Russell Bedford
taking you further

Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS

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

A member of
Russell Bedford International
A global netwrok of independent accountancy firms,
business consultants and specialist legal advisers.

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

On behalf of the Board of Directors the undersigned takes pleasure to present before you the Financial Statements of MRA Securities Limited as Unlisted Public Limited for the financial year ended June 30, 2025. These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan and requirements of the Companies Act, 2017.

Board Composition

Director	Designation
Muhammad Farhan	Director
Muhammad Shoaib	Independent Director
Muhammad Haroon	Independent Director

The Directors' Report is prepared under section 226 of the Companies Act, 2017.

Nature of Business

The Company is engaged in the business of Securities brokerage and services as a Trading Right Entitlement Certificate (TREC) holder of the Pakistan Stock Exchange Limited (PSX) and is registered with the Securities and Exchange Commission of Pakistan (SECP) as a Securities Broker under the Securities Brokers (Licensing and Operations) Regulations, 2016.

The principal activities of the Company include:

Execution of trades, along with custody and settlement of securities in coordination with the Central Depository Company of Pakistan Limited (CDC) and the National Clearing Company of Pakistan Limited (NCCPL), provision of underwriting and consultancy services to the issue, facilitation of online trading platforms, and comprehensive client account management, including maintenance of sub-accounts, margin financing, and strict adherence to Know Your Customer (KYC) and Anti-Money Laundering (AML) regulations.

Management Objective and Strategies

MRA's primary objective is to provide efficient market access to investors while ensuring investor protection, transparency, and full regulatory compliance. The Company remains committed to promoting capital market development and maximizing stakeholder value through ethical practices, operational excellence, and adherence to the highest standards of corporate governance.

Performance Overview

The following depicts the Company's performance,in the current year.

	Rupees
Operating Revenue	2,183,237,268
Operating Expenses	(1545,440,378)
Operating Profit	**637,796,890**
Other income	116,910,564
Finance Cost	(207,941,341)
Profit before Levies & Taxation	**546,766,113**
Levies	**(3,632,057)**
Profit before Taxation	**543,134,056**
Taxation	(95,859,004)
Profit after Taxation	**447,275,052**
Earnings per share	**3.50**

Capital Market Review & Outlook

During FY2024–25, the Pakistan Stock Exchange (PSX) showed outstanding performance, reaffirming its position among the best-performing equity markets globally. The KSE-100 Index surged to a historic peak of 125,627 points, reflecting a strong recovery in investor sentiment and renewed confidence in Pakistan's macroeconomic stability. This remarkable turnaround was primarily driven by monetary easing, improved liquidity, and the realization of fundamental value across key sectors, particularly in banking, energy, cement, and technology.

A collective 1,050 basis points reduction in the policy rate by the State Bank of Pakistan (SBP) during the period provided a major boost to both equity valuations and market activity. Additionally, the sharp decline in inflation to 4.49% significantly improved real returns, encouraging institutional and retail participation alike. Progress on IMF program implementation, a stable exchange rate, and improved external account indicators further strengthened market confidence and reduced risk perceptions.

The fiscal year also recorded unprecedented trading activity, marking the highest-ever volumes and the largest traded value since FY2021. Average daily trading volumes increased by 38% to 633.2 million shares reflecting robust investor engagement and enhanced market depth.

Foreign investor participation also improved modestly as Pakistan continued to move toward economic stabilization under the Extended Fund Facility (EFF) arrangement. Local institutional investors, mutual funds, and high-net-worth individuals remained active participants, supported by improved corporate earnings outlooks and positive sectoral re-ratings.

Looking ahead, the continuation of prudent fiscal management, monetary stability, and structural reforms will be essential to sustain the positive trajectory of the equity market and to further enhance investor confidence in FY2025–26.

Dividend:
In consideration of the Company's projected cash flow needs and forthcoming financial commitments, the Board of Directors has decided not to recommend any cash dividend for the year ended June 30, 2025.

The Directors are pleased to report that:

a. The financial statements prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash-flows and changes in equity;

b. Proper books of account of the Company have been maintained;

c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;

d. International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements;

e. The system of internal control is sound in design and has been effectively implemented and monitored;

f. There are no significant doubts upon the Company's ability to continue as a going concern;

g. The Company has on account of statutory payment of taxes, duties, levies and a charge has no outstanding liability as at the balance sheet date;

h. There are no transactions entered into by the broker during the year which are fraudulent, illegal or in violation of any securities market laws;

i. No material changes and commitments affecting the financial position of your Company have occurred between end of the financial year of the company to which the financial statement relates and the date of the Directors' Report.

Changes in Board During the Financial Year

The composition of the Board of Directors remained unchanged during the financial year ended June 30, 2025.

Pattern of Shareholding

The detailed pattern of the shareholding and categories of shareholders of the Company as at June 30, 2025 is enclosed in financial statement.

Name	Shares Held	%
Muhammad Farhan (Director)	46,124,755	36.18
Muhammad Junaid Rafiq (Sponsor)	15,000,000	11.76
Ahmed Rafiq (Sponsor)	21,219,231	16.64
Mumtaz Rafiq (Shareholder)	14,032,427	11.01
Haji Muhammad (Sponsor)	9,513,462	7.46
Hina (Shareholder)	21,608,482	16.95
Muhammad Shoaib (Independent Director)	247	0.00
Muhammad Haroon (Independent Director)	170	0.00
Nabeel (Shareholder)	1,226	0.00
Total	**127,500,000**	**100**

External Auditors

The retiring auditors, **M/s. Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants**, being eligible under the applicable laws and regulations, have offered themselves for reappointment and the Board has recommended their reappointment for the ensuing financial year.

Acknowledgement

The Board of Directors expresses its sincere appreciation to all stakeholders and employees of **MRA Securities Limited** for their continued commitment, hard work, and valuable contributions toward the sustained progress and betterment of the Company.

For and on behalf of the Board

MRA SECURITIES LIMITED PSX-194

Director | **Chief Executive**

Place: Karachi
Dated: **October 03, 2025**

MRA SECURITIES LIMITED

MRA Securities Limited

TREC HOLDER: PAKISTAN STOCK EXCHANGE LIMITED

HEAD OFFICE: Room 65-66, 1st Floor, Room. 75, 2nd Floor, Room 416, 4th Floor, Room 718-722, 733, 738-741, 7th Floor, Stock Exchange Main Building, Room 703, 7th Floor, Room No. 805, 8th Floor, Stock Exchange New Building, Stock Exchange Road, Karachi
Phone: 32410136-40, 32414112-15 32460707

Statement of Compliance with Corporate Governance Code of Securities Brokers under Clause 10, Annexure D of the Securities Broker Securities Brokers (Licensing and Operations) Regulations, 2016

M/s. MRA Securities Limited is in compliance with the Corporate Governance Code for Securities Brokers as mentioned in Clause 16(1)(f), Annexure D, of the Securities Broker Securities Brokers (Licensing and Operations) Regulations, 2016.

MRA SECURITIES LIMITED PSX-194

Muhammad Farhan
Director

Mirza Mohammad Baig
Chief Executive Officer

Place: **Karachi**
Date: **October 03, 2025**

CORPORATE OFFICE:
Room No. 1010-1011, 10th Floor, Saima Trade Tower "A", I.I. Chundrigar Road, Karachi. Tel: 322774974-76

BRANCHES

Room No 405-406, 4th Floor, Stock Exchange Building, Karachi. Tel: 32465614-19

Room No 408, 4th Floor, Stock Exchange Building, Karachi. Tel: 32421905

Room No 535-536, 5th Floor, Stock Exchange Building Karachi. Tel: 32416906 , 32468086

Room No 608-609, 6th Floor, New Stock Exchange Building, Karachi. Tel: 32431295, 32466269

A-356, Sector 11-B, New Disco More, North, Karachi. Tel: 36907108

Room No 408-409, 4th Floor, South Tower, LSE Plaza19th Khayaban-e-Aiwan-e-Iqbal Road, Lahore. Tel: 042-362807484-85

Email: info@mra.com.pk Web: www.mra.com.pk

MRA Securities Limited
TREC HOLDER: PAKISTAN STOCK EXCHANGE LIMITED
HEAD OFFICE: Room 65-66, 1st Floor, Room. 75, 2nd Floor, Room 416, 4th Floor, Room 718-722, 733, 738-741, 7th Floor, Stock Exchange Main Building, Room 703, 7th Floor, Room No. 805, 8th Floor, Stock Exchange New Building, Stock Exchange Road, Karachi
Phone: 32410136-40, 32414112-15 32460707

Statement of Chief Executive Officer

Under Annexure D, Clause 9 (III) of Securities Broker Securities Brokers (Licensing and Operations) Regulations, 2016

I, **Mirza Mohammad Baig**, Chief Executive officer of MRA Securities Limited declare that there are no transactions entered into by the MRA Securities Limited during the year, which are fraudulent, illegal or in violation of any securities market laws.

Mirza Mohammad Baig
Chief Executive Officer

MRA SECURITIES LIMITED PSX-194

Place: **Karachi**
Date: **October 03, 2025**

CORPORATE OFFICE:
Room No. 1010-1011, 10th Floor, Saima Trade Tower "A", I.I. Chundrigar Road, Karachi. Tel: 322774974-76

BRANCHES

Room No 405-406, 4th Floor, Stock Exchange Building, Karachi. Tel: 32465614-19

Room No 408, 4th Floor, Stock Exchange Building, Karachi. Tel: 32421905

Room No 535-536, 5th Floor, Stock Exchange Building Karachi. Tel: 32416906 , 32468086

Room No 608-609, 6th Floor, New Stock Exchange Building, Karachi. Tel: 32431295, 32466269

A-356, Sector 11-B, New Disco More, North, Karachi. Tel: 36907108

Room No 408-409, 4th Floor, South Tower, LSE Plaza19th Khayaban-e-Aiwan-e-Iqbal Road, Lahore. Tel: 042-362807484-85

Email: info@mra.com.pk Web: www.mra.com.pk

Russell Bedford
taking you further
Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS
Plot No. 180, Block-A, S.M.C.H.S.
Karachi-74400, PAKISTAN.
Tel. No.: (021) 34549345-6
E-Mail : info@rsrir.com
Website: www.rsrir.com
Other Offices at
Lahore - Rawalpindi - Islamabad

INDEPENDENT AUDITORS' REPORT

To the members of MRA Securities Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

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

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

Basis for Opinion

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Cont'd... P/2

Russell Bedford
taking you further
Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS
Plot No. 180, Block-A, S.M.C.H.S.
Karachi-74400, PAKISTAN.
Tel. No.: (021) 34549345-6
E-Mail : info@rsrir.com
Website: www.rsrir.com
Other Offices at
Lahore - Rawalpindi - Islamabad

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; and

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

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

Cont'd... P/3

Russell Bedford
taking you further

Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS

Plot No. 180, Block-A, S.M.C.H.S.
Karachi-74400, PAKISTAN.
Tel. No.: (021) 34549345-6
E-Mail : info@rsrir.com
Website: www.rsrir.com
Other Offices at
Lahore - Rawalpindi - Islamabad

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business;

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980);

e) the Company was in compliance with the requirement of section 78 of the Securities Act, 2015 and section 62 of the Futures Market Act, 2016, and the relevant requirements of the Securities Brokers (Licencing and Operations) Regulations, 2016 as at the date on which the statement of financial position was prepared; and

f) 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 **Mr. Muhammad Rafiq Dosani.**

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Karachi

Date: **October 03, 2025**
UDIN: **AR2025102101eutzqwX3**

MRA Securities Limited

Statement of Financial Position

As at June 30, 2025

ASSETS	Note	2025	2024
		Rupees	
Non-current assets			
Property and equipment	4	**124,332,943**	127,883,626
Intangible asset	5	**2,500,000**	2,500,000
Long term advances and deposits	6	**1,610,000**	6,110,000
Investment property	7	**2,898,947**	3,221,052
Deferred taxation - net	8	**54,824,679**	-
		186,166,569	139,714,678
Current assets			
Investment in quoted equity securities	9	**713,248,847**	1,105,112,541
Trade debts	10	**2,749,292,749**	1,283,870,318
Receivable against margin financing		**1,363,285,731**	995,657,309
Loans, advances, deposits, prepayments and other receivables	11	**1,395,628,825**	546,972,297
Cash and bank balances	12	**49,307,670**	223,238,916
		6,270,763,822	4,154,851,381
Total assets		**6,456,930,391**	4,294,566,059
EQUITIES AND LIABILITIES			
Share capital and reserves			
Authorized capital			
150,000,000 (2024: 150,000,000) ordinary shares of Rs. 10/- each		**1,500,000,000**	1,500,000,000
Issued, subscribed and paid-up capital	13	**1,275,000,000**	1,275,000,000
Capital reserve			
Capital contribution from directors		**159,998,124**	159,998,124
Revenue reserve			
Unappropriated profits		**885,914,974**	436,549,096
		2,320,913,098	1,871,547,220
Non-current liabilities			
Staff retirement benefits - gratuity	14	**94,726,104**	74,631,793
Long term loans from shareholders	15	**197,663,916**	160,416,664
		292,390,020	235,048,457
Current liabilities			
Short term borrowings from banking companies	16	**2,103,046,170**	1,345,800,321
Subordinated loans from directors	17	**250,000,000**	-
Trade and other payables	18	**1,440,457,370**	784,326,457
Accrued markup		**29,884,184**	45,029,698
Taxation - net	19	**20,239,549**	12,813,906
		3,843,627,273	2,187,970,382
Contingencies and commitments	20		
Total equity and liabilities		**6,456,930,391**	4,294,566,059

The annexed notes from 1 to 35 form an integral part of these financial statements.

MRA SECURITIES LIMITED PSX-194

Chief Executive **Director**

MRA Securities Limited

Statement of Profit or Loss

For the year ended June 30, 2025

	Note	2025	2024
		——— Rupees ———	
Commission revenue	21	**1,943,004,225**	1,231,680,376
Income from investments - net	22	**240,233,043**	294,465,784
		2,183,237,268	1,526,146,160
Operating and administrative expenses	23	**(1,416,202,175)**	(937,863,813)
Other expenses	24	**(129,238,203)**	(59,022,261)
Other income	25	**116,910,564**	103,115,022
		754,707,454	632,375,108
Finance costs	26	**(207,941,341)**	(197,608,563)
Profit before levies and taxation		**546,766,113**	434,766,545
Levies	27	**(3,632,057)**	(5,891,789)
Profit before taxation		**543,134,056**	428,874,756
Taxation	28	**(95,859,004)**	(50,332,581)
Profit after taxation		**447,275,052**	378,542,175

The annexed notes from 1 to 35 form an integral part of these financial statements.

MRA SECURITIES LIMITED PSX-194

Chief Executive

Director

MRA Securities Limited

Statement of Comprehensive Income
For the year ended June 30, 2025

	2025	2024
	Rupees	
Profit after taxation	**447,275,052**	378,542,175
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Actuarial gain on remeasurement of defined benefit obligation - net of deferred tax	**2,090,826**	12,231,799
Total comprehensive income for the year	**449,365,878**	390,773,974

The annexed notes from 1 to 35 form an integral part of these financial statements.

MRA SECURITIES LIMITED PSX-194

Chief Executive

Director

MRA Securities Limited

Statement of Changes in Equity

For the year ended June 30, 2025

	Issued, subscribed and paid up capital	Capital reserve	Revenue reserve	Total
		Capital contribution from directors	Unappropriated profits	
	Rupees			
Balance as on June 30, 2023 (restated)	1,275,000,000	61,528,214	45,775,122	1,382,303,336
Total comprehensive loss for the year ended June 30, 2024				
- Profit after taxation	-	-	378,542,175	378,542,175
- Other comprehensive income	-	-	12,231,799	12,231,799
	-	-	390,773,974	390,773,974
Effect of discounting of loan term loan from director (see note 15)	-	98,469,910	-	98,469,910
Balance as on June 30, 2024	**1,275,000,000**	**159,998,124**	**436,549,096**	**1,871,547,220**
Total comprehensive income for the year ended June 30, 2025				
- Profit after taxation	-	-	**447,275,052**	**447,275,052**
- Other comprehensive income	-	-	**2,090,826**	**2,090,826**
	-	-	**449,365,878**	**449,365,878**
Effect of discounting of loan term loan from director (see note 15)	-	-	-	-
Balance as on June 30, 2025	**1,275,000,000**	**159,998,124**	**885,914,974**	**2,320,913,098**

The annexed notes from 1 to 35 form an integral part of these financial statements.

MRA SECURITIES LIMITED PSX-194

Chief Executive

Director

MRA Securities Limited

Statement of Cash Flows
For the year ended June 30, 2025

	Note	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		——— Rupees	———
Profit before levies and taxation		**546,766,113**	434,766,545
Adjustments for:			
- Depreciation on property and equipment	4	**19,514,860**	17,854,089
- Depreciation on investment property	7	**322,105**	357,895
- Capital (gain) / loss on sale of investments		**(77,294,213)**	(246,776,330)
- Unrealized gain on remeasurement of investments		**(152,536,299)**	(24,396,533)
- Provision for staff retirement benefits		**27,035,395**	23,810,692
- Provision / reversal of provision for expected credit losses	10.2	**4,287,718**	12,441,299
- Finance costs	26	**207,941,341**	197,608,563
- Loss / (gain) on disposal of operating fixed assets	24 & 25	**1,000,203**	2,698,192
- Loss on Advance against purchase of vehicle		**738,000**	-
- Profit on exposure deposit	25	**(108,980,670)**	(99,447,335)
- Rental income	25	**(3,150,000)**	(3,180,000)
		(81,121,560)	(119,029,468)
Cash generated from operating activities before working capital changes		**465,644,553**	315,737,077
Effect on cash flow due to working capital changes			
(Increase)/decrease in current assets			
- Trade debts		**(1,469,710,149)**	(107,329,521)
- Receivable against margin financing		**(367,628,422)**	(641,224,186)
- Loans, deposits, prepayments and other receivables		**(848,656,528)**	(422,923,665)
Increase/(decrease) in current liabilities			
- Trade and other payables		**652,617,413**	549,996,382
		(2,033,377,686)	(621,480,990)
Cash (used in) / generated from operating activities		**(1,567,733,133)**	(305,743,913)
Short term investments - net		**621,694,206**	(323,558,537)
Income tax (paid) / refund received		**(148,226,855)**	(31,588,095)
Finance costs paid		**(185,839,603)**	(148,427,807)
Long term deposits - net		**3,762,000**	(4,600,000)
Staff retirement paid		**-**	(5,434,002)
Net cash (used in) / generated from operating activities		**(1,276,343,385)**	(819,352,354)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment		**(23,464,380)**	(40,170,586)
Subordinated loan received from directors		**250,000,000**	-
Proceeds from disposal of operating fixed assets		**6,500,000**	7,400,000
Profit received on exposure deposit		**108,980,670**	99,447,335
Rent received		**3,150,000**	3,180,000
Net cash generated from investing activities		**345,166,290**	69,856,749
Net increase in cash and cash equivalents		**(931,177,095)**	(749,495,605)
Cash and cash equivalents at the beginning of the year		**(1,122,561,405)**	(373,065,800)
Cash and cash equivalents at the end of the year	29	**(2,053,738,500)**	(1,122,561,405)

The annexed notes from 1 to 35 form an integral part of these financial statements.

MRA SECURITIES LIMITED PSX-194

Chief Executive **Director**

MRA Securities Limited

Notes to the Financial Statements
For the year ended June 30, 2025

1. STATUS AND NATURE OF BUSINESS

1.1 MRA Securities Limited ('the Company') was incorporated in Pakistan as a private limited company on August 17, 2000 under the repealed Companies Ordinance, 1984 (which was later replaced by the Companies Act, 2017 in May 2017). In September 2016, the Company was converted into a public unlisted company.

1.2 The Company is a holder of the Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited. The principal activities of the Company are investments, share brokerage, inter-bank brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services.

1.3 The geographical location of Company's offices are as follows:

City	Office Type	Office Address
Karachi	Head office (Registered office)	Room No. 738-741, 7th Floor, Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 733, 7th Floor, Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 718-722, 7th Floor, Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 805, 8th Floor, New Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 701-703, 7th Floor, New Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 608-609, 6th Floor, New Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 535-536, 5th Floor, Stock Exchange Building Karachi
Karachi	Regional office	Room No. 416, 4th Floor, Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 408, 4th Floor, Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 405-406, 4th Floor, Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 65 and 66, 1st Floor, Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 75, 2nd Floor, Stock Exchange Building, Karachi
Karachi	Regional office	Room No. 1010-1011, Saima Trade Tower, I.I. Chundrigar Road, Karachi
Karachi	Regional office	A-356, Sector 11-B, New Disco More, North Karachi, Karachi
Lahore	Regional Lahore	Office No. 408-409, North Tower Lahore Stock Exchange Plaza, 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 standards as applicable in Pakistan comprise of:

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

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

2.2 Basis of measurement of items in the financial statements.

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

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(a) Judgements

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

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

(b) Assumptions and other major sources of estimation uncertainty

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

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

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

2.5.1 Amendments to existing standards that became effective during the year

The following new or amended standards and interpretations became effective for the financial year and are considered relevant to the Company's financial statements:

IAS 1 – Classification of Liabilities as Current or Non-current (Amendments issued January 2020. and October 2022, effective January 1, 2024):

Under the previous requirements of IAS 1, a liability was classified as current if the Company did not have an unconditional right to defer settlement for at least twelve months after the reporting date. Following the amendments, the requirement for the right to be "unconditional" has been removed. Instead, the amendments specify that the right to defer settlement must be substantive and must exist as of the reporting date. Such a right may depend on the Company's compliance with conditions (covenants) set out in a loan agreement.

In October 2022, the IASB clarified that only covenants that the Company is required to comply with on or before the reporting date affect whether a liability is classified as current or non-current. Covenants that are tested after the reporting date (i.e., future covenants) do not impact classification at that date. However, if non-current liabilities are subject to future covenants, the Company must provide additional disclosures to enable users to understand the risk that such liabilities could become repayable within twelve months after the reporting date.

IFRS 16 – Lease Liability in a Sale and Leaseback (Amendments issued September 2022, effective January 1, 2024):

The amendments affect how a seller-lessee accounts for variable lease payments arising from a sale-and-leaseback transaction. At the time of initial recognition, the seller-lessee is required to include variable lease payments when measuring the lease liability. Subsequently, the seller-lessee applies the general requirements for lease liability accounting in a way that ensures no gain or loss is recognised in relation to the right-of-use asset it retains. These amendments introduce a new accounting model for variable lease payments and may require seller-lessees to reassess and, in some cases, restate previously recognised sale-and-leaseback transactions.

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

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

The following standards and amendments have been issued but are not effective for the financial year beginning July 1, 2024 and have not been early adopted by the Company:

IAS 21 – The Effects of Changes in Foreign Exchange Rates (Amendments: Lack of Exchangeability, effective January 1, 2025):

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates address circumstances where a currency is not exchangeable, often due to government restrictions. In such cases, entities are required to estimate the spot exchange rate that would apply in an orderly transaction at the measurement date. The amendments permit flexibility by allowing the use of observable exchange rates without adjustment or other estimation methods, provided these meet the overall estimation objective. When assessing this, entities should consider factors such as the existence of multiple exchange rates, their intended use, nature, and frequency of updates. The amendments also introduce new disclosure requirements, including details of the non-exchangeability, its financial impact, the spot rate applied, the estimation approach used, and related risks.

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective

Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments – Classification and Measurement provide clarifications and updates in several areas. They refine the requirements around the timing of recognition and derecognition of certain financial assets and liabilities, introducing a new exception for financial liabilities settled via electronic cash transfer systems. The amendments also clarify and expand the guidance on assessing whether a financial asset meets the "solely payments of principal and interest" (SPPI) criterion. In addition, new disclosure requirements are introduced for instruments with contractual terms that can alter cash flows, such as those linked to environmental, social, and governance (ESG) targets. Further updates are also made to the disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVOCI).

IFRS 17 – Insurance Contracts (effective January 1, 2026 in Pakistan, as directed by SECP vide SRO 1715(I)/2023):

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. SECP vide its SRO 1715(I)/2023 dated November 21, 2023 has directed that IFRS 17 shall be followed for the period commencing January 1, 2026 by companies engaged in insurance / takaful and re-insurance / re-takaful business.

Annual Improvements – Volume Eleven (effective January 1, 2026):

- Hedge Accounting by a First-time Adopter (Amendments to IFRS 1) - The amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for
- Gain or Loss on Derecognition (Amendments to IFRS 7) - To update the language on unobservable inputs and to include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement.

- Introduction (Amendments to Guidance on implementing IFRS 7) - To clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.

- Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7) - Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.

- Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7) - Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.

- Transaction Price (Amendments to IFRS 9) - Paragraph 5.1.3 of IFRS 9 has been amended to replace the reference to 'transaction price as defined by IFRS 15 Revenue from Contracts with Customers' with 'the amount determined by applying IFRS 15'. The use of the term "transaction price' in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9.

- Determination of a 'De Facto Agent' (Amendments to IFRS 10) - The amendment is intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents.

- Cost Method (Amendments to IAS 7) - Paragraph 37 of IAS 7 has been amended to replace the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method".

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

Other than the aforesaid standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the SECP as at June 30, 2025:

IFRS 18 – Presentation and Disclosure in Financial Statements

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

Major Impact on Companies' Financial Statements:

IFRS 18 will require the Company to restructure their statement of profit or loss into operating, investing, and financing categories, which may alter familiar subtotals such as operating profit. This standard focuses on disaggregation will expand disclosures, requiring more detailed breakdowns of income, expenses, and significant transactions, rather than broad groupings. Adoption will also demand updates to reporting systems and processes, increasing compliance effort, but ultimately enhancing transparency, comparability, and investor confidence.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 – Subsidiaries without Public Accountability: Disclosures introduces reduced disclosure requirements for eligible subsidiaries that apply IFRS Accounting Standards. It applies to subsidiaries without public accountability whose parent prepares publicly available consolidated IFRS financial statements. Recognition and measurement remain fully aligned with IFRS, while disclosures are significantly simplified. The standard aims to ease the reporting burden without compromising the usefulness of information, and adoption is voluntary.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

3.1 Property and equipment

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

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

Depreciation is charged to statement of profit or loss applying the reducing balance method at the rates specified in note 4. Depreciation is charged when the asset is available for use till the asset is disposed off.

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

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

3.2 Intangible asset

Trading Rights Entitlement (TRE) Certificate

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

3.3 Investment property

Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises expenditure that is directly attributable to the acquisition of the asset including transaction costs.

Depreciation on investment property is charged using reducing balance method in accordance with the rates specified in note 7 to these financial statements. The useful life and depreciation method are reviewed and adjusted, if appropriate, at each reporting date.

3.4 Financial instruments

3.4.1 *Initial recognition, classification and measurement*

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

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

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

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

(a) Financial assets measured at amortized cost

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

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

(b) Financial assets at FVOCI

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

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

(c) Financial assets at FVTPL

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

Such financial assets are initially measured at fair value.

3.4.2 ***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 statement of profit and loss.

(b) Financial assets at FVOCI

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

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

(c) Financial assets at FVTPL

These assets are subsequently measured at fair value.

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

3.4.3 *Impairment*

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

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

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

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

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

3.4.4 *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 Company has transferred substantially all risks and rewards of ownership.

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

3.5 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 or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss. Any gain or loss on de-recognition is also recognized in the statement of profit or loss.

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

3.6 Offsetting of financial assets and financial liabilities

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

3.7 Trade debts and other receivables

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

3.8 Cash and cash equivalents

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

3.9 Staff retirement benefits - Defined benefit plan

Defined benefit plans provide an amount of pension or gratuity that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligations are calculated annually by independent actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plans.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

3.10 Provisions and contingent liabilities

Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses.

Contingent liabilities

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

3.11 Commission revenue

Revenue from trading activities - brokerage commission

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

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

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

3.12 Dividend income

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

3.13 Other income

Mark up / interest income

Mark-up / interest income is recognized on a time proportion basis on the principal amount outstanding and at the rate applicable.

Rental income

Rent from operating leases is recognized as income on a straight line basis. Any modification to an operating lease is accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

3.14 Borrowing costs

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

3.15 Levies and Taxation

Levies

A levy is an outflow of resources embodying economic benefits imposed by the government that does not meet the definition of income tax provided in the International Accounting Standard (IAS) 12 'Income Taxes' because it is not based on taxable profit.

In these financial statements, levy includes minimum tax under section 113 of the Income Tax Ordinance,2001 over the normal tax liability computed there under.

Current tax

The portion of the income tax charge that is based on the 'taxable income' for a reporting period (as determined in accordance with the provisions of the Income Tax Ordinance, 2001 and the rules made thereunder) is classified as a 'current tax'. Any excess charge over the said amount is now classified as a 'levy' in the statement of profit or loss.

In these financial statements , Income tax under final tax regime is recognized as levy and the excess amount charged is recognized as current tax.

Deferred tax

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

A deferred tax asset is recognised only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that the sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the entity. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Judgment and estimates

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

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

Offsetting

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

4. PROPERTY AND EQUIPMENT

	Office premises	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
	Rupees					
As at June 30, 2023						
Cost	51,209,226	13,673,634	16,237,901	15,870,847	79,300,440	176,292,048
Accumulated depreciation	(18,524,837)	(8,787,737)	(13,271,960)	(7,026,335)	(13,015,859)	(60,626,727)
Net book value	32,684,389	4,885,897	2,965,942	8,844,512	66,284,581	115,665,321
Movement during the year ended June 30, 2024						
Opening net book value	32,684,389	4,885,897	2,965,942	8,844,512	66,284,581	115,665,321
Additions during the year	-	147,000	1,782,636	-	38,240,950	40,170,586
Disposals:						
- Cost	-	-	-	-	(13,410,000)	(13,410,000)
- Accumulated depreciation	-	-	-	-	3,311,808	3,311,808
	-	-	-	-	(10,098,192)	(10,098,192)
Depreciation for the year	(3,268,439)	(736,993)	(1,058,907)	(1,326,677)	(11,463,073)	(17,854,089)
Closing net book value	29,415,950	4,295,904	3,689,671	7,517,835	82,964,266	127,883,626
As at June 30, 2024						
Cost	51,209,226	13,820,634	18,020,537	15,870,847	104,131,390	203,052,634
Accumulated depreciation	(21,793,276)	(9,524,730)	(14,330,867)	(8,353,012)	(21,167,124)	(75,169,008)
Net book value	29,415,950	4,295,904	3,689,671	7,517,835	82,964,266	127,883,626
Movement during the year ended June 30, 2025						
Opening net book value	**29,415,950**	**4,295,904**	**3,689,671**	**7,517,835**	**82,964,266**	**127,883,626**
Additions during the year	-	**7,995,268**	**7,344,855**	**1,824,258**	**6,300,000**	**23,464,380**
Disposals:						
- Cost	-	-	-	-	**(12,500,000)**	**(12,500,000)**
- Accumulated depreciation	-	-	-	-	**4,999,797**	**4,999,797**
	-	-	-	-	**(7,500,203)**	**(7,500,203)**
Depreciation for the year	**(2,941,595)**	**(1,044,234)**	**(1,956,082)**	**(1,360,747)**	**(12,212,203)**	**(19,514,860)**
Closing net book value	**26,474,355**	**11,246,938**	**9,078,444**	**7,981,345**	**69,551,860**	**124,332,943**
As at June 30, 2025						
Cost	**51,209,226**	**21,815,902**	**25,365,392**	**17,695,105**	**97,931,390**	**214,017,014**
Accumulated depreciation	**(24,734,871)**	**(10,568,964)**	**(16,286,948)**	**(9,713,759)**	**(28,379,530)**	**(89,684,071)**
Net book value	**26,474,355**	**11,246,938**	**9,078,444**	**7,981,345**	**69,551,860**	**124,332,943**
Annual rate of depreciation	**10%**	**15%**	**30%**	**15%**	**15%**	

4.1 Office premises include Offices no. 535-536, 718 and 739-741 situated in the Stock Exchange Building, Karachi as well as Offices no. 701-703 situated in the New Stock Exchange Building, Karachi which are mortgaged against certain financial guarantees, except office no. 701, 702 and 718 issued by a commercial bank on behalf of the Company.

4.2 Following operating fixed assets with a net book value exceeding Rs. 500,000 were disposed off during the year:

Asset description	Cost	Accumulated depreciation	Net book value	Sales proceeds	Gain / (loss) on disposal	Buyer	Relationship with the buyer	Mode of disposal
	Rupees							
Toyota Harrier	12,500,000	4,999,797	7,500,203	6,500,000	(1,000,203)	RR MOTORS	None	Negotation
June 30, 2025	**12,500,000**	**4,999,797**	**7,500,203**	**6,500,000**	**(1,000,203)**			

5. INTANGIBLE ASSET	*Note*	**2025**	2024
		Rupees	
Trading Right Entitlement Certificate			
Cost		**5,000,000**	5,000,000
Accumulated impairment		**(2,500,000)**	(2,500,000)
	5.1	**2,500,000**	2,500,000

5.1 Pakistan Stock Exchange Limited vide its notification no. PSX/N-225 dated February 16, 2021 has notified the notional value of a Trading Right Entitlement Certificate (TREC) amounting to Rs. 2.5 million. Accordingly, the Company has carried its TREC at the said amount.

6. LONG TERM ADVANCES AND DEPOSITS	*Note*	**2025**	2024
		Rupees	
Advance			
Long Term Advances	*6.1*	-	4,500,000
Deposits			
Basic deposit - CDC		**100,000**	100,000
Deposits - NCCPL	*6.2*	**1,510,000**	1,510,000
		1,610,000	1,610,000
		1,610,000	6,110,000

6.1 This was advance given against the purchase of a cars. During the year, the deal was cancelled and the Company received an amount of Rs. 3.762 million back. The remaining amount of Rs. 0.738 million has been written off during the year.

6.2 Deposits placed with National Clearing Company of Pakistan Limited (NCCPL)	**2025**	2024
	Rupees	
Basic deposit	**200,000**	200,000
Exposure margin on Ready Market	**200,000**	200,000
Exposure margin on DFCs	**1,000,000**	1,000,000
Exposure margin on NDNF	**100,000**	100,000
Other deposit	**10,000**	10,000
	1,510,000	1,510,000

7. INVESTMENT PROPERTY - Offices in PSX Building

	2025	2024
	Rupees	
Opening balance		
- Cost	**15,030,000**	15,030,000
- Accumulated depreciation	**(11,808,948)**	(11,451,053)
	3,221,052	3,578,947
Movement during the year		
Depreciation for the year	**(322,105)**	(357,895)
Closing net book value	**2,898,947**	3,221,052
Closing balance		
- Cost	**15,030,000**	15,030,000
- Accumulated depreciation	**(12,131,053)**	(11,808,948)
	2,898,947	3,221,052
Depreciation rate (per annum)	**10%**	10%

7.1 Investment property comprises offices no. 37 and 38 situated in the Stock Exchange Building, Karachi which are mortgaged against certain financial guarantees issued by a commercial bank on behalf of the Company. The offices have an aggregate fair value of Rs. 9.0 million (2024: Rs. 9.0 million) as at the reporting date.

8. DEFERRED TAXATION - net

	Note	2025	2024
		Rupees	
Deferred tax asset / (liability) in respect of:			
- Capital loss on short term investments	*8.1*	**66,452,190**	-
- Other temporary differences	*8.2*	**(11,627,511)**	-
		54,824,679	-

8.1 Deferred tax in respect of capital loss on short term investments

In the previous year, a deferred tax asset amounting to Rs. 93.754 million was not recognized in respect of the realized and unrealized capital losses on short-term investments, as it was not considered probable at that time that sufficient future capital gains on securities would be available against which the Company could utilize these losses.

8.2 Deferred tax in respect of other temporary differences

	Note	2025	2024
		Rupees	
Deferred tax liability recognized	*8.2.1*	**(56,184,292)**	(15,829,169)
Deferred tax asset recognized	*8.2.2*	**44,556,782**	15,829,169
		(11,627,511)	-

8.2.1 Deferred tax liability

	2025	2024
Long term loan from shareholders	**(24,914,351)**	(15,829,169)
Unrealised gain on short term investment	**(31,269,941)**	-
	(56,184,292)	(15,829,169)

8.2.2 Deferred tax assets

	2025	2024
Accelerated depreciation	**2,197,107**	2,286,595
Provision for expected credit losses	**7,311,016**	6,973,694
Staff retirement benefits - gratuity	**35,048,658**	21,643,220
Deferred tax assets available for recognition	**44,556,782**	30,903,509
Deferred tax assets actually recognized	**44,556,782**	15,829,169
Unrecognized deferred tax assets	-	15,074,340
	44,556,782	30,903,509

9. INVESTMENT IN QUOTED EQUITY SECURITIES -
At fair value through profit or loss

2025	2024	Name of Investee	Scrip	2025	2024
------- Number of shares -------				---- Market value in Rupees ----	
2,000.00	-	Attock Cement Pakistan Limited	ACPL	585,200	-
20,500.00	-	Agritech Limited	AGL	1,112,945	-
20,000.00	2,000	Arif Habib Corporation Limited	AHCL	216,000	97,020
14,533.00	240,000	Air Link Communication Limited	AIRLINK	2,218,317	21,319,200
415,000	-	Azgard Nine Limited	ANL	4,577,450	-
570,469	600,000	Al Shaheer Corporation Limited	ASC	4,404,021	4,842,000
758,000	-	Aisha Steel Mills Limited	ASL	8,512,340	-
495,450	650,000	Amreli Steels Limited	ASTL	11,578,667	17,543,500
9,000	40,000	Attock Refinery Limited	ATRL	6,114,780	14,063,600
10,000	-	Avanceon Limited	AVN	487,900	-
15,000	-	Barkat Frisian Agro Limited	BFAGRO	614,250	-
10,000	-	Bunny'S Limited	BNL	775,400	-
50,000	-	The Bank Of Punjab	BOP	517,500	-
626,500	2,516,000	Cnergyico Pk Limited	CNERGY	4,466,945	9,686,600
14,000	630,000	Citi Pharma Limited	CPL	1,175,580	17,955,000
22,500	-	The Crescent Textile Mills Limited	CRTM	539,100	-
475,000	-	Dewan Cement Limited	DCL	6,754,500	-
13,200	-	Dawood Equities Limited	DEL	145,860	-
102,000	168,000	D.G. Khan Cement Company Limited	DGKC	16,887,120	15,165,360
49,500	-	Dh Partners Limited	DHPL	1,827,540	-
101,000	-	Descon Oxychem Limited	DOL	3,209,780	-
175,000	-	Dost Steels Limited	DSL	1,447,250	-
71,000	557,000	Fauji Cement Company Limited	FCCL	3,171,570	12,760,870
44,000	539,000	Frieslandcampina Engro Pakistan Limited	FCEPL	3,839,880	37,740,780
359,000	-	Fauji Foods Limited	FFL	5,557,320	-
200	-	Fateh Textile Mills Limited - Freeze	FTML-F	-	-
202,500	210,000	Gul Ahmed Textile Mills Limited	GATM	5,562,675	4,431,000
487,000	-	Ghani Chemical Industries Limited	GCIL	12,106,820	-
278,000	-	Ghani Chemworld Limited	GCWL	2,702,160	-
161,000	-	Pak Agro Packaging Limited	GEMPAPL	1,690,500	-
298,000	-	Ghani Global Glass Limited	GGGL	2,863,780	-
39,500	50,000	Ghani Global Holdings Limited	GGL	710,605	476,000
154,500	245,955	Ghani Glass Limited	GHGL	7,020,480	6,409,587
27,500	-	Ghandhara Tyre And Rubber Gtyr Company Limited	GTYR	1,107,975	-
226,000	50,000	Hascol Petroleum Limited	HASCOL	2,183,160	309,500
100	-	Habib Bank Limited	HBL	17,919	-
31,000	832,415	The Hub Power Company Limited	HUBC	4,272,110	135,750,238
6,000	-	Haseeb Waqas Sugar Mills Limited	HWQS	84,360	-
5,000	-	Ibl Healthcare Limited	IBLHL	313,000	-
1,231,696	10,000	Igi Holdings Limited	IGIHL	253,187,430	1,260,000
141,000	-	Intermarket Securities Limited	IMS	1,166,070	-
46,420	-	International Industries Limited	INIL	8,216,804	-
248,094	-	International Packaging Films Ipak Limited	IPFL	5,706,162	-
7,000	-	International Steels Limited	ISL	648,900	-
1	-	Innovative Investment Bank Limited - Freeze	IIBL-F	-	-

2025	2024	Name of Investee	Scrip	2025	2024
------- Number of shares -------				---- Market value in Rupees ----	
25,000	-	Javed Omer Vohra & Company Limited - Freeze	JOVC-F	-	-
280,000	-	Japan Power Generation Limited - Freeze	JPGL-F	-	-
202,500	375,000	Jahangir Siddiqui & Company Jscl Limited	JSCL	4,033,800	7,080,000
318	-	Js Large Cap. Fund	JSLCF	-	-
7,200	7,200	Kot Addu Power Company Limited	KAPCO	237,456	238,392
554,000	490,000	K-Electric Limited	KEL	2,908,500	2,268,700
255,000	-	Kohinoor Spinning Mills Limited	KOSM	1,657,500	-
166,000	-	Loads Limited	LOADS	2,395,380	-
7,000	-	Lucky Cement Limited	LUCK	2,486,680	-
7,000	-	Mari Energies Limited	MARI	4,388,230	-
157,500	-	Merit Packaging Limited	MERIT	2,184,525	-
14,000	-	Matco Foods Limited	MFL	687,400	-
93,500	186,000	Maple Leaf Cement Factory Limited	MLCF	7,880,180	7,068,000
162,500	-	Meezan Pakistan Exchange Traded	MZNPETF	2,780,375	-
15,250	-	National Foods Limited	NATF	4,990,258	-
5,000	-	National Bank Of Pakistan	NBP	543,450	-
27,000	130,000	Netsol Technologies Limited	NETSOL	3,589,920	17,648,800
88,000	165,000	Nishat Mills Limited	NML	11,077,440	11,690,250
20,500	51,000	National Refinery Limited	NRL	4,988,880	13,539,480
5,000	-	Nimir Resins Limited	NRSL	149,450	-
5,000	-	Octopus Digital Limited	OCTOPUS	257,500	-
120,500	379,000	Pak Elektron Limited	PAEL	4,935,680	9,365,090
1,000	-	Pak Datacom Limited	PAKD	311,740	-
20,000	-	Services Limited	PSEL	62,400	-
165,000	-	Pia Holding Company Limited - Class	PIAHCLA	3,567,300	-
10,300	61,500	Pakistan Oilfields Limited	POL	6,078,751	30,131,310
224,000	-	Power Cement Limited	POWER	3,041,920	-
36,500	463,000	Pakistan Petroleum Limited	PPL	6,211,205	54,221,930
17,089	-	Pakistan Paper Products Limited	PPP	2,862,578	-
82,000	-	At-Tahur Limited	PREMA	3,299,680	-
433,500	175,000	Pakistan Refinery Limited	PRL	14,708,655	4,060,000
55,000	269,150	Pakistan State Oil Company Limited	PSO	20,764,150	44,735,422
46,500	2,400,000	Pakistan Stock Exchange Limited	PSX	1,300,605	30,744,000
312,000	-	Pakistan Telecommunication Company Ltd.	PTC	7,937,280	-
27,500	-	Panther Tyres Limited	PTL	1,150,600	-
115,000	-	Redco Textiles Limited	REDCO	3,036,000	-
102,500	250,000	Roshan Packages Limited	RPL	2,185,300	3,525,000
269,500	349,500	The Searle Company Limited	SEARL	23,635,150	19,963,440
3,000	800,000	Sui Northern Gas Pipelines Limited	SNGP	350,130	50,776,000
315,000	325,000	Sitara Peroxide Limited	SPL	4,690,350	4,306,250
145,000	45,000	Sui Southern Gas Company Limited	SSGC	6,204,550	426,600

2025	2024	Name of Investee	Scrip	2025	2024
------- Number of shares -------				---- Market value in Rupees ----	
165,000	-	Shabbir Tiles & Ceramics Limited	STCL	2,324,850	-
500,000	194,170	Siddiqsons Tin Plate Limited	STPL	3,340,000	1,099,002
42,000	-	Telecard Limited	TELE	330,960	-
4,000	-	Thatta Cement Company Limited	THCCL	760,600	-
10,000	-	Treet Corporation Limited	TREET	236,700	-
258,500	-	Trg Pakistan Limited - Class 'A'	TRG-A	14,607,835	-
25,000	-	Trust Modaraba	PMI	179,750	-
113,000	1,572,000	Unity Foods Limited	UNITY	2,814,830	47,395,800
60,000	-	Wafi Energy Pakistan Limited	WAFI	11,081,400	-
404,000	-	Waves Corporation Limited	WAVES	3,167,360	-
600,000	-	Waves Home Appliance Limited	WHALE	5,802,000	-
4,500,000	-	Worldcall Telecom Limited	WTL	7,110,000	-
240,000	-	Yousaf Weaving Mills Limited	YOUS	1,365,600	-
3,732,000	-	Zeal Pak Cement Factory Limited-Freeze	ZPCFL-F	-	-
115,000	-	Balochistan Glass Limited	BGL	1,406,450	-
235,000	425,000	Century Paper & Board Mills Limited	CEPB	7,334,350	12,728,750
-	100,000	Crescent Steel & Allied Products Limited	CSAP	-	5,401,000
43,500	90,000	Dawood Hercules Corporation Limited	DAWH	7,941,360	14,483,700
-	400,000	Dewan Farooque Motors Limited	DFML	-	16,196,000
-	7,500	Exide Pakistan Limited	EXIDE	-	4,419,825
-	200	Fateh Textile Mills Limited	FATEH	-	14,800
-	136,500	Fauji Fertilizer Bin Qasim Limited	FFBL	-	4,841,655
-	605,000	Fauji Fertilizer Company Limited	FFC	-	98,844,900
-	445,000	Flying Cement Company Limited	FLYNG	-	3,702,400
-	98,000	Glaxosmithkline Pakistan Limited	GLAXO	-	14,096,320
-	825,000	International Packaging Films	IPAK	-	19,470,000
-	1	Ivibl	Ivibl	-	-
-	50,000	Jahangir Sidd(Pref)	JSCLPSA	-	365,000
-	280,000	Japan Power Generation Limited	JPGL	-	-
-	25,000	Javed Omer Vohra & Company Limited	JOVC	-	-
-	318	Jslcfo	Jslcfo	-	-
-	500,000	Jubilee General Insurance Company Limited	JGICL	-	22,815,000
-	245,000	Macpac Films Limited	MACFL	-	4,390,400
65,000	-	Mughal Iron & Steel Industries Limited	MUGHAL	4,687,800	-
178,758	30,000	Mitchells Fruit Farms Limited	MFFL	34,687,990	3,982,800
-	39,000	Nishat Chunian Power Limited	NCPL	-	1,168,050
44,000	692,000	Oil & Gas Development Company Limited	OGDC	9,704,640	93,676,040
2,345,000	924,000	Pakistan International Bulk Terminal	PIBTL	20,495,300	5,701,080
-	250,000	Pakistan Telecommunication Company Ltd	PTCL	-	3,002,500
-	112,000	Sazgar Engineering Works Limited	SAZEW	-	93,235,520
-	85,500	Shell Pakistan Limited	SHEL	-	11,465,550
-	50,000	Symmetry Group Limited	SYM	-	243,500
-	200,000	Tpl Properties Limited	TPLP	-	1,748,000
-	119,000	Trg Pakistan Limited	TRG	-	7,383,950
-	3,732,000	Zeal Pak Cement Factory Limited	ZPCFL	-	1,642,080
26,311,078	26,493,909	**Total**		713,248,847	1,105,112,541

9.1.1 The number and fair value of securities pledged with PSX and NCCPL are as follows:

	June 30, 2025		June 30 , 2024	
	Number of securities	**Fair value (Rupees)**	Number of securities	Fair value (Rupees)
Clients	**3,760,800**	**91,185,391**	7,167,169	87,388,243
Brokerage House	**7,331,233**	**159,749,348**	984,300	62,902,593
	11,092,033	**250,934,739**	8,151,469	150,290,836

9.1.2 The number and fair value of securities pledged with banks are as follows:

	June 30 , 2025		June 30 , 2024	
	Number of securities	**Fair value (Rupees)**	Number of securities	Fair value (Rupees)
Clients	**122,204,670**	**7,961,055,228**	76,578,152	1,811,018,300
Brokerage House	**9,577,700**	**510,518,913**	16,577,850	858,127,079
	131,782,370	**8,471,574,141**	93,156,002	2,669,145,378

10. TRADE DEBTS

	Note	**2025**	2024
		Rupees	
Trade receivables - gross	*10.1*	**2,769,052,251**	1,307,917,538
Less: Provision for expected credit losses	*10.2*	**(19,759,502)**	(24,047,220)
		2,749,292,749	1,283,870,318

10.1 Trade receivables - gross

10.1.1 These include Rs. 889.161 million (2024: Rs. 61.232 million) due from related parties. The maximum aggregate amount outstanding during the year from such parties (with respect to month-end balances) amounted to Rs.818.633 million (2024: Rs. 838.025 million).

10.1.2 As of the reporting date, the Company held capital securities having fair value of Rs. 10,623 million (2024: Rs. 6,204 million) owned by its clients, as collaterals against trade debts.

10.2 Provision for expected credit losses

	Note	**2025**	2024
		Rupees	
Opening balance		**24,047,220**	11,605,921
Charge for the year	*24*	**(4,287,718)**	12,441,299
Closing balance		**19,759,502**	24,047,220

	2025	2024
	Rupees	

11. LOANS, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2025	2024
Loans		
Loan to employees - unsecured	-	500,000
Deposits		
Deposits placed with NCCPL in respect of:		
- Exposure margin on Ready Market	890,000,000	221,000,000
- Exposure margin on DFCs (net of demand)	301,741,365	229,262,286
- Loss on DFCs (net of demand)	145,390	-
- Exposure deposit - GEM	1,016,862	78,203
- Loss margin - GEM	-	154,650
- Loss margin - MTS	23,184,883	6,085,838
- Deposit EXPOSURE MTS	67,000,000	-
Other deposits	610,000	1,454,611
	1,283,698,500	458,035,588
Prepayments		
Prepaid Insurance	2,365,290	2,435,989
Prepaid Rent	617,000	-
Other receivables		
Receivable from NCCPL against:		
- profit held on Deliverable Futures Contracts (DFCs)	74,986,788	62,712,880
- accrued markup on deposits against exposure margins	33,427,655	22,188,207
Commission receivable from CDC	173,592	388,312
Dividend receivable	360,000	439,500
Others	-	271,821
	108,948,035	86,000,720
	1,395,628,825	546,972,297

12. CASH AND BANK BALANCES

	2025	2024
Cash in hand	78,896	78,896
Cash at banks - current accounts	49,228,774	223,160,020
	49,307,670	223,238,916

12.1 Bank balances include customer's bank balances held in designated bank accounts amounting Rs. 45.180 million (2024: Rs. 219.162 million).

13. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2025	2024		2025	2024
Number of shares			Rupees	
		Ordinary shares of Rs.10/- each issued:		
48,800,000	48,800,000	- for cash	488,000,000	488,000,000
3,200,000	3,200,000	- for consideration other than cash	32,000,000	32,000,000
75,500,000	75,500,000	- as bonus shares	755,000,000	755,000,000
127,500,000	127,500,000		1,275,000,000	1,275,000,000

13.1 **Pattern of shareholding**

Shareholder	June 30, 2025		June 30, 2024	
	Number of shares held	**% shareholding**	Number of shares held	% shareholding
Mr. Muhamamd Farhan	**46,124,755**	**36.18%**	36,124,755	28.33%
Mr. Muhamamd Junaid	**15,000,000**	**11.76%**	25,000,000	24.41%
Mr. Ahmed Rafiq	**21,219,231**	**16.64%**	26,219,231	20.56%
Mr. Mumtaz Rafiq	**14,032,427**	**11.01%**	14,032,427	8.65%
Mr. Haji Muhammmad	**9,513,462**	**7.46%**	9,513,462	7.46%
Ms. Hina Farhan	**21,608,482**	**16.95%**	16,608,482	10.58%
Mr. Muhammad Shoaib	**247**	**0.00%**	247	0.00%
Mr. Nabeel	**1,226**	**0.00%**	1,226	0.00%
Mr. Muhammad Haroon	**170**	**0.00%**	170	0.00%
	127,500,000	**100.00%**	127,500,000	100.00%

13.2 There are no agreements among shareholders in respect of voting rights, board selection, rights of first refusal and block voting.

14. STAFF RETIREMENT BENEFITS - gratuity

The Company operates an unfunded gratuity scheme for its permanent employees. The latest actuarial valuation of the plan was carried out as at June 30, 2025 by M/s. Nauman Associates, using Projected Unit Credit Method . Details of the defined benefit plan are presented below :

	Note	2025	2,024
14.1 Movement in defined benefit obligation		Rupees	
Opening balance		**74,631,793**	68,486,902
Expense recognized in profit or loss	*14.2*	**27,035,395**	23,810,692
Remeasurement gain recognized in other comprehensive income	*14.3*	**(3,427,584)**	(12,231,799)
Benefits due but not paid		**(3,513,500)**	-
Benefits paid		**-**	(5,434,002)
Closing balance		**94,726,104**	74,631,793
14.2 Expense recognized in profit or loss			
Current service cost		**14,549,864**	13,123,083
Past service cost (credit)		**1,736,462**	-
Interest cost on defined benefit obligation		**10,749,069**	10,687,609
		27,035,395	23,810,692
14.3 Remeasurement gain recognized in other comprehensive income			
Actuarial (gains) / losses arising from:			
- Changes in financial assumptions		**(906,812)**	(2,745,046)
- Experience adjustments		**(2,520,772)**	(9,486,753)
		(3,427,584)	(12,231,799)
14.4 Sensitivity analysis of defined benefit obligation			
Discount rate + 100 bps		**88,349,745**	69,152,566
Discount rate - 100 bps		**103,889,647**	80,984,353
Rate of salary increase + 100 pbs		**104,138,638**	81,198,056
Rate of salary increase - 100 pbs		**88,001,100**	68,868,183

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

14.5 Principal actuarial assumptions used

Mortality rates	**SLIC 2001-2005 Setback 1 year**	SLIC 2001-2005 Setback 1 year
Discount rate	**11.75%**	15.25%
Expected rate of increase in salaries	**10.75%**	10% - 14.25%
Retirement age	**60 years**	60 years

14.6 Expected benefit payments for future periods

	2025	2024
	Rupees	Rupees
FY 2026	**17,757,142**	9,587,625
FY 2027	**11,875,199**	9,742,133
FY 2028	**11,136,189**	9,440,366
FY 2029	**15,139,030**	14,556,365
FY 2030	**15,857,737**	16,003,004
FY 2031	**14,584,707**	13,389,435
FY 2032	**9,742,237**	9,656,879
FY 2033	**9,876,669**	10,281,356
FY 2034	**10,138,068**	10,999,788
FY 2035 and onwards	**1,160,706,426**	1,637,881,071

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

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

14.8.1 Salary risk

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

14.8.2 Demographic risks

- *Mortality risk:*

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

- *Withdrawal risk:*

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

15. LONG TERM LOANS FROM SHAREHOLDERS	Note	2025	2024
		Rupees	
Gross amount			
Opening balance		**265,000,000**	215,000,000
Transferred from subordinated loans from directors	*15.1*	**-**	50,000,000
		265,000,000	265,000,000
Cumulative effect of discounting / unwinding			
Opening balance		**(104,583,336)**	(40,144,254)
Effect of discounting credited to equity		**-**	(98,469,910)
Effect of unwinding recognized in finance costs	*26*	**37,247,252**	34,030,828
		(67,336,084)	(104,583,336)
		197,663,916	160,416,664

15.1 The Company obtained long term loan from its shareholders which is classified as non-current liabilities. Further, in accordance with the requirement of IFRS 9 "Financial Instruments" and Technical release 32 Accounting Director's Loan issued by the Institute of Chartered Accountant of Pakistan (ICAP), the loan has been discounted at the Company's borrowing rate of KIBOR+2%. The terms of borrowing are described below:

S. No.	Name of shareholder	Date of agreement	Principal repayment period as per	Discount rate used
1	Mr. Haji Muhammad	March 7, 2024	after three years	23.09%
2	Mr. Ahmed	December 22, 2023	after two years	23.66%

16. SHORT TERM BORROWINGS FROM BANKING COMPANIES	Note	2025	2024
		Rupees	
Running finance obtained from:			
- JS Bank Limited	*16.1*	**1,450,916,827**	1,012,460,472
- The Bank of Khyber Limited	*16.2*	**286,850,000**	134,950,000
- Bank Al Habib Limited	*16.3*	**280,705,658**	198,389,849
- Soneri Bank Limited	*16.4*	**79,148,468**	-
- Habib Metropolitan Bank Limited	*16.5*	**5,425,217**	-
		2,103,046,170	1,345,800,321

16.1 This represents the amount availed under a **short-term running finance facility** with a limit of Rs. 1,500 million (2024: Rs. 1,500 million) obtained from **M/s. JS Bank Limited** to finance the trading or investment in shares. The facility carries markup at the rate of 3-Month KIBOR plus 2% p.a. (2024: 3-Month KIBOR plus 2% p.a.) and is secured against the following:

- pledge of shares with a minimum margin of 35% to be governed by Pakistan Stock Exchange Limited (as per JS' approved list of shares) duly registered with CDC;
- 1st exclusive charge over pledge of shares registered with the SECP; and
- personal guarantees of all directors whose holding is more than 10% along with net worth statement.

The facility is due to expire on March 31, 2026.

16.2 This represents the amount availed under a **short-term running finance facility** with a limit of Rs. 500 million (2024: Rs. 300 million) obtained from **M/s. The Bank of Khyber Limited** to meet working capital requirements of the Company. The facility carries markup at the rate of 1-Month KIBOR plus 2% p.a. (2024: 1-Month KIBOR plus 2% p.a.) and is secured against the following:

- pledge of shares (including third party shares) quoted at Pakistan Stock Exchange Limited in categories i.e. A and B in CDC account as per the Bank's approved list (with required margin as stated policy); and

- personal guarantees of following directors:

  1) Muhammad Farhan
  2) Muhammad Shoaib
  3) Muhammad Haroon

The facility is due to expire on December 31, 2025.

16.3 This represents the amount availed under a **short-term running finance facility** with a limit of Rs. 200 million (2024: Rs. 300 million) obtained from **M/s. Bank Al Habib Limited** to meet working capital requirements of the Company. The facility carries markup at the rate of 3-Month KIBOR plus 1.75% p.a. (2023: 3-Month KIBOR plus 1.75% p.a.) and is secured against the following:

- pledge of shares of listed companies in the name of the Company (as per the Bank's approved list of shares) quoted at Pakistan Stock Exchange Limited duly registered with the SECP;

- pledge of shares of listed companies in the name of directors and their close family members/third parties, including Mr. Ahmed (Brother of Director & Shareholder), Ms. Hina Farhan (Spouse of Director & Shareholder), Mrs. Mumtaz (Mother of Director & Shareholder), Mr. Junaid Rafique (Brother of Director & Shareholder), and Mr. Haji Muhammad, (as per the Bank's approved list of shares) quoted at Pakistan Stock Exchange Limited duly registered with the SECP; and

- personal guarantees of all directors, spouse, mother, and brothers of the Directors & Shareholder.

The facility is due to expire on May 31, 2026.

16.4 This represents the amount availed under a **short-term running finance facility** with a limit of Rs. 500 million (2024: Nil) obtained from **M/s. Soneri Bank Limited** to meet working capital requirements of the Company. The facility carries markup at the rate of 3-Month KIBOR plus 1.75% p.a. (2024:Nil.) and is secured against the following:

- pledge of shares (including third party shares) quoted at Pakistan Stock Exchange Limited in categories i.e. A and B in CDC account as per the Bank's approved list (with required margin as stated policy); and

- personal guarantees of all directors.

The facility is due to expire on April 30, 2026.

16.5 This represents the amount availed under a **short-term running finance facility** with a limit of Rs. 200 million (2024: Nil) obtained from **M/s. Habib Metropolitan Limited** to meet working capital requirements of the Company. The facility carries markup at the rate of 3-Month KIBOR plus 1.5% p.a. (2024:Nil.) and is secured against the following:

- pledge of shares (including third party shares) quoted at Pakistan Stock Exchange Limited in categories i.e. A and B in CDC account as per the Bank's approved list (with required margin as stated policy); and

- personal guarantees of all directors.

The facility is due to expire on December 31, 2025.

17. SUBORDINATED LOANS FROM DIRECTORS	*Note*	**2025**	2024
		Rupees	
Opening balance		-	50,000,000
Loan Obtained During the year		**250,000,000**	-
Transferred to long-term loans from shareholders	*15*	-	(50,000,000)
		250,000,000	-

18. TRADE AND OTHER PAYABLES

	Note	2025	2024
		Rupees	
Trade payables		**1,234,832,469**	666,562,177
Profit on DFCs payable to clients		**73,835,944**	54,069,239
Accrued expenses		**80,077,353**	40,994,113
Gratuity payable to ex-employees		**3,513,500**	-
Sindh sales tax payable		**18,522,904**	11,450,373
Withholding income tax payable		**25,554,557**	7,018,412
Advance against sale of property	*18.1*	**4,000,000**	4,000,000
Other liabilities		**120,643**	232,143
		1,440,457,370	784,326,457

18.1 This represents an advance received against the proposed sale of offices No. 701 and 702 located in the New Stock Exchange Building, Karachi. The total sale consideration for both offices was agreed at Rs. 6 million. However, the sale agreement was subsequently cancelled after the year end, and the advance amount was refunded to the buyer thereafter.

19. TAXATION - net

	2025	2024
	Rupees	
Opening balance	**(12,813,906)**	11,822,374
Advance tax paid during the year	**149,337,627**	31,588,090
Less: Provision for current tax and levies for the year	**(156,763,270)**	(56,224,370)
Add: Prior year adjustment	**1,110,772**	-
	(20,239,549)	(12,813,906)

19.1 Status of income tax assessments

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

20. CONTINGENCIES AND COMMITMENTS

20.1 Contingencies

As of June 30, 2025, there were no material contingent liabilities or assets to report (2024: None).

20.2 Commitments

	2025	2024
	Rupees	
Financial guarantees given by commercial banks on behalf of the Company	**120,000,000**	120,000,000

These represent bank guarantees issued by M/s. Bank of Khyber Limited and M/s. JS Bank Limited in favor of National Clearing Company Pakistan Limited on behalf of the Company amounting to Rs. 20 million (2024: Rs. 20 million) and Rs. 100 million (2024: Rs. 100 million) respectively in respect of exposure margin requirements for Deliverable Futures Contracts (DFCs).

21. COMMISSION REVENUE

	Note	2025	2024
		Rupees	
Brokerage commission - gross		**2,067,037,722**	1,277,174,494
Recovery of expenses		**167,417,137**	114,624,331
		2,234,454,859	1,391,798,825
Less: Sales tax on services		**(291,450,634)**	(160,118,449)
	21.1	**1,943,004,225**	1,231,680,376

21.1 This includes brokerage commission earned from related parties amounting to Rs. 37.231 million (2024: Rs. 30.77 million).

22. INCOME FROM INVESTMENTS - net	Note	2025	2024
		Rupees	
Realised gain on sale of investments - net	*35.3*	**77,294,213**	246,776,330
Net change in unrealized gain / loss on re-measurement of investments	*35.3*	**152,536,299**	24,396,533
		229,830,512	271,172,863
Dividend income	*35.3*	**10,402,531**	23,292,921
		240,233,043	294,465,784

23. OPERATING AND ADMINISTRATIVE EXPENSES

	Note	2025	2024
Staff salaries and allowances	*23.1*	**352,129,832**	282,107,412
Performance bonus to dealers		**791,477,230**	479,193,518
Directors' remuneration	*31*	**9,438,000**	6,138,000
PSX charges		**79,300,655**	52,580,383
NCSS & UIN charges		**61,141,936**	41,710,921
CDC charges		**18,547,591**	8,404,878
IKATS & gateway charges		**8,415,931**	7,084,571
Traveling and conveyance		**29,773,455**	6,169,300
Communication		**6,502,483**	5,193,920
Insurance		**171,119**	279,768
Legal and professional charges		**1,647,110**	1,532,720
Repairs and maintenance		**6,270,462**	3,854,854
Printing and stationery		**968,732**	1,083,050
Vehicle running expenses		**3,813,452**	4,204,926
Utilities		**8,990,739**	8,029,352
Auditors' remuneration	*23.2*	**1,150,000**	750,000
Software charges		**1,249,150**	1,157,600
Fees and subscription		**13,678,255**	7,846,294
Rent, rates and taxes		**832,966**	1,962,982
Entertainment		**866,112**	367,380
Depreciation on property and equipment	*4*	**19,514,860**	17,854,089
Depreciation on investment property	*7*	**322,105**	357,895
		1,416,202,175	937,863,813

23.1 These include an amount of Rs. 27.035 million (2024: Rs. 23.811 million) in respect of staff retirement benefits.

23.2 Auditors' remuneration	Note	2025	2024
		Rupees	
Statutory audit fee		**1,000,000**	650,000
Other certifications		**150,000**	100,000
		1,150,000	750,000

24. OTHER EXPENSES

	Note	2025	2024
Loss on disposal of fixed assets		**1,000,203**	2,698,192
Long term advance written off	*6.1*	**738,000**	-
Doubtful debts written off		-	532,770
Provision for expected credit losses	*10.2*	-	12,441,299
Donations	*24.1*	**127,500,000**	43,350,000
		129,238,203	59,022,261

24.1 Donations

None of the directors or their spouse had any interest in the donees. Further, the particulars of the parties to whom donation paid exceeds Rs. 1 million or 10% of the total donation, whichever is higher, are as follows:

	2025	2024
	Rupees	
Bantwa Town Memon Welfare Committee	9,000,000	7,500,000
Al-Qadir Welfare Foundation	36,000,000	9,000,000
Saylani Welfare Trust	29,200,000	23,000,000

25. OTHER INCOME

	2025	2024
Profit on exposure deposit	108,980,670	99,447,335
Rental income	3,150,000	3,180,000
Reversal of provision for ECL	4,287,715	-
Others	492,179	487,687
	116,910,564	103,115,022

26. FINANCE COSTS

	2025	2024
Markup on short term borrowings	168,041,461	161,361,756
Interest on unwinding of loan from a director	37,247,252	34,030,828
Bank charges	2,652,628	2,215,979
	207,941,341	197,608,563

27. LEVIES

	2025	2024
Excess of minimum tax over normal tax	1,233,924	1,962,956.0
Income tax - Final tax regime	1,565,931	3,462,974.4
Income tax - Super tax	832,202	465,858.4
	3,632,057	5,891,788.8

28. TAXATION

	2025	2024
Current tax - for the year	153,131,213	50,332,581
Current tax - for prior year	(1,110,772)	-
	152,020,441	50,332,581
Deferred	(56,161,437)	-
	95,859,004	50,332,581

28.1 Reconciliation between tax expense and accounting profit

	2025	2024
Profit / (loss) before taxation	543,134,056	428,874,756
Accounting tax expense as per applicable rate	157,508,876	124,373,679
Tax effect of income taxed under FTR / reduced rate	(26,997,987)	(80,361,014)
Tax effect of exempt / notional income	(44,235,527)	(7,074,995)
Other miscellaneous items	9,583,641	13,394,910
	95,859,004	50,332,581

29. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting year as shown in the statement of cash flows are reconciled to the related items in the statement of financial position as follows:

	Note	2025	2024
		Rupees	
Cash and bank balances	12	**49,307,670**	223,238,916
Short term borrowings - running finance	16	**(2,103,046,170)**	(1,345,800,321)
		(2,053,738,500)	(1,122,561,405)

30. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties of the Company comprise of key management personnel (including directors) and their close family members. Remuneration of the Chief Executive and directors is disclosed in note 31 to these financial statements. Transactions entered into, and balances held with, related parties are as follows:

KEY MANAGEMENT PERSONNEL	2025	2024
	Rupees	
Muhammad Farhan Rafiq (Director)		
Transaction during the year		
Brokerage commission earned on trading of securities	**1,116,312**	2,601,766
Subordinated loan received during the year	**150,000,000**	-
Balances at the year end		
Trade receivable at year end	-	11,358,301
Trade payable at year end	**5,482,699**	-
Subordinated loan payable	**150,000,000**	-
Muhammad Junaid Rafique (Substantial shareholder)		
Transactions during the year		
Brokerage commission earned on trading of securities	**15,911,252**	11,703,033
Car purchased	-	17,319,400
Balances at the year end		
Trade receivable at year end	**270,022,766**	19,594,811
Haji Muhammad (Sponsor)		
Transaction during the year		
Brokerage commission earned on trading of securities	**19,768,437**	11,203,701
Balances at the year end		
Subordinated loan payable	**215,000,000**	215,000,000
Trade receivable at year end	**82,526,646**	10,823,162

Ahmed Rafiq Adam (Substantial shareholder)

Transaction during the year		
Brokerage commission earned on trading of securities	435,980	5,261,934
Subordinated loan received during the year	100,000,000	-
Balances at the year end		
Trade receivable at year end	-	19,456,002
Trade payable at year end	50,541,606	-
Subordinated loan payable	150,000,000	50,000,000

Mumtaz Rafiq Adam (Close family member of director)

Balances at the year end		
Trade receivable at year end	349,116,188	-
Trade payable at year end	-	749,532

Mirza Muhammad Baig

Transaction during the year		
Loan received during the year	500,000	550,000
Balances at the year end		
Loan receivable at year end	-	500,000

Hina (Close family member of director)

Transaction during the year		
Brokerage commission earned on trading of securities	62,042	-
Balances at the year end		
Trade receivable at year end	-	59,944,501
Trade payable at year end	89,662,555	-

31. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements for remuneration, including certain benefits to the Chief Executive, directors and executives of the Company, are as follows:

	Chief Executive		Directors		Executives		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	Rupees							
Managerial remuneration	3,000,000	2,790,000	3,600,000	5,301,000	162,365,000	155,450,000	168,965,000	163,541,000
Bonus	1,900,000	850,000	9,305,300	600,000	91,020,000	33,720,000	102,225,300	35,170,000
	4,900,000	3,640,000	12,905,300	5,901,000	253,385,000	189,170,000	271,190,300	198,711,000
Number of persons	1	1	1	1	64	61		

31.1 In addition to the benefits above, the Chief Executive, Directors and certain executives have also been provided with free use of the Company-maintained car.

32. FINANCIAL INSTRUMENTS

32.1 Financial risk management

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

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

32.1.1 *Market risk*

Market risk means that the future cash flows Market risk means that the future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, equity prices and interest rates. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risks: foreign currency risk, price risk and interest rate risk. The market risks associated with the Company's business activities are discussed as under:

i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. All foreign currency translations are carried out within acceptable parameters of policies established by Board of Directors.

ii) Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. The Company manages price risk by monitoring the exposure in quoted equity securities and implementing the strict discipline in internal risk management and investment policies, which includes disposing of its own equity investment and collateral held before it led the Company to incur significant mark-to-market and credit losses. As of the reporting date, the Company was exposed to price risk since it had investments in quoted equity securities and also because the Company held collaterals in the form of equity securities against their debtor balances.

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

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

The table below summarizes Company's equity price risk as of June 30, 2025 and 2024 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the reporting dates. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Indeed, results could be worse because of the nature of markets and the aforementioned concentrations existing in Company's equity investment portfolio.

	Fair value (Rupees)	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase / (decrease) in profit before tax
			------------------ Rupees ------------------	
June 30, 2025	**713,248,847**	**10% increase**	**784,573,732**	**71,324,885**
		10% decrease	**641,923,962**	**(71,324,885)**
June 30, 2024	1,105,112,541	10% increase	1,215,623,795	110,511,254
		10% decrease	994,601,287	(110,511,254)

iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from deposits against exposure margin requirements as well as short-term borrowings from banking companies.

Fair value sensitivity of fixed-rate financial instruments

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

Cash flow sensitivity of variable-rate financial instruments

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

	2025	2024	2025	2024
	— Effective interest rate (%) —		— Carrying amounts (Rs.) —	
Financial assets				
Deposits against exposure margin requirements			-	-
Financial liabilities				
Short term borrowings	13.64% TO 22.83%	23.99% to 24.37%	2,103,046,170	1,345,800,321

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

	Effect on profit before tax	
	1% increase	1% decrease
As at June 30, 2025		
Cash flow sensitivity - Variable rate financial instruments	(21,030,462)	21,030,462
As at June 30, 2024		
Cash flow sensitivity - Variable rate financial instruments	(13,458,003)	13,458,003

32.1.2 Credit risk

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

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

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

Maximum exposure to credit risk

As of the reporting date, the maximum exposure to credit risk was as follows :

	Note	2025	2024
		Rupees	
Long term deposits		**1,610,000**	1,610,000
Trade debts	*(a)*	**2,749,292,749**	1,283,870,318
Receivable against margin financing	*(a)*	**1,363,285,731**	995,657,309
Loans, deposits and other receivables		**1,392,903,535**	544,536,308
Bank balances	*(b)*	**49,228,774**	223,160,020
		5,556,320,789	3,048,833,955

Note (a) - Credit risk exposure on trade debts / receivable against margin financing

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

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

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

	June 30, 2025		June 30, 2024	
	Gross carrying amount	**Provision for expected credit losses**	Gross carrying amount	Provision for expected credit losses
		Rupees		
Past due 1-30 days	**2,428,000,918**	**(5,089,108)**	1,127,048,134	(5,304,121)
Past due 31-180 days	**309,901,505**	**(3,144,767)**	126,302,883	(1,193,949)
Past due 181-365 days	**13,844,053**	**(1,253,179)**	20,718,549	(8,366,403)
Past due above 365 days	**17,305,775**	**(10,272,450)**	33,847,972	(9,182,747)
	2,769,052,251	**(19,759,505)**	1,307,917,538	(24,047,220)

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

Note (b) - Credit risk exposure on bank balances

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

Bank	Short term rating	Credit rating agency	2025	2024
			Rupees	
Allied Bank Limited	AAA	PACRA	**2,030,391**	1,064,977
Askari Bank Limited	AA+	PACRA	**2,849,201**	759,761
Bank Al-Falah Limited	AAA	PACRA	**2,085,840**	1,335,313
Bank Al-Habib Limited	AAA	PACRA	**5,651,811**	194,141,137
Bank Islami Pakistan Limited	AA-	PACRA	**3,637,709**	1,353,200
The Bank of Khyber	A+	PACRA	**584,637**	792,724
Dubai Islamic Bank Limited	A1+	JCR-VIS	**1,602,643**	1,201,409
Faysal Bank Limited	AA	PACRA	**3,537,719**	1,306,309
Habib Bank Limited	A1+	JCR-VIS	**1,801,529**	817,744
Habib Metropolitan Bank Limited	AA+	PACRA	**1,892,239**	2,814,781
J.S Bank Limited	AA	PACRA	**3,716,882**	3,634,749
MCB Bank Limited	AAA	PACRA	**3,204,755**	1,164,831
Meezan Bank Limited	A1+	JCR-VIS	**10,205,830**	7,968,726
National Bank of Pakistan	AAA	PACRA	**2,876,092**	1,898,715
Sindh Bank Limited	A1+	JCR-VIS	**1,070,813**	308,638
Soneri Bank Limited	AA-	PACRA	**778,424**	953,001
Bank Makramah Limited	-	JCR-VIS	**-**	15,000
United Bank Limited	A1+	JCR-VIS	**1,702,259**	1,629,008
			49,228,774	223,160,020

32.1.3 Liquidity risk

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

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

	June 30, 2025			
	Carrying amount	**Contractual cash flows**	**Up to one year**	**More than one year**
	Rupees			
Financial liabilities				
Long term loans from shareholders	**197,663,916**	**265,000,000**	**-**	**265,000,000**
Short term borrowings from banking companies (including markup)	**2,132,930,354**	**2,132,930,354**	**2,132,930,354**	**-**
Trade and other payables	**1,388,866,409**	**1,388,866,409**	**1,388,866,409**	**-**
	3,719,460,679	**3,786,796,763**	**3,521,796,763**	**265,000,000**

	June 30, 2024			
	Carrying amount	Contractual cash flows	Up to one year	More than one year
	Rupees			
Financial liabilities				
Long term loan from shareholders	160,416,664	265,000,000	-	265,000,000
Short term borrowings from banking companies (including markup)	1,390,830,019	1,390,830,019	1,390,830,019	-
Trade and other payables	761,857,672	761,857,672	761,857,672	-
	2,313,104,355	2,417,687,691	2,152,687,691	265,000,000

	2025	2024
32.2 Financial instruments by category	**Rupees**	
32.2.1 Financial assets		
At amortized cost		
Long term deposits	**1,610,000**	1,610,000
Trade debts	**2,749,292,749**	1,283,870,318
Receivable against margin financing	**1,363,285,731**	995,657,309
Loans, deposits and other receivables	**1,392,903,535**	544,536,308
Cash and bank balances	**49,307,670**	223,238,916
	5,556,399,685	3,048,912,851
At fair value through profit or loss		
Investment in quoted equity securities	**713,248,847**	1,105,112,541
32.2.2 Financial liabilities		
At amortized cost		
Long term loans from shareholders	**197,663,916**	160,416,664
Short term borrowings from banking companies	**2,103,046,170**	1,345,800,321
Subordinated loans from directors	**250,000,000**	-
Trade and other payables	**1,388,866,409**	761,857,672
Accrued markup	**29,884,184**	45,029,698
	3,969,460,679	2,313,104,355

33. FAIR VALUE OF ASSETS AND LIABILITIES

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

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

Level 2: Valuation techniques based on observable inputs.

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

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

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

	June 30, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
	Rupees			
Financial assets measured at fair value				
Investment in quoted equity securities	**713,248,847**	**-**	**-**	**713,248,847**

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
	Rupees			
Financial assets measured at fair value				
Investment in quoted equity securities	1,105,112,541	-	-	1,105,112,541

34. CAPITAL

34.1 Management of capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure. The management closely monitors the return on capital employed along with the level of distributions to ordinary shareholders. Further, in order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, reduce capital, or issue new shares.

On a regular basis, the Company manages to meet the financial resource requirements applicable to the Company (i.e., minimum levels of Liquid Capital or net worth) as specified in the Securities Brokers (Licensing and Operations) Regulations, 2016.

34.2 **Capital Adequacy Level**	*Note*	**2025**	2024
		Rupees	
Total assets	*34.2.1*	**6,456,930,391**	4,294,566,059
Less: Total liabilities		**(4,136,017,293)**	(2,423,018,839)
Less: revaluation reserves (created upon revaluation of fixed assets)		**-**	-
Capital Adequacy Level		**2,320,913,098**	1,871,547,220

34.2.1 While determining the value of the total assets, the notional value of the TRE Certificate as at year end as determined by Pakistan Stock Exchange has been considered.

34.3 The Liquid Capital Balance as required under Third Schedule of Securities Brokers (Licensing and Operations) Regulation 2016, read with SECP guidelines is calculated as follows;

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	127,231,890	127,231,890	-
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.	-	-	-
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.	661,390,712	139,589,490	521,801,222
	Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital	51,858,135	51,858,135	-
	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 Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
1.8	**Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.**			
	(i) 100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirements of base minimum capital may be taken in the calculation of LC	1,610,000	1,610,000	-
1.9	Margin deposits with exchange and clearing house.	1,259,758,227	-	1,259,758,227
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	3,592,290	3,592,290	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	-	-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	360,000	360,000	-
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;** (i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months.	-	-	-
	(ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation.	54,824,679	54,824,679	-
	(iii) In all other cases 100% of net value	-	-	-

N

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.16	**Receivables from clearing house or securities exchange(s)**			
	i. 100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.		-	
	ii. claims on account of entitlements against trading of securities in all markets including MtM gains.	131,918,308	-	131,918,308
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.*	1,363,285,731	76,915,676	1,286,370,055
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. *ii. Net amount after deducting haircut*	-	-	-
	iii. Incase receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, *iii. Net amount after deducting haircut*	-	-	-
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. *iv. Balance sheet value*	1,323,643,490	-	1,323,643,490
	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*	723,983,659	49,162,821	674,820,838
	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. (c) above 90 days 100% haircut shall be applicable. *vi. Lower of net balance sheet value or value determined through adjustments*	701,665,600	-	701,665,600
1.18	**Cash and Bank balances**			
	I. Bank Balance-proprietary accounts	4,047,890	-	4,047,890
	ii. Bank balance-customer accounts	45,180,884	-	45,180,884
	iii. Cash in hand	78,896	-	78,896
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 allotted or are not included in the investments of securities broker.	-	-	-
	(ii) In case of Investment in IPO where shares have been allotted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities.	-	-	-
	(iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares.	-	-	-
1.20	**Total Assets**	**6,456,930,391**	**507,644,981**	**5,949,285,410**
2. Liabilities				
2.1	**Trade Payables**			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	1,308,668,413	-	1,308,668,413
2.2	**Current Liabilities**			
	i. Statutory and regulatory dues	64,317,010	-	64,317,010
	ii. Accruals and other payables	117,595,680	-	117,595,680
	iii. Short-term borrowings	2,103,046,170	-	2,103,046,170
	iv. Current portion of subordinated loans	250,000,000	-	250,000,000
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for taxation	-	-	-
	viii. Other liabilities as per accounting principles and included in the financial statements	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
2. Liabilities				
2.3	**Non-Current Liabilities**			
	i. Long-Term financing	-	-	-
	ii. Other liabilities as per accounting principles and included in the financial statements	-	-	-
	iii. Staff retirement benefits	94,726,104	-	94,726,104
	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) Nil 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:	197,663,916	197,663,916	-
2.5	**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. Board of Directors of the company has approved the increase in capital c. Relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed. e. Auditor is satisfied that such advance is against the increase of capital.	-	-	-
2.6	**Total Liabilities**	4,136,017,293	197,663,916	3,938,353,377

3. Ranking Liabilities Relating to :

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
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 finances. (Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million) Note: Only amount exceeding by 10% of each financee from aggregate amount shall be include in the ranking liabilities	-	-	1,250,235
3.2	**Concentration in securities 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 (Note only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities)	-	-	-
3.3	**Net underwriting Commitments**			
	(a) in the case of right issues : if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issues where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment	-	-	-
	(b) in any other case : 12.5% of the net underwriting commitments	-	-	-
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 currency less total liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3. Ranking Liabilities Relating to :				
3.7	**Repo adjustment**			
	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. **In the case of financee/seller** the market value of underlying securities after applying haircut less the total amount received ,less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
3.8	**Concentrated proprietary positions**			
	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	-	-	12,659,371
3.9	**Opening Positions in futures and options**			
	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts	-	-	434,467,152
	ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met	-	-	-
3.10	**Short sell positions**			
	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 proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	**Total Ranking Liabilities**	-	-	448,376,759
		2,320,913,098	Liquid Capital	1,562,555,274

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.20)	5,949,285,410
(ii) Less: Adjusted value of liabilities (serial number 2.6)	(3,938,353,377)
(iii) Less: Total ranking liabilities (series number 3.11)	(448,376,759)
	1,562,555,274

35. GENERAL

35.1 Customers assets held in the Central Depository System

	2025	2024
No. of shares	1,351,070,962	682,141,038
Value of shares (Rupees)	31,529,862,106	11,558,748,135

35.2 Number of employees

	2025	2024
	Number	
Total number of employees as at the year end	103	108
Average number of employees during the year	103	108

35.3 Reclassification of corresponding figures

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

Reclassification from component	Reclassification to component	*Note*	— Rupees —
Operating and administrative expenses *(Donations)*	Other expenses *(Donations)*	*24*	14,046,058

35.4 Date of authorization of the financial statements

The financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on 03 OCT 2025.

35.5 Level of rounding

All the figures in these financial statements have been rounded off to the nearest rupee.

MRA SECURITIES LIMITED PSX-194

Chief Executive

Director