

DJM SECURITIES LIMITED

Financial Statements

For the year ended

June 30, 2026

INDEPENDENT AUDITOR'S REPORT

To the members of DJM SECURITIES LIMITED Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **DJM SECURITIES LIMITED** ("the Company"), which comprise the statement of financial position as at **June 30, 2026** and the statement of profit or loss, the statement of changes in equity, and the statement of cash flow for the year then ended, and notes to the financial statements, including a material accounting policy information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of changes in equity and statement of cash flow together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2026 and of the profit for the year then ended, the changes in equity and its cash flows for the period then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (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.

Other Information:

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.

However, 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 requirement 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 operation, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, 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 period were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).
- e) the company was in compliance with the requirements of section 78 of the Securities Act 2015, and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the financial statements were prepared.

Other matters

The unconsolidated financial statements of the Company for the year ended June 30, 2025, were audited by another auditor who expressed an unmodified opinion on those financial statements on October 3, 2025.

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

Uhy Hassan Naeem & Co.

UHY Hassan Naeem & Co.
Chartered Accountants

KARACHI

DATE: 7 October 2026

UDIN: AR20261021569rP0Yusv

DJM SECURITIES LIMITED
STATEMENT OF FINANCIAL POSITION
As at June 30, 2026

		2026	2025
ASSETS	Note	Rupees	
Non-current assets			
Property and equipment	5	53,409,669	64,650,898
Intangible assets	6	350,000	353,909
Long term deposits	7	10,569,347	10,569,347
		<u>64,329,016</u>	<u>75,574,154</u>
Current assets			
Investment in quoted equity securities	8	4,726,614,752	3,555,098,277
Trade debts	9	22,810,687	26,318,866
Deposits and other receivables	10	58,290,421	140,031,477
Cash and bank balances	11	117,465,290	27,498,857
		<u>4,925,181,150</u>	<u>3,748,947,477</u>
Total assets		<u><u>4,989,510,166</u></u>	<u><u>3,824,521,631</u></u>
EQUITY AND LIABILITIES			
Capital and reserves			
Authorized capital		250,000,000	250,000,000
Issued, subscribed and paid up capital	12	125,000,000	125,000,000
Unappropriated profits		3,685,570,712	2,618,864,064
		<u>3,810,570,712</u>	<u>2,743,864,064</u>
Non-current liabilities			
Deferred tax - net		-	44,590,899
Staff retirement benefits - gratuity	13	21,033,412	18,319,347
Current liabilities			
Short term borrowings	14	810,820,060	842,390,914
Trade and other payables	15	186,692,429	83,252,338
Accrued markup		23,863,514	26,210,276
Taxation - net		136,530,038	65,893,793
		<u>1,157,906,041</u>	<u>1,017,747,321</u>
Contingencies and commitments	16	-	-
Total equity and liabilities		<u><u>4,989,510,166</u></u>	<u><u>3,824,521,631</u></u>

The annexed notes from 1 to 33 form an integral part of these financial statements.



Chief Executive Officer



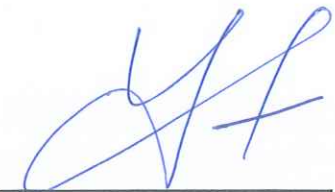
Director

DJM SECURITIES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	Rupees	
Operating revenue	17	173,515,684	89,351,516
Income from investments - net	18	1,348,192,549	1,559,142,795
		<u>1,521,708,233</u>	<u>1,648,494,311</u>
Administrative expenses	19	(116,164,389)	(106,186,535)
Operating profit		<u>1,405,543,844</u>	<u>1,542,307,776</u>
Finance costs	20	(77,570,766)	(100,300,999)
Other income	21	14,939,417	4,247,773
Other expenses	22	(26,858,250)	
Profit before levies and taxation		<u>1,316,054,244</u>	<u>1,446,254,550</u>
Levies			
Final Tax-levy	24	(303,077,793)	(24,087,309)
Minimum Tax-levy	23	(30,507,485)	
Profit before taxation		<u>982,468,966</u>	<u>1,422,167,241</u>
Taxation			
Current tax	25	82,771,843	(347,776,178)
Profit after taxation		<u><u>1,065,240,809</u></u>	<u><u>1,074,391,063</u></u>

The annexed notes from 1 to 33 form an integral part of these financial statements.


 Chief Executive Officer


 Director

DJM SECURITIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees	
Profit/(loss) after taxation	1,065,240,809	1,074,391,063
Other comprehensive income/Loss		
Items that will not be subsequently reclassified in profit or loss		
Actuarial gain/(loss) on defined benefit obligation	1,465,840	21,475
Total comprehensive income for the year	1,066,706,649	1,074,412,538

The annexed notes from 1 to 33 form an integral part of these financial statements.



Chief Executive Officer



Director

DJM SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Issued, subscribed and paid up capital	Unappropriated profits	Total
	<u>Rupees</u>		
Balance as at June 30, 2024	125,000,000	1,544,451,526	1,669,451,526
Total comprehensive income for the year ended June 30, 2025			
- Profit after taxation	-	1,074,391,063	1,074,391,063
- Other comprehensive income	-	21,475	21,475
	-	1,074,412,538	1,074,412,538
Balance as at June 30, 2025	125,000,000	2,618,864,064	2,743,864,064
Total comprehensive income for the year ended June 30, 2026			
- Profit after taxation	-	1,066,706,649	1,066,706,649
- Other comprehensive income	-	-	-
	-	1,066,706,649	1,066,706,649
Balance as at June 30, 2026	125,000,000	3,685,570,712	3,810,570,712

The annexed notes from 1 to 33 form an integral part of these financial statements.


 Chief Executive Officer


 Director

DJM SECURITIES LIMITED
STATEMENT OF CASHFLOW
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES	Note		
Profit before levies and taxation		1,316,054,244	1,446,254,550
Adjustments for non-cash and other items:			
- Depreciation on property and equipment	19	8,045,436	2,678,434
- Amortization on intangible assets		3,910	1,675
- Profit on exposure deposit		(4,582,505)	(4,239,769)
- Capital gain on sale of investments		(1,123,330,894)	(1,145,059,523)
- Unrealized gain on remeasurement of investments		(57,429,477)	(253,151,222)
- Less gain on disposal of vehicle		(154,207)	-
- Provision for staff retirement benefits		4,179,905	3,620,805
- Finance costs		77,570,766	100,300,999
		(1,095,697,065)	(1,295,848,601)
Cash generated from operating activities before working capital changes		220,357,179	150,405,949
Working capital changes			
(Increase) / decrease in current assets			
- Trade debts		3,508,179	110,488
- Deposits and other receivables		81,741,055	(90,622,222)
Increase / (decrease) in current liabilities			
- Trade and other payables		103,440,091	(42,239,692)
		188,689,325	(132,751,426)
Cash generated from operating activities		409,046,504	17,654,523
Short term investments - net		9,243,895	(363,600,161)
Finance costs paid		(79,917,528)	(135,291,923)
Income tax refund received		-	-
Long term advances		-	2,500,000
Income tax paid		(224,768,090)	(224,652,082)
Net cash (used in) / generated from operating activities		113,604,781	(703,389,643)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase Disposal of property and equipment		3,350,000	(56,304,532)
Profit received on exposure deposit		4,582,505	4,239,769
Net cash (used in) / generated from investing activities		7,932,505	(52,064,763)
Net (decrease) / increase in cash and cash equivalents		121,537,286	(755,454,406)
Cash and cash equivalents at the beginning of the year		(814,892,057)	(59,437,651)
Cash and cash equivalents at the end of the year	26	(693,354,770)	(814,892,057)

The annexed notes from 1 to 33 form an integral part of these financial statements.


Chief Executive Officer


Director

DJM SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1. STATUS AND NATURE OF BUSINESS

- 1.1** DJM Securities Limited ('the Company') was incorporated in Pakistan on June 4, 2002 as a private limited company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017 in May 2017). However, with effect from February 19, 2019, the status of the Company was changed from a private limited company to a public limited company.
- 1.2** The principal activity of the Company is to carry on the business of stock brokerage, investment advisory, consultancy service, underwriting and portfolio management etc.
- 1.3** The registered and principal office of the company is situated at Suit # 203, 2nd Floor, Business and Finance Centre, I.I. Chundrigar Road, Karachi, Pakistan.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Basis of measurement

In these financial statements all items have been measured at their cost historical cost except for short term investments in quoted equity securities which are carried at fair value.

2.3 Functional and presentation currency

The financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

2.4 Use of estimates and judgments

In preparation of these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where assumptions and estimates are significant to the Company's financial statements or where judgment is exercised in application of accounting policies are as follows:

- Review of useful life and residual value of property and equipment (note 3.1 and 5);
- Intangible assets (note 3.2 and 6);
- Assumption and estimates used in provision for ECL on trade and other receivables (note 3.3, 9 and 10);
- Assumption and estimates used in the provision for doubtful advances (note 3.3 and 10);
- Provision for levy and taxation including deferred taxation (note 3.50, and 25).
- Provision for staff retirement benefit plan (note 3.90, 13 and).

2.5 Changes in accounting standards, interpretations and pronouncements

(a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2025. However, these do not have any material impact on the Company's financial reporting.

(b) Standards and amendments to approved accounting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2026. The following amendments and standard have not been early adopted by the Company:

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective January 1, 2026):

These amendments

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (effective January 1, 2027):

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss and other comprehensive income;
- 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-designated performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The management is in process of assessing the impact of above changes

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

3.1 Property and equipment

These are stated at cost less accumulated depreciation and impairment losses, if any. Cost include expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the carrying amount as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of profit or loss during the year in which they are incurred.

Depreciation is charged to statement of profit or loss applying the reducing balance method at the rates specified in note . 5 Depreciation is charged when the asset is available for use till the asset is disposed off.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the year in which the asset is derecognized.

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each financial year end. The Company's estimate of residual value of property and equipment as at the reporting date did not require any adjustment.

3.2 Intangible assets

Computer software

These are stated at cost less accumulated amortization and impairment losses, if any. Amortization is computed using the reducing balance method over assets estimated useful life at the rates stated in note 6.2, after taking into accounts residual value, if any. The residual values, useful life and amortization methods are reviewed and adjusted, if appropriate, at each reporting date.

Amortization is charged from the date the assets are put to use while no amortization is charged after the date when the assets are disposed off.

Gain and losses on disposal of such assets, if any, are included in the statement of profit or loss account.

Trading Rights Entitlement (TRE) Certificate

This is stated at cost less impairment, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

3.3 Trade debts and other receivables

These are carried at their transaction price less any allowance for lifetime expected credit losses. A receivable is recognized on the settlement date as this is the point in time that the payment of the consideration by the customer becomes due.

3.4 Cash and cash equivalents

Cash and cash equivalent are carried in the statement of financial position at amortized cost. For the purpose of cash flow statement cash and cash equivalents comprise bank balances and short term running finance.

3.5 Taxation

Income tax expense comprises of current, deferred and prior year tax. Income tax expense is recognized in profit and loss account except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity

3.5.1 Current Tax

Provision for current tax is based on taxable income at the enacted or substantially enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years which arises from assessments/ developments made during the year, if any.

3.5.2 Deferred Tax

Deferred tax is recognized using balance sheet method, in respect of temporary differences between the carrying amounts of asset and liabilities for financial reporting purposes and the amounts used for taxation purpose. The amount of deferred tax provided is based on the expected manner of realization or settlement or the carrying amount of assets and liabilities, using the enacted or substantively enacted rates or taxation.

The company recognizes deferred tax assets to the extent that it is probable that taxable profits for the foreseeable future will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.6 Minimum Taxes levy

The Company has recognised minimum tax levy for the amount paid/payable under the applicable tax provisions, while the remaining amount of tax calculated in accordance with IAS 12 "Income Taxes" has been recognised as current tax expense in the statement of profit or loss. Hence, any excess over the amount designated as income tax under the scope of IAS 12 "Income Taxes" should be classified as current tax in the profit and loss account.

3.7 Final Taxes levy

Any final taxes paid which is not based on the taxable income, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37. Hence, Final tax paid should be classified as Final Taxes levy and not income tax in the profit and loss account.

3.8 Trade and other payables

Liabilities for creditors and other amounts payable are initially recognized at fair value which is the consideration to be paid in the future for the goods and / or services received, whether or not billed to the Company. These are subsequently measure at amortized cost. Trade payables in respect of securities sold by the clients are recorded at the settlement date of transactions. Liabilities no longer payable are written back and recognized as income in the profit or loss.

3.9 Staff Retirement benefits

The Company operates unfunded gratuity and pension schemes for all its management and non-management employees. Contributions to the schemes are based on actuarial valuations.

The latest actuarial valuations of the schemes have been carried out as at June 30, 2026 using the Projected Unit Credit method. The amount arising as a result of remeasurement gain or losses are recognised in the statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which they occur. Past-service costs are recognised immediately in statement of profit or loss and other comprehensive income.

Retirement benefits are payable to employees on completion of prescribed qualifying period of service under the schemes.

4.0 Provisions and contingent liabilities

Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a 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 can be made of the amount of obligation. Provisions are not recognised for future operating losses.

Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.1 Financial assets

4.1.1 Initial recognition, classification and measurement

The Company recognizes a financial asset when and only when it becomes a party to the contractual provisions of the instrument evidencing investment.

Regular way purchase of investments are recognized using settlement date accounting i.e. on the date on which settlement of the purchase transaction takes place.

The Company classifies its financial assets into either of following three categories:

- a) financial assets measured at amortized cost.
- b) fair value through other comprehensive income (FVOCI);
- c) fair value through profit or loss (FVTPL); and

a) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it is held within business model whose objective is to hold assets to collect contractual cash flows, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

b) Financial assets at FVOCI

A financial asset is classified as at fair value through other comprehensive income when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

c) Financial assets at FVTPL

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income, as aforesaid. However, for an investment in equity instrument which is not held for trading, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the investment.

Such financial assets are initially measured at fair value.

a) Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the statement of profit or loss.

b) Financial assets at FVOCI

These are subsequently measured at fair value less accumulated impairment losses.

A gain or loss on a financial asset measured at fair value through other comprehensive income in accordance is recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognised or reclassified. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Interest is calculated using the effective interest method and is recognised in profit or loss.

c) Financial assets at FVTPL

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in the statement of profit or loss. However, for an investment in equity instrument which is not held for trading and for which the Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the investment, such gains or losses are recognized in other comprehensive income. Further, when such investment is disposed off, the cumulative gain or loss previously recognised in other comprehensive income is not reclassified from equity to profit or loss.

4.1.2 Impairment

The Company recognises a loss allowance for expected credit losses in respect of financial assets measured at amortised cost.

For trade debts and receivables from margin financing, the Company applies the IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected loss allowance.

For other financial assets, the Company applies the IFRS 9 'General Approach' to measuring expected credit losses whereby the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. However, if, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Company measures expected credit losses on financial assets in a way that reflects an unbiased and probability-weighted amount, time value of money and reasonable and supportable information at the reporting date about the past events, current conditions and forecast of future economic conditions. The Company recognises in profit or loss, as an impairment loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.



4.1.3 De-recognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

The Company directly reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

4.2 Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (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.

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 the statement of profit or loss. Any gain or loss on de-recognition is also recognized in the statement of profit or loss.

Financial liabilities are derecognized when the contractual obligations are discharged or cancelled or have expired or when the financial liability's cash flows have been substantially modified.

4.3 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle liability simultaneously.

4.4 Revenue recognition

Revenue from trading activities - brokerage commission

Commission revenue from trading of securities is recognized when the transaction is settled by the clearing house and there is no unfulfilled obligation that could affect the customer's acceptance.

A receivable is recognized on the settlement date as this is the point in time that the payment of commission by the customer becomes due.

The Company does not expect to have contracts where the period between the services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Dividend income

Dividends received from investments measured at fair value through profit or loss and at fair value through other comprehensive income are recognized in the statement of profit or loss when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of a part of the cost of an investment. In this case, dividend is recognized in other comprehensive income if it relates to an investment measured at fair value through other comprehensive income.

4.5 Other income

Mark up / interest income

Return on bank deposits is recognized on a time proportion basis on the principal amount outstanding and at the rate applicable.

4.6 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

5. PROPERTY AND EQUIPMENT

	Office premises	Office equipment	Office furniture	Computers	Generator	Vehicles	Total
	----- Rupees -----						
As at June 30, 2024							
Cost	2,316,614	1,037,889	3,466,860	1,840,247	819,000	21,332,080	30,812,690
Accumulated depreciation	(1,486,141)	(888,928)	(3,062,442)	(1,836,740)	(301,388)	(12,212,251)	(19,787,890)
Net book value	830,473	148,961	404,418	3,507	517,612	9,119,829	11,024,800
Movement during the year ended June 30, 2025							
Opening net book value	830,473	148,961	404,418	3,507	517,612	9,119,829	11,024,800
Additions	-	-	30,000,000	-	-	26,304,532	56,304,532
Depreciation for the year	(41,524)	(14,896)	(541,812)	(1,052)	(51,761)	(2,027,389)	(2,678,434)
Closing net book value	788,949	134,065	29,862,606	2,455	465,851	33,396,972	64,650,898
As at June 30, 2025							
Cost	2,316,614	1,037,889	33,466,860	1,840,247	819,000	47,636,612	87,117,222
Accumulated depreciation	(1,527,665)	(903,824)	(3,604,254)	(1,837,792)	(353,149)	(14,239,640)	(22,466,324)
Net book value	788,949	134,065	29,862,606	2,455	465,851	33,396,972	64,650,898
Movement during the year ended June 30, 2026							
Opening net book value	788,949	134,065	29,862,606	2,455	465,851	33,396,972	64,650,898
Additions	-	-	-	-	-	-	-
Disposals:						(3,195,794)	(3,195,794)
- Gross carrying amount	788,949	134,065	29,862,606	2,455	465,851	30,201,178	61,455,104
- Accumulated depreciation	-	-	-	-	-	-	-
	788,949	134,065	29,862,606	2,455	465,851	30,201,178	61,455,104
Depreciation for the year	(39,447)	(13,406)	(2,986,261)	(736)	(46,585)	(4,836,623)	(7,923,059)
Asset written down	-	(120,658)	-	(1,718)	-	-	(122,377)
Closing net book value	749,502	-	26,876,345	-	419,266	25,364,556	53,409,669
As at June 30, 2026							
Cost	2,316,614	1,037,889	33,466,860	1,840,247	819,000	41,119,112	80,599,722
Accumulated depreciation	(1,567,112)	(1,037,889)	(6,590,515)	(1,840,247)	(399,734)	(15,754,556)	(27,190,053)
Net book value	749,502	-	26,876,345	-	419,266	25,364,556	53,409,669
Annual Depreciation rate	5%	10%	10%	30%	10%	15%	

6. INTANGIBLE ASSETS

Note

2026
----- Rupees -----
2025

PMEX Membership Card		250,000	250,000
Trading Right Entitlement Certificate (TREC)	6.1	100,000	100,000
Computer software	6.2	-	3,909
		350,000	353,909

6.1 Trading Right Entitlement Certificate (TREC)

The Trading Right Entitlement Certificate (TREC) was received from Pakistan Stock Exchange Limited after the merger of all the three stock exchanges of Pakistan in accordance with the requirement of the Stock Exchange (Corporation. Demutualization and integration) Act, 2012.

		2026	2025
	Note	Rupees	
6.2 Computer software			
Cost		1,550,000	1,550,000
Accumulated amortization:			
Opening balance		1,546,091	1,544,416
Charge for the year		1,173	1,675
Written down of asset		2,736	-
		1,550,000	1,546,091
Closing net book value		-	3,909
Annual rate amortization (%)		30%	30%
7. LONG TERM DEPOSITS			
Deposits placed with:			
- Pakistan Mercantile Exchange Limited	7.1	8,750,000	8,750,000
- National Clearing Company of Pakistan Limited	7.2	1,500,000	1,500,000
- Central Depository Company (Basic deposit)		100,000	100,000
- Other parties		219,347	219,347
		10,569,347	10,569,347
7.1 Deposits placed with Pakistan Mercantile Exchange Limited (PMEX)			
Deposit against office building		7,500,000	7,500,000
Security deposit		750,000	750,000
Clearing deposit		500,000	500,000
		8,750,000	8,750,000
7.2 Deposits placed with National Clearing Company of Pakistan Limited (NCCPL)			
Security deposit - DFCs		1,000,000	1,000,000
Security deposit - Ready Market		300,000	300,000
Security deposit - Basic		200,000	200,000
		1,500,000	1,500,000
8. SHORT TERM INVESTMENT			
Investment in quoted equity securities	8.1	4,480,019,263	3,555,098,277
Investment in quoted sukuks	8.2	87,454,545	-
Advance against IPO	8.3	159,140,944	-
		4,726,614,752	3,555,098,277
8.1	This represents 69.710 million shares of Pakistan Stock Exchange Limited. These shares are pledge with PSX agianst Base minimum capital.		

8.2 Investment in quoted Sukuks

	Note	Maturity date	Effective yield	Profit Payment	Principal payment	Face value	2026	2025
						----- (Rupees) -----		
Thatta Cement Company Limited								
Long Term Islamic Sukuk	7.2.1	13-Oct-25	6M kibor+2%	Semi-annually	13-Oct-29	87,454,545	87,454,545	-
							87,454,545	-

8.2.1 These include sukuk of Rs. 87.5 million deposited with Thatta Cement Company Limited for period of 4 year wholly for interest and principal payment pupose

8.3 Subsequent to the year-end, the Company received shares of Select Technologies Limited against the IPO advance of Rs. 159 million paid before the year-end.

9. TRADE DEBTS

Trade receivables - gross		22,810,687	37,036,500
Less: Provision for expected credit losses	9.1	-	(10,717,634)
	9.2	22,810,687	26,318,866

9.1 Movement in provision for expected credit losses on trade debts

Balance at the beginning of the year	10,717,634	10,717,634
Charge during the year	-	-
Write off during the year	(10,717,634)	
Balance at the end of the year	-	10,717,634

9.2 As at June 30, 2026, the tarde debts includes debtors amounting to Rs.16.6 million secured against their securities held with the company .

2026 2025

Rupees

10. DEPOSITS AND OTHER RECEIVABLES

Deposits

Deposits placed with NCCPL in respect of:

- Exposure margin - DFCs	13,000,000	59,000,000
- Loss on DFCs (net of demand)	-	3,304,645
	13,000,000	62,304,645

Advances

-PSX appeal advance	5,000	-
-Prepaid insurance	303,875	
	308,875	-

Other receivables

Receivable from NCCPL against:

- profit held on Deliverable Futures Contracts (DFCs)	17,802,334	60,239,510
- capital gain tax/ Super Tax Pay / Rec	23,870,406	17,487,322
- accrued markup on deposits against exposure margin	694,778	
- accrued markup Sukuks	2,614,028	
	44,981,546	77,726,832
	58,290,421	140,031,477

		2026	2025
	Note	Rupees	
11. CASH AND BANK BALANCES			
Cash in hand		31,157	34,020
Cash at banks:			
- Current accounts		117,297,725	27,336,120
- Saving accounts	11.1	136,408	128,717
	11.2	117,434,133	27,464,837
		<u>117,465,290</u>	<u>27,498,857</u>

11.1 The return on these balances is 8.5% (2025: 8%) per annum on daily product basis.

11.2 Bank balances include customers' bank balances held in designated bank accounts amounting to Rs. 113.228 million (2025: Rs.23.551 million).

12. AUTHORIZED, ISSUED, SUBSCRIBED & PAID UP CAPITAL

2026	2025		2026	2025
Number of shares			Rupees	
		Authorized capital		
		Ordinary shares of Rs.10/- each		
25,000,000	25,000,000	fully paid in cash	250,000,000	250,000,000
		Issued, subscribed and paid up capital		
		Ordinary shares of Rs.10/- each		
12,500,000	12,500,000	fully paid in cash	125,000,000	125,000,000

12.1 Pattern of shareholding

Shareholder name	June 30, 2026		June 30, 2025	
	Number of shares held	% share holding	Number of shares held	% share holding
Muhammad Yaqoob	3,939,950	31.52%	3,939,950	31.52%
Abdul Samad Dawood	2,740,050	21.92%	2,740,050	21.92%
Sumya Abdul Qadir	2,700,100	21.60%	2,700,100	21.60%
Maryam Dawood	2,700,000	21.60%	2,700,000	21.60%
Shanila Dawood	319,900	2.56%	319,900	2.56%
Faiza Yaqoob	100,000	0.80%	100,000	0.80%
	<u>12,500,000</u>	<u>100.00%</u>	<u>12,500,000</u>	<u>100.00%</u>

12.2 There is no agreement among shareholders with respect to voting rights, board selection, rights of first refusal and block voting.

13. STAFF RETIREMENT BENEFITS - GRATUITY

The Company operates an unfunded gratuity scheme for its permanent employees. The latest actuarial valuation of the plan was carried out as at June 30, 2026 by M/s. Nauman Associates, using Projected Unit Credit Method. Details of the defined benefit plan are presented below :

	2026	2025
	Rupees	
13.1 Movement in defined benefit obligation		
Opening balance	18,319,347	14,720,017
Current service cost	4,179,905	3,620,805
Remeasurement gain recognized in other comprehensive income	(1,465,840)	(21,475)
Closing balance	21,033,412	18,319,347
13.2 Expense recognized in profit or loss		
Current service cost	2,027,382	1,449,602
Interest cost on defined benefit obligation	2,152,523	2,171,203
	4,179,905	3,620,805
13.3 Remeasurement gain recognized in other comprehensive income		
Actuarial gain arising from:		
- Changes in financial assumptions	-	(120,741)
- Experience adjustments	(1,465,840)	99,266
	(1,465,840)	(21,475)
13.4 Sensitivity analysis of defined benefit obligation		
Discount rate + 100 bps	19,713,939	17,057,791
Discount rate - 100 bps	22,516,902	19,744,768
Rate of salary increase + 100 pbs	22,548,263	19,744,708
Rate of salary increase - 100 pbs	19,662,495	17,008,590

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the liability for gratuity recognized within the statement of financial position.

13.5 Principal actuarial assumptions used	2026	2025
Mortality rates	SLIC 2001-2005 Setback 1 year	SLIC 2001-2005 Setback 1 year
Discount rate	11.75%	11.75%
Expected rate of increase in salaries	7.82%	10.75%
Retirement age	60 years	60 years

	2026	2025
13.6 Expected benefit payments for future periods	Rupees	
FY 2026	-	1,869,303
FY 2027	2,187,533	1,195,812
FY 2028	1,396,703	1,195,947
FY 2029	1,438,408	1,222,311
FY 2030	6,052,738	5,560,332
FY 2031	4,886,459	4,465,619
FY 2032	5,334,951	4,904,881
FY 2033	1,216,377	-
FY 2034	2,903,849	-
FY 2035	1,317,740	-
FY 2036	3,462,834	-
FY 2037 onwards	120,627,634	-

13.7 As at June 30, 2026, the weighted average duration of the defined benefit plan was 7 years (2025: 8 years).

13.8 The scheme exposes the Company to the actuarial risks such as:

13.8.1 Salary risk

The risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.

13.8.2 Demographic risks

- *Mortality risk:*

The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- *Withdrawal risk:*

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

	Note	2026	2025
14. SHORT TERM BORROWINGS	Rupees		
Running finance - Bank Al Habib Limited	14.1	810,820,060	842,390,914
14.1 This represents the amount availed under a short term running finance facility amounting to Rs. 1,000 million (2025: Rs. 1,500 million) obtained from M/s. Bank Al-Habib Limited for working capital requirements. The financing carries markup at the rate of 3-Month KIBOR plus 1% p.a. (2025: 1-Month KIBOR plus 1% p.a) and this facility is secured by a pledge of all approved shares. The facility is valid till December 31, 2026.			

	Note	2026	2025
15. TRADE AND OTHER PAYABLES	Rupees		
Trade creditors		146,592,505	79,380,079
Accrued and other liabilities		38,558,536	2,766,638
Sindh sales tax payable		1,541,388	1,014,470
Other		-	91,151
		186,692,429	83,252,338

16. CONTINGENCIES AND COMMITMENTS

As at June 30, 2026, there were no material contingencies and commitments known to exist (2025: None).

	2026	2025
	Rupees	
17. OPERATING REVENUE		
Brokerage commission - gross	201,869,029	105,016,522
PSX Commission on shares listing (IPO)	1,926,537	95,940
	203,795,566	105,112,462
Less: Sindh sales tax	(30,279,882)	(15,760,946)
	173,515,684	89,351,516

18. INCOME FROM INVESTMENTS - net

Gain on sale of investments - net	1,123,330,894	1,145,059,523
Dividend income	167,432,178	160,932,050
	1,290,763,072	1,305,991,573
Net change in unrealized gain on re-measurement of investments - net	57,429,477	253,151,222
	1,348,192,549	1,559,142,795

	2026	2025
	Rupees	
19. ADMINSTRATIVE EXPENSES		
Staff salary and benefits	28,033,161	20,260,913
Chief Executive's and Director's remuneration	4,015,000	3,850,056
PSX charges	18,833,577	12,831,716
Fee and subscription charges	2,515,534	1,684,555
NCSS & UIN charges	20,764,069	13,613,213
CDC charges	9,789,002	7,524,952
Utilities	5,311,188	3,927,926
Travelling and conveyance	6,416,160	7,568,000
Depreciation on property and equipment	7,923,059	2,678,434
Amortization on intangible assets	1,174	1,675
Rent, rates and taxes	2,122,962	1,319,640
Repairs and maintenance	639,888	981,083
Donation	2,535,942	24,272,815
Auditors' remuneration	772,200	780,200
Legal and professional charges	208,750	919,977
Software charges	819,168	112,700
General expenses	632,613	3,314,580
Miscellaneous charges	4,830,942	544,100
	116,164,389	106,186,535

19.1 During the year the company made donations to Bantva memon jamat amountings Rs(956,000) and MJB Health association amounting Rs (1,759,942). However none of the directors or their spouse had any interest in the donees.

	2026	2025
	Rupees	
19.2 Auditors' remuneration		
Audit fee	700,000	700,000
Out-of-pocket expenses	15,000	15,000
Sales tax	57,200	65,200
	772,200	780,200

20. FINANCE COSTS

Mark-up	77,323,508	100,090,687
Bank charges	247,258	210,312
	<u>77,570,766</u>	<u>100,300,999</u>

21. OTHER INCOME

Profit on bank saving accounts	660,047	8,004
Profit on exposure deposit	4,582,505	4,239,769
Gain/(Loss) on disposal of PPE	154,206	-
Return on sukuk	9,542,658	-
	<u>14,939,417</u>	<u>4,247,773</u>

22. OTHER EXPENSES

Sindh Worker welfare fund	26,858,250	-
	<u>26,858,250</u>	<u>-</u>

23. MINIMUM TAX - LEVY

This represents portion of minimum tax paid as per Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

24. FINAL TAX - LEVY

This represents portion of final taxes paid as per Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

	2026	2025
	<u>Rupees</u>	<u>Rupees</u>
25. INCOME TAX EXPENSE		
Current Tax		
- for the year	5,225,528	300,509,892
- for prior year	(43,406,471)	2,675,387
	<u>(38,180,943)</u>	<u>303,185,279</u>
Deferred tax	(44,590,899)	44,590,899
	<u>(82,771,843)</u>	<u>347,776,178</u>

25.1 In relation to the year ended June 30, 2026 and June 30, 2025, the numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rate as required by IAS 12 'Income Taxes' has not been presented as the major portion of company is taxed under minimum and final tax regime.

25.2 Deferred tax asset amounting to Rs.7.1 million is not recognized as company is not generating operating profit from normal operations in past.

	Note	2026	2025
		<u>Rupees</u>	<u>Rupees</u>
26. CASH AND CASH EQUIVALENTS			
Bank balances	11	117,465,290	27,498,857
Short term borrowings - running finance	14	(810,820,060)	(842,390,914)
		<u>(693,354,770)</u>	<u>(814,892,057)</u>

27. REMUNERATION OF THE CHIEF EXECUTIVE,
DIRECTOR AND EXECUTIVES

	Chief Executive		Directors		Executive		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
Managerial remuneration	1,026,667	1,026,667	1,540,000	1,540,000	2,448,000	2,262,000	5,014,667	4,828,667
House rent allowance	410,667	410,667	616,000	616,000	979,200	904,800	2,005,867	1,931,467
Utilities	102,666	102,666	154,000	154,000	244,800	226,200	501,466	482,866
Staff gratuity benefit	-	-	165,000	165,000	270,000	252,000	435,000	417,000
	<u>1,540,000</u>	<u>1,540,000</u>	<u>2,475,000</u>	<u>2,475,000</u>	<u>3,942,000</u>	<u>3,645,000</u>	<u>7,957,000</u>	<u>7,660,000</u>
No. of persons	1	1	1	1	2	2	4	4

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27.1 In addition to the benefits above, the Chief Executive has also been provided with free use of the Company-maintained car.

28. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of key management personnel of the Company (including directors) and their close family members. Remuneration of the Chief Executive and directors is disclosed in note 26 to the financial statements. Transactions entered into with related parties and balances held with them, other than those disclosed elsewhere in these financial statements, are as follows:

	2026	2025
	Rupees	
Name of the related party, relationship with company and Nature of Transaction		
<u>KEY MANAGEMENT PERSONNEL</u>		
Muhammad Yaqoob (Director)		
<i>Transaction during the year</i>		
Purchase of securities	1,654,653,698	656,508,433
Sale of securities	1,580,433,978	664,478,988
Commission on transactions	1,457,250	384,081
Salary paid during the year	2,310,000	2,310,000
Abdul Samad Dawood (CEO and Director)		
<i>Transaction during the year</i>		
Purchase of securities	742,284,216	532,382,753
Sale of securities	754,833,395	538,049,151
Commission on transactions	855,483	228,332
Salary paid during the year	1,540,000	1,540,000
<u>SHAREHOLDER</u>		
Faiza Yaqoob		
<i>Transaction during the year</i>		
Purchase of securities	1,574,308,084	2,625,119,921
Sale of securities	1,513,919,852	2,684,347,162
Commission on transactions	2,659,835	2,141,255

29. FINANCIAL INSTRUMENTS

29.1 Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (interest rate risk and price risk). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. The Company consistently manages its exposure to financial risk without any material change from previous periods in the manner described in notes below.

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. All treasury related transactions are carried out within the parameters of these policies.

29.1.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking in to account the fair value of any collateral. Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter parties in case of placements or other arrangements to fulfil their obligations.

Exposure to Credit risk

Credit risk of the company arises principally from the trade debts, short term investments, loans and advances, deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. The company allow to trade in future contracts after taking appropriate margins.

Credit risk is minimised due to the fact that the company invest only in high quality financial assets, all transactions are settled/paid for upon delivery. The company does not expect to incur material credit losses on its financial assets. The maximum exposure to credit risk at the reporting date is as follows:

	Note	2026 Rupees	2025
Long term deposits		10,569,347	10,569,347
Trade debts	(a)	22,810,687	26,318,866
Deposits and other receivables		58,290,421	140,031,477
Bank balances	(b)	117,465,290	27,498,857
		<u>209,135,745</u>	<u>204,418,547</u>

Note (a) - Credit risk exposure on trade debts

To reduce the exposure to credit risk arising from trade debts, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their net worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery.

The Company's management, as part of risk management policies and guidelines, reviews clients' financial position, considers past experience, obtain authorized approvals and arrange for necessary collaterals in the form of equity securities to reduce credit risks and other factors. These collaterals are subject to market risk which ultimately affects the recoverability of debts.

As of the reporting date, the ageing analysis of trade debts was as follows:

	June 30, 2026		June 30, 2025	
	Gross carrying amount	Life time expected credit losses	Gross carrying amount	Life time expected credit losses
	----- Rupees -----			
Not yet due	-	-	-	-
Past due 1-30 days	6,691,623	-	6,414,960	-
Past due 31-180 days	8,735,623	-	12,471,291	-
Past due 181-365 days	7,383,444	-	5,911,454	-
More than 365 days	-	10,717,634	12,238,795	10,717,634
	22,810,690	10,717,634	37,036,500	10,717,634

Except as disclosed above, no provision for expected credit losses has been recognized in respect of trade debts as the security against the same is adequate or counter parties have sound financial standing.

Note (b) - Credit risk exposure on bank balances

The Company's credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. As of the reporting date, the external credit ratings of the Company's bankers were as follows:

	Short term rating	Credit rating agency	2026	2025
			----- Rupees -----	
Banks / other institutions				
Bank Al Habib Limited	AAA	PACRA	113,769,696	23,568,295
Habib Bank Limited	AAA	JCR VIS	391,230	1,204,534
Bank Alfalah Limited	A1+	PACRA	2,384,076	2,200,668
MCB Bank Limited	A1	PACRA	62,879	111,949
Bank Islami Pakistan Limited	A1	PACRA	119,788	112,097
Habib Metropolitan Bank Limited	A1+	PACRA	77,720	77,720
Bank Makramah Limited/Summit Bank Limited	A2	JCR VIS	36,696	36,696
Samba Bank Limited	AA	PACRA	16,620	16,620
Sindh Bank Limited	AA	VIS	8,840	8,840
Soneri Bank Limited	A1+	PACRA	82,067	80,067
Askari Bank Limited	AAA	PACRA	8,824	9,848
United Bank Limited	A1	JCR VIS	18,727	18,181
Bank of Punjab	A1+	JCR-VIS	12,265	800
Dubai Islamic Bank Pakistan Limited	A1+	JCR VIS	5,375	5,375
JS Bank Limited	A1+	PACRA	8,251	6,406
MCB Islamic Bank Limited	A1	PACRA	587	-
Meezan Bank Limited	AAA	JCR JCR VIS	430,492	6,740
			117,434,133	27,464,837

29.1.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of adequate funds through committed credit facilities and the ability to close out market positions due to dynamic nature of the business. The Company finances its operations through equity and borrowings with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

The following are the contractual maturities of financial liabilities, including estimated interest payments (except on short term borrowings from banking companies):

		June 30, 2026				
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
Financial liabilities						
Short term borrowings	810,820,060	810,820,060	810,820,060	-	-	-
Trade and other payables	186,692,429	186,692,429	186,692,429	-	-	-
Accrued markup	23,863,514	23,863,514	23,863,514	-	-	-
Taxation	136,530,038	136,530,038	136,530,038	-	-	-
	1,157,906,041	1,157,906,041	1,157,906,041	-	-	-
		June 30, 2025				
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
Financial liabilities						
Short term borrowings	842,390,914	842,390,914	842,390,914	-	-	-
Trade and other payables	83,252,338	83,252,338	83,252,338	-	-	-
Accrued markup	26,210,276	26,210,276	26,210,276	-	-	-
Taxation	65,893,793	65,893,793	65,893,793	-	-	-
	1,017,747,321	1,017,747,321	1,017,747,321	-	-	-

29.1.3 Market risk

Market risk means that the future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, equity prices and interest rates. Market risk comprises of three types of risks: foreign currency risk, price risk and interest rate risk.

(a) Foreign currency risk

Foreign 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. As of the reporting date, the Company was not exposed to foreign currency risk since there were no foreign currency transactions during the year or foreign currency balances held at the reporting date.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from deposits against exposure margin requirements as well as short-term borrowings from banking companies. However all of those are short term and there is no significant interest rate risk

(c) Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the 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 or similar financial instruments traded in the market. The Company manages price risk by monitoring the exposure in quoted equity securities and implementing the strict discipline in internal risk management and investment policies, which includes disposing of its own equity investment and collateral held before it led the Company to incur significant mark-to-market and credit losses. As of the reporting date, the Company was exposed to price risk since it had investments in quoted equity securities and also because the Company held collaterals in the form of equity securities against their debtor balances.

The carrying value of investments subject to price risk is based on quoted market prices as of the reporting date. Market prices are subject to fluctuation and, consequently, the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

The Company's portfolio of short term investments is broadly diversified so as to mitigate the significant risk of decline in prices of equity securities in particular sectors of the market.

The table below summarizes Company's equity price risk as of June 30, 2026 and 2025 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the reporting dates. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse because of the nature of markets and the aforementioned concentrations existing in Company's equity investment portfolio.

	Fair value (Rupees)	Hypothetical price change	Estimated fair value after hypothetical change in prices ----- Rupees -----	Hypothetical increase / (decrease) in profit before tax ----- Rupees -----
June 30, 2026	4,480,019,263	10% increase	<u>4,928,021,189</u>	<u>448,001,926</u>
		10% decrease	<u>4,032,017,337</u>	<u>(448,001,926)</u>
June 30, 2025	3,555,098,277	10% increase	<u>3,910,608,104</u>	<u>355,509,828</u>
		10% decrease	<u>3,199,588,449</u>	<u>(355,509,828)</u>
			2026	2025
29.2 Financial instruments by category			----- Rupees -----	
29.2.1 Financial assets				
At amortized cost				
Long term deposits			10,569,347	10,569,347
Short term Securities			4,726,614,752	3,555,098,277
Trade debts			22,810,687	26,318,866
Deposits and other receivables			58,290,421	140,031,477
Cash and bank balances			<u>117,465,290</u>	<u>27,498,857</u>
			<u>4,935,750,497</u>	<u>3,759,516,824</u>
At fair value through profit or loss				
Investment in quoted equity securities			<u>4,726,614,752</u>	<u>3,555,098,277</u>
29.2.2 Financial liabilities				
At amortized cost				
Short term borrowings			810,820,060	842,390,914
Trade and other payables			186,692,429	83,252,338
Accrued markup			23,863,514	26,210,276
Taxation			<u>136,530,038</u>	<u>65,893,793</u>
			<u>1,157,906,041</u>	<u>1,017,747,321</u>

30. FAIR VALUE OF ASSETS AND LIABILITIES

In case of equity instruments, the Company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market.

Level 2: Valuation techniques based on observable inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

Fair values of financial assets that are traded in active markets are based on quoted market prices. For all other financial instruments the Company determines fair values using valuation techniques unless the instruments do not have a market/ quoted price in an active market and whose fair value cannot be reliably measured.

The table below analyses assets measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

	Level 1	Level 2	Level 3	Total
June 30, 2026	Rupees			
Investment in quoted equity securities	4,480,019,263	-	-	4,480,019,263

	Level 1	Level 2	Level 3	Total
June 30, 2025	Rupees			
Investment in quoted equity securities	3,555,098,277	-	-	3,555,098,277

31. CAPITAL

31.1 Capital 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.

Following is the quantitative analysis of what the Company manages as capital:

	2026	2025
	Rupees	
Shareholders' equity:		
Issued, subscribed and paid up capital	125,000,000	125,000,000
Unappropriated profit	3,685,570,712	2,618,864,064
Total capital managed by the Company	3,810,570,712	2,743,864,064

31.2 Capital Adequacy level

The Capital Adequacy Level of the Company as of the reporting date was as follows:

	Note	2026	2025
		Rupees	
Total assets	31.2.1	4,991,910,166	3,824,521,631
Less: Total liabilities		(1,178,939,453)	(999,427,974)
Less: revaluation reserves (created upon revaluation of fixed assets)		-	-
		<u>3,812,970,712</u>	<u>2,825,093,657</u>

31.2.1 While determining the value of the total assets, notional value of the TRE Certificate as determined by Pakistan Stock Exchange Limited has been considered.

31.3 Liquid Capital [as per the requirements of the Securities Brokers (Licensing and Operations) Regulations, 2016]

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	53,409,669	53,409,669	-
1.2	Intangible Assets	350,000	350,000	-
1.3	Investment in Govt. Securities	-	-	-
1.4	Investment in Debt. Securities			
	i. 10% of the balance sheet value, in the case of tenure of more than 3 years.	87,454,545	8,745,455	78,709,091
	Investment in Equity Securities			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	4,410,308,613	758,474,423	3,651,834,190
1.5	Provided, that if any of these securities are pledged with the securities exchange for maintaining Base Minimum Capital Requirement 100% haircut on the value of eligible securities to the extent of minimum required value of Base Minimum Capital.	69,710,650	69,710,650	
1.6	Investment in subsidiaries	-	-	-
1.7	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity. (i) 100% of net value, however any excess amount of cash deposited with securities exchange to comply with the requirements of base minimum capital may be taken in calculation of LC.	10,569,347	10,569,347	-
1.8	Margin deposits with exchange and clearing house.	13,000,000		13,000,000
1.9	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.10	Other deposits and prepayments	308,875	308,875	-
1.11	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc. (Nil)	3,308,806	-	3,308,806
1.12	Dividends receivables.	-	-	-
1.13	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. (<i>Securities purchased under repo arrangement shall not be included in the investments.</i>)	-	-	-
1.14	Advance an receivables other than trade receivables: (i) No haircut may be applied on short term loan to employees provided these loans are secured and due for repayment within 12 months, (ii) No haircut may be applied to the advance tax to the extent it is netted with the provision of taxation, (iii) In all other cases 100% of net value	159,140,944	159,140,944	
	(ii). Receivables other than trade receivables	23,870,406	23,870,406	-
	Receivables from clearing house or securities exchange(s)			
1.15	i. Incase receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, i. <i>Net amount after deducting haircut</i>	17,802,334	-	-
	Receivables from customers			
	i. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. i. <i>Balance sheet value</i>	1,194,560	-	1,194,560

1.16	ii. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. <i>ii. Lower of net balance sheet value or value determined through adjustments</i> <i>iii. 100% haircut in the case of amount receivable form related parties.</i>	21,616,127	15,498,532	6,117,595
	Cash and Bank balances			
1.17	i. Bank Balance-proprietary accounts	4,205,202	-	4,205,202
	ii. Bank balance-customer accounts	113,228,931	-	113,228,931
	iii. Cash in hand	31,157	-	31,157
	Total Assets	4,989,510,166	1,100,078,300	3,871,629,532

2. Liabilities

2.1	Trade Payables			
	i. Payable to customers	146,592,505	-	146,592,505
	Current Liabilities			
	i. Statutory and regulatory dues	28,399,638	-	28,399,638
	ii. Accruals and other payables	35,563,800	-	35,563,800
2.2	iii. Short-term borrowings	810,820,060	-	810,820,060
	iv. Provision for taxation	136,530,038	-	136,530,038
	v. Other liabilities as per accounting principles and included in the financial statements	-	-	-
	Non-Current Liabilities			
2.3	i. Long-Term financing	-	-	-
	ii. Staff retirement benefits	21,033,412	-	21,033,412
	Subordinated Loans	-	-	-
2.4	100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted	-	-	-
2.5	Advances against shares for increase in capital of securities broker	-	-	-
	Total Liabilities	1,178,939,453	-	1,178,939,453

3. Ranking Liabilities Relating to :

3.1	Concentration in Margin Financing	-	-	-
3.2	Concentration in securities lending and borrowing	-	-	-
3.3	Net underwriting Commitments	-	-	-
3.4	Negative equity of subsidiary	-	-	-
3.5	Foreign exchange agreements and foreign currency positions	-	-	-
3.7	Repo adjustment	-	-	-
3.8	Concentrated proprietary positions	-	-	-
	Opening Positions in futures and options			
3.9	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts	6,430,910	-	-
	ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	18,509,587	-	-
3.10	Short sell positions			
	Total Ranking Liabilities	24,940,497	-	-
		3,810,570,713	1,100,078,300	2,692,690,079

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (Serial number 1.2)	3,871,629,532
(ii) Less: Adjusted value of liabilities (Serial number 2.6)	(1,178,939,453)
(iii) Less: Total ranking liabilities (series number 3.11)	-
	2,692,690,079

32. OTHER DISCLOSURES UNDER REGULATION OF THE SECURITIES BROKER (LICENSING AND OPERATIONS) REGULATION 2016:

The disclosures under the regulation, other than disclosed elsewhere in these annual financial statements are as follows:

32.1 Pattern of shareholding

	2026	2025	2026	2025
	% of Holding		Number of Shares	
Muhammad Yaqoob	32%	42%	3,939,950	3,939,950
Abdul Samad	22%	29%	2,740,050	2,740,050
Sumya Abdul Qadir	22%	29%	2,700,100	2,700,100
Maryam Dawood	22%	29%	2,700,000	2,700,000
Shanila Dawood	3%	3%	319,900	319,900
Faiza Yaqoob	1%	1%	100,000	100,000
	75.04%	100.00%	12,500,000	9,380,100

32.2 During the year there was no movement in shareholding of more than 5% of the shares.

32.3 As at June 30, 2026, the Company's own securities amounting to Rs. 1.870 billion and customers' securities held by the Company amounting to Rs. 5.8875 billion were pledged with financial institutions.

32.4 As at June 30, 2026, the value of brokergage house shares maintained with the company sub-Accounts held in the Central Depository Company of Pakistan Limited is Rs. 12,627.117 million (2025: Rs. 14,823.414 million).

32.5 Company prepares these financial statements on the settlement date basis and accordingly account for income, assets and liabilities

2026 2025

33 GENERAL

33.1 Number of employees

Number

Total number of employees as at June 30,
Average number of employees during the year

25	21
25	21

33.2 Date of authorization for issue

These financial statements were authorized for issue by the Board of Directors of the Company in

their meeting held on 07 OCT 2026.



Chief Executive Officer



Director