SAKARWALA CAPITAL SECURITIES (PRIVATE) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2025

Certified to be True Copy

Sakarwala Capital Securities (Pvt) Ltd.

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SAKARWALA CAPITAL SECURITIES (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

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

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

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.

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Sakarwala Capital Securities (Pvt) Ltd.

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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

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

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

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

e) the Company was in compliance with the requirement of section 78 of the Securities Act 2015, and section 62 of the Futures Act, 2016, and relevant requirements of Securities Brokers (Licencing and Operations) Regulations, 2016 as at the date on which the financial statements were prepared.

f) the Company was in compliance with the relevant requirements of Future Brokers (Licensing and Operations Regulations), 2018 as at the date on which the statement of financial statements was prepared.

The engagement partner on the audit resulting in this independent auditor's report is **Azeem H. Siddiqui – FCA.**

Naveed Zafar Ashfaq Jaffery & Co
Chartered Accountants

Karachi :
Dated : October 07, 2025
DUIN : AR2025102324aVohUcPt

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Sakarwala Capital Securities (Pvt) Ltd.

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

	Note	2025	2024
		Rupees	
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	18,215,220	20,600,367
Investment property	5	49,500,000	49,500,000
Intangible assets	6	3,250,000	3,250,000
Long term investment	7	-	24,376,828
Long term deposits	8	4,010,000	4,010,000
		74,975,220	101,737,195
CURRENT ASSETS			
Trade debts - unsecured	9	26,672,408	61,504,959
Short term investments	10	-	4,828,470
Advances, deposits and other receivables	11	37,160,388	31,985,033
Bank balances	12	331,892,860	372,942,325
		395,725,656	471,260,787
TOTAL ASSETS		470,700,876	572,997,982
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		100,000,000	100,000,000
Issued, subscribed and paid-up capital	14	100,000,000	100,000,000
Capital Reserve			
General reserve		2,720,820	2,720,820
Surplus on revaluation of property and equipment	15	14,882,335	16,535,928
		17,603,155	19,256,748
Revenue Reserve			
Unappropriated profit		142,962,287	86,360,307
Surplus on re-measurement of equity investment at FVOCI		-	7,157,059
		142,962,287	93,517,366
Total equity		260,565,442	212,774,114
CURRENT LIABILITIES			
Trade and other payables	16	210,135,434	360,223,868
TOTAL EQUITY AND LIABILITIES		470,700,876	572,997,982
Contingencies and commitments	17		

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

Chief Executive

G.M. Sakarwala
Director

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Sakarwala Capital Securities (Pvt) Ltd.

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

	Note	2025	2024
		Rupees	
Operating revenue	18	64,950,009	38,253,451
Capital gain on sale of investments - net		262,000	7,279,274
Unrealised gain on remeasurement of short term investments		-	2,880,690
Dividend income		1,902,953	1,529,080
		67,114,962	49,942,495
Administrative expenses	19	(104,038,457)	(67,377,468)
Financial charges	20	(97,804)	(852,951)
Other income	21	60,811,499	31,903,687
Profit before income tax and levies		23,790,200	13,615,762
Final taxes	22.1	(846,531)	(229,362)
Minimum tax	22.2	(1,491,019)	(878,634)
Profit before income tax		21,452,650	12,507,766
Taxation	22.3	(5,581,371)	(438,964)
Profit after tax		15,871,279	12,068,802
Earnings per share - Basic and Diluted	23.3	15.87	12.07

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Chief Executive

G.M. Sakarwala

Director

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Sakarwala Capital Securities (Pvt) Ltd.

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

	2025	2024
	------------Rupees--------------	
Profit for the year	**15,871,279**	12,068,802
Other comprehensive income:		
Items that will not not be reclassified subsequently to profit or loss		
Unrealised gain on re-measurement of Investment at FVOCI	**31,920,049**	10,294,976
Total comprehensive income for the year	**47,791,328**	22,363,778

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

Chief Executive

G.M. Sakarwala

Director

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Sakarwala Capital Securities (Pvt) Ltd.

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

		CAPITAL RESERVE		REVENUE RESERVE		
Particulars	**Issued, subscribed and paid-up capital**	**Capital Reserve**	**Surplus on revaluation of property and equipment**	**Unappropriated Profit**	**Surplus on re-measurement of equity Investment**	**Total**
	------	------	------	Rupees	------	------
Balance as at June 30, 2023	100,000,000	2,720,820	18,373,253	72,454,180	(3,137,917)	190,410,337
Total comprehensive income for the year ended June 30, 2024						
Profit after taxation	-	-	-	12,068,802	-	12,068,802
Unrealised loss on remeasurement of investment at FVOCI	-	-	-	-	10,294,976	10,294,976
	-	-	-	12,068,802	10,294,976	22,363,778
Transfer of incremental depreciation on	-	-	(1,837,325)	1,837,325	-	-
Balance as at June 30, 2024	100,000,000	2,720,820	16,535,928	86,360,307	7,157,059	212,774,114
Total comprehensive income for the year ended June 30, 2025						
Profit after taxation	-	-	-	15,871,279	-	15,871,279
Unrealised gain on remeasurement of investment at FVOCI	-	-	-	-	31,920,049	31,920,049
	-	-	-	15,871,279	31,920,049	47,791,328
Transfer of fair value reserve on sale of investment	-	-	-	39,077,108	(39,077,108)	-
Transfer of incremental depreciation on revaluation surplus	-	-	(1,653,593)	1,653,593	-	-
Balance as at June 30, 2025	100,000,000	2,720,820	14,882,335	142,962,287	-	260,565,442

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

Chief Executive

G M Sakarwala
Director

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Sakarwala Capital Securities (Pvt) Ltd.

SAKARWALA CAPITAL SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		-----------------Rupees---------------	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before income tax and levies		**23,790,200**	13,615,762
Adjustment for non-cash items:			
Depreciation		**2,385,147**	2,740,679
Financial charges		**97,804**	852,951
Capital gain on sale of investments - net		**(262,000)**	(7,279,274)
Unrealised gain on remeasurement of short term investments		**-**	(2,880,690)
		2,220,951	(6,566,334)
Cash generated from operating activities before working capital changes		**26,011,151**	7,049,429
Changes in working capital			
(Increase)/decrease in current assets			
Trade debts		**34,832,551**	(41,372,907)
Advances, deposits and prepayments		**(5,565,673)**	17,544,000
Receivable against margin financing		**-**	3,299,240
Decrease in current liabilities			
Trade and other payable		**(150,088,434)**	200,813,256
		(120,821,555)	180,283,589
Cash (used in) / generated from operations		**(94,810,406)**	187,333,018
Financial charges paid		**(97,804)**	(852,951)
Taxes paid		**(7,528,601)**	(4,826,426)
Net cash (used in)/generated from operating activities		**(102,436,811)**	181,653,640
CASH FLOWS FROM INVESTING ACTIVITIES			
Long term investment		**56,296,876**	-
Short term investment-net		**5,090,470**	16,347,934
Net cash generated from investing activities		**61,387,346**	16,347,934
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan paid		-	(6,035,597)
Net cash (used in)/generated from financing activities		-	(6,035,597)
Net increase(decrease) in cash and cash equivalent		**(41,049,465)**	191,965,977
Cash and cash equivalent at beginning of the year		**372,942,325**	180,976,347
Cash and cash equivalent at end of the year	**12**	**331,892,860**	372,942,325

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

Chief Executive

G.M. Sakarwala

Director

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Sakarwala Capital Securities (Pvt) Ltd.

SAKARWALA CAPITAL SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 Legal Status and Nature of Business

Sakarwala Capital Securities (Private) Limited was incorporated under the repealed Companies Ordinance, 1984 ('the Ordinance') which has now been replaced with Companies Act, 2017 ('the Act'). The Company is a corporate member of Pakistan Stock Exchange Limited (PSX).

The Company is a TREC (Trading Right Entitlement Certificate) holder of Pakistan Stock Exchange Limited (Formerly: Karachi Stock Exchange Limited) and a member of Pakistan Mercantile Exchange Limited (PMEX). The Company is principally engaged in brokerage of shares, stocks, securities, commodities and other financial instruments, securities research, financial consultancy and underwriting.

The address of the company's offices are as follows:

Registered address

- Room No: 114, 3rd Floor, Stock Exchange Building, Stock Exchange Road, Karachi.

Branch office

- Room No: 130, 3rd Floor, Stock Exchange Building, Stock Exchange Road, Karachi.
- Room No: 605, 3rd Floor, Stock Exchange Building, Stock Exchange Road, Karachi.
- Room No: 606, 3rd Floor, Stock Exchange Building, Stock Exchange Road, Karachi.

2 Basis of Preparation

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for financial reporting. The accounting and reporting standards as applicable in Pakistan comprise of such International Financial Reporting Standards (IFRS Standards), issued by International Accounting Standard Board (IASB) as notified under Companies Act, 2017 (the "Act"); 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 standard, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of Measurement

These financial statements have been prepared under historical cost convention except, for office building in property and equipment, which have been carried at revalued amount , investment property which have been carried at fair value, long term and short term investment in quoted equity securities which have been carried at their fair values.

2.3 Functional and Presentation Currency

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

2.4 Use of Estimates and Judgements

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised. Significant areas requiring the use of management estimates in these financial statements relate to the following:

- Property and equipment and depreciation (refer note 3.1 & 4)
- Intangible assets and amortization (note 3.3)
- Taxation (note 3.10)
- Provisions (note 3.5)
- Contingencies (note 18)

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Sakarwala Capital Securities (Pvt) Ltd.

2.5 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

2.5.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

There were certain amendments to accounting and reporting standards that became applicable to the Company during the year. These do not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

2.5.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standard or Interpretation	Effective date (annual periods beginning on or after)
IAS -21 The effects of changes in Foreign exchange rates (Amendments).	July 1, 2025
Amendments to IAS 7 Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements	January 1, 2026
Annual Improvements to IFRS Accounting Standards -Volume 11	1-Jan-26
IFRS 17 Insurance Contracts	January 1, 2026
Amendment to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely

Other than the aforesaid amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 'First-time Adoption of International Financial Reporting Standards

IFRS 18 'Presentation and Disclosures in Financial Statements'

IFRS 19 'Subsidiaries without Public Accountability: Disclosures'

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently in the preparation of these financial statements.

3.1 Property and Equipment

Property and equipment (except for office premises) are stated at cost less accumulated depreciation and impairment losses, if any. Office premises are stated at revalued amount less accumulated depreciation and impairment loss, if any. Office building is stated at revalued amount and revaluation of office building will be conducted every 5 years. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits as associated with the item will flow to the Company and its cost can be reliably measured. Cost incurred to replace an item of property and equipment is capitalized and the asset so replaced is retired from use and its carrying amount is derecognised. Normal repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

Depreciation on all property and equipment is charged to statement of profit or loss using reducing balance method over the asset`s useful life at the rates stated in Note no 4. The depreciation on property and equipment is charged full in the month of acquisition and no depreciation is charged in the month of disposal. Gains or losses arising on disposal of item of property and equipment are recognized in the statement of profit or loss. The residual values and useful lives of assets are reviewed and adjusted, if appropriate at each reporting date.

3.2 Investment Property

The company's accounting policy for valuation of investment properties is fair value model in accordance with IAS 40 Investment Property.

Valuation of investment property is carried out by qualified independent valuer. The fair value is determined on the basis of professional assessment of current prices in an active market for similar properties in the same location and condition.

3.3 Intangible Assets

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

Trading Rights Entitailment Certificate (TREC)

It is stated at cost less impairment, if any .The carrying amount is reviewed at each reporting date to assess wether it is in excess of its recoverable amount and where the carrying amount exceed estimated recoverable amount ,it is written down to its recoverable amount.

Software

Costs directly associated with identifiable software that will have probable economic benefits exceeding costs beyond one year, are recognized as an intangible asset. Direct costs include the purchase costs of software and other directly attributable costs of preparing the software for its intended use.

Computer software is measured initially at cost and subsequently stated at cost less accumulated amortization and accumulated impairment losses, if any.

Amortization

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

3.4 Trade Debts and Other Receivables

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

3.5 Provisions

A provision is recognised in the statement of financial position when the Company has a 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 of obligation can be made. The amount recognized as provision reflects the best estimate of the expenditure required to settle the obligation at the end of reporting period.

3.6 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.

3.7 Revenue Recognition

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

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

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

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

3.8 Cash and Cash Equivalents

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

3.9 Expenses

All expenses are recognized in the profit and loss account on an accrual basis..

3.10 Taxation, final and minimum tax

Final and minimum tax

Computation of minimum tax chargeable under various sections of ITO 2001, provisions of such sections require its comparison with amount of tax attributable to income streams taxable at general rate of taxation, such minimum taxes are not fully outside the scope of IAS-12 and a certain portion of them falls in scope of IAS - 12. Based on this, the minimum taxes under ITO 2001 are hybrid taxes which comprise of a component within the scope of IAS - 12 and a component within the scope of IFRIC - 21/IAS-37.

As regards final taxes, its computation is based on revenue or other bases other than taxable income, therefore, final taxes fall under levy within the scope of IFRIC-21/IAS-37, hence treated and classified accordingly, as per the requirements of / and guidelines issued by ICAP.

In identifying and classifying each component of minimum tax being hybrid in nature, company designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS - 12 "Income taxes" and recognize it as current income tax expense. Any excess over the amount designed as income tax, is recognized as a levy falling under the scope of IFRIC-21/IAS-37.

3.10.1 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit or loss except to the extent that it relates to item recognized directly in other comprehensive income in which case it is recognized in other comprehensive income.

Current

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any.

Deffered Tax

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the carrying amount of assets and liabilities used for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the rates that are expected to be applied to the temporary differences when they arise, based on the laws that have been enacted or substantively enacted by the reporting date.

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

3.11 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

3.12 Financial Instruments

Initial Recognition of Financial Assets

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

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

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition

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.

Financial assets at FVOCI

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

(a) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; or

(b) it is an investment in equity instrument which is designated as at fair value through other comprehensive income in accordance with the irrevocable election available to the Company to at initial recognition.

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.

Subsequent Measurement

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 or loss.
Equity Investments at FVOCI	These are subsequently measured at fair value. Dividends are recognised as income in statement of profit or loss. Other net gains and losses are recognised in other comprehensive income and are never reclassified to profit or loss. On derecognition, gain and losses accumulated in capital reserves are reclassified to unappropriated profit.
Debt Investments at FVOCI	These are subsequently measured at fair value. Interest/markup income is calculated using effective interest rate method, and impairment are recognized in the statement of profit and loss account. Other net gains and losses are recognised in other comprehensive income. On derecognition, gain and losses accumulated in other comprehensive income /capital reserves are reclassified to statement of profit or loss.
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 statement of profit or loss.

Non Derivative Financial Assets

Al non derivative financial assets are initially recognized on trade date i.e the date on which the company becomes party to respective contractual provisions. Non derivative financial assets comprise of loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets. The company derecognizes the financial asset when the contactual rights to the cash flows from the asset expires or it transfer the right to receive the contractual cash flow in a transaction in which substantially all risk and rewards of ownership of the financial assets are transferred or it niether transferred nor retain substantially all of the risk and rewards of ownership amd does not retain control over the transferred assets.

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Financial Liabilities

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 and loss account.Other financial liabilities are carried at amortized cost using effective interest method.

Financial liabilities are initially recognized on the date on which the company becomes party to respective contractual provisions. Financial liabilities include markup bearing loans and trade and other payables.

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.

Offsetting of financial assets and financial liabilities

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

Impairment

Financial Assets

The Company recognizes loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortized cost and FVTOCI at an amount equal to lifetime ECLs except for the financial assets in which there is no significant increase in credit risk since initial recognition or financial assets which are determined to have low credit risk at the reporting date, in which case 12 months' ECL is recorded. The following were either determined to have low or there was no increase in credit risk since initial recognition as at the reporting date:

- bank balances;
- employee receivables
- other short term receivables; and
- receivables from PMEX and NCCPL

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

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

Life time ECLs are the ECLs that results from all possible default events over the expected life of a financial instrument. 12 months ECLs are portion of ECL that result from default events that are possible within 12 months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive).
The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

De-recognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an

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investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

Financial liabilities

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

3.13 Changes in accounting policy

During the year, the Company changed its accounting policy of recognizing the portion of income tax paid or payable for the year under the Ordinance, not based on the taxable profits of the Company, as a Levy Inder IFRIC-21/IAS-37 instead of the current income tax for the year under IAS-12. There is, however, no material impact on the financial statements of the prior year.

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4. PROPERTY AND EQUIPMENT

	Note	2025	2024
		Rupees	
Property and equipment	4.1	18,215,220	20,600,367

4.1

Particulars	Cost				Rate %	Depreciation				W.D.V.
	As at July 01, 2024	Additions	Disposals	As at June 30, 2025		As at July 01, 2024	For the year	Disposals	As at June 30, 2025	As at June 30, 2025
	Rupees					Rupees				
Office Building	60,251,957	-		60,251,957	10%	42,898,334	1,735,362	-	44,633,696	15,618,261
Office Equipment	675,316	-	-	675,316	20%	640,259	7,011	-	647,271	28,045
Furniture and fixture	448,299	-	-	448,299	20%	438,224	2,015	-	440,239	8,060
Vehicles	8,388,620	-	-	8,388,620	20%	5,190,361	639,652	-	5,830,013	2,558,607
Computer Equipment	1,225,241	-	-	1,225,241	33%	1,221,889	1,106	-	1,222,995	2,247
June 30, 2025	70,989,433	-	-	70,989,433		50,389,067	2,385,147	-	52,774,214	18,215,220

4.1 Had there been no revaluation, the net carrying value of office building would have been Rs. 735,925 (2024 :Rs. 817,695).

4.2 Revaluation was performed by Anjum Adil and Associate, an independent valuer on 21 April, 2021 resulting in surplus amounting Rs. 25,203,049.

4.3 The forced Sale Value (FSV) of the revalued office building at the date of revaluation was Rs. 21.060 million.

5 INVESTMENT PROPERTY

	Note	2025	2024
INVESTMENT PROPERTY	5.1	49,500,000	49,500,000

Particulars	Cost				Depreciation				W.D.V.
	As at July 01, 2024	Additions / Transfers	Gain as per IAS 40	As at June 30, 2025	Up to 01-0724	For the year	On Disposals / transfers	As at June 30, 2025	As at June 30, 2025
Shop # 1 Sulaiman Ar	682,673	-	49,163,611	49,846,284	346,284	-	-	346,284	49,500,000
June 30, 2025	682,673	-	49,163,611	49,846,284	346,284	-	-	346,284	49,500,000
June 30, 2024	682,673	-	49,163,611	49,846,284	346,284	-	-	346,284	49,500,000

5.1 The investment property consist of Shop No-S-1, Ground Floor, Sulaiman Arcade, Plot No # 11, sub plot S-1, Block No#3, Bihar Muslim Co-operative Housing Society, Sharfabad, Jamal ud din Afghani Road Karachi. The investment property consist of 450 Square feet.

5.2 Revaluation was performed by Anjum Adil and Associate, an independent valuer on 21 April, 2021.

6. INTANGBLE ASSETS

	Note	2025	2024
Trading Right Entitlement Certificate (TREC)	6.1	2,500,000	2,500,000
PMEX Membership Card		750,000	750,000
		3,250,000	3,250,000

6.1 This represents TREC received by the company in according with the Stock Exchange (Corporatisation, Demutualization and Integration) Act 2012, as ammended by Stock Exchange (Corporatisation, Demutualization and Integration)(Ammedment) Act, 2015. The TRE Certificate is stated cost less accumulated impairment loss.
PSX Vide notice no. PSX/N-225 Dated February 16, 2021 the notional value of Trading Right Entitlement Certificate which amounting to Rs 2.5 millions.

7. LONG TERM INVESTMENT

	Note	2025	2024
Investment in shares of Pakistan Stock Exchange	7.1	-	24,376,828

7.1 During the year the company has disposed of its investment.

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	Note	2025	2024
		Rupees	
8. LONG-TERM DEPOSITS			
Trading deposit			
NCCPL basic deposit		200,000	200,000
NCCPL ready market deposit		200,000	200,000
NCCPL future market deposit		1,000,000	1,000,000
Deposit against office		2,500,000	2,500,000
CDC deposit		100,000	100,000
Security deposit			
Other deposits	8.1	10,000	10,000
		4,010,000	4,010,000

8.1 This represent deposit with PSX for railway land.

	Note	2025	2024
9. TRADE DEBTS - CONSIDERED GOODS			
Trade debts	9.1 & 9.2	26,672,408	61,504,959
9.1 Aging analysis of related parties balances			
Not yet due		1	8,587,700
Upto 3 months		78	34,802,308
Upto 1 Year		543	-
		622	43,390,008

The maximum aggregate balance outstanding during the year Rs. 622 (2024 Rs. 43,390,008).

	Note	2025	2024
9.2 Aging Analysis			
Upto five days		14,625,247	9,367,118
Upto 3 months		10,277,780	8,747,833
More than five days		1,769,302	-
		26,672,329	18,114,951
10. SHORT TERM INVESTMENT			
At fair value through profit or loss			
Investment in quoted securities	10.1	-	4,828,470

10.1 During the year the company has disposed of its investment.

	Note	2025	2024
11. ADVANCES, DEPOSITS AND OTHER RECEIVABLES			
Advance tax - net of provision		22,868,382	23,258,700
NCCPL - Future Market Exposure		5,000,000	3,000,000
NCCPL - Future Market Profit/(loss)		5,549,844	3,375,323
PMEX - Clearing Deposit		698,275	500,000
Other receivable		3,043,887	1,851,010
		37,160,388	31,985,033
12. BANK BALANCES			
Cash at bank			
- Current account		5,199,294	144,469
- Saving account	13.1	326,693,566	372,797,856
		331,892,860	372,942,325

12.1 The interest rate on saving accounts ranges from 15% to 18% per annum.

12.3 This includeS Rs. 193,867,998 (2024: Rs. 348,081,352 million) kept in desiginated bank accounts maintained on behalf of clients.

13. SHARE CAPITAL

13.1 AUTHORIZED SHARE CAPITAL

2025	2024			
Number of Shares				
1,000,000	1,000,000	Ordinary shares of Rs. 100 each	100,000,000	100,000,000

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13.2 ISSUED SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		Note	2025	2024
Number of Shares				Rupees	
1,000,000	1,000,000	Ordainary shares of Rs 100 each fully paid in cash		100,000,000	100,000,000

13.2.1 Pattern of Shareholding

S. NO.	SHAREHOLDERS	CLOSING	Percentage Holding
1	Ghulam Mustafa Sakarwala	180,000	18%
2	Ghulam Mujtaba Sakarwala	341,000	34%
3	Munira Sakarwala	180,000	18%
4	Ghulam Murtaza Sakarwala	149,500	15%
5	Ghulam Muhammad Sakarwala	149,500	15%
6	Aziza Bano	-	-
	TOTAL	**1.000.000**	**100%**

13.2.2 The changes in shareholding above 5 % is disclosed in above schedule.

13.3 All ordinary shares rank equally with regards to the company's residual assets. Holders of the shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the company. There is no agreement among shareholder in respect of voting rights, board selection, right of refusal and block voting.

15. SURPLUS ON REVALUATION OF PROPERTY AND EQUIPMENT

	2025	2024
Revaluation surplus opening balance	16,535,928	18,373,253
Revaluation surplus on office building	-	-
Transferred to unappropriated profit on account of:		
Incremental depreciation - net of tax	(1,653,593)	(1,837,325)
Revaluation Surplus closing balance	14,882,335	16,535,928

15.1 This represents surplus on revaluation of office building including in property and equipment adjusted by incremental depreciation on revluation surplus which is presented at revalued amount. Last valuation was performed by Anjum Adil and Associate, an independent valuer on 21 April, 2021 resulting in surplus of Rs. 25,203,049. The company has a policy to carry valuation of office building after every 5 years.

16. TRADE AND OTHER PAYABLES

	2025	2024
Trade payable	198,794,244	351,023,935
Accrued expenses	1,495,371	6,154,925
Auditors' remuneration	-	220,000
Other liabilities	9,845,819	2,825,008
	210,135,434	360,223,867

17. CONTINGENCIES AND COMMITMENTS

17.1. There were no contingencies and commitments as at June 30, 2025 (June 30, 2024 : Nil)

18. REVENUE FROM CONTRACT WITH CUSTOMERS

	2025	2024
Revenue-Net	64,950,009	38,253,451
COMMISSION FROM FUTURE SETTLEMENT	6,904,182	5,399,751
COMMISSION FROM T+2 & NC SETTLEMENT	57,841,223	32,853,700
COMMISSION FROM PEMX SETTLEMENT	204,604	-
	64,950,009	38,253,451

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19. ADMINISTRATIVE EXPENSES

	Note	2025	2024
		Rupees	
Salaries and allowances		75,625,843	53,428,144
Printing, stationary and periodicals		172,054	33,425
Utilities		809,302	771,934
Communication expense		560,996	462,619
Rent, rates and taxes		3,478,480	830,628
Transaction charges		9,535,290	6,368,300
Repair and maintenance		2,614,225	969,934
Fees and subscriptions		278,693	166,500
Depreciation		2,385,147	2,740,679
Auditors' remuneration	20.1	217,200	201,000
Legal and professional fee		284,775	475,259
Travelling and entertainment		4,673,340	-
IT services		1,229,972	864,961
Miscellaneous		2,173,140	64,085
		104,038,457	67,377,468

20.1 Auditor remuneration

	2025	2024
Audit fee	120,000	120,000
System audit fees	97,200	81,000
	217,200	201,000

20. FINANCE COST

	2025	2024
Unwinding of long term loan from director	-	814,403
Bank charges	97,804	38,548
	97,804	852,951

21. OTHER INCOME

	2025	2024
Profit on bank deposits	34,113,047	30,776,619
Profit on cash margin	478,531	872,476
Management fee of mutual fund	12,463,025	254,592
Other income	13,756,896	-
	60,811,499	31,903,687

22. TAXATION

Levies

	Note	2025	2024
Final tax	22.1	846,531	229,362
Minimum tax	22.2	1,491,019	878,634
		2,337,550	1,107,996

22.1 This represents final taxes paid under section 150 & 37A of Income Tax Ordinance (ITO, 2001) representing levy in terms of requirement of IFRIC-21 / IAS-37.

22.2 This represents portion of minimum tax paid under section 113, 233 & 153(1)(b) of Income Tax Ordinance (ITO, 2001), representing the levy in the terms of requirements of IFRIC-21/ IAS-37.

22.3 Current

	2025	2024
- Current year	6,306,122	-
- Prior year	(724,751)	438,964
	5,581,371	438,964

23 EARNINGS PER SHARE - BASIC AND DILUTED

	2025	2024
Profit for the year (Rupees)	15,871,279	12,068,802
Weighted average number of ordinary shares (numbers)	1,000,000	1,000,000
Earnings per share - basic and diluted (Rupees)	15.87	12.07

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24 REMUNERATION TO CHIEF EXECUTIVE AND DIRECTOR

The aggregate amounts charged in these financial statements for remuneration , including benefits to Chief Executive and Directors are as follows.

	Chief Executive		Directors	
	Rupees			
	2025	2024	2025	2024
Managerial Remuneration	1,200,000	1,200,000	900,000	900,000
Bonus	-	-	-	-
	1,200,000	1,200,000	900,000	900,000
Number of persons	1	1	1	1

25 FINANCIAL INSTRUMENT AND RELATED DISCLOSURES

25.1 Financial instrument by category

25.1.1. Financial assets

	2025			
	At fair value through profit or loss	At fair value through OCI	At Amortized Cost	Total
Financial assets measured at fair value				
Investment at fair value - OCI	-	-	-	-
Investment at fair value - P&L	-	-	-	-
	-	-	-	-
Financial assets not measured at fair value				
Long term deposits	-	-	4,010,000	4,010,000
Trade debts - unsecured	-	-	26,672,408	26,672,408
Deposits and prepayments	-	-	8,726,123	14,292,006
Bank balances	-	-	331,892,860	331,892,860
	-	-	371,301,391	376,867,274
	-	-	371,301,391	376,867,274

	2024			
	At fair value through profit or loss	At fair value through OCI	At Amortized Cost	Total
Financial assets measured at fair value				
Investment at fair value -OCI	-	24,376,828	-	24,376,828
Investment at fair value -P&L	4,828,470	-	-	4,828,470
	4,828,470	24,376,828		29,205,298
Financial assets not measured at fair value				
Long term deposits	-	-	4,010,000	4,010,000
Trade debts - unsecured	-	-	61,504,959	61,504,959
Deposits and prepayments	-	-	8,726,123	8,726,123
Bank balances	-	-	372,942,325	372,942,325
	-	-	447,183,407	447,183,407
Bank balances				
	4,828,470	24,376,828	447,183,407	476,388,705

25.1.2 Financial Liabilities at amortized cost

	2025	2024
Trade and other payables	210,135,434	360,223,868

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25.2 Financial risk management

The company primarily invests in marketable securities and are subject to varying degress of risk.

The Board of Directors of the company has overall responsibility for the establishment and oversight of the company's risk management framework. The company has exposure to the following risks from its use of financial instruments:

Credit risk
Liquidity risk
Market risk
Operational risk

25.2.1 Credit risk

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

Exposure to Credit risk

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

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

	2025	2024
	---------------Rupees	--------------
Long term investment	-	24,376,828
Long term deposits	4,010,000	4,010,000
Trade debts - unsecured	26,672,408	61,504,959
Short term investments	-	4,828,470
Advances, deposits and other receivables	37,160,388	31,985,033
Bank Balances	331,892,860	372,942,325
	399,735,656	499,647,615

25.2.3 Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. prudent liquidity risk management implies maintaining sufficent cash and marketable securities, the availability of funding to an adequate amount of committed credit facililities and the ability to close out market positions due to dynamic nature of business.

	2025				
	carrying amount	contractual cash flows	up to one year	one to two years	Two to five years
Financial Liabilities					
Trade and other payables	210,135,434	210,135,434	210,135,434	-	-

	2024				
	carrying amount	contractual cash flows	up to one year	one to two years	Two to five years
Financial Liabilities					
Trade and other payables	360,223,868	360,223,868	360,223,868	-	-

25.2.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, management manages market risk by monitoring exposure on marketable securities by following the internal risk management and investment policies and guidelines.

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

Currency risk

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market risk. The company is not exposed to interest rate risk as there is no interest based liability or asset.

	2025	2024
	---------Rupees---------	
Assets subject to variable rates of interest		
Bank Balances in Profit & Loss Sharing Accounts	326,693,566	372,797,856

Other price risk

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

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

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

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

	Before Tax	
	10% Increase	10% Decrease
As at 30th June 2025	-	-
As at 30th June 2024	32,125,827	22,588,463

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

The company only hold listed assets amounting to Rs 29.20 million (2023: 25.098 million) that are recorded at quoted price.

25.4 Capital risk management

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

25.4.1 CAPITAL ADEQUACY LEVEL

Total assets	470,700,876	572,997,982
Less: Total liabilities	(210,135,434)	(360,223,868)
Less: Revaluation reserves	(14,882,335)	(16,535,928)
Capital Adequacy Level	245,683,107	196,238,186

While determining the value of total assets of TREC holder, the Notional value of the TREC held by Sakarwala Capital Securities (Private) Limited as at year ended 30th June 2025 determined by Pakistan Stock Exchange has been considered.

26 DISCLOSURES UNDER SECURITIES BROKERS (LICENSING AND OPERATIONS) REGULATIONS, 2016

Following additional disclosures not elsewhere disclosed in these financial statements are being provided to comply with the requirements of the Securities Brokers (Licensing and Operations) Regulations, 2016:

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		2025	2024
26.1	**Customer assets**	**Rupees**	
	Bank balances in designated bank accounts	193,867,998	348,081,352
	Market value of client securities in the Central Depository Company	2,885,182,843	1,964,515,731
26.2	**Pledged securities**		
	Clients Securities pledge with NCCPL	200,650,356	152,091,530
	Proprietary securities Pledge with PSX and NCCPL	-	-
	Clients securities pledge with banks	-	-

27 BASE MINIMUM CAPITAL

In compliance with the Regulation 19.2 of the Rule Book of Pakistan Stock Exchange Limited, every Trading Right Entitlement Certificate (TREC) holder registered as a broker under Broker and Agent Registration Rule, 2001, is required to maintain a Base Minimum Capital (BMC) in the amount and form as prescribed in the Rule on the basis of Assets Under Custody (AUC). As per the said regulation, as at 30 June, 2025, the company is required to maintain BMC of Rs. 26,478,875.

Eligible securities value	32,464,393	29,977,393
BMC Requirement	(26,478,875)	(25,369,879)
Excess	5,985,518	4,607,514

28 RESEARCH ANALYST

The company has neither any research department nor any person employed for research.

29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Details of transactions and balances with related parties, other than those which have been specifically disclosed elsewhere in the financial statements are as follows:

Transaction with related party **Name of related party**	**Nature of transaction**		
Ghulam Mujtaba Sakarwala	Brokerage commission	-	-
Ghulam Mustafa	Markup on loan	-	-
Ghulam Mustafa	Loan repaid	-	6,850,000
Balances of related party **Name of related party**	**Nature of balances**		
Ghulam Murtaza Sakarwala	Trade debtors	546	14,545
Ghulam Mujtaba Sakarwala	Trade debtors	-	43,390,008
Ghulam Mustafa	Trade debtors	76	300
Ghulam Mustafa	Trade Creditors	50,709,997	47,910,660
Munira Ghulam Mujtaba	Trade Creditors	1,861,139	25,418,964
Ghulam Mujtaba Sakarwala	Trade Creditors	32,618,449	101,417,192
Ghulam Murtaza Sakarwala	Trade Creditors	1,194,709	37,282,304
Ghulam Muhammad	Trade Creditors	71,184	24,332,009
Aziza Bano	Trade Creditors	835,459	-

30. NUMBER OF EMPLOYEES

	Number of employees	
Total number of employees at year end	25	23
Average number of employees during the year	24	20

31. DATE OF AUTHORIZATION

These financial statements have been authorized for issue on 7th Oct. 2025 by the Board of Directors of the company.

32. GENERAL

Figures have been rearranged and reclassified wherever necessary, for the purpose of comparison and have been rounded off to the nearest Rupee.

Chief Executive Officer

G. M Sakarwala

Director

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Sakarwala Capital Securities (Pvt) Ltd.

Liquid Capital Balance As At 30th June 2025

The below statement has been prepared in accordance wilt the regulation 6(3) and schedule 3 of the Securities Broker (Licensing and Operations) Regulation, 2016.

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1	**Assets**			
1.1	Property & Equipment	67,715,220	67,715,220	-
1.2	Intangible Assets	3,250,000	3,250,000	-
1.3	Investment in Govt Securities	-	-	-
1.4	**Investment in Debt Securities**			
	If listed then:			
	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 then:	-	-	-
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
1.5	**Investment in Equity Securities**			
	i. If listed 15% or VaR of each security on the cutoff date as computed by the Clearing House for respective security whichever is higher.	-		-
	Provided that if any of these securities are pledged with the securities exchange for maintaining Base Minimum Capital requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base Minimum Capital			
	ii. If unlisted, 100% of carrying value.	-	-	-
1.6	Investment in subsidiaries			
1.7	**Investment in associated companies/undertaking**			
	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity	4,000,000	4,000,000	-
	(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		-	-
1.9	Margin deposits with exchange and clearing house.	5,698,275	-	5,698,275
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	10,000	10,000	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.	3,043,887	-	3,043,887
	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. Securities purchased under repo arrangement shall not be included in the investments.	-	-	-
1.15	Advances and receivables other than trade Receivables;		-	-
	(i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months.	-	-	-
	(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	22,868,382	22,868,382	-
1.16	**Receivables from clearing house or securities exchange(s)**			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	5,549,844	5,549,844	-
1.17	**Receivables from customers**			
	i. Incase receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. ***i. Lower of net balance sheet value or value determined through adjustments.***	-	-	-
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. ***ii. Net amount after deducting haircut***	-	-	-
	iii. Incase receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, ***iii. Net amount after deducting haricut***	-	-	-
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. ***Balance sheet value***	14,625,247	-	14,625,247
	v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. ***v. Lower of net balance sheet value or value determined through adjustments***	12,046,539	7,905,683	7,905,683
	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;	1	-	1
	(b) Above 30 days but upto 90 days, values determined after applying 50% or var based haircuts whichever is higher;	78	39	39
	(c) above 90 days, 100% haircut shall be applicable.	543	543	-
	vi. Lower of net balance sheet value or value determined through adjustments			

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Sakarwala Capital Securities (Pvt) Ltd.

1.18	**Cash and Bank balances**			
	I. Bank Balance - proprietory accounts	138,024,862	-	138,024,862
	ii. Bank Balance - customer / client accounts	193,867,998	-	193,867,998
	iii. Cash in hand	-	-	-
1.19	**Subscription money against investment in IPO/ offer for sale (asset)**			
	(i)No haircut may be applied in respect of amount paid as subscription money provided that shares have not been alloted or are not included in the investments of securities broker.	-	-	-
	(ii) In case of Investment in IPO where shares have been alloted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities.	-	-	-
	(iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares. Balance sheet value or Net value after deducting haircuts	-	-	-
1.20	**Total Assets**	470,700,876	111,299,711	363,165,992
2	**Liabilities**			
2.1	**Trade Payables**			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	198,794,244	-	198,794,244
2.2	**Current Liabilities**			
	i. Statutory and regulatory dues	533,047	-	533,047
	ii. Accruals and other payables	10,808,143	-	10,808,143
	iii. Short-term borrowings	-	-	-
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for taxation	-	-	-
	viii. Other liabilities as per accounting principles and included in the financial statements		-	-
2.3	**Non-Current Liabilities**			
	i. Long-Term financing	-	-	-
	ii. Staff retirement benefits	-	-	-
	iii. Other liabilities as per accounting principles and included in the financial statements	-	-	-
	Note: 1. 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. 2. Nil in all other cases			
2.4	**Subordinated Loans**			
	100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted:	-	-	-
2.5	**Advance against shares for Increase in Capital of Securities broker:** 100% haircut may be allowed in respect of advance against shares if:	2,720,820	2,720,820	-
	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 Liabilites**	212,856,254	2,720,820	210,135,434
3	**Ranking Liabilities Relating to :**			
3.1	**Concentration in Margin Financing**			
	The amount calculated on client-to-client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total finances. (Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million) *Note: Only amount exceeding by 10% of each financee from aggregate amount shall be included in the ranking liabilities*	-	-	-
3.2	**Concentration in securites lending and borrowing**			
	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL, (ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed (Note only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities)	-	-	-
3.3	**Net underwriting Commitments**			
	<u>(a) in the case of right issuse :</u> if the market value of securites is less than or equal to the subscription price, the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issuse where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment	-	-	-
	<u>(b) in any other case :</u> 12.5% of the net underwriting commitments	-	-	-

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	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 Carrying value	-	-	-
	Repo adjustment			
3.7	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securites.In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received, less value of any securites deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
	Concentrated proprietary positions			
3.8	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security.	-	-	-
	If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security	-	-	-
	Opening Positions in futures and options			
3.9	i. In case of customer positions, the total margin requirements in respect of open postions less the amount of cash deposited by the customer and the value of securites held as collateral / pledged with securities exchange after applying VaR haircuts		12,277,102	12,277,102
	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. Incase of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VAR based Haircuts	-	-	-
	ii. Incase of proprietory positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	**Total Ranking Liabilites**	-	12,277,102.00	12,277,102.00

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.20)	363,165,992
(ii) Less: Adjusted value of liabilities (serial number 2.6)	(210,135,434)
(iii) Less: Total ranking liabilities (series number 3.11)	(12,277,102)
Net Liquid Capital as on 30-06-2025	**140,753,456**

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Sakarwala Capital Securities (Pvt) Ltd.

SAKARWALA
SECURITIES

Sakarwala Capital Securities (Pvt) Ltd.

TREC Holder - Pakistan Stock Exchange Limited
TREC Holder - Pakistan Mercantile Exchange Limited

Registered Office : *Suite 114, 3rd Floor Stock Exchange Building, Off. I.I. Chundrigar Road, Karachi-74000 Pakistan.*
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web : *www.sakarwalasecurities.com*

DIRECTOR'S REPORT

On behalf of the Board of Directors, I am pleased to present the Annual report together with the company's Audited Financial Statement and Auditors Report for the Financial year ended 30th June 2025. The Summarized results for the year ended 30th June 2025 are as under:

Financial results	**2025**
Operating Revenue	64,950,009
Profit before Taxation	21,452,650
Taxation	(5,581,371)
Profit after Tax	15,871,279

AUDITORS:

The Auditors M/s Naveed Zafar Ashfaq Jaffery & Co. retire at the conclusion of the meeting being eligible, they have offered themselves for re-appointment.

CONCLUSION:

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

For and on behalf of the Board

Sakarwala Capital Securities (Pvt) Ltd.
PSX
010

Chief Executive
Date: October 07, 2025
Karachi

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STATEMENT BY CHIEF EXECUTIVE OFFICER

I, **Ghulam Mujtaba Sakarwala**, Chief Executive Officer of **Sakarwala Capital Securities (Private) Limited**, being a Futures Broker licensed by the Securities and Exchange Commission of Pakistan (SECP), hereby certify that:

- The Company has complied with the requirements of the *Futures Broker (Licensing and Operations) Regulations, 2018* and other applicable rules, regulations, circulars, directives, and guidelines issued by SECP and the Pakistan Mercantile Exchange Limited (PMEX) during the year ended June 30, 2025.
- The Company has maintained proper books of accounts, adequate systems of internal control, risk management, and compliance to safeguard client assets, ensure integrity of operations, and meet regulatory obligations.
- Client funds and margin deposits have been maintained in segregated bank accounts in accordance with the prescribed regulations, and no misuse of client money or assets has occurred.
- The Company has established and implemented policies and procedures for Anti-Money Laundering (AML) / Countering Financing of Terrorism (CFT) and internal compliance monitoring, consistent with applicable laws.
- The financial statements of the Company for the year ended June 30, 2025 present fairly the financial position and performance of the Company and have been prepared in accordance with approved accounting standards as applicable in Pakistan.
- There are no material departures from the regulatory framework that would adversely affect the Company's ability to meet its obligations as a licensed Futures Broker.

I further confirm that the Board of Directors and senior management remain committed to high standards of corporate governance, regulatory compliance, and investor protection.

Sakarwala Capital Securities (Pvt) Ltd.
PSX
010

Ghulam Mujtaba Sakarwala
Chief Executive Officer

Karachi ; October 07, 2025

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STATEMENT OF COMPLIACE WITH CODE OF CORPORATE GOVERNANCE FOR FUTURES BROKER (LICENSING AND OPERATIONS) REGULATION 2018

The Company has adopted and implemented the Code of Conduct and corporate governance framework applicable to Futures Brokers. The Board of Directors has ensured that:

- The Company conducts its business with integrity, due skill, care, and diligence and in a manner that protects client interests and market integrity.
- Confidentiality of client information is maintained and no conflict of interest exists between the Company, its directors, employees, and clients.
- The Company, its directors, and employees have not engaged in any activity that could be considered market manipulation, insider trading, or misuse of client information.
- Policies and procedures are in place to ensure fair treatment of clients, timely reporting, transparent disclosure, and compliance with all applicable AML/CFT requirements.
- The Company has maintained adequate financial soundness, capital adequacy, and liquid capital in accordance with the prescribed regulations.
- Systems are in place for the monitoring of internal controls, risk management, and regulatory compliance.

Based on the review of compliance and controls, the Board and management confirm that the Company has fully complied with the *Code of Conduct* and *Futures Broker (Licensing and Operations) Regulations, 2018* for the year ended June 30, 2025.

Ghulam Mujtaba Sakarwala
Chief Executive Officer

Sakarwala Capital Securities (Pvt) Ltd. PSX # 010

G.M. Sakarwala
Ghulam Mustafa
Director

Karachi ; October 07, 2025

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

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

Capital Securities (Pvt) Ltd. PSX # 010 Sakarwala

G.M. Sakarwala

Chief Executive Officer **Director**

Karachi; October 07, 2025

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AUDIT COMMITTEE

RELATED PARTY TRANSACTION

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

AUDITORS

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

COMPLIANCE STATEMENT

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

COMPLAINCE WITH THE CODE OF CORPORATION GOVERNANCE

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

Ghulam Mujtaba Sakarwala	Sakarwala Capital Securities (Pvt) Ltd. PSX # 010	G.M. Sakarwala
Chief Executive		**Ghulam Mustafa**
		Director

Karachi; Dated: October 07, 2025

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STATEMENT BY CHIEF EXECUTIVE OFFICER

I, Ghulam Mujtaba Sakarwala, Chief Executive Officer of **Sakarwala Capital Securities (Private) Limited**, being a Futures Broker licensed by the Securities and Exchange Commission of Pakistan (SECP), hereby certify that:

- The Company has complied with the requirements of the *Futures Broker (Licensing and Operations) Regulations, 2018* and other applicable rules, regulations, circulars, directives, and guidelines issued by SECP and the Pakistan Mercantile Exchange Limited (PMEX) during the year ended June 30, 2025.
- The Company has maintained proper books of accounts, adequate systems of internal control, risk management, and compliance to safeguard client assets, ensure integrity of operations, and meet regulatory obligations.
- Client funds and margin deposits have been maintained in segregated bank accounts in accordance with the prescribed regulations, and no misuse of client money or assets has occurred.
- The Company has established and implemented policies and procedures for Anti-Money Laundering (AML) / Countering Financing of Terrorism (CFT) and internal compliance monitoring, consistent with applicable laws.
- The financial statements of the Company for the year ended June 30, 2025 present fairly the financial position and performance of the Company and have been prepared in accordance with approved accounting standards as applicable in Pakistan.
- There are no material departures from the regulatory framework that would adversely affect the Company's ability to meet its obligations as a licensed Futures Broker.

I further confirm that the Board of Directors and senior management remain committed to high standards of corporate governance, regulatory compliance, and investor protection.

Sakarwala Capital Securities (Pvt) Ltd. PSX # 010

Ghulam Mujtaba Sakarwala
Chief Executive Officer

Karachi ; October 07, 2025

Sakarwala Capital Securities (Pvt) Ltd.

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Profile of the Company

Sakarwala Capital Securities (Private) Limited (SCSL) is a Private Limited Company, which came into existence on April 16, 1984 as a sole proprietor concern by Ghulam Mustafa Sakarwala as Sole Proprietor, who now holds the position of Chairman/Director in the Company. Although Mr. Ghulam Mustafa has been actively engaged in shares trading and investment in equities since the inception of the Karachi Stock Exchange, at present called Pakistan Stock Exchange.

The Company was incorporated on June 26, 2001 under the Companies Ordinance, 1984 and registered with the Securities and Exchange of Pakistan on November 01, 2001 under the Securities and Exchange Ordinance 1969 as a Corporate brokerage house of the Pakistan Stock Exchange Limited.

Mr. Ghulam Mujtaba Sakarwala, the present Chief Executive of the company has been associated with the company since its inception. Under his leadership the company has achieved many milestones. Catering to a wide range of customers from corporates, to high net worth individuals to individuals.

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web : *www.sakarwalasecurities.com*

Statement by Chief Executive Officer

I, Ghulam Mujtaba Sakarwala, Chief Executive of M/s Sakarwala Capital Securities Private Limited hereby declare that there are no transactions entered into by the Company during the year ended June 30, 2025 which are fraudulent, illegal or in violation of any securities market laws.

Sakarwala Capital Securities (Pvt) Ltd. PSX # 010

Ghulam Mujtaba Sakarwala
Chief Executive

Date: October 07, 2025