
SOS CAPITAL LIMITED

**Financial Statement
For the year ended June 30, 2025**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SOS CAPITAL LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Opinion

We have audited the annexed financial statements of **SOS Capital Limited** which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, 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 policy 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, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the loss, other comprehensive loss, 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.

Our report is not modified in respect of above matters.

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

Management is responsible for the other information. The Other Information comprises the information included in the Company's Annual Report 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.

Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants

Suite Nos. M1-M4 & 709-710, Progressive Plaza, Beaumont Road, Karachi 75530, Pakistan.
Tel: +92 (21) 3567 4741-44 Fax: +92 (21) 3567 4745 | Email: info@hzasrkh.pk | www.hzasr.pk

Other offices at:
Lahore and Islamabad

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:

- 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 to design audit procedures that are appropriate in the circumstances, but not for 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.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, 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 Company's business; and
- d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).
- e) the Company was in compliance with the requirement of section 78 of the Securities Act 2015, 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.
- 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 **Farhan Ahmed Memon**.


Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants

Place: Karachi

Dated: September 29, 2025

UDIN: AR2025101471DERzxp0P

SOS CAPITAL LIMITED

DIRECTORS' REPORT

The Directors are pleased to present this report on the Company for the financial year ended June 30, 2025.

1. Financial Highlights / Operating Results

Summarize financial results are as follows:

| Description | Amount |
|--------------------------------|--------------|
| Revenue | 5,047,502 |
| Operating profit/ (loss) | (14,688,653) |
| Loss on Disposal of Investment | (244,197) |
| Levy – Minimum and Final Tax | (52,448) |
| Financial Cost | (50) |
| Other Charges | (298,053) |
| | |
| Loss before tax | (10,235,899) |
| Loss after tax | (10,235,899) |

2. Review of Operations

The Company's operations during the year performed as expected in the opinion of the director(s).

3. Significant changes in the State of Affairs

No significant changes in the Company's state of affairs occurred during the financial year.

4. Future Outlook

We aim to overcome the challenges through better customer understanding, continuous investment in innovations and delivering world class customer experience. We are confident that our dedicated and focused efforts will allow us to provide better value to meet consumers' everyday demands and deliver sustainable growth. The Company is confident about the success of its strategic policies and its implementation which are expected to yield positive result in the coming years.

5. Dividend

The Board of Directors have proposed a dividend of nil per share.

6. Auditors

The present auditors, M/s. Reanda Haroon Zakaria Aamir Salman Rizwan & Company, Chartered Accountants are due to retire and being eligible offer themselves for reappointment for the year ending June 30, 2026.

7. Acknowledgement

The Board is thankful to all the customers / clients, members, bankers, and consultants for their continued trust and support.

The Board would also like to thank all the employees for their dedication and hard work throughout the financial year.

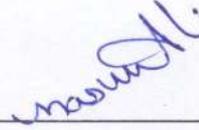
Thanking you all.

On behalf of the Board

September 29, 2025



Mushtaq Ahmed
Chief Executive Officer



Masood Ali
Director



Head Office: House # 1131-C,
Mumtazabad Multan
Phone: 061-6529918

SOS Capital Limited

Statement of Compliance with the Code of Corporate Governance For the year ended 30 June 2025

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No. 16 (1) (f) of the Securities Brokers (Licensing and Operations) Regulations, 2016 for the purpose of establishing as framework of good governance.

The Company has applied the principles contained in the CCG in the following manner:

1. SOS Capital has established an effective Board of Directors (the Board) with the requisite skills, competence, knowledge, and experience responsible for ensuring long-term success and for monitoring and evaluating the management's performance.

At present the Board includes:

| <u>Category</u> | <u>Names</u> |
|-----------------|---|
| Directors | Mr. Kanwar Muhammad Tariq Ms. Asghari Begum Ms. Najma Perveen Mr. Masood Ali |

Chief Executive Officer (CEO) Mr. Mushtaq Ahmed

2. The Board has set the strategic objectives and ensured that the necessary financial and human- resources are in place to meet those objectives. The Board has further ensured that significant policies have been formulated on the following issues, among others:
 - a) governance, risk management and compliance issues.
 - b) customer relations including customer awareness and a mechanism and timeline for handling/resolving their complaints/grievances; and
 - c) segregation of customer assets from securities brokers' assets.
3. The Board has formulated and ensured adoption of a code of conduct/code of ethics to promote integrity of its business, its board, and its employees with special emphasis on measures for curbing any market manipulative activities such as front running, insider trading and other market abuse.
4. The Board has devised an effective whistle-blower mechanism enabling all stakeholders including employees to freely communicate their concerns about any illegal or unethical practices. The Board has also ensured that the interest of a whistle-blower is not prejudicially affected.

 info@soscapital.com.pk

 www.soscapital.com.pk

 021-32471006-9

 Office No. 704-705, 7th Floor, Stock Exchange Building New, II Chundrigar Road, Karachi



Head Office: House # 1131-C,
Mumtazabad Multan
Phone: 051-5529918

SOS Capital Limited

A Statement by the Chief Executive Officer

There are no transactions entered into by SOS Capital Limited during the year ended 30 June 2025, which are fraudulent, illegal or in violation of any securities market laws.

Mushtaq Ahmed
Chief Executive Officer

September 29, 2025

 info@soscapital.com.pk

 www.soscapital.com.pk

 021-32471006-9

 Office No. 704-705, 7th Floor, Stock Exchange Building New, II Chundrigar Road, Karachi

SOS Capital Limited
Pattern of Shareholding
As on 30 June 2025

| S. No. | Name of Shareholder | Category of Shareholder | Number of Shares Held |
|--------------|-----------------------|-------------------------|-----------------------|
| 1 | Kanwar Muhammad Tariq | Director | = 4,100,000 = |
| 2 | Asghari Begum | Director | = 2,000,000 = |
| 3 | Najma Perveen | Director | = 1,899,995 = |
| 4 | Masood Ali | Director | = 5 = |
| Total | | | = 8,000,000 = |

SOS CAPITAL LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

| <u>ASSETS</u> | Note | 2025 Rupees | 2024 Rupees |
|--|------|--------------------|--------------------|
| Non-Current Assets | | | |
| Property and Equipment | 4 | 10,040,665 ✓ | - |
| Intangible assets | 5 | 4,300,000 ✓ | 2,500,000 |
| Long term deposits | 6 | 17,860,000 ✓ | 400,000 |
| | | <u>32,200,665</u> | <u>2,900,000</u> |
| Current Assets | | | |
| Trade debts | 7 | 4,628,438 ✓ | - |
| Short term investments | 8 | 1,948,900 ✓ | - |
| Trade deposits and other receivables | 9 | 24,006,228 ✓ | - |
| Receivable against Margin Financing | 10 | 17,448,141 ✓ | - |
| Taxation- Net | 11 | 17,549 | - |
| Cash and bank | 12 | 5,485,247 ✓ | 76,306,289 |
| | | <u>53,534,503</u> | <u>76,306,289</u> |
| | | <u>85,735,168</u> | <u>79,206,289</u> |
| <u>EQUITY AND LIABILITIES</u> | | | |
| Share capital and reserves | | | |
| Authorized share capital | | | |
| 10,000,000 (2024: 10,000,000) ordinary shares of Rs. 10 each | | <u>100,000,000</u> | <u>100,000,000</u> |
| Issued, subscribed and paid-up share capital | 13 | 80,000,000 ✓ | 80,000,000 |
| Unappropriated losses | | (11,117,110) | (881,211) |
| Capital Reserve | 14 | 10,000,000 ✓ | - |
| | | <u>78,882,890</u> | <u>79,118,789</u> |
| Current Liabilities | | | |
| Trade and other payables | 15 | 6,339,881 | 87,500 |
| Loan from associate undertaking | 16 | 512,397 ✓ | - |
| | | <u>6,852,278</u> | <u>87,500</u> |
| Contingencies and Commitments | | | |
| | 17 | <u>85,735,168</u> | <u>79,206,289</u> |

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



 Chief Executive



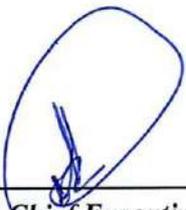
 Director

SOS CAPITAL LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

| | <i>Note</i> | <i>2025</i> <i>Rupees</i> | <i>2024</i> <i>Rupees</i> |
|-----------------------------------|-------------|------------------------------|------------------------------|
| Operating Revenue | 18 | 4,070,434 | - |
| Loss on disposal of investment | | <u>(244,197)</u> | - |
| | | 3,826,238 | - |
| Administrative expenses | 19 | <u>(14,688,653)</u> | (793,641) |
| Operating loss | | (10,862,415) | (793,641) |
| Finance cost | 20 | (50) | (70) |
| Other Charges | 21 | (298,053) | (87,500) |
| Other Income | 22 | <u>977,068</u> | - |
| Losses before levy and tax | | (10,183,451) | (881,211) |
| Levy- Minimum and final tax | 23 | <u>(52,448)</u> | - |
| Losses before tax | | (10,235,899) | (881,211) |
| Taxation | | - | - |
| Loss after taxation | | <u>(10,235,899)</u> | <u>(881,211)</u> |

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

R.L.



 Chief Executive



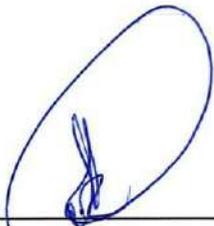
 Director

SOS CAPITAL LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

| | <i>2025</i> <i>Rupees</i> | <i>2024</i> <i>Rupees</i> |
|---------------------|------------------------------|------------------------------|
| Loss after taxation | (10,235,899) | (881,211) |
| Director's loan | 10,000,000 | - |
| | <u>(235,899)</u> | <u>(881,211)</u> |

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

ph.



Chief Executive



Director

SOS CAPITAL LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

| | <i>Issued, subscribed & paid-up capital</i> | <i>Revenue Reserve Unappropriated losses</i> | <i>Capital Reserve Director loan</i> | <i>Total</i> |
|------------------------------------|---|--|--|-------------------|
| | ----- Rupees ----- | | | |
| Balance as at June 30, 2023 | - | - | - | - |
| Shares issued during the year | 80,000,000 | - | - | 80,000,000 |
| loss for the year | - | (881,211) | - | (881,211) |
| | 80,000,000 | (881,211) | - | 79,118,789 |
| Balance as at June 30, 2024 | 80,000,000 | (881,211) | - | 79,118,789 |
| loss for the year | - | (10,235,899) | - | (10,235,899) |
| Other comprehensive income | | | | |
| Director Loan | - | - | 10,000,000 | 10,000,000 |
| | - | (10,235,899) | 10,000,000 | (235,899) |
| Balance as at June 30, 2025 | 80,000,000 | (11,117,110) | 10,000,000 | 78,882,890 |

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

PL.



Chief Executive



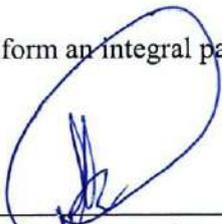
Director

SOS CAPITAL LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

| | 2025 <i>Rupees</i> | 2024 <i>Rupees</i> |
|---|-----------------------|-----------------------|
| A. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Losses before tax | (10,183,451) | (881,211) |
| Adjustment for non-cash and other items: | | |
| Depreciation | 606,735 | - |
| Amortisation | 200,000 | - |
| unrealised loss | 163,053 | - |
| Finance cost | 50 | 70 |
| Cash (used in) before working capital changes | (9,213,613) | (881,141) |
| Changes in working capital: | | |
| Decrease in current assets | | |
| Trade debts | (4,628,438) | - |
| Trade deposits and other receivables | (24,006,228) | - |
| Receivable against Margin Financing | (17,448,141) | - |
| Increase/ (Decrease) in current liabilities | | |
| Trade and other payables | 6,252,381 | 87,500 |
| | (39,830,426) | 87,500 |
| | (49,044,039) | (793,641) |
| Finance cost paid | (50) | (70) |
| Tax paid | (69,997) | - |
| Net cash used in operating activities | (49,114,086) | (793,711) |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Intangible assets | (2,000,000) | (2,500,000) |
| Addition in PPE | (10,647,400) | - |
| Short term investments | (2,111,953) | - |
| Long term deposits | (17,460,000) | (400,000) |
| Net cash used in investing activities | (32,219,353) | (2,900,000) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Issuance of shares | - | 80,000,000 |
| Loan from Director | 10,000,000 | - |
| Loan from associate undertaking | 512,397 | - |
| Net cash generated from investing activities | 10,512,397 | 80,000,000 |
| Net (decrease) / increase in cash and cash equivalents (A+B+C) | (70,821,042) | 76,306,289 |
| Cash and cash equivalents at the beginning of the year | 76,306,289 | - |
| Cash and cash equivalents at the end of the year | 5,485,247 | 76,306,289 |

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

PL.


 Chief Executive


 Director

SOS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 STATUS AND NATURE OF BUSINESS

Sos Capital Limited was incorporated in Pakistan on April 17, 2024 as Company limited by shares under the Companies Act, 2017.

The Company is a Trading Right Entitlement Certificate ("TREC") holder of PSX and is principally engaged in brokerage of shares, stocks, securities, commodities & other financial instruments, securities research, financial consultancy and underwriting.

Registered office Office No.704 & 705, 7th floor. Stock exchange, New building, II Chundrigarh 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. The accounting and reporting standards 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
- Provision 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 directives issued, under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain investments which are measured at fair value.

These financial statements have been prepared following accrual basis of accounting except for cash flow information

2.3 Functional and presentation currency

These 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 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period

2.6 There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial statements.

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

| | | <i>Effective date (annual reporting periods beginning on or after)</i> |
|---------|--|--|
| IAS 21 | The Effects of Changes in Foreign Exchange Rates (Amendments) | January 1, 2025 |
| IFRS 7 | Financial Instruments: Disclosures (Amendments) | January 1, 2026 |
| IFRS 9 | Financial Instruments: Classification and Measurement (Amendment) | January 1, 2026 |
| IFRS 17 | Insurance Contracts | January 1, 2026 |
| | Annual improvements to IFRS 7, IFRS 9, IFRS 10 (Consolidated Financial Statements) and IAS 7 (Statement of Cash Flows) | January 1, 2026 |

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

2.9 Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally by the Securities and Exchange Commission of Pakistan (SECP) as at 30 June 2025;

IFRS 1 First-time Adoption of International Financial Reporting Standards

IFRIC 12 Service Concession Arrangement

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 19 Subsidiaries without Public Accountability: Disclosures

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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. Further, when the written down value of the item of assets falls below Rs.10,000, the same is charged directly to the statement of profit or loss.

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.

3.2 Intangible asset

Computer software

These are stated at cost less accumulated amortization and impairment losses, if any. Amortization is computed using the reducing balance method over assets estimated useful life at the rates stated in note. 5, after taking into accounts residual value, if any. The residual values, useful life and amortization methods are reviewed and adjusted, if appropriate, at each reporting date.

Amortization is charged from the date the assets are put to use while no amortization is charged after the date when the assets are disposed off.

Gain and losses on disposal of such assets, if any, are included in the statement of profit or loss.

Trading Right Entitlement Certificate (TREC)

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

3.3 Financial Instruments

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

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

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

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 or 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.

Derecognition

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.

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 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. 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 Instruments

Financial assets and liabilities are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle liability simultaneously.

3.4 Impairment

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. The Company measures expected credit losses on financial assets in a way that reflects an unbiased and probability-weighted amount, time value of money and reasonable and supportable information at the reporting date about the past events, current conditions and forecast of future economic conditions. The Company recognises in profit or loss, as an impairment loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3.5 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.

3.6 Cash and cash equivalents

Cash and cash equivalent are carried in the statement of financial position at amortized cost. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash and bank balances and short term running finance.

3.7 Trade debts, advances, deposits and other receivables

Trade debts, advances, deposits and other receivables are recognized and carried at original invoiced amount. When a trade debt is uncollectible, it is written off and charge to profit and loss account. Subsequent recoveries of amounts previously written off are credited to the profit and loss account.

3.8 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

3.9 Proposed dividend and transfer between reserves

Dividends declared and transfer between reserves, except appropriations which are required by the law, made subsequent to the balance sheet date are considered as non adjusting events and are recognized in the financial statements in the year in which such dividends are declared or transfers between reserves are made.

3.10 Provisions and contingent liabilities

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event and 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. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.11 Operating revenue

Revenue from trading activities - brokerage commission

Commission revenue arising from sales / purchase of securities on clients' behalf is recognized on the date of settlement of the transaction by the clearing house

Dividend income

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

3.12 Other income

- Mark-up / interest income is recognized on a time proportion basis on the principal amount outstanding and at the rate applicable.
- Gain (loss) on asset is recognised when the risk and rewards of the goods are transferred to the buyers.

3.13 Expenses

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

3.14 Levies and Taxation

Levies

A levy is an outflow of resources embodying economic benefits imposed by the government that does not meet the definition of income tax provided in the International Accounting Standard (IAS) 12 'Income Taxes' because it is not based on taxable profit.

In these financial statements, levy includes minimum tax under section 113 or other sections of Income tax ordinance, Income tax under final tax regime, workers' welfare fund expense and workers' profit participation. The corresponding effect of levy other than worker's welfare fund expense and workers' profit participation, advance tax paid has been netted off and the net position is shown in the statement of financial position.

Current

In these financial statements, minimum tax on local sales revenue is recognized as levy under section 113 of the Income Tax Ordinance and other sections of the said ordinance. Any excess charged under the normal tax regime is recognized as current tax. In these financial statements, Income tax under final tax regime is recognized as levy and the excess amount charged is recognized as current tax.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income taxes are not accounted for if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is measured using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. A deferred tax asset is recognised only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that the sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the entity. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made. Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognised deferred tax asset to be utilised. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Offsetting

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

3.15 Related party transactions

All transactions with related parties are carried out by the company at arms' length price using the admissible pricing method.

4 PROPERTY AND EQUIPMENT

| <i>Particulars</i> | <i>Office building</i> | <i>Furniture and Fixtures</i> | <i>Computer & Accessories</i> | <i>Total</i> |
|---|------------------------|-----------------------------------|---------------------------------------|-------------------|
| <i>Balance as at June 30, 2024</i> | | | | |
| Cost | - | - | - | - |
| Accumulated Depreciation | - | - | - | - |
| | - | - | - | - |
| Addition | 9,160,100 | 700,000 | 787,300 | 10,647,400 |
| Depreciation Charged during the year | (458,005) | (70,000) | (78,730) | (606,735) |
| <i>Balance as at June 30, 2025</i> | 8,702,095 | 630,000 | 708,570 | 10,040,665 |
| <i>Balance as at June 30, 2025</i> | | | | |
| Cost | 9,160,100 | 700,000 | 787,300 | 10,647,400 |
| Accumulated Depreciation | (458,005) | (70,000) | (78,730) | (606,735) |
| | 8,702,095 | 630,000 | 708,570 | 10,040,665 |
| <i>Rate of Depreciation</i> | 5% | 10% | 10% | |

| | <i>Note</i> | 2025 Rupees | 2024 Rupees |
|--|---|-----------------------------|------------------------|
| 5 INTANGIBLE ASSETS | | | |
| Software | 5.1 | 1,800,000 | - |
| Trading right entitlement certificate: | | 2,500,000 | 2,500,000 |
| | | 4,300,000 | 2,500,000 |
| 5.1 Software | | | |
| Cost | | 2,000,000 | - |
| Less: Amortisation charged during the year | | (200,000) | - |
| | | 1,800,000 | - |
| Amortisation Rate | | 10% | - |
| 6 LONG TERM DEPOSITS | | | |
| Security deposits to | | | |
| NCCPL | | 1,400,000 | 400,000 |
| PSX | | 16,460,000 | - |
| | | 17,860,000 | 400,000 |
| 7 TRADE DEBTS | | | |
| Considered good | 7.1 | 4,628,438 | - |
| 7.1 | Total value of securities pertaining to clients' and are in their respective sub - accounts amounts to Rs.184 (2024: Rs. Nil) million | | |
| 7.2 | Aging of the receivables are as follows: | 1-5 days | Above 5 days |
| | | Total | |
| Directors | - | 1,323 | 1,323 |
| Employees | - | 27,060 | 27,060 |
| Individuals | 4,097,002 | 503,053 | 4,600,055 |
| | 4,097,002 | 531,436 | 4,628,438 |
| 8 SHORT TERM INVESTMENTS | Note | 2025 Rupees | 2024 Rupees |
| Investment - at fair value through profit or loss | | | |
| Investment in listed securities | 8.1 | 1,948,900 | - |
| 8.1 | Investment - at fair value through profit or loss | | |
| | Number of shares | Name of Company | |
| | 2,500 | - BF Biosciences Limited | 421,750 |
| | 10,000 | - Descon Oxychem Ltd | 317,800 |
| | 5,000 | - Ecopack Limited | 331,600 |
| | 17,500 | - Hala Enterprises. Limited | 401,800 |
| | 500 | - S.S.Oil Mills Limited | 475,950 |
| | 35,500 | - | 1,948,900 |
| 8.2 | There are no securities pledged with financial institutions belonging to company or its customers. | | |

8.3 The market value of the above companies as at June 30, 2025 were as follows:

| <i>Name of Company</i> | <i>Market value</i> | |
|-------------------------|---------------------|---|
| BF Biosciences Limited | 169 | - |
| Descon Oxychem Ltd | 32 | - |
| Ecopack Ltd | 66 | - |
| Hala Enterprise Limited | 23 | - |
| S.S.Oil Mills Limited | 952 | - |

| 9 TRADE DEPOSITS AND OTHER RECEIVABLES | <i>Note</i> | <i>2025</i> <i>Rupees</i> | <i>2024</i> <i>Rupees</i> |
|---|-------------|------------------------------|------------------------------|
| <i>- Trade deposits</i> | | | |
| Exposure deposits with NCCPL | 9.1 | 23,150,000 | - |
| <i>- Other receivables</i> | | | |
| Clearing Settlement - Future | | 764,708 | - |
| Sales tax adjustable | | 91,520 | - |
| | | 856,228 | - |
| | | 24,006,228 | - |

9.1 This represents deposits held at the year end against exposure arising out of trading in securities in accordance with the regulations of National Clearing Company Pakistan Limited.

| 10 RECEIVABLE AGAINST MARGIN FINANCING | <i>Note</i> | <i>2025</i> <i>Rupees</i> | <i>2024</i> <i>Rupees</i> |
|---|-------------|------------------------------|------------------------------|
| Considered good | 10.1 | 17,448,141 | - |

10.1 Margin financing facility is provided to clients on markup basis ranging from 18% to 26% (2023: Nil) per annum.

| 11 TAXATION- NET | <i>Note</i> | <i>2025</i> <i>Rupees</i> | <i>2024</i> <i>Rupees</i> |
|-----------------------------------|-------------|------------------------------|------------------------------|
| Opening balances | | - | - |
| Tax paid/deducted during the year | | 69,997 | - |
| | | 69,997 | - |
| - Levies | | (52,448) | - |
| | | 17,549 | - |

| 12 CASH AND BANK | | <i>2025</i> | <i>2024</i> |
|-------------------------|------|-------------|-------------|
| <i>Cash in hand</i> | | 12,064 | 13,720 |
| <i>Cash at bank</i> | | | |
| - current account | 12.1 | 5,473,183 | 76,292,569 |
| | | 5,485,247 | 76,306,289 |

12.1 Bank balance pertains to:

| | | | |
|--------------------|--|-----------|------------|
| - Brokerage house | | 602,530 | 76,292,569 |
| - Customer Account | | 4,870,653 | - |
| | | 5,473,183 | 76,292,569 |

13 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

| 2025 | 2024 | | 2025 | 2024 |
|------------------|------------------|--|-------------------|-------------------|
| Number of shares | | Note | Rupees | Rupees |
| <u>8,000,000</u> | <u>8,000,000</u> | Ordinary shares of Rs.10 each fully paid | <u>80,000,000</u> | <u>80,000,000</u> |

14 CAPITAL RESERVE

| | | | | |
|-------------------|------|--|-------------------|----------|
| - Director's Loan | | | | |
| Kanwar M. Tariq | 14.1 | | <u>10,000,000</u> | <u>-</u> |

14.1 These represent interest free loans which is repayable at the discretion of company.

14.2 Loan from director was obtained to meet the requirements of working capital.

| | Note | 2025 | 2024 |
|------------------------------------|------|------------------|---------------|
| | | Rupees | Rupees |
| 15 TRADE AND OTHER PAYABLES | | | |
| Trade Creditors | | 4,744,637 ✓ | - |
| Future profit withheld | | 46,975 ✓ | - |
| Accrued expenses | 15.1 | 1,218,484 | 87,500 |
| Sales tax payables | | 87,207 ✓ | - |
| Withholding payable | | 114,796 ✓ | - |
| Other liabilities | | 127,782 ✓ | - |
| | | <u>6,339,881</u> | <u>87,500</u> |

15.1 Accrued expenses

| | | | |
|------------------------|--|------------------|---------------|
| Staff salaries | | 1,063,637 ✓ | - |
| Auditor's remuneration | | 135,000 ✓ | 87,500 |
| CDC charges | | 6,763 ✓ | - |
| NCCPL charges | | 13,084 ✓ | - |
| | | <u>1,218,484</u> | <u>87,500</u> |

16 LOAN FROM ASSOCIATE UNDERTAKING

| | | | |
|----------------------------|------|--|----------------|
| - Associate company | | | |
| Sos Pakistan (Pvt) Limited | 16.1 | | <u>512,397</u> |

16.1 This represents loan repayable on demand of the lender.

17 CONTINGENCIES AND COMMITMENTS

There is no contingencies and commitment at year ended June 30, 2025. (June 30, 2024: Nil)

| | 2025 | 2024 |
|-----------------------------|------------------|----------|
| | Rupees | Rupees |
| 18 OPERATING REVENUE | | |
| Brokerage Income | 6,016,014 ✓ | - |
| Less: Commission | (1,945,580) ✓ | - |
| | <u>4,070,434</u> | <u>-</u> |

| 19 ADMINISTRATIVE EXPENSES | <i>Note</i> | 2025 <i>Rupees</i> | 2024 <i>Rupees</i> |
|--|-------------|------------------------------|------------------------------|
| Salaries and other benefits | | 10,290,219 | - |
| Advertisement charges | | 65,600 | - |
| Travelling and conveyance | | 31,206 | 7,560 |
| Repair and maintainance | | 839,305 | 2,350 |
| Printing and stationary | | 84,456 | 56,955 |
| Postage and communication | | 7,700 | 2,850 |
| Fees and subscription | | 69,324 | 265,025 |
| Entertainment | | 214,000 | 14,950 |
| Legal and professional charges | | 803,760 | 52,500 |
| Depreciation | | 606,735 | - |
| Amortisation | | 200,000 | - |
| CDC Charges | | 25,418 | 104,905 |
| NCCPL Charges | | 21,101 | 16,855 |
| PSX service charges | | 510,243 | 180,802 |
| Room service Charges | | 404,526 | - |
| Utilities | | 440,589 | 22,415 |
| Other expenses | | 74,471 | 66,474 |
| | | 14,688,653 | 793,641 |
| 20 FINANCE COST | | | |
| Bank charges | | 50 | 70 |
| 21 OTHER CHARGES | | | |
| Auditors' remuneration | 21.1 | 135,000 | 87,500 |
| Unrealised loss on remeasurement of investment | | 163,053 | - |
| | | 298,053 | 87,500 |
| 21.1 Auditors' remuneration | | | |
| Audit fees | | 105,000 | 65,000 |
| Sales tax | | 8,400 | 5,200 |
| | | 113,400 | 70,200 |
| Out of pocket | | - | 6,500 |
| <i>Certificates</i> | | 21,600 | 10,800 |
| | | 135,000 | 87,500 |
| 22 OTHER INCOME | | | |
| Profit On Bmc Depsoit (Psx) | | 774,965 | - |
| Profit On Exposures. Rms (Nccpl) | | 191,653 | - |
| Dividend Income | | 10,450 | - |
| | | 977,068 | - |
| 23 LEVY- MINIMUM AND FINAL TAX | | | |

This represents minimum and final tax paid under section of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37. Company has selected approach 2 of ICAP circular of (IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes) for the accounting treatment of final & minimum tax differential.

| | 2025 <i>Rupees</i> | 2024 <i>Rupees</i> |
|-------------|------------------------------|------------------------------|
| Minimum tax | 50,880 | - |
| Final tax | 1,568 | - |
| | 52,448 | - |

24 COMPUTATION OF LIQUID CAPITAL

| S. No. | Head of Account | Value in Pak Rupees | Hair Cut / Adjustments | Net Adjusted Value |
|----------|--|---------------------|------------------------|--------------------|
| 1 | ASSETS | | | |
| 1.1 | Property & Equipment | 10,040,665 | 10,040,665 | - |
| 1.2 | Intangible Assets | 4,300,000 | 4,300,000 | - |
| 1.3 | Investment in Govt. Securities | - | - | - |
| 1.4 | Investment in Debt. Securities | | | |
| | If listed than: | - | - | - |
| | i. 5% of the balance sheet value in the case of tenure upto 1 year. | - | - | - |
| | ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years. | - | - | - |
| | iii. 10% of the balance sheet value, in the case of tenure of more than 3 years. | - | - | - |
| | If unlisted than: | - | - | - |
| | i. 10% of the balance sheet value in the case of tenure upto 1 year. | - | - | - |
| | ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years. | - | - | - |
| | iii. 15% of the balance sheet value, in the case of tenure of more than 3 years. | - | - | - |
| 1.5 | Investment in Equity Securities | | | |
| | i. If listed 15% or VaR of each 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 | 1,948,900 | 617,802 | 1,331,098 |
| | 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. | | | |
| | 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 | 17,860,000 | 16,916,282 | 943,718 |
| 1.9 | Margin deposits with exchange and clearing house. | 23,150,000 | - | 23,150,000 |
| 1.10 | Deposit with authorized intermediary against borrowed securities under SLB. | - | - | - |
| 1.11 | Other deposits and prepayments | - | - | - |
| 1.12 | Accrued interest, profit or mark-up 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>) | - | - | - |

| S. No. | Head of Account | Value in Pak Rupees | Hair Cut / Adjustments | Net Adjusted Value |
|-------------|---|---------------------|------------------------|--------------------|
| 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. | 17,549 | - | 17,549 |
| | (iii) In all other cases 100% of net value | - | - | - |
| 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. | 764,708 | 764,708 | - |
| 1.17 | Receivables from customers | | | |
| | i.) In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. i. Lower of net balance sheet value or value determined through adjustments. | 23,366,990 | 13,780,544 | 13,780,544 |
| | ii. In case receivables are against margin trading, 5% of the net balance sheet value. ii. Net amount after deducting haircut | - | - | - |
| | iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, iii. Net amount after deducting haircut | - | - | - |
| | iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. iv. Balance sheet value | 4,097,002 | - | 4,097,002 |
| | v. In case 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 | 531,436 | - | 486,430 |
| | 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. vi. Lower of net balance sheet value or value determined through adjustments | - | - | - |
| 1.18 | Cash and Bank balances | | | |
| | I. Bank Balance-proprietary accounts | 602,530 | - | 602,530 |
| | ii. Bank balance-customer accounts | 4,870,653 | - | 4,870,653 |
| | iii. Cash in hand | 12,064 | - | 12,064 |

| S. No. | Head of Account | Value in Pak Rupees | Hair Cut / Adjustments | Net Adjusted Value |
|--------|--|---------------------|------------------------|--------------------|
| 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 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 | 91,562,497 | 46,420,001 | 49,291,588 |

2 LIABILITIES

| | | | | |
|-----|--|-------------------|-------------------|------------------|
| 2.1 | Trade Payables | - | - | - |
| | i. Payable to exchanges and clearing house | 13,084 | - | 13,084 |
| | ii. Payable against leveraged market products | - | - | - |
| | iii. Payable to customers | 4,744,637 | - | 4,744,637 |
| 2.2 | Current Liabilities | | | |
| | i. Statutory and regulatory dues | 6,763 | - | 6,763 |
| | ii. Accruals and other payables | 1,575,397 | - | 1,575,397 |
| | iii. Short-term borrowings | 512,397 | - | 512,397 |
| | iv. Current portion of subordinated loans | - | - | - |
| | v. Current portion of long term liabilities | - | - | - |
| | vi. Deferred Liabilities | - | - | - |
| | vii. Provision for bad debts | - | - | - |
| | viii. Provision for taxation | - | - | - |
| | ix. Other liabilities as per accounting principles and included in the financial statements | - | - | - |
| 2.3 | Non-Current Liabilities | - | - | - |
| | i. Long-Term financing | - | - | - |
| | ii. Other liabilities as per accounting principles and included in the financial statements | - | - | - |
| | 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 | - | - | - |
| 2.4 | Subordinated Loans | - | - | - |
| | i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted: | 10,000,000 | 10,000,000 | - |
| 2.5 | 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 | 16,852,278 | 10,000,000 | 6,852,278 |

| S. No. | Head of Account | Value in Pak Rupees | Hair Cut / Adjustments | Net Adjusted Value |
|---|--|---------------------|------------------------|--------------------|
| 3 RANKING LIABILITIES RELATING TO: | | | | |
| 3.1 | Concentration in Margin Financing | | | |
| | The amount calculated client-to- client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees.(Provided that above prescribed adjustment 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) | - | 17,925,755 | 17,925,755 |
| 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. | - | - | - |
| 3.3 | Net underwriting Commitments | | | |
| | (a) in the case of right issue: 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 issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting. | - | - | - |
| | (b) in any other case : 12.5% of the net underwriting commitments | - | - | - |
| 3.4 | Negative equity of subsidiary | | | |
| | The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary | - | - | - |
| 3.5 | Foreign exchange agreements and foreign currency positions | | | |
| | 5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign cuurrency less total liabilities denominated in foreign currency | - | - | - |
| 3.6 | Amount Payable under REPO | | | |
| | | - | - | - |
| 3.7 | Repo adjustment | | | |
| | 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. | - | - | - |

| S. No. | Head of Account | Value in Pak Rupees | Hair Cut / Adjustments | Net Adjusted Value |
|-------------|---|---------------------|------------------------|--------------------|
| 3.8 | Concentrated proprietary positions | | | |
| | 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. | - | - | - |
| 3.9 | Opening Positions in futures and options | | | |
| | 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. | - | - | - |
| 3.10 | Short sell positions | | | |
| | 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 | - | 17,925,755 | 17,925,755 |
| | | 74,710,219 | 18,494,246 | 24,513,555 |

Calculations Summary of Liquid Capital

| | |
|--|--------------------------|
| (i) Adjusted value of Assets (serial number 1.20) | 49,291,588 |
| (ii) Less: Adjusted value of liabilities (serial number 2.6) | (6,852,278) |
| (iii) Less: Total ranking liabilities (series number 3.11) | <u>(17,925,755)</u> |
| | <u><u>24,513,555</u></u> |

25 PATTERN OF SHAREHOLDING

Following is the pattern of shareholding at year end

| Name of shareholders' | Number of shares held | Percentage % |
|-----------------------|-----------------------|--------------|
| Kanwar Muhammad Tariq | 4,100,000 | 51.25% |
| Asghari Begum | 2,000,000 | 25.00% |
| Najma Parveen | 1,899,995 | 23.75% |
| Masood Ali | 5 | 0% |
| | 8,000,000 | 100% |

26 FINANCIAL INSTRUMENT AND RELATED DISCLOSURES

| 2025 | | | | |
|-------------------------------|--|--|------------------------|-------------------|
| | At fair value - through profit or loss | At fair value - through other comprehensive income | Other financial assets | Total |
| ----- Rupees ----- | | | | |
| <i>Financial assets</i> | | | | |
| Long term deposits | - | - | 17,860,000 | 17,860,000 |
| Trade debts | - | - | 4,628,438 | 4,628,438 |
| Short term investments | 1,948,900 | - | - | 1,948,900 |
| Trade deposits and other rece | - | - | 24,006,228 | 24,006,228 |
| Receivable against Margin Fi | - | - | 17,448,141 | 17,448,141 |
| Taxation- Net | - | - | 17,549 | 17,549 |
| Cash and bank | - | - | 5,485,247 | 5,485,247 |
| | 1,948,900 | - | 69,445,603 | 71,394,503 |
| 2024 | | | | |
| | At fair value - through profit or loss | At fair value - through other comprehensive income | Other financial assets | Total |
| ----- Rupees ----- | | | | |
| <i>Financial assets</i> | | | | |
| Long term deposits | - | - | 400,000 | 400,000 |
| Cash and bank | - | - | 76,306,289 | 76,306,289 |
| | - | - | 76,706,289 | 76,706,289 |

27 FINANCIAL RISK MANAGEMENT

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

- Market risk
- Liquidity risk
- Credit risk
- Operational risk

27.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and foreign exchange rates.

27.1.1 Interest rate risk

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market interest rates. The Company is exposed to such risk mainly in respect of bank balances. Management of the Company estimates that 1% increase in the market interest rate, with all other factors remaining constant, would increase the Company's profit by Rs. nil and a 1% decrease would result in a decrease in the Company's profit by the same amount. However, in practice, the actual results may differ from the sensitivity analysis. Currently, The Company is not materially exposed to interest rate risk.

27.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or the future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Company does not have any financial instrument in foreign currencies and hence is not exposed to such risk.

27.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligation associated with its financial liabilities that are settled by delivering cash or another financial assets. Liquidity risk arises because of possibility that the Company could 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.

| | <i>2025</i> <i>Rupees</i> | <i>2024</i> <i>Rupees</i> |
|---------------------------------|------------------------------|------------------------------|
| Financial Liabilities | | |
| Within one year | | |
| Trade and other payables | 6,339,881 | 87,500 |
| Loan from associate undertaking | 512,397 | - |
| | <u>6,852,278</u> | <u>87,500</u> |

27.3 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 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.

27.3.1 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 the 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 is also minimized 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:

| | <i>2025</i> <i>Rupees</i> | <i>2024</i> <i>Rupees</i> |
|--------------------------------------|------------------------------|------------------------------|
| Long term deposits | 17,860,000 | 400,000 |
| Trade debts | 4,628,438 | - |
| Short term investments | 1,948,900 | - |
| Trade deposits and other receivables | 24,006,228 | - |
| Receivable against Margin Financing | 17,448,141 | - |
| Taxation- Net | 17,549 | - |
| Cash and bank | 5,485,247 | 76,306,289 |
| | <u>71,394,503</u> | <u>76,706,289</u> |

27.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with processes technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. The responsibility encompasses the controls in the following areas.

- 1) Requirements for appropriate segregation of duties between various functions, roles and responsibility;
- 2) Requirements for the reconciliation and monitoring of transactions;
- 3) Compliance with regulatory and other legal requirements;
- 4) Documentation of control and procedures;
- 5) Requirements for the periodic assessment of operational risk faced, and the adequacy of controls and procedures to address the risk identified;
- 6) ethical and business standards;
- 7) Risk mitigation, including insurance where this is effective.

28 CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structure in order to ensure availability of finance for its existing operations, for maximizing shareholder's value, for tapping potential investment opportunities and to reduce cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

The Company finances its operations through equity.

29 REMUNERATION OF THE CHIEF EXECUTIVE AND DIRECTORS

| | 2025 Rupees | | 2024 Rupees | |
|-------------------------|------------------|------------------|-----------------|-----------|
| | Chief Executive | Directors | Chief Executive | Directors |
| Managerial remuneration | <u>1,800,000</u> | <u>2,639,442</u> | <u>-</u> | <u>-</u> |
| No. of person (s) | <u>1</u> | <u>1</u> | <u>1</u> | <u>4</u> |

30 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprises associated companies, directors, key management personnel of member companies and various other related parties that has an interest in the Company that gives it significant influence over the Company. Details of transactions and balances with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

| Name of Related party | Relationship | Nature of Transaction during the year | 2025 | 2024 |
|---|-------------------------|---------------------------------------|--------------------|----------|
| | | | Rupees | Rupees |
| Kanwar M. Tariq | Director | Loan received | <u>10,000,000</u> | <u>-</u> |
| Masood Ali | Director | Investment | <u>105,000</u> | <u>-</u> |
| Security Organizing System Pakistan (Private) Limited | Associate company | Loan given | <u>538,291,111</u> | <u>-</u> |
| | | Loan recovered | <u>537,778,714</u> | <u>-</u> |
| Mushtaq Ahmed | Chief Executive Officer | Investment | <u>600,000</u> | <u>-</u> |

30.1 Closing balances of the above parties are disclosed in respective heads.

31 CAPITAL ADEQUACY LEVEL

The capital adequacy level of the company is as follows:

| | | |
|--|--------------------------|-------------------|
| Total assets | 85,735,168 | 79,206,289 |
| Less : Total liabilities | (6,852,278) | (87,500) |
| Less : Revaluation Reserves (created upon revaluation of fixed assets) | <u>-</u> | <u>-</u> |
| Capital adequacy level | <u>78,882,890</u> | <u>79,118,789</u> |

31.1 While determining the value of total assets of TREC holder, notional value of TRE certificate held by Sos Capital Limited as at year ended June 30, 2025 as determined by the Pakistan Stock Exchange Limited - PSX has been considered.

32 CORRESPONDING FIGURES

Corresponding figures have been rearranged, wherever necessary, for the purpose of comparison.

33 NUMBER OF EMPLOYEES

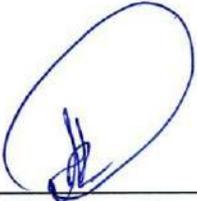
| | 2025 | 2024 |
|--|-----------|----------|
| Number of employees as at year end | <u>9</u> | <u>-</u> |
| Average number of employees for the year | <u>10</u> | <u>-</u> |

34 DATE OF AUTHORIZATION FOR ISSUE.

These financial statements have been authorized for issue on 29 SEP 2025 by the Board of Directors of the Company.

35 GENERAL

Figures have been rounded off to the nearest Rupee.



Chief Executive



Director