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Rahman Sarfaraz Rahim Iqbal Rafiq

CHARTERED ACCOUNTANTS

AUDITED FINANCIAL STATEMENTS
OF
DJM SECURITIES LIMITED
FOR THE YEAR ENDED
JUNE 30, 2025

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CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' 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 M/s. DJM Securities Limited (the Company), which comprise the statement of financial position as at **June 30, 2025**, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information ('the financial statements'), 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 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 **June 30, 2025** and of the profit, total comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

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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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 the financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional scepticism 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.

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.

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

The engagement partner on the audit resulting in this independent auditor's report is
Mr. Muhammad Rafiq Dosani.


RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Karachi

Date: October 03, 2025
UDIN: AR2025102100HF0a3EJU

DJM Securities Limited

Statement of Financial Position

As at June 30, 2025

		2025	2024
ASSETS	Note	Rupees	
Non-current assets			
Property and equipment	4	64,650,898	11,024,800
Intangible assets	5	353,909	355,584
Long term advances	6	-	2,500,000
Long term deposits	7	10,569,347	10,569,347
		<u>75,574,154</u>	<u>24,449,731</u>
Current assets			
Investment in quoted equity securities	8	3,555,098,277	1,793,287,371
Trade debts	9	26,318,866	26,429,354
Deposits and other receivables	10	140,031,477	49,409,255
Taxation - net		-	36,726,713
Cash and bank balances	11	27,498,857	85,078,212
		<u>3,748,947,477</u>	<u>1,990,930,905</u>
Total assets		<u><u>3,824,521,631</u></u>	<u><u>2,015,380,636</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		<u>2,618,864,064</u>	<u>1,544,451,526</u>
		<u>2,743,864,064</u>	<u>1,669,451,526</u>
Non-current liabilities			
Deferred tax - net	13	44,590,899	-
Staff retirement benefits - gratuity	14	18,319,347	14,720,017
Current liabilities			
Short term borrowings	15	842,390,914	144,515,863
Trade and other payables	16	83,252,338	125,492,030
Accrued markup		26,210,276	61,201,200
Taxation - net	17	65,893,793	-
		<u>1,017,747,321</u>	<u>331,209,093</u>
Contingencies and commitments	18	-	-
Total equity and liabilities		<u><u>3,824,521,631</u></u>	<u><u>2,015,380,636</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, 2025

	Note	2025 Rupees	2024
Operating revenue	19	89,351,516	49,451,242
Income from investments - net	20	1,559,142,795	1,162,027,165
		<u>1,648,494,311</u>	<u>1,211,478,406</u>
Administrative expenses	21	(106,186,535)	(56,934,177)
Operating profit		<u>1,542,307,776</u>	<u>1,154,544,230</u>
Finance costs	22	(100,300,999)	(218,316,460)
Other income	23	4,247,773	4,366,894
Other expenses	24	-	(10,717,634)
Profit before levies and taxation		<u>1,446,254,550</u>	<u>929,877,030</u>
Levies		(24,087,309)	(7,971,915)
Profit before taxation		<u>1,422,167,241</u>	<u>921,905,115</u>
Taxation	26	(347,776,178)	(13,040,937)
Profit after taxation		<u><u>1,074,391,063</u></u>	<u><u>908,864,178</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, 2025

	2025	2024
	Rupees	
Profit after taxation	1,074,391,063	908,864,178
Other comprehensive income	21,475	470,376
Total comprehensive income for the year	<u>1,074,412,538</u>	<u>909,334,554</u>

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

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Chief Executive Officer


Director

DJM Securities Limited

Statement of Changes in Equity For the year ended June 30, 2025

	Issued, subscribed and paid up capital	Unappropriated profits	Total
	Rupees		
Balance as at June 30, 2023	125,000,000	635,116,972	760,116,972
Total comprehensive income for the year ended June 30, 2024			
- Profit after taxation	-	908,864,178	908,864,178
- Other comprehensive income	-	470,376	470,376
	-	909,334,554	909,334,554
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

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


Chief Executive Officer


Director

DJM Securities Limited

Statement of Cash Flows

For the year ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before levies and taxation

Note	2025	2024
	Rupees	
	1,446,254,550	929,877,030

Adjustments for non-cash and other items:

- Depreciation on property and equipment
- Amortization on intangible assets
- Profit on exposure deposit
- Capital gain on sale of investments
- Unrealized gain on remeasurement of investments
- Provision against expected credit loss
- Provision for staff retirement benefits
- Finance costs

21	2,678,434	1,773,594
	1,675	2,393
	(4,239,769)	(4,364,186)
	(1,145,059,523)	(606,469,356)
	(253,151,222)	(499,324,214)
	-	10,717,634
	3,620,805	3,223,709
	100,300,999	218,316,460
	(1,295,848,601)	(876,123,967)

Cash generated from operating activities before working capital changes

150,405,949	53,753,063
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Working capital changes

(Increase) / decrease in current assets

- Trade debts
- Deposits and other receivables

110,488	63,979,561
(90,622,222)	(11,731,121)
(42,239,692)	90,510,350
(132,751,426)	142,758,791

Increase / (decrease) in current liabilities

- Trade and other payables

17,654,523	196,511,854
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Cash generated from operating activities

Short term investments - net

Finance costs paid

Income tax refund received

Long term advances

Income tax paid

Net cash (used in) / generated from operating activities

(363,600,161)	1,119,336,113
(135,291,923)	(213,957,266)
-	30,000,000
2,500,000	-
(224,652,082)	(11,572,015)
(703,389,643)	1,120,318,685

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment

Profit received on exposure deposit

Net cash (used in) / generated from investing activities

(56,304,532)	-
4,239,769	4,364,186
(52,064,763)	4,364,186

Net (decrease) / increase in cash and cash equivalents

Cash and cash equivalents at the beginning of the year

(755,454,406)	1,124,682,872
(59,437,651)	(1,184,120,523)

Cash and cash equivalents at the end of the year

27	(814,892,057)	(59,437,651)
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The annexed notes from 1 to 33 form an integral part of these financial statements.

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Chief Executive Officer


Director

DJM Securities Limited

Notes to the Financial Statements

For the year ended June 30, 2025

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.

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in these financial statements is included in the following notes:

Area of Judgement	Brief description of the judgement applied
Deferred tax assets	Whether deferred tax assets should be recorded on realized and unrealized losses on short term investments in securities - availability of future taxable profit on securities with in next three tax years against which such losses can be utilised.

(b) *Assumptions and other major sources of estimation uncertainty*

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Area of estimation uncertainty	Brief description of the assumption or the source of estimation uncertainty
Provision for Expected Credit losses	Estimation of the default rates for each age bracket of aging of customers.

2.5 **Changes in accounting standards, interpretations and amendments to published approved accounting standards**

2.5.1 *Amendments to existing standards that became effective during the year*

The following new or amended standards and interpretations became effective during the period which are considered to be relevant to the financial statements :

- Classification of liabilities as current or non-current (Amendments to IAS 1)
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

The above amendments / interpretations do not likely have an effect on the financial statements of the Company except noted below:

The Company adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements 2 'Making Materiality Judgments') from July 01, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

There amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user requires to understand other information in the financial statements.

2.5.2 *Standards, interpretations and amendments to published approved accounting standards that are not yet effective*

The following International Financial Reporting Standards (IFRS) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after the dates specified below:

- Non-current Liabilities with Covenants (amendment to IAS 1 in October 2022) aims to improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with conditions. The amendment is also intended to address concerns about classifying such a liability as current or non-current. Only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the Group company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The amendments apply retrospectively for annual reporting periods beginning on or after January 01, 2024, with earlier application permitted. These amendments also specify the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments to IAS 1 (as referred above).

- Lease liability in a sale and leaseback (amendment to IFRS 16 in September 2022) adds subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements to be accounted for as a sale. The amendment confirms that on initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. The amendments are effective for annual reporting periods beginning on or after January 01, 2024 with earlier application permitted. Under IAS 8, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16 and will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments. If an entity (a seller-lessee) applies the amendments arising from lease liability in a sale and leaseback for an earlier period, the entity shall disclose that fact.
- Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7) introduce two new disclosure objectives for company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk. Under the amendments, companies also need to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement. The amendments also add supplier finance arrangements as an example to the existing disclosure requirements in IFRS 7 on factors a company might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities. The amendments are effective for periods beginning on or after January 01, 2024, with early application permitted.
- Amendment in IAS 21 'The Effects of Changes in Foreign Exchange Rates', - lack of exchangeability (effective for annual reporting periods beginning on or after January 01, 2025) a currency is exchangeable when an entity is able to exchange that currency for the other currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose; a currency is not exchangeable into the other currency if an entity can only obtain an insignificant amount of the other currency.
- IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. SECP vide its SRO 1715(I)/2023 dated November 21, 2023 has directed that IFRS 17 shall be followed for the period commencing January 01, 2026 by companies engaged in insurance / takaful and re-insurance / re-takaful business
- The International Accounting Standards (the IASB or the Board) issued Amendments to IFRS 9 and IFRS 7. Amendments to the Classification and Measurement of Financial Instruments. The amendments:
 - Clarify that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged or cancelled or expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.
 - Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-Linked features and other similar contingent features
 - Clarify the treatment of non-recourse assets and contractually linked instruments (CLI)
 - Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income (FVTOCI).

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- Annual Improvements - Volume Eleven:

- Hedge Accounting by a First-time Adopter (Amendments to IFRS 1) - Paragraphs B5 and B6 of IFRS 1 have been amended to include cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of IFRS 9. The amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.
- Gain or Loss on Derecognition (Amendments to IFRS 7) - Paragraph B38 of IFRS 7 has been amended to update the language on unobservable inputs and to include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement
- Introduction (Amendments to Guidance on implementing IFRS 7) - Paragraph IG1 of the Guidance on implementing IFRS 7 has been amended to clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.
- Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7) - Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.
- Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7) - Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.
- Lessee Derecognition of Lease Liabilities (Amendments to IFRS 9) - Paragraph 2.1 of IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 and recognise any resulting gain or loss in profit or loss. However, the amendment does not address how a lessee distinguishes between a lease modification as defined in IFRS 16 Leases and an extinguishment of a lease liability in accordance with IFRS 9.
- Transaction Price (Amendments to IFRS 9) - Paragraph 5.1.3 of IFRS 9 has been amended to replace the reference to 'transaction price as defined by IFRS 15 Revenue from Contracts with Customers' with 'the amount determined by applying IFRS 15'. The use of the term 'transaction price' in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9.
- Determination of a 'De Facto Agent' (Amendments to IFRS 10) - Paragraph B74 of IFRS 10 has been amended to clarify that the relationship described in 874 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor. The amendment is intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents.
- Cost Method (Amendments to IAS 7) - Paragraph 37 of IAS 7 has been amended to replace the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

The above standards, amendments to approved accounting standards and interpretations have not been early adopted by the Company and are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the SECP as at June 30, 2024:

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- IFRS 1 (First-time Adoption of International Financial Reporting Standards)
- IFRS 18 (Presentation and Disclosure in Financial Statements)
- IFRS 19 (Subsidiaries without Public Accountability: Disclosures)

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 4. 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 5.2, 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 or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income taxes are not accounted for if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is measured using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and unused tax losses and credits.

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognised deferred tax asset to be utilised. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Offsetting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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3.6 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.

3.7 Financial assets

3.7.1 *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.

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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.

3.7.2 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.

3.7.3 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.

3.8 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.

3.9 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.

3.10 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.

3.11 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.

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3.12 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.

4. PROPERTY AND EQUIPMENT

	Office premises	Office equipment	Office furniture	Computers	Generator	Vehicles	Total
	Rupees						
As at June 30, 2023							
Cost	2,316,614	1,037,889	3,466,860	1,840,247	819,000	21,332,080	30,812,690
Accumulated depreciation	(1,442,432)	(872,377)	(3,017,507)	(1,835,236)	(243,876)	(10,602,868)	(18,014,296)
Net book value	874,182	165,512	449,353	5,011	575,124	10,729,212	12,798,394
Movement during the year ended June 30, 2024							
Opening net book value	874,182	165,512	449,353	5,011	575,124	10,729,212	12,798,394
Depreciation for the year	(43,709)	(16,551)	(44,935)	(1,504)	(57,512)	(1,609,383)	(1,773,594)
Closing net book value	830,473	148,961	404,418	3,507	517,612	9,119,829	11,024,800
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
Annual rate of depreciation	5%	10%	10%	30%	10%	15%	

5. INTANGIBLE ASSETS

	Note	2025	2024
		Rupees	
PMEX Membership Card		250,000	250,000
Trading Right Entitlement Certificate (TREC)	5.1	100,000	100,000
Computer software	5.2	3,909	5,584
		353,909	355,584

5.1 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.

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		2025	2024
	Note	Rupees	
5.2	Computer software		
Cost		1,550,000	1,550,000
Accumulated amortization:			
Opening balance		1,544,416	1,542,023
Charge for the year		1,675	2,393
		1,546,091	1,544,416
Closing net book value		3,909	5,584
Annual rate amortization (%)		30%	30%
6.	LONG TERM ADVANCES		
Advance against furniture		-	2,500,000
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

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8. INVESTMENT IN QUOTED EQUITY SECURITIES

At fair value through profit or loss

2025	2024	Name of Investee	2025	2024
----- Number of shares -----			---- Market value in Rupees ----	
1,250,000	5,000,000	Adamjee Insurance Company Limited	62,512,500	179,550,000
75,000	-	Air Link Communication Limited	11,448,000	-
21,846,035	2,750,871	Aisha Steel Mills Limited	245,330,973	20,246,411
3,500	3,500	Aisha Steel Mills Limited - Preference Shares	59,780	31,500
-	5,000,000	Al Shaheer Corporation Limited	-	40,350,000
1,300,000	1,000,000	Arif Habib Corporation Limited	14,040,000	48,510,000
662,826	-	Arif Habib Limited	49,996,965	-
-	150,000	Baluchistan Glass Limited	-	1,941,000
100,000	100,000	Bank Al Habib Limited	15,778,000	11,218,000
1,500,000	-	Bank Alfalah Limited	120,360,000	-
25,000	400,000	Biafo Industries Limited	4,390,500	40,800,000
163,196	-	Calcorp Limited	6,395,651	-
-	500,000	Cnergycico Pk Limited	-	1,925,000
-	2,000	Dadex Eternit Ltd.	-	76,160
-	50,000	Dawood Hercules Corporation Limited	-	8,046,500
550,000	-	Engro Holdings Limited (Formerly Dawood	100,408,000	-
-	2,900,000	Fatima Fertilizer Company Limited	-	149,698,000
200,000	246,115	Fauji Foods Limited	3,096,000	2,183,040
-	600,000	Flying Cement Company Limited	-	4,992,000
650,000	-	Gharibwal Cement Limited	31,882,500	-
1,500,000	1,900,000	Habib Bank Limited	268,785,000	235,657,000
200,000	-	Hi-Tech Lubricants Limited	9,018,000	-
245,100	-	Honda Atlas Cars (Pakistan) Limited	67,458,873	-
100,000	-	Image Pakistan Limited	2,446,000	-
500,000	-	Intermarket Securities Limited	4,135,000	-
-	180,000	International Industries Limited	-	35,227,800
175,000	-	International Packaging Films Limited	4,025,000	-
10,000	10,000	Javed Omer Vohra & Company Limited - Freeze	-	-
7,500,000	-	Js Bank Limited	92,475,000	-
39,843	-	Js Global Capital Limited	5,021,413	-
20,000,000	26,764,432	K-Electric Limited	105,000,000	123,919,320
20,900	-	Kohat Cement Company Limited	7,928,624	-
215,000	-	Kot Addu Power Company Limited	7,090,700	-
10,500,000	-	Lotte Chemical Pakistan Limited	212,835,000	-
332,300	-	Lucky Cement Limited	118,046,252	-
-	170,000	Maple Leaf Cement Factory Limited	-	6,460,000
-	500,000	Merit Packaging Limited	-	6,495,000
150,000	-	Mughal Iron And Steel Industries Ltd	10,818,000	-
1,000,000	4,500,000	National Bank Of Pakistan	108,690,000	167,175,000
50,000	-	National Foods Limited	16,361,500	-
848,303	-	Nishat Mills Limited	106,784,382	-
200,000	-	Nishat Power Limited	7,254,000	-
562,000	-	Octopus Digital Limited	28,943,000	-
1,640,000	1,300,000	Oil & Gas Development Company Limited	361,718,400	175,981,000
750,000	-	Pak Elektron Limited	30,720,000	-
4,712,000	788,000	Pakistan Petroleum Limited	801,841,040	92,282,680
-	950,000	Pakistan Refinery Limited	-	22,040,000
307,700	286,500	Pakistan State Oil Company Limited	116,165,981	47,619,165
450,000	450,000	Pakistan Stock Exchange Limited	12,586,500	5,764,500
3,800	-	Sazgar Engineering Works Limited	4,331,316	-
-	1,000	Shahtaj Sugar Mills Limited	-	104,040
-	50,000	Shell Pakistan Limited	-	6,705,000
27,060	-	Shezan International Limited	4,868,365	-
7,500	7,500	Southern Electric Power Company Limited -	-	-
-	200,000	Sui Northern Gas Pipelines Limited	-	12,694,000
-	350,000	Symmetry Group Limited	-	1,704,500
300,000	-	Systems Limited	32,142,000	-
20	20	Telecard Limited-Tfc (27-05-05) - Freeze	-	-
350,000	-	Thatta Cement Company Limited	66,552,500	-
750,000	-	The Hub Power Company Limited	103,357,500	-
-	11,000	Towellers Limited	-	1,552,760
2,700,000	700,000	TPL Insurance Limited	26,865,000	10,038,000
-	800,000	TPL Properties Limited	-	6,992,000
261,533	261,533	TPL Reit Fund I	3,690,231	3,922,995
2,200,000	-	Treet Battery Limited	27,544,000	-
-	300,000	Treet Corporation Limited	-	4,668,000
100,000	100,000	Trust Investment Bank Limited - Freeze	97,000	97,000
40,000	-	United Bank Limited	11,038,000	-
4,125,485	10,000,000	Unity Foods Limited	102,765,831	301,500,000
-	12,000,000	Worldcall Telecom Limited	-	15,120,000
91,199,101	81,282,471	Total	3,555,098,277	1,793,287,371

8.1 As of the reporting date, the total values of the pledged securities were as follows:

	Note	2025	2024
		Rupees	
Pledged with financial institutions			
Clients		3,023,469,182	1,146,651,490
Brokerage House		1,838,971,305	1,271,232,860
		<u>4,862,440,487</u>	<u>2,417,884,350</u>
Pledged with PSX / NCCPL			
Clients		-	-
Brokerage House		904,058,350	349,054,345
		<u>904,058,350</u>	<u>349,054,345</u>

9. TRADE DEBTS

Trade receivables - gross		37,036,500	37,146,988
Less: Provision for expected credit losses	9.1	(10,717,634)	(10,717,634)
	9.2	<u>26,318,866</u>	<u>26,429,354</u>

9.1 Movement in provision for expected credit losses on trade debts

Balance at the beginning of the year		10,717,634	-
Charge during the year	24	-	10,717,634
Balance at the end of the year		<u>10,717,634</u>	<u>10,717,634</u>

9.2 As at June 30, 2025, the Company held equity securities having fair value of Rs. 1,146.6 million (2024: Rs.1,146.6 million) owned by its clients as collaterals against trade debts.

10. DEPOSITS AND OTHER RECEIVABLES

Deposits

Deposits placed with NCCPL in respect of:

- Exposure margin - DFCs	59,000,000	6,549,604
- Loss on DFCs (net of demand)	3,304,645	-
- Exposure margin - GEM	-	600,000
- Loss on GEM	-	60,000
	<u>62,304,645</u>	<u>7,209,604</u>

Other receivables

Receivable from NCCPL against:

- profit held on Deliverable Futures Contracts (DFCs)	60,239,510	41,821,576
- capital gain tax	17,487,322	-
- accrued markup on deposits against exposure margin	-	378,075
	<u>77,726,832</u>	<u>42,199,651</u>
	<u>140,031,477</u>	<u>49,409,255</u>

		2025	2024
	Note	Rupees	
11. CASH AND BANK BALANCES			
Cash in hand		34,020	10,650
Cash at banks:			
- Current accounts	11.1	27,336,120	84,948,643
- Saving accounts	11.2	128,717	118,919
		27,464,837	85,067,562
		27,498,857	85,078,212

11.1 The return on these balances is 8% (2024: 8%) per annum on daily product basis.

11.2 Bank balances include customers' bank balances held in designated bank accounts amounting to Rs. 79.019 million (2024: Rs.83.016 million).

12. AUTHORIZED, ISSUED, SUBSCRIBED & PAID UP CAPITAL

2025	2024		2025	2024
Number of shares			Rupees	
		Authorized capital		
25,000,000	25,000,000	Ordinary shares of Rs.10/- each fully paid in cash	250,000,000	250,000,000
		Issued, subscribed and paid up capital		
12,500,000	12,500,000	Ordinary shares of Rs.10/- each fully paid in cash	125,000,000	125,000,000

12.1 Pattern of shareholding

	June 30, 2025		June 30, 2024	
Shareholder name	Number of shares held	% shareholding	Number of shares held	% shareholding
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%
	12,500,000	100.00%	12,500,000	100.00%

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

13. DEFERRED TAX - net

Deferred tax (asset) / liability in respect of:

Deferred tax liabilities recognized

Deferred tax asset recognized

Deferred tax liabilities

- Accelerated depreciation

- Short term investment

- Deferred tax liability available for recognition

Deferred tax assets

- Provision for gratuity

- Provision for expected credit loss

- Alternate corporate tax

- Deferred tax assets available for recognition

2025

2024

Rupees

66,201,059

(21,610,159)

44,590,899

2,913,253

63,287,806

66,201,059

7,144,545

4,179,877

10,285,737

21,610,159

14. 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, 2025 by M/s. Nauman Associates, using Projected Unit Credit Method. Details of the defined benefit plan are presented below :

14.1 Movement in defined benefit obligation

Opening balance

Current service cost

Remeasurement gain recognized in

other comprehensive income

Closing balance

2025

2024

Rupees

14,720,017

3,620,805

(21,475)

18,319,347

11,966,684

3,223,709

(470,376)

14,720,017

14.2 Expense recognized in profit or loss

Current service cost

Interest cost on defined benefit obligation

1,449,602

2,171,203

3,620,805

1,279,123

1,944,586

3,223,709

14.3 Remeasurement gain recognized in other comprehensive income

Actuarial gain arising from:

- Changes in financial assumptions

- Experience adjustments

(120,741)

99,266

(21,475)

(14,391)

(455,985)

(470,376)

14.4 Sensitivity analysis of defined benefit obligation

Discount rate + 100 bps

Discount rate - 100 bps

17,057,791

19,744,768

19,744,708

17,008,590

13,678,986

15,895,377

15,895,377

13,661,614

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.

14.5	Principal actuarial assumptions used	2025	2024
	Mortality rates	SLIC 2001-2005 Setback 1 year	SLIC 2001-2005 Setback 1 year
	Discount rate	11.75%	14.75%
	Expected rate of increase in salaries	10.75%	13.75%
	Retirement age	60 years	60 years

14.6	Expected benefit payments for future periods	2025	2024
		Rupees	
	FY 2026	1,869,303	1,036,240
	FY 2027	1,195,812	1,070,432
	FY 2028	1,195,947	1,105,352
	FY 2029	1,222,311	1,167,955
	FY 2030	5,560,332	5,857,376
	FY 2031	4,465,619	4,820,074
	FY 2032	4,904,881	5,452,862

14.7 As at June 30, 2025, the weighted average duration of the defined benefit plan was 8 years (2024: 8 years).

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

14.8.1 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.

14.8.2 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.

15.	SHORT TERM BORROWINGS	Note	2025	2024
	Running finance - Bank Al Habib Limited	15.1	842,390,914	144,515,863

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- 15.1 This represents the amount availed under a short term running finance facility amounting to Rs. 1,500 million (2023: Rs. 1,500 million) obtained from M/s. Bank Al-Habib Limited for working capital requirements. The financing carries markup at the rate of 1-Month KIBOR plus 0.5% p.a. (2023: 1-Month KIBOR plus 1% p.a) and this facility is secured by a pledge of all approved shares with 32% margin. The facility is valid till December 31, 2026.

	Note	2025	2024
		Rupees	
16. TRADE AND OTHER PAYABLES			
Trade creditors		79,380,079	122,984,862
Accrued and other liabilities		2,766,638	1,894,901
Sindh sales tax payable		1,014,470	606,615
Other		91,151	5,652
		<u>83,252,338</u>	<u>125,492,030</u>
17. TAXATION - net			
Opening balance		36,726,713	76,167,550
Taxes deducted at source during the year		224,652,082	11,572,015
Tax refunds received during the year		-	(30,000,000)
		<u>261,378,795</u>	<u>57,739,565</u>
Tax charge for the year:			
- Current (including levies)	26	(324,597,201)	(21,012,852)
- Prior	26	(2,675,387)	-
		<u>(327,272,588)</u>	<u>(21,012,852)</u>
		<u>(65,893,793)</u>	<u>36,726,713</u>

- 17.1 The income tax assessments of the Company have been finalized up to the tax year 2024. Tax returns filed by the Company are deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 unless selected for re-assessment or audit by the taxation authorities. However, at any time during a period of five years from the date of filing of a return, the taxation authorities may select an income tax return filed by the Company for the purpose of re-assessment.

18. CONTINGENCIES AND COMMITMENTS

As at June 30, 2025, there were no material contingencies and commitments known to exist (2024: None).

		2025	2024
		Rupees	
19. OPERATING REVENUE			
Brokerage commission - gross		105,016,522	56,391,382
PSX Commission on shares listing (IPO)		95,940	437,920
		<u>105,112,462</u>	<u>56,829,302</u>
Less: Sindh sales tax		(15,760,946)	(7,378,060)
		<u>89,351,516</u>	<u>49,451,242</u>
20. INCOME FROM INVESTMENTS - net			
Gain on sale of investments - net		1,145,059,523	606,469,356
Dividend income		160,932,050	56,233,594
		<u>1,305,991,573</u>	<u>662,702,950</u>
Net change in unrealized gain on re-measurement of investments - net		253,151,222	499,324,214
		<u>1,559,142,795</u>	<u>1,162,027,165</u>

21.	ADMINISTRATIVE EXPENSES	Note	2025	2024
			Rupees	
	Staff salary and benefits		20,260,913	16,976,138
	NCSS & UIN charges		13,613,213	7,189,593
	PSX charges		12,831,716	6,773,886
	Fee and subscription charges		1,684,555	1,039,273
	Chief Executive's and Director's remuneration		3,850,056	4,453,111
	CDC charges		7,524,952	4,133,664
	Utilities		3,927,926	3,051,030
	Travelling and conveyance		7,568,000	3,001,500
	Depreciation on property and equipment	4	2,678,434	1,773,594
	Amortization on intangible assets	5 & 32.3	1,675	2,393
	Rent, rates and taxes		1,319,640	1,052,901
	Repairs and maintenance		981,083	869,464
	Donation	21.1	24,272,815	729,712
	Auditors' remuneration	21.2	780,200	650,000
	Legal and professional charges		919,977	966,836
	Software charges		112,700	298,320
	General expenses		3,314,580	3,388,830
	Miscellaneous charges		544,100	583,932
			<u>106,186,535</u>	<u>56,934,177</u>
21.1	None of the directors or their spouse had any interest in the donees.			
21.2	Auditors' remuneration	Note	2025	2024
			Rupees	
	Audit fee		700,000	640,000
	Out-of-pocket expenses		15,000	10,000
	Sales tax		65,200	-
			<u>780,200</u>	<u>650,000</u>
22.	FINANCE COSTS			
	Mark-up		100,090,687	218,029,373
	Bank charges		210,312	287,088
			<u>100,300,999</u>	<u>218,316,460</u>
23.	OTHER INCOME			
	Profit on bank saving accounts		8,004	2,708
	Profit on exposure deposit		4,239,769	4,364,186
			<u>4,247,773</u>	<u>4,366,894</u>
24.	OTHER EXPENSES			
	Provision against expected credit loss		-	10,717,634
			<u>-</u>	<u>10,717,634</u>
25.	LEVIES			
	Income tax - Final Tax Regime	33.3	24,087,309	7,971,915

	2025	2024
	Rupees	
26. TAXATION		
Current Tax		
- for the year	300,509,892	13,040,937
- for prior year	2,675,387	-
	303,185,279	13,040,937
Deferred tax	44,590,899	-
	347,776,178	13,040,937

26.1 In relation to the year ended June 30, 2024 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 since the Company has been taxed under the Minimum Tax Regime (MTR) and Alternate Corporate Tax (ACT) respectively.

		2025	2024
		Rupees	
27. CASH AND CASH EQUIVALENTS	<i>Note</i>		
Bank balances	11	27,498,857	85,078,212
Short term borrowings - running finance	15	(842,390,914)	(144,515,863)
		(814,892,057)	(59,437,651)

28. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

	Chief Executive		Directors		Executive		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Managerial remuneration	1,026,667	1,026,667	1,540,000	1,540,000	2,262,000	2,087,833	4,828,667	4,654,500
House rent allowance	410,667	410,667	616,000	616,000	904,800	835,133	1,931,467	1,861,800
Utilities	102,666	102,666	154,000	154,000	226,200	208,783	482,866	465,449
Staff gratuity benefit	-	128,658	165,000	437,165	252,000	290,754	417,000	856,577
	1,540,000	1,668,658	2,475,000	2,747,165	3,645,000	3,422,503	7,660,000	7,838,326
No. of persons	1	1	1	1	2	2	4	4

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

29. 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:

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	2025	2024
	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	<u>656,508,433</u>	<u>498,568,567</u>
Sale of securities	<u>664,478,988</u>	<u>469,071,538</u>
Commission on transactions	<u>384,081</u>	<u>1,223,237</u>
Salary paid during the year	<u>2,310,000</u>	<u>2,310,000</u>
Abdul Samad Dawood (CEO and Director)		
<i>Transaction during the year</i>		
Purchase of securities	<u>532,382,753</u>	<u>86,969,397</u>
Sale of securities	<u>538,049,151</u>	<u>62,600,161</u>
Commission on transactions	<u>228,332</u>	<u>181,055</u>
Salary paid during the year	<u>1,540,000</u>	<u>1,540,000</u>
<u>SHAREHOLDER</u>		
Faiza Yaqoob		
<i>Transaction during the year</i>		
Purchase of securities	<u>2,625,119,921</u>	<u>1,241,103,590</u>
Sale of securities	<u>2,684,347,162</u>	<u>1,213,244,605</u>
Commission on transactions	<u>2,141,255</u>	<u>2,344,572</u>

30. FINANCIAL INSTRUMENTS

30.1 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.

30.1.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

A financial asset is regarded as credit impaired as and when it falls under the definition of a 'defaulted' financial asset. For the Company's internal credit management purposes, a financial asset is considered as defaulted when it is **past due for 90 days or more**.

The Company writes off a defaulted financial asset when there remains no reasonable probability of recovering the carrying amount of the asset through available means.

Maximum exposure to credit risk

The maximum exposure to credit risk at the reporting date is as follows:

	Note	2025 Rupees	2024
Long term deposits		10,569,347	10,569,347
Trade debts	(a)	26,318,866	26,429,354
Deposits and other receivables		140,031,477	49,409,255
Bank balances	(b)	27,464,837	85,067,562
		<u>204,384,527</u>	<u>171,475,518</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, 2025		June 30, 2024	
	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	6,414,960	-	20,469,521	-
Past due 31-180 days	12,471,291	-	4,273,228	-
Past due 181-365 days	5,911,454	-	1,020,160	-
More than 365 days	12,238,795	10,717,634	11,384,079	10,717,634
	<u>37,036,500</u>	<u>10,717,634</u>	<u>37,146,988</u>	<u>10,717,634</u>

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:

Banks / other institutions	Short term rating	Credit rating agency	2025	2024
			Rupees	
Bank Al Habib Limited	AAA	PACRA	23,568,295	83,031,130
Habib Bank Limited	AAA	JCR VIS	1,204,534	969,848
Bank Alfalah Limited	AAA	PACRA	2,200,668	494,502
MCB Bank Limited	AAA	PACRA	111,949	308,934
Bank Islami Pakistan Limited	AA-	PACRA	112,097	102,299
Habib Metropolitan Bank Limited	AA+	PACRA	77,720	77,720
Bank Makramah Limited	BBB-	JCR VIS	36,696	36,696
Samba Bank Limited	AA	PACRA	16,620	16,620
Sindh Bank Limited	A-1+	VIS	8,840	8,840
Soneri Bank Limited	AA-	PACRA	80,067	-
Askari Bank Limited	AA+	PACRA	9,848	6,601
United Bank Limited	AAA	JCR VIS	18,181	-
Bank of Punjab	A-1	JCR-VIS	800	-
Dubai Islamic Bank Pakistan Limited	AA	JCR VIS	5,375	5,375
JS Bank Limited	AA	PACRA	6,406	5,250
Meezan Bank Limited	AAA	JCR JCR VIS	6,740	3,746
			<u>27,464,837</u>	<u>85,067,562</u>

30.1.2 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, 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	82,237,868	82,237,868	82,237,868	-	-	-
Accrued markup	26,210,276	26,210,276	26,210,276	-	-	-
	<u>950,839,058</u>	<u>950,839,058</u>	<u>950,839,058</u>	-	-	-

	June 30, 2024					
	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	144,515,863	144,515,863	144,515,863	-	-	-
Trade and other payables	124,885,415	124,885,415	124,885,415	-	-	-
Accrued markup	61,201,200	61,201,200	61,201,200	-	-	-
	<u>330,602,478</u>	<u>330,602,478</u>	<u>330,602,478</u>	-	-	-

30.1.3 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.

Fair value sensitivity of fixed-rate financial instruments

As the reporting date, the Company did not hold any fixed-rate financial assets and liabilities. Accordingly, a change in interest rates would not affect the carrying amount of any financial instruments.

Cash flow sensitivity of variable-rate financial instruments

At the reporting date, the profile of the Company's variable-rate financial instruments was as follows:

	2025	2024	2025	2024
	Effective interest rate (%)		Carrying amounts (Rs.)	
Financial assets				
Bank deposits - PLS account	8%	8%	128,717	118,919
Financial liabilities				
Short term borrowings	1-3 Months KIBOR + 0.5% - 2.0%	1-3 Months KIBOR + 0.5% - 2.0%	842,390,914	144,515,863

The following information summarizes the estimated effects of 1% hypothetical increases and decreases in interest rates on cash flows from financial assets and financial liabilities that are subject to interest rate risk. It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. The hypothetical changes in market rates do not reflect what could be deemed best or worst case scenarios. Variations in market interest rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

	Effect on profit or loss	
	100 bps decrease	100 bps increase
	----- Rupees -----	
As at June 30, 2025	(8,422,622)	8,422,622
As at June 30, 2024	(1,443,969)	1,443,969

(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.

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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, 2024 and 2023 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
June 30, 2024	3,555,098,277	10% increase 10% decrease	<u>3,910,608,105</u> <u>3,199,588,449</u>	<u>355,509,828</u> <u>(355,509,828)</u>
June 30, 2023	1,793,287,371	10% increase 10% decrease	<u>1,972,616,108</u> <u>1,613,958,634</u>	<u>179,328,737</u> <u>(179,328,737)</u>
30.2	Financial instruments by category		2025	2024
			----- Rupees -----	----- Rupees -----
30.2.1	Financial assets			
	At amortized cost			
	Long term deposits		10,569,347	10,569,347
	Trade debts		26,318,866	26,429,354
	Deposits and other receivables		140,031,477	49,409,255
	Cash and bank balances		27,498,857	85,078,212
			<u>204,418,547</u>	<u>171,486,168</u>
	At fair value through profit or loss			
	Investment in quoted equity securities		<u>3,555,098,277</u>	<u>1,793,287,371</u>
30.2.2	Financial liabilities			
	At amortized cost			
	Short term borrowings		842,390,914	144,515,863
	Trade and other payables		82,237,868	124,885,415
	Accrued markup		26,210,276	61,201,200
			<u>950,839,058</u>	<u>330,602,478</u>
31.	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.

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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, 2025	Rupees			
Investment in quoted equity securities	3,555,098,277	-	-	3,555,098,277

	Level 1	Level 2	Level 3	Total
June 30, 2024	Rupees			
Investment in quoted equity securities	1,793,287,371	-	-	1,793,287,371

32. CAPITAL

32.1 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:

	2025	2024
	Rupees	
Shareholders' equity:		
Issued, subscribed and paid up capital	125,000,000	125,000,000
Unappropriated profit	2,618,864,064	1,544,451,526
Total capital managed by the Company	2,743,864,064	1,669,451,526

32.2 Capital Adequacy level

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

	Note	2025	2024
		Rupees	
Total assets	32.2.1	3,824,521,631	2,015,380,636
Less: Total liabilities		(999,427,974)	(345,929,110)
Less: revaluation reserves (created upon revaluation of fixed assets)		-	-
		2,825,093,657	1,669,451,526

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

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
I. Assets				
1.1	Property & Equipment	64,650,898	64,650,898	-
1.2	Intangible Assets	353,909	353,909	-
1.3	Investment in Govt. Securities	-	-	-
	Investment in Debt Securities			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
1.4	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
	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.	3,472,155,657	684,811,881	2,787,343,776
	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.	82,942,620	82,942,620	-
1.5	iii. 100% Haircut shall be applied to Value of Investment in any asset including shares of listed securities that are in Block, Freeze or Pledge status as on reporting date. Provided that 100% haircut shall not be applied in case of investment in those securities which are Pledged in favor of Stock Exchange / Clearing House against Margin Financing requirements or pledged in favor of Banks against Short Term financing arrangements. In such cases, the haircut as provided in schedule III of the Regulations in respect of investment in securities.	-	-	-
1.6	Investment in subsidiaries	-	-	-
	Investment in associated companies/undertaking			
1.7	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
1.8	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	-
1.9	Margin deposits with exchange and clearing house.	62,304,645	-	62,304,645
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	-	-	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc. (Nil)	-	-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	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>	-	-	-
1.15	Advance and 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 iii. Receivables other than trade receivables	-	-	-
1.16	Receivables from clearing house or securities exchange(s) i. 100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	77,726,832	-	77,726,832

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.17	Receivables from customers			
	i. In case receivables are against margin financing, the aggregate of (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. <i>i. Lower of net balance sheet value or value determined through adjustments.</i>	-	-	-
	ii. In case receivables are against margin trading, 5% of the net balance sheet value. <i>ii. Net amount after deducting haircut</i>	-	-	-
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, <i>iii. Net amount after deducting haircut</i>	-	-	-
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. <i>iv. Balance sheet value</i>	19,547,888	-	19,547,888
	v. In case 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>v. Lower of net balance sheet value or value determined through adjustments</i>	6,770,979	778,156	5,992,823
	vi. in the case of amount receivable from related parties, value determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner; (a) Upto 30 days, value determined after applying var based haircuts, (b) Above 30 days but not 90 days, value determined after applying 50% var based haircuts whichever is higher (c) above 90 days, 100% haircut shall be applicable	-	-	-
1.18	Cash and Bank balances			
	i. Bank Balance-proprietary accounts	3,913,701	-	3,913,701
	ii. Bank balance-customer accounts	23,551,136	-	23,551,136
	iii. Cash in hand	34,020	-	34,020
1.19	Subscription money against investment in IPO / offer for sale (asset)			
	(i) No haircut may be applied in respect of amount paid as subscription money provided;	-	-	-
	(ii) In case of investment in IPO where shares have been allotted but yet not credited in CDS account, 25% haircuts will be applicable on the value of such securities.	-	-	-
	(iii) In case of subscription of right shares where the shares have not yet been credited in CDS account, 15% or var based haircuts whichever is higher will be applied on right shares.	-	-	-
1.20	Total Assets	3,824,521,631		2,980,414,821
2. Liabilities				
2.1	Trade Payables			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	79,380,079	-	79,380,079
2.2	Current Liabilities			
	i. Statutory and regulatory dues	1,014,470	-	1,014,470
	ii. Accruals and other payables	28,976,914	-	28,976,914
	iii. Short-term borrowings	842,390,914	-	842,390,914
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for taxation	65,893,793	-	65,893,793
	viii. Other liabilities as per accounting principles and included in the financial statements	91,151	-	91,151
2.3	Non-Current Liabilities			
	i. Long-Term financing	-	-	-
	ii. Other liabilities as per accounting principles and included in the financial statements.	44,590,899	-	44,590,899
	iii. Staff retirement benefits	18,319,347	-	18,319,347
	Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance lease (b) Nil in all other cases.	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
2. Liabilities				
	Subordinated Loans	-	-	-
2.4	100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted.	-	-	-
	Advance against shares for increase in capital of securities broker			
2.5	100% haircut may be applied in respect of advance against shares if: a. The existing authorized share capital allows the proposed enhanced share capital b. Board of Directors of the company has approved the increase in capital c. Relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed e. Auditor is satisfied that such advance is against the increase of capital	-	-	-
2.6	Total Liabilities	1,080,657,567		1,080,657,567
3. Ranking Liabilities Relating to :				
	Concentration in Margin Financing			
3.1	The amount calculated client-to-client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees. (Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million) Note: Only amount exceeding by 10% of each financee from aggregate amount shall be include in the ranking liabilities	-	-	-
	Concentration in securities lending and borrowing			
3.2	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed (Note only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities)	-	-	-
	Net underwriting Commitments			
3.3	(a) in the case of right issues : if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issues where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment (b) in any other case : 12.5% of the net underwriting commitments	-	-	-
	Negative equity of subsidiary			
3.4	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-
	Foreign exchange agreements and foreign currency positions			
3.5	5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO	-	-	-
	Repo adjustment			
3.7	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3. Ranking Liabilities Relating to :				
Concentrated proprietary positions				
3.8	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security. If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security	-	-	-
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	-	-	126,907,075
	ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	-	-	-
Short sell positions				
3.10	i. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts	-	-	-
	ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	Total Ranking Liabilities	-	-	126,907,075

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.2)	2,980,414,821
(ii) Less: Adjusted value of liabilities (serial number 2.6)	(1,080,657,567)
(iii) Less: Total ranking liabilities (serial number 3.11)	(126,907,075)
	<u>1,772,850,179</u>

33. GENERAL	2025	2024
	— Rupees —	
33.1 Customers assets held in the Central Depository System		
Number of shares as at June 30	663,760,772	796,264,582
Value of shares as at June 30	<u>14,823,414,630</u>	<u>11,907,838,759</u>
33.2 Number of employees	2025	2024
	— Number —	
Total number of employees as at June 30, 2025	21	21
Average number of employees during the year	<u>21</u>	<u>21</u>

33.3 Reclassification of corresponding figures

Corresponding figures have been rearranged and reclassified in these financial statements, wherever necessary, for the purpose of comparison. Major reclassification are detailed hereunder:

Reclassification from component	Reclassification to componen	Note	— Rupees —
Taxation - net	Levies	25	<u>7,971,915</u>

33.4 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 03 OCT 2025

33.5 Level of rounding

In these financial statements, all the figures have been rounded off to the nearest rupee.

[Handwritten mark]



Chief Executive Officer



Director