ABA ALI HABIB SECURITIES (PRIVATE) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2026

ABA ALI HABIB SECURITIES (PRIVATE) LIMITED

DIRECTORS' REPORT

TO THE SHAREHOLDERS

The Directors of **Aba Ali Habib Securities (Private) Limited** (the "Company"), are pleased to present the Annual Report, together with the Audited Financial Statements and the Auditors' Report thereon, for the financial year ended June 30, 2026.

1. FINANCIAL PERFORMANCE

During the financial year ended June 30, 2026, Pakistan's economy continued to operate in a challenging environment, characterised by structural economic constraints, elevated public debt, external sector vulnerabilities and pressures on business operating costs. Nevertheless, easing inflationary pressures and signs of macroeconomic stabilisation contributed to an improvement in business sentiment and supported activity in the capital market.

Against this backdrop, the Company demonstrated improved financial performance, supported by favourable developments in the equity market, increased business activity and a continued focus on operational efficiency, risk management and cost discipline.

The Company's operating revenue increased to **PKR 223.8 million**, compared with PKR 155.58 million in the preceding financial year. Gross profit also improved significantly, reaching **PKR 235.9 million**, compared with PKR 65.8 million in the previous year. Furthermore, profit after tax increased to **PKR 156.7 million**, against PKR 42.7 million in the preceding year.

Consequently, earnings per share (EPS) increased to **PKR 7.84**, compared with PKR 2.14 for the previous financial year, reflecting a substantial improvement in the Company's profitability.

These results reflect the Company's ability to capitalise on improved capital market conditions while maintaining an emphasis on prudent financial management, operational controls and regulatory compliance. The Directors remain committed to consolidating these gains through sustainable business growth, prudent resource allocation and the continued enhancement of the Company's service delivery capabilities.

2. INDUSTRY DEVELOPMENTS AND BUSINESS ENVIRONMENT

Pakistan's securities brokerage industry continues to evolve in response to changing investor expectations, technological advancements, regulatory reforms and developments in domestic and international financial markets.

Improved investor participation and increased market activity provide opportunities for brokerage firms to expand their customer base, enhance trading volumes and diversify revenue streams. At the same time, competitive pressures, technology investment requirements, regulatory obligations and market volatility require sustained attention to operational resilience and risk management.

The Company recognises that long-term competitiveness will depend on its ability to combine reliable execution services with digital accessibility, quality research, effective client relationship management and strong governance and compliance standards.

3. FUTURE OUTLOOK

The Directors remain cautiously optimistic about the Company's prospects for the coming financial year, subject to prevailing economic conditions, capital market performance and the regulatory environment. While uncertainties relating to interest rates, inflation, exchange-rate movements and external financing requirements may continue to influence investor sentiment, opportunities remain for well-managed brokerage firms to strengthen their market position and develop new sources of revenue.

The Company intends to pursue the following strategic priorities:

3.1 Digital Transformation and Operational Efficiency

The Company will continue to explore opportunities to enhance its digital infrastructure, including mobile-based trading facilities, streamlined customer onboarding, automated operational processes, management information systems and data-driven business analytics. These initiatives are intended to improve customer experience, strengthen internal controls and support scalable business growth.

3.2 Expansion of Shariah-Compliant Services

The Company will assess opportunities to expand its Shariah-compliant brokerage services, including access to suitable investment products, research and investor facilitation, subject to applicable regulatory requirements and the availability of appropriate operational arrangements. This initiative may enable the Company to serve investors seeking investment opportunities consistent with their Shariah preferences.

3.3 Product and Revenue Diversification

The Company will evaluate opportunities to broaden its product and service offerings in line with market demand, regulatory permissions and its risk appetite. Potential areas include eligible derivative products, commodity futures, Islamic capital market instruments and other investment-related services where commercially viable and legally permissible.

3.4 Client Acquisition and Relationship Management

The Company intends to strengthen client segmentation and relationship management across retail, high-net-worth and institutional customer segments. Greater emphasis will be placed on investor engagement, service quality, client retention, targeted business development and the development of sustainable, diversified revenue streams.

3.5 Risk Management, Governance and Regulatory Compliance

The Company will continue to maintain a prudent approach to risk management, regulatory compliance, internal controls and cost management. Particular attention will be given to market, credit, liquidity, operational, technology and cybersecurity risks, together with ongoing compliance with the applicable requirements of the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited and other relevant regulatory and market institutions.

4. PRINCIPAL RISKS AND UNCERTAINTIES

The Company's business and financial performance remain subject to a range of risks, including:

- **Market risk:** Changes in equity market conditions, trading volumes, investor sentiment and securities prices may affect brokerage income and other market-related revenues.
- **Macroeconomic risk:** Changes in interest rates, inflation, exchange rates and external economic conditions may influence investment activity and the allocation of investor funds.
- **Regulatory risk:** Changes in laws, regulations, settlement arrangements, margin requirements and compliance obligations may affect operating processes and the cost of doing business.
- **Technology and cybersecurity risk:** Increasing reliance on digital platforms and electronic trading systems necessitates appropriate investment in information security, business continuity and technology controls.
- **Competitive risk:** Intensifying competition and evolving customer expectations may place pressure on pricing, margins and client retention.

The Company seeks to manage these risks through appropriate internal controls, prudent business practices, regulatory oversight, continuous monitoring and periodic review of its risk management arrangements.

5. COMMITMENT TO SUSTAINABLE GROWTH

The Directors believe that sustained performance depends on balancing growth opportunities with financial prudence, sound governance and effective risk management. Accordingly, the Company will continue to focus on strengthening its operational capabilities, enhancing customer service, developing technology-enabled solutions and maintaining compliance with the applicable legal and regulatory framework.

The Board remains committed to protecting shareholders' interests and pursuing sustainable long-term value creation while responding responsibly to changes in the operating environment.

The Directors express their appreciation to the Company's shareholders, valued clients, regulators, business partners and employees for their continued confidence, cooperation and support.

For and on behalf of the Board of Directors

Muhammad Zahid Ali
Chief Executive Officer
Place: Karachi
Dated: 05 October, 2026

Abid Ali Habib
Director

STATEMENT BY THE CHIEF EXECUTIVE OFFICER
UNDER CLAUSE 9 (A) (III) OF SECURITIES-BROKERS-LICENSING-AND-OPERATIONS-REGULATIONS-2016

There are no transactions entered into by **Aba Ali Habib Securities Private Limited** during the year ended 30 June, 2026 which are fraudulent, illegal or in violation of any securities market laws.

Muhammad Zahid Ali Habib
Chief Executive Officer

Dated: 05-10-2026

STATEMENT OF COMPLIANCE

WITH CORPORATE GOVERNANCE CODE FOR SECURITIES BROKERS UNDER ANNEXURE D OF SECURITIES-BROKERS-LICENSING-AND-OPERATIONS-REGULATIONS-2016

Aba Ali Habib Securities Private Limited is in compliance with the corporate governance code for securities brokers under annexure d of securities-brokers-licensing-and-operations-regulations-2016 during the year ended 30 June, 2026.

Muhammad Zahid Ali Habib
Chief Executive Officer

Dated: 05-10-2026

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

A Member firm of
PrimeGlobal *An Association of Independent Accounting Firms*

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ABA ALI HABIB SECURITIES (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Aba Ali Habib Securities (Private) Limited** (the Company), which comprise the statement of financial position as at June 30, 2026, and the statement of profit or loss, the statement of 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 policies 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, 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, 2026 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's 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 auditor's report thereon.

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

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

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Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, the statement of 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.

e) the Company was in compliance with the requirement of section 78 of the Securities Act 2015, and section 62 of the Futures Act, 2016 and the relevant requirements of Securities Brokers (Licencing and Operations) Regulations, 2016 as at the date on which the 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 auditor's report is **Ahsan Elahi Vohra – FCA.**

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Naveed Zafar Ashfaq Jaffery & Co
Chartered Accountants

Karachi
Dated : October 06, 2026
UDIN : AR202610532iAtH5aebd

ABA ALI HABIB SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Notes	2026	2025
		---------- (Rupees) ----------	
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital 20,000,000 (2025: 20,000,000) ordinary shares of Rs. 10/- each		200,000,000	200,000,000
Issued, subscribed and paid-up capital	5	200,000,000	200,000,000
Unappropriated profit		1,275,131,189	1,118,368,726
		1,475,131,189	1,318,368,726
Non - Current Liabilities			
Deferred taxation-net	6	22,315,688	69,722
Staff retirement benefits	7	1,317,524	-
		23,633,212	69,722
Current Liabilities			
Trade and other payables	8	244,196,936	259,987,817
Short term borrowings	9	644,241,688	278,475,022
Accrued markup		13,025,080	2,597,629
		901,463,704	541,060,468
Total Equity and Liabilities		2,400,228,105	1,859,498,916
CONTINGENCIES AND COMMITMENTS	10		
ASSETS			
Non - Current Assets			
Property and equipment	11	37,294,374	26,245,489
Intangible assets	12	2,500,000	2,500,000
Long term deposits and prepayment	13	2,185,000	2,185,000
Long term investment	14	23,902,951	11,164,091
		65,882,325	42,094,580
Current Assets			
Trade debts - considered good	15	397,950,649	124,345,771
Receivable against margin financing	16	208,657,159	122,778,729
Receivable against margin trading	17	-	247,779,617
Short term investments	18	1,361,981,392	1,005,418,468
Short term deposits	19	87,032,000	40,347,289
Advances and other receivables	20	28,422,239	5,844,367
Advance tax - net of provision		123,470,918	136,120,803
Cash and bank balances	21	126,831,423	134,769,295
		2,334,345,780	1,817,404,336
Total Assets		2,400,228,105	1,859,498,916

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

Chief Executive

Director

ABA ALI HABIB SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------- (Rupees) ----------	
Operating revenue	22	**223,800,989**	155,581,818
Capital gain on sale of investments		**4,950,167**	89,721,211
Net change in unrealized gain of investments		**149,316,897**	32,351,796
		378,068,053	277,654,825
Administrative expenses	23	**(148,042,878)**	(215,678,081)
Other income	24	**5,881,148**	3,883,703
Operating profit		**235,906,323**	65,860,446
Finance costs	25	**(31,516,396)**	(18,192,361)
Profit before levies and taxes		**204,389,927**	47,668,086
Final taxes	26.1	**(2,939,619)**	(3,517,892)
Minimum tax	26.2	**-**	(939,835)
Profit before income tax		**201,450,308**	43,210,359
Taxation	27	**(44,687,845)**	(432,288)
Profit after taxation		**156,762,463**	42,778,071
Earnings per share - basic and diluted	28	**7.84**	2.14

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

Chief Executive

Director

ABA ALI HABIB SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	---------- (Rupees) ----------	
Net profit for the year	**156,762,463**	42,778,071
Other comprehensive income	-	-
Total comprehensive income for the year	**156,762,463**	42,778,071

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

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Chief Executive

Director

ABA ALI HABIB SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------- (Rupees) ----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxes	Note	**204,389,927**	47,668,086
Adjustments for non cash items:			
Depreciation on property and equipment	11	**7,909,688**	2,813,929
Provision for gratuity	7	**1,317,524**	-
Capital gain on sale of investment		**(4,950,167)**	(89,721,211)
Gain on disposal of fix assets	25	**(1,482,631)**	-
Net change in unrealize gain on investment		**(149,316,897)**	(32,351,796)
Dividend income		**(19,597,463)**	(25,941,612)
Finance income		**(660,086)**	(1,788,381)
Finance cost		**30,404,541**	17,517,271
		(136,375,490)	(129,471,801)
Operating profit before working capital changes		**68,014,437**	(81,803,716)
(Increase) / decrease in current assets			
Trade debts - considered good	15	**(273,604,879)**	(83,447,804)
Receivable against margin financing	16	**(85,878,430)**	(98,542,117)
Receivable against margin trading	17	**247,779,617**	406,505,224
Advances and other receivables	20	**(22,577,872)**	(3,542,649)
Short term deposits	19	**(46,684,711)**	(26,550,972)
		(180,966,275)	194,421,682
(Decrease) / increase in current liabilities:			
Trade and other payables		**(15,790,881)**	137,178,590
Net cash (used in) / generated from operations		**(128,742,719)**	249,796,557
Finance cost paid		**(21,088,945)**	(21,804,291)
Taxes paid		**(12,492,260)**	(8,642,842)
Net cash (used in) / generated from operating activities		**(162,323,924)**	219,349,425
CASH FLOWS FROM INVESTING ACTIVITIES			
Short term investment - net		**(215,034,721)**	11,466,723
Addition in fixed assets		**(20,603,443)**	473,356
Proceeds from disposal of assets		**4,000,000**	-
Dividend income		**19,597,463**	25,941,612
Finance income		**660,086**	1,788,381
Net cash (used in) / generated frrom investing activities		**(211,380,615)**	39,670,073
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings- net		**365,766,666**	(228,321,814)
Net cash generated from / (used in) financing activities		**365,766,666**	(228,321,814)
Net increase in cash and cash equivalents during the year		**(7,937,872)**	30,697,683
Cash and cash equivalents at the beginning of the year		**134,769,295**	104,071,612
Cash and cash equivalents at the end of the year		**126,831,423**	134,769,295

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

Chief Executive

Director

ABA ALI HABIB SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

Aba Ali Habib Securities (Private) Limited The company was incorporated on 8th May 1996 as a private limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017).

The Company is a Trading Right Entitlement Certificate (TREC) holder of Pakistan Stock Exchange Limited (PSX) and member of Pakistan Mercantile Exchange Limited (PMEX). The principal activities of the Company are share brokerage and commodity brokerage services. Other activities include investment in a mix of listed and unlisted equity and debt securities and reverse repurchase transactions. The registered office of the Company is located at Suite No 505, 5th Floor Business Plaza, Mumtaz Hussan Road off I.I Chundrigarh Road Karachi, Pakistan. The Company has two branches in Karachi Pakistan which are as follows:

Branch addresses

Room No: 403, 419 & 435 4th Floor Stock Exchange Building, Pakistan Stock Exchange Road, Karachi.
Room #517, Fifth Floor, Lahore Stock Exchange Building, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore

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 applicable in Pakistan comprise of:

- - IFRS Accounting Standards 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.
- Securities brokers (licencing and operations) Regulations, 2016.

Where the provisions and directives issued under the companies act 2017 differs from IFRS standards, the provision and directives issued under companies act 2017 have been followed.

2.2 Basis of measurement

2.2.1 These financial statements have been prepared under historical cost convention except, for short term investment in equity securities which are carreied at fair value.

2.2.2 These financial statements have been prepared on settlement date basis.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Company and rounded off to nearest rupee.

2.4 Significant accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience, industry trends, legal and technical pronouncements and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised. Significant areas requiring the use of management estimates in these financial statements relate to the following:

(a) Determination of the residual values and useful lives of property and equipments and intangible assets (refer note 4.1, 4.2 & 10.1)
(b) Trade debts (refer note 4.9)
(c) Current tax and deferred tax (refer note 4.10)
(d) Provisions (refer note 4.12)

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3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30,

There were certain amendments to accounting and reporting standards that became applicable to the Company during the year. These do not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standard amendments and interpretations are either not relevant to the Company's operations or are not expected to have material impact on the Company's financial statements other than certain additional disclosures.

Amendment or improvement (applicable period beginning on or after effective date)	Effective date
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 1, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 1, 2026

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently in the preparation and presentation of these financial statements.

4.1 Operating Fixed Assets

Owned

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is charged to profit and loss account by applying the reducing balance method systematically on yearly basis at the rates specified in note 10. Depreciation on additions to property and equipment is charged from the month in which an item is acquired while no depreciation is charged in the month the item is disposed off.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If such an indication exists the carrying amount of such assets are reviewed to assess whether they are recorded in excess of their recoverable amounts. Where carrying values exceed the estimated recoverable amount, assets are written down to the recoverable amount; and the impairment losses are recognised in the profit and loss account.

The residual value, depreciation method and the useful lives of each part of property and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposal of assets, if any are included in profit and loss account for the current year.
Normal repairs and maintenance costs are charged to profit and loss account in the period of its occurrence, while major renovations and improvements are capitalized only when it is probable that the future economic benefits associated with the item will flow to the entity and its cost can be measured reliably. Disposal of assets is recognized when significant risk and rewards incidental to the ownership have been transferred to the buyers.

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Right-of-use asset

The right-of-use asset is initially measured based on the initial measurement of lease liability, plus any initial direct costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. If ownership of the leased asset transfer to the company at the end of the year or the cost reflect the exercise of purchase option.

The right-of-use asset is subsequently measured at cost model. The right of use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term. If the ownership of leased assets transfer to company at the end of year or the cost reflects the exercise of purchase option, depreciation is calculated using the estimated useful life of asset.

Lease liability

At the commencement date of lease company recognizes lease liabilities measured at the present value of lease payment to be made over the lease term. The lease payments include lease payments(substance fixed payments) less any lease incentive receivables, variable lease payment that depend on an index or rate and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the company and payment of penalties for terminating the lease, if the lease term reflect the company exercising the option to terminate variable lease payments that do not depend on an index and rate are recognized as expense (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs).

In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date the amount of lease liability increased to reflect the accretion of interest and reduce for the lease payment made. In addition the carrying amount of lease liability remeasured if there is modification , a change in the lease term , lease payment, or change in the assessment of an option to purchase the underlying asset.

4.2 Intangible assets

This represents Trading Right Entitlement Certificate of Pakistan Stock Exchange.

TRE Certificate is considered to have indefinite useful life and stated at revalued amount. The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and when carrying value exceeds estimated recoverable amount, these are written to their estimated recoverable amount.

4.3 Borrowing costs

Borrowing costs are interest or other costs incurred by the Company in connection with the borrowing of funds. Borrowing cost that is directly attributable to a qualifying asset, i.e., an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, is capitalized as part of cost of that asset. All other borrowing costs are charged to income in the period in which they are incurred.

4.4 Financial assets

4.4.1 Classification and initial measurement

The Company classifies its financial assets in the 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

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(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 either:

(a) 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; or

(b) it is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the Company to at initial recognition.

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.

Such financial assets are initially measured at fair value.

4.4.2 Subsequent measurement

(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 profit and loss account.

(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 (except for investments in equity instruments which are designated as at fair value through other comprehensive income in whose case the cumulative gain or loss previously recognized in other comprehensive income is not so reclassified). 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 profit and loss account.

4.4.3 Impairment

The Company's only financial asset that is subject to the impairment requirements of IFRS 9 is trade receivables.

The Company applies the IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The Company measures expected credit losses on trade receivables 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 and loss account, as an impairment loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

4.4.4 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 Modaraba has transferred substantially all risks and rewards of ownership.

4.5 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 and loss account.

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

4.6 Non-financial assets

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

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount of the asset. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognized.

4.7 Long term deposits

These are stated at cost which represents the fair value of consideration given.

4.8 Trade debts

Trade and other receivables are recognized at fair value and subsequently measured at amortised cost less impairment losses, if any. Actual credit loss experience over past years is used to base the calculation of expected credit loss. Trade and other receivables considered irrevocable are written off.

4.10 Levies and Taxation

4.10.1 Final and minimum tax

Computation of minimum tax chargeable under various sections of ITO 2001, provisions of such sections require its comparison with amount of tax attributable to income streams taxable at general rate of taxation, such minimum taxes are not fully outside the scope of IAS-12 and a certain portion of them falls in scope of IAS - 12. Based on this, the minimum taxes under ITO 2001 are hybrid taxes which comprise of a component within the scope of IAS - 12 and a component within the scope of IFRIC - 21/IAS-37.

As regards final taxes, its computation is based on revenue or other bases other than taxable income, therefore, final taxes fall under levy within the scope of IFRIC-21/IAS-37, hence treated and classified accordingly, as per the requirements of / and guidelines issued by ICAP.

In identifying and classifying each component of minimum tax being hybrid in nature, company designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS - 12 "Income taxes" and recognize it as current income tax expense. Any excess over the amount designed as income tax, is recognized as a levy falling under the scope of IFRIC-21/IAS-37.

4.10.2 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit or loss except to the extent that it relates to item recognized directly in other comprehensive income in which case it is recognized in other comprehensive income.

Current tax

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any.

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Prior tax

The charge for prior tax includes adjustments to charge for prior years which arises from assessments / developments made during the year, if any.

Deferred

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

Deferred tax is not recognised for the following temporary differences; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences arising on the initial recognition of goodwill. be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted.

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

4.11 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized on the following basis:

- Brokerage income is recognized as and when such services are provided.
- Interest income is recognized on a time proportion basis that takes into account the effective yield.
- Dividend income is recorded when the right to receive the dividend is established.
- Unrealized capital Gains / (losses) arising from mark to market of investments classified as at financial assets at fair value through profit or loss are included in profit and loss account for the period in which they arise.
- All other incomes are recognized on an accrual basis.

4.12 Staff retirements benefits

The staff gratuity scheem is unapproved/unfunded for employees post employement benefits on or after completion of one year with the company as qualification service period. The company's obligation in respect of the gratuity is calculated by estimating the post employement benefits that employees have earned in the current period and amount mainted in seprate fund. The amount recognized in the financial statements does not represent the present value of defined benefits obligation.

4.13 Provisions

A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, 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. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

4.14 Creditors, accrued and other liabilities

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

4.15 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statement only when company has legally enforceable right to offset and the company intends to either settle on net basis, or to realize the asset and to settled the liability simultaneously. Income and expense items of such assets and liabilities are also offset and the net amount is reported in the financial statements only when permitted by accounting and reporting standards as applicable in Pakistan.

4.16 Dividend

Dividend distributions and appropriations are recorded in the period in which the distributions and appropriations are approved.

4.17 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash in hand, current and deposit accounts held with banks. Running 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 cash flow statement.

4.18 Earning per share

Earning per share is calculated by dividing the profit after taxation for the year by the weighted average number of shares outstanding during the year.

		2026	2025
		---------- (Rupees) ----------	
5	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**		

This comprises fully paid-up ordinary shares of Rs. 10 each as follows:

2026	2025		2026	2025
------ (No. of shares) ------			---------- (Rupees) ----------	
6,500,000	6,500,000	Issued against cash	65,000,000	65,000,000
13,500,000	13,500,000	Issued as bonus shares	135,000,000	135,000,000
20,000,000	20,000,000		200,000,000	200,000,000

5.1 Pattern of shareholding of the company.

	Name of Shareholder	No of Shares	Percentage of Holding	No of Shares	Percentage of Holding
		JUNE 30, 2026		June 30, 2025	
i	Zahid Ali Habib	8,888,859	44.4443%	200	0.0010%
ii	Aba Ali Habib	-	0.0000%	19,999,470	99.9974%
iii	Abid Ali Habib	8,888,859	44.4443%	200	0.0010%
iv	Aayman Zahid	10	0.0001%	10	0.0001%
v	Muhammad Munir	-	0.0000%	10	0.0001%
vi	Aysha Abid	10	0.0001%	10	0.0001%
vii	Shahid Ali Habib	2,222,262	11.1113%	100	0.0005%
		20,000,000	100%	20,000,000	100%

5.2 There is only one class of shares and all shares rank equally and there are no arrangements among shareholders in respect of voting rights, board resolution. Right of first refusal and block voting.

6 DEFERRED TAXATION- NET

6.1 DEFERRED TAX IN RESPECT OF OTHER TEMPORARY DIFFERENCES

Deferred tax liabilities recognized	6.1.1	22,697,770	103,993
Deferred tax asset recognized	6.1.2	(382,082)	(34,272)
		22,315,688	69,722

6.1.1 Deferred tax liabilities

Accelerated depreciation	300,236	(18,803)
Long term investments - unrealized gain net	640,774	72,324
Short term investments - unrealized gain net	21,756,761	-
Adavances and Other receivables	-	50,472
	22,697,770	103,993

6.1.2 Deferred tax assets

Provision for gratuity	(382,082)	-
Provision for doubtful debts and other receivables	-	(34,272)
	(382,082)	(34,272)

7 STAFF RETIREMENT BENEFITS

Gratuity	7.1	1,317,524	-

7.1 During the year, the company has introduced a policy for recognizing gratuity for its employees. The calculation of defined benefit obligation is based on employee's last month salary of each year of service after 1 year of entilement period.

8 TRADE AND OTHER PAYABLES

Trade payables	8.1, 8.2	208,982,497	176,696,066
Future profit and cash margin withheld		18,533,100	67,806,096
Sales tax payable		918,198	446,038
Withholding tax payable		3,640,771	2,559,356
CDC and NCSS payable		-	-
Accrued expenses		1,149,645	1,746,852
Other payables		10,972,725	10,733,408
		244,196,936	259,987,817

8.1 This includes amount of Rs.3,108,806 pertaining to related party (2025: 7,453,796)

8.2 This includes amount of Rs. 58.342 million payable to Irfan Gulwani. Refer Note 10.1.2 for further details.

N2M

		Note	2026	2025
			---------- (Rupees) ----------	
9	**SHORT TERM BORROWINGS - Secured**			
	Running finance :			
	JS Bank Limited	9.1	**51,672,875**	14,847,548
	Soneri Bank Limited		**-**	1,226
	Bank Al Habib Limited	9.2	**592,568,813**	263,626,249
			644,241,688	278,475,022

9.1 Short term running finance facilities available to the Company is Rs. 1,250 million (2025: Rs. 800 million). The company has obtained financing form JS Bank Limited Rs. 300 million, United Bank Limited Rs.200 million and Bank Al Habib Limited Rs.750 million having expiry on 30 September, 2026, 09 June, 2027 and 03 May, 2027 respectively which is secured against lein over shares listed at Pakistan Stock Exchnage Limited. The facilites obtained from JS Bank Limited carry markup rate at 3 month average KIBOR+2%(2025: 3 month average KIBOR+2%) and Bank Al Habib Limited carry markup rate at 1 month average KIBOR+1.25%(2025: 1 month average KIBOR+1.25%).

9.2 Fair value of shares pledged with banking companies against various short term running finance facilities and bank guarantees as at June 30, 2026 amounted to Rs. 1,489.61 million (2025: Rs. 775.06 million). Total value of securities pledged with financial institutions, indicating separately securities belonging to customers, is as under:

	June 30, 2026		June 30, 2025	
	Number of securities	**Amount (Rupees)**	Number of securities	Amount (Rupees)
Client	**8,849,675**	**759,438,306**	2,970,000	552,581,150
House	**9,860,900**	**730,175,933**	4,561,500	222,478,165
Total	**18,710,575**	**1,489,614,239**	7,531,500	775,059,315

9.3 The client securities comprise of directors securities pledged with banks on their mandate.

10 CONTINGENCIES AND COMMITMENTS

10.1.1 Contingencies

Aba Ali Habib Securities (Private) Limited has filed a civil suit before 8th Senior Civil Judge, District South Karachi in connection with the Repo Transaction of BAHLTFC6 as disclosed in Note 15.2 to these financial statements. M/s Alfalah Securities (Private) Limited has also filed a counter civil suit against the Company. The outcome of the aforementioned legal proceedings remains uncertain as at the reporting date. Based on the opinion of the Company's legal counsel and management's assessment, the financial impact, if any, arising from the outcome of this case cannot be reliably estimated at this stage.

10.1.2 IG Trading (Private) Limited has filed a Suit seeking declaration, recovery and damages, primarily against Irfan Gulwani. Aba Ali Habib Securities (Private) Limited ("the Company") has been impleaded as a party to the Suit solely because certain funds belonging to the client account of Irfan Gulwani are currently held with the Company, over which IG Trading (Private) Limited is claiming ownership. The Company has no substantive role in the underlying dispute and its involvement is limited to maintaining the status quo with respect to the funds held in the client account of Irfan Gulwani until the matter is finally resolved by the Court. The Company does not have any beneficial or proprietary interest in the disputed funds.

10.2 Commitments

JS Bank Limited	**10.2.1**	**55,000,000**	45,000,000

10.2.1 A bank guarantee of Rs. 55 million (2025: Rs. 45 million) has been provided to National Clearing Company of Pakistan Limited for deposit of Margin/Exposure to National Clearing Company of Pakistan Limited against the security of pledge of shares and personal guarantee of director Mr. Muhammad Zahid Ali.

11 PROPERTY AND EQUIPMENT	11.1	37,294,374	26,245,489

11.1

	2026				
	Furniture and fixtures	Motor vehicle	Computer and accessories	Electrical Installations	Total
	---------- Rupees ----------				
COST					
As at July 1, 2025	200,000	39,702,874	1,420,500		41,323,374
Additions during the year	5,054,428	13,066,455		3,355,060	21,475,943
Disposal during the year	-	(4,485,474)	-		(4,485,474)
As at 30 June, 2026	5,254,428	48,283,855	1,420,500	3,355,060	58,313,843
ACCUMULATED DEPRECIATION					
As at July 1, 2025	195,778	14,564,135	317,972	-	15,077,885
For the year	304,810	7,342,434	220,506	41,938	7,909,688
On disposals	-	(1,968,104)	-	-	(1,968,104)
As at 30 June, 2026	500,588	19,938,465	538,478	41,938	21,019,469
Written down value as at June 30, 2026	4,753,840	28,345,390	882,022	3,313,122	37,294,374

	2025				
	Furniture and fixtures	Motor vehicle	Computer and accessories	Office Equipments	Total
	---------- Rupees ----------				
COST					
As at July 1, 2024	200,000	41,496,730	100,000	-	41,796,730
Additions during the year	-	22,049,499	1,320,500	-	23,369,999
Disposal during the year	-	(23,843,355)	-	-	(23,843,355)
As at June 30, 2025	200,000	39,702,874	1,420,500	-	41,323,374
ACCUMULATED DEPRECIATION					
As at July 1, 2024	194,722	11,971,873	97,361	-	12,263,956
For the year	1,056	2,592,262	220,611	-	2,813,929
On disposals	-	-	-	-	-
As at June 30, 2025	195,778	14,564,135	317,972	-	15,077,885
Written down value as at June 30, 2025	4,222	25,138,739	1,102,528	-	26,245,489
Depreciation rates per annum (%)	20	20	20	15	

11.2 During the year, the following items of operating fixed assets with a net book value exceeding Rs.500,000 were disposed of:

Description of asset	Cost	Accumulated depriciation	Sale proceeds	Gain / loss	Any relationship with company
Motor vehicles	4,485,474	(1,968,104)	4,000,000	**1,482,630**	No

12 INTANGIBLE ASSETS			
Trading Right Entitlement Certificate		**2,500,000**	2,500,000

11.1 This represents TRE Certificate acquired on surrender of Stock Exchange Membership Card.

12.2 PSX vide notice no. PSX/N - 7178 dated 10 November, 2017 has revised the notional value of TRE Certificate from Rs. 5 million to 2.5 million. According to the Stock Exchange (Corporatisalion, demutualization and integration) Act 2012, the TRE Certificate may only be transferred once to the company intending to carry out shares brokerage business in the manner to be prescribed.

N2M

		Note	2026	2025
			---------- (Rupees) ----------	
13	**LONG TERM DEPOSITS**			
	Clearing house deposit		**200,000**	200,000
	Pakistan Stock Exchange		**10,000**	10,000
	Booth deposit		**75,000**	75,000
	SLB exposure		**100,000**	100,000
	National Clearing Company of Pakistan Limited		**1,200,000**	1,200,000
	Pakistan Mercantile Exchange		**500,000**	500,000
	Central Depository Company		**100,000**	100,000
			2,185,000	2,185,000
14	**LONG TERM INVESTMENTS**			
	Cost / Carrying value		**19,631,125**	8,439,750
	Unrealized gain on investment		**4,271,826**	2,724,341
	Fair value of investment	**14.1**	**23,902,951**	11,164,091

14.1 This represents 1,873,332 (2025:843,975) share of LSE Venture Limited and its bonus shares 542,232 in LSE Capital Limited.

15	**TRADE DEBTS - Considered Good**			
	Trade debts- considered good	**15.1**	**397,950,649**	220,080,126
	Less: Write off during the year	**15.2**	**-**	(95,734,355)
			397,950,649	124,345,771

15.1 This includes receivable from related parties amounting to Rs. 321.11 million (2025:Rs 1.61 million). The maximum aggregate outstanding during the year from such parties (with reference to month end balances) amounted to Rs. 301.11 million (2025: Rs. 1.61 million)

15.1.1 The aging of receivable from related parties are as follows:

Upto 3 months	**294,142,720**	1,609,906
3 to 6 months	**1,754,575**	-
6 to 1 year	**1,202,444**	-
More than 1 year	**24,011,274**	-
	321,111,013	1,609,906

15.1.2 Aging analysis

Within 5 days	**28,536,149**	27,855,370
Above 5 days	**369,414,500**	96,490,401
	397,950,649	124,345,771

15.1.3 The company holds capital securities having fair value of Rs . 19,061 million (2025: Rs 483.79 million) owned by its clients including related parties, as collaterals against trade debts.

15.2 This represents the provision against the repo transaction of BAHLTFC-6.

16	**RECEIVABLE AGAINST MARGIN FINANCING**			
	Receivable against margin financing	**16.1**	**208,657,159**	122,778,729

16.1 Margin financing facility is provided to client on markup basis with ceiling upto 3M KIBOR + 3% to 8% per annum. For the year average MF rate has been . (2025: 3M KIBOR + 2% to 8% per annum).

16.2 The value of marketable securities held against receiavble against margin financing by the Company amounted to Rs. 322.06 million (2025: Rs. 151.30 Million)

17	**RECEIVABLE AGAINST MARGIN TRADING**			
	Receivable against margin trading	**17.1**	**-**	247,779,617

17.1 Margin trading facility is provided to client on markup basis with ceiling upto 3M KIBOR + 1% to 4% per annum. For the year average MT rate has been . (2025: 3M KIBOR + 1% to 4% per annum).

17.2 The value of marketable securities held against receiavble against margin trading by the Company amounted to Rs. Nil (2025: Rs. 316.73 Million)

N2M

		Note	2026	2025
			---------- (Rupees) ----------	
18	**SHORT TERM INVESTMENTS**			
	At fair value through profit or loss			
	Carrying value of imvestments	**18.1**	**1,141,936,321**	955,791,013
	Unrealize gain on reameasurement		**145,045,071**	29,627,455
			1,286,981,392	985,418,468
	Unquoted equity securities		**75,000,000**	20,000,000
			1,361,981,392	1,005,418,468

18.1 Fair value of shares pledged with PSX and NCCPL is as follow;

	June 30, 2026		June 30, 2025	
	Number of	Amount	Number of	Amount
Client	**3,012,500**	**354,370,515**	1,885,324	276,032,384
Brokerage House	**5,349,862**	**326,734,418**	6,632,462	469,284,767
Total	**8,362,362**	**681,104,933**	8,517,786	745,317,151

18.1.1 1,614,962 shares of PSX are pledged against Base Minimum Capital (BMC) refer note 32.1

19	**SHORT TERM DEPOSITS**			
	MTS and DFC deposit with NCCPL	**19.1**	**87,032,000**	40,347,289

19.1

This represents amounts of deposits held at the year end against exposure arising from margin trading in securities in accordance with the applicable regulations of the Pakistan Stock Exchange (PSX) and the National Clearing Company of Pakistan Limited (NCCPL). This amount also includes deposit against MTS exposure of Rs. 77.05 million (2025: Rs. 5.27 million).

20	**ADVANCES AND OTHER RECEIVABLES**			
	Loan and advance to staff	**20.1**	**3,659,814**	3,480,811
	Other receivables	**20.2**	**24,762,426**	2,363,555
			28,422,239	5,844,367

20.1 This represents interest-free personal loans and advances extended by the Company to its employees who have completed at least one (1) year of continuous service with the Company. These loans and advances are recoverable over a period of one (1) year through agreed deductions from salary, and are secured against personal guarantees and post-dated cheques obtained from the respective employees.

20.2 This represents deposit against purchase of cars, Subsequent to the year end, cars delivered to the company.

21	**CASH AND BANK BALANCES**			
	Cash in hand		**47,167**	20,021
	Cash at banks:			
	- Current accounts			
	client	**21.1**	**126,497,416**	133,283,270
	house		**125,090**	181,958
	- Saving accounts	**21.2**	**161,751**	1,284,046
			126,831,423	134,769,295

21.1 This include Rs. 126.50 million (2025 Rs. 132.97 million) pertaining to clients.

21.2 Intrest rate on saving accounts ranges from 9% to 10.50% (2025: from 10.5% - 16.5%) per annum.

22	**OPERATING REVENUE**			
	Brokerage income	**22.1**	**137,755,355**	117,614,561
	Income from markup	**22.2**	**66,448,170**	12,025,644
	Dividend income		**19,597,463**	25,941,612
			223,800,989	155,581,818

22.1 This include brokerage revenue earned from related parties amounting to Rs.41,946 (2025: 3,152,519)

22.2 This income includes markup earned on corpoarte debt securities and income earned from MFS and MTS.

NZM

		Note	2026	2025
			--------- (Rupees) ---------	
23	**ADMINISTRATIVE AND OPERATING EXPENSES**			
	Salaries and allowances		**63,631,804**	45,933,296
	Electricity charges		**2,367,622**	7,411,534
	Booth expense		**1,749,111**	541,671
	Laga expenses		**44,483,378**	34,132,445
	CDC charges		**7,267,766**	5,955,467
	Travelling expenses		**1,160,099**	881,041
	Office repair and maintenance		**2,188,120**	1,643,449
	Legal and professional charges		**1,487,196**	2,545,125
	Auditors' remuneration	23.1	**440,000**	400,000
	Telephone and mobile		**910,248**	1,249,005
	Depreciation	11.1	**7,909,688**	2,813,929
	Printing and stationery		**207,034**	148,056
	Computer hardware and software fees		**920,170**	1,888,535
	Entertainment expenses		**1,050,628**	1,008,528
	Vehicle running expense		**281,850**	634,353
	IT service charges		**4,675,617**	5,341,055
	Miscellaneous and general expenses		**525,563**	708,265
	Donations	22.2	**6,431,391**	5,107,389
	Bad debts		**-**	95,734,355
	Courier and postage		**23,093**	28,521
	Research and marketing		**332,500**	1,572,062
			148,042,878	215,678,081

23.1 Auditors' remuneration

Audit fee	**240,000**	200,000
Other certifications	**200,000**	200,000
	440,000	350,000

22.2 Company has paid donation to different approved instiution during the year and director has no intrest there in.

22.3 The directors have provided permises free of cost for three years to the company.

24 OTHER INCOME

Profit on saving accounts	**660,086**	1,788,381
Profit on exposure deposit	**3,738,431**	1,988,187
Profit on disposal of fixed assets	**1,482,631**	107,135
	5,881,148	3,883,703

25 FINANCE COSTS

Bank charges	**1,111,855**	675,090
Mark-up on running finance	**30,404,541**	17,517,271
	31,516,396	18,192,361

26 TAXATION

26.1 This represents final taxes paid under section 150 & 37A of Income Tax Ordinance (ITO, 2001) representing levy in terms of requirement of IFRIC-21 / IAS-37.

26.2 This represents portion of minimum tax paid under section 113, 233 & 153(1)(b) of Income Tax Ordinance (ITO, 2001), representing the levy in the terms of requirements of IFRIC-21/ IAS-37.

27 CURRENT TAX

Current tax	**17,577,061**	-
Prior years adjustment	**4,864,817**	547,141
	22,441,878	547,141
Deferred taxation	**22,245,967**	(38,264)
	44,687,845	508,877

	Note	2026	2025
		---------- (Rupees) ----------	

27.1 Relationship between income tax expense and accounting profit

Income tax expense	**44,687,845**	508,877
Accounting profit before income tax expense	**204,389,927**	48,325,543
Tax at the applicable tax rate of 29% (2025:29%)	**59,273,079**	14,014,407
Income taxed at reduced rates on dividend, markup and gain on disposal of investment	**(44,226,407)**	(9,714,355)
Income taxed at reduced rates on Bank Profits	**(1,176,230)**	(582,555)
Tax effect of inadmissible expense	**2,293,809**	625,377
Tax effect of prior year tax charge	**4,864,817**	547,141
	21,029,069	4,890,015

Income tax assessments of the Company are deemed to be finalized as per tax returns file up to tax year 2026. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.

28 EARNING PER SHARE - BASIC AND DILUTED

Profit after taxation for the year (Rupees)	**156,762,463**	42,778,071
Weighted average number of ordinary shares (Number)	**20,000,000**	20,000,000
Earnings per share - basic and diluted (Rupees)	**7.84**	2.14

29 CASH AND CASH EQUIVALENTS

Cash and bank balances	**126,831,423**	134,769,295

30 REMUNERATION OF THE CHIEF EXECUTIVE AND DIRECTORS

The aggregate amounts charged in these financial statements in respect of remuneration including benefits applicable to the chief executive and directors of the Company are given below:

	2026		2025	
	Chief Executive	Director	Chief Executive	Directors
	Rupees			
Basic	**1,200,000**	-	1,200,000	-
Conveyance	**281,850**	-	634,353	-
Utility	-	-	-	-
House rent allowance	-	-	-	-
Total	1,481,850	-	1,834,353	-
No of persons	**1**	**2**	**1**	**2**

30.1 The Chief Executive Officer is provided with the Company maintained car, in accordance with the Company policy.

30.2 No fee is paid to directors for meeting attended by them

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31 RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and includes major shareholders, associated companies with or without common directors, retirement benefit funds and directors and key management personnel and their close family members. Amounts due from/to related parties, and remuneration of directors and executives are disclosed in the relevant notes.

	2026	2025
	---------- (Rupees) ----------	
Associated Company		
Ali Habib Ventures Private Limited		
Transactions with related parties		
Shares purchased during the year	**31,683,544**	237,028,908
Shares sold during the year	**(31,635,438)**	(236,886,060)
Ali Habib Ventures Private Limited		
Amount paid during the year	**-**	-
Zahid Ali Habib-CEO/Director		
Shares purchased during the year	**450,482,745**	61,398,046
Shares sold during the year	**(376,451,015)**	(61,366,829)
Abid Ali Habib-Director		
Shares purchased during the year	**186,553,375**	12,000,000
Shares sold during the year	**(5,175,272)**	(18,546,604)
Aayman Zahid-Director		
Amount received during the year	**31,696,280**	31,696,280
Amount paid during the year	**31,696,280**	31,696,280
Ayesha Abid-Director		
Shares purchased during the year	**7,672,678**	-
Shares sold during the year	**(9,123,470)**	-
Aayman Zahid-Director		
Shares purchased during the year	**17,874,179**	-
Shares sold during the year	**(19,985,958)**	-
Commission earned from related parties	**41,946**	3,152,519
Balances with related parties of trading accounts		
Ali Habib Ventures (Private) Ltd	**48,106**	142,848
Zahid Ali Habib	**145,141,063**	31,217
Abid Ali Habib	**175,969,949**	(6,546,604)
Ayesha Abid	**(1,768,346)**	(317,554)
Aayman Zahid	**(1,265,577)**	846,202

31 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Board of Directors of the Company has overall responsibility for the establishment and oversight of Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

Credit risk
Liquidity risk
Market risk
Operational risk

31.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter parties in case of placement or other arrangements to fulfill their obligations. There is a possibility of default by participants and of failure of the financial markets, the depositories, the settlements or clearing system etc.

Exposure to credit risk

Credit risk of the Company arises principally from trade debts, loans and advances, trade deposits, bank balances and other receivables. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits accordingly to their worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies and investment and operational guidelines approved by the Board of Directors. In addition, credit risk is also minimized due to the fact that the Company invests only in high quality financial assets, majority of which have been rated by a reputable rating agency. All transactions are salted / paid for upon delivery.

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

	Note	2026	2025
		---------- (Rupees) ----------	
Long term deposits	13	**2,185,000**	2,185,000
Long term investment	14	**23,902,951**	8,439,750
Trade debts - considered good	15	**397,950,649**	124,345,771
Receivable against margin financing	16	**208,657,159**	122,778,729
Receivable against margin trading	17	**-**	247,779,617
Short term Investment	18	**1,361,981,392**	1,008,142,809
Short term deposits	19	**87,032,000**	40,347,289
Advances and other receivables	20	**28,422,239**	5,844,367
Bank balances	21	**126,784,256**	134,749,274
		2,236,915,645	1,694,612,604

All balances are denominated in local currency.

Bank Balances

The analysis below summarizes the credit quality of the Company's bank balances (including profit receivables) as at June 30, 2026 and June 30, 2025:

	126,784,256	134,749,274
Bank balances		

The credit quality of the Company's cash and cash equivalents, held with various commercial banks and financial institutions is assessed with reference to external credit ratings thereof, ranging from AAA to BBB assigned by reputable credit rating agencies.

31.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulties in raising funds to meet commitments associated with financial liabilities as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to the dynamic nature of the business. The Company's treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

The following are the contractual maturities of financial liabilities:

	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
		----------	----------Rupees----------			
Financial liabilities						
Trade and other payables	**244,196,936**	244,196,936	244,196,936	-	-	-
Shorr term borrowing	**644,241,688**	644,241,688	644,241,688			
Accrued mark-up	**13,025,080**	13,025,080	13,025,080	-	-	-
	901,463,704	901,463,704	901,463,704	-	-	-

			2025			
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
		----------	----------Rupees----------			
Financial Liabilities						
Trade and other payables	259,987,817	259,987,817	259,987,817	-	-	-
Short Term Borrowing	278,475,022	278,475,022	278,475,022			
Accrued mark-up	2,597,629	2,597,629	2,597,629	-	-	-
	541,060,468	541,060,468	541,060,468	-	-	-

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31.3 Market risk

Market risk is the risk that the value of a financial instruments may fluctuate as a result of changes in market interest rates or the market prices due to a change in credit rating of the issuer of the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company manage market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines. The Company is exposed to interest rate risk and other price risk only.

31.4 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. At the balance sheet date the interest rate profile of the Company's interest bearing financial instruments was as follows:

	2026	2025
	---------- (Rupees) ----------	
Interest based investment		
- Bank balances in profit and loss sharing accounts	**126,784,256**	134,749,274
- Receivable against margin financing	**208,657,159**	122,778,729
- Receivable against margin trading	-	247,779,617
	335,441,415	505,307,619

The Company have variable interest rate ranging from 12%-22% on financial instrument at fair value through profit or loss.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in foreign exchange rates. The Company, at present, is not exposed to currency risk as all transactions are carried out in Pak Rupees.

Interest rate sensitivity analysis

A summary of the Company's interest rate gap position, categorized by the earlier of contractual re-pricing or maturity

	2026			
	Effective rate of mark-up / return (%)	**Exposed to interest rate risk**	**Not exposed to interest rate risk**	Total
	----------	---------- Rupees ----------		
Financial assets				
Long term deposits	-	-	**2,185,000**	2,185,000
Trade debts	-	-	**397,950,649**	397,950,649
Advances and other receivables	-	-	**87,032,000**	87,032,000
Short term deposits	-	-	**28,422,239**	28,422,239
Receivable against margin financing	**KIBOR + 3% TO 8%**	**208,657,159**	-	208,657,159
Receivable against margin trading	**KIBOR + 1% to 4%**	-	-	-
Short term investments	-	-	**1,361,981,392**	1,361,981,392
Bank balances	**9% to 10.5%**	**161,751**	**126,622,506**	126,784,256
		208,818,909	**2,004,193,785**	2,213,012,694
Financial liabilities				
Trade and other payables	-	-	**244,196,936**	244,196,936
short term borrowings	**Variable**	**644,241,688**	-	644,241,688
Accrued mark-up	**Variable**	**13,025,080**	-	13,025,080
		657,266,768	**244,196,936**	901,463,704
Cumulative gap		**(448,447,859)**	**1,759,996,849**	1,311,548,990

	2025			
	Effective rate of mark-up / return (%)	Exposed to interest rate risk	Not exposed to interest rate risk	Total
		----------Rupees----------		
Financial assets				
Long term deposits	-	-	2,185,000	2,185,000
Trade debts	-	-	124,345,771	124,345,771
Advances and other receivables	-	-	40,347,289	40,347,289
Short term deposits	-	-	5,844,367	5,844,367
Receivable against margin financing	KIBOR + 2% TO 8%	122,778,729	-	122,778,729
Receivable against margin trading	KIBOR + 1% to 4%	247,779,617	-	247,779,617
Short term investments	-	-	1,008,142,809	1,008,142,809
Bank balances	10% to 16.5%	1,284,046	133,465,228	134,749,274
		371,842,391	1,314,330,462	1,686,172,854
Financial liabilities				
Trade and other payables	-	-	259,987,817	259,987,817
short term borrowings	Variable	278,475,022	-	278,475,022
Accrued mark-up	Variable	2,597,629	-	2,597,629
		281,072,651	259,987,817	541,060,468
Cumulative gap		**90,769,740**	**1,054,342,645**	1,145,112,385

31.5 Price Risk

Other price risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market prices (other than arising from interest rate risk or currency risk) whether those changes are caused by factors specified to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

The Company's investment in listed securities are susceptible to market price risk arising from uncertainties about the future value of investment securities. The company manages the equity price through diversification and all instruments are made through surplus funds.

The Company is exposed to other price risk on investment in listed shares. The Company manages the risk through portfolio diversification, as per recommendation of Investment committee of the company. The committee regularly monitors the performance of investees and assess the financial performance on an on-going basis.

The 10 percent increase/(decrease) in market value of these instruments with all other variables held constant impact on profit and loss account of the Company is as follows:

	BEFORE TAX	
Investment in Listed Securities	**2026**	2025
10% Increase	**136,198,139**	100,814,281
10% Decrease	**(136,198,139)**	100,814,281

31.6 Operational risk

Operational risk is the risk of direct and indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risk such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risk arise from all of the Company's activities.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

31.4

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirement for the reconciliation and monitoring of transaction;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirement for the periodic assessment of operational risk faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards;
- risk mitigation, including insurance where this is effective.

31.7 Capital Risk Management

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structure in order to ensure ample availability of finance for its existing operations, for maximizing shareholder's value, for tapping potential investment opportunities and to reduce cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

The Company finances its operations through equity, borrowing and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk.

31.8 Financial instrument by category

Financial assets

	June 30, 2026			
	At Fair Value through Profit or Loss Account	At Fair Value through OCI	At Amortized Cost	Total
Long term deposits and prepayment	-	-	2,185,000	2,185,000
Long term investment	23,902,951	-	-	23,902,951
Trade debts - considered good	-	-	397,950,649	397,950,649
Receivable against margin financing	-	-	208,657,159	208,657,159
Receivable against margin trading	-	-	-	-
Short term investments	1,361,981,392	-	-	1,361,981,392
Short term deposits	-	-	87,032,000	87,032,000
Advances and other receivables	-	-	28,422,239	28,422,239
Cash and bank balances	-	-	126,831,423	126,831,423
	1,385,884,343	-	851,078,470	2,236,962,813

	June 30, 2025			
	At Fair Value through Profit or Loss Account	At Fair Value through OCI	At Amortized Cost	Total
Long term deposits and prepayment	-	-	2,185,000	2,185,000
Long term investment	11,164,091	-	-	11,164,091
Trade debts - considered good	-	-	124,345,771	124,345,771
Receivable against margin financing	-	-	122,778,729	122,778,729
Receivable against margin trading	-	-	247,779,617	247,779,617
Short term investments	1,005,418,468		-	1,005,418,468
Short term deposits	-	-	40,347,289	40,347,289
Advances and other receivables	-		5,844,367	5,844,367
Cash and bank balances	-	-	134,769,295	134,769,295
	1,016,582,559	-	678,050,066	1,694,632,625

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Financial Liabilities at Amortized Cost

	June 30, 2026	June 30, 2025
	Amount	Amount
Trade and other payables	**244,196,936**	259,987,817
Short term borrowings	**644,241,688**	278,475,022
Accrued markup	**13,025,080**	2,597,629
	901,463,704	541,060,468

32 MEASURMENT OF FAIR VALUES

A number of the company's accounting policies and disclosure require the measurement of fair values, for both financial, if any and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quote prices included in Level 1 that are observables for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:inputs for the asset or liability that are based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy a, then the fair value measurements is categorized in its entirety in the same level of the fair value heirchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the management recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

At the year end, following financial instrument is carried at fair value which requires classification in the above mentioned levels

	2026			
	Level 1	**Level 2**	**Level 3**	Total
	----------	----------	Rupees ----------	----------
Financial Asset				
Quoted equity securities at fair value through Profit and Loss	1,310,884,343	-		1,310,884,343

	2025			
	Level 1	Level 2	Level 3	Total
	----------	----------	Rupees ----------	----------
Financial Asset				
Quoted equity securities at fair value through Profit and Loss	996,582,559	-		996,582,559

33 Base Minimum Capital

In complinace with regulation 19.2 the rule book of PSX every TREC holder registered as a broker under brokers and agent registration rule 2001, is required to maintain base minimum capital in the and form as perscribed in the rule on the basis of assets under custody (AUC).As per said regulation as at 30 june 2026, the company is required to maintain BMC of Rs.34.25 million (2025 :Rs. 34.75 million).

	2026	2025
	----------Rupees---------	
Eligible margin securities	**60,754,870**	66,806,487
BMC Requirement	**(34,248,891)**	(34,757,668)
	26,505,979	32,048,819

33.1.1 1,614,962 shares of PSX are pledged to maintain Base Minimum Capital (BMC).

33.2 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

34 Capital Adequacy Level

In compliance with the CDC Regulation number 6.8 the Capital Adequecy Level (CAL) of the Company is calculated as follows:

Total assets	**2,400,228,105**	1,859,498,916
Less: Total liabilities	**(925,096,916)**	(541,130,190)
Less: Revaluation reserves (created upon revaluation of fixed assets)	-	-
Capital adequacy level	**1,475,131,189**	1,318,368,726

34.1 While determining the value of the total assets of the TREC Holder, Notional value of the TRE certificate held as at year ended 30 June, 2026 as determined by Pakistan Stock Exchange vide its notice PSX/N-7178 dated November 10, 2017 has been considered. Refer note 11.2

35 LIQUID CAPITAL BALANCE

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

S.No	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	37,294,374	37,294,374	-
1.2	Intangible Assets	2,500,000	2,500,000	-
1.3	Investment in Govt. Securities	-	-	-
1.4	**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.	-	-	-
	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.	75,000,000	11,250,000	63,750,000
1.5	**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.	1,224,096,285	249,579,527	974,516,758
	ii. Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirenment, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital.	86,788,058	86,788,058	-
	ii. If unlisted, 100% of carrying value.	-	-	-
1.6	Investment in subsidiaries	-	-	-
1.7	**Investment in associated companies/undertaking**			
	i. If listed 20% or VaR of each securities as computed by the Securites 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 requirenments of base minimum capital may be taken in the calculation of LC	2,185,000	2,185,000	
1.9	Margin deposits with exchange and clearing house.	87,032,000	-	87,032,000
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)	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. ***(Securities purchased under repo arrangement shall not be included in the investments.)***	-	-	-
1.15	**Advances and receivables other than trade receivables**			
	1) No haircut may be applied on short term loan to employees provided these loans are secured and due for repayment within 12 months	3,659,814	3,659,814	-
	2) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation.	123,470,918	123,470,918	-
	3) In all other cases, 100% of net value	24,762,426	24,762,426	-
1.16	**Receivables from clearing house or securities exchange(s)**			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
1.17	**Receivables from customers**			
	i. In case receivables are against margin financing, the aggregate if (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.***	208,657,159	-	208,657,159
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. ***ii. Net amount after deducting haircut***	-	-	-
	iii. Incase receivalbes are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, ***iii. Net amount after deducting haricut***			
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. *Iv. Balance sheet value*	28,536,149		28,536,149
	v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. ***v. Lower of net balance sheet value or value determined through adjustments***	48,303,490	34,791,365	13,512,125
	vi. In the case of amount of receivables from related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner:			
	(a) Up to 30 days, values determined after applying var based haircuts;	-	-	-
	(b) Above 30 days but upto 90 days, values determined after applying 50% or var based haircuts whichever is higher;	294,142,720	147,071,360	147,071,360
	(c) above 90 days, 100% haircut shall be applicable.	26,968,293	26,968,293	-
	vi. Lower of net balance sheet value or value determined through adjustments			

1.18	**Cash and Bank balances**			
	I. Bank Balance-proprietory accounts	286,840	-	286,840
	ii. Bank balance-customer accounts	126,497,416	-	126,497,416
	iii. Cash in hand	47,167	-	47,167
1.19	Subscription money against investment in IPO/ offer for sale (asset)			
	(i)No haircut may be applied in respect of amount paid as subscription money provided that shares have not been alloted or are not included in the investments of securities broker.			
	(ii) In case of investment in IPO where shares have been alloted 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	**Total Assets**	**2,400,228,107**		**1,649,906,973**

2. Liabilities

2.1	Trade Payables			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	208,982,497		208,982,497
2.2	Current Liabilities			
	i. Statutory and regulatory dues	4,558,969		4,558,969
	ii. Accruals and other payables	1,149,645		1,149,645
	iii. Short-term borrowings	644,241,688		644,241,688
	iv. Current portion of subordinated loans			
	v. Current portion of long term liabilities			
	vi. Deferred Liabilities	22,315,688		22,315,688
	vii. Provision for bad debts			
	viii. Provision for taxation			
	ix. Other liabilities as per accounting principles and included in the financial statements	42,530,905		42,530,905
2.3	Non-Current Liabilities			
	i. Long-Term financing			
	ii. Other liabilities as per accounting principles and included in the financial statements			
	ii. Staff retirement benefits	1,317,524		1,317,524
	Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. (b) Nill in all other cases			
2.4	Subordinated Loans			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:			
2.5	iii. Advance against shares for Increase in Capital of Securities broker: 100% haircut may be allowed in respect of advance against shares if: a. The existing authorized share capital allows the proposed enhanced share capital b. Boad 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 Liabilites**	**925,096,916**		**925,096,916**

3. Ranking Liabilities Relating to :

3.1	Concentration in Margin Financing			
	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.	156,764,381	-	156,764,381
3.2	Concentration in securites lending and borrowing			
	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	-	-	-
3.3	**Net underwriting Commitments**			
	(a) in the case of right issuse : if the market value of securites 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 issuse 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	Negative equity of subsidiary			
	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	Foreign exchange agreements and foreign currency positions			
	5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign cuurency 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 securites. In the case of **financee/seller** the market value of underlying securities after applying haircut less the total amount received ,less value of any securites deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
	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 requiremnets in respect of open postions less the amount of cash deposited by the customer and the value of securites held as collateral/ pledged with securities exchange after applyiong VaR haircuts	-	-	-
	ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met	-	-	-
	Short selll positions			
3.10	i. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts	-	-	-
	ii. Incase of proprietory 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 Liabilites**	**156,764,381**	**-**	**156,764,381**

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.19)	1,649,906,973
(ii) Less: Adjusted value of liabilities (serial number 2.5)	(925,096,916)
(iii) Less: Total ranking liabilities (series number 3.11)	(156,764,381)
	568,045,676

36 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:

	2026	2025
Customer assets		
Bank balances in designated bank accounts	**126,497,416**	133,283,270
Market value of client securities in the Central Depository Company	**13,255,629,471**	11,817,427,328
Pledged securities		
Clients Securities pledge with NCCPL	**354,370,515**	276,032,384
Proprietary securities Pledge with PSX and NCCPL	**326,734,418**	469,284,767
Clients Securities pledge with banks	**759,438,306**	552,581,150
Proprietary securities Pledge with banks	**730,175,933**	222,478,165

37 BROKER RATINGS

The Pakistan Credit Rating Agency (PACRA) has granted below mention rating to the Company.

Rating Type	Rating	Outlook
BFR	BFR2	Stable
Entity Rating	A-	Stable

38 DISCLOSURE UNDER REGULATION 5(4) OF RESEARCH ANALYST REGULATIONS, 2015

The Company has employed 4 member in its research department (including head of research). All members report to Head of Research who reports to the Chief Executive Officer.

Research analyst employed subject to qualification, experience and skill set under research analyst regulations, 2015. During the period, the personnel employed in the research have drawn an aggregate salary and benefits amounting to Rs. 3.7 million (2025: Rs. 8.2 million) which comprise basic salary, medical allowance and other benefits as per the company policy.

39 NUMBER OF EMPLOYEES

The total number of employees and average number of employees at the year end and during the year respectively are as follows :

	2026	2025
	Number	
Total employees of the company at year end	57	42
Average number of employees during the year	55	35

40 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified for the purpose of comparison.

From	To		2025
			Rupees
Short term Investment	Long term Investments	-	2,724,341

41 DATE OF AUTHORIZATION OF FINANCIAL STATEMENT FOR ISSUE

These financial statements have been authorized for issue by the Board of Directors of the Company on 05 OCT 2026

42 GENERAL

The figure has been rounded to nearest rupees.

Chief Executive

Director