Zahid Latif Khan Securities (Private) Limited

Audited Financial Statements

For the period ended 2026

NASIR JAVAID MAQSOOD IMRAN
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the members of ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements **ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2026 and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2026 and of the profit 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 and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the other information. The other information comprises the Director's 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 is 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, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

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

d) 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.

e) The Company was in compliance with the relevant requirements of Futures Brokers (Licensing and Operations Regulations), 2018 as at the date on which the statement of financial position was prepared.

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

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

Place: Islamabad
Date: 06 October 2026

Nasir Javaid Maqsood Imran
Chartered Accountants

UDIN: AR2026109316whBGVuWI

ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 Rupees	Restated 2025 Rupees	Restated 2024 Rupees
ASSETS				
NON-CURRENT ASSETS				
Property and equipment	4	57,150,841	29,063,799	30,839,467
Long term deposits	5	1,420,000	1,420,000	1,420,000
Long term investments	6	98,427,421	86,367,347	83,969,031
Intangible assets	7	3,250,000	3,250,000	3,250,000
Deferred tax asset	8	4,129,745	4,945,018	16,397,358
		164,378,008	125,046,164	135,875,856
CURRENT ASSETS				
Short term investment	9	713,142,818	849,899,334	266,452,523
Trade receivables	10	176,311,587	172,900,764	150,317,513
Advances	11	40,857,914	39,066,720	36,873,432
Deposits and other receivables	12	274,206,913	63,458,569	32,145,503
Cash and bank balances	13	598,999,760	407,587,426	223,497,361
		1,803,518,993	1,532,912,813	709,286,332
TOTAL ASSETS		1,967,897,001	1,657,958,978	845,162,188
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Share capital	14	243,000,000	187,000,000	187,000,000
Capital reserve:				
Deposit for shares		-	56,000,000	56,000,000
Surplus on remeasurement of Investment		34,536,757	38,114,614	33,623,401
Revenue reserve:				
Unappropriated profit		756,365,543	526,043,725	106,838,235
		1,033,902,300	807,158,338	383,461,636
NON-CURRENT LIABILITIES				
Deferred tax Liability	8	-	-	-
		-	-	-
CURRENT LIABILITIES				
Trade and other payables	15	857,265,308	470,856,424	261,352,577
Accrued interest	16	7,468,968	6,641,884	10,218,745
Short term bank borrowings	17	51,120,220	357,822,002	190,129,229
Provision for taxation	18	18,140,204	15,480,329	-
		933,994,700	850,800,639	461,700,552
TOTAL EQUITY AND LIABILITIES		1,967,897,001	1,657,958,978	845,162,188
CONTINGENCIES AND COMMITMENTS	19	-	-	-

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

Chief Executive

DIRECTOR

ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
Revenue	20	376,659,677	253,968,556
Capital/gain (loss) realized - net		11,972,056	46,607,708
Unrealized fair value gain/(loss) on investment remeasurement-FVTPL - net	21	132,497,723	320,589,644
		521,129,456	621,165,907
Direct expenses	22	(204,608,975)	(105,902,039)
		316,520,481	515,263,868
Operating expenses	23	(70,782,914)	(43,775,036)
		245,737,567	471,488,832
Financial charges	24	(17,356,094)	(31,113,434)
Other income	25	25,478,534	19,524,538
Profit/(loss) before taxation and levies		253,860,008	459,899,936
Levies		(6,378,520)	(3,114,973)
Profit before taxation		247,481,487	456,784,963
Taxation	26	(17,159,669)	(37,579,474)
Net profit/(loss) after taxation		230,321,818	419,205,490

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

Chief Executive

DIRECTOR

ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss)/ profit before tax		253,860,008	459,899,936
Adjustments for non-cash and other items:			
Depreciation		5,867,114	4,744,366
Financial charges		17,356,094	31,113,438
Gain on disposal		(515,435)	-
Loss on disposal		136,909	-
Loss on Investment in ZLK Islamic		9,766,879	7,092,897
Provision for expected credit loss		3,941,043	1,092,619
Unrealized (gain)/loss on short term investment		(132,497,723)	(320,589,644)
		(95,945,118)	(283,639,220)
		157,914,889	176,260,716
Working capital changes			
(Increase) / decrease in current assets:			
Short term investment		269,254,239	(262,857,167)
Trade receivables		(7,351,866)	(23,675,870)
Loans and advances		(1,791,194)	(2,193,288)
Deposits, prepayments and other receivables		(201,673,581)	(31,313,067)
		58,437,598	(320,039,393)
Increase / (decrease) in current liabilities		386,408,884	209,503,847
		602,761,371	65,725,170
Finance charges paid		(16,529,010)	(34,690,296)
Income tax paid		(29,137,805)	(13,761,777)
Net cash generated from operating activities		557,094,556	17,273,097
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of assets		3,100,000	-
Long term Investment		(25,404,809)	(5,000,000)
Fixed capital expenditure		(36,675,631)	(2,968,702)
Net cash (used in) investing activities		(58,980,440)	(875,805)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share deposit money		-	-
Shares Issued		-	-
Short term loan - net		(306,701,782)	167,692,774
Net cash inflow from financing activities	38	(306,701,782)	167,692,774
Net increase / (decrease) in cash and cash equivalents		191,412,334	184,090,065
Cash and cash equivalents at the beginning of the year		407,587,426	223,497,361
Cash and cash equivalents at the end of the year	13	598,999,760	407,587,426

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

Chief Executive **DIRECTOR**

ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
Net (loss)/ profit for the year		230,321,818	419,205,490
Items that may not be reclassified to profit or loss:		-	-
Fair gain on equity investment designated at FVTOCI	21.2	(3,577,856)	4,491,212
Total comprehensive (loss) / income for the year		226,743,962	423,696,702

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

Chief Executive

DIRECTOR

ZAHID LATIF KHAN SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Note	SHARE CAPITAL	REVENUE RESERVE	CAPITAL RESERVE		TOTAL
			ACCUMULATED PROFIT / (LOSS)	DEPOSIT FOR SHARES	FAIR VALUE RESERVE ON INVESTMENT AT FVTOCI	
		Rupees				
Balance as at June 30, 2024 - Balance previously stated		**187,000,000**	**89,590,860**	**73,247,375**	**33,623,401**	**383,461,636**
Adjustment due to accounting error	28	-	17,247,375	(17,247,375)	-	-
Balance as at June 30, 2024 - Restated		**187,000,000**	**106,838,235**	**56,000,000**	**33,623,401**	**383,461,636**
Shares issued		-	-	-	-	-
Total comprehensive loss for the year		-	419,205,490	-	4,491,212	423,696,702
						-
Balance as at June 30, 2025 - Restated		**187,000,000**	**526,043,725**	**56,000,000**	**38,114,614**	**807,158,338**
Share deposit money received		-			-	-
Shares issued		56,000,000	-	(56,000,000)	-	-
Total comprehensive loss for the year		-	230,321,818	-	(3,577,856)	226,743,962
Balance as at June 30, 2026		**243,000,000**	**756,365,543**	**-**	**34,536,757**	**1,033,902,300**

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

Chief Executive

DIRECTOR

1 **The Company and its operations**

The company was incorporated in Pakistan on May 06, 1999 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company. It started its commercial activities with effect from July 06, 1999.

The main object of the company is to carry on the business of broker in stocks, shares, securities under license or with the foreign permission or approval of any recognized association, authority, stock exchange, or other market in Pakistan or abroad. The company is operating under license from PMEX and PSX. The registered office of the company is situated at Room No. 624-627, 6th Floor, Stock Exchange Building, Stock Exchange Road, Karachi.

Geographical location of all Branches is:

Branches	Addresses
Corporate Office	412, 4th Floor, ISE Towers, 55-B Jinnah Avenue, Islamabad
Cantt Branch	28-Al Amin Plaza, The Mall, Rawalpindi Cantt
Cantt Branch II	23-Al Amin Plaza, The Mall, Rawalpindi Cantt
Chaklala Branch	61-C 1st Floor, Aneeq Plaza Street 12, Commercial area, Chaklala Scheme-III, Rawalpindi
Abbottabad Branch	Office No 203, Iqbal Shopping Complex, The Mall,Abbotabad
City Branch	201, 2nd Floor, Dubai Orakzai Plaza, Murree Road, Rawalpindi
Pindi gheb Branch	Office No.2, Muhammad Ali Market, Near The Bank Of Punjab, Bank Road,Pindi Gheb, Distt Attock
Wah Cantt Branch	Office # 7,8 1st Floor, Chaudhry Plaza,Lala Rukh, Wah Cantt.
Islamabad Branch	408, 4th Floor, ISE Towers, 55-B Jinnah Avenue, Islamabad
NPF Branch	03, 1st Floor, Plot # 1315, NPF Housing Scheme PWD, Opposite Tehzeeb Bakers, Islamabad
Dha 2 (Facilitation Centre)	Plot No 46, Sector D Mian Tipu Boulevard, near Attock petrol station DHA 2 Islamabad

2 **Basis of preparation of financial statements**

2.1 **Statement of compliance**

These financial statements have been prepared in accordance with the 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 accounts have been prepared under the historical cost convention, without any adjustments for the effects of inflation or current values except otherwise stated in relevant policies hereunder;

2.3 **Functional and presentation currency**

These financial statements are presented in Pakistan Rupees which is also the company's functional currency.

2.4 **Use of significant estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards requires management to make judgment, estimates and assumptions that effect 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 judgment about carrying value 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 estimates are revised if the revision effects only that period, or in the period of the revision and future periods if the revision effects both current and future periods.

Judgments made by management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the ensuing paragraphs.

2.6 **Standards, interpretations and amendments to accounting and reporting standards**

a) Amendments to accounting and reporting standards that became effective during the year

There were certain amendments that became applicable for the Company during the year but are not considered to be relevant or did not have any significant effect on the Company's operations and have, therefore, not been disclosed in these financial statements except as mentioned below:

b) Standards and amendments to accounting and reporting standards that are not yet effective and not early adopted by the Company

There are certain new standards and amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2024. However, these amendments will not have any significant effect on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.

3 Material accounting policy information

Material accounting policies adopted in the preparation of these financial statements are:

3.1 Taxation

Income tax expense comprises current and deferred tax.

Current

The charge for current taxation is based on taxable income at current tax rates after considering all tax credits and rebates available, if any.

Levy

The amount of minimum taxes over and above tax chargeable on profits and final tax chargeable under the provisions of Income Tax Ordinance, 2001 are recognized as levy.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse, based on tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is charged or credited in the statement of profit or loss account, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

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

Off-setting

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

3.2 Property and equipment

i These are stated at cost less accumulated depreciation and impairment losses, if any;

ii Depreciation on operating assets is charged on reducing balance method. A full month's depreciation is charged in the month of addition and no depreciation is charged in the month of disposal;

iii Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized;

iv Gain and losses on disposal of fixed assets, if any, included in profit and loss account currently;

v The Company reviews the useful lives and residual value of its assets on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge.

Judgments and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

3.3 Impairment of non-financial assets

Assets that are subject to depreciation/amortization are reviewed at each statement of financial position date to identify circumstances indicating occurrence of impairment loss or reversal of previous impairment losses. As impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost to sale and value in use. Reversal of impairment loss is restricted to the original costs of the asset.

3.4 Intangible assets

Trading Right Entitlement Certificate (TREC)

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

3.5 Revenue recognition

Revenue is recognized when services are provided to customers and thereby performance obligation is satisfied at amount which company expects to receive in exchange. Revenue is recognized on the following basis:

Brokerage Commission

Brokerage, consultation and advisory fee and commission on securities and commodities is recognized as and when related services are rendered.

Income on bank deposits

Mark-up / interest on bank deposits and return on investments is recognized on time apportionment basis when right to receive is established using effective interest rate.

Dividend income

Dividend income is recognized in profit or loss as other income when:

- the Company's right to receive payment have been established;
- it is probable that the economic benefits associated with the dividend will flow to the company; and
- the amount of the dividend can be measured reliably.

Others

Gain / loss on sale of investment is recognized in the year in which they arise.

3.6 Trade and other payables

Trade and other payables are recognized initially at cost which is the fair value of the consideration to be paid in the future for goods and services received.

3.7 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount could be reliably estimated. Provisions are not recognized for future operating 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 recognized as interest expense.

Judgement and estimates

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 recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

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.

3.8 Trade and other receivable

Measurement

Trade receivable are recognized initially at fair value and subsequently measured at cost less provision for Expected Credit Loss.

Impairment

A provision for impairment of trade debts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debts. The amount of the provision is recognized in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

Judgments and estimates

Management reviews its trade debtors on a continuous basis to identify receivables where collection of the amount is no longer probable. These estimates are based on historical experience and are subject to change in condition at the time of actual recovery.

3.9 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash with banks on current account.

3.10 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the Board of Directors, it is in the interest of the Company to do so.

3.11 Financial instruments

Initial Recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortized cost or cost as the case may be.

Classification of financial assets:

The Company classifies its financial instruments in the following categories:

- At Fair Value Through Profit or Loss (FVTPL)
- At fair value through other comprehensive income (FVOCI); and
- At Amortized Cost

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets at amortized cost:

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

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.

Financial assets at FVTPL

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

Classification of financial liabilities

The Company classifies its financial liabilities in the following categories.

- At Fair Value Through Profit or Loss (FVTPL)
- At Amortized Cost

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Subsequent Measurement

i) **Financial assets and liabilities at amortized cost**

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

ii) **Financial assets and liabilities at FVTPL**

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss in the period in which they arise.

Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income / (loss). Currently, there are no financial liabilities designated at FVTPL.

iii) **Financial assets at FVTOCI**

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 recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses, until the financial asset is derecognized or reclassified. When the financial asset is derecognized , the cumulative gain or loss previously recognized 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 recognized in profit or loss.

Impairment of financial asset

The financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The Company applies general approach in calculating expected credit losses. It is based on difference between the contractual cashflows due in accordance with the contract and all the cashflows that the Company expects to receive discounted at the approximation of the original effective interest rate. The expected cashflows will include cash flows from sale of collateral held or other credit enhancements that are integral to the contractual terms.

The impairment loss is recognized immediately in the statement of profit or loss and the carrying amount of the related financial asset is reduced accordingly. An impairment loss is reversed only if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

Derecognition

i) **Financial assets**

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in profit

ii) **Financial liabilities**

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any noncash assets transferred or liabilities assumed, is recognized in the statement of profit or loss.

3.12 Investment in subsidiaries

Investments in subsidiary companies are accounted for using the cost method. Under this method , the investments are stated at cost less any impairment in the value of individual investments.

3.13 Settlement Date Accounting

All "regular way" purchases and sales of financial assets are recognized on settlement date, i.e. the date on which the asset is received and cash is settled by the Company. Regular way purchases or sales of financial assets are those contracts which requires delivery of assets within the time frame generally established by regulation or convention in the market.

4 Property and equipment

	Office Building	Furniture and Fixture	Air Conditioners	Office Equipment	Motorcycle	Electronic Equipment's	Computers	Generator	Telephone Installation	Motor Vehicle	Fire fighting	Total
	Rupees											
Year ended June 30,2025												
Opening Net Book Value	15,555,962	2,090,838	476,706	44,272	8,787	619,982	3,675,487	766	141,719	8,025,007	-	30,839,467
Additions	-	1,153,141	183,900	-	-	79,000	1,090,898	-	22,645	-	439,314	2,968,699
Depreciation Charge	(1,555,596)	(413,021)	(99,091)	(6,641)	(1,318)	(103,410)	(1,163,563)	(166)	(22,956)	(1,323,751)	(54,914)	(4,744,368)
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Net Book Value	14,000,366	2,830,958	561,515	37,631	7,469	595,572	3,002,824	600	141,408	7,501,256	384,400	29,063,799
As at June 30, 2025												
Cost	21,131,837	5,832,079	1,234,561	151,941	167,925	1,358,085	9,262,070	19,100	403,861	12,659,688	439,314	52,600,501
Accumulated depreciation	(7,131,471)	(3,001,121)	(673,046)	(114,310)	(160,456)	(762,523)	(6,199,446)	(18,500)	(262,453)	(5,158,432)	(54,914)	(23,536,702)
Net book value	14,000,366	2,830,958	561,515	37,631	7,469	595,572	3,002,824	600	141,408	7,501,256	384,400	29,063,799
Year ended June 30,2026												
Opening Net Book Value	14,000,366	2,830,958	561,515	37,631	7,469	595,572	3,002,824	600	141,408	7,501,256	384,400	29,063,799
Additions	-	2,262,013	-	-	-	578,174	5,907,174	-	68,290	27,858,980	-	36,675,631
Depreciation Charge	(1,400,037)	(640,495)	(84,227)	(5,645)		(149,320)	(1,424,644)	(90)	(28,978)	(2,876,019)	(57,660)	(5,667,114)
Disposal	-		-	-	-	-	(554,390)	-	-	(5,126,495)	-	(5,680,875)
Adjustment	-		-	-	-	-	417,470	-	-	2,541,930	-	2,959,401
Net Book Value	12,600,330	4,452,477	477,288	31,986	7,469	1,024,426	7,348,244	510	180,720	30,700,652	326,740	57,150,841
As at June 30, 2026												
Cost	21,131,837	8,094,092	1,234,561	151,941	167,925	1,936,259	14,972,334	19,100	472,151	35,383,173	439,314	84,012,728
Accumulated depreciation	(8,531,508)	(3,641,615)	(757,303)	(119,955)	(160,456)	(911,843)	(7,624,090)	(18,590)	(291,431)	(4,682,521)	(112,574)	(26,861,886)
Net book value	12,600,330	4,452,477	477,288	31,986	7,469	1,024,426	7,348,244	510	180,720	30,700,652	326,740	57,150,841
Rate of depreciation	10%	15%	15%	15%	15%	15%	30%	15%	15%	15%	15%	

	Note	2026 Rupees	2025 Rupees
5 Long term deposits			
Security deposits with:			
National Clearing Company of Pakistan Limited		1,200,000	1,200,000
Pakistan Stock Exchange Limited		200,000	200,000
Mobile phones		20,000	20,000
		1,420,000	1,420,000
6 Long term investment			
-At FVTOCI			
ISE Towers Limited	6.1	38,890,790	68,460,644
ISE REIT Management Company Limited	6.2	26,396,807	-
-At cost less impairment			
ZLK Islamic financial services - subsidiary - unquoted	6.3	33,139,824	17,906,703
		98,427,421	86,367,347

6.1 Pursuant to the promulgation of the Stock Exchange (Corporatization, Demutualization and Integration) Act, 2012 (The Act) the ownership in a Stock Exchange has been segregated from the right to trade on the Exchange. Accordingly, the company has received equity shares of ISE and Trading Right Entitlement Certificate (TREC) in lieu of membership card of ISE. The company entitlement in respect of ISE shares is determined on the basis of valuation of assets and liabilities of ISE as approved by SECP and the company has been allotted 3,034,603 shares of the face value of Rs 10/= each. These includes 60% shares of ISE, held in separate CDC blocked account to restrict the sale of these shares by the members whereas stock exchange will dispose off these shares under the provisions of the Act, however the proceeds of these shares and right to dividend/bonus are vested with the company whereas voting rights attached to these shares are suspended.

The company has recorded a surplus of Rs. 30.746 million on conversion of membership card of ISE to shares and TREC in the equity through profit and loss account during the year 2014-2015.

In absence of an active market for these shares, the company has taken has valued them at Rs.12.81/share (2025: 22.56/share), which is the value approved by the Board of Directors of PSX and intimated to SECP for the base minimum capital. This fact indicates an acceptable level of value for ISE REIT shares which is also used by the stock exchange for risk management and to safeguard investors 'interest. The related deferred tax has not been provided on unrealized gain since the market value taken here is break up value as per accounts of investee and its real market value is not available however some recent transactions these shares privately have been made at below cost.

6.2 During the year, the Company received dividend in specie 41,309 shares in the form of shares of ISE Realty Company and was also allotted additional 40,481 shares against rights issued. These shares are valued at there breakup value of Rs. 322.74 per share as at 30 June 2026 in absence of active market.

6.3 This includes amount Rs. 17,906,703 representing 99.99% investment in paid up capital of ZLK Islamic Financial Services (Private) Limited (249,996 shares of Rupees 100 each) and amount of Rs. 25,000,000 advanced against further issuance of shares.

		Note	2026 Rupees	2025 Rupees
7	**Intangible assets**			
	TREC - Pakistan Stock Exchange	8.1	2,500,000	2,500,000
	TREC - Pakistan Mercantile Exchange		750,000	750,000
			3,250,000	3,250,000

7.1 In the absence of an active market for TREC, the company has taken the cost of TREC at Rs 2.5 million, which is the value approved by the Board of Directors of ISE and intimated to SECP. This fact indicates an acceptable level of value for TREC which is also used by the Stock Exchange for risk management and to safeguard the investors' interest.

		Note	2026 Rupees	2025 Rupees
8	**Deferred tax asset/(liability)**			
	Provision for expected credit loss		5,987,948	4,845,045
	Property and equipment - liability		(1,858,203)	(505,911)
	Tax losses		-	605,884
			4,129,745	4,945,018

8.1 Deferred tax has been provided at 29% and charged to statement of profit or loss.

8.2 **Movement in Deferred Tax Balances**

	As at 30th June 2025	Statement of Changes in Equity	Statement of profit or loss	As at 30th June 2026
	Rupees			
Differences in tax and accounting bases of assets	(505,911)	-	(1,352,292)	(1,858,203)
Provision for expected credit loss	4,845,045	-	1,142,903	5,987,948
Taxable losses	605,884	-	(605,884)	-
	4,945,018	-	(815,273)	4,129,745

	As at 1st July 2024	Statement of Changes in Equity	Statement of profit or loss	As at 30th June 2025
	Rupees			
Differences in tax and accounting bases of assets	(221,732)	-	(284,179)	(505,911)
Tax credit	6,509,234	-	(6,509,234)	-
Provision for expected credit loss	4,528,186	-	316,860	4,845,045
Taxable Losses	5,581,671	-	(4,975,787)	605,884
	16,397,358	-	(11,452,340)	4,945,018

		Note	2026 Rupees	2025 Rupees
8.3	Tax credits and losses will expire as follows			
		year of expiry		
	Losses:	2029	-	2,089,256

			2026	2025
9	**Short term investment**			
	Financial assets at fair value through profit or loss			
	Investment in quoted equity securities		713,142,818	849,899,334
			713,142,818	849,899,334
10	**Trade receivables**			
	Trade debts		196,959,683	189,607,817
	Less: Provision for bad debts	10.1	(20,648,096)	(16,707,052)
			176,311,587	172,900,764
10.1	**Movement in provision for expected credit loss**			
	Balance at beginning of the year		16,707,052	15,614,433
	Charged during the year		3,941,043	1,092,619
	Balance at end of year		20,648,096	16,707,052
11	**Advances and prepayments**			
	Advances - considered good			
	To Staff against Salary - secured		7,873,381	7,411,328
	Advance to Supplier		2,708,333	212,500
	Advance for purchase of building - unsecured		30,276,200	28,876,200
	Advance for purchase of car		-	2,000,000
	Prepayments		-	566,692
			40,857,914	39,066,720
12	**Deposits and other receivables**			
	Deposits			
	Withholding income taxes	12.1	10,498,945	1,424,182
	Security Deposits		1,139,200	594,000
	Margin deposit - Pakistan Stock Exchange Limited		241,006,769	42,423,079
	BMC deposit with PSX		700,000	-
	Security deposit - Central Depository Company of Pakistan		75,000	75,000
	Clearing Deposit with PMEX		4,442,674	6,217,077
			257,862,588	50,733,338
	Other receivables			
	Due from National Clearing Company of Pakistan Limited		12,427,373	9,074,265
	Other Receivables		3,916,952	3,650,966
			16,344,325	12,725,231
			274,206,913	63,458,569
12.1	**Withholding income taxes**			
	Opening withholding tax		1,424,182	1,424,182
	Adjusted during the year - tax		(13,684,521)	(10,646,805)
	Adjusted during the year - levies		(6,378,520)	(3,114,973)
	(Paid)/ withheld during the year		29,137,805	13,761,777
			10,498,945	1,424,182
13	**Cash and bank balances**			
	Cash in hand		674,968	697,124
	Cash at bank - current accounts		579,553,098	290,489,426
	Cash at bank -savings account		18,771,694	116,400,875
			598,999,760	407,587,426
14	**Share capital and reserves**			
	Authorized:			
	3,000,000 (2025: 1,870,000) ordinary shares of Rs. 100/= each		300,000,000	187,000,000
	Issued, subscribed and paid up:			
	2,430,000 (2025: 1,870,000) ordinary shares of Rs. 100/= each in cash		243,000,000	187,000,000
			243,000,000	187,000,000
	Opening No of shares		1,870,000	1,870,000
	Shares Issued		560,000	-
	Closing no of shares		2,430,000	1,870,000

15	**Accrued and other liabilities**		
	Trade Payables	**764,749,483**	**449,525,078**
	Other liabilities	**80,817,432**	**9,758,551**
	Sales Tax/FED Payable	**755,283**	**2,766,646**
	Audit fee payable	**825,000**	**550,000**
	CGT payable	**1,795,808**	**-**
	Unclaimed dividend	**7,598,599**	**7,598,599**
	Withholding tax payable	**723,702**	**657,550**
	Security payable	**-**	**-**
	Levies payable	**-**	**-**
		857,265,308	**470,856,424**

		Note	2026 Rupees	2025 Rupees
16	**Accrued interest**			
	MCB Bank Limited		**4,123,291**	**2,404,975**
	Bank Al Habib		**187,216**	**915,539**
	JS bank		**3,158,461**	**3,321,370**
			7,468,968	**6,641,884**
17	**Short term bank borrowings**			
	Muslim Commercial Bank Limited	**17.1**	**24,639,143**	**70,927,554**
	JS bank Limited	**17.2**	**-**	**89,578,465**
	Bank Al Habib	**17.3**	**26,481,078**	**197,315,984**
			51,120,220	**357,822,002**

17.1 The facility with MCB Bank Limited is available to the tune of Rs. 125 million (2025 : 100 million) against Shares running finance-1(RF-I)

RF - I — TPMR (3 Months Kibor + 2.50% p.a.)
SMR (TPMR + 5%) (whichever is higher)

These facilities are secured by way of:

Running Finance - I

- Personal guarantees of all the directors covering the entire exposure;
- Pledge of activity traded shares in marketable lots (trading at not less than par value) of eligible listed companies registered with CDC as per MCB's eligible list for financing against shares.

17.2 Following Facilities are available from JS Bank:

The Running facility (RF-I) is available to the tune of Rs. 100 million (2025 : 100 million) against JS bank RF at the markup of:

SMR(3 months Kibor + 550 bps)
TMPR (3 month Kibor + 250 bps)

These facilities are secured by way of:

- Pledge of shares with minimum 35% margin on shares to be governed by the JSBL list duly approved by BRMC of JSBL.
  The shares will be pledged and held under CDC subaccount with JSBL.
- Personal guarantees of the directors along with PNWS.

The Running facility (RF-II) is available to the tune of Rs. 86 million (2025: 100 million) as per approved margin against JS bank RF at the markup of:

SMR(3 months Kibor + 575 bps)
TMPR (3 month Kibor + 275 bps)

These facilties are secured by way of:

- TRM of Rs 100,000/ & remaining through EM over commercial property located at Office no.803 ,8th floor ,Plot No.55-B known as Islamabad stock exchange tower(ISE),Jinnah Avenue, Blue Area, Islamabad
- Personal guarantees of the directors along with PNWS.

17.3 Following Facility is available from Bank Al Habib:

The Running facility is available to the tune of Rs. 350 million (2025 : 250 million) against Bank Al Habib RF at the markup of:

SMR(3 months Kibor + 2%)
TMPR (12 month average Kibor + 2%)

These facilities are secured by way of:

- Pledge of shares of listed companies(duly registered with SECP) quoted at Stock Exchange as per Bank's approved list(in Company's &/or Director's name) @ Bank's approved margin.
- Pledge of below mentioned unapproved shares (in Company's &/or Director's name) @ 50% margin. Aggregate/cumulative exposure against all unapproved shares not to exceed Rs 100 Mn at all times & maximum per script exposure against all unapproved shares shall not exceed @ 20% i.e.: Rs 100 Mn.
  1. Pakistan Telecommunication Company (PTC)
  2. Ghani Global Glass Limited (GGGL)
  3. Ghani Global Holdings Limited (GGL)
  4. The Organic Meat Company Limited (TOMCL)
  5. Citi Pharma Limited (CPHL)
  6. Sui Southern Gas Company Limited (SSGC)
  7. Airlink Communication Limited (AIRLINK)
- Personal guarantees from all directors.

	Note	2026 Rupees	2025 Rupees
18 Provision for taxation			
Opening provision		15,480,329	-
Tax expense during the year		16,344,396	26,127,134
Adjusted against advance tax/paid		(13,684,521)	(10,646,805)
Closing provision		18,140,204	15,480,329

19 Contingencies and commitments

Contingencies:

There are no contingencies as at year end.

Commitments:

Currently there are no commitments against the company in foreseeable future.

	Note	2026 Rupees	2025 Rupees
20 Revenue			
Securities brokerage		388,618,568	246,265,037
Dividend		24,703,697	20,964,846
Account maintenance receipts		7,363,212	9,734,458
Commodity brokerage		4,801,085	9,617,475
Profit on Margin Deposit		6,876,996	3,321,176
Federal Excise Duty		(55,703,880)	(35,934,436)
		376,659,677	253,968,556
21 Un realized gain on remeasurement of investments at fair value-through profit or loss			
Quoted Securities		132,497,723	320,589,644
Unquoted Securities		(3,577,856)	4,491,212
		128,919,867	325,080,856
21.1 Quoted Securities			
Market value of investment in shares(Quoted Securities)		713,142,818	849,899,334
Less: Cost of investment		(580,645,096)	(529,309,690)
		132,497,723	320,589,644
21.2 Unquoted Securities			
Market value of Unquoted Shares		65,287,597	68,460,644
Less: opening value and additions during the year		(68,865,454)	(63,969,431)
		(3,577,856)	4,491,212

22	**Direct Expenses**		
	Staff salaries and benefits	74,477,664	57,441,616
	Commission	93,152,987	22,958,001
	Interest to Account Holders	7,722,317	-
	Directors' remuneration	8,616,062	6,823,576
	Investor protection fund	80,340	136,091
	Central Depository Company expense	5,582,408	3,752,814
	ISEL/LSEL/NCCPL trading fee	5,315,457	6,878,182
	Depreciation	5,867,114	4,744,366
	Utilities - Internet	1,645,682	1,181,741
	Utilities - Telephone	2,148,943	1,985,652
		204,608,975	105,902,039

		Note	2026 Rupees	2025 Rupees
23	**Operating expenses**			
	Utilities - Other		6,640,304	5,874,183
	Rents, Rates & Taxes		9,698,790	8,840,133
	Entertainment		5,768,441	4,229,970
	Fee and subscription		2,113,370	4,554,817
	Miscellaneous		6,518,719	3,238,660
	Printing and stationery		661,667	440,144
	Postage and telegram		502,355	305,699
	Travelling & Conveyance		3,052,018	703,130
	Office repair and maintenance		3,498,797	1,891,969
	Audit fee		675,000	675,000
	Other Certification Fee		150,000	
	Software expenses		9,952,652	1,610,039
	Newspapers and periodicals		117,365	101,705
	Legal and professional charges		-	25,481
	Vehicle running and maintenance		4,187,368	2,502,058
	Welfare Committee		190,752	140,000
	Advertisement		862,981	162,310
	Insurance		459,541	294,221
	Provision for expected credit loss		3,941,043	1,092,619
	Research and Technical Expense		1,887,964	-
	Loss on disposal of fixed assets		136,909	-
	Impairment on investment in zlk Islamic		9,766,879	7,092,897
			70,782,914	43,775,036
24	**Financial charges**			
	Markup on running finance facility		16,968,871	30,892,710
	Bank charges		387,223	220,724
			17,356,094	31,113,434
25	**Other income**			
	Rental Income		275,000	333,000
	Profit on debt		24,288,099	19,191,537
	Underwriting commission		400,000	-
	Gain on disposal of fixed assets		515,435	-
			25,478,534	19,524,537
26	**Taxation**			
	Current tax		28,092,125	26,226,407
	Prior year		(11,747,729)	(99,274)
	Deferred		815,273	11,452,340
			17,159,669	37,579,474

26.1 Tax assessments have been finalized up to tax year 2025 under the provisions of Income Tax Ordinance, 2001

26.2 Relationship between tax expense and accounting profit

Profit before taxation	253,860,008	459,899,936
Tax at the applicable rate of 29% (2025: 29%)	73,619,402	133,370,982
realized and unrealized capital gain on short term investment	(38,424,340)	(92,970,997)
prior year charge	(11,747,729)	(99,274)
amount transferred to levies	(6,378,520)	(3,114,973)
other miscellaneous items	90,856	393,736
	17,159,669	37,579,474

26.3 Reconciliation of tax expense and product of accounting profit multiplied by the applicable tax rate is not required in view of alternate taxation under section 113(C) of the Income Tax Ordinance, 2001 last year .

	Note	2026 Rupees	2025 Rupees
27 Levies			
Current Year		5,501,363	3,114,973
Prior year		877,158	-
		6,378,520	3,114,973

28 Restatement due to error

Deposit for Share

During the year 2024 - Company received shares from zahid latif khan amounting to Rs. 56,000,000, which were erroneously recorded at Rs. 73,247,375 and the resultantly the unrealized loss for that year was overstated by 17,247,375. Now the error has been rectified and comparative has been restated from financial year ended 30 June 2024 as follows:

	2025 Rupees	2024 Rupees
Decrese in share desposit money	(17,247,375)	(17,247,375)
Increase in Accumulated Profits/loss	17,247,375	17,247,375

29 Financial instruments and related disclosures

29.1 Financial assets as per statement of financial position

	At Ammortized Cost		At Fair Value Through Profit & Loss		At Fair Value Through OCI	
	2026	2025	2026	2025	2026	2025
Short term investment			713,142,818	849,899,334	-	-
Trade debts	176,311,587	172,900,764	-	-		
Deposits, prepayments and other receivables	263,707,968	62,034,387	-	-		
Cash and bank balances	598,999,760	407,587,426	-	-	-	-
Loans and advances	7,873,381	7,411,328	-	-	-	-
	1,046,892,697	669,260,608	713,142,818	849,899,334	-	-

29.2 Financial liabilities as per statement of financial position

	At Ammortized Cost		At Fair Value Through Profit & Loss	
	2026	2025	2026	2025
Trade payables	764,749,483	449,525,078	-	-
Short term bank borrowings	58,589,189	364,463,887	-	-
Accrued and other liabilities	89,241,032	17,907,150	-	-
	912,579,704	831,896,115	-	-

		Note	2026 Rupees	2025 Rupees
30	**Capital Adequacy Level**			
	Total Assets		1,967,897,001	1,657,958,978
	Less: Total Liabilities		(933,994,700)	(850,800,639)
	Less: Revaluation reserves (created upon revaluation of fixed assets)		-	-
			1,033,902,301	807,158,338

Note:-
While determining the Value of total assets of the TREC Holder, Notional Value of the TRE Certificate held by the Zahid Latif Khan Securities (Pvt.) Ltd as determined by Pakistan Stock Exchange has been considered.

	Information required by regulation 34 of Securities Broker Regulations 2016	2026	2025
a)	Customer shares in the central depository system	305,602,926	240,332,050
	Customer's cash in bank account - PKR	528,636,534	406,667,848
b)	Securities pledged with financial institutions-customer	9,691,012	-
	Securities pledged with financial institutions-house	1,568,508	6,440,400
c)	Income from dividends	24,703,697	20,964,846
d)	Pattern of shares:		
	Zahid Latif Khan (CEO/Director)	2,429,000	1,869,000
	Ajmal Sultan (Director)	500	500
	Muhammad Atif Khan (Director)	500	500
	Total no of shares	2,430,000	1,870,000
e)	Changes in shareholding : Shares Issued to Zahid Latif Khan	560,000	-
f)	Trade and other receivables are stated at estimated realizable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the statement of profit or loss.		
g)	Aging analysis of amount due from customers		
	Due not more than 5 days - PKR	9,788,096	11,315,398
	Due more than 5 days - PKR	187,171,587	178,292,419

32 Remuneration of Chief Executive Officer and Director

	2026			2025		
	Chief Executive	Director	Executives	Chief Executive	Director	Executives
			Rupees			
Managerial		8,616,062	17,526,108	-	6,823,576	12,055,104
Bonus	-	2,855,642	2,921,018	-	756,252	2,009,184
	-	11,471,704	20,447,126	-	7,579,828	14,064,288
Number of person	1	2	10	1	2	8

33 Financial Instruments

33.1 Financial risk analysis

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (foreign currency risk, price risk and interest/mark-up rate risk). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse affect 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.

33.2 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. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

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:

	2026 Rupees	2025 Rupees
Long term Investment	98,427,421	86,367,347
Long term deposit and advances	1,420,000	1,420,000
Short term Investment in equity securities - quoted	713,142,818	849,899,334
Trade Receivables	176,311,587	172,900,764
Deposits and other receivables	263,707,968	62,034,387
Advances	7,873,381	7,411,328
Cash and bank balances	598,999,760	407,587,426
	1,859,882,936	1,620,700,160

	2026		2025	
	Gross Carrying amount	Provision for expected credit	Gross Carrying amount	Provision for expected credit
Not passed due				
Past due 1 day to 90 days	123,608,549.03	-	171,789,399	-
Past due 91 days to 180 days	51,544,821.18	-	1,111,365	-
Past due 181 days to 365 days	1,158,216.96	-		-
More than a year	20,648,095.50	-	16,707,052	-
	196,959,682.67	-	189,607,817	-

The credit quality of Company's liquid funds can be assessed with reference to external credit ratings as follows:

Banks / other institutions	Short term credit rating	Rating agency	2026	2025
Bank Al-Falah Limited	A-1+	PACRA	7,403,307	30,391,993
Bank Al-Habib Limited	A-1+	PACRA	48,727,515	201,030,515.25
JS Bank Limited	A-1+	PACRA	282,517,148	94,979,117
MCB Bank Limited	A-1+	PACRA	259,658,108	80,488,677
ISE Reit Management Co. Ltd.	A1	PACRA	65,287,597	68,460,644

33.3 Market Risk

Market risk is the risk that the value of financial instruments may fluctuate as a result of changes in market interest rates or the market prices of instruments due to change in credit rating of the issuers or the instruments, changes in market sentiments, speculative activities, supply and demand of instruments and liquidity in the market. The Company manages the market risk by monitoring exposure on financial instruments and by following internal risk management policies.

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

33.3.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market interest rates.

- Fair value risk - Presently, fair value risk to the Company arises from balances with banks which are based on fixed interest rates. As at June 30, 2026, the impact of increase / decrease in fixed interest rates by 100 basis points would not have a material impact on the profit after tax of the

- Future cash flow risk - Presently, there is no future cash flow risk to the Company since no item is based on floating interest rates (i.e. KIBOR based). As at June 30, 2026, had there been increase / decrease of 50 basis points in KIBOR with all other variables held constant, he Company's profit after taxation would have increased/decreased by Rs. 156,403 respectively. (2025: 2,201,270)

33.3.2 Currency Risk

Currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company does not have any significant foreign currency exposures.

33.3.3 Price Risk

Price risk is the risk that the fair value of or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. As at June 30, 2026, the Company is marginally exposed to investment in listed equity securities.

As at June 30, 2026, had there been increase / decrease of 10% in value of securities with all other variables held constant, profit after taxation would have increased/decreased by 71,314,282. (2025: 75,124,765)

33.4 Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulties in meeting obligations associated with financial liabilities. The Company's approach to manage liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its financial liabilities when due. Accordingly, the Company maintains sufficient cash and also ensures availability of funding through credit facilities.

The analysis below summarizes the Company's financial liabilities (based on contractual undiscounted cash flows) into relevant maturity group on the remaining period as at the reporting date:

		Contractual Cash flows	Less than One Year	Between one to Five Years
2026	**Financial Liabilities**			
	Trade and other payables	845,566,916	845,566,916	
	Accrued interest	7,468,968	7,468,968	
	Short term bank borrowings	51,120,220	51,120,220	
2025				
	Financial Liabilities			
	Trade and other payables	459,283,628	459,283,628	
	Accrued interest	6,641,884	6,641,884	
	Short term bank borrowings	357,822,002	357,822,002	

		2026	2025
34	**Number of employees**		
	At year end	53	49
	Average	52	49

		2026	2025
		Rupees	Rupees
35	**Liquid capital balance**		
	Liquid capital balance-as per Annexure A	429,516,435	139,465,788

36 Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences may arise between the carrying value and the fair value estimates. The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows: - quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1); - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and - inputs for the asset or liability that are not based on observable market data (level 3). The level in the fair value hierarchy within which the fair value measurement of a financial instrument is categorized in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement of that financial instrument.

	As at June 30, 2026			As at June 30, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	Rupees			Rupees		
Financial Assets at Fair Value Through Profit and Loss						
Quoted Shares	713,142,818			849,899,334		
Financial Assets at Fair Value Through Other Comprehensive Income						
Unquoted Shares		65,287,597			68,460,644	

37 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 and to maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The proportion of borrowings to equity at the year end was:

	2026 Rupees	2025 Rupees
Total Borrowings	58,589,189	364,463,887
Total Equity	1,033,902,300	807,158,338
	1,092,491,489	1,171,622,225
Gearing Ratio	6%	45%

38 Reconciliation of movement of liabilities to cash flows arising from financing activities:

	2026		
	Liabilities from financing activities		Total
	Share deposit Money	Long term loan Bank	
Balance as at July 01, 2025	-	357,822,002	357,822,002
Increase in share deposit money - in kind	-	-	-
Increase in shares issued	-	-	-
Long term loan repaid	-	(306,701,782)	(306,701,782)
Balance as at June 30, 2026	-	51,120,220	51,120,220

	2025		
	Liabilities from financing activities		Total
	Share deposit Money	Short term borrowing loan Bank	
Balance as at July 01, 2025	-	190,129,229	190,129,229
Increase in share deposit money - in cash	-	-	-
Increase in share deposit money - in kind	-	-	-
Increase in shares issued	-	-	-
Long term loan repaid	-	167,692,773	167,692,773
Balance as at June 30, 2026	-	357,822,002	357,822,002

39 Related party transactions and relationships

The related party comprise of members, associated undertakings and senior management.

	2026 Rupees	2025 Rupees
Shares issued to Zahid Latif khan - Chief executive officer	56,000,000	-
Share deposit money Zahid Latif khan - Chief executive officer	-	-

40 Date of authorization for issue

These financial statements were authorized for issue on 06-OCTOBER-2026 by the Board of Directors of the Company.

41 General

Figures have been rounded off to the nearest rupee

Chief Executive

DIRECTOR

Zahid Latif Khan Securities (Pvt) Ltd
Statement of Liquid Capital
AS ON : 30-June-26

Annexure A

1. Assets

1.1	Property & Equipment	57,150,841	100	
1.2	Intangible Assets	3,250,000	100	
1.3	Investment in Govt. Securities (150,000*99)			
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. (Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirenment, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital	713,142,818	263,310,685	449,832,134
	ii. If unlisted, 100% of carrying value.	65,287,597	100	-
1.6	Investment in subsidiaries	33,139,824		
1.7	**Investment in associated companies/undertaking**			
	i. If listed 20% or VaR of each securities as computed by the Securites Exchange for respective securities whichever is higher.			
	ii. If unlisted, 100% of net value.		100	-
1.8	Long term Deposit	1,420,000	100	-
1.9	Margin deposits with exchange and clearing house.	245,449,443	100	245,449,443
1.10	Deposit with authorized intermediary against borrowed securities under SLB.			
1.11	Other deposits and prepayments	32,190,400	100	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.(Nil)			
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties		100	-
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	i. Short Term Loan To Employees: Loans are Secured and Due for repayment within 12 months	7,873,381	100	-
	ii. Advance tax to the extent it is netted with provision of taxation.	15,453,284		15,453,284
	iii. Receivables other than trade receivables	10,755,030	100	
	Receivables from clearing house or securities exchange(s)			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.			-
	claims on account of entitlements against trading of securities in all markets including MtM gains.	12,427,373		12,427,373
1.17	**Receivables from customers**			
	i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. ***i. Lower of net balance sheet value or value determined through adjustments.***			
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. ***ii. Net amount after deducting haircut***			
	iii. Incase receivalbes are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, ***iii. Net amount after deducting haricut***			
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. ***iv. Balance sheet value***	9,788,096		9,788,096
	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***	187171587	112,779,409	74,392,178

	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.		100	
	vi. Lower of net balance sheet value or value determined through adjustments			
1.18	**Cash and Bank balances**			
	I. Bank Balance-proprietory accounts	69,688,258		69,688,258
	ii. Bank balance-customer accounts	528,636,534		528,636,534
	iii. Cash in hand	674,968		674,968
1.19	**Subscription money against investment in IPO/ offer for sale (asset)**			
	(i)No haircut may be applied in respect of amount paid as subscription money provided that shares have not been alloted or are not included in the investments of securities broker. (ii) In case of Investment in IPO where shares have been alloted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities. (iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares.			
1.20	**Total Assets**	**1,993,499,435**		**1,406,342,268**

2. Liabilities

2.1	**Trade Payables**			
	i. Payable to exchanges and clearing house	-		-
	ii. Payable against leveraged market products			
	iii. Payable to customers	**764,749,483**		**764,749,483**
2.2	**Current Liabilities**			
	i. Statutory and regulatory dues	**10,873,392**		**10,873,392**
	ii. Accruals and other payables	**89,111,401**		**89,111,401**
	iii. Short-term borrowings	51,120,220		51,120,220
	iv. Current portion of subordinated loans			
	v. Current portion of long term liabilities			
	vi. Deferred Liabilities	-		-
	vii. Provision for taxation	18,140,204		18,140,204
	viii. Other liabilities as per accounting principles and included in the financial statements			
2.3	**Non-Current Liabilities**			
	i. Long-Term financing			
	ii. Staff retirement benefits		100	
	iii. Other liabilities as per accounting principles and included in the financial statements		100	
	Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. (b) Nill in all other cases		100	
2.4	**Subordinated Loans**			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:			
	ii. Subordinated loans which do not fulfill the conditions specified by SECP			
	Total Liabilites	**933,994,700**		**933,994,700**

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 finances. (Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million) Note: Only amount exceeding by 10% of each financee from aggregate amount shall be include in the ranking liabilities			
3.2	**Concentration in securites lending and borrowing**			
	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed (Note only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities)			

	Net underwriting Commitments			
3.3	**(a) in the case of right issuse :** if the market value of securites is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issuse where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting			
	(b) in any other case : 12.5% of the net underwriting commitments			
	Negative equity of subsidiary			
3.4	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary			
	Foreign exchange agreements and foreign currency positions			
3.5	5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign cuurency less total liabilities denominated in foreign currency			
3.6	Amount Payable under REPO			
	Repo adjustment			
3.7	**In the case of financier/purchaser** the total amount receivable under Repo less the 110% of the market value of underlying securites. **In the case of financee/seller** the market value of underlying securities after applying haircut less the total amount received ,less value of any securites deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.			
	Concentrated proprietary positions			
3.8	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security .If the market of a security exceeds 51% of the proprietary position,then 10% of the value of such security			13,529,499
	Opening Positions in futures and options			
3.9	i. In case of customer positions, the total margin requiremnets in respect of open postions less the amount of cash deposited by the customer and the value of securites held as collateral/ pledged with securities exchange after applyiong VaR haircuts	30,169,588	867954	29,301,634
	ii. In case of proprietary positions , the total margin requirements in respect of open positions to the extent not already met	25,817,545	25817545	-
	Short selll positions			
3.10	i. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts			
	ii. Incase of proprietory positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.			
3.11	**Total Ranking Liabilites**	55,987,133	26685499	42,831,133
	Total Liquid Capital			429,516,435