

Spectrum Securities Limited
Financial Statements
For the year ended June 30, 2026



DIRECTORS' REPORT TO THE MEMBERS

For the year ended 30 June 2026

The Board of Directors presents its report, together with the audited financial statements of Spectrum Securities Limited for the year ended 30 June 2026 and the auditors' report thereon, in accordance with sub-sections (1) and (2) of section 227 of the Companies Act, 2017.

Part 1 — Matters required by section 227(1)

1.1 The state of the Company's affairs and a fair review of its business

	2026 (Rs.)	2025 (Rs.)
Brokerage commission, net of sales tax on services	349,408,700	188,150,958
Dividend income	149,800	2,197,941
Capital (loss) / gain on disposal of securities	(3,053,677)	15,096,041
Unrealised loss on remeasurement of investments	(2,386,358)	(5,154,919)
Total revenue	344,118,465	200,290,020
Administrative expenses	(308,929,617)	(187,384,273)
Allowance for expected credit losses	(998,354)	(717,300)
Other income	48,714,346	42,353,185
Profit from operations	82,904,840	54,541,632
Finance cost	(333,944)	(82,339)
Profit before levies and income tax	82,570,896	54,459,293
Levies	(5,792,438)	(2,590,667)
Income tax	(24,239,440)	(14,370,488)
Profit after income tax	52,539,018	37,498,138
Earnings per share (Rs.)	17.51	12.50

The Company earned a profit after income tax of Rs. 52,539,018 (2025: Rs. 37,498,138), an increase of 40.1%. Net brokerage commission rose by 85.7% to Rs. 349,408,700, reflecting the sharp rise in trading value and volume at the Pakistan Stock Exchange during the year and the growth of the Company's client base across its six offices in Karachi, Lahore, Faisalabad and Chiniot. The Company's small proprietary portfolio produced a realised loss of Rs. 3,053,677 and an unrealised loss of Rs. 2,386,358, and the Company reduced it further during the year. Other income of Rs. 48,714,346 arose principally from profit on the Company's deposits against exposure margin and base minimum capital and on its margin financing and margin trading books.

Administrative expenses rose by 64.9% to Rs. 308,929,617. The increase is explained principally by commission of Rs. 102,403,939 paid to agents on the business they introduced, which grew with brokerage and represents 29.3% of it; by directors' remuneration, which rose to Rs. 26,738,043 because it includes commission paid to the Chief Executive on business he introduced; and by donations of Rs. 20,065,330. Levies and income tax together absorbed 36.4% of profit before levies and income tax.

Total assets rose from Rs. 673,651,994 to Rs. 922,655,580, principally because the Company's deposits with the National Clearing Company of Pakistan Limited against exposure margin rose from Rs. 385,710,960 to Rs. 532,079,464 with the growth in client positions, and its margin financing book rose from Rs. 10,194,437 to Rs. 50,429,088. Equity rose from Rs. 423,335,691 to Rs. 478,170,967. Clients' securities held in the Central Depository System rose from Rs. 2,629,041,341 to Rs. 4,898,705,252.

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Key performance indicators

	2026
Growth in net brokerage commission	85.7%
Commission to agents as a percentage of net brokerage	29.3%
Return on average equity	11.7%
Net worth under Regulation 6(7) (Rs.)	475,650,774
Net worth as a multiple of the minimum of Rs. 75 million	6.3 times
Liquid capital (Rs.)	[322,892,395]
Assets under custody as a multiple of net worth	10.3 times
Trade debts due from related parties as a percentage of gross trade debts	56.2%
Number of employees at the year end	58

1.2 Dividend

The directors do not recommend any dividend for the year ended 30 June 2026 (2025: Rs. Nil). Although the Company earned a profit of Rs. 52,539,018 and holds revenue reserves of Rs. 175,650,774, its business grew sharply during the year: exposure margin deposits rose by Rs. 146.4 million, the margin financing book by Rs. 40.2 million and assets under custody by Rs. 2.27 billion. The Company's liquid capital and its capacity to extend margin financing and to meet clearing house margin depend on retained capital, and the directors consider that capital is better retained in the business while that growth continues. The directors will reconsider the position in the light of the results for the year ending 30 June 2027.

1.3 Amount proposed to be carried to reserves

No amount is proposed to be carried to any reserve fund, general reserve or reserve account. The profit for the year has been carried forward in revenue reserves, which stood at Rs. 175,650,774 at the reporting date.

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Part 2 — Matters required by section 227(2)

(a) Names of the persons who were directors at any time during the financial year

Name	Position	Period of office during the year
Ahmed Nabeel	Chief Executive	Whole year
Muhammad Harris	Director	Whole year
Muhammad Umair Arif	Director	[Whole year]

[There was no change in the composition of the Board during the year.]

(b) Principal activities and the development and performance of the business

The Company is a corporate member and a Trading Right Entitlement Certificate holder of the Pakistan Stock Exchange Limited, licensed by the Securities and Exchange Commission of Pakistan under the Trading and Self-Clearing category of the Securities Brokers (Licensing and Operations) Regulations, 2016. Its principal activities are the execution of securities transactions on behalf of clients, the custody of clients' securities in the Central Depository System and the clearing and settlement of their transactions through the National Clearing Company of Pakistan Limited, and the provision of financing to clients under the Margin Financing System and the Margin Trading System of that company. The Company operates from offices in Karachi, Lahore, Faisalabad and Chiniot. Its development and performance during the year are described at section 1.1; in summary, the year was one of strong growth in client business, financed by retained capital.

(c) Description of the principal risks and uncertainties

Risk	Nature of the exposure and the Board's response
Credit risk on client balances and margin financing	Trade debts of Rs. 216,574,841 and margin financing of Rs. 50,429,088 are owed by clients, and a single related party client owed Rs. 119,557,370 at the year end, with month-end balances reaching Rs. 150,585,407 during the year. Balances are secured by the securities in each client's sub-account; margin financing is secured by the financed securities under pledge to the clearing house. The Board has resolved that related party balances and the collateral held against them be reported at every Board meeting and that no related party may exceed its trading limit without the prior approval of the directors not interested.
Custody and client money	The Company holds clients' securities of Rs. 4,898,705,252 and has Rs. 532,079,464 on deposit with the clearing house against exposure margin, largely on clients' behalf. A failure of segregation would expose the Company to regulatory action and to claims. Client money is held in designated accounts, client margin is tracked client by client, and pledges are made only on written authority.
Regulatory compliance	The Company was fined Rs. 64,000 by the Exchange during the year (section (m)(i)). The volume of client business and the number of offices increase the compliance burden, and the Board has [strengthened the compliance function by ...].
Market activity and concentration of revenue	Brokerage revenue rose by 86% in a strong market and would fall in a weak one. Agents' commission is variable with revenue, but salaries, premises and other overheads are not.
Related party dealings	The Company's principal shareholder, its Chief Executive and a director trade through the Company, and the Chief Executive and a director earn commission on business they introduce. As a public company the Company is subject to sections 182, 207 and 208 of the Companies Act, 2017 in those dealings, and the Board applies its related party policy to each.

(d) Changes in the nature of the business

There was no change during the year in the nature of the business of the Company. The Company has no subsidiary and holds no interest in any other company within the meaning of this clause.

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(e) Information and explanation in regard to any modification in the auditor's report

The auditors' report on the financial statements for the year ended 30 June 2026 is not modified and contains no Emphasis of Matter or Other Matter paragraph, and the auditors have reported without exception on each of the matters required by section 249(3) of the Companies Act, 2017.

(f) Pattern of holding of the shares

The authorised, issued, subscribed and paid-up capital of the Company is Rs. 300,000,000 divided into 3,000,000 ordinary shares of Rs. 100 each, all fully paid in cash. There was no change in the share capital during the year. The pattern of shareholding at 30 June 2026 is as follows.

(i) Distribution of shareholding

Number of shareholders	Shareholding — from	Shareholding — to	Total shares held
2	1	100	200
1	101	500	500
—	501	10,000	—
2	10,001	and above	2,999,300
5		Total	3,000,000

(ii) Categories of shareholders

Category	Number of shareholders	Shares held	Percentage
Directors, chief executive, and their spouses and minor children	[3]	700	0.02%
Sponsors and other individuals	[2]	2,999,300	99.98%
Associated companies, undertakings and related parties	—	—	—
Banks, development finance institutions, non-banking finance companies, insurance companies, modarabas and mutual funds	—	—	—
Joint stock companies, foreign investors and others	—	—	—
Total	5	3,000,000	100.00%

(iii) Shareholders and their holdings

Name	Shares held	Percentage
Muhammad Owais	2,909,300	96.98%
Atiqa Zafar	90,000	3.00%
Ahmed Nabeel	500	0.02%
Muhammad Harris	100	0.00%
Muhammad Umair Arif	100	0.00%
Total	3,000,000	100.00%

The category table is completed from the register of directors once the third director is settled. No director, chief executive or their spouses or minor children traded in the shares of the Company during the year. There is no agreement between the shareholders relating to voting rights, board selection, rights of first refusal or block voting.



(g) Holding company and its country of origin *

The Company has no holding company, whether incorporated in Pakistan or outside Pakistan. No name or country of origin falls to be stated.

(h) Earnings per share

Earnings per share for the year ended 30 June 2026 was Rs. 17.51 (2025: Rs. 12.50), computed on the profit after income tax of Rs. 52,539,018 and 3,000,000 ordinary shares in issue throughout both years. The Company has no potential ordinary shares, so diluted earnings per share equals basic earnings per share. The Company's shares are not publicly traded and IAS 33 does not apply to it; the figure is presented here as section 227(2)(h) requires.

(i) Reasons for loss and future prospects of profit

The Company did not incur a loss. The directors expect brokerage revenue to remain strong while trading activity at the Exchange continues at present levels, and expect the growth of the margin financing and margin trading books to add to other income. The Company's results remain dependent on market conditions it does not control, and its cost base, apart from agents' commission, does not fall with revenue; the directors keep both under review.

(j) Defaults in payment of debts

The Company has no borrowing. There has been no default in the payment of any debt or statutory due, and no amount was overdue at the reporting date. The Company has not been declared a defaulter by the Exchange, the clearing house or any financial institution.

(k) Comments in respect of the adequacy of internal financial controls

The Board is responsible for the Company's system of internal financial controls and has reviewed it in operation during the year. The controls over the segregation of client money, the custody and pledging of client securities, the monthly computation and filing of liquid capital and the settlement of transactions through the clearing house operated satisfactorily. The Board has identified three areas requiring strengthening and has approved measures for each: the control over credit extended to related party clients, which will be reported to the Board at every meeting against trading limits and collateral; the control over related party transactions outside the ordinary course of business, including the sale of Company assets and the remuneration of directors who also act as agents, which will in future require the prior approval of the directors not interested under the Company's related party policy; and the financial reporting process, under which the revaluation surplus, the deferred tax on it and the Computation of Liquid Capital will be reconciled to their supporting schedules before the financial statements are approved. Subject to those measures, the Board considers the system of internal financial controls to be adequate.

(l) Material changes and commitments since the end of the financial year

[No material change or commitment affecting the financial position of the Company has occurred between 30 June 2026 and the date of this report. / The following have occurred: ...]

(m) Any other information

(i) Regulatory capital, custody and compliance

The Company's net worth at 30 June 2026 under Regulation 6(7) of the Securities Brokers (Licensing and Operations) Regulations, 2016 was Rs. 475,650,774 against the minimum of Rs. 75,000,000 for a Trading and Self-Clearing broker, and its liquid capital under the Third Schedule was Rs. [322,892,395]. Assets under custody were 10.3 times net worth, within the applicable limit under Regulation 6(1B). The Computation of Liquid Capital is annexed to the financial statements as Annexure A-I. The Pakistan Stock Exchange Limited imposed a fine of Rs. 64,000 on the Company by Order No. RAD/O-3552 dated 23 October 2025 the fine was paid and the corrective action has been taken. No other penalty was imposed on the Company during the year.

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(ii) Client assets

Client money of Rs. 7,814,985 was held in designated bank accounts at the reporting date and client margin is held with the clearing house within the exposure deposit of Rs. 532,079,464. Clients' securities of Rs. 4,898,705,252 were held in the Central Depository System, of which Rs. 206,658,215 was pledged with the clearing house and Rs. 59,502,160 with financial institutions, in each case with the written authority of the client.

(iii) Related party transactions

At 30 June 2026 Muhammad Owais, the Company's principal shareholder, owed Rs. 119,557,370 and Muhammad Harris, a director, owed Rs. 2,231,113 on their trading accounts, arising from securities transactions executed on the Company's published terms and secured by securities in their sub-accounts. During the year the Company sold motor vehicles to the Chief Executive and to Mohammad Umair Arif at net book value, and Rs. 1,254,127, comprising the unpaid price of the Chief Executive's vehicle and expenses incurred on his behalf, was due from the Chief Executive at the year end. The Board has approved these transactions in accordance with sections 182 and 208 of the Companies Act, 2017, and the amount due from the Chief Executive will be repaid. Full particulars of all related party transactions are given at notes 8.3, 11.3, 18.1 and 29 to the financial statements.

(iv) Revaluation of office premises

The Company carries its office premises at revalued amounts based on an independent valuation as at 30 June 2022. The surplus on revaluation and the deferred tax on it have been recomputed during the year, and the resulting adjustments are explained at notes 4, 6 and 14 to the financial statements.

(v) Employees and staff retirement benefits

The Company employed 58 persons at 30 June 2026 (2025: 55) and an average of 57 during the year. The Company does not maintain any provident fund or other retirement fund.

(vi) Corporate social responsibility

The Company made donations of Rs. 20,065,330 during the year (2025: Rs. 10,281,450), including Rs. 10,000,000 each to Saylani Welfare International Trust and Dawat-e-Islami. No director or spouse of a director has any interest in any donee. By reason of the nature of its business the Company's operations have no material impact on the environment.

(vii) Auditors

The present auditors, M/s Nasir Javaid Maqsood Imran, Chartered Accountants, retire at the conclusion of the forthcoming annual general meeting and, being eligible, have consented to reappointment. The Board recommends their appointment as auditors for the year ending 30 June 2027 under section 246(2) of the Companies Act, 2017 at a fee to be fixed by the members.

Statement of directors' responsibilities

The directors confirm that, to the best of their knowledge and belief:

- proper books of account have been kept by the Company as required by section 220 of the Companies Act, 2017;
- the financial statements present fairly the Company's state of affairs, the result of its operations, its cash flows and the changes in its equity;
- appropriate accounting policies have been consistently applied, and accounting estimates are based on reasonable and prudent judgement;
- the accounting and reporting standards as applicable in Pakistan have been followed and no departure from them has been made;
- the system of internal control is sound in design and has been effectively implemented and monitored, subject to the measures at section (k); and
- there is no significant doubt about the Company's ability to continue as a going concern.

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Acknowledgement

The Board records its appreciation of the Company's clients, agents and employees, and of the guidance of the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange Limited, the National Clearing Company of Pakistan Limited and the Central Depository Company of Pakistan Limited.

For and on behalf of the Board of Directors

Ahmed Nabeel
Chief Executive



Muhammad Umair Arif
Director

Karachi
Dated:

06 OCT 2026

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PATTERN OF SHAREHOLDING

Pattern of holding of the shares held by the June 30, 2026 shareholders as at

No. of shareholders	Shareholdings	Total shares held
2	shareholding from 1 to 100 shares	200
1	shareholding from 101 to 500 shares	500
	shareholding from 501 to 1000 shares	-
	shareholding from 1001 to 5000	-
	shareholding from 5001 to 10000	-
2	shareholding from 10001 and more shares	2,999,300
	Total	3,000,000

Categories of shareholders	Share held	Percentage
Directors, Chief Executive Officer and their spouse and minor children	3,000,000	100%
Associated Companies, undertakings and related parties		



STATEMENT OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE FOR SECURITIES BROKERS

Published under Clause 10 of Annexure D (Corporate Governance Code for Securities Broker) to the Securities Brokers (Licensing and Operations) Regulations, 2016, read with regulation 16(1)(f) of those Regulations

For the year ended June 30, 2026

Board of Directors

1. The Company has established an effective Board of Directors responsible for ensuring the long-term success of the Company and for monitoring and evaluating the performance of the management. The size and composition of the Board reflect the scale and complexity of the Company's business, having regard to its licence category, the volume and nature of its brokerage and proprietary activity, and the number of persons it employs.

The composition of the Board during the year was as follows:

Name	Category
Ahmed Nabeel	Director / Chief Executive Officer
Muhammad Harris	Director
Muhammad Umair Arif	Director

Responsibilities, powers and functions of the Board of Directors

2. The Board has set the strategic objectives of the Company and has satisfied itself that the necessary financial and human resources are in place for meeting those objectives. The Board has formulated and approved significant policies on governance, risk management and compliance issues on customer relations, including customer awareness and a mechanism and timeline for handling and resolving customer complaints and grievances; and on the segregation of customer assets from the assets of the Company.

3. The Board has formulated and ensured the adoption of a code of conduct and ethics to promote the integrity of the Company's business, its Board and its employees, with special emphasis on measures for curbing market manipulative activities including front running, insider trading and other market abuse. The code of conduct has been disseminated to all directors and employees and its observance is monitored by the compliance officer.

4. The Board has devised an effective whistle-blower mechanism enabling all stakeholders, including employees, to communicate freely their concerns about any illegal or unethical practice. The mechanism permits reporting in confidence and, where the person reporting so elects, anonymously, directly to the compliance officer, and the Board has satisfied itself that the interest of a whistle-blower is not prejudicially affected by reason of any report made.

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5. The Board has appointed Chief Executive Officer to lead the management team and to exercise executive authority over the operations of the Company.
6. Casual vacancy occurring on the Board is intimated immediately to the securities exchange and requires the Board to strive to fill such vacancy as soon as possible. No casual vacancy occurred on the Board during the year.

Meetings of the Board

7. The meeting of the directors were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency,
8. The minutes of every meeting of the Board have been appropriately recorded, and are maintained at the registered office of the Company. The minutes record the attendance, the disclosure of interest by any director concerned or interested in a matter before the meeting, the decisions taken and the reasons for them, and are signed by the chairman of the meeting.

Committees of the Board

9. The Board has established the following committee(s) in order to allow a more effective discharge of its duties and approved the terms of reference of those committee(s), explaining their role and the advisory authority delegated to them.

-) Audit committee

10. The main responsibilities of the audit committee include the seven matters. The terms of reference of the audit committee of the Company provide for each of them, namely:

- (i) to monitor the integrity of the financial statements of the Company;
- (ii) to review the Company's internal controls and risk management systems;
- (iii) to make recommendations to the Board in relation to the appointment or removal of the auditor;
- (iv) to approve the remuneration and terms of engagement of the auditor;
- (v) to review and monitor the auditor's independence and effectiveness;
- (vi) to develop and implement policy on the engagement of the auditor to supply non-audit services; and
- (vii) to monitor and review the effectiveness of the Company's internal audit function.

Appointment of senior management officers

11. The Company has appointed Chief Executive Officer, Chief Financial Officer and compliance officer. Each of them, and each director of the Company, meets the Fit and Proper Criteria prescribed in Annexure B to the said Regulations, which is perpetual in nature, and the qualification and experience requirements there specified for the office held.

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Auditors

12. The statutory audit of the Company for the year ended June 30, 2026 was conducted by Nasir Javaid Maqsood Imran, Chartered Accountants. That firm appears on the list of approved auditors notified by the Commission for the Trading and Self-Clearing category, being the category applicable to the Company, and the Company is accordingly in compliance with that clause. The firm is not an associate of any director or senior management officer of the Company.

Related party transactions

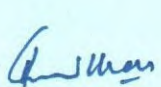
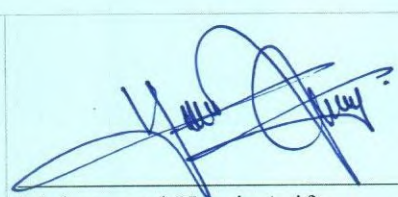
13. The details of all transactions entered into by the Company with its related parties during the year, and of all balances outstanding with them at the reporting date, were placed before the Board and were reviewed and approved by it at its meeting. Particulars of those transactions and balances are disclosed in the notes to the annual audited financial statements in accordance with IAS 24 and with the Fifth Schedule to the Companies Act, 2017.

Non-compliance during the year

14. No instance of non-compliance with the Code arose during the year ended June 30, 2026.

Approval

15. This Statement of Compliance was approved by the Board of Directors of the Company at its meeting and is signed on its behalf by the Chief Executive Officer and a Director.

 Ahmed Nabeel Chief Executive Officer		 Muhammad Umair Arif Director
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Place: Karachi

Dated: 06 OCT 2026

Registered Office:

Room No. 526, 5th Floor,
Pakistan Stock Exchange Building
I.I. Chundrigar Road, Karachi.
Phone No: (021) 32431082-83
Email: info@spectrumonline.com.pk

Branch Office Karachi:

Office No. 706, 7th Floor,
Business & Finance Centre,
I.I. Chundrigar Road, Karachi. 74000, Pakistan
Phone No: 021 32467610-614 Fax: 021 32467590
Website: www.spectrumonline.com.pk

Branch Office Lahore:

First Floor Plaza No 287,
Block-Y Phase 3-C, DHA Lahore Cantt,
Lahore.
Phone No: 042-35745502-3

Branch Office Lahore:

Office # 312, 3rd Floor,
Lahore Stock Exchange Building,
Aiwan-e-Iqbal Road, Lahore.
Phone: 042-36307572

Branch Office Faisalabad

Room # 508, 5th Floor,
Statelife Building # 2, Liaquat Road,
Faisalabad.
Phone: +92 (41) 2642261 - 62



Spectrum Securities Limited

TREC Holder: Pakistan Stock Exchange Limited

Compliance of Corporate Governance Code for Securities and Futures Broker

To the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of any securities market laws.

Karachi:

Ahmed Nabeel
Chief Executive Officer



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INDEPENDENT AUDITOR'S REPORT

To the members of Spectrum Securities Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *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.

Other offices at:

Lahore: Address: 3rd Floor, Pace Tower, Plot No. 27, Block-H, Gulberg-2, Lahore.
Tel: +92 (42) 35754821-22 Email: nasirgulzar@njmi.net

Islamabad Address: Office No. 17, 2nd Floor, Hill View Plaza, Above Fresco Sweets,
Blue Area, Jinnah Avenue, Islamabad.
Tel: +92 (51) 2228138-39 Email: islamabadoffice@njmi.net

A member firm of the



Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

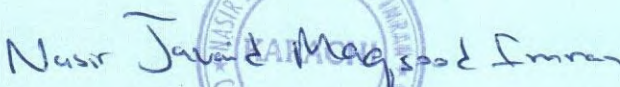
Based on our audit, we further report that in our opinion:

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

Handwritten signature

- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business;
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980;
- e) The Company was in compliance with the requirements of section 78 of the Securities Act, 2015 and/or Section 62 of the Futures Market Act, 2016 and the relevant requirements of Securities Brokers (Licensing and Operations Regulations), 2016 as at the date on which the statement of financial position was prepared.

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




Nasir Javaid Maqsood Imran
Chartered Accountants

Place: Karachi

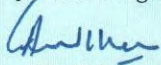
Date: 06 OCT 2026

UDIN: AR202610931v103KH2ey

SPECTRUM SECURITIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	Rupees 2026	Rupees 2025
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	37,535,494	37,598,313
Intangible assets	5	2,558,013	2,572,516
Deferred tax asset	6	1,975,740	-
Long term deposits	7	2,354,700	2,404,700
		44,423,947	42,575,529
CURRENT ASSETS			
Trade receivables	8	214,077,902	171,357,962
Receivable against margin financing	9	50,429,088	10,194,437
Short term investments	10	6,280,831	13,135,732
Advances, deposits, pre-payments & other receivables	11	582,553,795	428,072,982
Cash and bank balances	12	24,890,017	8,315,352
		878,231,633	631,076,465
TOTAL ASSETS		922,655,580	673,651,994
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized Capital			
3,000,000 (2025: 3,000,000) ordinary shares of Rs. 100/- each		300,000,000	300,000,000
Issued, subscribed and paid-up capital	13	300,000,000	300,000,000
Capital reserve			
Surplus on revaluation of property - net of tax	14	2,520,193	407,635
Revenue reserves			
Unappropriated profit		175,650,774	122,928,056
		478,170,967	423,335,691
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred tax liability	6	-	1,183,970
		-	1,183,970
CURRENT LIABILITIES			
Trade payables		418,769,131	217,996,402
Accrued expenses & other liabilities	15	25,715,482	31,135,931
		444,484,613	249,132,333
CONTINGENCIES AND COMMITMENTS	16	-	-
TOTAL EQUITY AND LIABILITIES		922,655,580	673,651,994

The annexed notes from 1 to 30 form an integral part of these financial statements.


Chief Executive

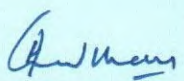



Director

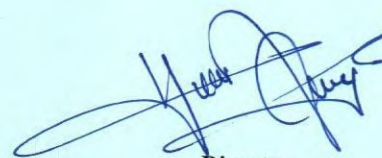
SPECTRUM SECURITIES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

Note	Rupees 2026	Rupees 2025
REVENUE		
Operating revenue	17 349,558,500	190,348,898
Capital gain on disposal of securities	(3,053,677)	15,096,041
Unrealised loss on remeasurement of investment at fair value - through profit or loss	(2,386,358)	(5,154,919)
	344,118,465	200,290,020
Administrative expenses	18 (308,929,617)	(187,384,273)
Other charges	19 (998,354)	(717,300)
Other income	20 48,714,346	42,353,185
	(261,213,625)	(145,748,388)
Profit from operations	82,904,840	54,541,632
Finance cost	21 (333,944)	(82,339)
Profit before levies and income tax	82,570,896	54,459,293
Levies	22 (5,792,438)	(2,590,667)
Profit before income tax	76,778,458	51,868,626
Income Tax	23 (24,239,440)	(14,370,488)
Profit after income tax	52,539,018	37,498,138

The annexed notes from 1 to 30 form an integral part of these financial statements.


Chief Executive

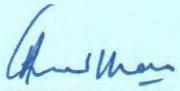



Director

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

	Note	Rupees 2026	Rupees 2025
Profit after income tax		52,539,018	37,498,138
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>52,539,018</u>	<u>37,498,138</u>

The annexed notes from 1 to 30 form an integral part of these financial statements.


Chief Executive

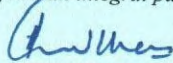



Director

SPECTRUM SECURITIES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

Note	Rupees 2026	Rupees 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before levies and income tax	82,570,896	54,459,293
Add / (less) : Items not involved in movement of fund:		
Depreciation	5,092,638	4,427,341
Amortization of computer software	14,503	18,129
Allowance for expected credit loss	998,354	717,300
Gain on disposal of motor vehicle	(127,397)	-
Capital loss / (gain) on disposal of securities	3,053,677	(15,096,041)
Unrealised loss on remeasurement of investment at fair value - through profit or loss	2,386,358	5,154,919
Finance costs	333,944	82,339
	11,752,077	(4,696,013)
Cash generated from from operating activities before working capital changes	94,322,973	49,763,280
Net change in working capital	(a) (43,894,995)	(45,806,365)
Long term deposits (paid) / refunded	50,000	(90,000)
Finance costs paid	(333,944)	(82,339)
Income tax and levies paid	(28,911,519)	(14,293,065)
Net cash generated from / (used in) operating activities	21,232,515	(10,508,489)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for acquisition of property and equipment	(9,981,549)	(11,430,406)
Proceeds from disposal of property and equipment	3,908,833	-
Proceeds from disposal of quoted equity securities	1,414,866	20,654,559
Net cash (used in) / generated from investing activities	(4,657,850)	9,224,153
Net increase / (decrease) in cash and cash equivalents	16,574,665	(1,284,336)
Cash and cash equivalents at the beginning of the year	8,315,352	9,599,688
Cash and cash equivalents at the end of the year	24 24,890,017	8,315,352
a) Net change in working capital		
(Increase) / decrease in current assets		
Trade receivables	(43,718,294)	48,312,952
Receivable against margin financing	(40,234,651)	5,929,858
Advances, deposits, pre-payments & other receivables	(155,294,330)	(198,836,141)
	(239,247,275)	(144,593,331)
Increase / (decrease) in current liabilities		
Trade payables	200,772,729	105,227,187
Accrued expenses & other liabilities	(5,420,449)	(6,440,221)
	195,352,280	98,786,966
Net change in working capital	(43,894,995)	(45,806,365)

The annexed notes from 1 to 30 form an integral part of these financial statements.


Chief Executive

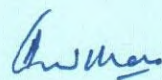



Director

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

		Capital Reserve	Revenue Reserves	
	Issued, subscribed & paid up capital	Surplus on revaluation of property - net of tax	Unappropriated profit	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Balance as at June 30, 2024	300,000,000	1,751,766	85,144,559	386,896,325
Issue of share capital	-	-	-	-
Profit for the year	-	-	37,498,138	37,498,138
<u>Other Comprehensive Income</u>				
Deferred tax on revaluation surplus of property	-	(1,058,772)	-	(1,058,772)
Transferred from revaluation surplus on property on account of incremental depreciation	-	(285,359)	285,359	-
Balance as at June 30, 2025	300,000,000	407,635	122,928,056	423,335,691
Profit for the year	-	-	52,539,018	52,539,018
Reversal of excess deferred tax on revaluation surplus	-	2,296,258	-	2,296,258
Adjustment for tax effect on prior periods' incremental depreciation		96,321	(96,321)	
Transfer from surplus on revaluation of property in respect of incremental depreciation – net of tax	-	(280,021)	280,021	-
Balance as at June 30, 2026	300,000,000	2,520,193	175,650,774	478,170,967

The annexed notes from 1 to 30 form an integral part of these financial statements.



Chief Executive




Director

SPECTRUM SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

Spectrum Securities Limited ('the Company') was incorporated in Pakistan as a private company on October 27, 2014 as a private company under the Companies Ordinance, 1984 (which has now been repealed by the enactment of the Companies Act, 2017 in May 2017). On January 12, 2018, the status of the Company was changed to public unlisted company. The Company is a Trading Right Entitlement Certificate Holder of the Pakistan Stock Exchange Limited. The registered office of the Company is situated at Office No. 526, 5th Floor, Pakistan Stock Exchange Building, I.I. Chundrigarh Road, Karachi, Pakistan. The principal activities of the Company are investments, share brokerage, inter-bank brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services. The branch offices of the Company are situated at;

- Office No. 142 and 143 3rd Floor, Pakistan Stock Exchange Building, I.I. Chundrigarh Road, Karachi
- Office No. 801 and 802, 8th Floor, Pakistan Stock Exchange Building, I.I. Chundrigarh Road, Karachi
- 1st Floor, Plaza No. 287, Block Y, Phase 3-C, DHA Lahore Cantt, Lahore
- Room No 312, 3rd Floor, LSE Plaza 19, Khayaban-e-Aiwan-e-Iqbal Road, Lahore
- Room No. 508, 5th Floor, State life Building No. 2, Liaquat Road, Faisalabad
- Shop No 10, Chaudhry Market, Mander Road, Chiniot

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. Accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017; and
- Securities Brokers (Licensing and Operations) Regulations, 2016.

Where the provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS accounting standards, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed. The disclosures required by the Securities Brokers (Licensing and Operations) Regulations, 2016 are included in these financial statements.

2.2 Basis of measurement

Items in these financial statements have been measured at historical cost, except for short-term investments in quoted equity securities, which are carried at fair value through profit or loss, and office premises, which are carried at revalued amounts less accumulated depreciation and impairment.

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

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

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

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

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

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

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 01, 2025. However, these do not have any significant impact on the Company's financial statements.

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

The standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company are as under:

		Effective date (annual reporting periods beginning on or after)
- IAS 7	Statement of Cash Flows (Amendments)	January 1, 2026
- IAS 21	The effects of changes in foreign exchange rates (Amendments)	January 1, 2027
- IAS 28	Investments in Associates and Joint Ventures (Amendments)	January 1, 2027
- IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
- IFRS 9	Financial Instruments (Amendments)	January 1, 2026
- IFRS 10	Consolidated Financial Statements (Amendments)	January 1, 2026
- IFRS 17	Insurance Contracts (Amendments)	January 1, 2027
- IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
- IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027

The management anticipates that, the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2026;

- IFRS 1	First-time Adoption of International Financial Reporting Standards
- IFRS 20	Regulatory Assets and Regulatory Liabilities
- IFRIC 12	Service Concession Arrangements

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

Owned assets other than office premises are stated at cost less accumulated depreciation and impairment losses, if any. Office premises are stated at revalued amounts, being the fair value at the date of revaluation less subsequent 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.

3.2 Intangible assets

Intangible assets having definite useful life are stated at cost less accumulated amortization and impairment losses, if any however, Intangible assets having indefinite life are stated at cost less impairment losses, if any.

Subsequent cost is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

Amortization is charged to the statement of profit or loss using reducing balance method over the estimated useful lives of intangible assets unless such lives are indefinite. Amortization on additions to intangible assets is charged from the month in which an asset is acquired or capitalized while no amortization is charged in the month in which the asset is disposed off.

All intangible assets with an indefinite useful life are systematically tested for impairment at each reporting date. Where the carrying amount of an asset exceeds its estimated recoverable amount it is written down immediately to its recoverable amount. The carrying amount of other intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exist than the assets recoverable amount is estimated. The recoverable amount is the greater of its value and fair value less cost to sell.

3.2.1 Trading Right Entitlement Certificate

This is stated at cost less impairment, if any. The carrying amount is reviewed at each balance sheet 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.

3.2.2 Pakistan Mercantile Exchange - Membership card

Membership card represents corporate membership of Pakistan Mercantile Exchange with indefinite useful life. This is stated at cost less impairment, if any. The carrying amount is reviewed at each balance sheet date to assess whether this is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, this is written down to its estimated recoverable amount.

3.2.3 Computer software

Expenditure incurred to acquire identifiable computer software and having probable economic benefits exceeding the cost beyond one year, is recognized as an intangible asset. Such expenditure includes the purchase cost of software (license fee) and related overhead cost.

Costs associated with maintaining computer software programs are recognized as an expense when incurred.

Computer software and license costs are stated at cost less accumulated amortization and any identified impairment loss and amortized through reducing balance method.

3.3 Financial instruments

3.3.1 Financial assets - Initial recognition, classification and measurement

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

Regular way purchase of investments are recognized using settlement date accounting i.e. on the date on which settlement of the purchase transaction takes place. However, the Company follows trade date accounting for its own (the house) investments. Trade date is the date on which the Company commits to purchase or sell its asset.

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.

3.3.2 Financial assets - 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.

3.3.3 Financial liabilities - Classification, subsequent measurement and gain and losses

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.

3.4 Impairment

3.4.1 Financial assets

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.

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

3.4.2 Impairment of non-financial assets

The carrying amount of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any objective evidence that an assets or group of assets may be impaired. If any such evidence exists, the asset's or group of assets' recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of value in use and fair value less cost to sell. Impairment losses are recognized to the statement of profit or loss.

3.5 Derecognition

3.5.1 Financial assets

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.

3.5.2 Financial liabilities

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 Off-setting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements if, and only if, there is a legally enforceable right to offset the recognized amounts and there is an intention either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.7 Trade debts and receivables against margin financing

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 equivalents in the statement of cash flows includes cash in hand, balance with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts / short term borrowings. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

3.9 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost using the effective interest method. Trade payables in respect of securities purchased are recorded at settlement date of transaction.

These are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

3.10 Levies and Taxation

i) Levies

Taxes under the Income Tax Ordinance, 2001 that are not based on taxable income — including minimum tax under section 233 to the extent it exceeds the normal tax attributable to the related income, final tax on dividend income under section 5, and tax on the issue of bonus shares — and the Sindh Workers' Welfare Fund are not income taxes within the scope of IAS 12. They are recognised as levies in the statement of profit or loss when the obligating event occurs. in accordance with IFRIC 21 Levies and IAS 37.

ii) Current

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

iii) Deferred

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible differences, carry forward of unused tax credits and unused tax losses to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefits will be realized.

3.11 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.

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

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

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

3.12 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.

3.13 Revenue recognition

i Brokerage and Fee revenue

Brokerage, consultancy, advisory fee, underwriting, book running fee, commission on foreign exchange dealings and debt securities etc. are recognised as and when such services are provided.

ii Capital Gain on Sale of Investment

-) Gains / losses arising on sale of investments are included in the statement of profit or loss in the period in which they arise.

-) Unrealised capital gains / losses arising from mark to market of investments classified as 'financial assets at fair value through profit or loss' are included in statement of profit or loss in the period in which they arise.

-) Unrealised gains / losses arising from mark to market of investments classified as 'fair value through other comprehensive income' are taken directly to statement of comprehensive income in the period in which they arise.

iii Dividend Income

Dividend income is recorded when the right to receive the dividend is established

iv Interest Income from deposits

Income from deposits with financial and other institutions is recognised at effective yield on time proportionate basis

v Interest income on Margin Financing System

Interest income on financial assets (including margin financing) is recognised on time proportionate basis taking into account effective / agreed rate of the

3.14 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognized initially at fair value, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognised in the statement of profit or loss over the period of the borrowings on an effective interest basis.

Borrowing costs are recognised as an expense in the period in which these are incurred, except to the extent that they are directly attributable to the acquisition or construction of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) in which case these are capitalised as part of cost of that asset.

4 PROPERTY AND EQUIPMENT

	Leasehold Improvements (Rupees)	Office (Rupees)	Office equipments (Rupees)	Motor vehicles (Rupees)	Furniture & fixtures (Rupees)	Computer equipments (Rupees)	Total (Rupees)
Net carrying value basis							
Year ended June 30, 2026							
Opening net book value	-	18,690,572	4,733,959	10,385,871	1,741,153	2,046,758	37,598,313
Additions during the year (at cost)	1,022,000	-	674,189	6,410,000	101,000	1,774,360	9,981,549
Disposals at net book value	-	-	-	(4,951,730)	-	-	(4,951,730)
Depreciation charge for the year	(42,280)	(1,869,057)	(521,595)	(1,499,743)	(268,739)	(891,224)	(5,092,638)
Closing net book value	979,720	16,821,515	4,886,553	10,344,398	1,573,414	2,929,894	37,535,494
Gross carrying value basis							
As at June 30, 2026							
Cost	1,022,000	24,841,329	8,028,464	12,230,080	2,510,900	8,510,385	57,143,158
Accumulated depreciation	(42,280)	(8,019,814)	(3,141,911)	(1,885,682)	(937,486)	(5,580,491)	(19,607,664)
Net book value	979,720	16,821,515	4,886,553	10,344,398	1,573,414	2,929,894	37,535,494
Net carrying value basis							
Year ended June 30, 2025							
Opening net book value	-	20,767,302	3,340,777	3,030,451	2,048,415	1,408,303	30,595,248
Additions during the year (at cost)	-	-	1,831,844	8,320,080	-	1,278,482	11,430,406
Disposals at net book value	-	-	-	-	-	-	-
Depreciation charge for the year	-	(2,076,730)	(438,662)	(964,660)	(307,262)	(640,027)	(4,427,341)
Closing net book value	-	18,690,572	4,733,959	10,385,871	1,741,153	2,046,758	37,598,313
Gross carrying value basis							
As at June 30, 2025							
Cost	-	24,841,329	7,354,275	13,428,008	2,409,900	6,736,025	54,769,537
Accumulated depreciation	-	(6,150,757)	(2,620,316)	(3,042,137)	(668,747)	(4,689,267)	(17,171,224)
Net book value	-	18,690,572	4,733,959	10,385,871	1,741,153	2,046,758	37,598,313
Depreciation rate (% per annum)	10	10	10	15	15	30	

4.1 The Company follows the revaluation model for subsequent measurement of its office premises in accordance with IAS 16 – Property, Plant and Equipment. Had the office premises been carried under the cost model, their net book value would have amounted to Rs. 664,107 (2025: Rs. 737,897).

4.2 Details of property and equipment disposed off / scrapped having book value of five hundred thousand rupees or more each are as follows:

Particulars	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss) on disposal	Mode of disposal	Name of buyer	Relationship with buyer
Suzuki Ciaz	2,500,000	127,397	2,372,603	2,500,000	127,397	Negotiation	Ejaz Hussain Shah	Third party
Toyota Corolla Altis	2,807,928	1,637,634	1,170,294	1,170,294	-	Negotiation	Ahmed Nabeel	Chief Executive Officer
Toyota Corolla	2,300,000	891,167	1,408,833	1,408,833	-	Negotiation	Mohammad Umair Arif	Director
	7,607,928	2,656,198	4,951,730	5,079,127	127,397			

Note	Rupees 2026	Rupees 2025
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5 INTANGIBLE ASSETS

Trading Right Entitlement Certificate - Pakistan Stock Exchange Limited	5.1	2,500,000	2,500,000
Computer software	5.2	58,013	72,516
		<u>2,558,013</u>	<u>2,572,516</u>

- 5.1 This represents Trading Right Entitlement Certificate (TREC) received from Pakistan Stock Exchange Limited (PSX) in accordance with the requirements of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. TREC has been recognized at cost less accumulated impairment loss. The Company has assessed the TREC to have an indefinite useful life as it is renewable subject to compliance with regulatory requirements, and no foreseeable limit to the period over which the TREC is expected to generate economic benefits exists. The certificate is tested for impairment annually and whenever there is an indication of impairment, by comparing its carrying amount with its recoverable amount.

Note	Rupees 2026	Rupees 2025
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5.2 Computer Software

Opening net book value	789,000	789,000
Accumulated amortization	(716,484)	(698,355)
	72,516	90,645
Amortization for the year	(14,503)	(18,129)
Closing net book value	<u>58,013</u>	<u>72,516</u>

6 DEFERRED TAXATION - NET

Deductible temporary difference

Capital loss on short term investments	14,826,648	9,262,870
Unrealized loss on remeasurement of investment	357,954	773,238
Provision for expected credit losses	965,932	629,541
	<u>16,150,534</u>	<u>10,665,649</u>

Taxable temporary difference

Accelerated depreciation and amortisation	1,286,450	1,813,511
	<u>1,286,450</u>	<u>1,813,511</u>
	<u>14,864,084</u>	<u>8,852,138</u>
Unrecognised deferred tax asset	6.1 (15,184,602)	(10,036,108)
	<u>(320,518)</u>	<u>(1,183,970)</u>
Reversal of excess deferred tax on revaluation of property	(2,296,258)	-
Deferred tax asset / (liability)	<u>1,975,740</u>	<u>(1,183,970)</u>

- 6.1 Deferred tax asset amounting to Rs. 15.18 million (2025: Rs. 10.04 million) has not been recognized in respect of the realized and unrealized capital losses on short term investments because it is not probable that future capital gain on securities will be available against which the Company can use the benefits therefrom.

7 LONG TERM DEPOSITS

Central Depository Company of Pakistan Limited	100,000	100,000
National Clearing Company of Pakistan Limited	1,500,000	1,200,000
Security deposit against offices	704,700	904,700
Security deposit against warehouse	50,000	50,000
Other deposits	-	150,000
	<u>2,354,700</u>	<u>2,404,700</u>

Note	Rupees 2026	Rupees 2025
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8 TRADE RECEIVABLES

Considered good		213,242,787	171,357,962
Considered doubtful		3,332,054	2,333,700
		216,574,841	173,691,662
Allowance for expected credit loss	8.1	(3,332,054)	(2,333,700)
		213,242,787	171,357,962
Receivable from National Clearing Company of Pakistan Limited		835,115	-
		214,077,902	171,357,962

8.1 Allowance for expected credit loss

Balance at the beginning of the year	2,333,700	1,616,400
Charge for the year	998,354	717,300
Balance at the end of the year	3,332,054	2,333,700

8.2 Aging analysis

Upto 90 days	209,535,872	170,261,611
More than 90 but upto 180 days	2,713,237	1,029,485
More than 180 but upto 360 days	2,671,012	608,598
More than 360 days	1,654,719	1,791,968
	216,574,840	173,691,662

8.3 Due from related parties which are not impaired and their maximum amount outstanding at any time during the year calculated with reference to month end balances are as follows:

Name of related party	Amount due		Maximum amount outstanding at any time during the year	
	2026	2025	2026	2025
	-----Rupees-----			
Ahmed Nabeel	-	100	-	100
Muhammad Owais	119,557,370	135,979,142	150,585,407	396,918,144
Muhammad Harris	2,231,113	357,538	32,534,978	13,407,177
	121,788,483	136,336,781	183,120,385	410,325,422

8.3.1 Aging analysis - related party

Name of related party	1 - 90 days	91 - 180 days	181 - 360 days	More than 360 days	Total gross amount due
	-----Rupees-----				
Muhammad Owais	119,557,370	-	-	-	119,557,370
Muhammad Harris	2,231,113	-	-	-	2,231,113
	121,788,483	-	-	-	121,788,483

Rupees 2026	Rupees 2025
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8.4 Total value of securities pertaining to clients held in the Central Depository Company	4,898,705,252	2,629,041,341
8.5 Value of clients' securities pledged with National Clearing Company of Pakistan Limited	206,658,215	87,510,495
8.6 Value of clients' securities pledged with Financial Institutions	59,502,160	49,460,000
8.7 The securities are valued using market rate at the year end		

9 RECEIVABLE AGAINST MARGIN FINANCING

- 9.1 This represents amounts financed to clients under the Margin Financing (MF) facility through National Clearing Company of Pakistan Limited (NCCPL) in accordance with the NCCPL Regulations. Financing is provided at a maximum Financing Participation Ratio of 75% of the value of the securities financed. Markup is charged at rates ranging from 14% to 29.5% per annum (2025: 14% to 29.5%), recovered through NCCPL on settlement of the contract.
- 9.2 The receivable is secured against the financed securities, which are held in the Company's house account with the Central Depository Company of Pakistan Limited under pledge in favour of NCCPL. The fair value of securities held as collateral at the reporting date was Rs. 57,242,225 (2025: Rs. 10,689,233). The Company has the right to sell the pledged securities in the event of default by the financee or a shortfall in margin.
- 9.3 No allowance has been recognised as the receivable is fully covered by the fair value of collateral and no financee was past due at the reporting date (2025: nil).

Note	Rupees 2026	Rupees 2025
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10 SHORT TERM INVESTMENT

Investments at fair values through profit & loss

Investment in quoted equity securities
Unrealised loss on remeasurement of investment at fair value
Market value

8,667,189	18,290,651
(2,386,358)	(5,154,919)
<u>6,280,831</u>	<u>13,135,732</u>

11 ADVANCES, DEPOSITS, PRE-PAYMENTS & OTHER RECEIVABLES

Deposit against exposure margin requirement
Deposit against Base Minimum Capital requirement
Income tax refundable
Advance for expenses
Loan to staff
Receivable from director
Accrued markup on deposit against Base Minimum Capital requirement
Accrued markup on deposits against exposure margins
Commission receivable

11.1	532,079,464	385,710,960
11.2	29,500,000	27,500,000
	129,240	2,113,051
	1,390,038	2,413,349
	939,000	1,028,500
11.3	1,254,127	-
	368,892	553,111
	16,824,663	8,740,248
	68,371	13,763
	<u>582,553,795</u>	<u>428,072,982</u>

- 11.1 This represents deposits held at the year end against exposure arising out of trading in securities in accordance with the regulations of National Clearing Company Pakistan Limited.
- 11.2 This represents deposits placed with Pakistan Stock Exchange Limited against Base Minimum Capital requirement.
- 11.3 This represents an amount due from Mr. Ahmed Nabeel, a Director / Chief Executive Officer of the Company. The maximum aggregate amount due from the director at the end of any month during the year was Rs. 1,254,127 (2025: Rs. nil).

Note	Rupees 2026	Rupees 2025
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12 CASH AND BANK BALANCES

Cash in hand
Cash at bank
- in current account

	127,186	102,772
12.1	24,762,831	8,212,580
	<u>24,890,017</u>	<u>8,315,352</u>

Note	Rupees 2026	Rupees 2025
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12.1 Bank balance pertains to:

Clients	7,814,985	5,192,450
Brokerage House	16,947,846	3,020,130
	<u>24,762,831</u>	<u>8,212,580</u>

13 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2026	2025			
Number of shares				
3,000,000	3,000,000	Ordinary shares of Rs. 100 each fully paid in cash	300,000,000	300,000,000
<u>3,000,000</u>	<u>3,000,000</u>		<u>300,000,000</u>	<u>300,000,000</u>

13.1 PATTERN OF SHAREHOLDING

June 30, 2026	June 30, 2025	Name of shareholders	June 30, 2026 Percentage of Holding	June 30, 2025 Percentage of Holding
2,909,300	2,909,300	Muhammad Owais	97%	97%
100	100	Muhammad Harris	0%	0%
500	500	Ahmed Nabeel	0%	0%
90,000	90,000	Atiqa Zafar	3%	3%
100	100	Muhammad Umair Arif	0%	0%
<u>3,000,000</u>	<u>3,000,000</u>		<u>100%</u>	<u>100%</u>

Note	Rupees 2026	Rupees 2025
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14 CAPITAL RESERVE

Surplus on revaluation of office

14.1	2,520,193	407,635
	<u>2,520,193</u>	<u>407,635</u>

- 14.1 The Company's office premises, comprising [Office No. __, __ Floor, __, Karachi], were last revalued by Sadruddin Associates (Private) Limited, an independent professional valuer, under its report dated August 23, 2022 on the basis of market values prevailing as at June 30, 2022. The valuation was carried out using the market approach, by reference to inquiries and analysis of transactions in office properties of similar nature, size and location, and resulted in a fair value of Rs. 5.90 million and a forced sale value of Rs. 5.50 million.

15 ACCRUED EXPENSES AND OTHER LIABILITIES

Accrued expenses	16,710,749	9,111,931
Sales tax payable	2,992,462	1,935,813
Withholding tax payable	1,551,637	108,685
Amount payable to National Clearing Company of Pakistan Limited	-	15,295,305
Workers' Welfare Fund payable	2,176,035	-
Other liabilities	2,284,598	4,684,196
	<u>25,715,482</u>	<u>31,135,931</u>

16 CONTINGENCIES AND COMMITMENTS

- 16.1 There are no outstanding contingencies and commitments as at June 30, 2026.

17 OPERATING REVENUE

Brokerage commission including sales tax on services	401,820,028	221,354,068
Less: Sales tax on services	(52,411,328)	(33,203,110)
Net brokerage commission excluding sales tax on services	<u>349,408,700</u>	<u>188,150,958</u>
Dividend income	149,800	2,197,941
	<u>349,558,500</u>	<u>190,348,898</u>

Note	Rupees 2026	Rupees 2025
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18 ADMINISTRATIVE EXPENSES

Director's remuneration	18.1	26,738,043	16,120,700
Salaries and other benefits		110,926,172	118,379,913
Rent, rates and taxes		3,597,133	4,053,524
Repairs and maintenance		2,883,883	2,248,925
Commission expense		102,403,939	-
Printing and stationery		1,003,456	993,952
Fees and subscription		3,700,223	3,377,531
Traveling and conveyance		670,060	166,025
Computer and software expenses		2,475,100	2,113,540
Entertainment		3,028,561	2,579,658
Vehicle running expenses		4,671,425	5,139,878
Utilities & communication		8,564,430	7,686,726
Postage and courier		175,399	203,989
Insurance		453,384	356,877
Advertisement & business promotion		-	386,104
Service and transaction charges		7,297,132	4,821,173
Auditor's remuneration	18.2	725,000	500,000
Donations	18.3	20,065,330	10,281,450
Depreciation		5,092,638	4,427,341
Amortization of software		14,503	18,129
Penalty	18.4	64,000	-
General expenses		4,379,806	3,528,838
		308,929,617	187,384,273

18.1 Remuneration of Chief Executive and Director

	2026			2025		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
Managerial remuneration	3,960,000	2,520,000	17,156,000	3,900,000	2,400,000	18,860,000
Commission	18,429,951	634,602	-	9,326,700	494,000	-
Fuel Allowance	720,000	473,490	-	-	-	-
	23,109,951	3,628,092	17,156,000	13,226,700	2,894,000	18,860,000
Number of persons (including those who)	1	2	12	1	2	11

18.2 Auditors' remuneration

Audit services

Annual audit fee

600,000	420,000
600,000	420,000

Non-audit services

Other services

125,000	80,000
125,000	80,000
725,000	500,000

18.3 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:

Name of Donee

Saylani Welfare International Trust
Dawat-E-Islami

10,000,000	10,000,000
10,000,000	-
20,000,000	10,000,000

18.4 This represents a monetary fine of Rs. 64,000 imposed on the Company by Pakistan Stock Exchange Limited through Order No. RAD/O-3552 dated October 23, 2025 for non-compliance with Clause 4(k) and Clause 19 of the Securities Brokers (Licensing and Operations) Regulations, 2016.

19 OTHER CHARGES

Allowance for expected credit loss

Note	Rupees 2026	Rupees 2025
	998,354	717,300
	998,354	717,300

20 OTHER INCOME

Profit on deposit against exposure margin requirement
Cost recoveries
Gain on disposal of motor vehicle
Profit on deposit against Base Minimum Capital requirement
Profit on deposit against margin financing
Profit on deposit against margin trading system
Others

30,480,819	24,237,318
8,771,431	9,958,796
127,397	-
2,303,914	2,780,986
2,015,708	2,638,171
5,015,077	2,737,399
-	515
48,714,346	42,353,185

21 FINANCE COST

Bank charges

333,944	82,339
333,944	82,339

22 LEVIES

Minimum tax differential
Final tax
Provision for Sindh Workers' Welfare Fund

22.1	3,557,652	2,296,620
22.2	58,751	294,047
	2,176,035	-
	5,792,438	2,590,667

22.1 This represents portion of minimum tax paid under section 233 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.

22.2 This represents final tax paid under section 5 and 236Z of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.

23 INCOME TAX

Current
Prior
Deferred

Note	Rupees 2026	Rupees 2025
	25,102,892	13,275,530
	-	(2,193,570)
	(863,452)	3,288,528
	24,239,440	14,370,488

23.1 Relationship between income tax expense and accounting profit

Profit before levies and income tax

Tax at the applicable rate of 29%
Tax effect of income taxed at lower tax rates
Tax effect of exempt income
Tax effect of inadmissible deductions
Tax effect of admissible deductions
Tax effect of minimum tax differential
Tax effect of issuance of bonus shares
Tax effect of prior year tax
Tax effect of deferred tax
Tax effect of tax credits
Amount transferred to levies

82,570,896	54,459,293
23,945,560	15,793,195
(22,097)	(343,356)
-	(4,377,852)
9,198,362	6,976,802
(2,197,588)	(1,579,212)
3,557,652	2,296,620
37,406	-
-	(2,193,570)
(863,452)	3,288,528
(5,800,000)	(2,900,000)
(3,616,403)	(2,590,667)
24,239,440	14,370,488

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

23.2 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:

Current tax liability for the year as per applicable tax laws	28,719,296	15,866,197
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(25,102,892)	(13,275,530)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(3,616,403)	(2,590,667)
Difference	-	-

23.3 The aggregate of final taxes and income tax, amounting to Rs. 28,719,296/- (2025: Rs. 15,866,197/-) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

23.4 The income tax returns of the Company have been filed up to tax year 2025 under the Universal Self Assessment Scheme. This scheme provides that the return filed is deemed to be an assessment order. The returns may be selected for audit within five years. The Income Tax Commissioner may amend assessment if any objection is raised during audit.

24 CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting year as shown in the cash flow statement are reconciled to the related items in the balance sheet as follows:

Cash & bank balances	24,890,017	8,315,352
	24,890,017	8,315,352

25 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

25.1 FINANCIAL RISK MANAGEMENT

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

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

25.1.1 Market Risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of interest rate risk, foreign currency risk and price risks.

(i) 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. The interest rate exposure arises from short borrowings from banking companies. At the reporting date, the profile of the Company's interest-bearing financial instruments was as follows:

	2026	2025
	— Carrying amounts (Rs.) —	
Financial asset		
Deposit against exposure margin requirements	532,079,464	385,710,960
Deposit against Base Minimum Capital requirement	29,500,000	27,500,000
Receivable against margin financing	50,429,088	10,194,437
	<u>612,008,552</u>	<u>423,405,397</u>

Sensitivity analysis

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate would not affect the carrying amount of any financial instrument.

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, 2026		
Cash flow sensitivity - Variable rate financial instruments	<u>61,200,855</u>	<u>(61,200,855)</u>
As at June 30, 2025		
Cash flow sensitivity - Variable rate financial instruments	<u>42,340,540</u>	<u>(42,340,540)</u>

(ii) **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. Currency risk arises mainly from receivables and payable that exist due to transaction in foreign currencies. The Company is not exposed to currency risk as all the operations of the Company are being carried out in local currency.

(iii) **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.

Sensitivity analysis:

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

	Fair value (Rupees)	Hypothetical price change	Estimated fair value after hypothetical change in prices (Rupees)	Hypothetical increase / (decrease) in shareholders' equity	Hypothetical increase / (decrease) in profit before tax (Rupees)	Hypothetical increase / (decrease) in other comprehensive income
June 30, 2026	6,280,831	10% increase	6,908,914	628,083	628,083	-
		10% decrease	5,652,748	(628,083)	(628,083)	-
June 30, 2025	13,135,732	10% increase	14,449,305	1,313,573	1,313,573	-
		10% decrease	11,822,159	(1,313,573)	(1,313,573)	-

25.1.2 Liquidity risk

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

	2026		
	Carrying amount	Contractual cash flows (Rupees)	Upto one year More than one year
Financial liabilities			
Trade payables	418,769,131	418,769,131	418,769,131 -
Accrued expenses & other liabilities	18,995,348	18,995,348	18,995,348 -
	437,764,479	437,764,479	437,764,479 -

	2025		
	Carrying amount	Contractual cash flows (Rupees)	Upto one year More than one year
Financial liabilities			
Trade payables	217,996,402	217,996,402	217,996,402 -
Accrued expenses & other liabilities	29,091,433	29,091,433	29,091,433 -
	247,087,835	247,087,835	247,087,835 -

25.1.3 Credit risk

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

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 360 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.

Exposure to credit risk

Credit risk of the Company mainly arises from deposits with banks and financial institutions, trade debts, receivable against margin financing, short term loans, deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits 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. Further, credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies, investment and operational guidelines approved by the Board of Directors.

The carrying amount of financial assets represent the maximum credit exposure at the reporting date, are detailed as follows:

	Rupees 2026	Rupees 2025
Long term advances & deposits	1,975,740	-
Trade receivables	214,077,902	171,357,962
Receivable against margin financing	50,429,088	10,194,437
Advances, deposits, pre-payments & other receivables	581,034,517	423,546,582
Cash and bank balances	24,890,017	8,315,352
	872,407,264	613,414,333

a) Credit risk exposure on trade debts

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.

25.2 Financial Instruments by category

25.2.1 Financial Assets

2026			
At fair value through profit or loss	At fair value through other comprehensive income	At amortised cost	Total
Deferred tax asset	-	1,975,740	1,975,740
Trade receivables	-	214,077,902	214,077,902
Receivable against margin financing	-	50,429,088	50,429,088
Short term investments	6,280,831	-	6,280,831
Advances, deposits, pre-payments & other receivables	-	581,034,517	581,034,517
Cash and bank balances	-	24,890,017	24,890,017
6,280,831	-	872,407,264	878,688,095

2025			
At fair value through profit or loss	At fair value through other comprehensive income	At amortised cost	Total
Deferred tax asset	-	-	-
Trade receivables	-	171,357,962	171,357,962
Receivable against margin financing	-	10,194,437	10,194,437
Short term investments	13,135,732	-	13,135,732
Advances, deposits, pre-payments & other receivables	-	423,546,582	423,546,582
Cash and bank balances	-	8,315,352	8,315,352
13,135,732	-	613,414,333	626,550,065

25.2.2 Financial Liabilities

2026		
Amortised cost	At fair value through profit or loss	Total
Trade payables	418,769,131	418,769,131
Accrued expenses & other liabilities	18,995,348	18,995,348
437,764,479	-	437,764,479

2025		
Amortised cost	At fair value through profit or loss	Total
Trade payables	217,996,402	217,996,402
Accrued expenses & other liabilities	29,091,433	29,091,433
247,087,835	-	247,087,835

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.

	June 30, 2026		June 30, 2025	
	Gross carrying amount	Provision for expected credit losses	Gross carrying amount	Provision for expected credit losses
	— Rupees —			
Past due 1 day - 30 days	206,071,960	942,201	170,261,611	-
Past due 30 days - 180 days	6,177,149	673,735	1,029,485	-
Past due 181 days - 360 days	2,671,012	101,636	608,598	541,732
Above 360 days	1,654,719	1,614,482	1,791,968	1,791,968
	216,574,841	3,332,054	173,691,662	2,333,700

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.

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:

Name of banks	Ratings (Short term rating / Long term rating)		Amount of bank balances	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
MCB Bank Limited	A1+ / AAA	A1+ / AAA	2,400,533	231,524
JS Bank Limited	A1+ / AA	A1+ / AA	19,786,887	4,000,783
Dubai Islamic Bank Pakistan Limited	A1+ / AA	A1+ / AA	119,757	172,517
Meezan Bank Limited	A1+ / AAA	A1+ / AAA	1,645,160	718,515
Askari Bank Limited	A1+ / AAA	A1+ / AAA	503,086	107,801
Habib Bank Limited	A1+ / AAA	A1+ / AAA	307,408	2,981,440
Total			24,762,831	8,212,580

Due to the Company's long standing business relationships with these counter parties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

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.

26 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair value. The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 : Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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 financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

Financial assets

2026			
Level 1	Level 2	Level 3	Total
<i>At fair value through profit and loss</i>			
Investment in quoted equity securities	6,280,831	-	6,280,831
6,280,831	-	-	6,280,831

2025			
Level 1	Level 2	Level 3	Total
<i>At fair value through profit and loss</i>			
Investment in quoted equity securities	13,135,732	-	13,135,732
13,135,732	-	-	13,135,732

27 CAPITAL

27.1 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.

28 CAPITAL

28.1 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.

28.2 Capital Adequacy Level

Total Assets

Less: Total Liabilities

Less: Revaluation Reserves (Created upon revaluation of Fixed Assets)

June 30, 2026

922,655,580

(444,484,613)

(2,520,193)

Capital Adequacy Level

28.2.1 475,650,774

28.2.1 While determining the value of the total assets of the TREC Holder, notional value of the TRE certificate held by the company as at June 30, 2026, as determined by Pakistan Stock Exchange has been considered.

28.3 Liquid Capital Balance

Liquid Capital Balance of the Company, as at June 30, 2026, in accordance with the Third Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 is enclosed as Annexure A-I.

29 RELATED PARTY TRANSACTIONS

Related parties comprise of directors and their close family members, major shareholders of the Company. Remuneration and benefits to executives of the Company are in accordance with the terms of the employment. Remuneration of the Chief Executive and Directors is disclosed in note 18.1 to the financial statements.

Following are the related parties with whom the Company had entered into transactions or have arrangement/ agreement in place:

Name of related party	Nature of relationship	Percentage of shareholding
Ahmed Nabeel	Chief Executive Officer / Shareholder	0.02%
Muhammad Owais	Shareholder	96.98%
Muhammad Harris	Director / Shareholder	0.00%
Muhammad Umair Arif	Director / Shareholder	0.00%
Atiqa Zafar	Shareholder	3.00%

Transactions entered into, and balances held with, related parties during the year, are as follows:

	2026	2025
	Rupees	
Ahmed Nabeel		
<i>Transactions during the year</i>		
Commission earned on sale and purchase of securities	469,616	1,069,498
Commission paid	18,429,951	9,326,700
Sale of motor vehicle at net book value	1,170,294	-
Expenses incurred on behalf of the director	83,833	-
<i>Balances at year end</i>		
Trade receivable at year end	-	100
Receivable against sale of motor vehicle and other	1,254,127	-
Trade payable at year end	99	932,641
Outstanding shares 500 (2025: 500)	50,000	50,000
Muhammad Owais		
<i>Transactions during the year</i>		
Commission earned on sale and purchase of securities	10,471	2,137
<i>Balances at year end</i>		
Trade receivable at year end	119,557,370	135,979,142
Outstanding shares 2,909,300 (2025: 2,909,300)	290,930,000	290,930,000
Muhammad Harris		
<i>Transactions during the year</i>		
Commission earned on sale and purchase of securities	268,049	204,213
Commission paid	634,602	494,000
<i>Balances at year end</i>		
Trade receivable at year end	2,231,113	357,538
Outstanding shares 100 (2025: 100)	10,000	10,000
Muhammad Umair Arif		
<i>Transactions during the year</i>		
Commission earned on sale and purchase of securities	522,619	263,748
Sale of motor vehicle at net book value	1,408,833	-
<i>Balances at year end</i>		
Trade payable at year end	1,280,503	459,944
Outstanding shares 100 (2025: 100)	10,000	10,000
Atiqa Zafar		
<i>Transactions during the year</i>		
Commission earned on sale and purchase of securities	5,890	31,101
<i>Balances at year end</i>		
Trade payable at year end	551,611	38,915
Outstanding shares 90,000 (2025: 90,000)	9,000,000	9,000,000

30 **GENERAL**

30.1 **Number of Employees**

Total employees of the Company at the year end
Average employees of the Company during the year

2026	2025
58	55
57	54

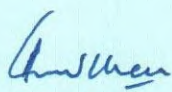
30.2 Figures have been re-arranged and re-classified wherever necessary, for the purpose of better presentation. No major reclassifications were made in these financial statements.

30.3 Figures have been rounded off to the nearest rupee.

30.4 **Authorization for Issue**

These financial statements were approved by the Company's board of directors and authorised for issue on _____.

06 OCT 2026


Chief Executive




Director

SPECTRUM SECURITIES LIMITED
COMPUTATION OF LIQUID CAPITAL
AS ON JUNE 30, 2026

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	37,535,494	37,535,494	-
1.2	Intangible Assets	2,558,013	2,558,013	-
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.	6,280,831	1,435,984	4,844,846
	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	-	-	-
	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	31,100,000	31,100,000	-
1.9	Margin deposits with exchange and clearing house.	532,079,464	-	532,079,464
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	2,144,738	2,144,738	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)	17,193,555	17,193,555	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing.	-	-	-
	Amount paid as purchaser under the REPO agreement. (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.	939,000	-	939,000
	(ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation .	129,240	129,240	-
	(iii) In all other cases 100% of net value	3,298,238	3,298,238	-
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.	835,115	-	835,115
	ii. claims on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
1.17	Receivables from customers			
	i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut.	50,429,088	5,921,925	44,507,163
	i. Lower of net balance sheet value or value determined through adjustments.	-	-	-
	ii. In case receivables are against margin trading, 5% of the net balance sheet value.	-	-	-
	ii. Net amount after deducting haircut	-	-	-
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract,	-	-	-
	iii. Net amount after deducting haircut	-	-	-

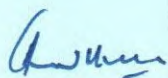
S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
I. Assets				
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. iv. Balance sheet value	46,831,006	-	46,831,006
	v. Incase of other trade receivables are overdue, 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	44,624,748	10,250,306	34,374,442
	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	121,787,033	-	121,787,033
1.18	Cash and Bank balances			
	i. Bank Balance-proprietary accounts	16,947,846	-	16,947,846
	ii. Bank balance-customer accounts	7,814,985	-	7,814,985
	iii. Cash in hand	127,186	-	127,186
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	922,655,580	111,567,493	811,088,086
2. Liabilities				
2.1	Trade Payables			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	418,769,131	-	418,769,131
2.2	Current Liabilities			
	i. Statutory and regulatory dues	6,720,134	-	6,720,134
	ii. Accruals and other payables	18,995,348	-	18,995,348
	iii. Short-term borrowings	-	-	-
	iv. Current portion of subordinated loans	-	-	-
	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	-	-	-
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	-	-	-
	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	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
2. Liabilities				
2.4	Subordinated Loans			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:	-	-	-
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	444,484,613	-	444,484,613
3. Ranking Liabilities Relating to :				
3.1	Concentration in Margin Financing			
	The amount calculated client-to- client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees. (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	-	-	30,660,038
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	-	-	-
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.	-	-	174,425

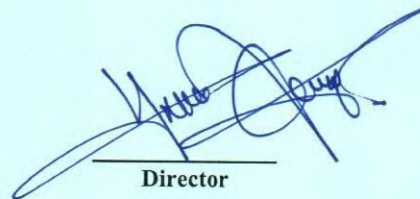
S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3. Ranking Liabilities Relating to :				
3.9	Opening Positions in futures and options			
	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts	-	-	12,876,616
	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	-	-	43,711,079
		478,170,967	Liquid Capital	322,892,395

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.20)	811,088,086
(ii) Less: Adjusted value of liabilities (serial number 2.6)	(444,484,613)
(iii) Less: Total ranking liabilities (serial number 3.11)	(43,711,079)
	<u><u>322,892,395</u></u>



Chief Executive

Director