre, Main Clifton Road, Block 8, Clifton Karachi, Pakistan. Telephone: (92-21)35302977 Email: investor.relations@akdhospitality.com</p> <p>Share Registrar</p> <p>C & K management Associate (Pvt) Limited. M-13, Progressive Plaza, Plot No. 5 - CL - 10, Civil Lines Quarter, Beaumont Road, Karachi - 75530, Tel: +92 21-35685930 +92 21-35687839 Fax: +92 21 35687839</p> <p>Listing on Stock Exchange</p> <p>AKD Hospitality Limited is listed on Pakistan Stock Exchange Limited (PSX).</p> <p>Stock Symbol</p> <p>The stock symbol for dealing in equity shares of AKD Hospitality Limited on PSX is ‘AKDHL’</p> <p>Statutory Compliance</p> <p>During the year, the Company has complied with all applicable provisions, filed all returns / forms and furnished all the relevant particulars as required under the Companies Act, 2017 (“the Act”) and allied rules, the Securities and Exchange Commission of Pakistan (SECP) regulations and the listing requirements.</p> <p>Share Transfer System</p> <p>Physical share transfers received by the Company’s Share Registrar are registered within 15 days from the date of receipt, provided the documents are completed in all respects.</p>	<p>Annual General Meetings</p> <p>Pursuant to Section 132 of the Act, the Company holds a General Meeting of shareholders at least once a year. Every shareholder has a right to attend the General Meeting. The notice of such meeting is sent to all shareholders at least 21 days before the meeting and also advertised in at least one English and one Urdu newspaper having nationwide circulation.</p> <p>Proxies</p> <p>Pursuant to Section 137 of the Act and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote at a general meeting of the Company can appoint another member as his / her proxy to attend and vote on his / her behalf. Every notice calling a general meeting of the Company contains a statement that a shareholder entitled to attend and vote is entitled to appoint a proxy, who ought to be a member of the Company.</p> <p>The instrument appointing a proxy (duly signed by the shareholder appointing that proxy) should be submitted at the registered office of the Company not less than 48 hours before the meeting.</p> <p>Financial Calendar</p> <p>The Company’s financial year starts on July 01 and ends on June 30 of subsequent year.</p> <p>Financial results will be announced as per the following tentative schedule:</p> <table border="1"> <tr> <td>Annual General Meeting</td> <td>Last Week of October</td> </tr> <tr> <td>1st quarter ending September 30, 2024</td> <td>Last week of October, 2024</td> </tr> <tr> <td>Half year ending December 31, 2024</td> <td>Last week of February, 2025</td> </tr> <tr> <td>3rd quarter ending March 31, 2025</td> <td>Last week of April, 2025</td> </tr> <tr> <td>Year ending June 30, 2025</td> <td>Last week of October, 2025</td> </tr> </table>	Annual General Meeting	Last Week of October	1st quarter ending September 30, 2024	Last week of October, 2024	Half year ending December 31, 2024	Last week of February, 2025	3rd quarter ending March 31, 2025	Last week of April, 2025	Year ending June 30, 2025	Last week of October, 2025
Annual General Meeting	Last Week of October										
1st quarter ending September 30, 2024	Last week of October, 2024										
Half year ending December 31, 2024	Last week of February, 2025										
3rd quarter ending March 31, 2025	Last week of April, 2025										
Year ending June 30, 2025	Last week of October, 2025										

Book Closure Dates

The Register of Members and Share Transfer Books of the Company will remain closed from October 22, 2024 to October 28, 2024 (both days inclusive)

Website

Updated information about the Company can be accessed at www.akdhospitality.com. The website contains latest financial results of the Company together with Company's profile etc.

Adequacy of the Capital Structure

The capital structure is adequate for the foreseeable future. In case of any inadequacy identified, the Company has sufficient venues, such as issuance of right shares and / or obtaining term financing.

Shares held by Directors / Sponsors / Executives

Details of shares held by Directors/Sponsors/ Executives are given in Pattern of Shareholding

PATTERN OF SHAREHOLDING

As at June 30, 2024

NO. OF SHAREHOLDERS	HAVING SHARES		SHARES HELD	PERCENTAGE
	FROM	TO		
505	1	100	8,366	0.33%
143	101	500	45,726	1.82%
63	501	2,000	51,607	2.06%
55	1,001	5,000	119,655	4.77%
9	5,001	10,000	70,558	2.81%
2	10,001	15,000	24,462	0.98%
1	15,001	20,000	19,155	0.76%
1	20,001	25,000	21,125	0.84%
2	25,000	30,000	56,408	2.25%
1	30,001	40,001	37,968	1.51%
1	40,001	60,000	44,100	1.76%
2	60,001	80,000	125,920	5.02%
1	80,001	110,000	81,500	3.25%
1	110,001	140,000	130,680	5.21%
1	140,001	170,000	166,340	6.64%
1	170,001	200,000	199,900	7.97%
1	200,001	300,000	249,000	9.93%
1	300,001	500,000	306,290	12.22%
1	500,001	800,000	748,232	29.85%
792			2,506,992	100.00%

CATEGORIES OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	NUMBER OF SHARES HELD	PERCENTAGE
Associated Companies, undertakings and related parties	5	1,435,452	57.26%
Non-Banking Financial Companies	1	500	0.02%
Insurance Companies	1	300	0.01%
General Public - Local	773	722,853	28.83%
Others - Joint Stock Companies	5	268,366	10.70%
	792	2,506,992	100%

PATTERN OF SHAREHOLDING (CCG):

As at June 30, 2024

Information required under Code of Corporate Governance

Categories of Shareholders	No. of Shareholders	No. of Shares held	% of Shares held
Directors, Chief Executive, their spouses and minor children			
Nadeem Saulat Siddiqui	1	2,500	0.10
Kanwar Adeel Zaman	1	2,500	0.10
M. Siddiq Khokhar	1	2,601	0.10
Muhammad Sohail	1	2,500	0.10
Samiullah Khan	1	64,420	2.57
Aamir Nazir Dhedhi	1	2,500	0.10
Uzma Piracha	1	2,500	0.10
	7	79,521	3.17
Associated Companies, Undertakings and Related Parties			
Aqeel Karim Dhedhi	1	748,232	29.85
Yasmeen Dhedhi	1	130,680	5.21
Hina Junaid	1	1,250	0.05
AKD Securities Limited	1	306,290	12.22
Aqeel Karim Dhedhi Securities – Staff Provident Fund	1	249,000	9.93
	5	1,435,452	57.26
Non-Banking Finance Companies			
	1	500	0.02
Public Sector Companies and Corporation			
State Life Insurance Corporation	1	300	0.01
General Public			
	773	722,853	28.83
Others – Joint Stock Companies			
	5	268,366	10.70
	<u>792</u>	<u>2,506,992</u>	<u>100</u>
Shareholders holding 10% or more voting interest			
Aqeel Karim Dhedhi	1	748,232	29.85
AKD Securities Limited	1	306,290	12.22

BOARD OF DIRECTORS

Nadeem Saulat Siddiqui (Chairman)

Mr. Nadeem Saulat is a certified director and has served as Chairman, Board of Directors at AKD Hospitality Limited (AKDHL). An Experienced Executive with a demonstrated history of working in the investment management industry. Skilled in Negotiation, Public Relations, Business Planning, Analytical Skills, and Banking. Strong business development professional with a Master of Business Administration (MBA) focused in Marketing and Sales from College of Business Administration.

Kanwar Adeel Zaman (Chief Executive Officer)

Mr. Kanwar Adeel Zaman is Director with over Seventeen (17) years of experience in Administration, Finance and Business Management. Mr. Kanwar has served in various national and international organizations in Pakistan and UAE and has been working as Independent Freelance Consultant and offering services in Legal, Account & Audit, System Stress Testing & User Acceptance Testing (UAT) etc. Mr. Kanwar has participated in different training course from Center for Executive Education (IBA), Institute of Security Management & Research & other re-known training institutes. He is a certified director and has served as Director at the Board of AKD Hospitality Limited. He also served as member of Audit Committee & Risk Management Committee of AKD Hospitality Limited.

Muhammad Siddiq Khokhar (Director)

Mr. Muhammad Siddiq Khokhar holds Master Degrees in Economics and Islamic studies. Also acquired L.L.M. Degree from Karachi University. He is the Member of Karachi Bar Association and enrolled with Sindh Bar Council. He is an Advocate High Court and practicing in the field of Civil, Criminal, Corporate and Labour matters.

He has gained extensive experience in the area of Finance, Economics, Management and legal matters and attained the position of SENIOR ECONOMIST in PCSIR Ministry of Science and Technology; Government of Pakistan. He is well known critic on finance, accounts and various appraisals in the corporate world. Mr. Muhammad Siddiq Khokhar is the certified director by Securities and Exchange Commission of Pakistan and Institute of Chartered Accountant of Pakistan as required under corporate governance. He has served as director at the Board of AKD Hospitality Limited. He also served as Chairman of Audit Committee & Risk Management Committee and Member of Human Resources Committee of AKD Hospitality Limited.

Uzma Piracha (Director)

Ms. Uzma Piracha is an Independent Director with over fifteen (15) years of experience in Administration, Finance and Management. Ms. Uzma has passed Central Superior Services (CSS) Exams and served as Assistant Commissioner in Jamshed Town & SITE Town in Karachi,

as Deputy Director in Government Organizations and have also worked with Asian Development Bank as Section Officer. Attended different training courses from International Finance Corporation, Habib University etc. She is certified director and has served as director at the Board of AKD Hospitality Limited. She also served as Chairperson of Human Resource & Remuneration Committee of AKD Hospitality Limited.

Aamir Nazir Dhedhi (Director)

Mr. Aamir by profession is a successful businessman currently focusing on copper gold and lithium mining and processing utilizing locally available work force and technology. He started his career in dealing stocks at Karachi Stock exchange at the age of 14 and become the youngest agent at KSE. He has served as director at the board of Friendly Securities and AKD Hospitality Limited. He also served as member of audit Committee and Human Resource & Remuneration Committee of AKD Hospitality Limited. He also had been running import export business mainly consumer goods.

Muhammad Sohail (Director)

Mr. Sohail a business man having more than 30 years of experience in real estate from land development to construction and renovation of buildings, and sale or lease of the finished product to end users. He is expert in real estate valuation and identifying undervalued properties. He evaluates a property using its economic value and cash flows or physical nature which includes, improvements, location, investment perpetuity and immobility. He has successfully completed numerous real estate projects in country as well as overseas by good cash flow management, property appreciation, amortization and leverage. He holds LLB Degree which also contributed in legal aspect of real estate business. He has served as director at the Board of AKD Hospitality Limited. He also served as member of Risk Management Committee of AKD Hospitality Limited.

Huma Paracha (Director)

Ms. Huma hold Master of Business Administration from renowned business institution, Institute of Business Administration (IBA). She also has attended various conferences outside of Pakistan. Ms. Huma has local and international work experience. She has worked in various roles including Head Coordinator at Imam University in Riyadh Saudi Arabia. Her skills include marketing, business management, business planning, people management, training and motivational coaching. She is passionate about social welfare especially in education sector and has also volunteered with The Citizen Foundation.

CORPORATE GOVERNANCE

The term 'Corporate Governance' refers to a system of Company's management that focuses on responsibility, transparency and sustainable value creation. It encompasses the management and monitoring system of the Company, including its organization, business principles and guidelines, as well as internal and external control and monitoring mechanisms.

The Board of Directors is ultimately responsible for organizing and monitoring of the Company's operations. The duties of the Board are partly exercised through Audit Committee and Human Resource and Remuneration Committee. In addition, the Board is responsible to appoint the Chief Executive Officer ("CEO") of the Company. The CEO is in charge of the daily management of the Company in accordance with guidelines and instructions provided by the Board.

Division of responsibilities and duties between the shareholders, the Board, the CEO, and the Chairman are regulated inter alia by the Companies Act, 2017, the Company's Articles of Association and the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Code 2019").

1. Shareholders and General Meetings

Shareholders

As on June 30, 2024, the Company had 792 shareholders according to the share register. The Company's share registrar is C&K Management Associates (Private) Limited.

Investors' Grievances / Feedbacks

The Company believes in protecting the interest of its investors. It acknowledges its responsibility to inform shareholders, analysts and investors timely and fully about material developments that are relevant to the Company, its management, operations and financial situation as well as its future prospects. The policy is devised to establish guidelines for communicating with shareholders, analysts, investors and other stakeholders for their understanding of entity's business, governance, financial performance and prospects. A well-defined structure for governance and management which provides specific authority and responsibility for policy implementation is in line with the policy. Further, policy ensures that grievances notified by the shareholders are handled and resolved efficiently; and record is maintained along with respective actions taken for resolution.

Company Secretary has been designated as the person responsible for handling investor grievances and feedbacks. The mechanism is summarized below:

- A designated email address has been created namely investor.relations@akdhospitality.com to facilitate investors in submitting their queries, grievances and feedbacks.
- In addition to the aforementioned email address, complaints and suggestions can also be received in writing, duly addressed to the Company Secretary.
- All queries, grievances and feedbacks are resolved and communicated to the investors on timely basis after due verification procedures.
- During the year, the Company did not receive any investor complaints. As a result, there were no issues to address or resolve, reflecting a period of smooth operations and satisfaction among investors.

Stakeholders' Engagement Policy, Process and Identification

The stakeholders' expectations are carefully understood by the Company and responded to as a responsible manufacturer, marketer, employer and corporate citizen. The engagement serves the purpose to actively engage with stakeholders, know their expectations, build a relationship with them and respond appropriately with the aim to win their loyalty with the Company. By engaging stakeholders effectively, Company can build trust, manage risks, enhance their reputation, and foster long-term sustainable relationships. This, in turn, can lead to better decision making, improved performance, and the creation of shared value for both the Company and its stakeholders.

The engagement process starts with the identification of stakeholders. The Company defines stakeholders as those who are potentially affected by the Company's operations or who have an interest in or influence on the Company's business. Stakeholders are identified and then prioritized on the basis of nature of relationship, influence, responsibility, dependency proximity and willingness & ability to engage. Consultation is then carried out with the identified stakeholders to gain input on topics which are of interest to stakeholders or which can significantly affect us.

General Meeting of Shareholders

After every three years of shareholders elects in AGM the Members of the Board. The Board of Directors convenes the EOGM if they consider any matter requiring the approval of Company's shareholders in general meeting, or if the shareholders who control one tenth shareholding demand in writing for the consideration of a certain issue.

The Annual General Meeting (AGM) decides on, among other things, the adoption of the financial statements contained therein and the distribution of profits. In addition, the AGM decides the appointment of external auditors and their remuneration. The AGM, furthermore, may decide on, amendments to the Articles of Association, share issues, etc. as required by laws and regulations prevailing in the country.

AKD Hospitality Limited's Annual General Meeting was held on October 25, 2023 in Karachi. The shareholders adopted inter alia the following resolutions:

Ordinary Business

- That the Minutes of Annual General Meeting held on October 27, 2022 be and are hereby confirmed.
- That the Audited Annual Financial Statements for the year ended June 30, 2023 together with the Chairman's Review, Directors' and Auditors' Reports thereon be and are hereby adopted.
- That the retiring Auditors M/s. Riaz Ahmad & Co., Chartered Accountants being eligible, be and are hereby re-appointed as Company's Auditors for the year ending June 30, 2024 as recommended by the Audit Committee and Board of Directors for an audit fee equivalent to approved in previous Annual General Meeting.

Election of Directors

The following seven (07) persons named below were deemed to be elected as Directors for a term of three years commencing from October 25, 2023.

	Name of Director	Category
1-	Mr. Nadeem Saulat Siddiqui	Non-Executive Director
2-	Mr. Aurangzeb Ali Naqvi	Non-Executive Director
3-	Mr. Muhammad Siddiq Khokhar	Independent Director
4-	Mr. Muhammad Sohail	Non-Executive Director

5-	Ms. Uzma Piracha	Independent & Female Director
6-	Mr. Kanwar Adeel Zaman	Chief Executive Officer
7-	Mr. Aamir Nazir Dhedhi	Non-Executive Director

Issues Discussed in Last AGM

The overall performance of the Company including Company's growth, industry growth, future prospects, etc. were discussed by the shareholders.

Encouraging Minority Shareholders to Attend General Meetings

The Company values all shareholders equally and consider them an integral part of the Company. The Company sends the notice of general meetings to all shareholders in addition to the notice being published in Urdu and English newspapers. Further, to make attending general meetings more accessible, the Company offers the option of attending in person or remotely through virtual meeting platforms. This allows minority shareholders who are unable to attend physically to participate and contribute their views and opinions. The Company ensures that there is dedicated timeslot for questions and answers session in its general meetings so that the minority shareholders, in particular, can engage with the Board of Directors, and raise any queries that they may have with regards to the Company's performance. This encourages a healthy attendance from the minority shareholders in the Company's meetings.

Corporate Briefing Session

In compliance with PSX requirements, the Company conducted Corporate Briefing Session on November 24, 2023. The briefing was well attended by analysts and shareholders. The Chief Financial Officer (CFO) of the Company presented financial results, analysis, future prospects and challenges. CFO and Company Secretary also discussed all the queries raised by participants at a great length.

For more details on corporate briefing session, please refer the presentation delivered during the meeting, placed on our website link: http://akdhospitality.com/Downloads/CBS_20231123.pdf

2. Board of Directors

The Board's Responsibilities

The Board of Directors is responsible for the appropriate arrangement of the Company's administration and operations. The Board consists of minimum of seven members elected by a General Meeting of shareholders. The Board elects a Chairman among its members. The Board's tasks and responsibilities are determined primarily by the Companies Act, 2017, the Company's Articles of Association, the Code 2019 and other legislation and regulations applicable to the Company. It is the responsibility of the Board of Directors to act in the interests of the Company and all of its stakeholders.

The Board responsibilities include but are not limited to:

- devise overall corporate and business strategies and gives direction to the Company's management;
- oversee the performance of the management periodically;
- ensure that professional standards and corporate values are put in place in the form of Code of Conduct;

- define and review vision and mission of the Company and evaluate performance there against;
- ensure the system of corporate governance exist;
- review the internal controls and risk management policies and approve its governance structure and code of conduct;
- recommend the matters to be dealt with by a General Meeting and to ensure that the decisions made by a General Meeting are appropriately implemented;
- approve policies, business agreements, investments decision and declaration of dividend, etc.;
- direct and supervise the Company's executive management;
- appoint and dismiss the CEO, decide CEO's remuneration and other benefits;
- monitor the financial reporting process and the efficiency and strength of the Company's internal control, internal auditing and risk management and compliance systems; and
- responsible for succession planning, ensuring a smooth transition of leadership within the Company. It identifies and develops potential successors for key positions, including CEO and other executive roles.

The Board discharges its responsibilities through their meetings including quarterly meetings which include approval of budgetary planning and business strategy. The Board has constituted various committees for the performance of their functions.

Decisions and matters taken by the Board and delegated to management for execution

The Board of Directors holds the ultimate authority within the Company and carries out its duties and responsibilities in line with relevant laws. The Directors' main role is to ensure that key management is working towards the Company's goals in a way that benefits both the Company and its shareholders.

The implementation of Board's approved strategies falls primarily to management. This responsibility encompasses routine business activities, including short-term investments, contractual agreements for sales and purchases, policy enforcement, treasury management, taxation matters, litigation, and stock management. Management must perform these tasks effectively and ethically, adhering to the strategic objectives and goals set by the Board, while also identifying and managing key risks and opportunities that may affect the Company.

Management is also tasked with keeping the Board informed about any changes in the business environment. Moreover, under the supervision of the Board and its Audit Committee, management is responsible for preparing financial statements that accurately reflect the Company's financial status in compliance with relevant accounting standards and legal requirements.

Composition of the Board of Directors

The General Meeting confirmed that the Board of Directors shall have seven members.

The profile of Members of the Board is presented in shareholder information part of this report.

Directors' Qualification

The Board members have diversified experience and are qualified professional. They are well conversant of the laws and business practices in Pakistan. They have ample experience from

various sectors and brought in their expertise and knowledge to the Company. They are also well aware of the importance of mandatory trainings and evaluation as per the Code 2019.

Roles and Responsibilities of Chairman

The Chairman's role is primarily to guide long term strategic planning for the Company including:

- Presiding over the Board and ensuring that all relevant information has been made available to the Board;
- Defining the Company's philosophy and objectives;
- Safeguarding shareholders' interest in the Company;
- Responsible for building the Company's image nationally and globally;
- Ensuring the appropriate recording and circulation of the minutes of the meeting to the Directors and officers entitled to attend Board meetings;
- Overseeing the Company's macro approaches and public relations in the broad sense, including its relations with public organization and other companies; and
- Commitments and de-commitment of strategic investments.

Conflicts of Interest

Directors have a duty to avoid a situation in which they have or can have a direct or indirect interest which conflicts, with the interests of the Company. In this regard, the directors have undertaken that they will comply with the related provisions of the Companies Act, 2017, the Code 2019, and rules and regulations of SECP and stock exchange and Company's Code of Conduct.

Board's Performance Review

The evaluation of Board's role of oversight and its effectiveness is a continual process which is appraised by the Board itself. A detailed Board Evaluation Questionnaire has been formulated which is circulated amongst directors for their feedback every year and compiled results are presented in the Board meeting for review and appropriate action, thereon.

External Evaluation of the Board's Performance

The Company relies solely on its internal mechanisms to evaluate the Board's performance, choosing not to involve external experts.

Remuneration of the Board of Directors.

The Board has an approved formal policy for remuneration of executive and non-executive directors. The remuneration is commensurate with their level of responsibility and expertise needed to govern the Company successfully and to encourage value addition by them.

The Company does not pay any remuneration to independent directors except fees for attending the meetings of the Board and its committees. Remuneration of executive and non-executive directors is approved by the Board, as recommended by the Human Resource and Remuneration Committee.

The remuneration of the Board members is approved by the Board itself. However, in accordance with the Code 2019, it is ensured that directors do not take part in deciding their own remuneration.

For information on remuneration of directors and CEO in 2023-2024, please refer to the financial statements.

Formal Orientation at Directors' Induction

Every director upon joining is provided with an orientation presentation. CEO briefs new directors about the Company operation, industry dynamics, organization structure and other significant matters.

Board Meetings

There were four Board meetings held during the year. All of them were held inside Pakistan.

Independent Directors

Mr. Muhammad Siddiq Khokhar and Ms. Uzma Paracha are serving as independent Directors. They meet the criteria of independence as notified under Companies Act, 2017 and the Code 2019.

Representation of Female Director on the Board

The Company is fully compliant to the requirement of the Code 2019 to have at least one female member on Board.

3. Chief Executive Officer (CEO)

The CEO handles the operational management of the Company in accordance with direction set by the Board. He is responsible to the Board of Directors for fulfilling the targets, plans and goals that the Board sets. The CEO is responsible for ensuring that the Company's accounting is in compliance with the law and that financial management has been arranged in a reliable manner. The CEO forms the Management Teams and delegates to its members the necessary powers for carrying out their responsibilities.

4. Committees of the Board

To ensure objective control, the Board has established Audit Committee and, Human Resource and Remuneration Committee and Risk Management Committee to oversee relevant areas of the Company's operations.

Audit Committee

This Committee reviews the financial and internal reporting process, the system of internal controls, management of risks and the internal and external audit processes. An independent internal audit function reports to the Committee regarding risks and internal controls across the organization. The Audit Committee receives reports from external auditors on any accounting matter that might be regarded as critical. The Committee consists of three members. All members of the Committee are non-executive directors. The Chairman of the Committee is an independent director.

The detailed Charter of the Audit Committee is developed in accordance with the Code 2019 as contained in the listing regulations of the stock exchange which is summarize below:

- (a) determination of appropriate measures to safeguard the Company's assets;
- (b) review of quarterly, half yearly and annual financial statements of the Company, prior to their approval by the Board of Directors;
- (c) review of preliminary announcements of results prior to publication;

- (d) 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);
- (e) review of management letter issued by external auditors and management's response thereto;
- (f) ensuring coordination between the internal and external auditors of the Company;
- (g) review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- (h) consideration of major findings of internal investigations and management's response thereto;
- (i) ascertaining that the internal control systems including financial and operational controls, accounting systems and the reporting structure are adequate and effective;
- (j) review of the Company's statement on internal control systems prior to endorsement by the Board of Directors;
- (k) instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body;
- (l) determination of compliance with relevant statutory requirements;
- (m) monitoring compliance with the best practices of corporate governance and identification of significant violations thereof;
- (n) oversight of risk management; and
- (o) consideration of any other issue or matter as may be assigned by the Board of Directors.

The Audit Committee has reviewed the quarterly, half yearly and annual financial statements, besides the internal audit plan, material audit findings and recommendations of the internal auditor.

Report of the Audit Committee is annexed with this report.

Human Resource and Remuneration Committee

Human Resource and Remuneration Committee was established by the Board to assist the Directors in discharging their responsibilities with regard to selection, evaluation, compensation and succession planning of key management personnel. It is also involved in recommending improvements in Company's human resource policies and procedures and their periodic review.

The Committee consists of three members; all members are nonexecutive directors. The Chairman of the Committee is an independent director.

The Committee is responsible for:

- carry out annual evaluation of the Board of Directors performance;
- recommending human resource management and remuneration policies to the Board;
- recommending to the Board the selection, evaluation, compensation and succession planning of the CEO; and
- recommending to the Board the selection, evaluation, compensation of CFO, Company Secretary and Head of Internal Audit.

Risk Management Committee

The Board is assisted by risk management committee by overseeing the implementation of risk management policies and controls, identifying the risks faced by organization, and developing risk mitigating strategies. The committee has directors from diverse representation from different area of expertise including economics, financial analysis and financial and operational risk management.

The Committee is responsible for:

- Oversight of Capital, Liquidity and Funding Planning
- Review and recommend for the Board's approval annually (and when material changes are proposed) the Company's Global Risk Management Principles, including the Risk Appetite Statement. Approve or recommend for the Board's approval the Company's significant risk governance, risk management and risk assessment guidelines and policies, as appropriate.
- Oversee the Company's risk identification framework, including emerging risks and regulatory matters related to the Committee's authority.
- Oversee the Company's process and significant policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established limits.
- Review significant risk management regulatory reports and findings of regulators, as applicable to the mandate of the Committee, including management's remediation plans and progress against such plans.
- Oversight of the Chief Risk Officer and Risk Management Function
- Coordination with Management and Other Board Committees on the matters relating to the responsibilities of the committee.

5. Auditors

The Company's auditor is an auditing firm which fulfills general competency requirements and also complies with relevant legal independence requirements guaranteeing the execution of an independent and reliable audit. They are also compliant with the Code 2019 and other applicable laws and regulations. The performance, cost and independence of the external auditor is reviewed by the Audit Committee and recommended to the Board. The auditor is elected in Annual General Meeting to audit the accounts for the financial year and the auditor's duties ceases at the close of the subsequent Annual General Meeting. The auditor's duty is to audit financial statements and give reasonable assurance that the financial statements give a true and fair view of the Company's operations and result as well as its financial position. The Company's auditor presents the audit report required by law to the Company's shareholders in connection with the annual financial statements and reports regularly to the Board of Directors.

6. Compliance and Integrity Management

All directors and associates are required to comply with all applicable laws and regulations.

Governance of Risk and Internal Controls

The Company has various policies pertaining to governance of risk and internal controls, approved by the Board of directors. These include but not limited to related party transactions,

gender diversity, whistle blowing etc. Such policies are implemented rigorously to ensure smooth business operations at all levels.

Code of Conduct

The Code emphasizes on honesty, integrity and openness in conduct of Company's operations. It strictly abides all stakeholders to follow the laws and regulations. It also promotes guidelines on various ethical standards including issues such as conflicts of interests, employee rights and grievance, fraud, etc. The Code guides interactions with all stakeholders, including customers, employees, suppliers, shareholders and partners.

The Code is disseminated to all associates and is placed on Company's website. It is reviewed annually and any changes therein are approved by the Board.

The Company investigates all alleged breaches of Code and applies appropriate measures when complaints turn out to be substantiated. An open dialogue is promoted on integrity with a formal "Whistle Blowing Policy". The associates of the Company are encouraged to report their views on bad processes and unethical practices through such policy.

These mechanisms are part of the complaints procedure and are described in our Code of Conduct. During the year, no alleged breaches of the Code of Conduct were reported.

Records Retention and Safety Policy

The Company is striving to become paperless in coming years through digitalization of records. The Company has an efficient Record Management System to safeguard records of the Company from the time such records are conceived through to their eventual disposal.

Record management policy covers several aspects which include:

- Having Centralized Record Room with proper shelves, fire resistant lockers, etc.;
- Centralized electronics record facility;
- Retention of electronic mail policy;
- Compliance on Records Retention Policy;
- Records retention period;
- Mode of retention; and
- Records disposal.

Whistle Blowing Policy

The Company values an open dialog on integrity and responsibility with its associates. The Company is committed to provide a fair environment to its employees. The Company investigates all alleged breaches of Code of Conduct and applies appropriate measures when complaints turn out to be substantiated. The associates of the Company are encouraged to report their views on processes and practices to their manager. These reporting mechanisms are part of the complaints procedure and are described in our Code of Conduct.

This policy applies to recruitment and selection, terms and conditions of employment including pay and benefits, communications, training, promotion, transfer and every other aspect of employment.

Violations reported through the whistle blower procedure are investigated by internal audit function. Information regarding any incident is reported to the Audit Committee. Reports include

measures taken, details of the responsible Company function and the status of any investigation. During the year, no alleged breaches of the Code of Conduct were reported.

Business Ethics and Anti-Corruption Measures

Our Code of Conduct states our principles for good business ethics with underlying values to conduct business operations with honesty, integrity and openness, and with respect for human rights and interest of the associates.

The Company's Code of Conduct promotes guidelines on various ethical standards including issues such as conflicts of interests, employee rights, fraud, etc.

Stern action is taken against personnel found in these mal-practices. It is the responsibility of all associates to ensure that they are not engaged in practices which infringe legal or regulatory requirements. The associates are encouraged to report any infringement or suspected infringement of legal or regulatory requirements involving associates of the Company.

Related Parties

Related parties comprise of the Associated Companies and undertakings, sponsors and directors of the Company, companies in which directors are interested, key management personnel, post-employment benefit plans and close members of the families of the directors, sponsors and key management personnel.

The Company has an updated list of related parties and complete record as required by Companies Act, 2017 and directives issued by SECP from time to time.

Transactions with the related parties are conducted on the basis approved by the Board of Directors. Any related party transaction where majority of the directors are interested, shall be referred to the shareholders in a general meeting for ratification / approval. If a related party transaction, takes place other than on an arm's length basis, such transaction shall be approved by the Board on the recommendation of the Audit Committee, subject to the reasons to be properly recorded in minutes.

Disclosure of Directors Interest in Significant Contracts and Arrangements

Directors are required to disclose, at the time of appointment and on an annual basis, the directorships or memberships they hold in other corporate bodies. This is in pursuance with Section 205 of the Companies Act, 2017, which also requires Directors to disclose all material interests. We use this information to help us maintain an updated list of related parties. Any conflict of interest relating to members of Board of Directors is managed as per provisions of the Companies Act, 2017 and rules and regulations of SECP and Pakistan Stock Exchange.

All the directors are bound by applicable laws and regulations to disclose their interest in significant contracts and arrangements with the Company.

Unreserved Compliance of IFRS issued by IASB

Company's financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standard comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017.

In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

Board commitment to establish high level of ethics and compliance in the Company

Board is committed to upholding the highest standards of ethics and compliance across all levels of the Company. It prioritizes integrity, transparency, and accountability in our operations, ensuring that ethical practices are embedded in our corporate culture and decision-making processes

CHAIRMAN'S REVIEW

It gives me pleasure to present this review report to the stakeholders of AKD Hospitality Limited (AKDHL). On behalf of the Board of Directors and to present Annual Report of the Company together with Auditors' Report.

Board Performance

It gives me immense pleasure to present this review report to the stakeholders of AKD Hospitality Limited ("the Company") on the overall performance of the Board and effectiveness of the role played by the Board in achieving the company's objectives.

The Board of Directors ("the Board") of the Company has performed their duties meticulously in safeguarding the best interest of the shareholders of the Company and has managed the affairs of the Company in an effective and efficient manner, towards achieving its objective, in accordance with applicable laws and regulations.

The composition of the Board of Directors reflects mix of varied backgrounds and highly experienced individuals in the fields of Finance, Audit, Business and Banking. As required under the Code of Corporate Governance, the Board evaluates its own performance through a mechanism developed by it. The Board is fully involved in company's progress and provides strategic direction to the management and will continue to play its role in ensuring high standards of governance.

The Board has ensured that the meetings of the Board and that of its Committee were held with the requisite quorum, all the decision making were taken through Board resolution and that the minutes of all the meetings including its committees are appropriately recorded and maintained.

The Board has actively participated in strategic planning process enterprise risk management system, policy development, and financial structure, monitoring and approval.

All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process.

The Board has ensured that the adequate system of internal control is in place and its regular assessment through self-assessment mechanism and/or internal audit activities.

The Board has ensured that adequate information is shared among its members in a timely manner and the Board members are kept abreast of developments between meetings.

The Board has exercised its powers in light of the power assigned to the Board in accordance with the relevant laws and regulation applicable on the Company and the Board has always prioritized the Compliance with all the applicable laws and regulation in terms of their conduct as directors and exercising their powers and decision making.

The Board appreciate Directors and management of AKD Hospitality Limited for their hard work, dedication and commitment towards achieving organization-al goals.

The Board has conducted its self-evaluation. The evaluation identified areas for further improvement in line with best business practices. The focus remained on strategic growth, business opportunities, risk management and providing oversight to the management. The Board meets at least once every quarter to review operational results.

Changes to the Board and Committees:

During the year ending June 30, 2024, a casual vacancy raised due to resignation of Mr. Aurangzeb, from directorship, which was filled with the appointment of Mr. Samiullah Khan. Mr. Khan could not continue to perform his responsibility due to his other engagements and resigned subsequent to the year end and this casual vacancy was fill by appointment of Ms. Huma Khurram Rashid Paracha. We acknowledge and appreciate the valuable contribution and support of retiring board members. During the year member of Audit Committee Mr. Kanwar Adeel Zaman was appointed as Chief Executive Officer of the Company and his vacancy was filled by Ms. Uzma Piracha.

Acknowledgements

I take this opportunity to acknowledge and appreciate the devoted and sincere services of all associates and management staff of the Company.

I also thank Mr. Kanwar Adeel Zaman Chief Executive of your Company and the management team for their dedication and commitment to achieve growth and profitability.



Karachi: October 7, 2024

Nadeem Saulat Siddiqui
Chairman

DIRECTORS' REPORT

The Directors of the Company take pleasure in presenting the Directors' Report together with the Company's audited annual financial statements for the year ended June 30, 2024. The Directors' Report, prepared under Section 227 of the Companies Act, 2017 ("the Act") will be put forward to the members at the Annual General Meeting of the Company to be held on October 28, 2024.

Hospitality is a service industry that includes hotels, motels, tourism agencies, restaurants, bars, lodging, food and drink service, event planning, theme parks, travel and tourism. Our vision is to be the most competitive, focused, quality driven and growth oriented Company in Pakistan and our mission in terms of quality and profitability with an emphasis on minimizing risk in order to optimize the return to shareholders.

Board of Directors and its Committees

Board of Directors

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner.

The total number of directors are seven (07) comprising of

Male	5	Female	2
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The Board comprises of one executive, four non-executive directors and two independent directors (including one female director).

Best Practices of corporate governance entail having an optimal number of board members with adequate skills and experience.

The two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted.

Audit Committee

Audit Committee assists the Board of Directors in discharging their responsibilities in accordance with the Corporate Governance and Financial Reporting framework.

The Committee consists of three members, all of whom are non-executive directors. The Chairman of the Committee is an independent director.

As required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Code 2019"), Audit Committee also met with external auditors and Head of Internal Audit in the absence of management. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) attended all the four meetings held during the year, by invitation.

Human Resource and Remuneration Committee

Human Resource and Remuneration Committee also assists the Board of Directors in discharging their responsibilities with regard to devising and periodic reviews of human resource policies and practices within the Company. It also assists the Board in selection, evaluation, compensation and succession planning of key management personnel.

The Committee consists of three members who are non-executive directors. The Chairperson of the Committee is an independent female director.

Risk Management Committee

The Board is assisted by risk management committee by overseeing the implementation of risk management policies and controls, identifying the risks faced by organization, and developing risk mitigating strategies. The committee has directors from diverse representation from different area of expertise including economics, financial analysis and financial and operational risk management.

Responsibilities of the nomination committee are taken care of at the Board of Directors' level on the need basis, hence separate committee was not formed.

Meeting of the Board and its Committees

During the year, four meetings of Board of Directors (BOD), four meetings of Audit Committee (AC), two meeting of Human Resource and Remuneration Committee (HRRC), and one meeting of Risk Management Committee (RMC) were held. The attendance of the Directors and the number of their directorship in listed companies, including AKD Hospitality Limited, is as follows:

Sr. No	Name of Directors	DLS*	Status	ED*	ID*	Committee Members			Attendance			
						AC	HRRC	RMC	BOD	AC	HRRC	RMC
1	Nadeem Saulat Siddiqui	1	Elected 25/10/23	No	No	-	-		3/4	-	-	
2	Aurangzeb Ali Naqvi	1	Elected 25/10/23	No	No	-	-		2/2	-	-	
3.	Muhammad Siddique Khokhar	4	Elected 25/10/23	No	Yes	√	√	√	4/4	4/4	2/2	1/1
4.	Uzma Piracha	1	Elected 25/10/23	No	Yes	√	√		4/4	2/2	2/2	
5	Muhammad Sohail	1	Elected 25/10/23	No	No	-	-	√	3/4	-	-	1/1
6	Kanwar Adeel Zaman	1	Elected 25/10/23	Yes	No	-	-	√	4/4	2/2		1/1
7	Aamir Nazir Dhedhi	1	Elected 25/10/23	No	No	√	√		4/4	4/4	1/2	
8	Samiullah Khan	1	Appointed by Board 10/01/24	No	No	-	-		1/2	-	-	

* DLS (Directorship in Listed Companies); ED (Executive Directors); ID (Independent Directors)

Directors' Training Program

The Board has arranged Directors' training program for the following directors

Sr. No.	Name of Directors
1.	Mr. Nadeem Saulat Siddiqui
2.	Mr. Kanwar Adeel Zaman
3.	Ms. Uzma Piracha
4.	Mr. Muhammad Siddique Khokhar

Following directors have not taken directors' training program and will ensure the compliance in the ensuing financial year in accordance with the regulations

Sr. No.	Name of Directors
1.	Ms. Huma Khurram Rashid Paracha
2.	Mr. Aamir Nazir Dhedhi
3.	Mr. Muhammad Sohail

Board's Performance Review

The evaluation of Board's role of oversight and its effectiveness is a continual process which is appraised by the Board itself. A detailed Board Evaluation Questionnaire has been formulated which is circulated amongst directors for their feedback every year and compiled results are presented in the Board meeting for review and appropriate action, thereon. The key areas of evaluation are as under:

- (a) Composition of the Board and its effectiveness;
- (b) Structuring of Board's committees and their role;
- (c) Vision / Mission planning and establishing a corporate environment;
- (d) Access to the information and risk monitoring;
- (e) Performance of duties and responsibilities;
- (f) Relationship with the management;
- (g) Role of the Chairman and assessment of own performance.

Annual evaluation questionnaire developed in conformity with the Code 2019 and global best practices is circulated to the Directors for performance evaluation.

Strict level of confidentiality is exercised by the Company Secretary upon receipt of completed questionnaires. These are then evaluated to identify areas that require improvement and highlight differences of opinion, if any.

Statement of Directors' Responsibilities

The Directors confirm compliance with the Corporate and Financial Reporting framework of the Securities and Exchange Commission of Pakistan (SECP) and the Code 2019 for the following matters:

- (a) The financial statements, prepared by the management of the Company, present its state of affairs including the results of its operations, cash flows and changes in equity, fairly.
- (b) Proper books of accounts have been maintained by the Company.
- (c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- (d) International Financial Reporting Standards, as applicable in Pakistan and the requirements of the Act have been duly followed in preparation of the financial statements. Any departure thereof has been adequately disclosed and explained.
- (e) The system of internal control is sound in design and has been effectively implemented and monitored. The process of monitoring internal controls continues as an ongoing process with the objective to further strengthen the controls and bring improvements in the system.
- (f) There are no significant doubts upon the Company's ability to continue as going concern.

- (g) We have Audit, Human Resource and Remuneration and Risk Management Committees comprising of members of the Board of Directors. The members of these committees are selected by the Board ensuring compliance with the applicable rules & regulations.
- (h) The Board of Directors has adopted a vision and mission statement and statement of corporate strategy
- (i) There has been no material departure from the best practices of Corporate Governance, as detailed in the Code 2019 and listing regulations of the Pakistan Stock Exchange.

The Corporate Governance Practices

The Board of Directors of the Company is committed to the principles of good Corporate Governance. This is promoted across the Company through senior management. The stakeholders expect that the Company is managed and supervised responsibly and proper internal controls and risk management policy and procedures are in place for efficient and effective operations of the Company, safeguarding of assets, compliance with laws and regulations and proper financial reporting in accordance with International Financial Reporting Standards.

Adequacy of Internal Financial Controls

The Board of Directors has established an effective and efficient internal financial control system to ensure effective conduct of company's operation, safeguarding of all assets and compliance with applicable laws and regulations and reliable and timely financial reporting. The Company's internal control system is sound in design and is continually evaluated for effectiveness and adequacy. The Audit Committee through Internal Audit Department ensure the achievement of operational, compliance, risk management and financial reporting and control objectives, safeguarding of the assets of the Company and the shareholders' wealth at all levels within the Company. The Internal get annual approval of Audit Charter and Annual Audit Plan from the Audit Committee. The Audit Committee review material Internal Audit findings, take appropriate action and bring the matter to the attention of the Board where required. Coordination between internal auditors and external auditors facilitates the efficiency and contribute to the Company's objectives of reliable financial reporting system and compliance with laws and regulations.

Code of Conduct

The Company's Code of Conduct promotes guidelines on various ethical standards including issues such as conflicts of interests, employee rights, fraud, etc. The Code encourages honesty, integrity and openness in conduct of Company's operations. It contains guidelines for interactions with all stakeholders, including consumers, suppliers, shareholders and partners.

The Code is reviewed annually and any changes therein are approved by the Board. It is communicated to all associates and is available on the Company's website at [www.http://akdhospitality.com/Governance.aspx](http://akdhospitality.com/Governance.aspx). The responsibility for day to day implementation and monitoring of Code is delegated to the senior management. Breach or violation of the Code of Conduct are reported to Audit Committee through Internal Auditor.

Management Committee

The Management Committee comprises of senior management headed by Chief Executive Officer (CEO), which ensures that a proper system is developed and implemented across the Company that enable swift and appropriate decision making. It acts in an advisory capacity to CEO at the operating level, providing recommendations relating to business and other corporate affairs. It is responsible for reviewing and forwarding long-term plans, capital and expense budget development and stewardship of business plans. The Committee meets monthly to review the performance against set targets. CEO also ensures that all decisions and directions given by the Board are properly communicated and implemented.

Significant Features of Directors' Remuneration

The Board of Directors has approved a formal policy for remuneration of executive and non-executive directors depending upon their responsibility in affairs of the Company. The remuneration is commensurate with their level of responsibility and expertise needed to govern the Company successfully and to encourage value addition from them.

Remuneration of executive and non-executive directors is approved by the Board, as recommended by the Human Resource and Remuneration Committee. The Company does not pay any remuneration to non-executive and independent directors except fees for attending the meetings of the Board and its committees. For information on remuneration of directors and CEO, please refer notes to the financial statements.

Material Changes

There have been no material changes since June 30, 2024 to date of the report and the Company has not entered into any commitment during this period, which would have an adverse impact on the financial position of the Company.

Chairman's Review

The Chairman's review included in the Annual Report deals inter alia with the performance and effectiveness of the Board, performance of the Company for the year ended June 30, 2024, government policies, its impact on Company's business and future prospects. The Directors endorse the contents of the Chairman's review. For changes in the Board of Directors and the Committee kindly see the relevant section in Chairman's Review.

Safeguarding of Records

The Company places due emphasis for storage and safe custody of its financial records. Access to electronic financial records and documentation has been ensured through implementation of a comprehensive password protected authorization matrix. A record retention policy is also in place for proper documentation and their tracking.

Pattern of Shareholding

The pattern of shareholding as at June 30, 2024 is annexed.

The Directors, executives and their spouse and minor children have made no transactions of the Company's shares during the year, and there shareholding is reported in pattern of shareholding.

Executives mean Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary and other executives (as defined by the Board).

Corporate Social Responsibility

The Company considers social, environmental and ethical matters in the context of the overall business environment. The Company is committed to work in the best interest of all the stakeholders, in particular the community in which we operate and forms our customer base. The Company recognize that developing new tourist destination around the country requires the partnership with local community, employees' dedication and loyalty of our customers to our brand. We are committed to achieve UN's Goals of Sustainable Development in each project developed and managed by the Company. We promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Our company has policy of gender equality and empowerment of women, which is evident from composition of our Board of Directors.

Health, Safety and Environment

We strongly believe in maintaining the highest standards in health, safety and environment (HSE) to ensure the wellbeing of the people who work with us as well as of the communities where we operate. The impact of the Company's business on the environment may be significant if it is not managed with proper planning. The Company will take all necessary steps to control the environment in which it works which includes compliance with environmental laws and regulations, environmental auditing, waste management and recycling. Through business innovation we achieve sustainable consumption. We conserve and sustainably use the oceans, seas and marine resources for sustainable development. AKDHL recognize that there are numerous benefits of practicing environmental sustainability, such as marketing and public relation, decrease waste generation, conserving natural resources, attracting clientele, industry recognition and decreasing product and operational costs. We promote healthy lifestyle at work and promote well-being for all at all ages.

Business Continuity Plan

As part of Business Continuity Plan, remote disaster recovery sites have been adequately set up for maintaining backup server and data in case our primary server encounters any issues.

Statutory Auditor of the Company

The present Auditors, Riaz Ahmed & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment. The Audit Committee reviewed performance, cost and independence of the external auditors, M/s. Riaz Ahmad & Co., Chartered Accountants and has recommended to the Board their reappointment for the year ending June 30, 2025. Subsequently, Board of Directors has recommended re-appointment as Auditors of the Company and their remuneration for the year ending June 30, 2025.

Operating & Financial Data

The comparison of the audited results for the year ended June 30, 2024 with the corresponding period of last year is as under:

	30 JUNE 2024	30 JUNE 2023
	----- In Rupees -----	
NET PROFIT / (LOSS) BEFORE LEVY & TAX	9,481,006	(4,785,373)
NET PROFIT / (LOSS) AFTER LEVY & TAX	8,346,644	(4,961,829)
TOTAL COMPREHENSIVE INCOME / (LOSS)	12,198,910	(14,461,829)
EARNING / (LOSS) PER SHARE – BASIC & DILUTED	3.33	(1.98)

The reason for good opera is 5 times increase in revenue and expenses registered a decrease of 38% due to cost cutting measures of the company mainly resulting from resource sharing with associates on free of cost basis. This resulted significant improvement in operating results which changed from operating loss to operating profits.

Dividend

Due to current economic conditions and business challenges and accumulated losses, the Board has decided not to pay dividend for the year ended June 30,2024.

Reserve Funds

Considering the accumulated losses Board has decided to defer the creation of any sort of reserve funds.

Default in Payments

There are no statutory payments on account of taxes, duties, levies and charges which are outstanding except in the ordinary course of business and described in the financial statements.

Operating and Financial Data for Last Five Years:

Particulars	2024	2023	2022	2021	2020
	----- Rupees in '000 -----				
Issued, Subscribed and Paid Up Capital	25,072	25,072	25,072	25,072	25,072
Share Premium	20,891	20,891	20,891	20,891	20,891
Capital Contribution	12,950	9,750			
Fair Value Reserve	(21,318)	(25,156)	(15,656)	9,485	(7,321)
General Reserves	752	752	752	752	752
Accumulated (Loss) / Profit	(15,060)	(23,420)	(18,459)	(24,158)	(14,304)
Long Term Liabilities	156	169	185	1,955	-
Current Liabilities	8,684	8,859	14,352	10,618	4,900
Total Equity & Liability	32,127	16,917	27,137	44,615	29,990
Operating Fixed Assets	863	969	1,092	1,231	1,392
Long term Assets	14,748	10,910	20,647	39,496	20,860
Current Assets	16,517	5,038	5,399	3,887	7,739
Total Assets	32,128	16,917	27,138	44,614	29,991
Operating Income	13,701	3,600	2,500	3,684	2,729
Operating Expenses	(4,220)	(8,385)	(5,359)	(12,919)	(5,656)
Operating Profit / (Loss)	9,481	(4,785)	(2,859)	(9,235)	(2,927)
Taxation / Levy	(1,121)	(176)	42	(620)	59
Net Profit / (Loss)	8,360	(4,961)	(2,817)	(9,855)	(2,868)
Other Comprehensive (Loss) / Profit	3,838	(9,500)	(16,624)	16,806	(6,084)
Total Comprehensive (Loss) / Profit	12,198	(14,461)	(19,441)	6,951	(8,952)
(Loss) / Earning per Share	3.33	(1.98)	(1.12)	(3.93)	(1.14)

Contents of modification in auditors' report

There is no qualification in the external auditors' report for the year ended June 2024 which is annexed in this Annual Report

Changes in nature of business of the Company

During the year there has been no change in the nature of the business of the Company.

Principal Activities of the Company

The principal line of business of the company is to carry on the tourism business including hospitality business, motels, destination management services, developing & building tourism attractions and to undertake all ancillary business activities to provide end to end services solutions. Despite ongoing political uncertainty coupled with weak consumer demand due to reduced purchasing power, Pakistan's economy is showing some signs of macro-economic stability. The government's policy management and administrative measures have restored some confidence, leading to an uptick in economic activity. Particularly tourism sector has showed significant recovery up to 92% of the pre-covid activity level.

During the year the Company achieved success by entering into service agreement with other companies aligned with its core business activities on a retainer basis, resulting in earned revenue through its principle line of business.

Principle Risks and Uncertainty and Risk Management System

The Company is exposed to certain inherent risks and uncertainties related to the environments in which it works and its operations may be affected due to such risks and uncertainties. The continued political polarization, law and order situation, poor infrastructure, increase in fuel and energy prices, high inflation has kept fuel prices high discouraging local tourists to travel.

Political stability, restoration of infrastructure and improved law & order are necessary to attract tourists especially international tourists. The other factors affecting tourism industry are:

- Increase in cost of consumables, particularly fuel cost due to high inflation
- Macro-economic uncertainties which might affect consumer demand
- Increase in existing income tax rates reducing purchasing power
- Increase in / levies of new sales taxes and duties
- Data security and privacy.

The Company take necessary steps with external and internal stakeholders to manage and mitigate these risks to an appropriate level. Formal risk management framework is in place to assess the risks faced in the context of the broader political, operational and macroeconomic environment. The risk management system identifies risks related to each aspect of business operations. The purpose of risk management is to make informed decisions regarding risks and

having processes in place to effectively manage and respond to risks in pursuit of the Company's objectives by maximizing opportunities and minimizing adverse effects.

Business Environment Affecting the Results of the Company

Pakistan is facing climate change resulting in severe weather conditions, like drought, river and flash floods, landslides, storms and cyclones. The impact of climate change result in increased costs of operations and reducing the number of turnout of tourists visiting certain destinations. The main elements which are likely affect the future of the development, performance and position of the company business are:

- Lack of professional tour operators
- Economic uncertainties
- Political Stability
- Poor Infrastructure
- Rising costs of daily consumables and travel cost

Future Outlook

The reduction in the policy rate by the State Bank of Pakistan, alongside easing inflationary pressures and anticipated new IMF program will provide a reasonable economic environment for FY-25. However, the increase in energy and fuel tariffs and taxation will erode household incomes, impacting their purchasing power and will tourism business from local customers.

Despite these challenges, your Company is well aligned to take advantage of the situation and is hopeful of future outlook with ensuring reasonable revenue and profit. Due to above constraints the Company is looking for developing new tourism destinations close to populated cities in Pakistan resulting in affordable travelling costs to local customers.

Looking ahead, AKD Hospitality Limited is committed to contribute to Pakistan's economic prosperity and delivering strong shareholders' value by investing and the long-term reliable assets, promoting gender diversity, improving sustainability to reduce its carbon footprint and water conservation. Health and safety of the employee will remain the top priority of the management in addition to protect and safeguard the interests of its shareholders through capitalization on growth opportunities.

Throughout the year, the Company conducted various assessments to explore the possibilities of creating hotels or resorts in Northern Areas and Coastal Belt. These preliminary studies have indicated a favourable net present value (NPV) for the Company. Presently, the Company is in the process of evaluating various business models to pursue these projects.

Communication

Annual, half yearly and quarterly reports are distributed amongst shareholders within the time specified in the Act. The Company also has a web site, www.akdhospitality.com containing up to date information on Company's activities, financial reports and notices / announcements.

Acknowledgement

The Board of Directors wishes to express its pleasure and gratefulness to the shareholders for their support and to all the employees of their ongoing dedication and commitment to the Company.

For and on behalf of Board of Directors:



Muhammad Siddiq Khokhar
Director



Kanwar Adeel Zaman
Chief Executive Officer

Karachi October 7, 2024

ڈائریکٹر رپورٹ

کمپنی کے ڈائریکٹرز 30 جون، 2024 کو ختم ہونے والے سال کے لئے کمپنی کے پڑتال شدہ مالی گوشوارے بشمول آڈیٹر رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔ ڈائریکٹرز رپورٹ کمپنیز ایکٹ 2017 کے سیکشن 227 کے تحت تیار کی گئی ہے اور 28 اکتوبر، 2024 کو ہونے والے کمپنی کے سالانہ اجلاس عام میں پیش کی جائے گی۔

ہاسٹیلٹیٹی خدمات کی فراہمی سے وابستہ انڈسٹری ہے جس میں ہوٹلز، مولٹرز، ٹورازم ایجنسیاں، ریسٹورنٹ، بارز، لاجنگ، فوڈ، مشروبات، ایونٹ پلاننگ، تھیم پارک، ٹریول اور ٹورازم شامل ہے۔ ہمارا نصب العین پاکستان میں سب سے زیادہ مسابقتی، بہتر معیار اور تیزی سے ترقی کرنے والی کمپنی بنانا ہے۔ معیار اور منافع کے لحاظ سے ہمارا مشن حصص یافتگان کو بہتر منافع دینے کی غرض سے کم سے کم نقصان کے احتمال پر زور دینا ہے۔

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیاں

بورڈ آف ڈائریکٹرز

کمپنی نے لسڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 (ریگولیشنز) کے تقاضوں کی مندرجہ اندز میں تعمیل میں کی ہے۔ ڈائریکٹرز کی کل تعداد سات (7) ہے جو مندرجہ ذیل پر مشتمل ہیں۔

مرد 5

خواتین 2

بورڈ ایک ایگزیکٹو، چار نان ایگزیکٹو ڈائریکٹرز اور دو آزاد ڈائریکٹرز (بشمول ایک خاتون ڈائریکٹر) پر مشتمل ہے۔

کارپوریٹ گورننس کے بہترین طریقوں کے مطابق بورڈ میں مہارت اور تجربہ رکھنے والوں اور اراکین کی تعداد مناسب ہوتی ہے۔

دو منتخب آزاد ڈائریکٹرز مرد و چوتھین اور سواہی کے مطابق اپنے فرائض اور ذمہ داریوں کی ادائیگی کے لئے مطلوبہ قابلیت، مہارت، علم اور تجربہ رکھتے ہیں۔ چونکہ یہ ڈائریکٹرز مرد و چوتھین اور سواہی کے مطابق ضروری تقاضوں پر پورا اترتے ہیں اس لئے تیسرے آزاد ڈائریکٹر کی تعیناتی کی ضرورت نہیں۔

آڈٹ کمیٹی

آڈٹ کمیٹی کارپوریٹ گورننس اور فنانشل رپورٹنگ فریم ورک کے مطابق بورڈ آف ڈائریکٹرز کو ان کی ذمہ داریوں کی ادائیگی میں معاونت فراہم کرتی ہے۔

کمیٹی تین اراکین پر مشتمل ہوتی ہے جو نان ایگزیکٹو ڈائریکٹرز ہیں۔ کمیٹی کا چیئر مین ایک آزاد ڈائریکٹر ہوتا ہے۔

لسڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 (دی کوڈ) کے مطابق آڈٹ کمیٹی نے مینجمنٹ کی غیر حاضری میں بیرونی آڈیٹرز اور ہیڈ آف انٹرنل آڈٹ سے بھی ملاقات کی۔ چیف ایگزیکٹو آفسر (سی ای او) اور چیف فنانشل آفسر (سی ایف ایو) نے سال کے دوران دعوت پر چار اجلاسوں میں شرکت کی۔

انسانی وسائل اور معاوضہ کمیٹی

انسانی وسائل اور معاوضہ کمیٹی انسانی وسائل سے متعلق پالیسیوں کی تشکیل اور وقفہ وقفہ سے ان کا جائزہ اور کمپنی کے اندر طرز عمل کے حوالے سے ذمہ داریوں کی انجام دہی میں بورڈ آف ڈائریکٹرز کو معاونت فراہم کرتی ہے۔ کمیٹی بورڈ کو اہم انتظامی عہدیداروں کے انتخاب، جائزہ، معاوضہ کی ادائیگی اور پیش رو کی منصوبہ بندی میں بھی مدد کرتی ہے۔

کمیٹی تین اراکین پر مشتمل ہے جو نان ایگزیکٹو ڈائریکٹرز ہیں۔ کمیٹی کی چیئر پرسن آزاد خاتون ڈائریکٹر ہے۔

رسک منجمنٹ کمیٹی

رسک منجمنٹ کمیٹی رسک منجمنٹ پالیسیوں اور کنٹرولز کے نفاذ کی نگرانی، ادارے کو درپیش اندیشوں کی نشاندہی اور نقصان کے احتمال کو کم کرنے کی حکمت عملیاں تشکیل دے کر بورڈ کی معاونت کرتی ہے۔ کمیٹی میں مختلف شعبوں سے تعلق رکھنے والے ڈائریکٹرز شامل ہیں جن میں معاشیات، مالیاتی تجزیہ اور مالیاتی و آپریشنل رسک منجمنٹ کے ماہرین شامل ہیں۔ نامزدگی کمیٹی کی ذمہ داریاں ضرورت کی بنیاد پر بورڈ آف ڈائریکٹرز ادا کرتے ہیں اس لئے ایک علیحدہ کمیٹی تشکیل نہیں دی گئی۔

بورڈ اور اس کی کمیٹیوں کے اجلاس

سال کے دوران بورڈ آف ڈائریکٹرز کے چار اجلاس، آڈٹ کمیٹی کے چار اجلاس، انسانی وسائل اور معاوضہ کمیٹی کے دو اجلاس اور رسک منجمنٹ کمیٹی کا ایک اجلاس منعقد ہوا۔ ڈائریکٹرز کی اجلاسوں میں شرکت، اسٹاک کمپنیوں میں ان کی ڈائریکٹرشپ بشمول اسے کے ڈی ہاؤسنگلیٹی درج ذیل ہے۔

Sr. No	Name of Directors	DLS*	Status	ED*	ID*	Committee Members				Attendance		
						AC	HRRC	RMC	BOD	A C	HRRC	RMC
1	Nadeem Saulat Siddiqui		Elected 25/10/23	No	No	-	-		3/4	-	-	
2	Aurangzeb Ali Naqvi		Elected 25/10/23	No	No	-	-		2/2	-	-	
3.	Muhammad Siddique Khokhar		Elected 25/10/23	No	Yes	√	√	√	4/4	4/4	2/2	1/1
4.	Uzma Piracha		Elected 25/10/23	No	Yes	√	√		4/4	2/2	2/2	
5	Muhammad Sohail		Elected 25/10/23	No	No	-	-	√	3/4	-	-	1/1
6	Kanwar Adeel Zaman		Elected 25/10/23	Yes	No	-	-	√	4/4	2/2		1/1
7	Aamir Nazir Dhedhi		Elected 25/10/23	No	No	√	√		4/4	4/4	1/2	
8	Samiullah Khan		Appointed by Board 10/01/24	No	No	-	-		1/2	-	-	

ڈائریکٹرز ٹریننگ پروگرام

بورڈ نے مندرجہ ذیل ڈائریکٹرز کیلئے ڈائریکٹرز ٹریننگ پروگرام کا بندوبست کیا ہے۔

نمبر شمار	ڈائریکٹرز کا نام
1	ندیم صولت صدیقی
2	کنور عدیل زمان

عظمیٰ پراچہ	3
محمد صدیق کھوکھر	4

مندرجہ ذیل ڈائریکٹرز نے ڈائریکٹرز ٹریننگ پروگرام میں حصہ نہیں لیا اور ریگولیشنز کے مطابق آئندہ مالی سال میں تعین کو یقینی بنائیں گے۔

نمبر شمار	ڈائریکٹرز کا نام
1	ہما خرم رشید پراچہ
2	عامر نذیر ڈھبڑی
3	محمد سہیل

بورڈ کی کارکردگی کا جائزہ

بورڈ کی طرف سے کمپنی کی پالیسیوں کے نفاذ کی نگرانی اور انتظامات چلانے میں اس کی کارکردگی ایک مسلسل عمل ہے جس کی بورڈ خود جانچ کرتا ہے۔ بورڈ کی کارکردگی کی جانچ کیلئے ایک سوالنامہ تشکیل دیا گیا ہے جنہیں ہر سال رائے اور تجاویز کیلئے ڈائریکٹرز کو ارسال کیا جاتا ہے۔ بعد ازاں اکٹھے کئے گئے نتائج مزید جائزہ اور اس پر کارروائی کیلئے بورڈ میں پیش کئے جاتے ہیں۔ جائزہ کے اہم شعبہ جات مندرجہ ذیل ہیں:

(اے) بورڈ کی تشکیل اور کارکردگی

(بی) بورڈ کی کمیٹیوں کا قیام اور ان کے فرائض

(سی) نصب العین / مشن کی منصوبہ بندی اور کارپوریٹ ماحول کی تشکیل

(ڈی) معلومات تک رسائی اور رسک مانیٹرنگ

(ای) فرائض اور ذمہ داریوں کی کارکردگی

(ایف) انتظامیہ کے ساتھ تعلقات

(جی) چیز میں کارکردار اور اپنی خودی کارکردگی کی جانچ

کارکردگی کے سالانہ جائزہ کا سوالنامہ کوڈ 2019 اور عالمی بہترین طریقوں کے مطابق تیار کیا گیا ہے جسے کارکردگی کے جائزہ اور جانچ کیلئے ڈائریکٹرز کو ارسال کیا جا رہا ہے۔

مکمل شدہ سوالنامہ کی وصولی پر کمپنی سیکرٹری کی طرف سے انتہائی رازداری کا مظاہرہ کیا جاتا ہے۔ اس کے بعد ان کا جائزہ لیا جاتا ہے تاکہ ان شعبوں کی نشاندہی کی جاسکے جن میں بہتری کی ضرورت ہے اور اگر کوئی اختلاف رائے ہو تو اسے بھی اجاگر کیا جاسکے۔

ڈائریکٹرز کی ذمہ داریوں کا بیان

ڈائریکٹرز مندرجہ ذیل کے تناظر میں سیکورٹیز اینڈ ایکس چینج کمیشن آف پاکستان (ایس ای سی پی) کے کارپوریٹ اینڈ فنانشل رپورٹنگ فریم ورک اور کوڈ 2019 کی تعمیل کی تصدیق کرتے ہیں۔

(اے) کمپنی کی انتظامیہ طرف سے تیار کردہ مالی نتائج کمپنی کے معاملات، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو شفاف انداز میں پیش

کرتے ہیں۔

(بی) کمپنی کے کھاتوں کی مناسب کتابیں مرتب رکھی گئی ہیں۔

(سی) مالی گوشواروں کی تیاری میں اکاؤنٹنگ کے حوالے سے مناسب پالیسیاں تو اترا سے لاگو کی گئی ہیں اور اکاؤنٹنگ کے تخمینہ معقول اور دانشمند اندازوں کی بنیاد پر لگائے گئے ہیں۔

(ڈی) مالی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق منظور شدہ اکاؤنٹنگ معیارات اور ایکٹ کے تقاضوں کے مطابق عمل درآمد کیا گیا۔ کسی بھی قسم کے انحراف کو مناسب انداز میں بیان اور واضح کیا گیا ہے۔

(ای) انٹرنل کنٹرول کے نظام کو بہترین انداز میں تیار اور موثر انداز میں نافذ کیا گیا اور اس کا مسلسل جائزہ اور نگرانی کی جارہی ہے جس کا مقصد کنٹرول کے عمل کو مزید مضبوط بنانا اور نظام میں بہتری لانا ہے۔

(ایف) کمپنی کی مالی حالت مضبوط ہے اور کمپنی کے قائم رہنے کی صلاحیت پر کسی قسم کے کوئی شک و شبہات نہیں ہیں۔

(جی) کمپنی میں آڈٹ، انسانی وسائل اور معائنہ اور رسک مینجمنٹ کمیٹیاں موجود ہیں جو بورڈ آف ڈائریکٹرز کے ارکان پر مشتمل ہیں۔ ان کمیٹیوں کے ارکان کا انتخاب تمام متعلقہ قوانین اور ضوابط کی تعمیل میں بورڈ کے ذریعے کیا جاتا ہے۔

(ایچ) بورڈ آف ڈائریکٹرز نے نصب العین اور مشن کا بیانیہ اور کارپوریٹ اسٹریٹیجی کا بیانیہ اختیار کیا ہے۔

(آئی) کوڈ 2019 اور پاکستان اسٹاک ایکس چینج کے لسٹنگ ریگولیشنز میں درج ہے کارپوریٹ گورننس کے بہترین طرز عمل سے قابل ذکر انحراف نہیں کیا گیا۔

کارپوریٹ گورننس طریقہ ہائے کار

بورڈ آف ڈائریکٹرز بہتر کارپوریٹ گورننس کے اصولوں کیلئے پرعزم ہیں۔ ان کو بینٹرنل مینجمنٹ کے ذریعے پوری کمپنی میں فروغ دیا جاتا ہے۔ اسٹیک ہولڈرز کو توقع کرتے ہیں کہ کمپنی کو مذکورہ داری کے ساتھ چلایا اور اس کے معاملات کی نگرانی کی جاتی اور کمپنی کے موثر آپریشنز، اجاڑوں کی حفاظت، قوانین اور قواعد کی تعمیل اور انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈ کے مطابق مناسب فنانشل رپورٹنگ کیلئے انٹرنل کنٹرول اور رسک مینجمنٹ پالیسی موجود ہو

مناسب انٹرنل فنانشل کنٹرول

بورڈ آف ڈائریکٹرز نے کمپنی کے آپریشنز، تمام اجاڑوں کی حفاظت، مروجہ قوانین اور ریگولیشنز کی تعمیل اور قابل بھروسہ اور بروقت فنانشل رپورٹنگ کی تکمیل کیلئے موثر اور مضبوط انٹرنل فنانشل کنٹرول سسٹم قائم کیا ہے۔

کمپنی کا اندرونی کنٹرول سسٹم ڈیزائن کے لحاظ سے مضبوط ہے اور اس کی موثریت اور کارکردگی کا مسلسل جائزہ لیا جاتا ہے۔ آڈٹ کمیٹی، انٹرنل آڈٹ ڈیپارٹمنٹ کے ذریعے آپریشنل، تعمیل، رسک مینجمنٹ، مالیاتی رپورٹنگ اور کنٹرول کے مقاصد کے حصول کو یقینی بناتی ہے اور کمپنی کے اجاڑوں اور حصص یافتگان کی دولت کا ہر سطح پر تحفظ کرتی ہے۔ انٹرنل آڈٹ ڈیپارٹمنٹ، آڈٹ کمیٹی سے آڈٹ چارٹر اور سالانہ آڈٹ پلان کی سالانہ منظوری حاصل کرتا ہے۔ آڈٹ کمیٹی انٹرنل آڈٹ کے اہم نتائج کا جائزہ کے کر مناسب کارروائی کرتی ہے اور جہاں ضروری ہو، معاملے کو بورڈ کی توجہ میں لاتی ہے۔ انٹرنل آڈیٹرز اور بیرونی آڈیٹرز کے درمیان ہم آہنگی اور کارکردگی کو بہتر بناتی ہے اور کمپنی کے قابل اعتماد فنانشل رپورٹنگ سسٹم اور قوانین و ضوابط کی تعمیل میں کردار ادا کرتی ہے۔

ضابطہ اخلاق

کمپنی کا ضابطہ اخلاق مختلف اخلاقی معیارات جیسا کہ مفادات کا نگراؤ، ملازمین کے حقوق اور دھوکہ دہی پر رہنمائی فراہم کرتا ہے۔ ضابطہ اخلاق کے ذریعے کمپنی کے آپریشنز میں ایمان داری، دیانت داری اور شفافیت کی حوصلہ افزائی کی جاتی ہے۔ ضابطہ اخلاق تمام اسٹیک ہولڈرز بشمول صارفین، سپلائرز، حصص یافتگان اور شرکاء

داروں کے ساتھ روابط پر رہنمائی فراہم کرتے ہیں۔

ضابطہ اخلاق کا سالانہ جائزہ لیا جاتا ہے اور بورڈ کی طرف سے ان میں تبدیلیوں کی منظوری دی جاتی ہے۔ ضابطہ اخلاق تمام منسلک ایسوسی ایشن کو ارسال کیا جاتا ہے اور کمپنی کی ویب سائٹ [www.http://akdhospitality.com/Governance.aspx](http://www.akdhospitality.com/Governance.aspx) پر دستیاب ہیں۔ ضابطہ اخلاق پر روزانہ کی بنیاد پر عمل درآمد اور نگرانی کی ذمہ داری سینئر مینجمنٹ کی ہے۔ ضابطہ اخلاق کی خلاف ورزی کے بارے میں انٹرنل آڈیٹرز کے توسط سے آڈٹ کمپنی کو بتایا جاتا ہے۔

مینجمنٹ کمیٹی

مینجمنٹ کمیٹی سینئر مینجمنٹ پر مشتمل ہے جس کی سربراہی چیف ایگزیکٹو آفیسر (سی ای او) کرتا ہے، کمیٹی اس بات کو یقینی بناتی ہے کہ تیز اور مناسب فیصلہ سازی کیلئے کمپنی میں ایک مضبوط نظام تشکیل اور نافذ کیا جائے۔ یہ کمیٹی آپرینٹنگ سطح پر سی ای او کیلئے ایڈوائزی حیثیت میں کام کرتی ہے اور کاروبار اور دیگر کارپوریٹ امور سے متعلق سفارشات پیش کرتی ہے۔ کمیٹی طویل مدتی منصوبوں، سرمایہ، اخراجات، بجٹ کی تیاری اور کاروباری پلانز کی اسٹورڈ شپ کا جائزہ اور آگے بھیجنے کی ذمہ دار ہے۔ کمیٹی کا طے کردہ اہداف کے حوالے سے کارکردگی کا جائزہ لینے کے لئے ماہانہ اجلاس منعقد ہوتا ہے۔ سی ای او بھی اس بات کو یقینی بناتا ہے کہ بورڈ کی طرف سے کئے گئے تمام فیصلوں اور دی گئی ہدایات کو مناسب انداز سے بتایا جائے اور اس پر عمل درآمد کیا جائے۔

ڈائریکٹرز کے معاوضہ کی نمایاں خصوصیات

بورڈ نے کمپنی کے ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کی کمپنی کے معاملات میں ان کی ذمہ داری کے لحاظ سے معاوضہ کیلئے ایک باضابطہ پالیسی کی منظوری دی ہے۔ معاوضہ ان کی ذمہ داری اور کمپنی کو کامیابی سے چلانے کے لیے درکار مہارت کے مطابق ہے اور ان کو مزید کوشش کرنے کی ترغیب دینے کے لیے دیا جاتا ہے۔ ایگزیکٹو اور نان ایگزیکٹو کے معاوضہ کی منظوری انسانی وسائل اور معاوضہ کمیٹی کی طرف سے سفارش کے بعد بورڈ دیتا ہے۔ کمپنی اپنے نان ایگزیکٹو ڈائریکٹرز کو معاوضہ ادا نہیں کرتی۔ ڈائریکٹرز بورڈ اور اس کی کمیٹی کے اجلاس میں شرکت کیلئے اجلاس فیس کے حقدار ہیں۔ ڈائریکٹرز اور سی ای او کے معاوضہ کے حوالے سے معلومات کیلئے مالی گوشواروں کے نوٹس ملاحظہ فرمائیں۔

اہم تبدیلیاں

30 جون، 2024 سے رپورٹ کی تاریخ تک کمپنی کی مالی حیثیت کو متاثر کرنے والے کسی قسم کی اہم تبدیلیاں اور وعدے نہیں کئے گئے۔

چیئر مین کا جائزہ

سالانہ رپورٹ میں شامل چیئر مین کا جائزہ دیگر اہم امور کے علاوہ بورڈ کی کارکردگی اور موثریت، 30 جون، 2024 کو ختم ہونے والے سال کیلئے کمپنی کی کارکردگی، حکومتی پالیسیوں اور کمپنی پر اس کے اثرات اور مستقبل کے امکانات پر مبنی ہے۔ ڈائریکٹرز چیئر مین کے جائزے کے مندرجات کی توثیق کرتے ہیں۔ بورڈ آف ڈائریکٹرز اور کمیٹی میں ہونے والی تبدیلیوں کے بارے میں تفصیلات کے لیے براہ کرم چیئر مین کے جائزے میں متعلقہ سیکشن ملاحظہ کریں۔

ریکارڈ کا تحفظ

کمپنی اپنے مالی ریکارڈز کو مرتب رکھنے اور ان کے تحفظ پر بہت زیادہ زور دیتی ہے۔ الیکٹرانک مالی ریکارڈز اور دستاویزات تک رسائی پاسورڈ کے ایک جامع اور محفوظ نظام کے ذریعے ہی کی جاتی ہے۔ دستاویزات کو مناسب انداز میں رکھنا اور ان کی نگرانی کیلئے ریکارڈز مرتب رکھنے کی پالیسی نافذ ہے۔

شیر ہولڈنگ کا پٹرین

30 جون، 2024 تک شیر ہولڈنگ کا پٹرین منسلک ہے

سال کے دوران کمپنی کے ڈائریکٹرز، ایگزیکٹو اور ان کی شریک حیات اور کم سن بچوں نے کمپنی کے حصص میں کوئی لین دین نہیں کیا اور ان کی حصص یا فٹنگ شیر ہولڈنگ کے پٹرین میں بیان کی گئی ہے۔

ایگزیکٹو سے مراد چیف ایگزیکٹو آفیسر، چیف فنانس آفیسر، ہیڈ آف انٹرنل آڈٹ، کمپنی سیکرٹری اور دیگر ایگزیکٹو ہیں (جیسا کہ بورڈ کی طرف سے متعین کیا گیا ہے)

کارپورٹ سماجی ذمہ داری

کمپنی کو مجموعی کاروباری ماحول کے تناظر میں سماجی، ماحولیاتی اور اخلاقی معاملات کا ادراک ہے۔ کمپنی تمام اسٹیک ہولڈرز بشمول کمیونٹی جہاں وہ آپریٹ کرتی ہے اور ہمارے صارفین کے بہترین مفاد میں کام کرنے کیلئے پرعزم ہے۔ کمپنی اس بات کو تسلیم کرتی ہے کہ ملک میں نئے سیاحتی مقام کی تشکیل اور دریافت مقامی کمیونٹی کے ساتھ شراکت داری، ملازمین کے عزم اور ہمارے برانڈ کیلئے صارفین کی وفاداری پر منحصر ہے۔ ہم کمپنی کی طرف سے تیار اور چلائے جانے والے ہر منصوبہ میں اقوام متحدہ کے پائیدار ترقی کے اہداف کے حصول کیلئے پرعزم ہیں۔ ہم پائیدار اور جامع اقتصادی ترقی اور ملازمین کیلئے کام کے تعمیری اور موزوں ماحول کو فروغ دیتے ہیں۔ کمپنی نے صنعتی برابری اور خواتین کو بااختیار بنانے کی پالیسی نافذ کر رکھی ہے جس کا ثبوت بورڈ آف ڈائریکٹرز کی تشکیل سے ملتا ہے۔

صحت، سیفٹی اور ماحول

ہم کمپنی کے ملازمین اور کمیونٹیز جہاں ہم آپریٹ کرتے ہیں، کی فلاح و بہبود کو یقینی بنانے کیلئے صحت، سیفٹی اور ماحول (ایچ ایس ای) میں اعلیٰ ترین معیارات کو برقرار رکھنے پر یقین رکھتے ہیں۔ اگر کمپنی کے کاروبار کو مناسب منصوبہ بندی کے ساتھ نہیں چلایا جاتا تو اس کے ماحول پر نمایاں اثرات مرتب ہو سکتے ہیں۔ کمپنی وہ تمام ضروری اقدامات کرے گی جو اس ماحول کو محفوظ کرنے کے لیے درکار ہیں جہاں وہ کام کرتی ہے، جن میں ماحولیاتی قوانین اور ضوابط کی تعمیل، ماحولیاتی آڈٹ، ویسٹ مینجمنٹ، اورری سائیکلنگ شامل ہیں۔ کاروباری جدت کے ذریعے ہم وسائل کے پائیدار استعمال کو یقینی بناتے ہیں۔ ہم سمندروں، بحروں اور سمندری وسائل کو پائیدار ترقی کے لیے محفوظ رکھتے ہیں اور انہیں موثر طریقے سے استعمال کرتے ہیں۔ اے کے ڈی ایچ ایل اس بات کا ادراک رکھتا ہے کہ ماحول دوست اقدامات سے مارکیٹنگ اور عوامی تعلقات کو فروخت ملتا ہے ویسٹ کی کمی اور قدرتی وسائل کا تحفظ صارفین کو راغب کرنے خدمات کی بہتری اور اخراجات میں کمی کا باعث ہوتے ہیں۔

کاروبار کے تسلسل کا منصوبہ

کاروبار کے تسلسل کا منصوبہ کے حصہ کے طور پر بنیادی سرور میں خرابی کی صورت میں بیک اپ سرور اور ڈیٹا کو برقرار رکھنے کیلئے ریہوسٹ ڈیزاسٹر بیکوری سائٹ قائم کی گئی ہیں۔

کمپنی کے قانونی آڈیٹرز

کمپنی کے موجودہ آڈیٹرز ریاض احمد اینڈ کو چارٹرڈ اکاؤنٹنٹس نے سبکدوش ہونے کے بعد اہلیت کی بنا پر خود کو دوبارہ تقرری کیلئے پیش کیا ہے۔ آڈٹ کمیٹی نے بیرونی آڈیٹرز میسرز ریاض احمد اینڈ کو، چارٹرڈ اکاؤنٹنٹس کی کارکردگی، لاگت اور خود مختاری کا جائزہ لیا اور بورڈ کو 30 جون، 2025 کو ختم ہونے والے سال کے لئے ان کی دوبارہ تقرری کی سفارش کی ہے۔ چنانچہ بورڈ آف ڈائریکٹرز نے 30 جون، 2025 کو ختم ہونے والے سال کیلئے کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری اور ان کے مشاہرہ کے تعین کی سفارش کی ہے۔

آپریٹنگ اور مالی اعداد و شمار

30 جون، 2024 کو اختتام پذیر مالی سال کے پڑتال شدہ نتائج بمواز گذشتہ سال درج ذیل ہیں۔

2023، جون 30	2024، جون 30	
روپے '000 میں		
(4,785,373)	9,481,006	قبل از لیوی اور ٹیکس خالص منافع / (خسارہ)
(4,961,829)	8,346,644	بعد از از لیوی اور ٹیکس خالص منافع / (خسارہ)
(14,461,829)	12,198,910	مجموعی آمدن / (خسارہ)
(1.98)	3.33	بنیادی اور مست فی حصص آمدن / (خسارہ)

ایسے آپریٹنگ نتائج کی وجہ یہ ہے کہ آمدنی میں 5 گنا اضافہ ہوا جبکہ اخراجات میں 38 فیصد کمی آئی جو بالخصوص معاونین کے ساتھ مفت وسائل کے اشتراک کی وجہ سے کمپنی کے اخراجات میں کمی کے اقدامات کی بدولت ممکن ہوا۔ نتیجتاً آپریٹنگ نتائج میں نمایاں بہتری آئی جو آپریٹنگ نقصان سے آپریٹنگ منافع میں تبدیل ہو گئی۔

ڈیویڈنڈ

موجودہ معاشی حالات، کاروباری چیلنجز اور جمع شدہ خسارہ کی وجہ سے بورڈ نے 30 جون، 2024 کو ختم ہونے والے سال کیلئے ڈیویڈنڈ کی ادائگی کرنے کا فیصلہ کیا ہے۔

محفوظ فنڈز کے ذخائر

جمع شدہ خسارے کو مد نظر رکھتے ہوئے بورڈ نے کسی قسم کے فنڈز کے ذخائر کی تشکیل موخر کرنے کا فیصلہ کیا ہے۔

ادائیگیوں میں ڈیفالٹ

ٹیکسوں، ڈیویڈنڈوں، لیویز اور چارجز کے حوالے سے کوئی قانونی ادائیگیاں قابل ادائیگی نہیں ہیں سوائے معمول کے کاروبار میں اور ان کے جنہیں مالی گوشواروں میں بیان کیا گیا۔

گذشتہ پانچ سال کیلئے آپریٹنگ اور مالی اعداد و شمار

2022	2021	2022	2023	2024	تفصیلات
روپے '000 میں					
25,072	25,072	25,072	25,072	25,072	جاری کردہ، ہیکسکریڈ اور ادا شدہ سرمایہ
20,891	20,891	20,891	20,891	20,891	شیر پر بیمہ
			9,750	12,950	کمپنیل کنٹری بیوشن

(7,321)	9,485	(15,656)	(25,156)	(21,318)	ذخائر کی فیئر ویلیو
752	752	752	752	752	عمومی ذخائر
(14,304)	(24,158)	(18,459)	(23,420)	(15,060)	جمع شدہ (خسارہ) / منافع
	1,955	185	169	156	طویل مدت واجبات
4,900	10,618	14,352	8,859	8,684	موجودہ واجبات
29,990	44,615	27,137	16,917	32,127	کل ایکویٹی اور واجبات
1,392	1,231	1,092	969	863	آپرینٹنگ فکسڈ اثاثے
20,860	39,496	20,647	10,910	14,748	طویل مدتی اثاثے
7,739	3,887	5,399	5,038	16,517	موجودہ اثاثے
29,991	44,614	27,138	16,917	32,128	کل اثاثے
2,729	3,684	2,500	3,600	13,701	آپرینٹنگ محاصل
(5,656)	(12,919)	(5,359)	(8,385)	(4,220)	آپرینٹنگ اخراجات
(2,927)	(9,235)	(2,859)	(4,785)	9,481	آپرینٹنگ منافع / (خسارہ)
59	(620)	42	(176)	(1,121)	ٹیکسیشن / لیوی
(2,868)	(9,855)	(2,817)	(4,961)	8,360	خالص منافع / (خسارہ)
(6,084)	16,806	(16,624)	(9,500)	3,838	دیگر مجموعی (خسارہ) / منافع
(8,952)	6,951	(19,441)	(14,461)	12,198	کل مجموعی (خسارہ) / منافع
(1.14)	(3.93)	(1.12)	(1.98)	3.33	فی حصص آمدن / (خسارہ)

آڈیٹرز کی رپورٹ میں تبدیلی کے مواد

30 جون، 2024 کو ختم ہونے والے سال کیلئے بیرونی آڈیٹرز کی رپورٹ میں کسی قسم کے تحفظات کا ذکر نہیں ہے جو سالانہ رپورٹ سے منسلک ہے۔

کمپنی کی کاروباری نوعیت میں تبدیلی

سال کے دوران کمپنی کی کاروباری نوعیت میں کوئی تبدیلی نہیں کی گئی

کمپنی کی بنیادی کاروباری سرگرمی

کمپنی کی بنیادی کاروباری سرگرمی سیاحت کے کاروبار سے منسلک ہے جس میں ہاسٹیلٹی برنس، ہوٹلز، ڈسٹری بیوٹن مینجمنٹ سروسز، سیاحتی کشش کے حامل مقامات کی تعمیر اور مکمل سہولیات فراہم کرنے کیلئے متعلقہ کاروباری سرگرمیاں شامل ہیں۔ جاری سیاسی غیر یقینی صورتحال اور قوت خرید میں کمی کے باعث صارفین کی طلب میں کمی کے باوجود پاکستانی معیشت میکر واکنامک استحکام ظاہر کر رہی ہے۔ حکومتی پالیسی مینجمنٹ اور انتظامی اقدامات کی وجہ سے کچھ اعتماد بحال ہوا ہے جس سے اقتصادی سرگرمی

بھی نظر آئی۔ بالخصوص سیاحتی شعبہ نے کورونا سے پہلے کی سرگرمی 92 فیصد سے زائد کی نمایاں بحالی دکھائی۔ سال کے دوران کمپنی نے اپنی بنیادی کاروباری سرگرمیوں سے دیگر کمپنیوں کے ساتھ ریٹینر بنیاد پر سروس معاہدے کر کے کامیابی حاصل کی جس کے نتیجے میں اپنی بنیادی کاروباری لائن کے ذریعے آمدنی حاصل کی۔

بنیادی خطرات، غیر یقینی صورتحال اور رسک مینجمنٹ سسٹم

کمپنی جس ماحول میں کام کرتی ہے، اس ماحول سے منسلک خطرات اور غیر یقینی صورتحال کا شکار ہو سکتی ہے اور اس طرح کے خطرات اور غیر یقینی صورتحال کی وجہ سے اس کے آپریشنز متاثر ہو سکتے ہیں۔ جاری سیاسی اختلافات، امن وامان کی صورتحال، ناقص انفراسٹرکچر، فیول اور توانائی کی قیمتوں میں اضافہ اور افراط زر کی بلند شرح کی وجہ سے فیول کی قیمت بہت زیادہ رہی جس سے مقامی سیاحوں کی سیاحت کے لئے جانے کی حوصلہ شکنی کی ہے۔ سیاحت کے شعبے کو متاثر کرنے والے عوامل درج ذیل ہیں:

- ☆ افراط زر کی بلند شرح کی وجہ سے بالخصوص فیول لاگت میں اضافہ
- ☆ میکرو اکنامک کی غیر یقینی صورتحال جس سے صارفین کی طلب متاثر ہو سکتی ہے
- ☆ اکنمکس کی موجودشروحوں میں اضافہ جس سے قوت خرید میں کمی ہو رہی ہے
- ☆ نئے سٹریٹجکس اور ڈیویژن کی لیویز میں اضافہ
- ☆ ڈیٹا سیکورٹی اور رازداری

کمپنی داخلی اور بیرونی اسٹیک ہولڈرز کے ساتھ مل کر ضروری اقدامات کرتی ہے تاکہ ان خطرات کو مناسب سطح تک منظم اور کم کیا جاسکے۔ ایک مکمل رسک مینجمنٹ فریم ورک موجود ہے جو وسیع تر سیاسی، آپریشنل اور معاشی ماحول کے تناظر میں درپیش خطرات کا جائزہ لیتا ہے۔ رسک مینجمنٹ سسٹم کاروباری آپریشنز کے ہر پہلو سے متعلق خطرات کی نشاندہی کرتا ہے۔ رسک مینجمنٹ کا مقصد خطرات کے بارے میں بہتر فیصلے کرنا اور کمپنی کے مقاصد کے حصول میں مواقع کو زیادہ سے زیادہ اور منفی اثرات کو کم سے کم کرتے ہوئے خطرات کو موثر طریقے سے منظم کرنے اور ان کا جواب دینے کے لیے عمل ترتیب دینا ہے۔

کمپنی کے نتائج کو متاثر کرنے والا کاروباری ماحول

پاکستان کو موسمیاتی تبدیلی کی وجہ سے خشک سالی، سیلاب، لینڈ سلائیڈنگ، سمندری طوفانوں جیسے انتہائی موسمی حالات کا سامنا ہے۔ موسمیاتی تبدیلی کے اثرات کا نتیجہ آپریشنز کی لاگت میں اضافہ اور مخصوص مقامات پر آنے والے سیاحوں کی تعداد میں کمی کی صورت میں نکلتا ہے۔ بنیادی عوامل جس سے مستقبل میں کمپنی کی ترقی، کارکردگی اور کاروباری حیثیت متاثر ہو سکتی ہے درج ذیل ہیں۔

- ☆ پیشہ ورانہ آپریشنز کا فقدان
- ☆ معاشی غیر یقینی
- ☆ سیاسی عدم استحکام
- ☆ ناقص انفراسٹرکچر
- ☆ گرانی اور سفر کے اخراجات میں اضافہ

مستقبل کی پیش بینی

اسٹیٹ بینک آف پاکستان کی طرف سے پالیسی ریٹ میں کمی اور افراط زر کے دباؤ میں نرمی اور آئی ایم ایف کے نئے پروگرام سے مالی سال 2025 کیلئے سازگار

معاشی ماحول میسر آئے گا۔ تاہم توانائی اور فیول ٹیرف اور ٹیکسوں میں اضافہ سے گھرانے کی آمدن پر منفی اثرات مرتب ہوں گے۔ ان چیلنجز کے باوجود آپ کی کمپنی صورتحال سے بھرپور استفادہ کرنے کی پوزیشن میں ہے اور مناسب آمدن اور منافع کے ساتھ مستقبل کیلئے پرامید ہے۔ مذکورہ بالہ مذکورہ بالا مشکلات کے باعث کمپنی پاکستان کے آبادشہروں کے قریب نئے سیاحتی مقامات تیار کرنے پر غور کر رہی ہے جس کے نتیجے میں مقامی صارفین کے لیے سفری اخراجات کم ہوں گے۔

مستقبل میں اے کے ڈی ہاسٹیلٹیٹی لمیٹڈ پاکستان کی معاشی خوشحالی کیلئے کردار ادا کرنے کیلئے پر عزم ہے۔ کمپنی طویل مدتی قابل بھروسہ اثاثوں میں سرمایہ کاری، صنعتی مساوات کے فروغ، کاربن کے اخراج میں کمی کیلئے پائیدار منصوبوں کو بہتر بنانے اور پانی کے تحفظ کیلئے اقدامات اٹھا کر حصص یافتہ کو شامدار قدر فراہم کرنے کیلئے کوشاں ہے۔

پورے سال کے دوران کمپنی نے شمالی علاقوں اور ساحلی پٹی میں ہوٹل یا ریزارٹ بنانے کے امکانات دریافت کرنے کیلئے مختلف جائزے لئے۔ ابتدائی تحقیق نے کمپنی کیلئے موزوں منافع بخش منصوبوں کی طرف اشارہ کیا ہے۔

مواصلات

سالانہ، ششماہی اور سہ ماہی رپورٹس ایکٹ میں درج وقت کے اندر حصص یافتگان کو ارسال کی جاتی ہیں۔ کمپنی کی ویب سائٹ www.akdhospitality.com موجود ہے جہاں کمپنی کی سرگرمیوں، مالیاتی رپورٹس اور نوٹسز/اعلانات کے بارے میں تازہ ترین معلومات دستیاب ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز حصص یافتگان سے ان کی معاوضت اور تمام ملازمین سے کمپنی کی ترقی کیلئے ان کی محنت اور عزم کیلئے ان سے دل سے اظہار تشکر کرتے ہیں۔

ازدواجب بورڈ آف ڈائریکٹرز



کنور عدیل زمان
چیف ایگزیکٹو آفیسر



محمد صدیق کھوکھر
ڈائریکٹر

کراچی، 17 اکتوبر، 2024

REPORT OF THE AUDIT COMMITTEE

The Audit Committee comprises of 2 independent and 1 non-executive directors and Chairman of the Committee is an independent director. The Audit Committee consists of financially literate personnel as required under the Listed Companies (Code of Corporate Governance) Regulations, 2019 (“the Code 2019”). The Audit Committee reports the following after an annual review of the Company’s operations:

- Four meetings of the Audit Committee were held during the year 2023-2024 and Chairman Audit Committee presided four meetings attendance of which is as follows:

Sr. No	Name of Directors	Status	Attendance
1.	Muhammad Siddique Khokhar	Independent	4/4
2.	Uzma Piracha	Independent	2/2
3.	Kanwar Adeel Zaman	Non-Executive	2/2
4.	Aamir Nazir Dhedhi	Non Executive	4/4

As required by the Code 2019, Audit Committee also separately met with external auditors without the representation of management. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) attended all the meetings held during the year, by invitation.

- (a) The Audit Committee appointed a secretary of the Committee who is Head of Internal Audit. The secretary circulated the minutes of meetings of the Audit Committee to all members, directors, CEO and CFO prior to the next meeting of the Board.
- (b) The Audit Committee reviewed quarterly, half yearly and annual financial statements of the Company and recommended to the Board for approval.
- (c) The Audit Committee reviewed preliminary announcements of results prior to publication.
- (d) The Audit Committee reviewed the internal audit reports.
- (e) The Company’s Code of Conduct has been disseminated and placed on Company’s website.
- (f) Appropriate accounting policies have been consistently applied. All core and other applicable International
- (g) Accounting Standards were followed in preparation of financial statements of the Company on a going concern basis, for the financial year ended June 30, 2024 which present fairly the state of affairs, results of operations, changes in equity and cash flows of the Company.
- (h) The CEO and the CFO have endorsed the financial statements of the Company before presented to the Audit Committee and Board of Directors. They acknowledge their responsibility for true and fair presentation of the Company’s financial condition and results, compliance with regulations and applicable accounting standards and design and effectiveness of internal control system of the Company.
- (i) 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 and the external reporting is consistent with management processes and adequate for shareholders’ needs.
- (j) The Audit Committee has reviewed the related party transactions and recommended to the Board for approval.

- (k) The Company's system of internal controls is designed to mitigate and eliminate the risk of not achieving business objectives, and can provide reasonable assurance against material misstatement or loss.
- (l) Closed periods were duly determined and announced by the Company, precluding the Directors, the CEO and Executives of the Company from dealing in Company's shares, prior to each Board meeting involving announcement of interim / final results, any other business decision, which could materially affect the share market price of Company, along with maintenance of confidentiality of all business information.
- (m) Ascertained that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective.
- (n) The appraisal of Head of Internal Audit was jointly done by the Chairman of the Audit Committee and CEO.
- (o) None of the staff and management has reported to the Committee concerns during the year about impropriety in financial and other matters.
- (p) The Annual Report is fair, balance and understandable and provides Company's performance and strategy to shareholders.
- (q) Evaluation of the Board performance which also included members of the Audit Committee was carried out separately.
- (r) The Committee has discharged its duties according to its terms of reference.

Internal Audit

- a) The Board has effectively implemented the internal control framework through an in-house Internal Audit function, which is suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
- b) Internal Audit facilitate a risk assessment process in each key business area and support function to review the significant risks facing its operations and to record the relevant controls and any actions in place to mitigate the risks and safeguarding the assets of the Company. The materiality of the risk is measured based on financial and non-financial criteria, and the probability of the risk arising is also mapped. The detailed assessments are then consolidated to provide input into the Company's risk assessment. This process also enables Internal Audit to engage with senior management throughout the business on risk monitoring and management.
- c) Audit Committee has reviewed the findings of internal audit and management's response thereto. Further, it approved the internal audit plan for 2024-2025.
- d) 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.
- e) Audit Committee met with Head of Internal Audit along with his team, without CFO and external Auditors being present.
- f) Head of Internal Audit has direct access to the Audit Committee.

External Audit

- a) The statutory auditors of the Company, M/s. Riaz Ahmad & Co., Chartered Accountants, have completed the audit of financial statements of the Company for the year ended June

30, 2024 and review of the “Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019” for the year ended June 30, 2024.

- b) The Auditors have been allowed direct access to the Audit Committee and the effectiveness, independence and objectivity of the Auditors has thereby been ensured.
- c) The Audit Committee has reviewed and discussed points of improvements highlighted by the external auditors.
- d) The Audit Committee has reviewed the Management Letter of 2022-23 which was issued within 30 days of the date of the Auditors’ Report on financial statements as required under the listing regulations and discussed with the external auditors and management.
- e) The Audit Committee reviewed performance, cost and independence of the external auditors, M/s. Riaz Ahmad & Co., Chartered Accountants and has recommended to the Board their reappointment for the year ending June 30, 2025.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of AKD Hospitality 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 AKD Hospitality Limited ("the Company") for the year ended 30 June 2024 in accordance with the requirements of regulation 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, 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.

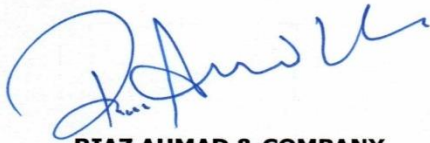
Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2024.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected or not in the paragraph reference where these are stated in the Statement of Compliance:

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Sr. No.	Paragraph reference	Description
(i)	18	The number of independent directors appointed is less than the number prescribed by Regulation 6 i.e., at least two or 1/3 members of the Board, whichever is higher and is not rounded up as one.



RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

DATE: 07 OCTOBER 2024
UDIN: CR2024100459PKXrykcd

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company: AKD Hospitality Limited

Year ended: 30 June 2024

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

1. The total number of Directors are seven (07) as per the following:
 - a. Male: 6
 - b. Female: 1
2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. M. Siddiq Khokhar Ms. Uzma Piracha
Non-Executive Directors	Mr. Muhammad Sohail Mr. Nadeem Saulat Siddiqui Mr. Aamir Nazir Dhedhi Mr. Samiullah Khan
Executive Director	Mr. Kanwar Adeel Zaman

Fraction 0.33 relating to number of independent directors is less than 0.5 and not rounded up to one.

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
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. The Code of Conduct is well circulated and also available on the website of the Company.
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. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. 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 have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these regulations;
9. Four directors are Certified Director and Three directors including one newly appointed during the year have not taken directors' training program and will ensure the compliance in the ensuing financial year in accordance with the regulations. Further, the Company will take adequate measures for the Directors' Training Program (DTP) for the female executive and head of department;

DIRECTORS	TRAINING STATUS AND PLAN
MR. NADEEM SAULAT SIDDIQUI	Certified
MR. SIDDIQ KHOKHAR	Certified
MS. UZMA PIRACHA	Certified
MR. KANWAR ADEEL ZAMAN	Certified
MR. MUHAMMAD SOHAIL	Plan to get certified in ensuing year
MR. AAMIR NAZIR DHEDHI	Plan to get certified in ensuing year
MS. SAMIULLAH KHAN	Plan to get certified in ensuing year

10. The Board has approved the appointment of Chief Financial Officer, Company Secretary and Head of internal audit including their 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

Names	Designation held
Mr. M. Siddiq Khokhar	Chairman
Ms. Uzma Paracha	Member
Mr. Aamir Nazir Dhedhi	Member

b) HR and Remuneration Committee

Names	Designation held
Ms. Uzma Paracha	Chairperson
Mr. Aamir Nazir Dhedhi	Member
Mr. Siddiq Khokhar	Member

c) Risk Management Committee

Names	Designation held
Mr. M. Siddiq Khokhar	Chairman
Mr. Sohail Abdul Ghaffar	Member
Mr. Kanwar Adeel Zaman	Member

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 (quarterly / half yearly / yearly) of the committee were as per following:

a) Audit Committee

Four quarterly meetings were held during the financial year ended 30 June 2024.

b) HR and Remuneration Committee

Three Meeting of the Committee were held during the year.

c) Risk Committee

One meeting of the Committee was held during the year.

15. The Board has set up an effective internal audit function 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 a close relative (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, except for the following:
 - a) The independent directors in which fraction is not rounded up as one because the fraction (0.33) was less than 0.5;
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
1	Directors' Training It is encouraged that by 30 June 2022, all directors on the Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	Four directors of the Company have acquired Directors' Training Program certification. The Company has planned to arrange Directors' Training Program certification for remaining directors before 30 June 2025.	19(1)
Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
2	Nomination Committee The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The Board effectively discharge all the responsibility of Nomination Committee as recommended by the Code. It regularly assesses and monitor the requirements of any changes in the committees including chairmanship of those committees. The Board also actively monitors the requirements, regarding its structure, size and composition, timely reviews and adapt any necessary changes in this regard.	29(1)
3	Disclosure of significant policies on website The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's committees on its website and key elements of the directors' remuneration policy.	The Company has detailed policies of disclosure and communication, risk management, internal control, CSR and HSE and also have TORs of Committees of the Board and Directors' remuneration policy. The Company is planning to disclose these policies and TORs on its website.	35
4	Significant Policies The significant policies may include but not limited to the anti-harassment policy to safeguard the right and well-being of employees, incorporating the mechanism as prescribed under the Protection of Women against Harassment at the Workplace Act 2010 and relevant provincial laws for the	The Company's Code of Conduct covers the element of Harassment at workplace. The recently introduced requirements of SECP through notification dated June 12, 2024 will be complied with.	10(4)(xvi)

	protection of women for the time being enforced.		
5	Environmental Social and Governance Matter The board is responsible for governance and oversight of setting the company's sustainability strategies, priorities and targets to create long term corporate value. The board may establish a dedicated sustainability committee having at least one female director.	Currently the Board provide governance and oversight in relation to Environment, Social and Governance (ESG) matters. The recently introduced requirements of SECP through notification dated June 12, 2024 will be complied with.	10(A)(5)

20. The two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted.



Nadeem Saulat Siddiqui
Chairman

KARACHI

DATE: October 07, 2024

INDEPENDENT AUDITOR'S REPORT

To the members of AKD Hospitality Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of AKD HOSPITALITY LIMITED ("the Company"), which comprise the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including 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 and other 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 30 June 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' 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.

Material Uncertainty relating to Going Concern

We draw attention to Note 1.2 to the financial statements which states that the Company's operations at reasonable scale in its principal line of business are at halt since long. Further, the Company has accumulated losses amount to Rupees 15.060 million and capital reserve for investments classified at fair value through other comprehensive income stood in negative at Rupees 21.318 million. These factors indicate a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its

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Chartered Accountants

liabilities in the normal course of business. The financial statements, however, has been prepared on a going concern basis due to the reasons morefully disclosed in the aforementioned note. Our opinion is not modified in respect of this matter.

Key Audit Matters

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.

We have determined that there are no key audit matters to communicate in our report.

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.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

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Chartered Accountants

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Riaz Ahmad & Company

Chartered Accountants

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 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 opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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



RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

DATE: 07 OCTOBER 2024
UDIN: AR202410045ZXyfc9GTu

AKD HOSPITALITY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

ASSETS	Note	2024 Rupees	2023 Rupees
NON-CURRENT ASSETS			
Property and equipment	3	862,539	969,881
Long-term investments	4	14,728,000	10,890,000
Long-term security deposit	5	20,000	20,000
		15,610,539	11,879,881
CURRENT ASSETS			
Trade debts	6	2,217,998	1,017,000
Advances		275,001	-
Other receivables	7	-	2,400,000
Bank balances		14,024,199	368,953
		16,517,198	3,785,953
TOTAL ASSETS		32,127,737	15,665,834
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 100,000,000 (2023: 100,000,000) ordinary shares of Rupees 10 each		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up share capital	8	25,072,733	25,072,733
Capital contribution	11.1	12,950,001	9,750,001
Reserves	9	(14,734,180)	(26,933,090)
TOTAL EQUITY		23,288,554	7,889,644
NON CURRENT LIABILITIES			
Lease liability	10	-	-
Deferred tax liability	18.1	155,612	169,878
		155,612	169,878
CURRENT LIABILITIES			
Trade and other payables	10	4,665,504	4,393,977
Contract liability		500,000	100,000
Short term borrowing	11	-	-
Provision for taxation and levy payable - net	12	1,041,105	635,373
Undeclared dividend		2,476,962	2,476,962
		8,683,571	7,606,312
TOTAL LIABILITIES		8,839,183	7,776,190
Contingencies and commitments	13		
TOTAL EQUITY AND LIABILITIES		32,127,737	15,665,834

The annexed notes from 01 to 27 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

AKD HOSPITALITY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 Rupees	2023 Rupees
Revenue from contracts with customers	14	6,000,000	1,200,000
Administrative and general expenses	15	<u>(4,177,825)</u>	(5,875,985)
Allowance for expected credit losses		<u>(42,002)</u>	(2,500,000)
		<u>(4,219,827)</u>	(8,375,985)
Gross profit		1,780,173	(7,175,985)
Other income	16	7,700,833	2,400,000
Financial charges		-	(9,388)
		<u>9,481,006</u>	(4,785,373)
Provision for Sindh Workers' Welfare Fund		<u>(189,620)</u>	-
PROFIT / (LOSS) BEFORE LEVY AND TAX		9,291,386	(4,785,373)
Levy	17	<u>(944,742)</u>	(192,000)
PROFIT / (LOSS) BEFORE INCOME TAX		8,346,644	(4,977,373)
Income tax	18	<u>14,266</u>	15,544
PROFIT / (LOSS) AFTER INCOME TAX		8,360,910	(4,961,829)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit & loss:			
- Unrealized gain/(loss) arising on remeasurement of investments at 'fair value through other comprehensive income'		<u>3,838,000</u>	(9,500,000)
- Current tax related adjustment		-	-
- Deferred tax related adjustment		-	-
Items that may be reclassified subsequently to profit and loss		<u>-</u>	-
Other comprehensive income /(loss) for the year		3,838,000	(9,500,000)
TOTAL COMPREHENSIVE PROFIT / (LOSS)		<u>12,198,910</u>	<u>(14,461,829)</u>
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED	19	<u>3.33</u>	<u>(1.98)</u>

The annexed notes from 01 to 27 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

AKD HOSPITALITY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

Description	Issued, subscribed and paid-up share capital	Capital contribution (Note 11.1)	Reserves				Sub Total	Total Equity
			Capital Reserves		Revenue Reserves			
			Share premium	Fair value reserve on 'Fair value through other comprehensive income' investments	General Reserve	Accumulated Loss		
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at 30 June 2022	25,072,733	-	20,891,600	(15,656,000)	752,000	(18,458,861)	(12,471,261)	12,601,472
Loss for the year	-	-	-	-	-	(4,961,829)	(4,961,829)	(4,961,829)
Other comprehensive loss	-	-	-	(9,500,000)	-	-	(9,500,000)	(9,500,000)
Total comprehensive loss for the year	-	-	-	(9,500,000)	-	(4,961,829)	(14,461,829)	(14,461,829)
Capital contribution from sponsor during the year	-	9,750,001	-	-	-	-	-	9,750,001
Balance as at 30 June 2023	25,072,733	9,750,001	20,891,600	(25,156,000)	752,000	(23,420,690)	(26,933,090)	7,889,644
Profit for the year ended 30 June 2024	-	-	-	-	-	8,360,910	8,360,910	8,360,910
Other comprehensive gain	-	-	-	3,838,000	-	-	3,838,000	3,838,000
Total comprehensive gain for the year	-	-	-	3,838,000	-	8,360,910	12,198,910	12,198,910
Capital contribution from sponsor during the year	-	3,200,000	-	-	-	-	-	3,200,000
Balance as at 30 June 2024	25,072,733	12,950,001	20,891,600	(21,318,000)	752,000	(15,059,780)	(14,734,180)	23,288,554

The annexed notes from 01 to 27 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

AKD HOSPITALITY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before levy and tax	9,291,386	(4,785,373)
Adjustments for non cash items:		
Allowance for expected credit loss	42,002	2,500,000
Advance tax written off	-	1,110,440
Depreciation	107,342	359,913
Reversal of allowance for expected credit loss	(7,700,833)	-
Finance cost	-	9,388
Provision for workers welfare fund	189,620	-
Operating profit before working capital changes	1,929,517	(805,632)
Working capital changes		
(Increase) / decrease in current assets		
Trade debts	(1,243,000)	(1,017,000)
Advance and prepayments	(275,001)	41,646
Other receivables	10,100,833	(2,048,155)
Increase in current liabilities		
Trade and other payables	81,907	555,486
Contract liability	400,000	100,000
	9,064,739	(2,368,023)
Cash flow generated from / (used in) operations	10,994,256	(3,173,655)
Income tax and levy paid	(539,010)	(36,160)
Net cash generated from / (used in) operating activities	10,455,246	(3,209,815)
CASH FLOW FROM INVESTING ACTIVITIES	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Capital contribution from related party	3,200,000	3,400,000
Net cash flow from financing activities	3,200,000	3,400,000
Net increase in cash and cash equivalents	13,655,246	190,185
Cash and cash equivalents at the beginning of the year	368,953	178,768
Cash and cash equivalents at the end of the year	14,024,199	368,953

The annexed notes from 01 to 27 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

AKD HOSPITALITY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1. THE COMPANY AND ITS OPERATIONS

1.1 AKD Hospitality Limited {"the Company"} was incorporated as a Public Limited Company in the year 1936 under Companies Act, 1913 (Now the Companies Act, 2017). Shares of the Company are quoted on the Pakistan Stock Exchange Limited. During the prior years the Company through special resolution passed in its extra ordinary general meeting held on 01 February 2021 altered the Memorandum of Association by changing its name from "AKD Capital Limited" to "AKD Hospitality Limited" and its principal line of business from "the business of real estate / providing consultancy, projects financing and management, investment in listed securities and to engage in leasing" to "tourism business including hospitality business, motel, destination management services, developing and building tourism attractions and to undertake all ancillary business activities to provide end to end service solutions". The registered office of the Company is situated at 511, fifth floor Continental Trade Center, Clifton, Karachi.

1.2 GOING CONCERN ASSUMPTION

The Company's operations at reasonable scale in its principal line of business are at halt since long. Further, the Company has accumulated losses amount to Rupees 15.060 million and capital reserve for investments classified at fair value through other comprehensive income stood in negative at Rupees 21.318 million. These factors indicate a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

Accordingly, the management has carried out a going concern assessment of the Company in accordance with the requirements of International Financial Reporting Standards (IFRSs), and believes that the going concern assumption used for the preparation of these financial statements is appropriate due to the following reasons:

- a) management is actively exploring new business opportunities and considering various options. During the year, the Company achieved success by entering into another service agreement with one of its affiliated companies to provide specific services aligned with its core business activities on a retainer basis, resulting in increased earned revenue. The Company anticipates providing similar services to the other potential partners that will offer attractive returns within its primary line of business;
- b) the Company is actively pursuing the collection of overdue debts and has effectively retrieved significant outstanding payments during the year which has bolstered the Company's cash reserves. The Company is actively following up for the other overdue debts and to expect to recover in due course of time which will further increase the Company's cash reserves; and
- c) the Company has strong commitment from its sponsors to continue as a going concern. During the current and prior year, the Sponsor shareholder of the Company extended a capital contribution to the Company to meet its liquidity requirements as more fully disclosed in Note 11.1 to these financial statements. The Company, further, has unused financial commitment from Sponsor which can be utilized in case of need.

These financial statements, therefore, have been prepared on going concern basis and do not include any adjustment relating to the realization of its assets and liquidation of any liabilities that might be necessary should the Company be unable to continue as a going concern

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 BASIS OF PREPARATION

a) 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 (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

b) Accounting convention

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policies.

c) Critical accounting estimates and judgements

The preparation of financial statements in conformity with the approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Financial instruments - fair value

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on assumptions that are dependent on conditions existing at reporting date.

Useful lives, patterns of economic benefits and impairment

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property and equipment, with a corresponding effect on the depreciation charge and impairment.

Income tax and levy

In making the estimates for income tax and levy currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

Allowance for expected credit losses

The allowance for Expected Credit Losses (ECLs) assessment requires a degree of estimation and judgment. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Revenue from contracts with customers

When recognizing revenue in relation to the provision of services to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following amendments to published approved accounting standards are mandatory for the Company's accounting year beginning on or after 01 July 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgement').
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income taxes').
- Change in definition of Accounting Estimate (Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors').
- Amendments to IAS 12 'Income Taxes' - International Tax Reform — Pillar Two Model Rules.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognised in prior year and are not expected to significantly affect the current or future years.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are amendments to published standards that are mandatory for accounting years beginning on or after 01 July 2023 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

f) Amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standards and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2024 or later periods:

Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 01 January 2024. These amendments in the standards have been added to further clarify when a liability is classified 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 shall apply those amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

On 31 October 2022, the IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 1 January 2024.

On 22 September 2022, the IASB issued 'Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments are effective for annual periods beginning on or after 1 January 2024.

On 25 May 2023, the IASB issued 'Suppliers Finance Arrangements (Amendments to IAS 7 and IFRS 7)' to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangement. The amendments are effective for reporting period beginning on or after 1 January 2024.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

The above standards and amendments and improvements are likely to have no significant impact on the financial statements.

g) Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published standards that are mandatory for accounting years beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Cost of property and equipment consists of historical cost, borrowing cost pertaining to erection / construction year of qualifying assets and other directly attributable cost of bringing the asset to working condition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss and other comprehensive income during the year in which they are incurred.

Depreciation

Depreciation is charged to statement of profit or loss and other comprehensive income applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in Note 3. The Company charges the depreciation on additions from the date when the asset is available for use and on deletions up to the date when the asset is de-recognized. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

De-recognition

An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of profit or loss and other comprehensive income in the year the asset is de-recognized.

2.3 Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses (if any). Cost comprises of the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

2.4 Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

2.5 Investments and other financial assets

a) *Classification*

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost.

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

For assets measured at fair value, gains and losses will either be recorded in the statement of profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) *Measurement*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in statement of profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognized in the statement of profit or loss and other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/ (other expenses) and impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income.

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognized in the statement of profit or loss and other comprehensive income and presented net within other income / (other expenses) in the year in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss

Changes in the fair value of equity investments at fair value through profit or loss are recognized in other income/ (other expenses) in the statement of profit or loss and other comprehensive income as applicable.

Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established.

2.6 Financial liabilities - classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit or loss and other comprehensive income. Other financial liabilities are subsequently measured at amortized cost using the effective interest

method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss and other comprehensive income. Any gain or loss on de-recognition is also included in profit or loss.

2.7 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortized cost and equity instruments at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade debts and other receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

2.8 De-recognition of financial assets and liabilities

a) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities

The Company derecognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

2.9 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legally enforceable right to set off and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

2.10 Trade debts and other receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses. Trade receivables generally do not include amounts over due by 365 days.

The Company has applied the simplified approach to measure expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

2.11 Borrowings

Borrowings are recognized initially at fair value and are subsequently stated at amortized cost. Any difference between the proceeds and the redemption value is recognized in the statement of profit or loss and other comprehensive income over the year of the borrowings using the effective interest method.

2.12 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost.

2.13 Contract liabilities

A contract liability is recognised for the Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Company transfers good or service to the customer, the Company shall present the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

2.14 Taxation and levy

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. Final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in the statement of profit or loss. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years. Previously, component representing levy was included in provision for current tax and was not separately charged in the statement of profit or loss. Now, the Company has changed its accounting policy of taxation and levy in accordance with "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by Institute of Chartered Accountants of Pakistan through circular 7/2024. This change in accounting policy has been applied retrospectively in accordance with the provisions of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and resulted in following reclassification of corresponding figures:

Reclassified from	Reclassified to	30 June 2023
..... (Rupees)		
Statement of profit or loss:		
Taxation	Levy	192,000
Statement of financial position:		
Advance income tax	Prepaid levy	36,160
Provision for taxation	Levy payable	671,533

Had there been no change in the above referred accounting policy, amount of levy Rupees 0.945 million, prepaid levy Rupees 0.575 million and levy payable Rupees 1.616 million would have been presented as taxation expense, advance income tax and provision for taxation respectively in these financial statements for the year ended 30 June 2024. This change in accounting policy has no impact of earnings per share of the Company. Furthermore, the Company has not presented the third statement of financial position as at the beginning of the preceding period as the retrospective application does not have an effect on the information in the statement of financial position at the beginning of the preceding period.

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Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.15 Revenue recognition

a) Rendering of services

Revenue from a contract to provide services is recognized over time as the services are rendered based on either a fixed price or an hourly rate.

b) Dividend

Dividend on equity investments is recognized when right to receive the dividend is established

2.16 Provisions

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.17 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

2.18 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

2.19 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of

financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which assets carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.20 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalent comprise of cash in hand and cash in banks in current and deposit accounts.

2.21 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

2.22 Foreign currencies transactions and translation

All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the reporting date, while the transaction is foreign currency during the year are initially recorded in functional currency at the rates of exchange prevailing at the transaction date. All non-monetary items are translated into Pak Rupees at the exchange rates prevailing on the date of transaction or on the date when fair values are determined. The Company charges all the exchanges differences to statement of profit or loss and other comprehensive income.

2.23 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

2.24 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the year in which the dividends are declared and other appropriations are recognized in the year in which these are approved by the Board of Directors.

2.25 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for its stakeholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of shares outstanding during the year. Diluted earnings per share is calculated if there is any potential dilutive effect on the Company's reported net profits.

3. PROPERTY AND EQUIPMENT

Description	Furniture & fixtures	Office equipment	Computer equipment	Vehicles	Lockers	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
At 30 June 2022						
Cost	3,991,830	1,622,644	1,878,265	5,122,500	41,500	12,656,739
Accumulated depreciation	(3,314,298)	(1,338,039)	(1,875,246)	(4,998,953)	(38,048)	(11,564,584)
Net book value	677,532	284,605	3,019	123,547	3,452	1,092,155
Year ended 30 June 2023						
Opening net book value	677,532	284,605	3,019	123,547	3,452	1,092,155
Addition - at cost	-	-	-	-	-	-
Depreciation charged	(67,753)	(28,461)	(1,006)	(24,709)	(345)	(122,274)
Closing net book value	609,779	256,144	2,013	98,838	3,107	969,881
At 30 June 2023						
Cost	3,991,830	1,622,644	1,878,265	5,122,500	41,500	12,656,739
Accumulated depreciation	(3,382,051)	(1,366,500)	(1,876,252)	(5,023,662)	(38,393)	(11,686,858)
Net book value	609,779	256,144	2,013	98,838	3,107	969,881
Year ended 30 June 2024						
Opening net book value	609,779	256,144	2,013	98,838	3,107	969,881
Addition - at cost	-	-	-	-	-	-
Depreciation charged	(60,978)	(25,614)	(671)	(19,768)	(311)	(107,342)
Closing net book value	548,801	230,530	1,342	79,070	2,796	862,539
At 30 June 2024						
Cost	3,991,830	1,622,644	1,878,265	5,122,500	41,500	12,656,739
Accumulated depreciation	(3,443,029)	(1,392,114)	(1,876,923)	(5,043,430)	(38,704)	(11,794,200)
Net book value	548,801	230,530	1,342	79,070	2,796	862,539
Depreciation rate	10%	10%	33.33%	20%	10%	

3.1 Depreciation is charged to administrative and general expenses (Note 15).

4. LONG-TERM INVESTMENTS	Note	2024 Rupees	2023 Rupees
Investment in equity securities - at 'fair value through other comprehensive income'			
Related parties			
AKD REIT Management Company Limited - unquoted			
10,000 (2023: 10,000) fully paid ordinary shares of Rupees 10 each. Equity held 0.1% (2023: 0.1%) at cost of Rupees 100,000 (2023: Rupees 100,000)	4.1	-	-
Creek Developers (Private) Limited - unquoted			
9,800 (2023: 9,800) fully paid ordinary shares of Rupees 10 each. Equity held 0.01% (2023: 0.01%) & cost of Rupees 98,000 (2023: Rupees 98,000)	4.2	98,000	98,000
Others			
Energycio Pk Limited - quoted			
3,800,000 (2023:3,800,000) fully paid ordinary shares of Rupees 10 each. Equity held 0.07% (2023: 0.07%) and cost of Rupees 35,948,000 (2023: 35,498,000)		14,630,000	10,792,000
		<u>14,728,000</u>	<u>10,890,000</u>
4.1	Investment in AKD REIT Management Company Limited has been fully provided in prior years. The Company is required to seek prior approval from Securities & Exchange Commission of Pakistan before disposing of this investment.		
4.2	This represents investment in the ordinary shares of Creek Developers (Private) Limited (CDPL) that is in the process of building towers. CDPL is currently classified as a level 3 financial assets and is measured at fair value on reporting dates. However, due to volatility in the underlying assumptions relevant to the valuation, there is a wide range of possible fair value measurement and cost is considered to represent the best estimate of fair value within that range. The Company is required to seek prior approval from Defense Housing Authority before disposing of this investment.		
5. LONG-TERM DEPOSIT			
Deposit with Pakistan Telecommunication Company Limited	5.1	<u>20,000</u>	<u>20,000</u>
5.1	This represents amount deposited with Pakistan Telecommunication Company Limited (PTCL) as security deposit at the time of connection in 2003. The fair value and expected credit loss adjustment in accordance with requirements of IFRS 9 "Financial Instruments" in respect of long term deposits is not considered material and hence not recognized.		
6. TRADE DEBTS			
Related party- Unsecured			
AKD REIT Management Company Limited		2,260,000	1,017,000
Less: Allowance for expected credit loss			
As at 01 July		-	-
Recognized during the year		42,002	-
Reversal made during the year		-	-
As at 30 June		<u>(42,002)</u>	-
	6.1	<u>2,217,998</u>	<u>1,017,000</u>

6.1	Ageing analysis of trade debtors are as follows:	Note	2024 Rupees	2023 Rupees
	Not yet due		565,000	113,000
	Upto 30 days		565,000	113,000
	31 to 90 days		1,130,000	339,000
	91 days to 180 days		-	452,000
	More than 180 days		-	-
			2,260,000	1,017,000

6.2 The maximum aggregate amount receivable from AKD REIT Management Company Limited at the end of any month during the period was Rupees 6.328 million (2023: Rupees 1.017 million).

7. OTHER RECEIVABLES

Related Parties - Unsecured

R.A. Enterprises	7.1	-	10,100,833
Creek Developers (Private) Limited (CDPL)	7.2	4,451,084	4,451,084
AKD Securities Limited		-	-
		4,451,084	14,551,917
Less: Allowance for expected credit loss			
As at 01 July		12,151,917	9,651,917
Recognized during the year		-	2,500,000
Reversal made during the year		(7,700,833)	-
As at 30 June		(4,451,084)	(12,151,917)
		-	2,400,000

7.1 The maximum aggregate amount receivable from R.A Enterprises at the end of any month during the year was Rupees 10.101 million (2023: Rupees 10.101 million).

7.2 This represents the balance receivable of allocated share of common expenses.

7.3 The maximum aggregate amount receivable from CDPL at the end of any month during the year was Rupees 4.451 million (2023: Rupees 4.451 million) which was impaired and provided for. The ageing of this receivable were of more than 365 days.

8. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2024 (Number of shares)	2023			
2,138,681	2,138,681	Ordinary shares of Rupees 10 each fully paid in cash.	21,386,810	21,386,810
368,311	368,311	Ordinary shares of Rupees 10 each issued as fully paid bonus shares.	3,683,110	3,683,110
479	479	Ordinary shares of Rupees 10 each forfeited.	2,813	2,813
2,507,471	2,507,471		25,072,733	25,072,733

8.1 Ordinary shares of the Company held by the associates companies are as under:

	Number of shares	
AKD Securities Limited	306,290	306,290
Aqeel Karim Dhedhi Securities (Private) Limited-Staff Provident Fund	249,000	249,000
	555,290	555,290

9. RESERVES	Note	2024 Rupees	2023 Rupees
Composition of reserves is as follows:			
Capital reserves			
Share premium	9.1	20,891,600	20,891,600
Fair value reserve		(21,318,000)	(25,156,000)
		(426,400)	(4,264,400)
Revenue reserves			
General reserve		752,000	752,000
Accumulated loss		(15,059,780)	(23,420,690)
		(14,307,780)	(22,668,690)
		(14,734,180)	(26,933,090)

9.1 This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

10. TRADE AND OTHER PAYABLES

Accrued liabilities		955,085	960,428
Payable to AKD Securities Limited - related party	10.1	1,867,577	1,762,156
Overdue lease liability		810,000	810,000
Withholding tax payable		352,436	430,891
Sales tax payable - net		196,264	135,980
Provision for workers welfare fund		484,142	294,522
		4,665,504	4,393,977

10.1 This represent payable to related party on account of allocated share of common expenses.

11. SHORT TERM BORROWING - Unsecured

Loan from related party	11.1	-	9,750,001
Less: Loan reclassified as capital contribution		-	(9,750,001)
		-	-

11.1 This represented interest free loan obtained from AKD Group Holdings (Private) Limited, a related party and was payable on demand granted for the purpose to meet the working capital requirements of the Company. During the previous year, the Company had entered into a tri-partite agreement, where the right to receive this loan was transferred to the sponsor shareholder Mr. Aqeel Karim Dhedhi. As at reporting date, the Company is under no obligation to pay to AKD Group Holdings (Private) Limited. Under the revised terms of loan with the Sponsor, the limit of this loan was increased to Rupees 20 million and available to the Company as and when needed to meet the Company's liquidity requirements. This loan is interest free and is payable on description of the Company to the Sponsor. Accordingly, the same has been reclassified as capital contribution in equity, in previous year, in accordance with TR-32 issued by the Institute of Chartered Accountants of Pakistan (ICAP). During the year, Sponsor has further contributed capital of Rupees 3.200 million to the Company.

12. PROVISION FOR TAXATION AND LEVY PAYABLE- NET	Note	2024 Rupees	2023 Rupees
Provision for taxation - net			
Advance income tax		1,216,750	1,216,750
Less: Provision for taxation		<u>(1,216,750)</u>	<u>(1,216,750)</u>
Levy payable - net			
Prepaid levy		575,170	36,160
Less: levy payable		<u>(1,616,275)</u>	<u>(671,533)</u>
		<u>(1,041,105)</u>	<u>(635,373)</u>
		<u>(1,041,105)</u>	<u>(635,373)</u>
13. CONTINGENCIES AND COMMITMENTS			
There were no contingencies and commitments outstanding as at the reporting date (2023: Nil).			
14. REVENUE FROM CONTRACTS WITH CUSTOMERS			
Consultancy services - gross		6,780,000	1,356,000
Less: Sindh sales tax on services @13%		<u>(780,000)</u>	<u>(156,000)</u>
Revenue - net	14.1	<u>6,000,000</u>	<u>1,200,000</u>
14.1. This represents the billing made under service agreement entered into for provision of services regarding review of third party pre-feasibility or feasibility studies to establish hospitality related business and other ancillary services to the related party i.e. AKD REIT Management Company Limited.			
15. ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries and benefits	15.1	1,115,742	1,561,600
Director's meeting fee		265,000	310,000
Printing and stationery		12,360	16,250
Postage and telegram		6,770	3,785
Fees, taxes and subscription		538,007	668,612
Legal and professional		493,610	590,040
Advertisement and publicity		123,335	56,525
Entertainment		699,788	251,551
Auditors' remuneration	15.2	747,900	747,900
Depreciation		107,342	359,913
Office expenses		36,600	108,231
Repair and maintenance		-	88,600
Advance income tax written off		-	1,110,440
Bank charges		3,057	2,538
Others		28,314	-
		<u>4,177,825</u>	<u>5,875,985</u>
15.1 Remuneration of Directors and Executives			
No remuneration has been paid to Chief Executive Officer and Company's secretary during the year (2023: Nil).			

15.2 Auditors' remuneration	Note	2024 Rupees	2023 Rupees
Audit fee		440,000	440,000
Half yearly review fee		130,000	130,000
Code of Corporate Governance review fee		41,000	41,000
Other certification		22,000	22,000
Out of pocket expenses		59,500	59,500
Sindh Sales tax @ 8%		55,400	55,400
		<u>747,900</u>	<u>747,900</u>
15.3 This represents the default surcharge and penalty imposed by the Federal Board of Revenue (FBR) for violations of stipulated provisions of the Income Tax Ordinance, 2001.			
16. OTHER INCOME			
Reversal of expected credit loss allowance		7,700,833	-
Consultancy services to related party		-	2,400,000
		<u>7,700,833</u>	<u>2,400,000</u>
17. LEVY			
Minimum tax		943,043	192,000
Prior year		1,699	-
		<u>944,742</u>	<u>192,000</u>
18. TAXATION			
Current tax		-	-
Deferred tax income	18.1	(14,266)	(15,544)
		<u>(14,266)</u>	<u>(15,544)</u>
18.1 Deferred tax liability			
Deferred tax on:			
Deductible temporary differences			
- Investments carried at FVTOCI		2,664,750	3,144,500
- Provision for expected credit Loss		1,302,995	3,524,056
- Liabilities subject to lease		234,900	234,900
- provision for WWF		54,990	-
- Available tax losses		2,170,697	2,713,394
		<u>6,428,332</u>	<u>9,616,850</u>
Taxable temporary differences			
- Depreciation on property and equipment		155,612	169,878
As at 30 June		<u>6,272,720</u>	<u>9,446,972</u>
As at 01 July		169,878	185,422
Asset available for the year		6,272,720	9,446,972
Deferred tax asset not recognised	18.3	(6,428,332)	(9,616,850)
Deferred tax liability recognised		155,612	169,878
Charge for the year		<u>14,266</u>	<u>15,544</u>

18.2 Movement of deferred tax liability	Note	2024 Rupees	2023 Rupees
Opening balance		169,878	185,422
Charged for the year to :			
Profit or loss		(14,266)	(15,544)
Comprehensive Income		-	-
		(14,266)	(15,544)
Closing balance		155,612	169,878

18.3 Deferred tax asset as at 30 June 2024 to the extent of Rupees 6.428 million (2023: Rupees 9.617 million) has not been recognised as the Company is uncertain about the timing and extent of future taxable profits against which such benefits can be utilized.

18.4 Relationship between income tax expense and accounting profit:

Accounting income / (loss) before taxation		8,346,644	(4,977,373)
Tax @ 29% (2023: 29%)		2,420,527	(1,443,438)
Effect of:			
Unrecognized deferred tax asset on:			
- expected credit loss		(2,221,061)	725,000
- tax loss		(542,698)	575,577
- provision for WWF		54,990	-
- lease liabilities		-	71,638
Levy		273,976	55,679
	18	(14,266)	(15,544)

19. EARNING / (LOSS) PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic loss per share of the Company which is based on:

Profit / (Loss) for the year (Rupees)	8,360,910	(4,961,829)
Weighted average number of ordinary shares (Number)	2,507,471	2,507,471
Profit / (Loss) per share - basic & diluted (Rupees)	3.33	(1.98)

20. RECONCILIATION OF MOVEMENT OF LIABILITY TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES:

Short term borrowing

As at 01 July	-	6,350,001
Amount received	-	3,400,000
Amount paid	-	-
Transferred to capital contribution	-	(9,750,001)
As at 30 June	-	-

21. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related companies and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions and balances (gross of expected credit losses) with related parties are as follows:

Related party	Relationship with the Company	Nature of transaction and balances	2024 Rupees	2023 Rupees
i. AKD Securities Limited	Common directorship and 2.28% shareholding	Expenses credited	<u>120,000</u>	<u>491,366</u>
		Paid/adjusted during the year	<u>14,579</u>	<u>16,800</u>
		Balance at year end	<u>1,867,577</u>	<u>1,762,156</u>
ii. Creek Developers (Private) Limited	Common directorship and 0.01% shareholding	Expenses debited	<u>-</u>	<u>-</u>
		Balance at year end	<u>4,451,084</u>	<u>4,451,084</u>
iii. R.A. Enterprises	Sponsor's Interest	Consultancy fee	<u>-</u>	<u>2,400,000</u>
		Balance at year end	<u>-</u>	<u>10,100,833</u>
iv. AKD Group Holdings (Private) Limited	Common directorship	Funds received	<u>-</u>	<u>3,400,000</u>
v. Mr. Aqeel Karim Dhedhi	Sponsor shareholder	Capital contribution during the year	<u>3,200,000</u>	<u>9,750,001</u>
vi. AKD REIT Management Company Limited	Common directorship and 0.04% shareholding	Retainership Income	<u>6,000,000</u>	<u>1,200,000</u>
		Balance at year end	<u>2,260,000</u>	<u>1,017,000</u>

22. FINANCIAL RISK MANAGEMENT

22.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is not exposed to this risk because there were no receivables and payables in any foreign currency as at the reporting date. Moreover, no transactions were carried out in any foreign currency during the year.

Sensitivity analysis of functional currency at reporting date is not required due to nil foreign currency nominated financial assets and liabilities at the reporting date.

(ii) Other price risk

Other price risk represents 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. The Company is not exposed to commodity price risk.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange (PSX) Index on the Company's other comprehensive income for the year and on equity (fair value reserve). The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Company's equity instruments moved according to the historical correlation with the index:

Index	Impact on profit after taxation		Impact on equity (fair value reserve)	
	2024 Rupees	2023 Rupees	2024 Rupees	2023 Rupees
KSE 100 (5% increase)	-	-	736,400	544,500
KSE 100 (5% decrease)	-	-	(736,400)	(544,500)

(III) Interest rate risk

This represents 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 has no interest bearing assets and liabilities at the reporting date.

b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

Long-term deposit	20,000	20,000
Trade debts	2,260,000	1,017,000
Other receivables	4,451,084	14,551,917
Bank balances	14,024,199	368,953
	<u>20,755,283</u>	<u>15,957,870</u>

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

Banks	Rating			2024 Rupees	2023 Rupees
	Short Term	Long Term	Agency		
MCB Bank Limited	A1+	AAA	PACRA	13,861,983	27,635
United Bank Limited	A-1+	AAA	VIS	4,179	4,179
Bank Al-Habib Limited	A1+	AAA	PACRA	147,638	146,954
				<u>14,013,800</u>	<u>178,768</u>

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Investments			2024 Rupees	2023 Rupees
AKD REIT Management Company Limited	Unrated	-	-	-
Creek Developers (Private) Limited	Unrated	-	98,000	98,000
Cnergyico Pk Limited - quoted	Withdrawn	PACRA	14,630,000	10,792,000
			14,728,000	10,890,000

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, the management does not expect non-performance by these counterparties on their obligations to the Company. Accordingly, the credit risk is minimal.

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient bank balance other liquid assets. At 30 June 2024, the Company had Rupees 14.024 million (2023: Rupees 0.369 million) cash and bank balance and Rupees 14.63 million (2023: Rupees 10.792 million) investment in listed equity securities. Furthermore, the Company has support from related parties and can raise fund if need arises. Following are the contractual maturities of financial liabilities, including interest payments. The amount disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2024

	Carrying Amount	Contractual Cash Flows	06 month or less	06 months to 12 months	More than 01 year
	Rupees	Rupees	Rupees	Rupees	Rupees
Trade and other payables	2,822,662	2,822,662	2,822,662	-	-
Overdue liabilities against lease	810,000	810,000	810,000	-	-
Unclaimed dividend	2,476,962	2,476,962	2,476,962	-	-
	6,109,624	6,109,624	6,109,624	-	-

Contractual maturities of financial liabilities as at 30 June 2023

	Carrying Amount	Contractual Cash Flows	06 month or less	06 months to 12 months	More than 01 year
	Rupees	Rupees	Rupees	Rupees	Rupees
Trade and other payable	2,722,584	2,722,584	2,722,584	-	-
Overdue liabilities against lease	810,000	810,000	810,000	-	-
Unclaimed dividend	2,476,962	2,476,962	2,476,962	-	-
	6,009,546	6,009,546	6,009,546	-	-

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22.2 Recognized fair value measurements - financial assets

(i) Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table:

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
	Rupees	Rupees	Rupees	Rupees
As at 30 June 2024				
Investments at 'fair value through other comprehensive income'	14,630,000	-	98,000	14,728,000
As at 30 June 2023				
Investments at 'fair value through other comprehensive income'	10,792,000	-	98,000	10,890,000

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments and the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

22.3 Recognized fair value measurements - non-financial assets

There were no non-financial assets as at 30 June 2024 (2023: Nil) for the recognized fair value measurement.

22.4 Financial instruments by categories

As at 30 June 2024

Assets as per statement of financial position

	At 'fair value through other comprehensive income'	At amortized cost	Total
	Rupees	Rupees	Rupees
Long-term investments	14,728,000	-	14,728,000
Long-term deposit	-	20,000	20,000
Trade debts	-	2,217,998	2,217,998
Bank balances	-	14,024,199	14,024,199
	<u>14,728,000</u>	<u>16,262,197</u>	<u>30,990,197</u>

Liabilities as per statement of financial position

	At 'fair value through profit or loss'	At amortized cost	Total
	Rupees	Rupees	Rupees
Trade and other payables	-	2,822,662	2,822,662
Lease liabilities	-	810,000	810,000
Unclaimed dividend	-	2,476,962	2,476,962
	<u>-</u>	<u>6,109,624</u>	<u>6,109,624</u>

As at 30 June 2023

Assets as per statement of financial position

	At 'fair value through other comprehensive income'	At amortized cost	Total
	Rupees	Rupees	Rupees
Long-term investments	10,890,000	-	10,890,000
Long-term deposit	-	20,000	20,000
Trade debts	-	1,017,000	1,017,000
Other receivables	-	2,400,000	2,400,000
Bank balances	-	368,953	368,953
	<u>10,890,000</u>	<u>3,805,953</u>	<u>14,695,953</u>

Liabilities as per statement of financial position

	At 'fair value through profit or loss'	At amortized cost	Total
	Rupees	Rupees	Rupees
Trade and other payables	-	2,722,584	2,722,584
Overdue lease liabilities	-	810,000	810,000
Unclaimed dividend	-	2,476,962	2,476,962
	<u>-</u>	<u>6,009,546</u>	<u>6,009,546</u>

Reconciliation to the line items presented in the financial position is as follows:

	Financial assets	Non-financial assets	Total as per financial position
	Rupees	Rupees	Rupees
As at 30 June 2024			
Assets as per balance sheet			
Property and equipment	-	862,539	862,539
Long-term investments	14,728,000	-	14,728,000
Long-term deposit	20,000	-	20,000
Trade debts	2,217,998	-	2,217,998
Advances, deposits and prepayments	25,000	250,001	275,001
Bank balances	14,024,199	-	14,024,199
	31,015,197	1,112,540	32,127,737

	Financial liabilities	Non-financial Liabilities	Total as per financial position
	Rupees	Rupees	Rupees
As at 30 June 2024			
Liabilities as per balance sheet			
Deferred tax liability	-	155,612	155,612
Trade and other payables	3,632,662	1,032,842	4,665,504
Contract liability	-	500,000	500,000
Provision for taxation - net	1,041,105	-	1,041,105
Unclaimed dividend	2,476,962	-	2,476,962
	7,150,729	1,688,454	8,839,183

	Financial assets	Non-financial assets	Total as per financial position
	Rupees	Rupees	Rupees
As at 30 June 2023			
Assets as per balance sheet			
Property and equipment	-	969,881	969,881
Long-term investments	10,890,000	-	10,890,000
Long-term deposit	20,000	-	20,000
Trade debts	1,017,000	-	1,017,000
Other receivable	2,400,000	-	2,400,000
Bank balances	368,953	-	368,953
	14,695,953	969,881	15,665,834

	Financial liabilities	Non-financial Liabilities	Total as per financial position
	Rupees	Rupees	Rupees
As at 30 June 2023			
Liabilities as per balance sheet			
Trade and other payables	3,532,584	861,393	4,393,977
Contract liability	-	100,000	100,000
Provision for taxation	-	805,251	805,251
Unclaimed dividend	2,476,962	-	2,476,962
	6,009,546	1,766,644	7,776,190

22.5 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to off setting as there are no enforceable master netting arrangements and similar agreements.

23. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders and issue new shares or sell assets. The Company's strategy, remained unchanged from last year.

24. NUMBER OF EMPLOYEES

The number of employees during the year is as follows:

	2024		2023	
	At year end	Average	At year end	Average
Number of employees	4	3	6	6

24.1 Other employees are hired on temporary contract basis. Therefore, the Company has not so far established any staff retirement benefit scheme. The Company intends to hire permanent employees in ensuing financial year.

25. DATE OF AUTHORIZATION

These financial statements were approved and authorized for the issue on Oct 07, 2024 by the Board of Directors of the Company.

26. CORRESPONDING FIGURES

- Figures have been rounded off to the nearest Rupee.
- Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan. Reclassifications made in these financial statements, except for reclassification as disclosed in note 2.14 to these financial statements, are as follows :

From	To	Rupees
Lease liability	Trade and other payables	<u>810,000</u>

27. GENERAL

Figures have been rounded off to the nearest Rupee, unless otherwise stated.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

CODE OF CONDUCT

Introduction

- a) *Purpose*
The Code of Conduct serves as a guiding framework for all employees, management, and stakeholders at AKD Hospitality Limited. It reflects our commitment to ethical behavior, professionalism, and respect within the hospitality industry.
- b) *Commitment to ethical behavior*
At AKD Hospitality Limited, we are dedicated to fostering a culture of ethical behavior and integrity in all aspects of our operations. This commitment is central to our mission and reflects our core values.
- c) *Applicability*
This Code is applicable to all employees, management and the members of the Board of Directors.

Core Principles

- a) *Customers First*
 - Always prioritize the comfort, safety, and satisfaction of our customers.
 - Respond promptly and effectively to customer inquiries and concerns.
- b) *Integrity and Honesty*
 - Conduct all business dealings with honesty and transparency.
 - Avoid conflicts of interest and disclose any potential conflicts immediately.
- c) *Respect and Fairness*
 - Treat all customers, colleagues, and partners with dignity and respect, regardless of their background.
 - Promote a diverse and inclusive environment.
- d) *Accountability*
 - Taking responsibility for actions and decisions
- e) *Excellence*
 - Striving for Highest Quality in our work

Compliance with Laws and Regulations

- Adhere to all local, state, and federal laws governing the hospitality industry.
- Stay informed about regulations related to health, safety, and labor standards.
- Reporting violations or suspected violation to the law
- Seek guidance from guidelines prepared by legal and compliance department

Conflict of Interest

- A conflict of interest occurs when an individual's personal interests—whether financial, familial, or otherwise—could potentially interfere with their professional responsibilities and obligations to the organization. It can lead to biased decision-making and undermine trust within the workplace.
- Employee should disclose the conflict of interest and seek review and approval ensuring transparency, and refrain from being the part of decision making or influencing the professional judgement of others.

Confidentiality

- Protecting confidential information is crucial for maintaining the integrity, trust, and success of any organization.
- Do not share personal information without consent.
- Do not share company's secret information and documents

Sustainability and Environmental Responsibility

- Commit to sustainable practices that minimize environmental impact.
- Encourage customers and employees to participate in eco-friendly initiatives.

Fair Dealing

- Commitment to fair competition and ethical practices.
- Prohibition against bribery, corruption, and unethical conduct in business dealings.

Respect in the Workplace

- Commitment to a diverse and inclusive workplace.
- Prohibition against harassment, discrimination, and retaliation especially compliance with Protection against harassment of women at workplace Act.
- Encouragement of open communication and collaboration.

Professionalism

- Maintain a professional demeanor at all times, including appropriate attire and behavior.
- Foster a positive work environment through teamwork and collaboration.

Health and Safety

- Prioritize the health and safety of customers and employees by following established safety protocols.
- Report any hazards or unsafe conditions immediately.

Responsiveness to Feedback

- Encourage and welcome feedback from customers and employees to improve our services.
- Address complaints and suggestions promptly and constructively.

Alcohol and Substance Use

- Follow company policies regarding the prohibition of alcohol service and consumption.
- Maintain a drug-free workplace and report any violations.

Corporate Social Responsibility

- The Company is Committed to ethical business practices that consider social, environmental, and economic impacts.
- By providing employment and education encourage local community involvement with the company to achieve its sustainability efforts.

Whistleblowing

- Employees are encouraged to report any suspected violations of this Code of Conduct to their supervisor and Head of Internal Audit Department by email Complain@akdhospitality.com or WhatsApp 03322244396.
- All the stakeholders are encouraged to report violation of the Code of Conduct to the Company to Compliance Officer
- Whistleblower protections will be provided to ensure confidentiality and prevent retaliation.

Commitment to Continuous Improvement

We strive for excellence in all aspects of our operations and will regularly review our Code of Conduct to ensure it aligns with best practices in the hospitality industry.

Conclusion and Acknowledgement

Each Employee should acknowledge their understanding and commitment to the Code of Conduct. By adhering to this Code of Conduct, every member of AKD Hospitality Limited contributes to a culture of integrity, respect, and excellence, ensuring a positive experience for our customers and a fulfilling workplace for our employees.

The Company Secretary,
AKD Hospitality Limited
511, Continental Trade Centre, Block 8, Clifton,
Karachi

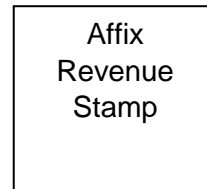
PROXY FORM

I / We _____
of _____
being member(s) of AKD Hospitality Limited holding _____ ordinary shares as per Folio
No. _____ and / or CDC Account No. _____ hereby appoint _____
_____ of _____
_____ Folio No. _____ and / or
CDC Account No. _____ or failing him / her _____
_____ of _____
_____ Folio No. _____ and / or CDC Account No. _____
as my / our proxy to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting
of the Company to be held at 11:00 a.m. on Monday October 28, 2024 at 5th floor, Continental Trade Centre,
Block 8, Clifton, Karachi and / or online through Zoom and at every adjournment thereof.

Signed this _____ day of _____ 2024

Witnesses:

Signature: _____
Name: _____
CNIC/Passport No.: _____



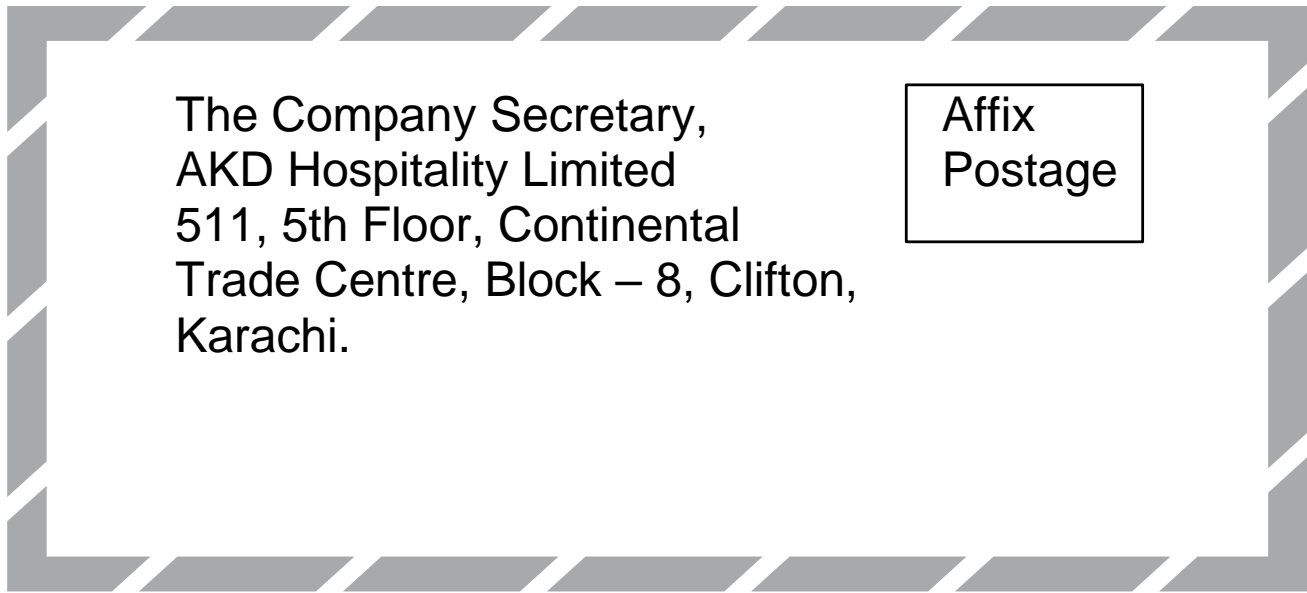
Signature: _____
Name: _____
CNIC/Passport No.: _____

Signature of Member(s)

Note:

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another member as a proxy to attend, act and vote on his / her behalf. Proxies in order to be effective must be received at the Registered Office of the Company or at the office of our Share Registrar M/s. M/s. C & K management Associate (Pvt) Ltd. M-13, Progressive Plaza, Plot No. 5 - CL - 10, Civil Lines Quarter, Beaumont Road, Karachi or through email at investor.relations@akdhospitality.com not less than 48 hours before the meeting.

CDC shareholders and their proxies are requested to attach an attested photocopy of their Computerized National Identity Card (CNIC) or Passport with this proxy form before submission to the Company.



The Company Secretary,
AKD Hospitality Limited
511, 5th Floor, Continental
Trade Centre, Block – 8, Clifton,
Karachi.

Affix
Postage

Fold here

جناب کمپنی سیکرٹری
اے کے ڈی ہاسپٹیلٹی لمیٹڈ
511، کانٹی نینٹل ٹریڈ سینٹر، بلاک 8، کلٹن
کراچی

پراکسی فارم
میں / ہم

سکنہ _____
بحثیت اے کے ہاسپٹیلٹی لمیٹڈ کے ممبر (ز) حق ملکیت رکھتے ہوئے _____ عمومی شیئرز کے جس کا اندراج
رجسٹر فولیو نمبر _____ اور / یا سی ڈی سی اکاؤنٹ نمبر _____ کے مطابق ہے، اس فارم کے
توسط سے نامزد کرتا / کرتی ہوں محترم / محترمہ

سکنہ _____ جن کا اندراج رجسٹر فولیو نمبر
_____ اور / یا سی ڈی سی اکاؤنٹ نمبر _____ کے مطابق ہے یا اگر وہ ایسا نہ کر پائیں
تو محترم / محترمہ _____

سکنہ _____ جن کا اندراج
رجسٹر فولیو نمبر _____ اور / یا سی ڈی سی اکاؤنٹ نمبر _____ کے مطابق کو
28 اکتوبر، 2024 صبح 11:00 بجے پانچویں منزل، کانٹی نینٹل ٹریڈ سینٹر، بلاک 8، کلٹن، کراچی میں اور / یا زوم کے
ذریعے منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں اور کسی زیر التوا اجلاس میں شرکت اور رائے دہی کے لئے اپنا /
ہمارا نمائندہ / پروکسی مقرر کرتا / کرتے کرتی ہوں
اس دستاویز پر مورخہ _____ 2024 کو دستخط ہوئے

درست رقم کا
ٹکٹ چسپاں
کریں

گواہان:

دستخط _____
نام _____
شناختی کارڈ یا پاسپورٹ نمبر _____
دستخط _____
نام _____
شناختی کارڈ یا پاسپورٹ نمبر _____
نوٹ:

* سالانہ اجلاس عام میں شرکت اور رائے دہی کے اہل ممبران اپنی جانب سے شرکت کرنے اور رائے دہی کیلئے دوسرے ممبر
کو اپنا پروکسی مقرر کر سکتا ہے۔ مکمل پروکسی فارم اجلاس کے انعقاد کے وقت سے 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس یا
ہمارے شیئر رجسٹرار میسرز سی اینڈ کے ایسوسی ایٹ (پرائیویٹ) لمیٹڈ ایم - 13، پروگریسیو پلازہ، پلاٹ نمبر 5، سی ایل 10
سول لائن کوارٹر بیومونٹ روڈ کراچی یا ای میل کے ذریعے investor.relations@akdhospitality.com پر جمع کرائیں

سی ڈی سی شیئر ہولڈرز اور انکے پروکسیز سے درخواست کی جاتی ہے کہ اس فارم کیساتھ اپنا کمپیوٹرائزڈ قومی شناختی کارڈ
یا پاسپورٹ کی نقل جمع کروائیں۔

درست رقم
کا ٹکٹ
چسپاں
کریں

کمپنی سیکریٹری
اے کے ڈے ہاسپٹلیٹی لیمیٹڈ
511 پاچویں منزل، کانٹینینٹل ٹریڈ
سینٹر بلاک 8 کلفٹن کراچی

AKD HOSPITALITY LIMITED

Ballot Paper for Voting through Post

For poll at the Annual General Meeting of AKD Hospitality Limited to be held on Monday 28th October, 2024 at Head Office No. 511, 5th Floor, CTC, Block-8, Clifton, Karachi – 75600 Pakistan. Designated email address of the Chairman at which the duly filled in ballot paper may be sent at investor.relations@akdhospitality.com.

Name of shareholder/ joint shareholders	
Registered Address	
Folio No. / CDC Participant / Investor ID with sub-account No	
<u>Additional Information and enclosures</u> (in case of representative of body corporate, corporation and Federal Government)	
Name of Authorized Signatory:	
CNIC, NICOP/ Passport No. (In case of Foreigner) of Authorized Signatory (Copy to be attached)	

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick(✓) mark in the relevant box below or may write "Approved" or "Disapproved"

SPECIAL RESOLUTION	
"Resolved that the approval be and hereby given to allow the Company to circulate the annual audited financial statements to its members/shareholders through Quick Response (QR) enabled code and web link instead of through CD/DVD/USD, subject to the requirement of Notification No. SRO 398(I)/2023 of Securities and Exchange Commission of Pakistan dated March 21, 2023"	

Sr. No.	Nature and Description of resolutions	No. of Ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We assent to the Resolutions (AGAINST)
1	Special resolution as per Agenda # 5			

Signature of shareholder (s):

Place & Date:

Notes:

Duly filled postal ballot should sent to chairperson of AKD Hospitality Limited at Office 511, 5th Floor, CTC, Block-8, Clifton, Karachi – 75600 Pakistan or through email investor.relations@akdhospitality.com.

Copy of CNIC, NICOP/ Passport No. (In case of foreigner) should be enclosed with the postal ballot form.

Postal ballot forms should reach chairman of the meeting till 5.00p.m October 27, 2024. Any postal ballot received after this date, will not be considered for voting.

Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.