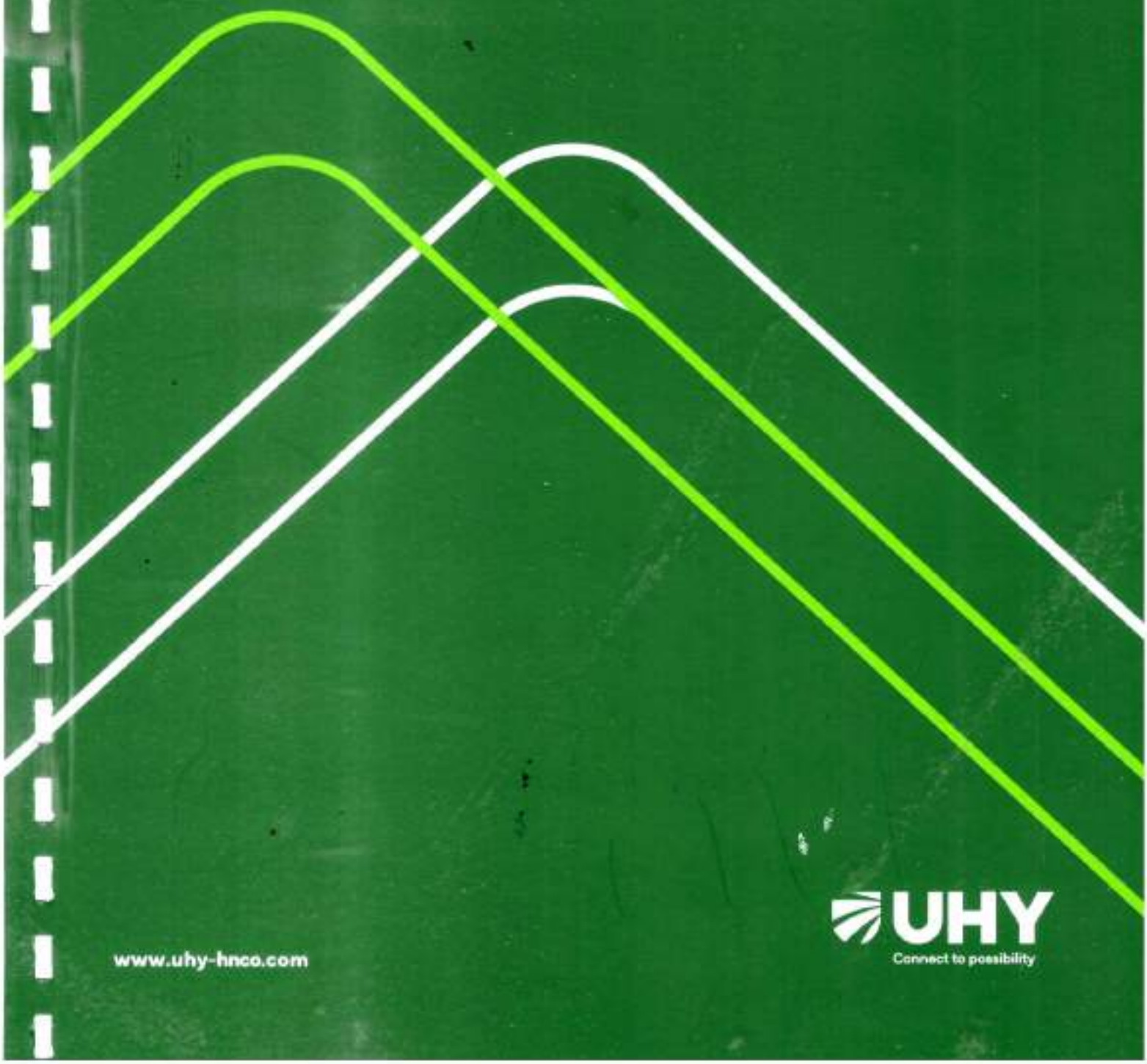
H.H. Misbah Securities (Private) Limited
Financial Statements
For the year ended
June 30, 2026



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INDEPENDENT AUDITOR'S REPORT

To the members of H.H MISBAH SECURITIES (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **H.H MISBAH SECURITIES (PRIVATE) LIMITED** ("the Company"), which comprise the statement of financial position as at **June 30, 2026** and the statement of profit or loss, the statement of changes in equity, and the statement of cash flow for the year then ended, and notes to the financial statements, including a material accounting policy information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of changes in equity and statement of cash flow 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 for the year then ended, the changes in equity and its cash flows for the period 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information included in the Annual 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.

However, 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 requirement of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enables 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 operation, 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.

Urbach Hacker Young International Limited is the administrative entity of the international UHY network of independent accounting and consulting firms. The UHY network is a member of the Forum of Firms.

MEMBER OF THE FORUM OF FIRMS

- 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, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

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

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

e) the company was in compliance with the requirement of section 62 of Futures Market Act, 2016, and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the financial statements were prepared.

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

KARACHI
DATE: October 07, 2026
UDIN: AR202610311mDnCvNKbQ

UNDERTAKING

I, **Abdul Wahab** Chief Executive Officer of **H.H. Misbah Securities (Private) Limited**, a TRE Certificate Holder of Pakistan Stock Exchange Limited having our registered office at Room no. 96 & 97, 2nd floor, Pakistan Stock Exchange, Building, Stock Exchange Road, Karachi., herein after called the "company" do hereby undertake that:

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

II. The company is compiled with Corporate Governance Code for Securities Broker as per the criteria specified in **Annexure D** of Securities Brokers (Licensing and Operations) Regulations, 2016;

Date: October 07, 2026

Abdul Wahab
Chief Executive Officer

DIRECTOR'S REPORT

On behalf of the Board of Directors I am pleased to present the Annual report together with the company's Audited Financial Statement and Auditors Report for the financial year ended 30th June 2026. The Summarized results for the year ended 30th June 2026 are as under:

Financial results	2026
Operating Revenue	164,139,495
Profit before Taxation	87,646,284
Taxation	(2,368,486)
Profit after Tax	85,277,798

AUDITORS:

The auditor's M/S UHY Hassan Naeem & co retire at the conclusion of the meeting being eligible, they have offered themselves for re-appointment.

CONCLUSION:

The Directors appreciate assistance and co-operation extended by customers and employees of the company.

For and on behalf of the Board

Chief Executive

Director

Date: October 7, 2026

Karachi

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H.H MISBAH SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 (Rupees)	2025 (Rupees)
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	**35,905,246**	23,458,254
Intangible assets	5	**2,750,000**	2,750,000
Investment at fair value through other comprehensive income	6	**50,513,074**	30,240,998
Long term deposits	7	**1,500,000**	1,500,000
		90,668,320	57,949,252
CURRENT ASSETS			
Trade debts	8	**117,295,451**	147,959,780
Short term Investment at fair value through profit and loss	9	**271,696,319**	236,715,499
Advances, deposits, prepayments and other receivables	10	**101,947,727**	174,108,303
Cash and bank balances	11	**425,671,829**	408,314,749
		916,611,326	967,098,331
		1,007,279,646	1,025,047,583
SHARE CAPITAL AND RESERVES			
Authorized capital	12.1	**300,000,000**	300,000,000
Share capital			
Issued, subscribed and paid-up capital	12.2	**100,000,000**	100,000,000
Capital Reserves			
Surplus/(deficit) - Investment at fair value through OCI		**48,225,984**	27,610,239
Actuarial gain/(loss) on defined benefit		**4,692,099**	3,659,410
Subordinate from director		**-**	18,500,000
Revenue reserves			
Accumulated Profit/(Loss)		**387,098,976**	301,821,178
		540,017,059	451,590,827
NON-CURRENT LIABILITIES			
Staff retirement benefits - Gratuity	13	**16,530,457**	12,853,165
CURRENT LIABILITIES			
Trade and other payables	14	**440,732,130**	548,496,936
Short term loan	15	**10,000,000**	12,106,655
		450,732,130	560,603,591
Contingencies and commitments	16		
		1,007,279,646	1,025,047,583

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

Chief Executive **Director**

H.H MISBAH SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 *(Rupees)*	2025 *(Rupees)*
Revenue from contract with customers	17	**164,139,495**	148,918,923
Operating and administrative expenses	18	**(180,668,864)**	(164,142,563)
Other charges		**(1,793,822)**	(1,790,240)
Other income	19	**108,014,316**	106,525,887
Profit/(loss) before income tax, minimum tax differential and final tax		**89,691,125**	89,512,007
Minimum tax - levy	20	**(166,698)**	-
Final taxes - levy	21	**(1,878,143)**	(1,576,512)
		(2,044,841)	(1,576,512)
Profit/(loss) before income tax		**87,646,284**	87,935,495
Taxation	22	**(2,368,486)**	(1,871,475)
Profit/(loss) after income tax		**85,277,798**	86,064,020

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

Chief Executive **Director**

H.H MISBAH SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026 *(Rupees)*	2025 *(Rupees)*
Profit for the year	**85,277,798**	86,064,020
Other comprehensive income		
Items that will not be subsequently reclassified in profit or loss		
Unrealised gain/ (loss) on revaluation of investments at fair value through other comprehensive income	**20,615,745**	16,390,902
Actuarial gain/(loss) on defined benefit obligation	**1,032,689**	2,572,245
	21,648,434	18,963,147
Total comprehensive income	**106,926,232**	105,027,167

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

Chief Executive

Director

H.H MISBAH SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Share capital	Capital Reserves			Revenue Reserves	
	Issued, Subscribed and Paid-up Capital	Surplus/ (Deficit) - Investment (FVTOCI)	Actuarial gain/ (loss) on defined benefit	Subordinate from director	Accumulated Profit/(Loss)	Total
	----------	----------	----------	*Rupees* ----------	----------	----------
Balance as at July 01, 2025	100,000,000	11,219,337	1,087,165	18,500,000	215,757,158	346,563,660
Profit/(loss) for the year	-	-	-	-	86,064,020	86,064,020
Other comprehensive loss	-	16,390,902	2,572,245	-	-	18,963,147
Balance as at June 30, 2025	**100,000,000**	**27,610,239**	**3,659,410**	**18,500,000**	**301,821,178**	**451,590,827**
Profit/(loss) for the year	-	-	-	-	**85,277,798**	**85,277,798**
Other comprehensive income	-	**20,615,745**	**1,032,689**	-	-	**21,648,434**
Repayment of subordinate loan	-	-	-	**(18,500,000)**	-	**(18,500,000)**
Balance as at June 30, 2026	**100,000,000**	**48,225,984**	**4,692,099**	-	**387,098,976**	**540,017,059**

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

Chief Executive

Director

H.H MISBAH SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	2026 *(Rupees)*	2025 *(Rupees)*
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	**87,646,284**	87,935,495
Adjustment for non-cash items:		
Depreciation expense	**7,366,227**	5,405,768
Gratuity expense	**6,359,981**	6,869,981
Capital gain on investment at fair value through profit and loss	**(88,407,099)**	(83,806,359)
Dividend income	**(12,545,684)**	(10,721,473)
Gain on disposal of property and equipment	**375,000**	(1,001,306)
Final taxes - levy	**1,878,143**	1,576,512
	(84,806,734)	(81,676,877)
Changes in working capital		
Decrease /(Increase) in trade debts	**30,664,329**	(26,193,454)
Decrease /(Increase) in long term deposits	**-**	-
Decrease /(Increase) in advances, deposits and prepayments	**72,160,576**	(41,380,373)
(Decrease) / increase in trade and other payable	**(107,864,888)**	306,366,107
Net changes in working capital	**(5,039,983)**	238,792,280
Gratuity paid	**(1,650,000)**	-
Taxes paid	**(4,313,245)**	(3,013,258)
Net cash (used in)/generated from operating activities	**(8,163,678)**	242,037,640
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	**(24,988,219)**	(12,464,170)
Sale proceed in respect of property and equipment	**4,800,000**	4,650,000
Proceeds from short term investment	**53,769,948**	2,277,607
Dividend received	**12,545,684**	10,721,473
Net cash (used in)/generated from investing activities	**46,127,413**	5,184,910
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of subordinate loan	**(18,500,000)**	-
Proceeds from short term loan from directors	**10,000,000**	10,300,000
Repayment of short term loan from directors	**(12,106,655)**	(13,900,000)
Net cash (used in)/generated from financing activities	**(20,606,655)**	(3,600,000)
Net increase in cash and cash equivalent	**17,357,080**	243,622,550
Cash and cash equivalent at beginning of the year	**408,314,749**	164,692,199
Cash and cash equivalent at end of the year	**425,671,829**	408,314,749

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

Chief Executive

Director

H.H MISBAH SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 Legal Status and Nature of Business

HH Misbah Securities (Private) limited was incorporated under the repealed Companies Ordinance, 1984 on July 11, 2003 as a private limited company. The Company is a corporate member of Pakistan Stock Exchange Limited. The Company is a holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited. The principal activities of the Company are investment and share brokerage.

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

Karachi	Head office (Registered Office)	Room no. 96 & 97, 2nd floor, Pakistan Stock Exchange, Building, Stock Exchange Road, Karachi.
Karachi	Branch Office	Room No, 501-504, New Stock Exchange Building, Stock Exchange Road, Karachi.

2 Basis of Preparation

2.1 Statement of Compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention except Investments that are carried at fair value.

The company prepared its Financial statement on trade date basis and accordingly account for income, assets and liabilities.

2.3 Functional and Presentation Currency

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

2.4 Use of Estimates and Judgments

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

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

The estimates and judgments that have a significant effect on the financial statements that are in respect of the following:

- Property and equipment (note 4)
- Income Tax Expense (note 22)

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

a) 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) 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:

Description effective for periods		Effective for periods beginning on or after
IAS 7	Statement of Cash Flows (Amendments)	January 01, 2026
IAS 21	The effects of changes in foreign exchange rates (Amendments)	January 01, 2027
IAS 28	Investments in Associates and Joint Ventures (Amendments)	January 01, 2027
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 01, 2026
IFRS 9	Financial Instruments (Amendments)	January 01, 2026
IFRS 10	Consolidated Financial Statements (Amendments)	January 01, 2026
IFRS 17	Insurance Contracts (Amendments)	January 01, 2027
IFRS 18	Presentation and Disclosure in Financial Statements	January 01, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 01, 2027

The management anticipates that, the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the unconsolidated 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 Arrangement

3 Material Accounting Policy Information

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

3.1 Taxation

Income tax expense comprises of current, deferred and prior year tax. Income tax expense is recognized in profit and loss account except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

3.1.1 Current Tax

Provision for current tax is based on taxable income at the enacted or substantially enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years which arises from assessments/ developments made during the year, if any.

3.1.2 Deferred Tax

Deferred tax is recognized using balance sheet method, in respect of temporary differences between the carrying amounts of asset and liabilities for financial reporting purposes and the amounts used for taxation purpose. The amount of deferred tax provided is based on the expected manner of realization or settlement or the carrying amount of assets and liabilities, using the enacted or substantively enacted rates or taxation.

The company recognizes deferred tax assets to the extent that it is probable that taxable profits for the foreseeable future will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.2 Minimum Taxes levy

Any excess over the amount designated as income tax under the scope of IAS 12 "Income Taxes", is then recognised as a levy falling under the scope of IFRIC 21/IAS 37. Hence, any excess over the amount designated as income tax under the scope of IAS 12 "Income Taxes" should be classified as Minimum Taxes levy and not income tax in the profit and loss account.

3.3 Final Taxes levy

Any final taxes paid which is not based on the taxable income, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37. Hence, Final tax paid should be classified as Final Taxes levy and not income tax in the profit and loss account.

3.4 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, 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. Cost incurred to replace a component of an item of property and equipment is capitalized, the asset so replaced is retired from use and its carrying amount is derecognized. Normal repairs and maintenance are charged to the profit and loss account in the period in which they are incurred.

Depreciation on all property and equipment is charged to the profit and loss account using Straight Line method over the asset's useful life at the rates stated Note no. 4. The depreciation on property and equipment is charged full in the month of acquisition and no depreciation is charged in the month of disposal. Gains or losses on disposal of an item of property and equipment are recognized in the profit and loss account. The assets' residual value and useful life are reviewed at each financial year end, and adjusted if appropriate.

3.5 Intangible Assets

An intangible asset is recognized as an asset if it is probable that future economic benefits attributable to the asset will flow to the entity and the cost of such asset can be measured reliably.

3.5.1 Trading Right Entitlement Certificate (TREC)

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 when the carrying amount exceeds its estimated recoverable amount, is it written down to its estimated recoverable amount.

3.5.2 Amortization

Intangible assets with indefinite useful lives are not amortized, instead they are systematically tested for impairment at each reporting date. Intangible assets with finite useful lives are amortized at straight line basis over the useful life of the asset (at the rate specified in note 6 to these financial statements).

3.6 Trade debts and other receivables

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

3.7 Provisions

A provision is recognized in the financial statements when the company has a legal or constructive obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as a provision reflects the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

3.8 Trade and Other Payable

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

3.9 Revenue recognition

Brokerage Commission, corporate finance income and other income are recognized as and when services are rendered.

Dividend income is recognized when the right to receive the dividend is established.

Income on continuous funding system transactions and bank deposits is recognized on a time proportionate basis that takes in to account the effective yield.

Mark-up income from investment in margin financing system is calculated on outstanding balance at agreed rates and recorded in profit and loss account.

3.10 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances and highly liquid short term investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.11 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 obligation cannot be measured with sufficient liability.

3.12 Financial Instruments

3.12.1 Financial Assets

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

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.

Financial assets at "Fair value through other comprehensive income"

A financial asset is classified as at fair value through other comprehensive income when either:

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 or,

It is an investment in equity instrument which is designated as at fair value through OCI in accordance with the irrevocable election available to the Company at initial recognition.

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

Financial assets at "Fair value through profit or loss"

A debt instrument can be classified as a financial asset at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains or losses on them on different bases.

All equity instruments are to be classified as financial assets at fair value through profit or loss, except for those equity instruments for which the Company has elected to present value changes in other comprehensive income.

3.12.3 Subsequent measurement

Debt investments at "Fair value through other comprehensive income"

These assets are subsequently measured at fair value. Interest /markup income calculated using effective interest rate method, and impairment are recognized in the statement of profit and loss account. Other net gains and losses are recognized in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit and loss account.

Equity Investments at "Fair value through other comprehensive income"

These assets are subsequently measured at fair value. Dividends are recognized as income in statement of profit and loss account unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never classified to the profit and loss account.

Financial asset at "Fair value through profit or loss"

These assets are subsequently measured at fair value. Net gains and losses, including any interest/markup or dividend income, are recognized in the statement of profit and loss account.

Financial assets measured at Amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest/ markup income, and impairment are recognized in the statement of profit and loss account.

3.12.4 Non Derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the company becomes party to the respective contractual provisions. Non-derivative financial asset comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets. The company derecognizes the financial asset. When the contractual rights to the cash flows from the asset expires or it transfer the right to receive the contractual cash flow in a transaction in which substantially all risk and rewards of ownership of the financial assets are transferred or it neither transferred nor retain substantially all the of the risk and rewards of ownership and does not retain control over the transferred asset.

3.12.5 Offsetting of financial assets and financial liabilities

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

3.12.6 Financial Liabilities

Financial Liabilities are initially recognized on trade date i.e. the date on which the company becomes party to thee respective contractual provisions. Financial Liabilities include markup bearing borrowings and trade and other payables. The company derecognizes the financial liabilities when contractual obligations are discharged, cancelled or expire. Financial liability other than fair value through profit and loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortized cost using effective interest rate method.

3.12.7 Impairment

Financial assets

The company recognized loss allowances for Expected Credit Losses (ECLs) in respect of financial asset measured at amortized cost.

The company measures loss allowance at an amount equal to life time ECLs, except for the following, which are measured at 12 month ECLs:

Debt securities that are determined to have low credit risk at reporting date; and

Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based in the company's historical experience and informed credit assessment and including forward- looking information.

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

The gross carrying amount of financial asset is written off when the company has no reasonable expectations of recovering of a financial asset in its entirety or a proportion thereof. The company individually makes an assessment with respect to the timing and amount of write-off based on whether there is reasonable expectation of recovery. The company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for the recovery of amounts due.

3.13 Non- financial assets

The carrying amounts of company's non- financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment, if such indication exists, the asset's recoverable amount, being higher of value in use and fair value less cost to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using pre- tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together in to smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss.

3.14 Staff retirement benefits - Defined benefit plan

A defined benefit plan is a post-employment benefit plan under which an entity regularly pays contributions into a separate fund but will continue to have legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. As a consequence, actuarial risk (that benefits will be less than expected) and investment risk (that assets will be insufficient to meet expected benefits) fall, in substance, on the entity.

The Company operates an unfunded gratuity scheme for its employees which is classified as a defined benefit plan.

The Company's obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligation is performed annually by using the Projected Unit Credit Method.

Remeasurements of the defined benefit liability (i.e. the actuarial gains or losses) are recognised immediately in other comprehensive income. The Company determines the interest expense on the defined benefit liability for the period by applying the discount rate to the defined benefit liability at the beginning of the annual reporting period, taking into account any changes in the defined benefit liability during the period as a result of benefit payments. Interest expense and other expenses related to the defined benefit plan are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

4. PROPERTY AND EQUIPMENT

	2026				
	Office Building	Office Equipment	Computers	Motor vehicles	Total
	(Rupees)				
As at July 01, 2025					
Cost	31,100,000	2,371,852	6,665,325	12,723,560	52,860,737
Accumulated depreciation	(20,241,975)	(1,682,820)	(4,823,490)	(2,654,198)	(29,402,483)
Net book value at the beginning of the year	10,858,025	689,032	1,841,835	10,069,362	23,458,254
Changes during the year					
Additions during the year		882,080	6,492,789	17,613,350	24,988,219
Disposals - cost	-	-	-	(6,000,000)	(6,000,000)
Depreciation charge for the year	(3,110,000)	(273,667)	(1,198,775)	(2,783,785)	(7,366,227)
Disposals - Accumulated depreciation	-	-	-	825,000	825,000
Net book value at the end of the year	7,748,025	1,297,445	7,135,849	19,723,927	35,905,246
Analysis of net book value					
As at June 30, 2026					
Cost	31,100,000	3,253,932	13,158,114	24,336,910	71,848,956
Accumulated depreciation	(23,351,975)	(1,956,487)	(6,022,265)	(4,612,983)	(35,943,710)
Net book value at the end of the year	7,748,025	1,297,445	7,135,849	19,723,927	35,905,246
Depreciation rate (% per annum)	10%	15%	30%	15%	

	2025				
	Office Building	Office Equipment	Computers	Motor vehicles	Total
	(Rupees)				
As at July 01, 2024					
Cost	31,100,000	2,093,018	5,679,989	8,210,560	47,083,567
Accumulated depreciation	(17,131,975)	(1,508,775)	(3,870,238)	(4,274,033)	(26,785,021)
Net book value at the beginning of the year	13,968,025	584,243	1,809,751	3,936,527	20,298,546
Changes during the year					
Additions	-	278,834	985,336	10,950,000	12,214,170
Disposals - cost	-	-	-	(6,437,000)	(6,437,000)
Depreciation charge for the year	(3,110,000)	(174,045)	(953,252)	(1,168,471)	(5,405,768)
Disposals - Accumulated depreciation	-	-	-	2,788,306	2,788,306
Net book value at the end of the year	10,858,025	689,032	1,841,835	10,069,362	23,458,254
Analysis of net book value					
As at June 30, 2025					
Cost	31,100,000	2,371,852	6,665,325	12,723,560	52,860,737
Accumulated depreciation	(20,241,975)	(1,682,820)	(4,823,490)	(2,654,198)	(29,402,483)
Net book value at the end of the year	10,858,025	689,032	1,841,835	10,069,362	23,458,254
Depreciation rate (% per annum)	10%	15%	30%	15%	

5. INTANGBLE ASSETS

	2026		
	PMEX	TREC (Note 5.1)	Total
	..... (Rupees)		
As at July 01, 2025			
Cost	250,000	2,500,000	2,750,000
Accumulated amortization	-	-	-
Net book value at the beginning of the year	250,000	2,500,000	2,750,000
Addition during the year	-	-	-
Write off	-	-	-
Disposals - cost	-	-	-
Amortization for the year	-	-	-
Disposals - Accumulated amortization	-	-	-
Net book value at the end of the year	250,000	2,500,000	2,750,000

Analysis of Net Book Value			
Cost	**250,000**	**2,500,000**	**2,750,000**
Accumulated amortization	**-**	**-**	**-**
Net book value as at June 30, 2026	**250,000**	**2,500,000**	**2,750,000**
Rate of amortization per annum (%)	**-**	**-**	

	2025		
	PMEX	**TREC (Note 5.1)**	**Total**
	..... *(Rupees)*		
As at July 01, 2024			
Cost	-	2,500,000	2,500,000
Accumulated amortization	-	-	-
Net book value at the beginning of the year	-	2,500,000	2,500,000
Addition during the year	250,000	-	250,000
Disposals - cost	-	-	-
Amortization for the year	-	-	-
Disposals - Accumulated amortization	-	-	-
Net book value at the end of the year	250,000	2,500,000	2,750,000
Analysis of Net Book Value			
Cost	250,000	2,500,000	2,750,000
Accumulated amortization	-	-	-
Net book value as at June 30, 2025	250,000	2,500,000	2,750,000
Rate of amortization per annum (%)	-	-	

5.1 This represents TREC acquired on surrender of Stock Exchange membership Card. According to the Stock Exchanges (Corporatization, Demutualization and Integration) Act 2012, the TRE Certificate may only be transferred once the company intending to carry out shares brokerage business in the manner to be prescribed.

		2026 *(Rupees)*	2025 *(Rupees)*
6. INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME			
Investment in shares of Pakistan Stock Exchange	**6.1.**	**50,513,074**	30,240,998

6.1 This represents 1,081,194 (2025: 1,081,194) shares of Pakistan Stock Exchange Limited. These shares are pledge with PSX against Base minimum capital.

7. LONG TERM DEPOSITS			
Deposits with:			
- National Clearing Company of Pakistan Limited		**1,400,000**	1,400,000
- Central Depository Company		**100,000**	100,000
		1,500,000	1,500,000
8. TRADE DEBTS			
Trade debts	**8.1.**	**158,546,736**	189,211,065
less: Loss Allowance	**8.2.**	**(41,251,285)**	(41,251,285)
		117,295,451	147,959,780

	2026 (Rupees)	2025 (Rupees)

8.1 The aging analysis of trade debts are as follows:

Past due 1 - 30 days	**112,610,069**	144,319,515
Past due 31 - 180 days	**1,381,067**	2,442,282
Past due 181 days - 1 year	**1,183,443**	236,646
More than one year	**43,372,157**	42,212,622
	158,546,736	189,211,065

8.2 Provision for expected credit loss

Opening	**41,251,285**	41,251,285
Provision recorded during the year	**-**	-
Less: Provision reversed during the year	**-**	-
	41,251,285	41,251,285

8.3 Trade debts due from related parties

Name of related party	Gross amount due	Past due amount	Provision for expected credit losses	Reversal of provision for expected credit losses	Amount due written off	Net amount due	Maximum amount outstanding at any time during the year (8.3.1)
Rizwana	2,704,974	2,704,974				2,704,974	8,274,425
Muzammil	12,597,294	12,597,294	-	-	-	12,597,294	22,169,179
Muhammad Waqas	7,972,087	7,972,087	-	-	-	7,972,087	7,972,087
Muhammad Hanif	36,082,455	36,082,455	-	-	-	36,082,455	32,403,928
Hammad	4,710,364	4,710,364	-	-	-	4,710,364	13,683,332
	64,067,175	**64,067,175**	**-**	**-**	**-**	**64,067,175**	

8.3.1 Maximum amount outstanding at any time during the year calculated by reference to month-end balances

8.3.2 Aging analysis of trade debts due from related parties

Name of related party	Not past due	Past due				Total gross amount due
		Past due 0-30 days	Past due 31-180 days	Past due 181-365 days	Past due 365 days	
Rizwana	-	2,704,974	-	-	-	2,704,974
Muzammil	-	12,597,294	-	-	-	12,597,294
Muhammad Waqas	-	7,972,087	-	-	-	7,972,087
Muhammad Hanif	-	36,082,455	-	-	-	36,082,455
Hammad	-	4,710,364	-	-	-	4,710,364
	-	**64,067,175**	**-**	**-**	**-**	**64,067,175**

		2026 (Rupees)	2025 (Rupees)

9. SHORT TERM INVESTMENT - FAIR VALUE THROUGH PROFIT AND LOSS ACCOUNT

Investment in quoted securities	9.1.	**271,696,319**	236,715,499

9.1 Investments in quoted securities are stated at fair value at the year-end, using the year-end market prices. This investment pledge with Pakistan Stock Exchange Limited amounting to Rs 52,836,984 against Base Minimum Capital. National Clearing Company Pakistan Limited amounting to Rs 189,865,181 against Ready RMS and Future Contract.

9.2 This includes investment of Rs. 27,235,080 kept with National Clearing Company Pakistan Limited against in dealing future contracts.

		2026 (Rupees)	2025 (Rupees)
10. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Income tax refundable		**22,141,985**	22,141,985
Exposure Deposit		**71,391,709**	110,641,705
Neepl's Future market profit and loss deposit		**6,983,445**	39,542,215
Loan to associate	**10.1 & 10.2**	**1,115,025**	1,115,025
Other receivable		**125,563**	597,373
Advances to employees		**190,000**	70,000
		101,947,727	174,108,303

10.1 The reconciliation of the carrying amount at the beginning and end of the period is as under:

Balance at the beginning of the year	**1,115,025**	1,040,000
Disbursements	**-**	75,025
Repayments	**-**	-
Balance at the end of the year	**1,115,025**	1,115,025

10.2 Details of loan to associate

Name of related party	Terms of loans and advances	Collateral Security	Maximum amount outstanding at any time during the year (10.2.1)	Provisions for doubtful loans and advances	Loan or advances written off	Purpose of Loan
Misbah Commodities (Private) Limited	Loan is interest free and repayable on demand (10.2.2)	No collateral security is provided against the loan	1,115,025	-	-	To fulfill requirement of cashflow
			1,115,025	-	-	-

10.2.1 Maximum amount outstanding at any time during the year calculated by reference to month-end balances.

10.2.2 The company does not have any interest based liabilities therefore no interest was charged on loan.

10.2.3 Aging analysis of loan due from director

Name of related party	Not past due	Past due				Total gross amount due
		Past due 0-30 days	Past due 31-180 days	Past due 181-365 days	Past due 365 days	
Misbah Commodities (Private) Limited	1,115,025	-	-	-	-	1,115,025
	1,115,025	**-**	**-**	**-**	**-**	**1,115,025**

11. CASH AND BANK BALANCES

Cash at bank		
Current accounts	**425,183,489**	408,063,799
Saving accounts	**-**	-
	425,183,489	408,063,799
Cash in hand	**488,340**	250,950
	425,671,829	408,314,749

11.1 Bank balances include customers' bank balances held in designated bank accounts amounting to Rs. 286.83 million (2025: 339.905 million).

12. SHARE CAPITAL

12.1. Authorized share capital

Authorized share capital comprises of 3,000,000 (2025: 3,000,000) Ordinary shares of Rs. 100 each.

12.2. Issued, subscribed and paid up capital	2026 *(Rupees)*	2025 *(Rupees)*
Issued, subscribed and paid up capital comprises of:		
Ordinary share capital	**100,000,000**	100,000,000
	100,000,000	100,000,000

12.2.1 The breakup of ordinary and preference share capital is as follows:

2026 *(Numbers)*	2025 *(Numbers)*		2026 *(Rupees)*	2025 *(Rupees)*
		Ordinary shares		
300,000	300,000	Ordinary shares of Rs. 100 each full paid in cash	**30,000,000**	30,000,000
		Ordinary shares		
450,000	450,000	Ordinary shares of Rs. 100 each issued as bonus shares	**45,000,000**	45,000,000
		Ordinary shares		
250,000	250,000	Ordinary shares of Rs. 100 each fully issued for consideration other there cash	**25,000,000**	25,000,000

12.2.2 Reconciliation of number of shares outstanding	2026 *(Numbers)*	2025 *(Numbers)*
Ordinary shares		
Number of shares outstanding at the beginning of the year	**1,000,000**	1,000,000
Issued for cash	**-**	-
	1,000,000	1,000,000

13. STAFF RETIREMENT BENEFITS - GRATUITY

The Company operates a unfunded gratuity scheme for its employees. The latest actuarial valuation of the plan was carried out as at June 30, 2026 by using the Projected Unit Credit method.

13.1. Movement in defined benefit obligation

Opening defined benefit obligation	**12,133,166**	8,555,430
Current service cost	**5,017,171**	5,661,155
Interest on Defined Benefit Obligation	**1,342,810**	1,208,826
Benefits due but not paid	**-**	(720,000)
Benefits paid	**(1,410,000)**	-
Actuarial (gains)/losses front changes in financial assumptions	**801,510**	(102,503)
Experience adjustments	**(1,834,200)**	(2,469,742)
Closing defined benefit obligation	**16,050,457**	12,133,166

13.2. Expense recognized in the statement of profit or loss

Current service cost	**5,017,171**	5,661,155
Past service cost	**-**	-
Interest cost on defined benefit obligation	**1,342,810**	1,208,826
	6,359,981	6,869,981

	2026 (Rupees)	2025 (Rupees)
13.3. Remeasurement losses / (gain) recognised in other comprehensive income		
Actuarial gain/(loss) on defined benefit obligation		
- Changes in demographic assumptions	**801,510**	-
- Changes in financial assumptions	**-**	(102,503)
- Changes in experience assumptions	**(1,834,200)**	(2,469,742)
	(1,032,690)	(2,572,245)
13.4. Changes in net liability		
Opening net liability	**12,853,166**	8,555,430
Expense chargeable to P&L	**6,359,981**	6,869,981
Benefits paid	**(1,650,000)**	-
Remeasurement chargeable in other comprehensive income	**(1,032,690)**	(2,572,245)
Closing net liability	**16,530,457**	12,853,166
Benefits payable transferred to short term liability	**-**	-
Closing defined benefit obligation	**16,530,457**	12,853,166
13.5. Year end sensitivity analysis on defined benefit obligation		
Discount Rate + 1%	**11,125,752**	11,125,752
Discount Rate - 1%	**13,330,524**	13,330,524
Salary Increase + 1%	**13,356,530**	13,356,530
Salary Increase - 1%	**11,085,503**	11,085,503

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

13.6. As of the reporting date, the average duration of the defined benefit obligation is 9 years.

13.7. Principal actuarial assumptions used

Discount rate used for interest cost in profit and loss	**14.75%**	**14.75%**
Discount rate used for year end obligation	**11.75%**	**11.75%**
Expected rate of increase in salary level (per annum) - 2025	**N/A**	**N/A**
Expected rate of increase in salary level (per annum) - 2026 onwards	**10.75%**	**10.75%**
Mortality rates	**SLIC 2001-2005**	**SLIC 2001-2005**

13.8. The defined benefit obligation exposes the Company to the following risks:

Final salary risks:

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

Mortality risks:

The risk that the actual mortality experience is different. Similar to the withdrawal risk, the effect depends on the beneficiaries' service / age distribution and the benefit.

Withdrawal risks:

The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

		2026 (Rupees)	2025 (Rupees)
14. TRADE AND OTHER PAYABLE			
Credit balances of clients		**374,896,608**	409,687,020
Clients future profit and exposure withheld		**44,510,229**	111,753,385
Accrued expenses and other payables		**20,373,032**	26,291,802
Income tax payable		**534,811**	434,729
Auditor remuneration		**417,450**	330,000
		440,732,130	548,496,936

14.1 Credit balances of clients held by the company in separate bank accounts.

15. SHORT TERM LOAN			
Short term loan from directors	**15.1.**	**10,000,000**	12,106,655

15.1 This loan, which is interest free and repayable on demand, is provided by Directors.

16. CONTINGENCIES AND COMMITMENTS

16.1. The return for 2017 was amended by deputy commissioner inland revenue creating tax demand of Rs 30,583,134. The company filed appeal before CIT(A) that is still pending. The company expects favorable outcome and therefore no provision is made against the said addition.

16.2. There were no other contingencies and commitment as at 30th June 2026.

	2026 (Rupees)	2025 (Rupees)
17. REVENUE FROM CONTRACT WITH CUSTOMERS		
Gross Income	**188,760,419**	171,256,761
less: Sales tax	**(24,620,924)**	(22,337,838)
	164,139,495	148,918,923

18. OPERATING AND ADMINISTRATIVE EXPENSES			
Salaries, benefits and allowance		**136,162,094**	130,560,627
Printing and stationery		**184,007**	124,850
Utilities		**2,721,276**	2,551,787
Travelling and communication expenses		**5,061,340**	1,355,510
Rent, rates and taxes		**1,197,672**	1,071,823
Transaction charges		**4,151,340**	2,930,240
Fees and subscription		**5,540**	362,000
Entertainment and sales promotion		**1,058,400**	950,635
Repair and maintenance		**472,800**	393,875
Legal and professional charges		**419,160**	1,406,800
Software expenses		**10,343,264**	6,233,861
Dealer's commission		**3,733,767**	5,399,173
Depreciation expense		**7,366,227**	5,405,768
Bank charges		**42,491**	7,805
Auditor's remuneration	**18.1.**	**417,450**	330,000
Donations		**7,300,000**	5,000,000
Miscellaneous expenses		**32,036**	57,809
		180,668,864	164,142,563

	2026 (Rupees)	2025 (Rupees)
18.1 Auditor's remuneration		
-Annual audit fee	**417,450**	330,000
	417,450	330,000

19. OTHER INCOME

Capital gain/(loss) on investment at fair value through P&L	**88,407,099**	83,806,359
Profit on cash margin	**7,436,533**	9,558,824
Gain/(loss) on disposal of property and equipment	**(375,000)**	1,001,306
Income from dividend	**12,545,684**	10,721,473
Other income	**-**	1,437,925
	108,014,316	106,525,887

20. MINIMUM TAX - LEVY

This represents portion of minimum tax paid as per Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

21. FINAL TAX - LEVY

This represents portion of final taxes paid as per Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

	2026 (Rupees)	2025 (Rupees)
22. INCOME TAX EXPENSE		
Income Tax Expense	**2,368,486**	1,871,475

22.1 Major components of income tax expense are a under:

- Current year	**2,031,777**	1,871,475
- Prior year	**336,709**	-
	2,368,486	1,871,475

22.2 The company has operating losses in the previous years, on which deferred tax asset amounting to Rs. 17.560 million (2025: 16.828 million) will arise. However, as there is continuous losses on account of normal taxable business income, therefore, deferred tax asset has not been recorded.

22.3 Relationship between tax expense and accounting profit

Accounting profit/(loss) before income tax, minimum tax differential and final tax	**89,691,125**	89,512,007
less: Accounting Profit/(loss) subject to minimum tax levy	**(1,597,308)**	(7,765)
less: Accounting Profit/(loss) subject to final tax levy	**(90,019,052)**	(94,527,832)
Accounting profit/(loss) before taxation	**(1,925,235)**	(5,023,590)
Tax at the applicable rate 29% (2025:29%)	**(558,318)**	(1,456,841)
Permanent difference	**3,263,513**	3,328,316
Prior tax	**(336,709)**	-
	2,368,486	1,871,475

22.4 **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:**

	2026 *(Rupees)*	2025 *(Rupees)*
Current tax liability for the year as per applicable tax laws	**4,076,618**	3,447,987
Portion of current tax liability as per tax laws, representing income tax under IAS 12	**(2,031,777)**	(1,864,411)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	**(2,044,841)**	(1,583,576)
Difference	-	-

23. CASH AND CASH EQUIVALENTS

Cash and bank balances	**425,671,829**	408,314,749
Short-term running finance	-	-
Cash and cash equivalents per statement of cash flows	**425,671,829**	408,314,749

23. CAPITAL ADEQUACY LEVEL

Total Assets	**1,007,279,646**	1,025,047,583
Less: Total Liabilities	**(467,262,587)**	(573,456,756)
Less: Revaluation Reserves	-	-
Capital Adequacy Level	**540,017,059**	451,590,827

While determining the value of total assets of TREC holder, the Notional value of the TREC held by H.H Misbah Securities (Private) Limited as at year ended 30th June 2026 determined by Pakistan Stock Exchange has been considered.

24. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Name of the related party	Relationship with the related party	Transactions during the year and year end balances	2026 (Rupees)	2025 (Rupees)
Abdul Wahab	CEO/Shareholder	Remuneration	**3,780,000**	3,780,000
Gul Muhammad Usmani	Director/Shareholder	Remuneration	**3,780,000**	3,780,000
Muhammad Hanif	Director/Shareholder	Remuneration	**4,095,000**	3,780,000
Nafeesa Abdul Wahab	Wife of CEO	Receivable / (Payable)	-	-
Gul Muhammad Usmani	Director/Shareholder	Receivable / (Payable)	**(50,947)**	(51,747)
Rizwana	Wife of Director	Receivable / (Payable)	**(7,528)**	4,480,221
Muzammil	Son of Director	Receivable / (Payable)	-	23,572,582
Muhammad Waqas	Son of Director	Receivable / (Payable)	**(12,134)**	3,292,126
Muhammad Hanif	Director/Shareholder	Receivable / (Payable)	**(101,798)**	35,129,112
Muhammad Hanif	Director/Shareholder	Receivable / (Payable)	**9,294**	7,333,200
Hammad	Son of Director	Receivable / (Payable)	-	1,784,933
Abdul Wahab	CEO/Shareholder	Receivable / (Payable)	**(47,467)**	2,288,199
Abdul Wahab	CEO/Shareholder	Short term loan	**10,000,000**	12,106,655
Abdul Wahab	CEO/Shareholder	Capital contribution from director	-	16,000,000
Gul Muhammad Usmani	CEO/Shareholder	Capital contribution from director	-	2,500,000

24 LIQUID CAPITAL BALANCE

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	Assets			
1.1	Property & Equipment	35,905,246	35,905,246	-
1.2	Intangible Assets	2,750,000	2,750,000	-
1.3	Investment in Govt. Securities	-	-	-
1.4	Investment in Debt. Securities	-	-	-
1.5	Investment in Equity Securities (listed)	322,209,393	95,920,205	226,289,188
1.6	Investment in subsidiaries	-	-	-
1.7	Investment in associated companies/undertaking	-	-	-
1.8	Statutory or regulatory deposits.	1,500,000	1,500,000	-
1.9	Margin deposits with exchange and clearing house.	71,391,709	-	71,391,709
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	-	-	-
1.12	Accrued interest, profit or mark-up	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing.	-	-	-
1.15	**Advances and receivables other than trade receivables;**			
	(i) Short term loan to employees	190,000	190,000	-
	(ii) Advance tax	22,141,985	22,141,985	-
	(iii) Other cases	1,240,588	1,240,588	-
1.16	Receivables from clearing house or securities exchange(s)	6,983,445	-	6,983,445
1.17	**Receivables from customers**			
	i. Trade receivables not more than 5 days overdue	43,426,295	-	43,426,295
	ii. Trade receivables are overdue, or 5 days or more	55,810,290	36,944,118	18,866,172
	iii. Trade receivables from related parties	59,310,151	53,486,580	5,823,571
1.18	**Cash and Bank balances**			
	i. Bank Balance-proprietory accounts	138,350,560	-	138,350,560
	ii. Bank balance-customer accounts	286,832,929	-	286,832,929
	iii. Cash in hand	488,340	-	488,340
1.19	Subscription money against investment in IPO			
	Total Assets	**1,048,530,931**		**798,452,209**
	Liabilities			
2.1	**Trade Payables**			
	i. Payable to customers	374,896,608	-	374,896,608
2.2	**Current Liabilities**			
	i. Accruals and other payables	20,790,482	-	20,790,482
	ii. Provision for taxation	534,811	-	534,811
	iii. Other liabilities as per accounting principles and included in the financial statements	54,510,229	-	54,510,229
2.3	Non-Current Liabilities	-	-	-
	i. Staff retirement benefits	16,530,457	-	16,530,457
2.4	Subordinated Loans	-	-	-
2.5	Advance against shares for increase in capital	-	-	-
	Total Liabilities	**467,262,587**		**467,262,587**

	Ranking Liabilities Relating to :			
3.1	Concentration in Margin Financing	-	-	-
3.2	Concentration in securities lending and borrowing	-	-	-
3.3	Net underwriting Commitments	-	-	-
3.4	Negative equity of subsidiary	-	-	-
3.5	Foreign exchange agreements and foreign currency positions	-	-	-
3.6	Amount Payable under REPO	-	-	-
3.7	Repo adjustment	-	-	-
3.8	Concentrated proprietary positions	-	-	-
3.9	Opening Positions in futures and options	-	-	-
3.10	Short sell positions	-	-	-
	Total Ranking Liabilities	-	-	-
	Grand Total	**581,268,344**	-	**331,189,622**

25 FINANCIAL INSTRUMENT AND RELATED DISCLOSURES

25.1 Financial instrument by category

25.1.1 Financial assets

	2026			
	At fair value through profit or loss	**At fair value through OCI**	**At Amortized Cost**	**Total**
Long term deposits	-	-	**1,500,000**	**1,500,000**
Investment at fair value through OCI	-	**50,513,074**	-	**50,513,074**
Investment at fair value through P&L	**271,696,319**	-	-	**271,696,319**
Trade debts	-	-	**117,295,451**	**117,295,451**
Advances, deposits and prepayments and other receivables	-	-	**101,947,727**	**101,947,727**
Bank balances	-	-	**425,671,829**	**425,671,829**
	271,696,319	**50,513,074**	**646,415,007**	**968,624,400**

	2025			
	At fair value through profit or loss	**At fair value through OCI**	**At Amortized Cost**	**Total**
Long term deposits	-	-	1,500,000	1,500,000
Investment at fair value through OCI	-	30,240,998	-	30,240,998
Investment at fair value through P&L	155,186,747	-	-	155,186,747
Trade debts	-	-	147,959,780	147,959,780
Advances, deposits and prepayments and other receivables	-	-	174,108,303	174,108,303
Bank balances	-	-	408,314,749	408,314,749
	155,186,747	30,240,998	731,882,832	917,310,577

25.1.2 Financial Liabilities at Amortized Cost

	2026	
	Amount	Total
Trade and other payables	**440,732,130**	**440,732,130**
Short term loan	**10,000,000**	**10,000,000**
	450,732,130	**450,732,130**

	2025	
	Amount	**Total**
Trade and other payables	548,496,936	548,496,936
Short term loan	12,106,655	12,106,655
	560,603,591	560,603,591

25.2 Financial risk management

The company primarily invests in marketable securities and are subject to varying digress of risk.
The Board of Directors of the company has overall responsibility for the establishment and oversight of the company's risk management framework. The company has exposure to the following risks from its use of financial instruments:

Credit risk
Liquidity risk
Market risk
Operational risk

25.2.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking in to 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 fulfil their obligations.

Exposure to Credit risk

Credit risk of the company arises principally from the trade debts, short term investments, loans and advances, deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. The company allow to trade in future contracts after taking appropriate margins.

Credit risk is minimized due to the fact that the company invest only in high quality financial assets, all transactions are settled/paid for upon delivery. The company does not expect to incur material credit losses on its financial assets. The maximum exposure to credit risk at the reporting date is as follows:

	2026	**2025**
	(Rupees)	
Long term deposits	**1,500,000**	1,500,000
Investment at fair value through OCI	**50,513,074**	13,850,096
Investment at fair value through P&L	**271,696,319**	155,186,747
Advances, deposits, prepayments and other receivable	**79,805,742**	110,585,945
Trade debts	**117,295,451**	121,766,326
Bank Balances	**425,183,489**	164,692,200
	945,994,075	567,581,314

Bank Balances

The Analysis below summarizes the credit quality of the company's bank balance:

	2026	2025
	(Rupees)	
AAA	**410,150,284**	144,506,038
AA+	**6,050,010**	12,711,105
AA	**8,983,195**	2,163,891
BBB-	**-**	4,573
	425,183,489	159,385,607

The credit rating agency are PACRA and JCR-VIS.

25.2.2 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 asset. 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 commitments associated with financial liabilities as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to dynamic nature of business.

	2026				
	carrying amount	**contractual cash flows**	**up to one year**	**one to two years**	**Two to five years**
Financial Liabilities					
Trade and other	**440,732,130**	**440,732,130**	**440,732,130**	**-**	**-**
Short term loan	**10,000,000**	**10,000,000**	**10,000,000**	**-**	**-**
	450,732,130	**450,732,130**	**450,732,130**	**-**	

	2025				
	carrying amount	**contractual cash flows**	**up to one year**	**one to two years**	**Two to five years**
Financial Liabilities					
Trade and other	548,496,936	548,496,936	548,496,936	-	-
Short term loan	12,106,655	12,106,655	12,106,655	-	-
	560,603,591	560,603,591	560,603,591	-	-

On the balance sheet date, the company has cash and bank balances of Rs 425.67 million (2025: 408.06 million) and investments of Rs 322.21 million (2025: 266.956 million) for repayment of liabilities.

25.2.3 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 change in credit rating of the issuer or the instrument, management manages market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. Currently there is no currency risk as all financial assets and liabilities are in PKR.

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 risk. The company is not exposed to interest rate risk as there is no interest based liability or asset.

Other price risk

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

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

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

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

	Before Tax	
	10% Increase	10% Decrease
as at 30th June 2026	**27,169,632**	**(27,169,632)**
as at 30th June 2025	23,671,550	(23,671,550)

25.3 Fair value of Financial instruments

Fair value is the price that would be received to sell an asset are paid to transfer a liability in any orderly transaction between market participants at the measurement date. The management is of the view that the fair values of the financial assets and liabilities are not significantly different from their carrying values in the financial statements.

The company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: 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).

Following is the fair value hierarchy of assets and liabilities carried at fair value:

	2026		
	Level 1	Level 2	Level 3
	(Rupees)		
Investment in quoted securities	**322,209,393**	-	-
	322,209,393	-	-

	2025		
	Level 1	Level 2	Level 3
	(Rupees)		
Investment in quoted securities	266,956,497	-	-
	266,956,497	-	-

25.4 Capital risk management

The Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

26. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2026			2025		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
	Rupees					
Managerial remuneration	3,780,000	11,655,000	112,145,000	3,780,000	7,560,000	79,052,840
	3,780,000	11,655,000	112,145,000	3,780,000	7,560,000	79,052,840
Number of persons (including those who worked part of the year)*	1	3	30	1	2	30

27. OTHER DISCLOSURES UNDER REGULATION OF THE SECURITIES BROKER (LICENSING AND OPERATIONS) REGULATION 2016:

The disclosures under the regulation, other than disclosed elsewhere in these annual financial statements are as follows:

27.1 Pattern of Shareholding

	2026	2025	2026	2025
	% of Holding		Number of Shares	
Abdul Wahab - CEO	25.00%	25.00%	250,000	250,000
Gul Muhammad Usmani - Director	10.00%	10.00%	100,000	100,000
Muhammad Hanif - Director	65.00%	65.00%	650,000	650,000
	100.00%	100.00%	1,000,000	1,000,000

27.2 During the year there was no movement in shareholding of more than 5% of the shares.

27.3 As at June 30, 2026, neither company's securities pledged with financial institutions, nor customer securities maintained with the company pledged with financial institutions.

27.4 As at June 30, 2026, the value of customer shares maintained with the company sub-Accounts held in the Central Depository Company of Pakistan Limited is Rs. 3,893.12 million (2025: Rs. 3,237.450 million).

27.5 Company prepares these financial statements on the settlement date basis and accordingly account for income, assets and liabilities.

28. NUMBER OF EMPLOYEES

	2026	2025
	(Number of employees)	
Total number of employees as at 30 June.	34	34
Average Number of employees	34	34

29. CORREPONDING FIGURES

Comparative information has been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current year.

30. DATE OF AUTHORIZATION

These financial statements were approved by the Company's board of directors and authorised for issue on 07 OCT 2026.

Chief Executive

Director

CORPORARTE GOVERNANCE

BOARD OF DIRECTORS

An effective board established comprising of Four (04) directors, responsible for ensuring long-term success and for monitoring and evaluating the management's performance. The composition of board is as follows:

Mr. Abdul Wahab	Chief Executive Officer / Director
Mr. Muhammad Hanif	Director
Mr. Gul Muhammad Usmani	Director
Mr. Muhammad Waqas	Director

BOARD RESPONSIBILITIES, POWER AND FUNCTION

Each member of the board is fully aware of the responsibilities as an individual member as well as the responsibilities of all members together as a board. The board actively participates in all major decisions of the company including but not limited to approval of capital expenditure budget, investments, related party transaction and appointment of key personnel. The board also monitors the company's operation by approval of financial statements, review of internal and external audit observation, if any and recommendation of dividend, the board has devised formal policies for conducting business and ensure their monitoring through an independent outsourced Internal Auditors which continuously monitors adherence to Company policies,

BOARD MEETINGS

The meeting of the directors was 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 regulation with respect to frequency, recording and circulation minutes of board.

COMMITTEES OF BOARD

The board has formed following committees and their terms of reference.

AUDIT COMMITTEE

RELATED PARTY TRANSACTION

The Company has provided detailed information on related party transaction in its financial statements annexed to this Annual Report, the disclosure complies with the requirements of Companies Act, 2017 and the relevant International Financial Reporting Standard.

AUDITORS

The company is registered as trading and self-clearing category of securities broker under securities brokers (Licensing and Operations) Regulations 2016 and appointed UHY Hassan Naeem & Co., , Charted Accountants as their external auditors which were enlisted within "A" category of Panel of Auditors issued by State Bank of Pakistan.

COMPLIANCE STATEMENT

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

COMPLAINCE WITH THE CODE OF CORPORATION GOVERNANCE

We confirm that the company is in compliance with the Code of Corporation Governance required Under Securities Broker licensing and Operations 2016.

Abdul Wahab
Chief Executive

Muhammad Hanif
Director

Karachi; Dated: October 07, 2026

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HH MISBAH SECURITIES (PVT) LTD.

TREC HOLDER - PAKISTAN STOCK EXCHANGE LTD.

STATEMENT BY CHIEF EXECUTIVE OFFICER

I, Abdul Wahab, **Chief Executive Officer** of **HH Misbah Securities (Private) Limited** hereby declare that there is no transaction entered into by **HH Misbah Securities (Private) Limited** during the year, which are fraudulent, illegal or violation of any securities market laws.

Abdul Wahab
Chief Executive Officer

Karachi; October 07, 2026

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STATEMENT OF COMPLIACE WITH CORPORATE GOVERNANCE CODE FOR SECURITIES BROKER (GIVE UNDER ANNEXURE-D OF SECURITIES BROKERS LICENSING & OPERATIONS REGULATION (2016)

HH Misbah Securities (Private) Limited is in compliance with the corporate Governance Code for Securities Broker as mentioned in Annexure D of Regulation 16(1) (f) of securities Broker (Licensing & Operations) Regulations,2016.

Abdul Wahab
Chief Executive Officer

Muhammad Hanif
Director

Karachi; October 07, 2026