



NASIR JAVAID MAQSOOD IMRAN
Chartered Accountants

Rafi Securities (Private) Limited
Financial Statements
For the year ended June 30, 2025

A member of the

mgi association

Rafi Securities (Private) Limited
Financial Statements
For the year ended June 30, 2025

Statement of Compliance with Corporate Governance Code for Securities Broker Regulations 2016

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

1. The total number of directors are as per following:-

- | | |
|---------------------|-------------------------|
| i. Samia Naeem | Executive Director |
| ii. Saleem Mansoori | Non- Executive Director |
| iii. Naeem Rafi | Chief Executive Officer |

2. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedure.

3. The Board has devised the policy which intended to encourage all stakeholders including employees and others to report suspected or actual occurrence of illegal, unethical or inappropriate events without retribution.

4. The Board has appointed Chief Executive Officer to lead the management team, and exercise executive authority over operations of the company.

5. There is no any casual vacancy occurred on the board to intimate Security Exchange.

6. The Board meets on half-yearly basis and ensures the minutes of the meetings are appropriately recorded.

7. The Board has formed the following committees comprising of members given below:-

- | | | |
|----|--------------------------|----------|
| a) | Audit Committee | |
| | • Naeem Rafi | Chairman |
| | • Saleem Mansoori | Member |
| b) | Human Resource Committee | |
| | • Mr. Naeem Rafi | Chairman |
| | • Samia Naeem | Member |
| | • Saleem Mansoori | Member |

CORPORATE OFFICE
Suit # 1004, 10th Floor,
Al-Rahim Tower,
I.I. Chundrigar Road,
Karachi-74000, Pakistan
UAN : (92 21) 111-159-111
PABX : 03-111-159-111
☎ : 0337-3159159



TREC
159

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E-mail : info@rafionline.com Website : www.rafionline.com





RAFI SECURITIES

(PRIVATE) LIMITED

TREC HOLDER :
Pakistan Stock Exchange Limited

8. The Board has appointed appropriate and suitably qualified management team for its operations.
9. The Board has outsourced the internal audit function to Nasir Javed Maqsood Imran & Co. Chartered Accountants who are considered suitably qualified and experienced for the purpose and conversant with policies and procedures of the company.
10. Auditors conducting statutory audit are selected from category "B" of the State Bank of Pakistan's Panel of Auditors.
11. The details of all related party transactions are placed before the Board for review and approval.
12. Financial statements of the Company are prepared within the stipulated time which shall be submitted to related authorities. Then Annual Report contains:
 - i. Annual Audited financial statements.
 - ii. Director's report.
 - iii. There are no transactions entered into by the Company during year, which are fraudulent, illegal or in violation of any securities market laws.
13. The half yearly and annual financial statements are approved by the board and the CEO.


Naeem Rafi

Chief Executive Officer



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DIRECTORS' REPORT

On behalf of the Board of Directors of the Company, I am pleased to present our report together with the audited financial statement of the Company for the year June 30, 2025.

Performance Overview

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

Operating revenue
Operating expenses
Operating profit
Other income
Finance cost
Profit before income tax
Income Tax
Profit after income tax

Rupees
269,417,607
(124,434,228)
144,983,379
24,910,024
(18,476,046)
151,417,357
(34,333,729)
117,083,628

Capital Market Review & Outlook

In Financial Year 2025, the Pakistan Equity Market performed exceptionally well, experiencing improvement in both trading value and volume compared to FY24. Despite anticipated economic difficulties and political instability, the market's performance exceeded expectations. This positive momentum, reflected in the KSE-100 Index trading at a reasonable Price to Earnings ratio, gradually drew investors back into the market. Those who had previously exited found renewed confidence in the market's performance, leading to a partial resurgence in trading activity.

Dividend:

The Directors do not recommended any dividend during the year due to cash flow requirement during next financial year.

External Auditors

The retiring auditors, M/s. Nasir Javaid Maqsood Imran., Chartered Accountants, being eligible, have offered themselves for reappointment

Dated: **28 OCT 2025**



Director




Chief Executive

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Phone: 042-36400312

LSE BRANCH:
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Lahore-Pakistan
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Compliance of Corporate Governance Code for Securities and Futures Broker

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

Karachi:



Mr. Naeem Rafi
Chief Executive Officer



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CORPORATE GOVERNANCE

BOARD OF DIRECTORS

An effective board established comprising of 4 directors, responsible for ensuring long-term success and for monitoring and evaluating the management's performance. The composition of board is as follows:

Mr. Naeem Rafi	Chief Executive Officer/Director
Ms. Samia Rafi	Director
Mr. Saleem Mansoori	Director

BOARD RESPONSIBILITIES, POWERS AND FUNCTION

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

The following policies has approved by the board.

- Internal Code of Conduct
- Whistleblower Policy
- Customer Complaint, Grievances & Conflict Resolution Policy
- Risk and Compliance Policy
- Segregation of Customer Assets from Securities Broker Assets.

BOARD MEETINGS

The meeting of the directors were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the

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RAFI SECURITIES

(PRIVATE) LIMITED

TREC HOLDER: Pakistan Stock Exchange Limited
Corporate Member: Pakistan Mercantile Exchange Limited

COMMITTEES OF BOARD

The board has formed following committees and their Term of References.

- Audit Committee

RELATED PARTY TRANSACTION

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

AUDITORS

The company is registered as Trading and Self Clearing category of Securities broker under Securities Brokers (Licensing and Operations) Regulations 2016 and appointed Nasir Javaid Maqsood Imran, Chartered Accountants as their external auditor which are enlisted within "B" category of Panel of Auditors issued by State Bank of Pakistan.

COMPLIANCE STATEMENT

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

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We confirm that the company is in compliance with the Code of Corporate Governance required under Securities Broker Licensing and Operations 2016.

Dated: 28 OCT 2025
Karachi


Mr. Naeem Rafi
Chief Executive Officer




Mr. Kaleem Ullah
Company Secretary

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INDEPENDENT AUDITOR'S REPORT

To the members of Rafi Securities (Private) Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 15 of the financial statements, which describes the status of lawsuit filed against the Company by Soneri Bank Limited. Our opinion is not modified in respect of this matter.

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Other offices at:

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Tel: +92 42-35754821-22 Email: nasirgulzar@njmi.net

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

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business;
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980;
- e) The Company was in compliance with the requirements of section 78 of the Securities Act, 2015 and/or Section 62 of the Futures Market Act, 2016 and the relevant requirements of Securities Brokers (Licensing and Operations Regulations), 2016 as at the date on which the statement of financial position was prepared; and
- f) The Company was in compliance with the relevant requirements of Futures Brokers (Licensing and Operations Regulations), 2018 as at the date on which the statement of financial position was prepared.

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

Nasir Javaid Maqsood Imran



Nasir Javaid Maqsood Imran
Chartered Accountants

Place: Karachi

Date: 28 OCT 2025

UDIN: AR202510931mzNc6BQF8

RAFI SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

ASSETS

NON-CURRENT ASSETS

Property & equipment
Intangible assets
Deferred taxation - net
Long term advances & deposits

Note	Rupees 2025	Rupees 2024
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4	10,579,849	10,485,630
5	2,789,649	2,796,646
6	1,441,310	6,370,234
7	5,489,740	5,291,740
	20,300,548	24,944,250

CURRENT ASSETS

Trade receivables
Receivable against margin financing
Advances, deposits, pre-payments & other receivables
Short term investment
Bank balances

8	85,292,615	118,894,650
9	129,815,740	-
9	55,551,236	8,982,749
10	361,228,648	206,706,536
11	131,818,506	26,788,102
	763,706,745	361,372,037

TOTAL ASSETS

784,007,293	386,316,287
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EQUITY AND LIABILITIES

CAPITAL AND RESERVES

Authorized Capital

10,000,000 (2024: 10,000,000) ordinary shares of Rs. 10/- each

100,000,000	100,000,000
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Issued, subscribed and paid-up capital
Unappropriated profit

12	100,000,000	100,000,000
	265,357,114	148,273,486
	365,357,114	248,273,486

LIABILITIES

CURRENT LIABILITIES

Short term borrowings - secured
Trade payables
Accrued expenses & other liabilities
Taxation - net

13	197,863,256	99,073,357
	118,335,075	18,211,046
14	90,659,302	20,758,398
	11,792,546	-
	418,650,179	138,042,801

CONTINGENCIES AND COMMITMENTS

15	-	-
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TOTAL EQUITY AND LIABILITIES

784,007,293	386,316,287
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The annexed notes from 1 to 27 form an integral part of these financial statements.


Chief Executive




Director

RAFI SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

REVENUE

Operating revenue
Capital gain on disposal of securities
Unrealised gain on remeasurement of investment at fair value

Administrative and operating expenses
Other income

Profit from operations

Finance cost

Profit before levies and income tax

Levies

Profit before income tax

Income Tax

Profit after income tax

Note	Rupees 2025	Rupees 2024
16	181,813,963	84,139,233
	64,529,339	13,765,320
	23,074,305	72,878,853
	269,417,607	170,783,406
17	(124,434,228)	(58,837,452)
18	24,910,024	14,030,657
	(99,524,204)	(44,806,795)
	169,893,403	125,976,611
19	(18,476,046)	(28,256,547)
	151,417,357	97,720,064
20	(14,436,606)	(927,240)
	136,980,751	96,792,824
21	(19,897,123)	(18,103,152)
	117,083,628	78,689,672

The annexed notes from 1 to 27 form an integral part of these financial statements.


Chief Executive




Director

RAFI SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	Note	Rupees 2025	Rupees 2024
Profit after income tax		117,083,628	78,689,672
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>117,083,628</u>	<u>78,689,672</u>

The annexed notes from 1 to 27 form an integral part of these financial statements.


Chief Executive




Director

RAFI SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before levies and income tax

Note	Rupees 2025	Rupees 2024
	151,417,357	97,720,064

Add / (less) : Items not involved in movement of fund:

Depreciation
Capital gain on disposal of securities
Unrealised gain on remeasurement of investment at fair value
Amortization on software
Provision for doubtful debts
Reversal of expected credit loss
Finance costs

1,448,372	498,672
(64,529,339)	(13,765,320)
(23,074,305)	(72,878,853)
6,997	8,232
2,525,793	-
-	(967,366)
18,476,046	28,256,547
(65,146,436)	(58,848,088)
86,270,921	38,871,976

Net cash generated from operating activities before working capital changes

Net change in working capital

(a) 22,483,619 42,847,196

Long term deposits paid

Finance costs paid

Income tax and levies paid

Net cash generated from operating activities

108,754,540	81,719,172
(198,000)	-
(18,902,744)	(30,193,675)
(13,001,179)	(1,343,427)
76,652,617	50,182,070

CASH FLOWS FROM INVESTING ACTIVITIES

Payment for acquisition of office equipment

(Payment for purchase) / proceeds from disposal of securities of listed companies

Net cash (used in) / generated from investing activities

(1,542,591)	(10,485,968)
(68,869,523)	38,499,618
(70,412,114)	28,013,650

CASH FLOWS FROM FINANCING ACTIVITIES

Short term borrowing under Murabaha arrangement

Net cash generated from / (used in) financing activities

8,423,929	(18,536,736)
8,423,929	(18,536,736)

Net increase in cash and cash equivalents

Cash and cash equivalent at beginning of the year

Cash and cash equivalent at end of the year

14,664,432	59,658,984
8,990,745	(50,668,240)
22,655,177	8,990,745

(a) Statement of change in working capital

Decrease / (increase) in current assets

Trade receivables

Receivable against margin financing

Advances, deposits, pre-payments & other receivables

31,076,242	24,639,623
(129,815,740)	-
(49,228,513)	400,564
(147,968,011)	25,040,186

Increase / (decrease) in current liabilities

Trade payables

Accrued expenses & other liabilities

100,124,029	6,257,166
70,327,602	11,549,844
170,451,631	17,807,010

Net change in working capital

22,483,619	42,847,196
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The annexed notes from 1 to 27 form an integral part of these financial statements.


Chief Executive




Director

**RAFI SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025**

	Issued, subscribed & paid up capital	Unappropriated profit	Total
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Balance as at June 30, 2023	100,000,000	69,583,814	169,583,814
Profit for the year	-	78,689,672	78,689,672
Balance as at June 30, 2024	100,000,000	148,273,486	248,273,486
Profit for the year		117,083,628	117,083,628
Balance as at June 30, 2025	100,000,000	265,357,114	365,357,114

The annexed notes from 1 to 27 form an integral part of these financial statements.


Chief Executive




Director

RAFI SECURITIES (PRIVATE) LIMITED
NOTES TO THE ACCOUNTS

1 CORPORATE AND GENERAL INFORMATION

1.1 Legal status and operations

Rafi Securities (Private) Limited ('the Company') was incorporated in Pakistan as a private company on May 31, 2001 under the Companies Ordinance, 1984 (which has now been repealed by the enactment of the Companies Act, 2017 in May 2017). The company is a Trading Right Entitlement Certificate Holder of the Pakistan Stock Exchange Limited. The registered office of the company is situated at Office no. 1004, 10th Floor, Al Rahim Tower, I.I. Chundrigar Road, Karachi. The principal activities of the Company are investments, share brokerage, inter-bank brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services. The branch office of the company is situated at:

- Room No. 518, 5th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Off. I.I. Chundrigar Road, Karachi.
- Room No. 304, South Tower LSE Plaza 19, Khayaban-e-Aiwan-e-Iqbal, Lahore
- Room No. 506, 5th Floor, Al-Hafeez Heights, Ghalib Road, Lahore

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

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

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

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

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

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

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

2.5 Changes in accounting standards, interpretations and pronouncements

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

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 01, 2024. However, these do not have any significant impact on the Company's financial reporting.

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

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2025. However, these will not have any impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

3.1 Property and equipment

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

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

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

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

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

3.2 Intangible assets

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

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

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

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

3.2.1 Trading Right Entitlement Certificate

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

3.2.2 Pakistan Mercantile Exchange - Membership card

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

3.2.3 Computer software

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

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

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

3.3 Financial instruments

3.3.1 Financial assets - Initial recognition, classification and measurement

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

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

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

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

(a) Financial assets measured at amortized cost

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

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

(b) Financial assets at FVOCI

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

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

(c) Financial assets at FVTPL

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

Such financial assets are initially measured at fair value.

3.3.2 Financial assets - Subsequent measurement

(a) Financial assets measured at amortized cost

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

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

(b) Financial assets at FVOCI

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

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

(c) Financial assets at FVTPL

These assets are subsequently measured at fair value.

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

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

Financial liabilities are classified as measured at amortized cost or 'At Fair Value - Through Profit or Loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit or loss.

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

3.4 Impairment

3.4.1 Financial assets

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

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

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

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

3.4.2 Impairment of non-financial assets

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

3.5 Derecognition

3.5.1 Financial assets

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

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

3.5.2 Financial liabilities

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

3.6 Off-setting of financial assets and financial liabilities

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

3.7 Investments

Investment in shares of listed companies are classified as "At Fair Value - Through Profit or Loss" and is initially measured at cost and subsequently is measured at fair value determined using the market value at each reporting date. Dividends are recognized as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Net gains and losses are recognized in statement profit or loss.

3.8 Settlement date accounting

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention such as 'T+2' purchases and sales are recognized at the settlement date. Trade date is the date on which the Company commits to purchase or sale an asset.

3.9 Trade debts and receivables against margin financing

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

3.10 Cash and cash equivalents

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

3.11 Trade and other payables

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

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

3.12 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss, except to the extent that it relates to items recognised directly in equity or in statement of comprehensive income, in which case it is recognised in equity or in statement of comprehensive income respectively.

i) Current

The current income tax charge is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

ii) Deferred

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

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

iii) Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.

3.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

3.14 Revenue recognition

Revenue is recognized to the extent that it is probable that the 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, consultancy, advisory fee and commission etc. are recognized as and when such services are provided.
- Income from bank deposits, reverse repo and margin deposits is recognized at effective yield on time proportion basis.
- Dividend income is recorded when the right to receive the dividend is established.
- 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 mark to market of investments classified as 'financial assets at fair value through profit or loss - held for trading' are included in profit and loss account for the period in which they arise.
- Rental income from investment properties is recognized on accrual basis.
- Income on financial assets (including margin financing) is recognised on time proportionate basis taking into account effective / agreed rate of the instrument.
- Unrealised gains / (losses) arising from mark to market of investments classified as 'available for sale' are taken directly to other comprehensive income.
- Gains / (losses) arising on revaluation of derivatives to fair value are taken to profit and loss account under other income / other expenses.
- Other/miscellaneous income is recognized on accrual basis.

3.15 Mark-up bearing borrowings and borrowing costs

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

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

4 PROPERTY AND EQUIPMENT

Furniture & fixtures (Rupees)	Office equipments (Rupees)	Computer equipments (Rupees)	Motor vehicles (Rupees)	Total (Rupees)
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Net carrying value basis

Year ended June 30, 2025

Opening net book value	53,111	491,042	39,308	9,902,169	10,485,630
Additions during the year (at cost)	378,000	284,712	-	879,879	1,542,591
Disposals at net book value	-	-	-	-	-
Depreciation charge for the year	(9,347)	(85,159)	(11,792)	(1,342,073)	(1,448,372)
Closing net book value	421,764	690,595	27,516	9,439,975	10,579,849

Gross carrying value basis

As at June 30, 2025

Cost	685,426	2,814,156	114,600	11,167,847	14,782,029
Accumulated depreciation	(263,662)	(2,123,561)	(87,084)	(1,727,872)	(4,202,180)
Net book value	421,764	690,595	27,516	9,439,975	10,579,849

Net carrying value basis

Year ended June 30, 2024

Opening net book value	62,483	379,697	56,154	-	498,334
Additions during the year (at cost)	-	198,000	-	10,287,968	10,485,968
Disposals at net book value	-	-	-	-	-
Depreciation charge for the year	(9,372)	(86,655)	(16,846)	(385,799)	(498,672)
Closing net book value	53,111	491,042	39,308	9,902,169	10,485,630

Gross carrying value basis

As at June 30, 2024

Cost	307,426	2,529,444	114,600	10,287,968	13,239,438
Accumulated depreciation	(254,315)	(2,038,402)	(75,292)	(385,799)	(2,753,808)
Net book value	53,111	491,042	39,308	9,902,169	10,485,630

Depreciation rate (% per annum)

15	15	30	15	
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	Notes	Rupees 2025	Rupees 2024
5 INTANGIBLE ASSETS			
Trading Right Entitlement Certificate - Pakistan Stock Exchange Limited	5.1	2,500,000	2,500,000
Membership card - Pakistan Mercantile Exchange Limited		250,000	250,000
Computer software	5.2	39,649	46,646
		2,789,649	2,796,646
5.1 This represents Trading Right Entitlement Certificate (TREC) received from Pakistan Stock Exchange Limited (PSX) in accordance with the requirements of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. TREC has been recognized at cost less accumulated impairment losses.			
5.2 Computer software			
Acquisition cost		790,000	790,000
Accumulated balance of amortization		(743,354)	(735,122)
		46,646	54,878
Amortization for the year		(6,997)	(8,232)
Net Carrying value		39,649	46,646
Amortization rate (% per annum)		15	15
6 DEFERRED TAX ASSETS			
<i>Deductible temporary difference</i>			
Unadjusted business loss		880,765	9,345,011
Allowance for expected credit losses		4,022,675	5,045,620
Decelerated depreciation		(984)	-
Capital loss on disposal of short term investment		-	3,259,278
		4,902,456	17,649,909
<i>Taxable temporary difference</i>			
Unrealized gain on re-measurement of investment		3,461,146	10,931,828
Accelerated depreciation		-	347,847
		3,461,146	11,279,675
Deferred tax asset		1,441,310	6,370,234
7 LONG-TERM ADVANCES AND DEPOSITS			
National Clearing Company of Pakistan Limited		1,400,000	1,400,000
Central Depository Company Limited		100,000	100,000
Pakistan Mercantile Exchange Limited		1,250,000	1,250,000
Advance against office of Pakistan Mercantile Exchange Limited		2,500,000	2,500,000
Security deposits		239,740	41,740
		5,489,740	5,291,740
8 TRADE RECEIVABLES			
Considered good		85,198,163	118,894,650
Considered doubtful		19,924,482	17,398,689
		105,122,644	136,293,339
Provision for doubtful debts	8.1	(19,924,482)	(17,398,689)
		85,198,163	118,894,650
Receivable from Pakistan Stock Exchange Limited		94,452	-
		85,292,615	118,894,650
8.1 Provision for doubtful debts			
Opening balance		17,398,689	18,366,055
Charge / (reversal) during the year		2,525,793	(967,366)
Closing balance		19,924,482	17,398,689

Notes	Rupees 2025	Rupees 2024
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8.1.1 Aging analysis

Upto 90 days	83,461,853	75,952,903
More than 90 but upto 180 days	17,434,660	696,288
More than 180 but upto 360 days	464,759	4,146,611
More than 360 days	3,761,372	55,497,538
	105,122,644	136,293,339

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

Name of related party	Amount due		Maximum amount outstanding at any time during the year	
	2025	2024	2025	2024
	-----Rupees-----			
Samia Naeem	22,173	179,916	22,173	179,916
Muhammad Saleem Mansoori	886,415	1,000	2,655,089	1,000
Umer Farooq	1,431	2,063	2,486,037	2,063
Muhammad Noman Mansoori	677,627	-	1,240,874	-
Muhammad Aamir	676,559	-	2,737,477	-
Kaleem Ullah	468,131	-	7,008,515	-
	2,732,336	182,979	16,150,165	182,979

8.1.4 Aging analysis - related party

Name of related party	1 - 90 days	91 - 180 days	181 - 360 days	More than 360 days	Total gross amount due
	-----Rupees-----				
Samia Naeem	22,173	-	-	-	22,173
Muhammad Saleem Mansoori	885,415	-	-	1,000	886,415
Umer Farooq	200	1,231	-	-	1,431
Muhammad Noman Mansoori	677,627	-	-	-	677,627
Muhammad Aamir	676,559	-	-	-	676,559
Kaleem Ullah	467,331	-	-	800	468,131
	2,729,305	1,231	-	1,800	2,732,336

8.2 Total value of securities pertaining to clients held in the Central Depository Company of Pakistan

3,542,960,803 1,911,510,041

8.3 Value of clients' securities pledged with National Clearing Company of Pakistan Limited

193,434,877 64,879,110

8.4 Value of clients' securities pledged with Financial Institutions

- -

8.5 The securities are valued using market rate at the year end

9 ADVANCES, DEPOSITS, PRE-PAYMENTS & OTHER RECEIVABLES

Loan to staff	
Deposit against exposure margin requirement	9.1
Income tax refundable	
Prepaid expenses	
Deposit to Pakistan Merchantile Exchange Limited	

1,917,521	2,064,920
53,555,283	4,254,002
-	2,660,026
74,630	-
3,802	3,802
55,551,236	8,982,749

9.1 This represents deposit with National Clearing Company of Pakistan Limited against the exposure margin in respect of trade in future and ready market.

Notes	Rupees 2025	Rupees 2024
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10 SHORT TERM INVESTMENT

Investments at fair values through profit & loss

Quoted equity securities

Unrealised gain on remeasurement of investment at fair value

Market value

338,154,343	133,827,683
23,074,305	72,878,853
361,228,648	206,706,536

10.1 Securities having market value of Rs. 62,946,173/- (2024: 62,733,419/-) are pledged with commercial banks for the purpose of borrowings.

10.2 Securities having market value of Rs. 218,638,780/- (2024: 83,261,054/-) are pledged with Pakistan Stock Exchange Limited for the purpose of base minimum capital requirement and National Clearing Company of Pakistan Limited for the purpose of exposure requirements.

11 BANK BALANCES

Cash at bank

- in savings accounts

- in current accounts

11.1	124,239,339	20,850,332
	7,579,167	5,937,770
11.2	131,818,506	26,788,102

11.1 The return on these balances is 8% to 19% (2024: 11% to 19%) per annum on daily product basis.

11.2 Bank balance pertains to:

Brokerage house

Clients

478,078	336,389
131,340,428	26,451,713
131,818,506	26,788,102

12 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of shares

2025	2024
8,000,000	8,000,000
2,000,000	2,000,000
10,000,000	10,000,000

Ordinary shares of Rs. 10 each fully paid in cash

Ordinary shares of Rs. 10 each issued for consideration other than cash.

80,000,000	80,000,000
20,000,000	20,000,000
100,000,000	100,000,000

12.1 The shareholders are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry "one vote" per share without restriction.

12.2 Shares issued in consideration other than cash was for the purpose of transfer of membership of Pakistan Stock Exchange Limited along with offices and sale points (booths).

12.3 PATTERN OF SHAREHOLDING

Name of shareholders	2025	2024	2025	2024
	Number of Shares		Percentage of Holding	
Naeem Rafi	9,671,800	9,671,800	96.72%	96.72%
Samia Naeem	328,000	328,000	3.28%	3.28%
Muhammad Saleem Mansoori	100	100	0.00%	0.00%
Umer Farooq	100	100	0.00%	0.00%
	10,000,000	10,000,000	100%	100%

Notes	Rupees 2025	Rupees 2024
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13 SHORT TERM BORROWINGS - secured

Running finance obtained from Bank Alfalah Limited
Short term borrowing under Murabaha arrangement

13.1	108,163,328	17,797,357
13.2	89,699,928	81,275,999
	<u>197,863,256</u>	<u>99,073,357</u>

13.1 The Company has obtained short term running finance facility from Bank Alfalah Limited, to meet exposure and working capital requirements, amounting to Rs 75 million (2024: 75 Million). This facility are secured by way of pledge of marketable securities as per financiers approved list of shares and personal guarantees of Chief Executive Officer and Director. These facilities carry mark up at the rate of 3 months KIBOR plus 2.5 % (2024: 3 months KIBOR plus 2.5 %) payable quarterly.

13.2 This represents the outstanding balance of Murabaha Financing facility availed amounting to Rs. 120 million (2024: Rs 120 million) from Islamic banks. This facility is secured by way of equitable mortgage on office building and Plot of land, pledge of regularly traded shariah compliant shares of listed companies in CDC account of the company and personal guarantees of directors of the company. This facility carries markup at the rate of 3 months of KIBOR plus 2 to 2.25% (2024: 3 months KIBOR plus 2 to 2.25%) payable contract to contract basis.

14 ACCRUED EXPENSES AND OTHER LIABILITIES

Accrued expenses
Markup payable
Sales tax payable
Amount payable to dealers
Amount payable to clearing house
Other liabilities

5,257,088	619,806
488,940	915,638
3,327,249	627,233
8,084,675	-
71,077,045	12,485,545
2,424,305	6,110,176
<u>90,659,302</u>	<u>20,758,398</u>

15 CONTINGENCIES AND COMMITMENTS

Contingencies

In the year 2008, the company filed a suit against Soneri Bank Limited in the Banking Court vide suit no.1163 of 2009 for recovery of Rs. 19,445,368. Soneri Bank Limited also filed a suit in the Banking Court against the Company for recovery of Rs. 35,817,464 (i.e. principal balance of credit facility availed by the Company along with cost of funds). In the year 2019, the Banking Court issued an order in favor of the Company regarding the aforementioned disputed case. Soneri Bank Limited filed an appeal before Honorable High Court of Sindh under section 22 of Financial Institutions' (Recovery of Finances) Ordinance, 2001 and the proceedings there of are pending till date. Based on the opinion of the legal advisor, the management of the Company is confident that the eventual outcome of the matter will be decided in favor of the Company, therefore, no provision has been made in this regard."

Commitments

Guarantee given by Dubai Islamic Bank Limited to National Clearing Company of Pakistan Limited on behalf of the Company.

20,000,000 20,000,000

16 OPERATING REVENUE

Brokerage commission including sales tax on services

Less: Sales tax on services

Net brokerage commission excluding sales tax on services

Dividend income

16.1

188,524,992	87,686,853
(24,590,216)	(10,087,868)
163,934,776	77,598,985
17,879,187	6,540,248
181,813,963	84,139,233

16.1 Brokerage Income - net of sales tax

Equity brokerage

- Institutional customers

- Retail clients

17,386,202	6,252,390
146,548,574	71,346,595
163,934,776	77,598,985

17 ADMINISTRATIVE AND OPERATING EXPENSES

Directors' remuneration

Staff salaries & other benefits

Rent, rates and taxes

Service & transaction charges

Repair and maintenance

Utility charges

Telephone and communication

Travelling & conveyance

Printing and stationery

Computer & software expenses

Fees and subscription

Postage & courier

Entertainment

Auditors' remuneration

Consultancy charges

Commission expense

Legal & professional charges

Depreciation

Amortisation on software

Bad debts

Provision for doubtful debts

Donations

Other expenses

17.1

17.2

3,971,663	3,522,500
44,016,131	29,159,827
1,713,622	709,293
16,159,881	7,648,203
593,811	344,855
2,153,212	1,728,041
1,568,618	1,317,199
191,243	79,480
251,962	179,172
3,282,694	1,599,368
2,707,659	2,335,399
110,782	90,406
563,310	363,057
410,000	250,000
-	34,521
39,704,049	8,222,749
206,100	196,193
1,448,372	498,672
6,997	8,232
-	159,280
2,525,793	-
175,000	165,000
2,673,329	226,005
124,434,228	58,837,452

17.1 Remuneration of Chief Executive and Director

	2025			2024		
	Chief Executive	Directors	Executive	Chief Executive	Directors	Executive
Managerial remuneration	1,989,163	1,982,500	19,445,800	2,150,000	1,200,000	420,000
Company's contribution to the Provident Fund						
Fees						
Bonus				172,500		
Housing and utilities						
	<u>1,989,163</u>	<u>1,982,500</u>	<u>19,445,800</u>	<u>2,322,500</u>	<u>1,200,000</u>	<u>420,000</u>
Number of persons (including those who worked part of the year)	1	3	16	1	2	4

Notes	Rupees 2025	Rupees 2024
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17.2 Auditors' remuneration

Audit services

Annual audit fee

Certifications

300,000	135,000
110,000	115,000
<u>410,000</u>	<u>250,000</u>

18 OTHER INCOME

From financial assets

Income from Pakistan Merchantile Exchange Limited

Profit on exposure deposit

Profit on deposit with banks

Profit on deposit against margin financing

1,962,660	2,412,465
3,963,538	763,164
4,410,793	2,673,972
4,781,174	-

15,118,165 5,849,601

From non-financial assets

Recoveries

Reversal of provision for doubtful debts

9,791,859	7,213,690
-	967,366
<u>9,791,859</u>	<u>8,181,056</u>
<u>24,910,024</u>	<u>14,030,657</u>

19 FINANCE COSTS

Bank charges

Markup on short term borrowings from banking companies

526,070	394,241
17,949,976	27,862,306
<u>18,476,046</u>	<u>28,256,547</u>

20 LEVIES

Final tax

20.1

14,436,606	927,240
<u>14,436,606</u>	<u>927,240</u>

20.2 This represents final taxes paid under section 5 and 37A of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37

	Notes	Rupees 2025	Rupees 2024
21 INCOME TAX			
Current		14,514,223	5,363,576
Prior		453,975	4,603,243
Deferred		4,928,924	8,136,333
		19,897,123	18,103,152

21.1 Relationship between income tax expense and accounting profit
Profit before levies and income tax

	151,417,357	97,720,066
Tax at the enacted tax rate	43,911,034	28,338,819
Effect of income taxed at lower tax rates	(10,377,386)	(969,432)
Tax effect of exempt income	(6,691,548)	(25,407,346)
Tax effect of non deductible expenses	13,036,107	4,376,625
Effect of super tax	1,824,385	-
Tax effect of prior year assessment	453,975	4,603,243
Effect of deferred tax	4,928,924	8,136,333
Effect of tax credit	(1,470,539)	(47,850)
Effect of adjustment of prior year business loss	(11,281,223)	-
Amount transferred to levies	(14,436,606)	(927,240)
	19,897,123	18,103,152

21.2 The income tax returns of the Company have been filed up to tax year 2024 under the Universal Self Assessment Scheme. This scheme provides that the return filed is deemed to be an assessment order. The returns may be selected for audit within five years. The Income Tax Commissioner may amend assessment if any objection is raised during audit. Previous year tax reconciliation is not presented due to application of minimum tax.

21.3 The Deputy Commissioner Inland Revenue (DCIR), Regional Tax Office - Corporate, Karachi, passed orders all dated March 11, 2020 under section 161 / 205 of the Income Tax Ordinance, 2001, for the tax years 2014, 2015, 2016, 2017 and 2018, on account of non-deduction of withholding tax on various expenses and created an aggregate tax demand of Rs. 11,828,109/-, including default surcharge and penalty. The Company filed an appeal before the Commissioner (Appeals-III) against the aforementioned order and the proceedings thereof are pending till date.

22 CASH AND CASH EQUIVALENTS

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

Short term running finance	(108,163,328)	(17,797,357)
Cash & bank balances	131,818,506	26,788,102
	23,655,178	8,990,745

23 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

23.1 FINANCIAL RISK MANAGEMENT

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

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

23.1.1 Market Risk

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

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure arises from short borrowings from banking companies. At the reporting date, the profile of the Company's interest-bearing financial instruments was as follows:

	2025	2024
	— Carrying amounts (Rs.) —	
<u>Financial assets</u>		
Deposit against exposure margin requirement	53,555,283	4,254,002
Deposit with banks	124,239,339	20,850,332
	<u>177,794,623</u>	<u>25,104,334</u>
<u>Financial liabilities</u>		
Running finance obtained from Bank Alfalah Limited	108,163,328	17,797,357
Short term borrowing under Murabaha arrangement	89,699,928	81,275,999
	<u>197,863,256</u>	<u>99,073,357</u>

Sensitivity analysis

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

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

	Effect on profit before tax	
	1% increase	1% decrease
As at June 30, 2025		
Cash flow sensitivity - Variable rate financial instruments	(200,686)	200,686
As at June 30, 2024		
Cash flow sensitivity - Variable rate financial instruments	(739,690)	739,690

(ii) **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from receivables and payable that exist due to transaction in foreign currencies. The Company is not exposed to currency risk as all the operations of the Company are being carried out in local currency.

(iii) **Price Risk**

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

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

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

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

	Fair value (Rupees)	Hypothetical price change	Estimated fair value after hypothetical change in prices (Rupees)	Hypothetical increase / (decrease) in profit before tax (Rupees)
June 30, 2025	361,228,648	10% increase	397,351,513	36,122,865
		10% decrease	325,105,783	(36,122,865)
June 30, 2024	206,706,536	10% increase	227,377,190	20,670,654
		10% decrease	186,035,882	(20,670,654)

23.1.2 Liquidity risk

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

2025				
Carrying amount	Contractual cash flows	Upto one year	More than one year	
(Rupees)				
Financial liabilities				
Short term borrowings - secured	197,863,256	197,863,256	197,863,256	-
Trade payables	118,335,075	118,335,075	118,335,075	-
Accrued expenses & other liabilities	87,332,053	87,332,053	87,332,053	-
	403,530,384	403,530,384	403,530,384	-

2024				
Carrying amount	Contractual cash flows	Upto one year	More than one year	
(Rupees)				
Financial liabilities				
Short term borrowings - secured	99,073,357	99,073,357	99,073,357	-
Trade payables	18,211,046	18,211,046	18,211,046	-
Accrued expenses & other liabilities	20,131,165	20,131,165	20,131,165	-
	137,415,568	137,415,568	137,415,568	-

23.1.3 Credit risk

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

A financial asset is regarded as credit impaired as and when it falls under the definition of a 'defaulted' financial asset. For the Company's internal credit management purposes, a financial asset is considered as defaulted when it is past due for 360 days or more.

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

Exposure to credit risk

Credit risk of the Company arises principally from the trade debts, short term investments, loans and advances, deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. 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 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 policy is to enter into financial contracts in accordance with the internal risk management policies and investment and operational guidelines approved by the Board of Directors. In addition, credit risk is also minimised due to the fact that the Company invests only in high quality financial assets, majority of which have been rated by a reputable rating agency. All transactions are settled / paid for upon delivery. The Company does not expect to incur material credit losses on its financial assets. The maximum exposure to credit risk at the reporting date is follows:

	Rupees 2025	Rupees 2024
Long term advances & deposits	5,489,740	5,291,740
Trade receivables	85,292,615	118,894,650
Advances, deposits, pre-payments & other receivables	55,551,236	8,982,749
Short term investment	361,228,648	206,706,536
Bank balances	131,818,506	26,788,102
	639,380,745	366,663,777

a) Credit risk exposure on trade debts

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

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

	June 30, 2025		June 30, 2024	
	Gross carrying amount	Provision for expected credit losses	Gross carrying amount	Provision for expected credit losses
	Rupees			
Not past due	-	-	-	-
Past due 1 day - 90 days	83,461,853	-	75,952,903	-
Past due 91 days - 180 days	17,434,660	15,698,351	696,288	-
Past due 181 days - 360 days	464,759	464,759	4,146,611	-
Past due above 360 days	3,761,372	3,761,372	55,497,538	17,398,689
	105,122,644	19,924,482	136,293,339	17,398,689

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

b) Credit risk exposure on bank balances

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

	Short term rating	2025	2024
		Rupees	
MCB Bank Limited	A-1+	415,663	229,932
BankIslami Pakistan Limited	A-1	589,790	737,066
Bank Marakramh Limited	A-3	833	16,033
Habib Bank Limited	A-1+	1,108,770	860,446
Meezan Bank Limited	A-1+	2,041,163	10,261,022
Bank Alfalah Limited	A-1+	114,653,361	2,872,929
Bank Al Habib Limited	A-1+	3,722,754	1,749,600
Dubai Islamic Bank Pakistan Limited	A-1+	3,168,007	5,391,341
Habib Metropolitan Bank Limited	A-1+	807,425	4,053,706
JS Bank Limited	A-1+	1,190,270	18,141
United Bank Limited	A-1+	2,153,633	597,887
The Bank of Punjab	A-1+	1,966,838	-
		131,818,506	26,788,102

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

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

23.2 Financial Instruments by category

23.2.1 Financial Assets

2025			
	At fair value through profit or loss	At fair value through other comprehensive income	At amortised cost
			Total
Long term advances & deposits	-	-	5,489,740
Trade receivables	-	-	85,292,615
Advances, deposits, pre-payments & other receivables	-	-	55,551,236
Short term investment	361,228,648	-	-
Bank balances	-	-	131,818,506
	361,228,648	-	278,152,097
			639,380,745

2024			
	At fair value through profit or loss	At fair value through other comprehensive income	At amortised cost
			Total
Long term advances & deposits	-	-	5,291,740
Trade receivables	-	-	118,894,650
Advances, deposits, pre-payments & other receivables	-	-	8,982,749
Short term investment	206,706,536	-	-
Bank balances	-	-	26,788,102
	206,706,536	-	159,957,241
			366,663,777

23.2.2 Financial Liabilities

2025		
	Amortised cost	At fair value through profit or loss
		Total
Short term borrowings - secured	197,863,256	-
Trade payables	118,335,075	-
Accrued expenses & other liabilities	87,332,053	-
	403,530,384	-
		403,530,384

2024		
	Amortised cost	At fair value through profit or loss
		Total
Short term borrowings - secured	99,073,357	-
Trade payables	18,211,046	-
Accrued expenses & other liabilities	20,131,165	-
	137,415,568	-
		137,415,568

24 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

Financial assets

2025			
Level 1	Level 2	Level 3	Total
<i>At fair value through profit and loss</i>			
Quoted equity securities	361,228,648	-	361,228,648
	361,228,648	-	361,228,648

2024			
Level 1	Level 2	Level 3	Total
<i>At fair value through profit and loss</i>			
Quoted equity securities	206,706,536	-	206,706,536
	206,706,536	-	206,706,536

25 CAPITAL

25.1 Management of capital

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

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

25.2 Capital Adequacy Level

June 30, 2025

Total Assets	784,007,293
Less: Total Liabilities	(418,650,179)
Less: Revaluation Reserves (Created upon revaluation of Fixed Assets)	-
Capital Adequacy Level	23.2.1 365,357,114

25.2.1 While determining the value of the total assets of the TREC Holder, notional value of the TRE certificate held by the company as at June 30, 2025, as determined by Pakistan Stock Exchange has been considered.

25.3 Liquid Capital Balance

Liquid Capital Balance of the Company, as at June 30, 2025, in accordance with the Third Schedule of the Securities Brokers (Licensing and Operations) Regulations, 2016 is enclosed as Annexure A-I.

26 RELATED PARTY TRANSACTIONS

Related parties comprise of key management personnel (including directors), shareholders of the company and their close family members. Remuneration and benefits to executives of the Company are in accordance with the terms of the employment. Remuneration of the Chief Executive and Directors is disclosed in note 17.1 to the financial statements. Transactions entered into, and balances held with, related parties during the year, are as follows:

DIRECTORS, SHAREHOLDERS AND KEY MANAGEMENT PERSONNEL:

2025	2024
Rupees	

Naeem Rafi (Chief Executive)*Balances at year end*

Trade payable at year end

12,132,256	231,250
------------	---------

Samia Naeem (Director / Shareholder)*Balances at year end*

Trade receivable at year end

22,173	179,916
--------	---------

Trade payable at year end

147,697	39,601
---------	--------

Muhammad Saleem Mansoori (Director / Shareholder)*Transactions during the year*

Commision earned on sale and purchase of securities

154,317	602,030
---------	---------

Balances at year end

Trade receivable at year end

886,415	1,000
---------	-------

Trade payable at year end

137,213	105,808
---------	---------

Umer Farooq (Shareholder)*Transactions during the year*

Commision earned on sale and purchase of securities

-	22,327
---	--------

Balances at year end

Trade receivable at year end

1,431	2,063
-------	-------

CLOSE FAMILY MEMBERS OF DIRECTORS, SHAREHOLDERS AND KEY MANAGEMENT PERSONNEL:

2025	2024
Rupees	

Muhammad Noman Mansoori (Close family member of director)*Transactions during the year*

Commision earned on sale and purchase of securities

82,544	-
--------	---

Balances at year end

Trade receivable at year end

677,627	-
---------	---

Trade payable at year end

43,170	-
--------	---

2025	2024
Rupees	

Mohammad Ibrahim Ahmed (Close family member of director)

Transactions during the year

Commission earned on sale and purchase of securities

44,434 -

Balances at year end

Trade payable at year end

96,103 -

Kaleem Ullah (Close family member of director)

Balances at year end

Trade receivable at year end

468,131 -

Muhammad Aamir (Close family member of director)

Transactions during the year

Commission earned on sale and purchase of securities

183,724 -

Balances at year end

Trade receivable at year end

676,559 -

Trade payable at year end

137,213 105,808

27 GENERAL

27.1 Number of Employees

Total employees of the Company at the year end

2025 2024
56 40

Average employees of the Company during the year

50 37

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

27.3 Figures have been rounded off to the nearest rupee.

27.4 Authorization for Issue

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

28 OCT 2025


Chief Executive




Director

RAFI SECURITIES (PRIVATE) LIMITED
COMPUTATION OF LIQUID CAPITAL
AS ON JUNE 30, 2025

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
I- Assets				
1.1	Property & Equipment	10,579,849	10,579,849	-
1.2	Intangible Assets	2,789,649	2,789,649	-
1.3	Investment in Govt. Securities	-	-	-
Investment in Debt. Securities				
If listed than:				
1.4	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:			
1.4	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.	-	-	-
	Investment in Equity Securities			
1.5	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.	326,641,940	62,410,278	264,231,662
	ii. Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base minimum capital	34,586,708	34,586,708	-
	iii. If unlisted, 100% of carrying value.	-	-	-
1.6	Investment in subsidiaries	-	-	-
Investment in associated companies/undertaking				
1.7	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity.				
1.8	(i) 100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirements of base minimum capital may be taken in the calculation of LC	2,753,802	2,753,802	-
1.9	Margin deposits with exchange and clearing house.	53,555,283	-	53,555,283
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	2,814,370	2,814,370	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc. (Nil)	-	-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. <i>(Securities purchased under repo arrangement shall not be included in the investments.)</i>	-	-	-
1.15	Advances and receivables other than trade Receivables;			
	(i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months.	1,917,521	515,380	1,402,141
	(ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation.	-	-	-
	(iii) In all other cases 100% of net value	1,441,310	1,441,310	-
Receivables from clearing house or securities exchange(s)				
1.16	i. 100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	94,452	-	94,452
	ii. claims on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
Receivables from customers				

1.17	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>i. Lower of net balance sheet value or value determined through adjustments.</i>	129,815,740	33,228,894	96,586,846
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. <i>ii. Net amount after deducting haircut</i>	-	-	-
	iii. Incase receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, <i>iii. Net amount after deducting haircut</i>	-	-	-
S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1. Assets				
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. <i>iv. Balance sheet value</i>	36,312,208	-	36,312,208
	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. <i>v. Lower of net balance sheet value or value determined through adjustments</i>	66,078,100	19,522,690	46,555,410
	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. <i>vi. Lower of net balance sheet value or value determined through adjustments</i>	2,732,336	2,240,010	492,326
Cash and Bank balances				
1.18	i. Bank Balance-proprietary accounts	478,078	-	478,078
	ii. Bank balance-customer accounts	131,340,428	-	131,340,428
	iii. Cash in hand	-	-	-
Subscription money against investment in IPO/ offer for sale (asset)				
1.19	(i) No haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.	-	-	-
	(ii) In case of Investment in IPO where shares have been allotted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities.	-	-	-
	(iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares.	-	-	-
1.20	Total Assets	803,931,775	172,882,940	631,048,835
2. Liabilities				
Trade Payables				
2.1	i. Payable to exchanges and clearing house	71,077,045	-	71,077,045
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	118,335,075	-	118,335,075
Current Liabilities				
2.2	i. Statutory and regulatory dues	3,327,249	-	3,327,249
	ii. Accruals and other payables	19,087,791	-	19,087,791
	iii. Short-term borrowings	197,863,256	-	197,863,256
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-

	vi. Deferred Liabilities	-	-	-
	vii. Provision for taxation	11,792,546	-	11,792,546
	viii. Other liabilities as per accounting principles and included in the financial statements	2,424,305	-	2,424,305
	Non-Current Liabilities			
	i. Long-Term financing	-	-	-
	ii. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.3	iii. Staff retirement benefits	-	-	-
	Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. (b) Nil in all other cases	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
2. Liabilities				
	Subordinated Loans			
2.4	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:	-	-	-
	Advance against shares for Increase in Capital of Securities broker:			
	100% haircut may be allowed in respect of advance against shares if: a. The existing authorized share capital allows the proposed enhanced share capital b. Board of Directors of the company has approved the increase in capital c. Relevant Regulatory approvals have been obtained d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed. e. Auditor is satisfied that such advance is against the increase of capital.	-	-	-
2.6	Total Liabilities	423,907,267	-	423,907,267
3. Ranking Liabilities Relating to :				
	Concentration in Margin Financing			
3.1	The amount calculated client-to- client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees. (Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million) Note: Only amount exceeding by 10% of each financee from aggregate amount shall be include in the ranking liabilities	-	-	29,155,839
	Concentration in securities lending and borrowing			
3.2	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 issues : if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issues where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment	-	-	-
	(b) in any other case : 12.5% of the net underwriting commitments	-	-	-

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 currency 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 securities. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received, less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
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	-	-	-
S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3. Ranking Liabilities Relating to :				
Opening Positions in futures and options				
3.9	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/ pledged with securities exchange after applying VaR haircuts	-	-	-
	ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	-	-	-
Short sell positions				
3.10	i. In case 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. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	Total Ranking Liabilities	-	-	29,155,839
		380,024,508	Liquid Capital	177,985,729

Calculations Summary of Liquid Capital

- (i) Adjusted value of Assets (serial number 1.20)
(ii) Less: Adjusted value of liabilities (serial number 2.6)
(iii) Less: Total ranking liabilities (serial number 3.11)

631,048,835
(423,907,267)
(29,155,839)
177,985,729


Chief Executive




Director