

# ***Strongman Securities (Pvt.) Ltd.***

***T.R.E.C. Holder Pakistan Stock Exchange Ltd.***

409-Stock Exchange Building, 19-Khayaban-e-Aiwan-e-Iqbal,

Lahore. Phone: +92-42-36315772-4, 36317135

www.strongmanpk.com, email: strongmansecurities@yahoo.com

## **Directors' Report to the Members**

### **Dear Shareholders:**

The Directors of the Company are pleased to present their report under section 226 of the Companies Act, 2017 together with Audited Financial Statements for the year ended June 30, 2025.

### **Equity Market Review**

During the financial year ended **June 30, 2025**, the Pakistan Stock Exchange (PSX) demonstrated remarkable resilience and strong recovery, emerging as one of the best-performing regional markets. The benchmark **KSE-100 Index surged by nearly 55% year-on-year**, closing at around **130,000 points** by June 2025, compared to approximately **83,000 points** a year earlier. This performance reflected improved investor confidence, supported by macroeconomic stabilization, declining inflation, and policy continuity under the IMF program.

Monetary easing also played a pivotal role in driving equity valuations upward. The **State Bank of Pakistan reduced its policy rate by 100 basis points** in early 2025, following a sustained decline in inflation—which fell to **0.3% in April 2025**, the lowest level in over six decades. This reduction in borrowing costs improved market liquidity and encouraged institutional and retail participation.

Trading volumes remained robust throughout the year, with active participation from both local and foreign investors. **Foreign portfolio investment showed renewed momentum** as improved external account indicators and stable currency conditions enhanced Pakistan's risk profile. The **current account surplus of USD 1.9 billion** during July–April FY 2025 further strengthened investor sentiment.

The rally was broad-based, with significant contributions from the **banking, energy, and cement sectors**, reflecting improved profitability and expectations of continued monetary relaxation. However, the market remained sensitive to geopolitical developments and domestic policy uncertainties, leading to intermittent volatility—such as the brief **5.5% correction in May 2025** triggered by regional tensions.

Overall, the PSX reflected **strong recovery and renewed optimism**, driven by improved macroeconomic stability, fiscal discipline, and structural reforms. Going forward, market performance will depend on sustained policy consistency, continued monetary easing, and revival in corporate earnings. The Company remains cautiously optimistic about the equity market outlook for FY 2026, while maintaining a prudent and vigilant investment approach amid evolving economic conditions.

### **Debt and Currency Market Review**

During the financial year ended **June 30, 2025**, Pakistan's debt and currency markets showed signs of stability after a challenging period. The country's **total public debt increased to about Rs. 80.5 trillion**, a **13% rise** from last year, mainly due to higher domestic borrowing. The **debt-to-GDP ratio** stood around **70%**, which is still high but slightly improved. The share of **external debt fell from 38% to 32%**, helping to reduce exchange rate risks.

The Government focused on better debt management by extending repayment periods and introducing new instruments such as the **Green Sukuk**. Interest rates also started to decline as the **State Bank of Pakistan (SBP)** reduced its policy rate by **1%**, following a drop in inflation.

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In the currency market, the Pakistani rupee remained largely stable throughout the year. Supported by higher remittances (up by 31% during July–April FY 2025) and better foreign exchange reserves, the rupee traded around Rs. 277–280 per US dollar by June 2025, compared to Rs. 290 a year earlier.

Although overall conditions improved, challenges such as high interest payments and limited fiscal space continue to affect debt sustainability. Going forward, continued fiscal discipline, lower inflation, and stable foreign inflows will be key for maintaining stability in the debt and currency markets.

## Financial Performance:

	2025	2024
Operating Revenue	5,542,322	4,616,520
Gain/ (Loss) on sale of Investment	(2,593,263)	322,762
Other Income	706,289	4,547,749
Profit before Tax	(2,665,991)	4,734,947
Profit after Tax	(2,665,991)	4,190,399
EPS (Rs.)	(4.10)	6.45

The operating revenue has decreased during the year as compared to the last year. The company is trying its best to yield better volumes by providing improved quality of services through extensive research, corporate access and advisory services. We are working on expanding our client base in order to increase the market participation of investors and avail benefits from lucrative market opportunities.

## Risk Management:

The Board of Directors of the company actively drives the risk management framework wherein it provides an active approach in dealing with factors that influence the financial health of the company. An effective risk management framework along-with robust risk governance structure, strong capital & liquidity position and good quality of investment portfolio, remains a cornerstone to accomplish the goals of the company.

## Code of Corporate Governance:

The Board and Management of the Company are committed to ensuring the requirements of the Code of Corporate Governance are fully met. The Company has adopted strong Corporate Governance practices with an aim to enhance the accuracy, comprehensiveness and transparency of the financial and non- financial information. The Directors are pleased to report that:

- The financial statements, prepared by the management of the company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity;



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- Proper books of accounts of the company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departures therefrom have been adequately disclosed and explained;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no significant doubts upon the Company's ability to continue as a going concern;
- The company has on account of statutory payment of taxes, duties, levies and charges has no outstanding liability as at the balance sheet date;
- There are no transactions entered into by the broker during the year which are fraudulent, illegal or in violation of any securities market laws.

## **Auditors:**

The Board recommends appointment of M/S ASLAM MALIK & CO. Chartered Accountants as the statutory auditors of the Company for the year ended June 2024 in the forthcoming Annual General Meeting.

## **Appreciation and Acknowledgements:**

The Board of Directors of STRONGMAN SECURITIES (PVT.) LIMITED would like to thank the GOP, the SECP, NCCPL, CDC, PSX, the bankers to the company and other regulatory bodies for their continued support, all esteemed shareholders and clients of the company for their trust, and our co-colleague's & employees of the company for their continuous dedication and commitment.

**On behalf of the Board of Directors**

**Director**

**Date: October 20, 2025**

  
**Chief Executive Officer**

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## **Statement of Compliance** **For the Year Ended June 30, 2025.**

The company has complied with the requirements of the Regulations in the following manner:

- The financial statements, prepared by the management of the company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity;
- Proper books of accounts of the company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards (MSE), as applicable in Pakistan, have been followed in preparation of financial statements and any departures therefrom have been adequately disclosed and explained;
- The system of internal control is sound in design and has been effectively implemented and monitored.
- The brokerage house is considered to be a going concern, and there is no reason(s) that the brokerage house is unable to continue as going concern.
- The company is not made any default in any kind of payment of loan, TFC, Sukuk or other instruments.
- The Company has duly complied with the Corporate Governance Code.

Chief Executive Officer



Place: Lahore

Date: October 20, 2025



# ***Strongman Securities (Pvt.) Ltd.***

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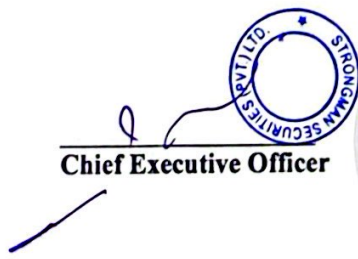
***Lahore. Phone: +92-42-36315772-4, 36317135***

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## **STATEMENT OF CEO**

**For the Year Ended June 30, 2025.**

I CEO of STROGMAN SECURITIES (PVT.) LIMITED hereby undertake that there are no transactions entered into by the broker during the year, which are fraudulent, illegal or in violation of any securities market laws.

  
**Chief Executive Officer**



**Place: Lahore**

**Date: October 20, 2025**

# **STRONGMAN SECURITIES (PRIVATE) LIMITED**

## **AUDITED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED JUNE 30, 2025**

**ASLAM MALIK & CO**  
**CHARTERED ACCOUNTANTS**

**Web:** [www.aslammalik.com](http://www.aslammalik.com)  
**E-mail** [info@aslammalik.com](mailto:info@aslammalik.com)

**Lahore Office**

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Road

**Quetta Office**

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Adalat Road  
Tel # +92-81-2823837





**Aslam Malik & Co.**  
Chartered Accountants



## INDEPENDENT AUDITOR'S REPORT

To The Members of Strongman Securites (Private) Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Strongman Securites (Private) Limited** (the Company), which comprises the statement of financial position as at **June 30, 2025**, 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 material accounting policies information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, 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 forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the loss, comprehensive income and 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). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

#### More Head Office

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Centre, New Garden Town,  
ore ✉ aslammalik@brain.net.pk  
:-35858693-4, 042-35856819

#### Islamabad

House # 726, Street # 34,  
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1001-1003 10<sup>th</sup> Floor, Chapal  
Plaza, Hasrat Mohani Road, Off  
I.I Chundrigar Road, Karachi  
021-32425911, 021-32425912

#### Quetta

1<sup>st</sup> Floor, Haji Fateh  
Khan Center, Adalat  
Road, Quetta  
081-2823837



**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 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, expenditures incurred and guarantees extended during the year 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).

The engagement partner on the audit resulting in this independent auditor's report is Hafiz Muhammad Ahmad Saleem.

*Hafiz Muhammad Ahmad Saleem*  
Chartered Accountants



October 20, 2025

Lahore

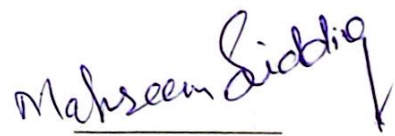
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**STRONGMAN SECURITIES (PVT.) LIMITED****Statement of Financial Position***As at June 30, 2025*

		2025	2024
ASSETS	Note	Rupees	Rupees
<b>Non-current assets</b>			
Property and equipment	5	40,359,098	40,398,997
Intangible assets	6	6,056,300	6,056,300
Long term investments	7	9,478,662	5,496,475
Long term deposits	8	3,482,500	3,332,500
		<b>59,376,560</b>	<b>55,284,272</b>
<b>Current assets</b>			
Trade & other receivables	9	-	-
Prepayments and advances	10	8,178,731	3,314,496
Short term investment	11	2,080,183	12,298,766
Cash and bank balances	12	1,531,030	697,299
		<b>11,789,943</b>	<b>16,310,562</b>
		<b>71,166,503</b>	<b>71,594,834</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Share capital and reserves</b>			
Issued, subscribed and paid-up capital	13	65,000,000	65,000,000
Capital Reserve			
Unrealized surplus / (deficit) on re-measurement of investments measured at FVOCI		1,038,912	(2,943,275)
Revenue reserve			
Unappropriated profit		3,603,632	6,269,622
<b>Total equity</b>		<b>69,642,544</b>	<b>68,326,347</b>
<b>Current liabilities</b>			
Trade and other payables	14	1,523,959	3,268,487
Current tax liability	15	-	-
		<b>1,523,959</b>	<b>3,268,487</b>
<b>Contingencies and commitments</b>	16	-	-
		<b>71,166,503</b>	<b>71,594,833</b>

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

  
Chief Executive Officer

  
Director



**STRONGMAN SECURITIES (PVT.) LIMITED****Statement of Profit or Loss***For the year ended June 30, 2025*

	Note	2025 Rupees	2024 Rupees
Operating revenue	17	5,542,322	4,616,520
Gain/(loss) on sale of short term investments		(2,593,263)	322,762
Unrealized gain/(loss) on remeasurement of investments classified at FVTPL		<u>227,263</u>	<u>1,533,557</u>
		<b>3,176,322</b>	<b>6,472,839</b>
Other income /( loss)	18	706,289	4,547,749
Operating and administrative expenses	19	<u>(6,545,006)</u>	<u>(6,282,228)</u>
<b>Operating profit / (loss)</b>		<b>(2,662,394)</b>	<b>4,738,359</b>
Finance costs	20	<u>(3,596)</u>	<u>(3,412)</u>
<b>Profit / (loss) before taxation</b>		<b>(2,665,991)</b>	<b>4,734,947</b>
Income tax expense	21	-	(544,548)
<b>Profit/(loss) for the year</b>		<b><u>(2,665,991)</u></b>	<b><u>4,190,399</u></b>
<b>Earnings/(loss) per share - basic</b>	22	<b>-4.10</b>	<b>6.45</b>

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

Chief Executive Officer



Mahrooz Siddiq

Director

**STRONGMAN SECURITIES (PVT.) LIMITED****Statement of Comprehensive Income***For the year ended June 30, 2025*

	Note	2025 Rupees	2024 Rupees
Profit/(loss) for the year		(2,665,991)	4,190,399
Other comprehensive income/ (loss)			
Items that will not be reclassified subsequently to profit or loss			
Unrealized gain / (loss) during the period in the market value of investments measured at FVOCI		3,982,187	(3,510,343)
Total comprehensive income/(loss) for the year		<u>1,316,197</u>	<u>680,056</u>

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

Chief Executive Officer



Mahseem Siddiq

Director



**STRONGMAN SECURITIES (PVT.) LIMITED****Statement of Changes in Equity***For the year ended June 30, 2025*

	Issued, subscribed and paid-up capital	Unappropriated profit/ (loss)	Unrealized surplus / (deficit) on re- measurement of investments measured at FVOCI	Total
	.....Rupees.....			
Balance as at June 30, 2023	65,000,000	2,079,223	567,068	67,646,291
Total comprehensive income for the year				
Profit for the year	-	4,190,399		4,190,399
Other comprehensive income/(loss)	-		(3,510,343)	(3,510,343)
	-	4,190,399	(3,510,343)	680,056
Balance as at June 30, 2024	65,000,000	6,269,622	(2,943,275)	68,326,347
Total comprehensive income for the year				
Profit/(loss) for the year	-	(2,665,991)		(2,665,991)
Other comprehensive income/(loss)	-		3,982,187	3,982,187
	-	(2,665,991)	3,982,187	1,316,197
Balance as at June 30, 2025	65,000,000	3,603,632	1,038,912	69,642,544

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

Chief Executive Officer

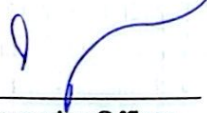




Maharaj Singh

Director

**STRONGMAN SECURITIES (PVT.) LIMITED****Statement of Cash Flows***For the year ended June 30, 2025*

	Note	2025 Rupees	2024 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/ (loss) before taxation		(2,665,991)	4,734,947
Adjustments:			
Depreciation and impairment	5	39,900	41,861
Dividend income		(983,326)	(474,328)
		(943,426)	(432,467)
<b>Operating profit/(loss) before working capital changes</b>		<b>(3,609,417)</b>	<b>4,302,480</b>
<b>(Increase)/decrease in current assets</b>			
Trade & other receivables		0	1,914,059
Prepayments and advances		(4,625,313)	(1,157,408)
<b>Increase/(decrease) in current liabilities</b>			
Trade and other payables		(1,744,527)	(600)
		(6,369,840)	756,051
<b>Cash generated from / (used in) operations</b>		<b>(9,979,257)</b>	<b>5,058,531</b>
Proceeds from net sales of / (acquisition of) short-term investments		10,218,583	(3,973,244)
Dividends received		983,326	474,328
Taxes paid		(238,921)	(191,295)
		10,962,989	(3,690,211)
<b>Net cash generated from/(used in) from operating activities</b>		<b>983,732</b>	<b>1,368,320</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property and equipment		-	(44,500)
Decrease / (increase) in long-term deposits		(150,000)	(546,443)
<b>Net cash generated from / (used in) investing activities</b>		<b>(150,000)</b>	<b>(590,943)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from / (repayment of) long-term borrowings		-	(2,827,000)
<b>Net cash generated from / (used in) financing activities</b>		<b>-</b>	<b>(2,827,000)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>833,732</b>	<b>(2,049,623)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>697,299</b>	<b>2,746,922</b>
<b>Cash and cash equivalents at the end of the year</b>	12	<b>1,531,031</b>	<b>697,299</b>

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

  
 Chief Executive Officer



  
 Director



**1 Legal Status and Nature of Business**

Strongman Securities (Private) Limited ("the Company") was incorporated in Pakistan on October 24, 2012 as a private limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is a holder of a Trading Rights Entitlement Certificate (TREC) issued by the Pakistan Stock Exchange Limited.

The principal activities of the Company include brokerage of shares, stocks, purchase and sale of securities, financial consultancy, brokerage, underwriting, portfolio management, and securities research.

**2 Geographical Location of the Company's Offices**

The Company's offices are located as follows:

**Registered Office:**

Room #409, 4th Floor, LSE Building, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.

**Corporate Office:**

Room #409, 4th Floor, LSE Building, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.

**3 Basis of Preparation**

**3.1 Statement of Compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards applicable in Pakistan. The accounting and reporting framework applicable in Pakistan comprises:

Financial Reporting Standard for Small and Medium-Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Provisions and directives issued under the Companies Act, 2017 and the relevant provisions of the Securities Brokers (Licensing and Operations) Regulations, 2016 (the "Regulations").

In case of any conflict, the provisions or directives of the Companies Act, 2017 and/or the Regulations shall prevail.

**3.2 Accounting Convention**

These financial statements have been prepared under the historical cost convention, except for the following:

Short-term investments in quoted equity securities (whether classified as assets at fair value through profit or loss, or at fair value through other comprehensive income) are carried at fair value.

Investments in unquoted equities, measured at fair value through other comprehensive income;

Investments in associates, which are recorded in accordance with the equity method of accounting for such investments; and

Derivative financial instruments, which are marked to market as appropriate under relevant accounting and reporting standards.

**3.3 Functional and Presentation Currency**

Items included in these financial statements are measured using the currency of the **primary economic environment** in which the Company operates.

These financial statements are presented in **Pakistani Rupees (PKR)**, which is the Company's functional and presentation currency.

**3.4 Accounting Estimates and Judgments**

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

These estimates and assumptions are **continually evaluated** and are based on historical experience and expectations of future events and other relevant factors that are believed to be reasonable under the circumstances.

However, actual results may differ from these estimates.

Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Company's financial statements, include the following:

i. Estimates of useful lives and residual values of items of **property, plant, and equipment** (Note 5);

ii. Estimates of useful lives of **intangible assets** (Note 6);

iii. **Allowance for credit losses** (Note 4.5.4);

iv. **Fair value of unquoted equity investments** (Note 7);

v. **Classification, recognition, measurement, and valuation of financial instruments** (Notes 4.5 and 7); and

vi. **Provision for taxation** (Note 16).





### 3.5 Standards, amendments to published standards and interpretations that are effective for the year and are relevant to the Company

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 1, 2024. However, these do not have any significant impact on the Company's financial statements.

### 3.6 Standards, interpretations and amendments to approved accounting standards that are not yet effective

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

		Effective date (annual reporting periods beginning on or after)
IAS 21	The Effect of Changes in Foreign Exchange Rates (Amendments)	January-01-2025
IFRS 7	Financial Instruments: Disclosures (Amendments)	January-01-2026
IFRS 9	Financial Instruments: Classification and Measurement (Amendments)	January-01-2026
IFRS 17	Insurance Contracts	January-01-2026
Annual improvements to IFRS 7, IFRS 9, IFRS 10 (consolidated financial statements) and IAS 7 (statements of cashflows)		January-01-2026

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

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, 2025;

IFRS 1 First-time Adoption of International Financial Reporting Standards

IFRIC 12 Service Concession Arrangement

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 19 Subsidiaries without Public Accountability: Disclosures

## 4 Material Accounting Policy Information

### 4.1 Property and Equipment

Items of property and equipment are stated at **cost less accumulated depreciation** (if any) and **impairment losses** (if any). Cost includes expenditure that is directly attributable to the acquisition of the items.

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

Subsequent costs that increase future economic benefits are capitalized; all other expenditures are charged to profit or loss as incurred.

Depreciation is calculated using the **reducing balance method** at the rates specified in **Note 5**, taking into account **residual values**, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged from the date the asset is available for use until the date it is disposed of.

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

The assets' **residual values, depreciation methods, and useful lives** are reviewed and adjusted, if necessary, at each financial year-end. The Company's estimate of residual value of property and equipment as at **June 30, 2023** did not require any adjustment.

### 4.2 Intangible Assets

Intangible assets with **indefinite useful lives**, including **Trading Right Entitlement Certificate (TREC)**, are stated at **cost less accumulated impairment losses** (if any).

An intangible asset is considered to have an **indefinite useful life** when, based on an analysis of all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Company. Such assets are **not amortized** but are **tested annually for impairment** or more frequently if events or changes in circumstances indicate that the asset may be impaired.

Gains or losses arising from derecognition of intangible assets are included in the **statement of profit or loss** when the asset is disposed of.

### 4.2.1 Membership Cards and Offices

These are stated at **cost less impairment**, if any. The carrying amount is **reviewed at each reporting date** to assess whether there is any indication of impairment.





#### 4.3 Investment property

Investment properties are held for capital appreciation and are measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value at each reporting date. The changes in fair value are recognized in the statement of profit or loss.

#### 4.4 Investment in associates

Associates are all entities over which the Company has significant influence but not control. Investments in associates where the Company has significant influence are accounted for using the equity method of accounting. Under the equity method of accounting, investments in associates are initially recognized at cost and the carrying amount of investment is increased or decreased to recognize the Company's share of the associate's post-acquisition profits or losses in income, and its share of the post-acquisition movement in reserves is recognized in other comprehensive income.

#### 4.5 Financial instruments

The Company classifies its financial assets in the following three categories:

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

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

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

##### **(b) Financial assets at FVOCI**

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

- (i) It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; or
- (ii) It is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the Company at initial recognition. Such financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue thereof.

##### **(c) Financial assets at FVTPL**

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

Such financial assets are initially measured at fair value.

##### **Initial recognition**

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

Regular way purchase of investments is recognized using trade date accounting i.e. on the date on which trading of the purchase transaction takes place. Trade date is the date on which the Company commits to purchase or sell its asset.

Transactions of purchase under resale (reverse-repo) of marketable securities including these securities purchased under margin trading system are entered into at contracted rates for specified periods of time. Amounts paid under these agreements in respect of reverse repurchase transactions are recognized as a receivable. The difference between purchase and resale price is treated as income from reverse repurchase transactions in marketable transactions/ margin trading system and accrued on a time proportion basis over the life of the reverse repo agreement.

##### **Subsequent measurement**

##### **(a) Financial assets measured at amortized cost**

These assets are subsequently measured at amortized cost (determined using the effective interest method) less accumulated impairment losses.

Interest / markup income, foreign exchange gains and losses and impairment losses arising from such financial assets are recognized in the profit and loss account.





#### (b) Financial assets at FVOCI

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

A gain or loss on a financial asset measured at fair value through other comprehensive income 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 (except for investments in equity instruments which are designated as at fair value through other comprehensive income in whose case the cumulative gain or loss previously recognized in other comprehensive income is not so reclassified). Interest is calculated using the effective interest method and is recognized in profit or loss.

#### (c) Financial assets at FVTPL

These assets are subsequently measured at fair value.

Net gains or losses arising from remeasurement of such financial assets as well as any interest income accruing thereon are recognized in profit and loss account.

#### Impairment

##### Financial assets

The Company applies a three-stage approach to measure allowance for credit losses, using an expected credit loss approach as required under IFRS 9, for financial assets measured at amortized cost. The Company's expected credit loss impairment model reflects the present value of all cash shortfalls related to default events, either over the following twelve months, or over the expected life of a financial instrument, depending on credit deterioration from inception. The allowance / provision for credit losses reflects an unbiased, probability-weighted outcomes which considers multiple scenarios based on reasonable and supportable forecasts.

Where there has not been a significant decrease in credit risk since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to the remaining term to maturity is used.

When a financial instrument experiences a significant increase in credit risk subsequent to origination but is not considered to be in default, or when a financial instrument is considered to be in default, expected credit loss is computed based on lifetime expected credit losses.

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

Forward-looking information includes reasonable and supportable forecasts of future events and economic conditions. These include macro-economic information, which may be reflected through qualitative adjustments or overlays. The estimation and application of forward-looking information may require significant judgement.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. The Company makes this assessment on an individual asset basis, after consideration of multiple historical and forward-looking factors. Financial assets that are written off may still be subject to enforcement activities in order to comply with the Company's processes and procedures for recovery of amounts due.

##### Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount defined as the higher of the asset's fair value less costs of disposal and the asset's value-in-use (present value of estimated future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and asset-specific risk) - is estimated to determine the extent of the impairment loss.

For the purpose of assessing impairment, assets are grouped into cash-generating units: the lowest levels for which there are separately identifiable cash flows.

##### Offsetting of financial assets and financial liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

#### 4.6 Trade debts and other receivables

Trade debts and other receivables are stated initially at amortized cost using the effective interest rate method.

Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the trade debts and other receivables. Bad debts are written off when considered irrecoverable.





## 1.7 Cash and cash equivalents

Cash and cash equivalents are carried at cost and include cash in hand, balances with banks in current and deposit accounts, stamps in hand, other short term highly liquid investments with original maturities of less than three months and short-term running finances.

## 1.8 Borrowings

Borrowings are recognized initially at fair value, net of attributable transaction costs incurred. Borrowings are subsequently carried at amortized cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss account over the period of the borrowings using the effective interest method.

## 1.9 Trade and Other Payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost using the effective interest method. They are classified as current if payment is due within twelve months of the reporting date, and as non-current otherwise.

## 1.10 Staff Retirement Benefits

The Company did not have any retirement benefits plan.

## 1.11 Taxation

Income tax expense comprises current and deferred tax.

## 1.12 Current

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using rates enacted or substantively enacted at the reporting date, and takes into account tax credits, exemptions and rebates available, if any. The charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessments framed / finalized during the year.

### Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences at the reporting date between the tax base and carrying amount of assets and liabilities for financial reporting purposes

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carried forward unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carried forward unused tax losses can be utilized. Carrying amount of all deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the reporting 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.

### Provision

Provisions are recognized when the Company has a present 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. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

## 1.13 Revenue Recognition

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

- Brokerage and commission income is recognized when brokerage services are rendered.
- Dividend income is recognized when the right to receive the dividend is established.
- Return on deposits is recognized using the effective interest method.
- Income on fixed term investments is recognized using the effective interest method.
- Gains / (losses) arising on sale of investments are included in the profit and loss account in the period in which they arise.
- Unrealized capital gains / (losses) arising from marking to market financial assets are included in profit and loss (for assets measured at FVTPL) or OCI (for assets measured at FVOCI) during the period in which they arise.
- Income / profit on exposure deposits is recognized using the effective interest rate.

## 1.14 Dividend Income

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



#### 4.15 Mark-up / interest income

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

#### Borrowings

These are recorded at the proceeds received. Finance costs are accounted for on accrual basis and are disclosed as accrued interest / mark-up to the extent of the reporting date.

#### 4.16 Borrowing Cost

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of the relevant asset.

#### 4.17 Fiduciary assets

Assets held in trust or in a fiduciary capacity by the Company are not treated as assets of the Company.

#### 4.18 Foreign Currency Transactions and translation

Monetary assets and liabilities in foreign currencies are translated into functional currency at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are translated into functional currency at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in income.

#### 4.19 Derivative financial instruments

Derivative financial instruments are recognized at their fair value on the date on which a derivative contract is entered into. Subsequently, any changes in fair values arising on marking to market of these instruments are taken to the profit and loss account.

#### 4.20 Related party Transaction

All transactions involving related parties arising in the normal course of business are conducted and recorded at rates that are not less than market. Transactions with related parties have been disclosed in the relevant notes to the financial.

#### 4.21 Trade date Accounting

All "Regular Way" Purchases and Sales of financial assets are recognized on trade date on which the company commits to purchase and sale of financial assets. Regular way purchases or sales of financial assets





5 Property and equipment

As at July 1, 2024

Cost	40,000,000	669,837	199,300	40,869,137
Accumulated Depreciation	-	(353,531)	(116,609)	(470,140)
Net book value	40,000,000	316,306	82,691	40,398,997

Movement during the period

Additions	-	-	-	-
Disposals	-	-	-	-
Cost	-	-	-	-
Depreciation	-	-	-	-

Depreciation charge for the period	-	31,631	8,269	39,900
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As at June 30, 2025

Cost	40,000,000	669,837	199,300	40,869,137
Accumulated Depreciation	-	(385,162)	(124,878)	(510,039)
Net book value	40,000,000	284,675	74,422	40,359,098

Depreciation rate per annum	0%	10%	10%	
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2024

As at July 1, 2023

Cost	40,000,000	625,337	199,300	40,824,637
Accumulated Depreciation	-	(320,858)	(107,421)	(428,279)
Net book value	40,000,000	304,479	91,879	40,396,358

Movement during the period

Additions	-	44,500	-	44,500
Disposals	-	-	-	-
Cost	-	-	-	-
Depreciation	-	-	-	-

Depreciation charge for the period	-	32,673	9,188	41,861
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As at June 30, 2024

Cost	40,000,000	669,837	199,300	40,869,137
Accumulated Depreciation	-	(353,531)	(116,609)	(470,140)
Net book value	40,000,000	316,306	82,691	40,398,997

Depreciation rate per annum	0%	10%	10%	
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## 6 INTANGIBLE ASSETS

Trading Rights Entitlement Certificate ("TREC")  
Rooms - Lahore Stock Exchange

Note	2025 Rupees	2024 Rupees
6.1	2,500,000	2,500,000
6.2	3,556,300	3,556,300
	6,056,300	6,056,300
	-	-
	6,056,300	6,056,300

### Impairment

- 6.1 Pursuant to the Stock Exchange (Corporatization, Demutualization and Integration Act, 2012), operating as guarantee limited companies were converted to public limited companies. Ownership rights in exchanges were segregated from the right to trade on an exchange. As a result of such demutualization and corporatization, the Company received shares of the relevant exchange and a Trading Rights Entitlement Certificate ("TREC") against its membership card.

The TREC has been recorded as an indefinite-life intangible asset pursuant to the provisions and requirements of IAS 38. As the TREC is not a commonly tradable instrument, the value approved by the Board of Directors of the Pakistan Stock Exchange Limited ("PSX") post-mutualization was used as the initial value of the intangible. PSX vide notice. PSX/N-225 dated February 16, 2021 have notified the notional fees of a Trading Right Entitlement Certificate which amounts to Rs. 2.5 million.

- 6.2 This represent cost of rooms given by Lahore Stock Exchange with indefunite useful life. These are considered to be indefinite as there is no foreseeable limit on the period during which an entity expects to consume the future economic benefits.

## 7 LONG-TERM INVESTMENTS

### Investments at fair value through OCI

LSE Financial Services Limited (unquoted) - at fair value  
Adjustment for remeasurement to fair value

7.1	5,496,475	9,006,818
	3,982,187	(3,510,343)
	9,478,662	5,496,475

### During the year

- 7.1 The LSEFSL Demerger Entitlement in EOD for every 1000 shares of 998.6205 of LSE Ventures Limited as on June 21, 2024, as well as LSEFSL issued Bonus shares of 1,138,436 during the year. LSE Ventures Limited is a listed company with PSX and shares are ready to trade in open market. All shares of LSE Proptech Limited and LSE Ventures Limited were pledged against PSX.

2025	2024	Symbol	Name of Investee	2025	2024
Number of Shares				Market Value in Rupees	
696,252	822,810	LSEVL	LSE VENTURES LIMITED	8,006,898	4,731,158
245,294	245,294	LSECL	LSE CAPITAL LIMITED	1,471,764	765,317
941,546	1,068,104			9,478,662	5,496,475

## 8 LONG-TERM DEPOSITS

Central Depository Company Limited  
National Clearing Company of Pakistan Limited  
E-Clear Deposits  
Other security deposits

102,500	102,500
1,200,000	1,200,000
2,150,000	2,000,000
30,000	30,000
3,482,500	3,332,500

## 9 TRADE DEBTS

Considered good  
Considered doubtful

9.1	-	-
	37,603	104,277
	37,603	104,277

Less: Provision for doubtful debts

9.2	(37,603)	(104,277)
	-	-



- 9.1 The unsecured trade debts is amounting to Rs.  
Allowances for expected credit loss is calculated on the basis of ageing analysis more than 360 days and unsecured balances which ever is higher.

Note	2025 Rupees	2024 Rupees
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- 9.2 Movement in provision against trade debts is as under:

Opening balance (as at July 1)	104,277	3,599,520
Addition during the year	-	-
	<u>104,277</u>	<u>3,599,520</u>
Amounts written off during the year	(66,674)	(3,495,243)
Closing balance (as at June 30)	<u>37,603</u>	<u>104,277</u>

- 9.3 Aging Analysis

Particulars	Past Due 30 Days	Past Due 31-60 Days	Past Due 61-90 Days	Past Due 91-120 Days	Past Due 121-180 Days	Past Due 181-360 Days	Total Gross Amount Due
Client Debits	-	-	-	-	-	37,603	37,603

- 9.4 The Trade Debts include following amounts receivable from Related Party:

Name of Related Party	Basis of Relationship	Percentage of Share Holding	2025 Rupees	2024 Rupee
Khawaja M.Siddiq Akbar	CEO/Director	63%	-	-
Mahreen Siddiq	Director	5%	-	-
Zahid Jagir	Director	6%	-	-

- 9.5 Ageing of Related Party

Name of Related Party	1-90 Days	180-360 Days	Overdue for more than 360
Khawaja M.Siddiq Akbar	-	-	-
Mahreen Siddiq	-	-	-
Zahid Jagir	-	-	-

- 9.6 Total value of securities pertaining to client held in CDS NIL.
- 9.7 Value of pledge securities of clients with NCCPL NIL.
- 9.8 Value of pledge securities of clients with LSE NIL.
- 9.9 Value of securities pledge of clients with financial Institutions NIL.
- 9.10 The Securities are valued using Market rate at the year end.

The value of securities pertaining to client and Balances lying with E-Clear after shifting to trade only brokers.

#### 10 PREPAYMENTS & ADVANCES

NCCPL future exposure and Receivable Balance		2,986,211	1,294,924
E-Clear receivable		4,661,782	1,732,777
Advances to employee		5,021	-
Income tax refundable	10.1	<u>525,716</u>	<u>286,795</u>
		<u>8,178,731</u>	<u>3,314,496</u>

##### 10.1 Income tax refundable

Opening balance (as at July 1)	286,796	640,049
Add: Current year additions	<u>238,921</u>	<u>191,295</u>
	525,716	831,343
Less: Adjustment against previous year provision for taxation	-	(544,548)
Less: Adjustment against current year provision for taxation	-	-
Closing balance (as at June 30)	<u>525,716</u>	<u>286,795</u>





## 11 SHORT TERM INVESTMENT

Note	2025 Rupees	2024 Rupees
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### Investments at fair value through profit or loss

Investments in listed securities	4,446,183	10,442,447
Realized Gain/(loss)	(2,593,263)	322,762
Unrealized Gain/(loss)	227,263	1,533,557
	<u>2,080,183</u>	<u>12,298,766</u>

#### 11.1 Investments at fair value through profit or loss

2025 Number of Shares	2024 Number of Shares	Symbol	Name of Investee	2025 Market Value in Rupees	2024 Market Value in Rupees
-	300,000	ASL	AISHA STEEL MILLS LIMITED	-	2,208,000
61,400	203,400	AMTEX	AMTEX LIMITED	221,040	642,744
500	500	ATRL	ATTACK REFINERY LIMITED	339,710	175,795
12,422	43,312	BOP	THE BANK OF PUNJAB	128,568	210,929
49,590	-	BML	BANK MAKRAMAH LIMITED	262,331	-
19,000	49,000	CLCPS	CHENAB LTD. CUM PREF.SHA	62,890	92,120
2,000	12,000	CENERGY	CENERGYICO PK LIMITED	14,260	46,200
20,000	-	CSIL	CRESCENT STAR INSURANCE	67,000	-
3,000	3,000	DCL	DEWAN CEMENT LIMITED	42,660	25,620
1,000	10,000	DFML	DEWAN FAROOQUE MOTORS LIMITED	34,640	404,900
-	4,798	FABL	FAYSAL BANK LIMITED	-	251,607
68,650	1,035,000	HASCOL	HASCOL PETROLEUM LIMITED	663,159	6,406,650
15,175	20,875	KEL	K-ELECTRIC LIMITED	79,669	96,651
17	367	MCB	MCB BANK LIMITED	4,902	83,316
39,905	-	OBOYR2	OILBOY ENERGY LTD - LOR	25,539	-
246	244,141	PIAHCLA	PIA HOLDING COMPANY LTD	5,319	3,193,364
475	5,500	SSGC	SUI SOUTHERN GAS COMPANY LIMITED	20,325	52,140
10,000	-	TPLP	TPL PROPERTIES LIMITED	99,700	-
1,075	1,075	TELE	TELECARD LIMITED	8,471	7,762
-	2,000	TRG	TRG PAKISTAN LIMITED - CLASS 'A'	-	124,100
<u>304,455</u>	<u>1,934,968</u>			<u>2,080,182</u>	<u>14,021,899</u>

11.2 Value of pledge securities of house with NCCPL

NIL

11.3 Value of pledge securities of house with LSE

NIL

## 12 CASH AND BANK BALANCES

Cash in hand	10,579	2,055
Cash at bank		
House account	1,469,109	692,454
Client account	51,342	2,790
	<u>1,520,451</u>	<u>695,244</u>
Total cash and bank	<u>1,531,030</u>	<u>697,299</u>

12.1 Cash in current accounts includes customers' assets in the amount of PKR 1,531,030 (2024: 697,299) held in designated bank accounts.

12.2 The Client shares and balances lying with E-Clear after shifting to trade only Broker.

## 13 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

### 13.1 Authorized capital

750,000 (2024: 750,000) ordinary shares of PKR 100 each.

75,000,000 75,000,000

### 13.2 Issued, subscribed and paid-up share capital

650,000 (2024: 650,000) ordinary shares of PKR 100/- each, issued for cash

65,000,000 65,000,000

65,000,000 65,000,000





### 13.3 Pattern of shareholding

	Number of Shares		Percentage	
	2025	2024	2025	2024
Khawaja Muhammad Siddiq Akbar	410,000	410,000	63.08%	63.08%
Mahreen Siddiq	35,000	35,000	5.38%	5.38%
Umaid Khan	37,500	37,500	5.77%	5.77%
Abu Bakar Siddique	130,000	130,000	20.00%	20.00%
Zahid Jagir	37,500	37,500	5.77%	5.77%
	650,000	650,000	100%	100%

Note	2025 Rupees	2024 Rupees
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### 14 TRADE AND OTHER PAYABLES

Trade creditors	14.1	16,763	16,763
Exposure Payable		1,507,196	3,251,724
Accrued and other payables		<u>1,523,959</u>	<u>3,268,487</u>

14.1 This amount includes PKR Nil (2024: NIL) due to related parties.

Name of Related Party	Basis of Relationship	Percentage of Share Holding	2025 Rupees	2024 Rupee
Zahid Jagir	Director	6%	-	-

### 15 CURRENT TAX LIABILITY

Opening balance (as at July 1)		544,548
Add: Current Year Provision		<u>544,548</u>
Less: Adjustment against previous year advance tax		
Less: Adjustment against current year advance tax		<u>(544,548)</u>
Closing balance (as at June 30)		<u>-</u>

### 16 CONTINGENCIES AND COMMITMENTS

16.1 There are no contingencies or commitments of the Company as at June 30, 2025 (2024: Nil).

### 17 OPERATING REVENUE

Brokerage income	5,889,179	5,311,746
Less: Sales tax on services	<u>(942,269)</u>	<u>(849,879)</u>
Net Brokerage Commission excluding sales tax on services	4,946,910	4,461,867
Commission paid to E-Clear	<u>(387,914)</u>	<u>(319,675)</u>
Dividend income	983,326	474,328
	<u>5,542,322</u>	<u>4,616,520</u>



**18 OTHER INCOME /(LOSSES)****Income from financial assets****Mark-up on:**

Mark-up on RMS

**Income from non-financial assets/liabilities**

Reversal of provision for doubtful debts

Note	2025 Rupees	2024 Rupees
	639,615	1,052,505
	639,615	1,052,505
	66,674	3,495,243
	<u>706,289</u>	<u>4,547,749</u>

**19 OPERATING & ADMINISTRATIVE EXPENSES**

Staff Salaries &amp; Other Benefits

Electricity/ Water/ Gas

Travelling/ Conveyance/ Vehicles Running / Maintenance

Other Expenses

Regulatory Charges

Auditor's remuneration

Communication

Stationery/ Printing/ Photocopies/ Office Supplies

Rates/ Taxes/ Cess

Repair / Maintenance

Legal &amp; Professional Charges

Provision For Doubtful Debts

Insurance

Donations

Depreciation

	3,597,720	3,781,709
	322,495	302,284
	206,001	165,400
	189,427	134,313
	1,297,883	1,000,590
19.1	-	153,703
	118,990	160,560
	23,140	64,190
	22,910	22,594
	129,870	120,290
	237,917	90,500
9.2	-	-
	358,753	219,234
	-	25,000
5	39,900	41,861
	<u>6,545,006</u>	<u>6,282,228</u>

**19.1. Auditor's remuneration**

Statutory audit

Certifications and other charges

	-	153,703
	-	-
	-	<u>153,703</u>

**20 FINANCE COSTS**

Bank and other charges

	3,596	3,412
	<u>3,596</u>	<u>3,412</u>

**21 INCOME TAX EXPENSES**

Current tax expense / (income)

for the year

prior years

	-	535,424
	-	9,124
	-	<u>544,548</u>

The tax provision made in the financial statements is considered sufficient.

**22 EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing profit after tax for the year by the weighted average number of shares outstanding during the period, as follows:

Profit / (loss) after taxation, attributable to ordinary shareholders

Weighted average number of ordinary shares in issue during the year

Earnings per share

2025 Rupees	2024 Rupees
(2,665,991)	4,190,399
650,000	650,000
(4.10)	6.45

No figure for diluted earnings per share has been presented as the Company has not issued any dilutive instruments carrying options which would have an impact on earnings per share when exercised.

**23 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES**

No remuneration has been given to chief executive, Directors during the year June 30, 2025 (2024: NIL.).





## 24 FINANCIAL INSTRUMENTS BY CATEGORY

2025			
Amortized cost	FVOCI	FVTPL	Total
Rupees			

### ASSETS

#### Non-current assets

Long term deposits	3,482,500	-	-	3,482,500
Long term investment	-	9,478,662	-	9,478,662

#### Current assets

Short term investment	-	-	2,080,183	2,080,183
Trade & other receivables	-	-	-	-
Prepayments and advances	8,178,731	-	-	8,178,731
Cash and bank balances	1,531,030	-	-	1,531,030

### LIABILITIES

#### Current liabilities

Trade and other payables	1,523,959	-	-	1,523,959
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2024			
Amortized cost	FVOCI	FVTPL	Total
Rupees			

### ASSETS

#### Non-current assets

Long-term deposits	3,332,500	-	-	3,332,500
Long term investment	-	5,496,475	-	5,496,475

#### Current assets

Short term investment	-	-	12,298,766	12,298,766
Trade & other receivables	-	-	-	-
Prepayments and advances	3,314,496	-	-	3,314,496
Cash and bank balances	697,299	-	-	697,299

### LIABILITIES

#### Current liabilities

Trade and other payables	3,268,487	-	-	3,268,487
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### 25.1 Risk management framework

The Director / Chief Executive has overall responsibility for the establishment and oversight of the Company's risk management framework. He is also responsible for developing and monitoring the Company's risk management policies, which are monitored and assessed for effectiveness throughout the year. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and to establish internal control over risk. Through its training and management standards and procedures, the Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's activities are exposed to a variety of financial risks: market risk, credit risk and liquidity risk. The Company has established adequate procedures to manage each of these risks as explained below.

### 25.2 Market risk

Market risk is the risk that the value of financial instruments may fluctuate as a result of changes in market interest rates, changes in the credit rating of the issuer of the instruments, change in market sentiments, speculative activities, supply and demand of securities and/or changes in liquidity in the market.

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

#### 26.2.1 Currency risk

Currency risk mainly arises where receivables and payables exist due to transactions with foreign undertakings. The Company is not exposed to major foreign exchange risk in this respect.

#### 26.2.2 Interest rate risk

Yield risk is the risk of decline in earnings due to adverse movements of the yield curve. Interest rate risk is the risk that the value of the financial instruments will fluctuate due to changes in market interest rates. Sensitivity to interest / mark-up rate risk arises from mismatches or gaps in the amounts of interest / mark-up based assets and liabilities that mature or reprice in a given period. The Company manages this risk by matching the maturity / repricing of financial assets and liabilities through appropriate policies.

#### 26.2.3 Price risk

Price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices, whether such changes are due to factors specific to individual financial instruments (including factors specific to issuers of such instruments) or due to macroeconomic or other factor affecting similar financial instruments being traded in the market.

The Company is exposed to price risk in respect of investments carried at fair value (whether as available-for-sale investments or as instruments at fair value through profit or loss). Such price risk comprises both the risk that price of individual equity investments will fluctuate and the risk that there will be an index-wide movement in prices. Measures taken by the Company to monitor, manage and mitigate price risk include daily monitoring of movements in stock indexes (such as the KSE 100 index) as well as of the correlation between the Company's investment portfolio with stock indexes.

### 25.3 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk arises when a number of counterparties 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 economic, political, or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk of the Company arises from deposits with banks and financial institutions, trade debts, loans and advances, investments and other receivables. The carrying amount of financial assets represents the maximum credit exposure, although this maximum is a





theoretical formulation as the Company frequently holds collateral against potential credit losses.

Measures taken by management to manage and mitigate credit risk include:

- Development of and compliance with risk management, investment and operational policies / guidelines (including guidelines in respect of entering into financial contracts);
- Assignment of trading limits to clients in accordance with their net worth;
- Collection / maintenance of sufficient and proper margins from clients;
- Initial and ongoing client due diligence procedures, where clients' financial position, past experience and other factors are considered;
- Collection and maintenance of collateral if, as and when deemed necessary and appropriate;
- Diversification of client and investments portfolios; and
- Engagement with creditworthy / high credit rating parties such as banks, clearing houses and stock exchanges.

The Company continually monitors the quality of its debtor portfolio, both on an individual and portfolio basis, and provides against credit losses after considering the age of receivables, nature / quantum of collateral and debtor-specific factors (such as creditworthiness and repayment capacity).

The carrying amount of financial assets, which represents the maximum credit exposure before consideration of collateral and counterparty creditworthiness, is as specified below:

	2025	2024
Long-term investments	9,478,662	5,496,475
Short term investment	2,080,183	12,298,766
Long-term deposits	3,482,500	3,332,500
Prepayments and advances	7,653,014	3,027,701
Trade & other receivables	-	-
	<u>22,694,359</u>	<u>24,155,442</u>

#### 25.4 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations, settled by delivering cash or another financial asset, as they fall due. Prudent liquidity risk management requires the maintenance of sufficient cash and marketable securities, the availability of adequate funds through committed credit facilities and the ability to close out market positions due to the dynamic nature of the business and the industry it operates in. The Company finances its operations through equity and, as and when necessary, borrowings, with a view to maintaining an appropriate mix between various sources of financing.

The table below classifies the Company's financial liabilities into relevant maturity groupings based on the time to contractual maturity date, as at the balance sheet date. The amounts in the table are contractual undiscounted cash flows.

Financial liabilities	Carrying amount	As at June 30, 2025	
		Within one year	More than one year
Trade and other payables	1,523,959	1,523,959	-
<b>Total</b>	<b>1,523,959</b>	<b>1,523,959</b>	<b>-</b>

Financial liabilities	Carrying amount	As at June 30, 2024	
		Within one year	More than one year
Trade and other payables	3,268,487	3,268,487	-
<b>Total</b>	<b>3,268,487</b>	<b>3,268,487</b>	<b>-</b>

The Company does not expect that the timing or quantum of cash flows outlined in the table above will change significantly, and as a result expects to be able to fulfill its obligations as they come due.





The Company's objective in managing capital is to ensure that the Company is able to continue as a going concern so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. As well, the Company has to comply with capital requirements as specified under the Securities Brokers (Licensing and Operations) Regulations, 2016 (as well as other relevant directives from regulating bodies issued from time to time).

Consistent with industry practice, the Company manages its capital risk by monitoring its debt levels and liquid assets, keeping in view future investment requirements.

## 27 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount that would be received on the sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to materially curtail the scale of its operations or to undertake a transaction on adverse terms.

Various judgments and estimates are made in determining the fair value of financial instruments that are recognized and measured at fair value in the Company's financial statements. To provide an indication about the reliability of inputs used in determining fair value, financial instruments have been classified into three levels, as prescribed under accounting standards. An explanation of each level follows the table.

Recurring FV Measurement as at June 30, 2025	Level I	Level II	Level III	Total
Long-term investment - at FVOCI	-	9,478,662	-	9,478,662
Short-term investment - available-for-sale	-	-	-	-
Short-term investments - at FVTPL	2,080,183	-	-	2,080,183
Recurring FV Measurement as at June 30, 2024	Level I	Level II	Level III	Total
Long-term investment - at FVOCI	-	5,496,475	-	5,496,475
Short-term investment - available-for-sale	-	-	-	-
Short-term investments - at FVTPL	12,298,766	-	-	12,298,766

In the fair value hierarchy in the preceding table, inputs and valuation techniques are as follows:

- Level 1: Quoted market price (unadjusted) in an active market
- Level 2: Valuation techniques based on observable inputs
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

There were no transfers into or out of Level 1 measurements.

## 28 CAPITAL MANAGEMENT

- 28.1 The Company objectives when managing capital are to safeguard the company's ability as a going concern. In order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

### 28.2 CAPITAL ADEQUACY

The Capital Adequacy level as required by CDC is Calculated as Follows

	Notes	Amount (Rupees)
Total Assets	29.2.1	71,594,834
Less: Total Liabilities		(3,268,487)
Capital Adequacy Level		68,326,347

- 29.2.1 While determining the value of the total assets of the TREC Holder, Notional value of the TREC Certificate held by STRONGMAN





SECURITIES (PVT.) LIMITED as at year ended June 30th 2025 as determined by Pakistan Stock Exchange has been considered.



STRONGMAN SECURITIES (PVT.) LIMITED as at year ended June 30th 2025 as determined by Pakistan Stock Exchange has been considered.

## 29 RELATED PARTY TRANSACTIONS

The related parties of the Company comprise of shareholders/ directors, key management personnel, entities with common shareholding, entities over which the directors are able to exercise influence and entities under common directorship. Transactions with related parties and the balances outstanding at year end are disclosed in the respective notes to the financial statements. (see note # 9 &15)

## 30 EVENTS AFTER REPORTING PERIOD

No events occurred after the reporting period that would require adjustment or disclosure in the

## 31 NUMBER OF EMPLOYEES

Total number of employees at the end of year was 4 (2024: 6). Average number of employees was 4.

## 32 RE-CLASSIFICATION AND RE-ARRANGEMENTS

Corresponding figures have been reclassified and re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison, and in order to improve compliance with disclosure requirements.

## 33 GENERAL

Amounts have been rounded off to the nearest rupee, unless otherwise stated.

## 34 AUTHORIZATION

- 34.1 These financial statements were authorized for issue on October 20, 2025 by the Board of Directors of the Company.

  
Chief Executive

  
Director