

SHAJARPAK SECURITIES  
(PRIVATE) LIMITED  
Financial Statements For The  
Year Ended 30 June 2025



## INDEPENDENT AUDITORS' REPORT

**To the members of Shajarpak Securities (Private) Limited**

**Report on the Audit of the Financial Statements**

### Opinion

We have audited the annexed financial statements of Shajarpak Securities (Private) Limited (the Company), which comprise the statement of financial position as at 30 June 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.


### Basis for Opinion

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

### Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the directors' report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Board of Directors for the Financial Statements**

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### **Report on Other Legal and Regulatory Requirements**

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

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

**Rahman Sarfaraz Rahim Iqbal Rafiq,**  
**CHARTERED ACCOUNTANTS**  
Lahore: 11 SEP 2025  
UDIN: AR2025107011UJ9G4R21



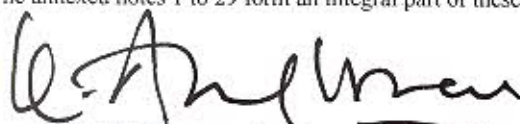
**SHAJARPAK SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2025**

	NOTES	2025 Rupees	2024 Rupees
Operating income	14	32,343,713	14,917,433
Gain on sale of securities- net	15	-	230,710
Other income	16	6,145,879	4,860,154
		38,489,592	20,008,297
Operating expenses	17	(22,595,551)	(13,226,397)
Finance cost	18	(360)	(2,993)
		(22,595,911)	(13,229,390)
Profit before levies and income tax		15,893,681	6,778,907
Levies	19	(1,016,100)	(1,109,009)
Profit before income tax		14,877,581	5,669,898
Taxation - Income tax	20	(2,932,567)	(530,318)
Profit for the year		11,945,014	5,139,580

**OTHER COMPREHENSIVE INCOME - NET OF INCOME TAX:**

Items that may be reclassified subsequently to the statement of profit or loss		-	-
Items that will never be reclassified subsequently to the statement of profit or loss:			
Unrealized gain on investment in equity instruments designated as fair value through other comprehensive income		15,507,564	19,454,483
Related impact on deferred tax	20.2	(2,326,135)	-
Other comprehensive income for the year		13,181,429	19,454,483
Total comprehensive income for the year		25,126,443	24,594,063
Earnings per share - basic and diluted	21	1.81	0.80

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

  
DIRECTOR

  
CHIEF EXECUTIVE OFFICER





**SHAJARPAK SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2025**

	Share capital	Capital reserve Fair value reserve - measurement of equity securities at fair value through other comprehensive income	Revenue reserve  Unappropriated profit	Total
-----Rupees-----				
Balance as at 01 July 2023	60,000,000	(7,823,959)	18,010,580	70,186,621
Right issue 1 for 10 shares (Rs. 10 each)	6,000,000	-	-	6,000,000
Total comprehensive income :				
Profit for the year	-	-	5,139,580	5,139,580
Other comprehensive income for the year- net of deferred tax	-	19,454,483	-	19,454,483
	-	19,454,483	5,139,580	24,594,063
Balance as at 30 June 2024	66,000,000	11,630,524	23,150,160	100,780,684
Total comprehensive income :				
Profit for the year	-	-	11,945,014	11,945,014
Other comprehensive income for the year- net of deferred tax	-	13,181,429	-	13,181,429
Transfer from fair value reserve to unappropriated profit	-	(2,366,862)	2,366,862	-
	-	10,814,567	14,311,876	25,126,443
Balance as at 30 June 2025	66,000,000	22,445,091	37,462,036	125,907,127

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

DIRECTOR

CHIEF EXECUTIVE OFFICER



**SHAJRPAK SECURITIES (PRIVATE) LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

NOTES	2025 Rupees	2024 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before levies and taxation	15,893,681	6,778,907
Adjustments for:		
Depreciation	9 1,411,453	745,128
Amortization of intangible assets	10.2 136,025	145,100
Dividend income	16 (4,887,182)	(4,535,379)
Capital gain on sale of securities	15 -	(230,710)
Impairment allowance for ECL	11 627,228	-
Finance cost	18 360	2,993
	(2,712,116)	(3,872,868)
Operating cash flows before working capital changes	13,181,565	2,906,039
<b>Changes in working capital</b>		
(Increase)/ decrease in current assets:		
Trade debts	(19,036,774)	7,008,738
Advances, prepayments and other receivables	(1,305,182)	(640,347)
Taxes refundable/ adjustable	(1,386,056)	(835,442)
(Decrease)/ increase in current liabilities:		
Trade and other payables	(33,580,799)	108,593,584
	(55,308,811)	114,126,533
Cash (used in)/ generated from operations	(42,127,246)	117,032,572
Finance cost paid	(360)	(2,993)
Levies paid	(1,109,009)	-
Income tax paid	(490,724)	(933,895)
Net cash (used in)/ generated from operating activities	(43,727,339)	116,095,684
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investments made in property and equipment	(402,709)	(6,317,048)
Investments made in intangible assets	-	(81,522)
Increase in short term investments - net	(5,243,041)	(3,979,516)
Dividend received	4,887,182	4,535,379
Net cash used in investing activities	(758,568)	(5,842,707)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Right shares issued	-	6,000,000
Net cash generated from financing activities	-	6,000,000
Net (decrease)/ increase in cash and cash equivalents during the year	(44,485,907)	116,252,977
Cash and cash equivalents at the beginning of the year	146,046,712	29,793,735
Cash and cash equivalents at the end of the year	13 101,560,805	146,046,712

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

  
DIRECTOR

  
CHIEF EXECUTIVE OFFICER





**SHAJARPAK SECURITIES (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**1 STATUS AND NATURE OF BUSINESS**

Shajarpak Securities (Private) Limited (the Company) was incorporated in Pakistan on 23 December 2013 and its registered office is situated at 415-424 Alfalah Building, The Mall, Lahore, Pakistan while its principal place of business is situated at 101, Lahore Stock Exchange Building, Lahore, Pakistan. The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited and principal activities of the Company include shares brokerage, investment in securities, portfolio management and other dealings related to shares and securities.

**2 BASIS OF PREPARATION**

**2.1 Accounting convention**

These financial statements have been prepared under the "Historical Cost Convention" except for financial instruments which are stated at fair value. The financial statements, except for cash flow information, have been prepared under the accrual basis of accounting.

**2.2 Statement of compliance**

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

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

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

During the year the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance – "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance suggests taxes paid under final tax regime to be shown separately as a levy instead of showing it in current tax. Accordingly comparative figures have been rearranged/ reclassified as under:

Reclassified from	Reclassified to	Amount
Taxation - Income tax	Levies	1,109,009

**2.3 Presentation and functional currency**

Figures in these financial statements are rounded off to the nearest Pak Rupee, which is the Company's presentation and functional currency. Comparative figures have been reclassified and rearranged, wherever necessary to facilitate comparison. Significant reclassifications and rearrangements are disclosed in relevant notes.

**2.4 Judgments, estimates and assumptions**

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

- Taxation Note 4.2
- Useful lives of depreciable assets and residual value Note 4.4
- Intangible assets Note 4.5





### 3 INITIAL APPLICATION OF A STANDARD, AMENDMENT OR AN INTERPRETATION TO AN EXISTING STANDARD AND FORTHCOMING REQUIREMENTS

#### a) Standards and interpretations that became effective but not relevant to the Company

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial statements except as disclosed in note 4 to these financial statements.

#### b) Forthcoming requirements not effective in current year and not considered relevant:

The following standards (revised or amended) and interpretations became effective for the annual periods beginning on or after the mentioned dates but are either not relevant or do not have any material effect on the Financial Statements of the Company other than increased disclosures in certain cases:

- IFRS 7 - Amendments Regarding the Classification and Measurement of Financial Instruments - (applicable on annual periods beginning on or after 1 January 2026).
- IFRS 9 - Amendments Regarding the Classification and Measurement of Financial Instruments - (applicable on annual periods beginning on or after 1 January 2026).
- IAS 21 - The Effects of Changes in Foreign Exchange Rates - (initial application on annual periods beginning on or after 1 January 2025).
- IFRS 17 - Insurance Contracts - (initial application on annual periods beginning on or after 1 January 2026).
- Annual improvements to IFRS 7, IFRS 9, IFRS 10 (Consolidated Financial Statements) and IAS 7 (Statement of Cashflows) initial application on annual periods beginning on or after 1 January 2026).

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan as at 30 June 2025:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRIC 12 – Service Concession Arrangement
- IFRS 18 – Presentation and Disclosure in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

### 4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### 4.1 Provisions

Provisions are recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of past events, and it is probable that outflow of economic benefits will be required to settle the obligation. However, provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate.

#### 4.2 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Company, the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

##### 4.2.1 Current

The charge for current taxation is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any. Current tax assets and tax liabilities are offset where the Company 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.





#### 4.2.2 Deferred

Deferred tax is provided using liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities, using the current rates of taxation. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax is charged to income except in case of items credited or charged to equity in which case it is included in the equity.

#### 4.2.3 Levies

Tax charged under the Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid/ payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/ IAS 37.

#### 4.3 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of consideration to be paid in future for goods and services.

#### 4.4 Property, equipment and depreciation

##### Owned assets

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged on additions during the year from the month in which property and equipment become available for use while no depreciation is charged from the month of deletions/ disposals.

Depreciation is charged to profit on reducing balance method so as to write off the value of assets over their estimated useful lives at rates disclosed in note 9. Depreciation methods, residual values and useful lives of assets are reviewed at each financial year end, and adjusted if impact on depreciation is significant.

Minor renewals or replacements, maintenance, repairs, gains or losses on disposal of property and equipment are included in the statement of profit or loss. Major renewals and improvements are capitalized.

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

#### 4.5 Intangible assets

Intangible assets acquired by the Company are stated at cost less accumulated amortization and impairment losses, if any. Subsequent expenditure on capitalized intangible assets is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditures are expensed as incurred.

Amortization is charged to the statement of profit or loss on a reducing balance method basis so as to write off the value of assets over their estimated useful lives at rates disclosed in note 10.2. Amortization is charged on additions during the year from the month in which intangible assets become available for use while no amortization is charged from the month of deletions/ disposals. Amortization methods, residual values and useful lives of assets are reviewed at each financial year end and adjusted if impact on amortisation is significant.

Intangible assets having indefinite useful life are stated at cost less accumulated impairment losses, if any. An intangible asset is regarded as having an indefinite useful life, when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which asset is expected to generate net cash inflows for the Company. However, the carrying amount is reviewed at each statement of financial position date or whenever there is an indication that the asset may be impaired, to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds the estimated recoverable amount, it is written down to its estimated recoverable amount.





#### **4.6 Trade debts and other receivables**

These are initially recorded at fair value and subsequently measured at amortized cost using effective interest method, less any allowance for expected credit loss (ECL). Debts considered irrecoverable are written off/ provided for in the year in which these are so determined by the management.

#### **4.7 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less. Short term finance facilities availed by the Company, which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of the statement of cash flows.

#### **4.8 Revenue recognition**

Brokerage and service charges are recognized as and when services are provided on accrual basis. Capital gains or losses on sale of investments are taken to income as and when these actually arise. Dividend is recognized when the shareholders' right to receive dividend is established.

#### **4.9 Indirect tax on commission**

This is shown as a deduction from commission income in the statement of profit or loss.

#### **4.10 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production 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.

#### **4.11 Foreign currency transactions**

Assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the statement of financial position date, except those covered under forward exchange contracts which are stated at contracted rates. Foreign currency transactions are translated into Pak Rupees at the rates of exchange prevailing at the date of transaction except for those covered by forward contracts, which are translated at contracted rates. All exchange differences are included in the statement profit or loss for the year.

#### **4.12 Financial instruments**

##### **Recognition and measurement**

Financial assets and liabilities are recognized, when the Company becomes a party to the contractual provisions of the instrument and derecognized when the Company loses control of the contractual rights to receive cash flows from the assets that comprise the financial asset or the rights have been transferred and the Company has transferred substantially all the risks and rewards of ownership or the enterprise loses control of the contractual rights that comprise financial assets or a portion of financial assets. In case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired.

Financial assets are long term investments, short term investments, trade and other receivables, advances adjustable in cash and cash and bank balances. The Company derecognizes a financial asset or a portion of financial asset when, and only when, the right to receive the cash flows from the assets has been expired or has been transferred; and the Company has transferred substantially all the risks and rewards of ownership or the Company loses control of the contractual rights that comprise the financial assets or a portion of financial assets.

The Company has classified its financial assets based on the requirements as set out in IFRS-9 'Financial Instruments'. IFRS 9 sets out the requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items and contains three principal classifications categories of financial assets: measured at amortized cost, fair value through other comprehensive income and fair value through profit or loss. The classification of financial assets is generally based on the business model in which the financial asset is managed and its contractual cash flow characteristics.





#### 4.12.1 Financial assets

(a) **Financial asset at amortized cost**

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and;
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

(b) **Financial asset at fair value through other comprehensive income**

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

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

(c) **Financial asset at fair value through profit or loss**

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

**Recognition and measurement**

Financial assets at initial recognition are measured at its fair value of the consideration given. Subsequent to initial recognition, financial assets shall be classified at amortized cost using effective interest method, fair value through other comprehensive income with changes in fair value recognized in other comprehensive income and fair value through profit or loss with changes in fair value recognized in profit or loss.

#### 4.12.2 Financial liabilities

Financial liabilities are recognized according to the substance of the contractual arrangements entered into. At the time of initial recognition, all financial liabilities shall be measured at fair value plus or minus transaction cost that are directly attributable to the issue of a financial liability. Financial liabilities shall subsequently be measured at amortized cost. Significant financial liabilities are long term borrowings, loan from directors, trade and other payables and short term borrowings.

Any gain or loss on subsequent remeasurement to fair value of financial assets and financial liabilities is taken to the statement of profit or loss in the year in which it arises.

**Offsetting of financial assets and financial liabilities**

A financial asset and liability is offset against each other and the net amount is reported in the statement of financial position if the Company has legally enforceable right to set off the recognized amount and intends either to settle on net basis or realize the asset and settle the liability simultaneously.

#### 4.12.3 Derecognition

**Financial assets**

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

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

**Financial liabilities**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in the statement of profit or loss.





#### 4.12.4 Impairment

##### Financial assets

A financial asset is impaired if the credit risk on that financial asset has increased significantly since the initial recognition. Loss allowance for ECL on a financial asset is recognized to account for impairment.

The Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the 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 ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

##### Non-financial assets

The Company assesses at each statement of financial position date, whether there is any indication that assets may be impaired. If such an indication exists, the carrying amount of such assets is reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed their respective recoverable amounts, assets are written down to their recoverable amount and resulting impairment loss is recognized in the statement of profit or loss. The recoverable amount is higher of an asset's fair value less costs to sell and value in use.

Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of carrying amount of the asset had there been no impairment loss. A reversal of the impairment loss is recognized in the statement of profit or loss.

#### 4.13 Impairment of other assets

The carrying amounts of the Company's assets are reviewed at the statement of financial position date to determine whether there is any indication of impairment, if any such indication exists, the assets' recoverable amount is estimated and impairment losses are recognized.

#### 4.14 Related parties transactions

Transactions with related parties are carried out at arm's length and priced at comparable uncontrolled market price.

Parties are said to be related if they are generally considered to be able to influence the operating and financial decisions of the Company and vice versa.

### 5 SHARE CAPITAL

SHARE CAPITAL	2025	2024	2025	2024
	Number of shares		Rupees	Rupees
<u>Authorized capital</u>				
Ordinary shares of Rs. 10/- each	<u>10,000,000</u>	<u>10,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
<u>Issued, subscribed and paid up capital</u>				
Ordinary shares of Rs. 10/- each				
- Fully paid in cash	6,500,000	6,500,000	65,000,000	65,000,000
- Fully paid bonus shares	100,000	100,000	1,000,000	1,000,000
	<u>6,600,000</u>	<u>6,600,000</u>	<u>66,000,000</u>	<u>66,000,000</u>
<u>Reconciliation of opening and closing issued, subscribed and paid up capital</u>				
Opening balance	6,600,000	6,000,000	66,000,000	60,000,000
Right shares issued during the year	-	600,000	-	6,000,000
Closing balance	<u>6,600,000</u>	<u>6,600,000</u>	<u>66,000,000</u>	<u>66,000,000</u>

All the shares are similar with respect to their rights on voting, board selection, first refusal and block voting.





	NOTES	2025 Rupees	2024 Rupees
<b>6 DEFERRED TAXATION</b>			
Deferred tax liability	6.1	2,899,941	-
<b>6.1 Deferred tax liability</b>			
Deferred tax liability arising in respect of depreciation of owned assets		1,255,174	-
Deferred tax liability arising in respect of short term investments		3,715,684	-
		4,970,858	-
<b>Deductible temporary differences:</b>			
Deferred tax assets arising in respect of amortization of intangible assets		(383,333)	-
Deferred tax assets arising in respect of allowance for ECL		(181,896)	-
Deferred tax asset on brought forward adjustable alternate corporate tax		(1,505,688)	-
		(2,070,917)	-
Deferred tax liability as on 30 June		2,899,941	-
<b>7 TRADE AND OTHER PAYABLES</b>			
Trade payables		90,608,783	124,685,444
Accrued and other liabilities	90577263 <sup>7.1</sup>	1,270,587	787,242
Taxes payables		166,826	154,309
		92,046,196	125,626,995

7.1 This includes balances amounting to Rs. 4,708,404/- (2024: Rs. 34,098,058/-) due to directors, chief executive officer and other related parties.

## 8 CONTINGENCIES AND COMMITMENTS

The show cause notice has been issued by Deputy Commissioner Inland Revenue under section 182(1)(17) of the Income Tax Ordinance, 2001 dated 25 March 2025, against failure to furnish information required under section 165B of the Income Tax Ordinance, 2001. Hearing was fixed on 10 April 2025 and stay has been granted by the Honourable Court. The matter is still pending.

The Company has not made any capital commitment at the year end (2024: Nil).

## 9 PROPERTY AND EQUIPMENT

Description	Leasehold	Owned					Total
	Stock exchange room on leasehold	Furniture and fittings	Office equipment	Computers	Air conditioning equipment	Vehicles	
	Rupees						
<b>Cost</b>							
Balance as at 01 July 2023	5,495,700	262,378	1,025,171	1,188,856	77,720	-	8,049,825
Additions during the year	-	24,900	78,000	40,000	-	6,174,148	6,317,048
Disposals during the year	-	-	-	-	-	-	-
Balance as at 30 June 2024	5,495,700	287,278	1,103,171	1,228,856	77,720	6,174,148	14,366,873
Additions during the year	-	-	245,209	157,500	-	-	402,709
Disposals during the year	-	-	-	-	-	-	-
Balance as at 30 June 2025	5,495,700	287,278	1,348,380	1,386,356	77,720	6,174,148	14,769,582
<b>Depreciation</b>							
Balance as at 01 July 2023	1,161,976	172,922	609,565	1,098,466	60,844	-	3,103,773
Charge for the year	108,343	15,908	68,716	35,117	2,532	514,512	745,128
On disposals	-	-	-	-	-	-	-
Balance as at 30 June 2024	1,270,319	188,830	678,281	1,133,583	63,376	514,512	3,848,901
Charge for the year	105,635	14,767	99,053	57,919	2,152	1,131,927	1,411,453
On disposals	-	-	-	-	-	-	-
Balance as at 30 June 2025	1,375,954	203,597	777,334	1,191,502	65,528	1,646,439	5,260,354
<b>Carrying amount- 30 June 2025</b>	4,119,746	83,681	571,046	194,854	12,192	4,527,709	9,509,228
<b>Carrying amount- 30 June 2024</b>	4,225,381	98,448	424,890	95,273	14,344	5,659,636	10,517,972
<b>Rates of depreciation %</b>	2.50	15	15	30	15	20	



Note	2025 Rupees	2024 Rupees
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# 10 INTANGIBLE ASSETS

Trading Right Entitlement Certificate (TREC)  
Computer software

10.1	2,500,000	2,500,000
10.2	1,224,220	1,360,245
	<u>3,724,220</u>	<u>3,860,245</u>

10.1 PSX vide notice no. PSX/N - 225 dated 16 February 2021 has notified the notional fees of Trading Right Entitlement Certificate which amount to Rs. 2.5 million.

## 10.2 Computer software

### Cost

Opening balance	3,604,522	3,523,000
Additions during the year	-	81,522
Disposals during the year	-	-
Closing balance	<u>3,604,522</u>	<u>3,604,522</u>

### Amortization

Opening balance	2,244,277	2,099,177
Charged for the year	136,025	145,100
On disposals	-	-
Closing balance	<u>2,380,302</u>	<u>2,244,277</u>
	<u>1,224,220</u>	<u>1,360,245</u>
	<u>10%</u>	<u>10%</u>

Amortization rate

# 11 TRADE DEBTS

Unsecured but considered good by the management  
Impairment allowance for ECL

11.1	26,129,469	7,092,695
	(627,228)	-
	<u>25,502,241</u>	<u>7,092,695</u>

## 11.1 Impairment allowance for ECL

Opening balance	-	-
Charge for the year	627,228	-
Closing balance	<u>627,228</u>	<u>-</u>

# 12 SHORT TERM INVESTMENTS

At fair value through OCI

Quoted shares:

Name of investee	2025			2024		
	Number of shares	Cost	Carrying value	Number of shares	Cost	Carrying value
		Rupees	Rupees		Rupees	Rupees
Cherat Cement Company Ltd.	-	-	-	11,000	1,412,239	1,794,430
Engro Corporation Ltd	28,050	3,808,082	5,120,808	12,500	3,808,082	4,158,875
Engro Fertilizers Ltd	90,000	6,851,358	16,703,100	100,000	7,612,658	16,622,000
Hascol Petroleum Ltd	50,000	1,675,893	483,000	50,000	1,675,893	309,500
Lucky Cement Ltd	15,000	1,505,042	5,328,600	3,000	1,505,042	2,720,190
Maple Leaf Cement Factory Ltd	-	-	-	10,000	437,000	380,000
Millat Tractors Ltd	20,000	12,560,086	11,173,200	20,000	12,560,086	12,721,600
Octopus Digital Ltd	-	-	-	11,988	758,369	1,041,398
Oil and Gas Development Corp Ltd	70,000	7,029,278	15,439,200	70,000	7,029,278	9,475,900
Pakistan State Oil	15,000	2,072,162	5,662,950	15,000	2,072,162	2,493,150
The Hub Power Company Limited	75,000	10,978,811	10,335,750	-	-	-
LSE Capital Ltd	98,117	898,356	588,702	98,117	898,356	306,125
LSE Venture Ltd	337,124	2,561,942	3,876,926	337,124	2,561,942	1,938,463
Total	<u>798,291</u>	<u>49,941,010</u>	<u>74,712,236</u>	<u>738,729</u>	<u>42,331,107</u>	<u>53,961,631</u>

12.1 Shares having carrying value of Rs. 27,943,468/- (2024: Rs. 10,370,033/-) have been pledged against Base Minimum Capital (BMC) and shares having carrying value of Rs. 36,762,950/- (2024: Rs. 21,717,880/-) have been pledged against market exposure for trade of shares with Pakistan Stock Exchange.



	Note	2025 Rupees	2024 Rupees
<b>13 CASH AND BANK BALANCES</b>			
Cash in hand		-	-
Cash at bank:			
Current accounts	13.1	101,560,805	146,046,712
		<u>101,560,805</u>	<u>146,046,712</u>
13.1 It includes Rs. 76,359,626/- (2024: Rs. 124,685,443/-) pertaining to clients kept in separate bank accounts.			
<b>14 OPERATING INCOME</b>			
Commission income		37,518,707	17,304,222
Less: Sales tax		(5,174,994)	(2,386,789)
		<u>32,343,713</u>	<u>14,917,433</u>
<b>15 GAIN ON SALE OF SECURITIES-NET</b>			
Sale proceeds		6,920,771	4,467,886
Carrying value of investment at the time of sale		(6,920,771)	(4,237,176)
		<u>-</u>	<u>230,710</u>
<b>16 OTHER INCOME</b>			
<b>Income from financial assets:</b>			
Cash dividend	16.1	4,887,182	4,535,379
Markup income		59,961	95,075
		<u>4,947,143</u>	<u>4,630,454</u>
<b>Income from non-financial assets:</b>			
Income from physical shares processing		25,650	229,700
Commission from IPO		1,286	-
Miscellaneous		1,171,800	-
		<u>1,198,736</u>	<u>229,700</u>
		<u>6,145,879</u>	<u>4,860,154</u>
16.1 It includes dividends amounting to Rs. nil /- (2024: Rs. 164,442/-) related to investments disposed off during the year.			
<b>17 OPERATING EXPENSES</b>			
Staff salaries and allowances		9,963,734	5,891,568
Printing and stationery		47,238	163,904
Entertainment		551,414	228,873
Travelling and conveyance		1,466,661	240,846
Repairs and maintenance		217,400	299,500
Postage and courier		56,083	72,343
Newspaper and periodicals		8,445	7,470
Rent, rates and taxes		62,242	51,052
Telephone and internet expenses		1,438,829	780,532
Electricity expenses		694,815	703,857
PSX related charges		890,995	323,476
NCCPL charges		768,466	352,246
Central depository expenses		12,921	15,307
Fees and subscriptions		2,352,074	1,468,546
Depreciation	9	1,411,453	745,128
Insurance charges		116,736	43,098
Amortization of software	10.2	136,025	145,100
Office maintenance		229,800	214,480
Auditors' remuneration	17.1	561,200	648,075
Other auditors' fees		-	244,743
Regulatory fee		212,759	71,325
Assets replacement fund		36,768	36,768
Medical expenses		472,016	323,387
Legal expenses		80,000	73,301
Impairment allowance for ECL	11.1	627,228	-
Other expenses		180,249	81,472
		<u>22,595,551</u>	<u>13,226,397</u>





Note	2025 Rupees	2024 Rupees
17.1 Auditors' remuneration consist of:		
Audit fee	299,000	242,000
Taxation services	240,200	317,200
Other certifications	22,000	88,875
	<u>561,200</u>	<u>648,075</u>
18 FINANCE COST		
Bank charges	360	2,993
19 LEVIES	<u>1,016,100</u>	<u>1,109,009</u>

This represents tax paid under section 150 and 151 of the Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/ IAS 37.

20 TAXATION			
Current	20.1	2,358,761	490,724
Prior year		-	39,594
Deferred	20.2	573,806	-
	20.3	<u>2,932,567</u>	<u>530,318</u>

20.1 Provision for the current year has been made at the current tax rate after taking into account tax rebates and tax credits available. The income tax assessments of the Company have been finalized up to tax year 2025.

20.2 Deferred			
Closing deferred tax liability	6	2,899,941	-
Opening deferred tax liability		-	-
		<u>2,899,941</u>	-
Deferred tax attributable to other comprehensive income		2,326,135	-
Deferred tax attributable to the statement of profit or loss		<u>573,806</u>	-

20.3 Relationship between tax expense and accounting profit:			
Profit before levies and income tax		15,893,681	6,778,907
Normal tax @ 29%		4,609,168	1,965,883
Impact of:			
Inadmissible/ (admissible) items		189,868	(92,993)
FTR income		(1,417,283)	(1,382,166)
Deferred tax		573,806	-
Tax credit		(1,022,992)	-
Prior year tax		-	39,594
		<u>(1,676,601)</u>	<u>(1,435,565)</u>
Tax expense		<u>2,932,567</u>	<u>530,318</u>

## 21 EARNINGS PER SHARE - BASIC AND DILUTED

Earnings per share is calculated by dividing the profit after tax for the year by the weighted average number of shares outstanding during the year as follows:

Profit for the year	Rupees	11,945,014	5,139,580
Weighted average number of ordinary shares in issue during the year	Number	<u>6,600,000</u>	<u>6,453,699</u>
Earnings per share	Rupees	<u>1.81</u>	<u>0.80</u>

The Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised, therefore no figure for diluted earnings per share has been presented.

## 22 REMUNERATION OF DIRECTORS, EXECUTIVES AND CHIEF EXECUTIVE OFFICER

The aggregate amount charged in the financial statements for the year for remuneration, including all benefits to chief executive officer, directors and executives of the Company are as follows:

	2025		
	Chief executive officer	Director	Executives
	Rupees		
Managerial remuneration	720,000	-	-
Allowances	360,000	-	-
Bonus	246,500	-	-
	<u>1,326,500</u>	-	-
Number of persons	1	-	-



2024			
Chief executive officer	Director	Executives	Total
Rupees			
Managerial remuneration	-	-	-
Allowances	-	-	-
Bonus	-	-	-
	-	-	-
Number of persons	-	-	-

22.1 Chief executive officer, directors and executives are not entitled to any benefits other than those disclosed above.

## 23 TRANSACTIONS WITH RELATED PARTIES

The Company, in the normal course of business, carries out transactions with various related parties which comprise of associated Company and key management personnel. Balances due to/ due from related parties are disclosed in note 7. Remuneration of directors and chief executive officer is disclosed in note 22. Total amount of transactions with directors, chief executive officer and other related parties are as follows:

	Note	2025 Rupees	2024 Rupees
Nature of transaction			
Commission earned on trading of securities		47,895	195,540

Following are the related parties of the Company;

Name	Relationship	Basis of relationship	Shareholding
Mr. Omer Bin Aamir	Chief executive officer	Key management person	-
Khawaja Ahmed Arsalan	Director	Shareholding	25%
Khawaja Ahmed Imran	Director	Shareholding	25%
Khawaja Ahmed Usman	Director	Shareholding	25%
Khawaja Ahmed Hassan	Director	Shareholding	25%
Miss. Momina Omer	Family member	Spouse of chief executive	-
Miss. Rubina Arsalan	Family member	Spouse of director	-
Miss. Sarah Khalid Usman	Family member	Spouse of director	-
Miss. Ayesha Hassan	Family member	Spouse of director	-
Shajarpak Fabrics Private Limited	Associated company	Common directorship	-

## 24 FINANCIAL INSTRUMENTS

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors (the Board) has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

### 24.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted and arises principally from trade debts. Out of the total financial assets of Rs. 206,898,896/- (2024: Rs. 210,850,653/-) the financial assets which are subject to credit risk are amounted to Rs. 206,898,896/- (2024: Rs. 210,850,653/-).

To manage exposure to credit risk in respect of trade debts management performs credit reviews taking into account the customer's financial position, past experience and obtain advance payments from certain parties.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

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

Long term deposits	1,223,000	1,223,000
Trade debts	25,502,241	7,092,695
Short term investments	74,712,236	53,961,631
Advances and receivables	3,900,614	2,526,614
Bank balances	101,560,805	146,046,712
	<u>206,898,896</u>	<u>210,850,652</u>





All the trade debts at the statement of financial position date represent domestic parties. The aging of trade debts at the reporting date is:

	Gross trade debts	Impairment allowance for ECL	2025	2024
	-----Rupees-----			
0 to 90 days	22,274,970	(953)	22,274,017	3,102,056
91 to 365 days	2,312,699	(40,195)	2,272,504	2,543,969
365 days and above	1,541,800	(586,080)	955,720	1,446,670
	26,129,469	(627,228)	25,502,241	7,092,695

#### Credit risk related to bank balances

The bank balances represent low credit risk as this is placed with bank having good credit rating assigned by independent credit rating agency. The credit quality of bank balance can be assessed with reference to external credit rating as follows:

Bank name	Rating agency	Rating		2025 Rupees	2024 Rupees
		Short term	Long term		
Bank Al-Habib Limited	PACRA	A1+	AAA	77,879,052	130,189,767
Summit Bank Limited	VIS	A3	BBB-	2,522,520	130,520
MCB Bank Limited	PACRA	A1+	AAA	21,058,233	15,625,425
Meezan Bank Limited	VIS	A-1+	AAA	101,000	101,000
				101,560,804	146,046,712

#### 24.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due. The Company is not materially exposed to liquidity risk as substantially all obligations/ commitments of the Company are short term in nature.

The following are the contractual maturities of the financial liabilities:

	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years
	-----Rupees-----				
<b>30 June 2025</b>					
Trade and other payables	91,879,370	91,879,370	91,879,370	-	-
	91,879,370	91,879,370	91,879,370	-	-
<b>30 June 2024</b>					
Trade and other payables	125,472,686	125,472,686	125,472,686	-	-
	125,472,686	125,472,686	125,472,686	-	-

#### 24.3 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the Company's income or the value of its holdings of financial instruments.

##### 24.3.1 Currency risk

The Company is not exposed to any currency risk as it does not hold any foreign currency receivables and payables.

##### 24.3.2 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 rate. Sensitivity to interest/ markup rate risk arises from mismatches of financial assets and liabilities that mature or reprice in a given period. The Company manages these mismatches through risk management strategies.

##### 24.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors effecting all similar financial instruments traded in the market. Company is exposed to equity price risk since it has investment in quoted equity securities amounting to Rs. 74,712,236/- (2024: Rs. 53,961,631/-) at the statement of financial position date.



The carrying value of investment subject to equity price risk are based on quoted market prices and unquoted shares breakup value as per latest available audited financial statements. Market and breakup prices are subject to fluctuation and consequently the amount recognized in the subsequent sale of an investment may significantly differ from the reported values.

The Company's strategy is to hold its equity investments for long period of time. Thus, the Company's management is not concerned with short term price fluctuations provided that the underlying business, economic and management characteristics of the investee remain favorable. The Company strives to maintain above average levels of shareholders' capital to provide a margin of safety against short term equity price volatility. The Company manages price risk by monitoring exposure in quoted equity securities and implementing strict discipline in internal risk management and investment policies.

#### Sensitivity analysis

The table below summarizes the Company's equity price risk as on 30 June 2025 shows the effects of a hypothetical 10% increase and a 10% decrease in market and break-up prices as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios, results could be worse because of the nature of equity markets.

Had all equity investments been measured at fair values as required by IFRS 9 "Financial Instruments", the impact of hypothetical change would be as follows:

	Fair value	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase / (decrease) in shareholders' equity	Hypothetical increase/ (decrease) in other comprehensive income
30 June 2025	74,712,236	10% increase	82,183,460	7,471,224	7,471,224
		10% decrease	67,241,012	(7,471,224)	(7,471,224)
30 June 2024	53,961,631	10% increase	59,357,794	5,396,163	5,396,163
		10% decrease	48,565,468	(5,396,163)	(5,396,163)

#### 24.4 Fair value of financial instruments

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Valuation techniques using significant unobservable inputs.

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

		Level 1	Level 2	Level 3
30 June 2025	Equity securities	74,712,236	-	-
30 June 2024	Equity securities	53,961,631	-	-

As at 30 June 2025, the fair value of all financial instruments has been based on the valuation methodology outlined below:

#### Long term deposits

Long term deposits do not carry any rate of return. The fair value of these has been taken at book value as it is not considered materially different and readily exchangeable.

#### Other financial instruments

The fair values of all other financial instruments are considered to approximate their book values as they are short term in nature.

#### Categories of financial instruments

Financial instrument	Categories of financial instrument	2025 Rupees	2024 Rupees
<b>Financial assets</b>			
Long term deposits	At amortized cost	1,223,000	1,223,000
Trade debts	At amortized cost	25,502,241	7,092,695
Advances and receivables	At amortized cost	3,900,614	2,526,614
Cash and bank balances	At amortized cost	101,560,805	146,046,712
Short term investments	At fair value through OCI	74,712,236	53,961,631
		<u>206,898,896</u>	<u>210,850,652</u>



Financial instrument	Categories of financial instrument	2025 Rupees	2024 Rupees
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#### Financial liabilities

Trade and other payables

At amortized cost

91,879,370 125,472,686

91,879,370 125,472,686

#### 24.5 Reconciliation to the line items presented in the statement of financial position:

#### Assets

Property and equipment  
Intangible assets  
Long term deposits  
Trade debts  
Short term investments  
Taxes refundable/ adjustable  
Advances, prepayments and other receivables  
Cash and bank balances

2025		
Financial assets	Non-financial assets	Assets as per the statement of financial position
-----Rupees-----		
-	9,509,228	9,509,228
-	3,724,220	3,724,220
1,223,000	-	1,223,000
25,502,241	-	25,502,241
74,712,236	-	74,712,236
-	4,028,535	4,028,535
3,900,614	67,246	3,967,860
101,560,805	-	101,560,805
206,898,896	17,329,229	224,228,125

#### Liabilities

Deferred taxation  
Trade and other payables  
Provision for taxation

2025		
Financial liabilities	Non-financial liabilities	Liabilities as per the statement of financial position
-----Rupees-----		
-	2,899,941	2,899,941
91,879,370	166,826	92,046,196
-	3,374,861	3,374,861
91,879,370	6,441,628	98,320,998

#### Assets

Property and equipment  
Intangible assets  
Long term deposits  
Trade debts  
Short term investments  
Taxes refundable/ adjustable  
Advances, prepayments and other receivables  
Cash and bank balances

2024		
Financial assets	Non-financial assets	Assets as per the statement of financial position
-----Rupees-----		
-	10,517,972	10,517,972
-	3,860,245	3,860,245
1,223,000	-	1,223,000
7,092,695	-	7,092,695
53,961,631	-	53,961,631
-	2,642,479	2,642,479
2,526,614	136,064	2,662,678
146,046,712	-	146,046,712
210,850,652	17,156,760	228,007,412

#### Liabilities

Deferred taxation  
Trade and other payables  
Provision for taxation

2024		
Financial liabilities	Non-financial liabilities	Liabilities as per the statement of financial position
-----Rupees-----		
-	-	-
125,472,686	154,309	125,626,995
-	1,599,733	1,599,733
125,472,686	1,754,042	127,226,728





## 25 CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain creditors and market confidence, sustain future development of business, safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts. The capital adequacy level of the Company is as follows:

	2025 Rupees	2024 Rupees
Total assets	224,228,125	228,007,412
Less : Total liabilities	(95,421,057)	(127,226,728)
	<u>128,807,068</u>	<u>100,780,684</u>

While determining the value of the total assets of the TREC holder, Notional value of the TRE certificate held by the Company as at year ended 30 June 2025 as determined by Pakistan Stock Exchange has been considered.

Consistently with others in the industry, the Company monitors capital on the basis of the net debt-to-equity ratio. This ratio is calculated as net debt ÷ equity. Net debt is calculated as total debt (as shown in the statement of financial position) less cash and cash equivalents. Equity comprises of share capital, reserves and unappropriated profit. The Company has no outstanding borrowings/ net debts at the year end, therefore gearing ratios of the Company is not applicable.

## 26 DISCLOSURES UNDER SECURITIES BROKERS (LICENSING AND OPERATIONS) REGULATIONS, 2016

Following additional disclosures not elsewhere disclosed in these financial statements are being provided to comply with the requirements of the Securities Brokers (Licensing and Operations) Regulations, 2016:

### 26.1 Net capital balance

The Net Capital Balance as required under Second Schedule of Securities Brokers (Licensing and Operations) Regulations 2016 read with Rule 2(d) of the Securities and Exchange Commission (SEC) Rules 1971 (SEC Rules 1971) issued by the Securities and Exchange Commission of Pakistan (SECP) is calculated as follows;

Description	Valuation	Note	2025 Rupees
<b>Current assets</b>			
Cash and bank balances	As per book value	26.2 (i)	101,560,805
Trade debts	Book value less overdue for more than 14 days	26.2 (ii)	20,972,503
Investment in listed securities in the name of broker	Securities on the exposure list marked to market less 15% discount	26.2 (iii)	63,505,401
Securities purchased for customers	Securities purchased for the customer and held by the broker where the payment has not been received within fourteen days		-
Listed TFCs/ corporate bonds of not less than BBB grade assigned by a credit rating Company in Pakistan	Marked to market less 10% discount		-
FIBs	Marked to market less 5% discount		-
Any other current asset specified by the commission	At market value		-
			<u>186,038,709</u>
<b>Current liabilities</b>			
Trade payables	Book value less overdue for more than 30 days	26.2 (iv)	34,759,941
Other payables	As classified under the generally accepted accounting principles	26.2 (v)	57,286,255
			<u>92,046,196</u>
Net capital balance as at 30 June 2025			<u>93,992,513</u>



## 26.2 Notes to the net capital balance of the Company

2025  
Rupees

## (i) Cash and bank balances

Cash in hand

Cash at bank

Bank balances pertaining to brokerage house

Bank balances pertaining to clients

25,201,179

76,359,626

101,560,805

## (ii) Trade debts

Total receivables

Less: Outstanding for more than 14 days

Outstanding for 14 days or less

26,129,469

(5,156,966)

20,972,503

## (iii) Investment in listed securities

In the name of Broker - market value

Less: 15% discount

74,712,236

(11,206,835)

63,505,401

## (iv) Trade payables

Total payables

Less: Due for more than 30 days

Due for 30 days or less

90,608,783

(55,848,842)

34,759,941

## (v) Other payables

Trade payables - Due for more than 30 days

Accrued liabilities and other payables

55,848,842

1,437,413

57,286,255

## 26.3 Liquid capital

The Liquid Capital Balance as required under third Schedule of Securities Brokers (Licensing and Operations) Regulations 2016 issued by the SECP is calculated as follows;

S. No.	Head of account	Value in Pak Rupees	Hair Cut / adjustments	Net adjusted value
<b>1. Assets</b>				
1.1	Property and equipment	9,509,228	9,509,228	-
1.2	Intangible assets	3,724,220	3,724,220	-
1.3	Investment in Govt. securities	-	-	-
	Investment in debt securities			
	If listed then:			
	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.	-	-	-
1.4	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
	If unlisted then:			
	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			
1.5	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher. (Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital).	74,712,236	34,958,783	39,753,453
	ii. If unlisted, 100% of carrying value.	-	-	-
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.	-	-	-





S. No.	Head of account	Value in Pak Rupees	Hair Cut / adjustments	Net adjusted value
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.	800,000	800,000	-
1.9	Margin deposits with exchange and clearing house.	200,000	-	200,000
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	290,247	290,247	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.	-	-	-
	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>	-	-	-
	<b>Advances and receivables other than trade receivables</b>			
1.15	(i) Short term loans to employees.: 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 provision of taxation	4,028,535	653,674	3,374,861
	iii. In all other cases 100% of net value.	3,900,614	3,900,614	-
	<b>Receivables from clearing house or securities exchange(s)</b>			
1.16	(i) 100% value of claims other than those on account of entitlements against trading of securities in all markets including MTM gains.	-	-	-
	ii. On account of entitlements against trading of securities in all markets including MtM gains.	14,249,157	-	14,249,157
	<b>Receivables from customers</b>			
	i. In case receivables are against margin financing, the aggregate of (i) value of securities held in the blocked account after applying VAR based haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VAR based haircut.	-	-	-
	i. Lower of net balance sheet value or value determined through adjustments.	-	-	-
	ii. In case receivables are against margin trading, 5% of the net balance sheet value.	-	-	-
	<b>ii. Net amount after deducting haircut</b>			
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract,	-	-	-
	<b>iii. Net amount after deducting haircut</b>			
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value.	6,353,830	-	6,353,830
1.17	<b>iv. Balance sheet value</b>			
	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.	5,526,481	1,594,289	3,932,192
	v. Lower of net balance sheet value or value determined through adjustments	-	-	-
	vi. In the case of amount receivable from related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner: (a) Up to 30 days, values determined after applying VaR based haircuts; (b) Above 30 days but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher; (c) Above 90 days, 100% haircut shall be applicable. vi. Lower of net balance sheet values or values determined through adjustments.	-	-	-





S. No.	Head of account	Value in Pak Rupees	Hair Cut / adjustments	Net adjusted value
	<b>Cash and bank balances</b>			
1.18	i. Bank balance proprietary accounts	25,201,179	-	25,201,179
	ii. Bank balance customer accounts	76,359,626	-	76,359,626
	iii. Cash in hand	-	-	-
	<b>Subscription money against investment in IPO/ offer for sale (asset)</b>			
1.19	i. Amount paid as subscription money if shares have not been allotted or are not included in the investments of securities broker.	-	-	-
	ii. Investments in IPO where shares have been allotted but not yet credited in CDS account 25% haircuts will be applicable on the value of such securities.	-	-	-
	iii. In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VaR based haircut whichever is higher, will be applied on Right shares.	-	-	-
1.20	<b>Total assets</b>	<b>224,855,353</b>	<b>55,431,055</b>	<b>169,424,298</b>
<b>2. Liabilities</b>				
	<b>Trade payables</b>			
2.1	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	90,608,783	-	90,608,783
	<b>Current liabilities</b>			
2.2	i. Statutory and regulatory dues	166,826	-	166,826
	ii. Accruals and other payables	1,270,587	-	1,270,587
	iii. Short term borrowings	-	-	-
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred liabilities	-	-	-
	vii. Provision for taxation	3,374,861	-	3,374,861
	viii. Other liabilities as per accounting principles and included in the financial statements	-	-	-
	<b>Non-current liabilities</b>			
2.3	i. Long term financing	-	-	-
	ii. Staff retirement benefits	-	-	-
	iii. Other liabilities as per accounting principles and included in the financial statements	2,899,941	-	2,899,941
	<b>Subordinated loans</b>			
2.4	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted	-	-	-
	ii. Subordinated loans which do not fulfill the conditions specified by SECP.	-	-	-
	<b>Advance against shares for increase in capital of securities broker</b>			
2.5	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	<b>Total liabilities</b>	<b>98,320,998</b>	<b>-</b>	<b>98,320,998</b>
<b>3. Ranking liabilities relating to:</b>				
	<b>Concentration in margin financing</b>			
3.1	The amount calculated on 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.)	-	-	-





S. No.	Head of account	Value in Pak Rupees	Hair Cut / adjustments	Net adjusted value
	<b>Concentration in securities lending and borrowing</b>			
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	-	-	-
	<b>Net underwriting commitments</b>			
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. (b) in any other case : 12.5% of the net underwriting commitments	-	-	-
3.4	<b>Negative equity of subsidiary</b> The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary.	-	-	-
3.5	<b>Foreign exchange agreements and foreign currency positions</b> 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	<b>Amount payable under REPO</b>	-	-	-
	<b>REPO adjustment</b>			
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.	-	-	-
3.8	<b>Concentrated proprietary positions</b> 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.	-	-	-
3.9	<b>Opening positions in futures and options</b> i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VAR haircuts. ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met.	-	-	-
3.10	<b>Short sell positions</b> 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	<b>Total ranking liabilities</b>	-	-	-
		126,534,355	55,431,055	71,103,300
	<b>Liquid capital as at 30 June 2025</b>			<u>71,103,300</u>



27 NUMBER OF EMPLOYEES

Number of employees as at 30 June 2025 were 10 (2024: 7).

Average number of employees during the year were 10 (2024: 7).

28 EVENTS AFTER STATEMENT OF FINANCIAL POSITION DATE

There are no significant activities since 30 June 2025 causing any adjustment/ disclosure in these financial statements.

29 DATE OF AUTHORIZATION

These financial statements were approved and authorized for issue on 11 SEP 2025 by the Board of Directors.

  
DIRECTOR

  
CHIEF EXECUTIVE OFFICER

