

Growing With Pakistan's Prosperity





A misty forest scene with tall, slender trees and a green forest floor. The trees are thin and vertical, with some foliage visible at the top. The ground is covered in green grass and low-lying plants. The overall atmosphere is serene and natural.

Growing With Pakistan's Prosperity

We don't just measure prosperity in numbers; we see it in opportunities that enable a brighter future. At Arif Habib Limited, we believe every investment is beyond a capital, they are seeds of possibilities planted in the soil of our motherland's future.

For over four decades, we have walked alongside our nation; transforming markets, enabling industries, empowering entrepreneurs and guiding investors with trust and expertise. All our services, transactions and products create ripples that turn into waves of progress, lifting communities and strengthening the foundation of our economy.

As one of the country's largest securities brokerage, investment banking and research firms, we are more than a financial institution – we are part of Pakistan's story of determination, resilience, and boundless ambition. Together, we are shaping a future where prosperity is shared, growth is inclusive, and the next generation inherits a nation brimming with possibility.



About This Report

This report is presented as a comprehensive account of the performance and progress of Arif Habib Limited during the year. It reflects not only our financial results but also the values and responsibilities that shape the way we conduct our business. Within these pages, we have strived to provide a clear picture of who we are, the journey we have taken, and the principles that continue to guide us.

The report begins with an introduction to the Group and the Company, our vision and mission and the strategies that define our direction. It sets out our values, our approach to governance and the culture we work to sustain. From there it moves into our operational performance, with highlights across brokerage, investment banking, money markets, foreign exchange, commodities and research. Each business area is discussed in the context of opportunities, risks and the wider environment in which we operate.

The disclosures included here also reflect our wider responsibilities. These range from our corporate sustainability report to our social development initiatives, our commitment to diversity and inclusion, and our ESG framework. Mandatory disclosures such as the gender pay gap and credit ratings are presented in the same spirit of transparency. Together, they form a broader picture of how we seek to balance growth with responsibility.

Recognition and awards are also recorded within this report, a reminder that the confidence placed in us by stakeholders is the result of both performance and trust. Alongside these, detailed financial statements, management discussion and analysis, and governance reports provide accountability in full measure.

The theme of this year's report, Growing with Pakistan's Prosperity, is reflected in every section. It serves as a reminder that our progress cannot be measured in isolation but only in step with the advancement of the markets, communities and our country we serve. In documenting where we stand today, this report points to the direction of our continued journey one that remains firmly aligned with the prosperity of Pakistan.



We Are Arif Habib Group

Arif Habib Group has been serving the investors for over four decades. Over the years the company has constantly evolved and adapted to changing times. As a premium brokerage and financial services, AHL strives to build an environment that promotes team work, leadership and resilience to better serve the ever growing market.



During testing economic conditons, AHL has always endeavored to deliver consistent results to its trusting family of investors. It is only through consistency that we are able to maintain high levels of client satifaction and have acheived industry wide recognition for our work.

Being steadfast, determined and persistent are characteristics that strongly resonate with AHL's code of conduct.

A photograph of a modern building with a glass facade and yellow structural beams. The building is reflected in the glass. The text is overlaid on a white semi-transparent box.

About Arif Habib Group

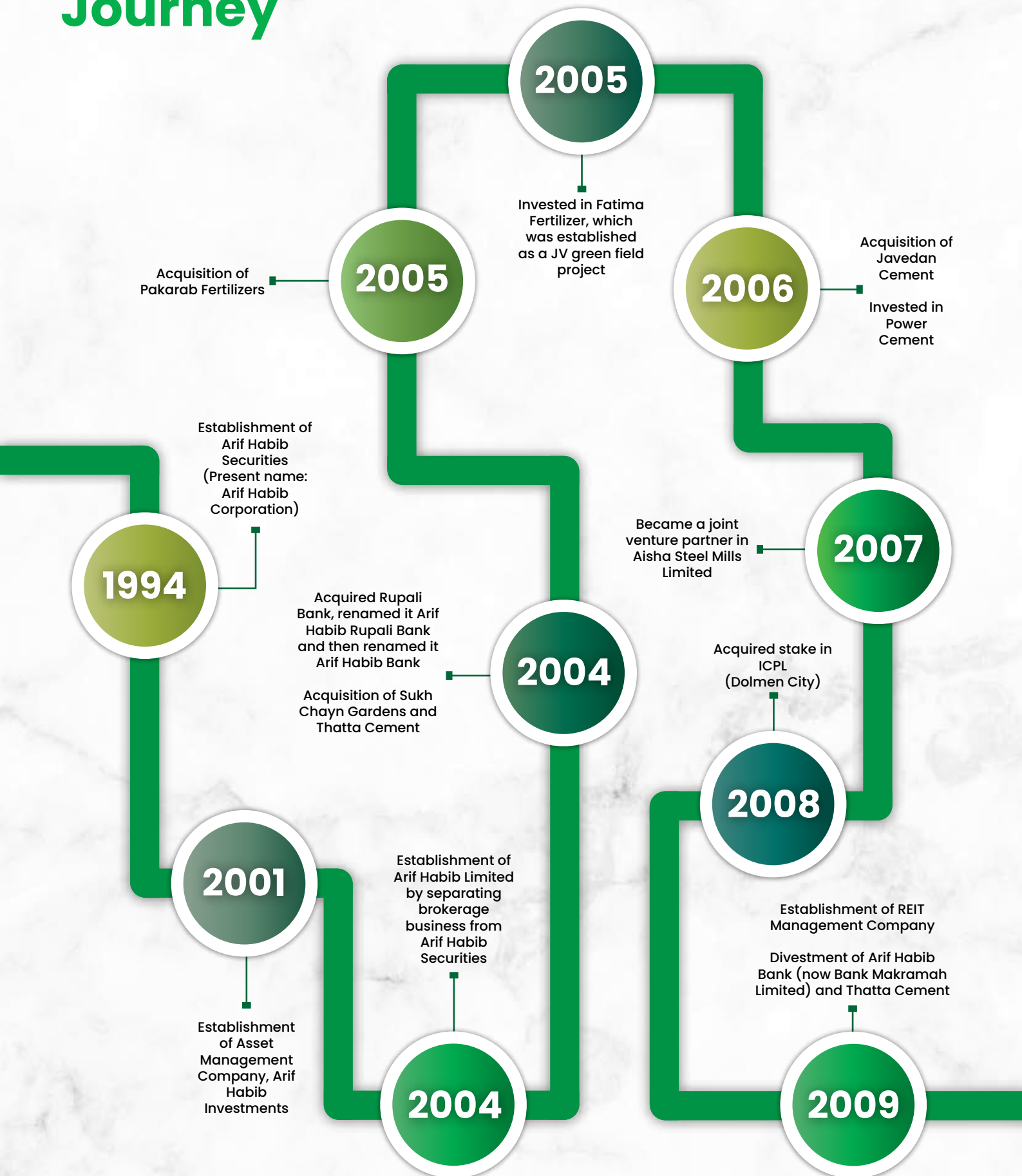
Since its inception, the Arif Habib Group has been at the forefront of innovation, turning bold ideas into tangible realities. We've played a pivotal role in Pakistan's growth story, investing in sectors that drive national development and uplift communities across the country.

Our entrepreneurial spirit and passion for positive change have fueled our expansion into diverse industries, including financial services, fertilizers, cement, steel, renewable energy, and real estate development. By leveraging our expertise and forging strategic partnerships, we've consistently delivered value to our stakeholders and contributed significantly to Pakistan's economy.

Quality and excellence are the cornerstones of our business model. We're committed to setting new standards and pushing the boundaries of what's possible. With unwavering faith in Pakistan's potential, we're dedicated to harnessing innovation and transforming challenges into opportunities for growth and prosperity.



Our Group's Journey



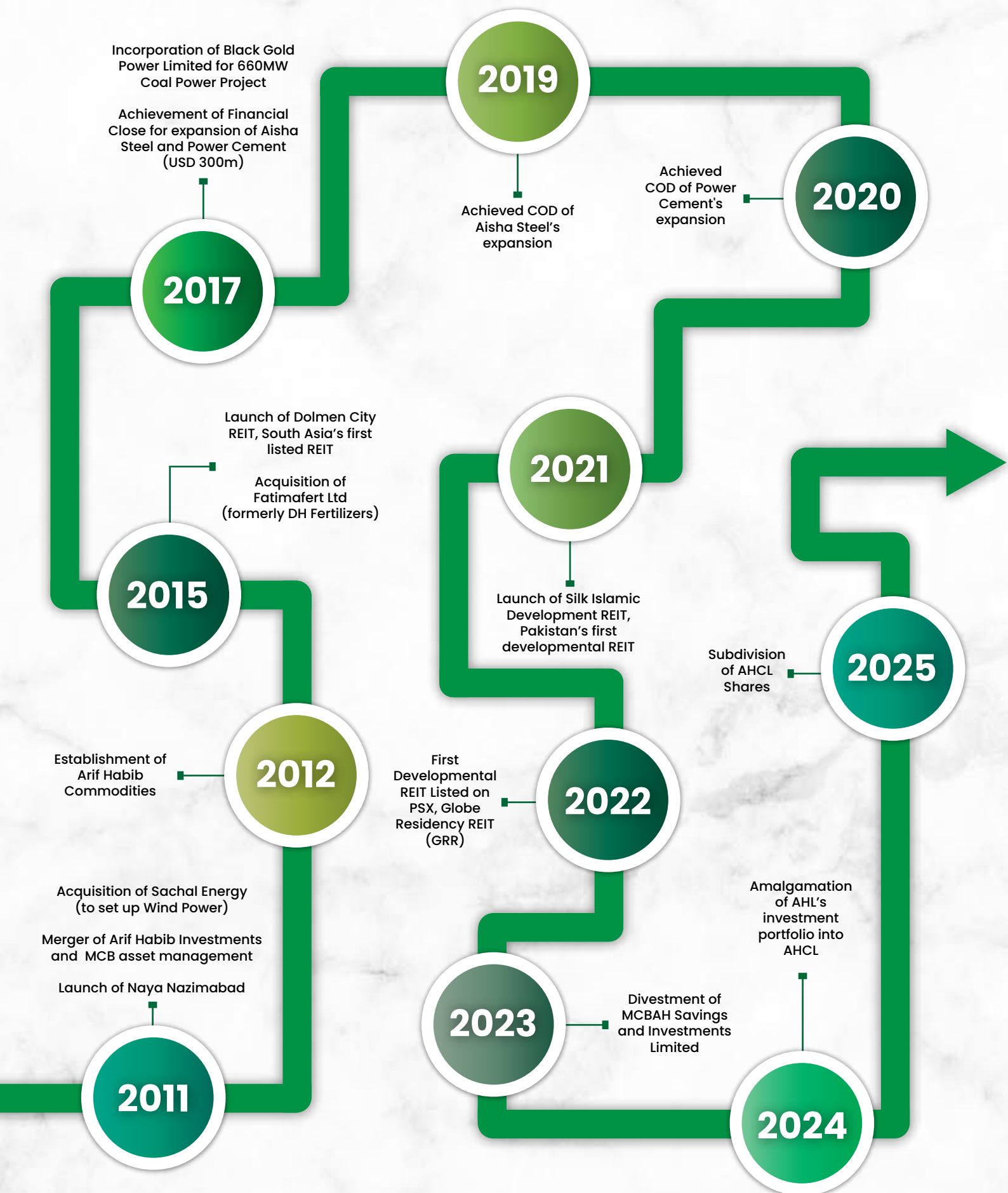


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**Pakistan's Spirit
Never Fades
It Only Rises**



Investments Built To Last

Through brokerage and investment banking, we direct capital into ventures that deliver sustainable returns. Each decision is rooted in analysis, designed to strengthen Pakistan's markets while securing prosperity for the next generation.





About Arif Habib Limited

Arif Habib Limited (AHL) is Pakistan's premier brokerage and financial services firm, providing cutting-edge expertise across Equities Trading, Investment Banking, Money Market & Forex, Commodities Trading, and Equity & Economic Research. With over four decades of leadership in Pakistan's capital markets, AHL has built a reputation as one of the most trusted and dynamic financial institutions in the country.

Listed on the Pakistan Stock Exchange (PSX), AHL operates under the majority ownership (63.01%) of Arif Habib Corporation Limited. The firm carries strong credit ratings of AA- (Long Term) and A-1 (Short Term) with a Stable Outlook by JCR-VIS Credit Rating Company, reflecting its financial strength and stability.

Our brokerage operations are widely recognized for excellence, serving a diverse client base that includes institutional investors, corporates, high-net-worth individuals, and retail clients. Notably, AHL is the only non-banking financial institution among more than 500 listed companies to consistently secure a place in the "Top 25 Companies of Pakistan" awards by PSX, across multiple years: 2018, 2017, 2016, 2015, 2014, 2012, 2008, and 2007.

AHL's performance continues to receive both national and international recognition. In 2025, FinanceAsia honored the Company with the titles of Best Broker Pakistan and Best Equity Capital Market House Pakistan, while Euromoney named AHL the Best Broker - Capital Market Awards 2025, Best Investment Bank for M&A, and Best Bank for Research. On the local front, the Federation of Pakistan Chambers of Commerce & Industry (FPCCI) awarded AHL the Excellence Award for Best Financial & Equities House in 2024.

Further reaffirming our leadership, the CFA Society Pakistan honored AHL in 2024 with awards in the categories of Best Equity Brokerage House and Best Economic Research House, while also recognizing our professionals with individual awards in the categories of Best Equity Sales Person and Best Equity Research Analyst. Similarly, the Financial Markets Association of Pakistan acknowledged AHL's consistent market presence by naming it Runner-up for Best Overall Brokerage House and Best Money Market Brokerage House in 2025.

These accolades reflect AHL's enduring commitment to delivering excellence, innovation, and trusted financial services to clients, while maintaining its leadership position in Pakistan's evolving capital markets.

Geographical Locations



Karachi	Head office (Registered office)	Arif Habib Centre, 23 M.T. Khan Road, Karachi
Lahore	Regional office	Office Nos. G-05 & G-06, Ground Floor, LSE Plaza, 19, Khayaban-e-Aiwan-e-Iqbal, Lahore
Islamabad	Regional office	Office No. 506, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.
Peshawar	Regional office	Shops No. F16, and F17, 1st Floor, The Mall Tower, Peshawar Cantt.
Multan	Regional office	Office # 305, 3rd Floor, United Mall, Abdali Road, Multan.
Faisalabad	Regional office	Office No. 04, 3rd Floor at Legacy Tower, Koh-e-noor City, Faisalabad.

Our Winning Journey

Best Broker – Capital
Market Awards 2025
EuroMoney

Best Investment Bank
for M&A 2025
EuroMoney

Best Bank for
Research 2025
EuroMoney



Best Equity Brokerage
House Runner-up 2024
CFA Society Pakistan

Best Economic Research
House Runner-up 2024
CFA Society Pakistan

Best Equity Research Analyst
Runner-up 2024
CFA Society Pakistan



Best Broker Pakistan
2025

FinanceAsia

Best Equity Capital Market
House Pakistan 2025

FinanceAsia

Excellence Award for Best
Financial & Equities House 2024

FPCCI



Best Equity Sales Person
Runner-up 2024

CFA Society Pakistan

Best Money Market Brokerage
House Runner-up 2025

Financial Markets Association
of Pakistan

Best Overall Brokerage House
Runner-up 2025

Financial Markets Association
of Pakistan



Wall Of Fame





Company Information

Board of Directors

Mr. Zafar Alam
Mr. Muhammad Shahid Ali Habib
Mr. Haroon Usman
Ms. Sharmin Shahid
Syed Manzoor Raza
Dr. Muhammad Sohail Salat
Mr. Mohsin Madni

Chairman & Independent Director
Chief Executive Officer & Executive Director
Non-executive Director
Non-executive Director
Non-executive Director
Independent Director
Non-executive Director

Audit Committee

Mr. Alamgir A. Shaikh
Mr. Zafar Alam
Dr. Muhammad Sohail Salat

Chairman
Member
Member

Human Resource & Remuneration Committee

Mr. Muhammad Irfan Moton
Mr. Muhammad Shahid Ali Habib
Dr. Muhammad Sohail Salat
Ms. Sharmin Shahid

Chairman
Member
Member
Member

Company Secretary & Chief Financial Officer

Mr. Muhammad Taha Siddiqui

Auditors

M/s. Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

Credit Rating

JCR-VIS Credit Rating Company Limited

Management Rating

The Pakistan Credit Rating Agency

Legal Advisors

Muhammad Zubair
Advocate High Court

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Sindh Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Bank Makramah Limited
The Bank of Khyber
The Bank of Punjab
United Bank Limited

Registrar & Share Transfer Office

Share Registrar Department
Central Depository Company of Pakistan Limited
CDC House, 99-B, Block-B
S.M.C.H.S., Main Shahra-e-Faisal
Karachi-74400
Tel: Customer Support Services:
0800-CDCPL (23275)
Fax: (92-21) 34326053
Email: info@cdcpak.com
Website: www.cdcpakistan.com

Registered Office

Arif Habib Centre
23, M.T. Khan Road Karachi-74000
UAN: (92-21) 111-245-111
Fax No: (92-21) 32416072; 32429653
E-mail: info@arifhabibltd.com
Company website: www.arifhabibltd.com
Online Trade: www.ahletrade.com
Branch Reg. No: BOA-050/01

Lahore Branch

Office Nos. G-05 & G-06, Ground Floor,
LSE Plaza 19, Khayaban-e-Aiwan-e-Iqbal,
Lahore
Tel: +92 (42) 3631 3710, +92 (42) 3631 3700-1,
+92 (42) 3631 3702, +92 (42) 3631 3703

Islamabad Branch

Office No. 506, 5th Floor, ISE Towers, Jinnah
Avenue, Islamabad
Tel: +92 (51) 2894505 – 06

Peshawar Branch

Shops No. F16 & F17, 1st Floor, The Mall Tower,
Peshawar Cantt.
Tel: +92 91 5253910-13

Faisalabad Branch

Office No. 04, 3rd Floor Legacy Tower, Kohinoor
City, Faisalabad.
Tel: +92 41 8531010-3

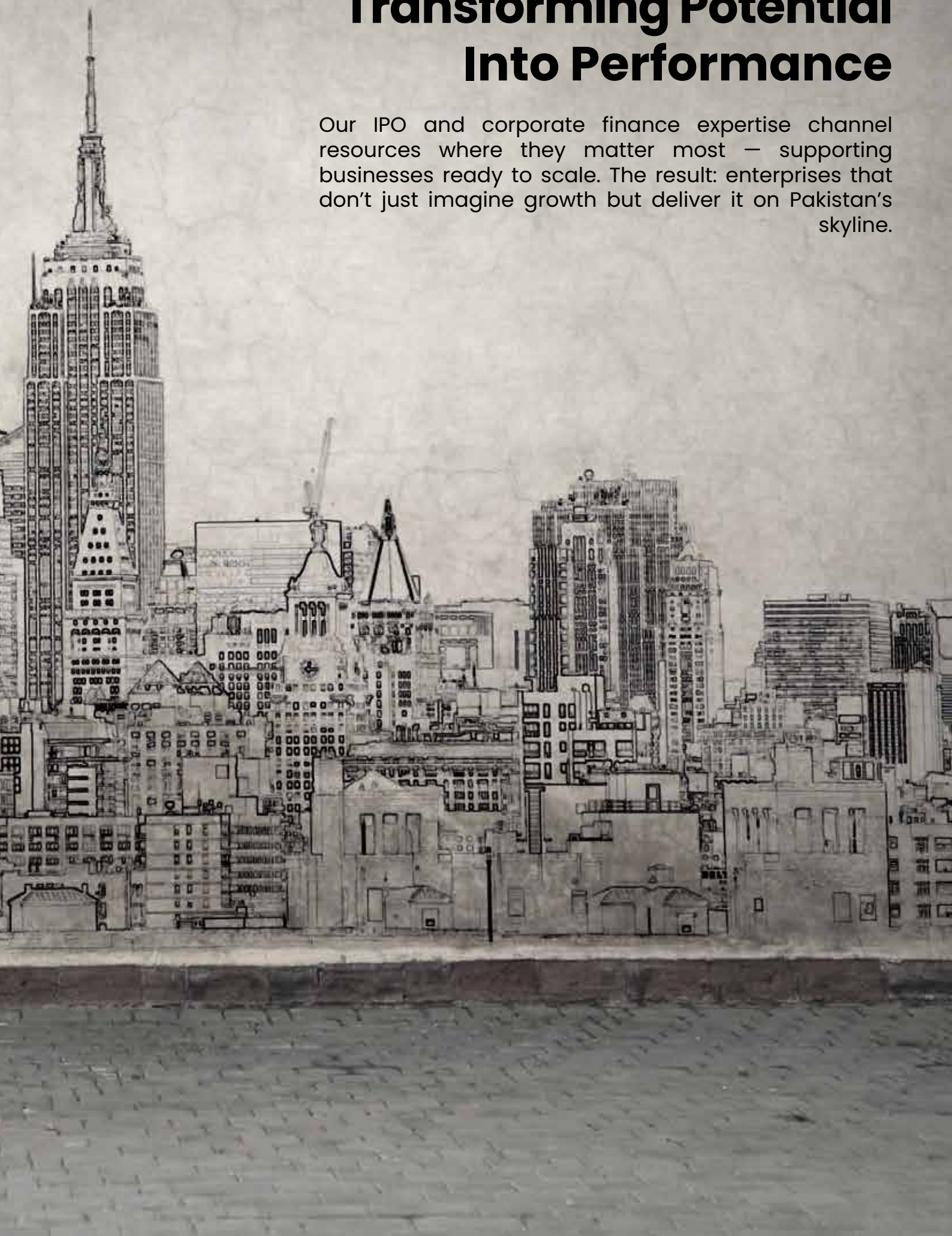
Multan Branch

Office No. 5, 3rd Floor, United Mall, Plot No. 74,
Abdali Road, Multan
Tel: +92 61 4514413
+ 92 61 4514412



Transforming Potential Into Performance

Our IPO and corporate finance expertise channel resources where they matter most — supporting businesses ready to scale. The result: enterprises that don't just imagine growth but deliver it on Pakistan's skyline.



Vision Statement

Our Vision is to be the most Preferred and Respected Financial Institution, renowned for our expertise in Securities Brokerage and Investment Banking Services.

Mission Statement

Our Mission is to create value for our stakeholders by providing outstanding securities Brokerage Services and Investment Banking solutions to our customers. We strive to build an environment that encourages teamwork at the workplace to deliver superior products and services and to serve the development of our capital market.



Code Of Conduct

Arif Habib Limited strongly believes in running its business progressively without compromising on the best ethical standards as guided by the

“CODE OF ETHICS AND BUSINESS PRACTICES”

Our Values



Integrity

We conduct ourselves with compromising integrity and honest as individuals, as teams and as a company



Efficiency

We provide ourselves on our efficiency which plays a major in identifying and capitalizing opportunities in all aspects of our businesses and operations



Credibility

We strive to earn enduring credibility which we believe is essential to long-term business relationships



Social Responsibility

We hold sound governance values and a responsible approach to social and environment risks which begins with our people and communities





Corporate Strategy

- Strive continuously to maximize value for our client
- Control credit, market and operational risk to mitigate overall risk
- Provide Pro-active and effective services to our client
- Expand the range of our product and services
- Continue exercising high level of ethical standards

A close-up photograph of three hands assembling a wooden puzzle. One hand is holding a puzzle piece that features a green map of the Earth. The background is a blurred green field of crops. The text 'Corporate Sustainability Report' is overlaid on the right side of the image.

Corporate Sustainability Report

Arif Habib Limited (AHL) is a firm believer in sustainable development. At AHL, we pride ourselves in contributing to the betterment of the lives of our communities and the people of Pakistan. Corporate philanthropy and development are means to this, which allows us to give back to the people around us.

Corporate Development

In recognition of professional excellence across the financial sector, we contributed to the 21st Annual Excellence Awards Ceremony organized by the CFA Association of Pakistan. The event highlighted the achievements of institutions and individuals who continue to raise standards across the industry.

In addition, the Company contributed significantly to the national exchequer through the payment of direct and indirect taxes during the year, reinforcing our role as a responsible corporate citizen and an active participant in the country's economic development.

Through these initiatives, we reaffirm our belief that sustainable growth must benefit both markets and communities. By supporting and encouraging social development with professional excellence, we are fulfilling our obligations to the economy and remain committed to aligning our success with that of the nation and continue to grow with Pakistan's prosperity.

Social Development

We extended our support to the Million Smiles Foundation, a not-for-profit organization dedicated to ending poverty in all its forms. The Foundation's work spans across a wide range of critical areas including elimination of hunger, achievement of food security, improved nutrition and promotion of sustainable agriculture. It also seeks to ensure health and well-being, equitable education, gender equality and access to clean water and sanitation, while taking action to address climate change and its impact.

We also partnered with the Haqooq-e-Insaniyat Social Welfare Organization, a humanitarian and development body working under the Directorate of Voluntary Social Welfare Agencies, Sindh. HISWO focuses on uplifting underprivileged communities by providing essential services in education, healthcare, food security, livelihood, water and sanitation, disaster relief, environmental protection and women's empowerment.

Corporate Social Responsibility – Healthcare Initiatives

As part of its long-standing commitment to community welfare, Arif Habib Group continues to support initiatives that expand access to quality healthcare for underprivileged segments of society. The Group recognizes healthcare as a cornerstone of social development and places strong emphasis on creating long-term impact through strategic collaborations. During the year, the Group extended its support to:

- **Memon Health Foundation & Memon Medical Institute Hospital**

Through its contributions, the Group is helping the Foundation in sustaining its operations at Memon Medical Institute Hospital, a not-for-profit tertiary care facility. The hospital provides modern diagnostic, treatment, and surgical services to thousands of patients annually, many of whom are unable to afford quality healthcare. The Group's partnership reinforces its resolve to strengthen community health systems and to reduce the burden of medical costs on vulnerable households.

- **Indus Hospital & Health Network**

Continuing its association with Indus Hospital, the Group has supported its mission of delivering free-of-cost, high-quality healthcare across Pakistan. Indus Hospital's extensive outreach network provides treatment for critical illnesses, preventive health programs, and specialized care. Contributions from the Group directly facilitate free medical services, capacity expansion, and operational sustainability of this important national institution.

These initiatives are an integral part of Arif Habib Group's CSR philosophy, which is centered on improving lives, promoting human welfare, and fostering sustainable communities

Culture

At Arif Habib Limited, we foster a culture built on strong values, where sustainability is seamlessly integrated into our business practices and transparency defines our workplace. We believe that investing in our people is central to our growth, as the success of our human capital directly fuels the progress of the Company.

Our core values—innovation, customer focus, excellence, and integrity—shape our efficiency-driven culture and empower our workforce to achieve outcomes that benefit both employees and the organization. These values form the very foundation of our identity, uniting us as a world-class team committed to staying ahead of the curve.

While we continue to thrive in the present and embrace the future, we remain firmly rooted in our heritage, never losing sight of the journey that has brought us here. With pride in our history and humility in our approach, we are driven to deliver the very best to our clients and stakeholders.

Ethics

Our Code of Conduct reflects Arif Habib Limited's unwavering commitment to uphold the trust of our stakeholders. It lays down the core principles and standards that guide ethical business practices across all areas of our operations. We are dedicated to conducting business with honesty, integrity, and fairness, ensuring that every action contributes to sustainable value creation.

We expect all our employees to demonstrate accountability and transparency in their professional conduct, aligning their efforts with the Company's mission of delivering excellence. As we continue to grow, we remain steadfast in maintaining the highest standards of responsible and ethical behavior.

Adherence to these standards is mandatory for every employee and serves the best interests of all stakeholders, including our clients, shareholders, and the communities we serve. To ensure compliance, the Company provides clear guidance, robust monitoring, and preventive measures, along with corrective actions wherever necessary.

Diversity, Equity, And Inclusion

At Arif Habib Limited (AHL), Diversity, Equity, and Inclusion (DE&I) are integral to our mission, with a special focus on advancing gender equality. Through targeted initiatives, we are committed to empowering women and fostering a diverse workforce that spans generations. We believe diversity drives innovation and leads to smarter decision-making, and we actively seek candidates whose skills, experience, and growth potential align with our strategic vision.

In recent years, AHL has made significant progress in building an inclusive environment where women are empowered to thrive at every level. Our commitment to gender equality is evident in the increase of female representation from 10% to 24%, a reflection of our dedication to equal opportunities and a culture that values long-term success and advancement for all.

We continue to prioritize diversity in all roles, focusing on enhancing female representation and supporting the economic independence and well-being of our employees. In 2025, we ensured fair and transparent performance evaluations for all eligible employees. Our policies provide parental leave for female employees, and we have implemented a robust Anti-Harassment Policy alongside a confidential whistleblower system to maintain a respectful and supportive workplace, fostering both professional and personal growth.

Our progress in DE&I was recognized by Euromoney, which awarded us Best Diversity & Inclusion in Pakistan. AHL's culture is evolving, shaped by adaptability, collaboration, and a shared commitment to DE&I. In 2025 we celebrated a unique blend of innovation and inclusivity that forms the core of our organization. We are proud of our journey and remain dedicated to fostering an environment where every individual can thrive, contribute, and share in our collective success.



Social And Relationship Capital

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGS)

At Arif Habib Limited, our HR department plays a crucial role in embedding sustainability practices across multiple facets of our operations. This integration encompasses recruitment, employee engagement, benefits, training, and diversity initiatives, all aimed at fostering a positive and inclusive workplace environment. To support this vision, we have implemented several key policies:



Key Inputs

To achieve our sustainability goals, we focus on several vital inputs:

NURTURING RELATIONSHIPS WITH STAKEHOLDERS

By fostering collaboration and open communication with stakeholders, we can better align our initiatives with community needs and expectations.

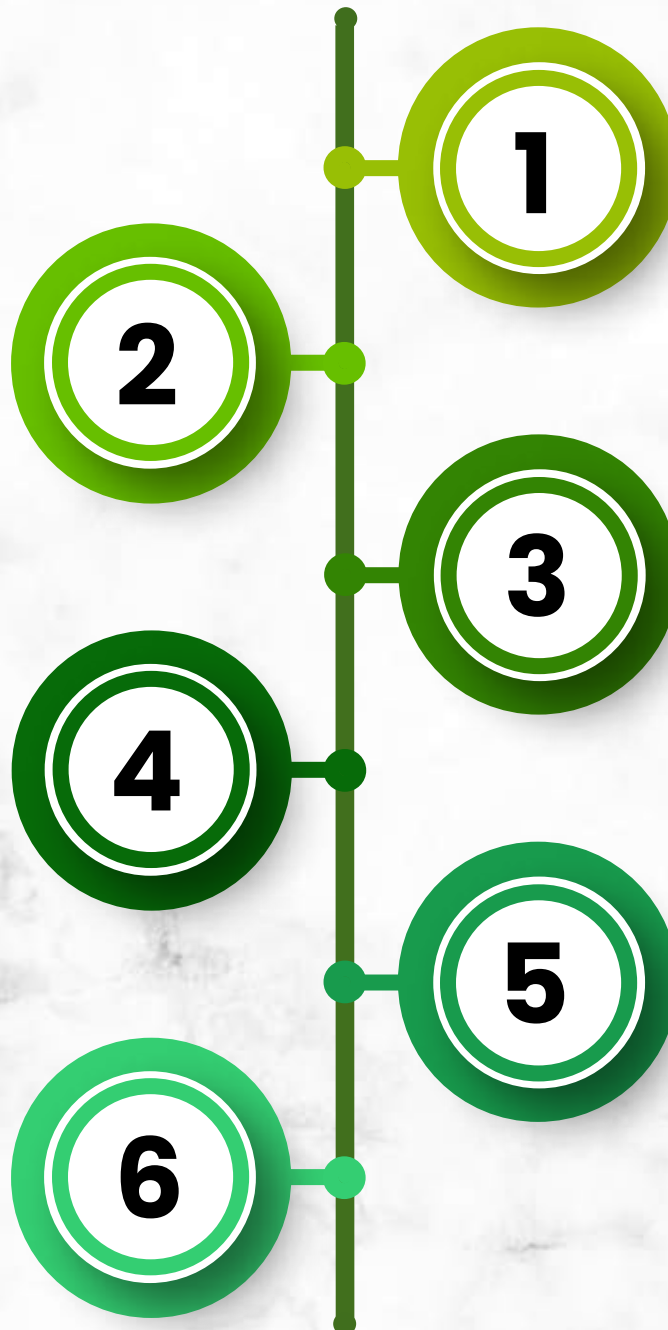
BUILDING TRUST THROUGH CONSTRUCTIVE PARTNERSHIP

Collaborative relationships with other organizations and community groups enhance our impact and allow for shared resources and knowledge.

ACTIVELY PARTICIPATING IN INDUSTRY MEETINGS AND ENGAGING WITH GOVT ENTITIES

This engagement allows us to stay informed about industry trends and regulations, positioning AHL as a proactive leader in sustainability

STRONG WITH



TRAINING EMPLOYEES ON SUSTAINABILITY PRACTICES

We provide comprehensive training to empower employees with the knowledge and skills necessary to implement sustainable practices in their daily work.

ESTABLISHING A ROBUST CSR PRESENCE AT THE GROUP LEVEL

Our commitment to corporate social responsibility (CSR) is visible through various initiatives, demonstrating our accountability to the communities we serve.

PROMOTING SHARED VALUES AND BEHAVIORS

By cultivating a culture that emphasizes shared values, we strengthen our organizational identity and encourage collective responsibility

AHL adheres to the Securities Exchange Commission of Pakistan (SECP) Guidelines for CSR-2013, which recognize the vital role of corporations in national development. These guidelines ensure that our CSR activities are conducted with transparency and accountability, reinforcing our commitment to ethical practices. Our dedication to the well-being of people and the planet drives our initiatives to improve lives and protect the environment through innovative outreach and tailored solutions that address community needs.

Our CSR program is rooted in the belief that every citizen deserves access to fundamental necessities such as health, nutrition, education, and economic opportunity. We strive to achieve these goals through collaborative efforts that utilize scientific research and data to create impactful solutions. By challenging existing norms, we aim to pave the way for a resilient future that benefits all stakeholders committed to sustainable development.

Enterprise Risk Management

AHL upholds an independent risk governance structure overseen by the CEO and senior management. We actively identify and assess risks and opportunities arising from our operating environment, taking into account industry-specific challenges and their significance.

Environmental, Social And Governance (Esg) Commitment

For us at Arif Habib Limited, growth has always carried a broader meaning. We see, prosperity as not just delivering financial results but creating value that leaves a positive impact for our clients, our people, our communities and our nation that we diligently serve. This belief is the heart of our ESG commitment which aligns with our purpose of growing with Pakistan's prosperity. By embedding sustainability, ethical conduct with stakeholder trust into our strategy, we strive to ensure that progress today is turned into the foundation for a stronger tomorrow.

Environmental Responsibility

We continuously aim to reduce our environmental footprint by using resources responsibly, managing waste with care and practicing energy efficiency across our operations. The digitalization of trading platforms and back-office processes has enabled us to lower paper consumption while improving efficiency, reflecting our commitment to a greener future.

Social Impact

As one of Pakistan's leading capital markets institutions, our duty to society is pivotal. We promote financial inclusion, investor awareness and professional growth, while investing in the on-going learning of the well-being of our employees. We are committed to building a safe, inclusive workplace which contributes to education, healthcare and economic empowerment in the communities we serve.

Governance Excellence

Strong governance underpins sustainable progress. Guided by transparency, accountability, compliance with regulations and best practices, our governance framework is designed to safeguard stakeholder interests. Backed with our robust internal controls, risk management and ethical standards, we work tirelessly to preserve investor confidence while strengthening trust.

Our Way Forward

Looking ahead, we will continue to advance our ESG agenda, strengthening sustainability practices, deepening engagement with stakeholders alongside aligning ourselves with global ESG benchmarks. For us, ESG is more than a responsibility, it is a path to long-term resilience, trust and shared prosperity.

At Arif Habib Limited, we view ESG as a never ceasing journey one that grows with our nation's own aspirations for a more sustainable, inclusive and resilient future. Each step we take, whether in reducing our environmental footprint, strengthening governance or supporting our communities, is a step taken with the country we are proud to serve. By aligning our progress with the nation's future, we remain committed to growing with Pakistan's prosperity.

Mandatory Disclosure of Gender Pay Gap Data

As an institution that values its role in shaping both markets and society, we recognize that fairness within our workplace is central to lasting progress. It is in this spirit that we disclose our gender pay gap data for the reporting period, in accordance with applicable regulatory requirements. This disclosure reflects the difference in average remuneration between male and female employees across the organization and represents both the challenges and opportunities that lie ahead.

We remain committed to the principle of equal opportunity and believe that compensation must be determined by role, responsibility, skills, performance and market benchmarks, without bias or discrimination based on gender.

The analysis of pay data during the reporting year reflects the following:

- **Mean gender pay gap:** 52.54%
- **Median gender pay gap:** 80.37%

Proportion of men and women in each quartile pay band:

- Upper quartile: 86.96% men, 13.04% women
- Upper middle quartile: 95.65% men, 4.35% women
- Lower middle quartile: 78.26% men, 21.74% women
- Lower quartile: 57.45% men, 42.55% women

We acknowledge these numbers with seriousness and view them as a call to strengthen our policies and practices further. Our ongoing focus is to close the gap, encourage greater female participation in leadership roles and sustain a diverse workplace culture that is inclusive and progressive. In doing so, we believe we contribute not only to our own growth but also to the wider purpose of growing with Pakistan's prosperity.

SWOT Analysis

In assessing our journey and the environment in which we operate, it becomes clear that our strengths, challenges, opportunities and risks are deeply interwoven with the evolution of Pakistan's financial markets. We view this analysis not simply as an internal exercise but as a measure of how we can contribute more effectively to the country's economic fabric. Our purpose is reinforced by each strength, every weakness calls for vigilance while each opportunity signals growth, and every threat reminds us of the responsibility with which we must proceed.



Strengths

- Strong brand equity and reputation as a leading financial services group in Pakistan
- Diversified portfolio across capital markets, brokerage, investment banking and equity and economic research
- Robust client base, including institutions, HNWI's, retail investors & increasing digital investors
- Experienced leadership team with deep market knowledge
- Strong compliance culture & adherence to regulatory frameworks
- Advanced trading platforms and digital client interfaces



Weaknesses

- High dependence on overall capital market activity and investor sentiment
- Limited geographical footprint outside Pakistan compared to regional peers
- Vulnerability to short-term market volatility impacting profitability



Opportunities

- Growing investor base in Pakistan with increasing interest in capital markets
- Expansion potential in advisory, wealth management and fintech-driven solutions
- Government focus on privatization and capital market reforms
- Opportunities for regional and international collaborations
- Rising demand for Shariah-compliant financial products



Threats

- Macro economic challenges including inflation, currency volatility and high interest rates.
- Regulatory changes and compliance costs impacting operations.
- Political and economic instability affecting investor confidence.
- Cybersecurity risks associated with digitization of financial services.

Looking at these dynamics collectively we recognize that our strengths are the foundation on which we build, while our weaknesses guide us toward greater discipline. Opportunities reflect the promise of a market that continues to mature, and threats remind us of the resilience needed to endure. By approaching each dimension with foresight and responsibility, we align our own progress with that of the nation continuing to grow with Pakistan's prosperity.



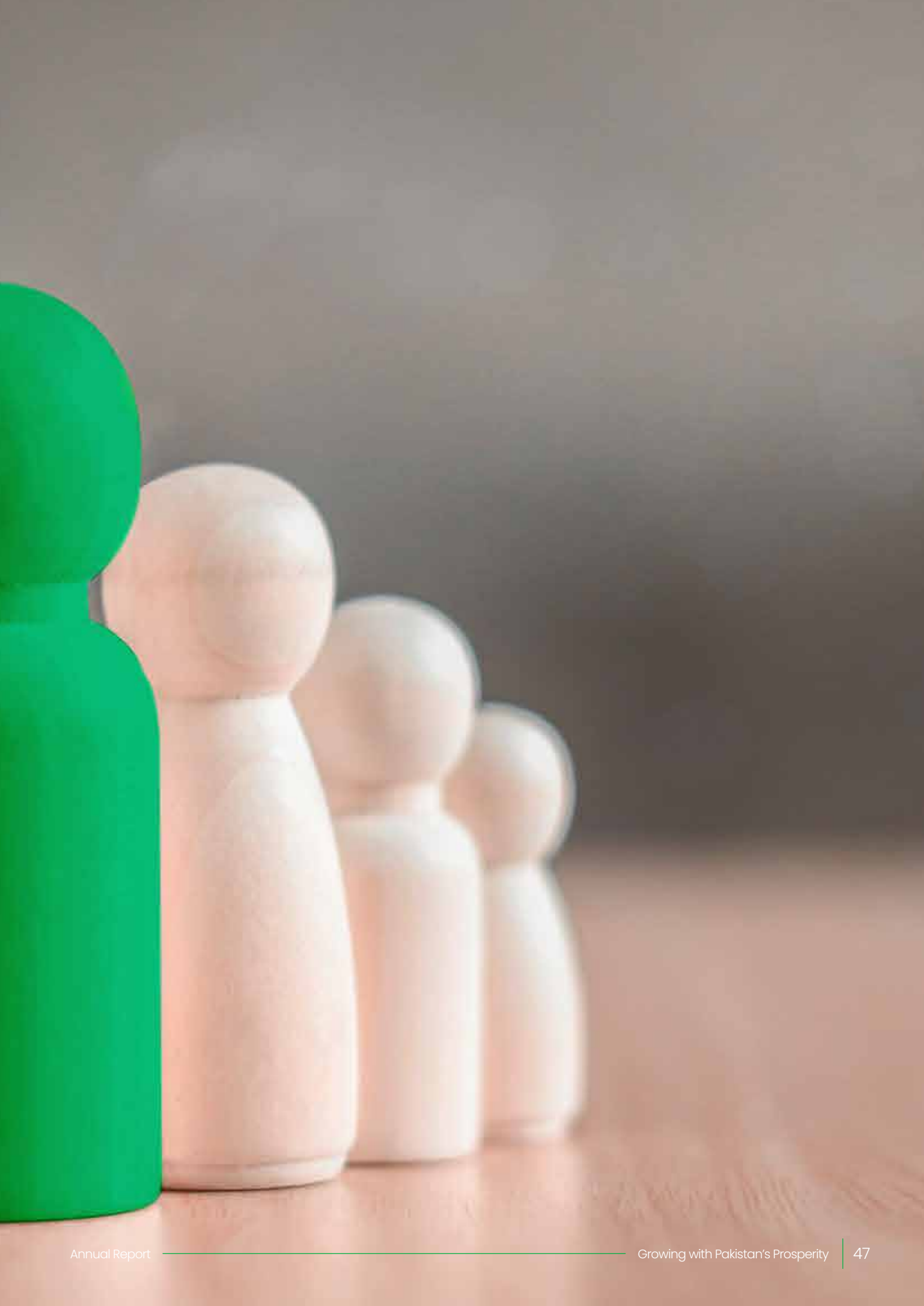
Opening Markets, Expanding Access

With research-driven brokerage and investor services, we open the capital markets to individuals and institutions alike. Access becomes opportunity, and opportunity becomes progress for all stakeholders.



Director's Profile







Mr. Zafar Alam

Chairman & Non-Executive Director

With decades of experience in financial markets, Zafar Alam brings a unique blend of global leadership, innovative vision and in-depth financial knowledge. As a business leader in investment banking encompassing Origination, Trading, Sales and Asset Management he has lead teams of over 400 people and delivered revenues of over a billion dollars. He has been a key member of the Top Executive Group – TEG at ABN AMRO and RBS Bank.

Holding a master's degree in Nuclear Physics, Zafar joined ABN AMRO as Investment Manager in Dubai. In 1988 he moved to Hong Kong as Head of ABN AMRO Securities & Finance Co., focusing on fixed income trading and sales. In 1990 he started the brokerage and origination business

for Asian equities. In 1995, he was asked by the bank's senior leadership to move to Singapore, to lead and build the local markets business, as Head of Local Markets and Credit Trading.

As a passionate innovator, Zafar Alam had the vision to enter into Fixed Income and Derivatives markets. The bank was only active in FX sphere however his input gave the direction to add Fixed Income and Derivatives as the market was set to take off in the aftermath of the Asian crisis. The activities included origination, trading and sales in thirteen Asian countries.

In 2002, he was appointed Managing Director and moved to London as Global Head of Emerging Markets responsible for origination, trading and sales, before taking on his new role in Equities.

As Global Head of Equity Derivatives Sales in the enlarged RBS Global Banking & Markets Group. In this role Zafar was responsible for combining the successful Private Investor Products (PIP) and Institutional/Corporate business of ABN AMRO and RBS. He was responsible for developing, manufacturing and distributing structured products consisting of multi-assets. In one year, he turned a USD 150 million business into a USD 1 billion business.

In 2010, he became Head of Equities and Structured Retail Sales for Middle East and Africa, based in Dubai focused on building an Equities platform. He also managed the Structured Equities Solution team which provided equity financing with an overlay of derivative solutions.

Zafar Alam has always had a strong belief in technology and been a visionary for a digital future. Zafar Alam is a chairman and founder of ELIGIBLE.ai, an award winning Fin-Tech company in the UK loan servicing market. Eligible is a digital servicing solution using behavioral segmentation to personalize every consumer's journey. Allowing financial institutions to instantly educate, empower and retain their customer base. The Fin-Tech services over GBP 15 billion in mortgages making it the 5th largest consumer database in the UK.

With the combination of his extensive experience across sectors and markets, Zafar Alam has also been entrusted as a Partner at Silver Tree HK LTD., an asset management fund based in Hong Kong with over USD 250 million assets under management (AUM).



Mr. Shahid Ali Habib

Chief Executive Officer & Executive Director

Shahid has a proven track record of establishing successful business organizations and turning around ventures into vibrant units. He has over 25 years of experience in the fields of Securities Brokerage, Banking, Corporate Finance and Investment Banking.

He joined AHL in 2013, as Chief Executive, responsible for all investment banking and Securities brokerage activities. Shahid has worked on over 50 transactions and raised more than PKR 350 billion across equity, structured equity and bonds for both corporate and sovereign clients. He was the Domestic Team Leader of Pakistan's largest equity market transaction, "The

HBL Secondary offering" worth PKR 107 bn and others significant transactions including UBL secondary offering of PKR 41 bn and Engro Fertilizers offering of PKR 20 bn. He has also originated several M&A transactions over the years.

During his tenure, AHL was awarded 'Best Equity Brokerage House' multiple times by the CFA Association of Pakistan (CFAP) and Best Investment Banking House by Asiamoney and The Asset. The company also has the distinction of being awarded Best Investment Banking House for 9 consecutive years by CFAP and multiple times by Asiamoney, FinanceAsia and The Asset during Shahid's tenure as CEO. The growth and progress made under his guidance has also been acknowledged by Pakistan Stock Exchange (PSX) with AHL the only brokerage house to be a multiple recipient of the 'Top 25 listed companies award'.

Shahid has previously served as Executive Director and Chairman of a few local equity brokerage and financial services institutions and also worked at leading banks in Saudi Arabia and Canada. He regular serves as member of various committees at the PSX including Development and Trading Affairs Committee, New Product Committee, Companies Affairs and Corporate Governance Committee.

He holds an MBA in Finance from the Institute of Business & Administration (IBA) and has a Certification in Finance from London School of Economics (LSE) as well as a Bachelor's degree in Computer Science from FAST ICS.



Mr. Sohail Salat

Non-Executive Director

Dr. Muhammad Sohail Salat is a qualified and highly reputed Pediatrician and Neonatologist who has a Bachelor of Medicine and Bachelor of Surgery from Dow Medical College Karachi. He has a certification in General Pediatrics from United States of America and Fellowship in Neonatology, holding a Foreign Medical Graduate Examination in Medicine from the US and is licensed from Pakistan Medical and Dental College.

He completed his Residency in Pediatrics from Maimonides Medical Center and Interfaith Medical Center, Downstate University of New York and Fellowship in Neonatal Perinatal Medicine from Westchester Medical Center, New York Medical College, USA.

Sohail is associated with the Pakistan's top medical health care services provider, The Aga Khan University Hospital (AKUH) Karachi (Department of Pediatrics and Child Health) and is currently working as an Associate Professor. He holds director posts in undergraduate and post graduate medical education, Ambulatory clinical areas and chaired various administration posts in AKUH. He was previously associated with Ziauddin Medical University, Karachi.

Sohail is regarded as an expert in the fields of Pediatrics, Child Health and Neonatal Perinatal Medicine and has had numerous publications on those subjects and presented his work at various leading local and international conferences. He is actively involved in Pakistan Pediatric Association (PPA) a non-political organization for the better care of Pediatric patients in Pakistan. He is currently associated with PPA including Advisor to Neonatology group of PPA and currently holds the post of Chairman Neonatology group of Pakistan Pediatrics Association and general secretary Pakistan Society of Inherited Metabolic disorders (PSIMD).



Mr. Irfan Moton

Independent Director

Mr. Muhammad Irfan Moton is a prominent Karachi industrialist and community leader, recognized for representing thousands of factories at SITE during his Chairmanship. Irfan is playing an active role in local healthcare administration through MMI.

He has extensive' experience of investing in listed securities.

He holds an MBA in M.I.T from the Institute of Business & Administration (IBA).



Mr. Alamgir Sheikh

Independent Director

Mr. Alamgir Anwar Shaikh is a multifaceted leader and sports patron. His effective governance in billiards and snooker extended to notable positions at the national level as President of the Pakistan Billiards & Snooker Association (PBSA), and at the regional level as Senior Vice-President of the Asian Confederation of Billiards Sports (ACBS) and Chairman of the South Asian Billiards Sports Association (SABSA).

A commerce graduate by qualification, Mr. Shaikh has also made significant contributions to the corporate and industrial sectors of Pakistan. He held senior marketing roles at Jubilee General Insurance

Company and actively participates in business advocacy through various committees of the Karachi Chamber of Commerce & Industry. His dynamic leadership across sports and business has earned him prestigious national recognition, including the President's Pride of Performance Award.



Ms. Sharmin Shahid

Non-Executive Director

Ms. Sharmin Shahid has over 23 years of experience in the field of Securities Brokerage and Portfolio Management. She was awarded the top position in her Bachelor's Degree in Commerce and has also participated in the Directors' Training Program. She has been awarded the Top 25 Companies Award on behalf of AHL for several years.

Sharmin actively participates in welfare activities and remains one of the trustees of Memon Health and Education Foundation (MHEF). Under her patronage & direction AHL has continued to excel and become a leading name in the industry.

Chairman's Review

Review Report by the Chairman on the Overall Performance of the Board and Its Role in Achieving the Company's Objectives:

During the financial year ended June 30, 2025, the Board of Directors ("the Board") of Arif Habib Limited ("AHL") has carried out its responsibilities with integrity, diligence, and a commitment to upholding the highest standards of corporate governance. The Board remained focused on creating long-term value for shareholders, ensuring regulatory compliance, and maintaining the strategic direction of the Company in line with its vision.

In compliance with the provisions of the repealed Companies Act, 2017, and the Code of Corporate Governance ("the Code") as set out in the Rule Book of the Pakistan Stock Exchange, the Board has exercised its duties and powers effectively. Key contributions of the Board during the year include:

- **Board Composition and Governance Structure**

The Board ensured adequate representation of independent and non-executive directors in accordance with regulatory requirements. Board members collectively possessed the skills, expertise, and experience necessary to steer the Company toward sustainable growth. Key committees, including the Audit Committee and the Human Resource & Remuneration Committee, operated under formally approved Terms of Reference with clearly defined mandates and were supported with adequate resources to perform their functions effectively.



- **Performance Evaluation and Director Development**

A robust mechanism for the annual evaluation of the performance of the Board, its committees, and individual directors was implemented. The findings of the evaluations were reviewed and addressed through continuous improvement initiatives. Additionally, the Board ensured that directors received formal orientation and training. Five directors have successfully completed the Directors' Training Program (DTP), while the remaining directors fulfill the experience and qualification criteria prescribed under the Code.

- **Effective Board Meetings and Decision-Making**

All Board and committee meetings were held with requisite quorum, and decisions were made through formal resolutions. The minutes of meetings were diligently recorded and maintained, ensuring transparency and continuity in decision-making.

- **Strategic Oversight and Policy Development**

The Board remained actively involved in shaping the Company's strategic direction, overseeing enterprise risk management, financial planning, and policy formulation. Strategic initiatives were discussed and approved with the intent of reinforcing long-term performance and operational resilience.

- **Corporate Conduct and Compliance**

The Board has adopted and enforced a comprehensive Code of Conduct, reinforcing professional standards, ethical behavior, and the corporate values of AHL. It has also overseen the development and implementation of key policies for the smooth functioning of the Company. Particular emphasis was placed on compliance with applicable legal and regulatory requirements.

- **Internal Controls and Risk Management**

An adequate system of internal control was maintained throughout the year. The internal control framework was reviewed through internal audit activities and Board-level oversight, including a self-assessment process.

- **Oversight of Senior Management**

The Board remained closely involved in the appointment, evaluation, and remuneration of the Chief Executive Officer and other key management personnel, including the Chief Financial Officer, Company Secretary, and Head of Internal Audit. This ensured alignment of leadership goals with shareholder interests and corporate objectives.

- **Information Sharing and Board Engagement**

The Board ensured timely access to relevant information and updates between meetings. Directors were kept well-informed of operational, regulatory, and market developments affecting the Company, enabling timely and informed decision-making.

- **Related Party Transactions & Transparency**

All material issues, including related party transactions, were presented to the Board or its relevant committees for review and approval. The Audit Committee played a central role in ensuring that such transactions were conducted transparently and in the best interest of the Company.

- **Publication of Directors' Report**

The Board ensured timely preparation, approval, and publication of the Directors' Report alongside quarterly and annual financial statements. The content of these reports is compliant with applicable laws and regulatory requirements and reflects the Company's financial and operational performance transparently.

- **Technology and Innovation**

Recognizing the evolving dynamics of financial markets, the Board is committed to exploring and integrating emerging financial technologies (Fintech) into the Company's operations. The adoption of digital platforms and automation is expected to enhance cost-efficiency, particularly in the retail segment, and promote greater financial inclusion. The Board believes that innovation can deliver improved accessibility, lower cost-to-income ratios, and enhanced customer experience through self-serve models.

Board Performance Assessment

The Board's performance was evaluated across key dimensions including strategic leadership, understanding of core business drivers, engagement with global and domestic economic challenges, risk governance, boardroom dynamics, and information adequacy. The assessment confirmed that the Board contributed significantly to enhancing the Company's performance by offering strategic guidance, proactive oversight, and prudent governance.

Conclusion

Based on the above, it can be reasonably concluded that the Board of Directors of Arif Habib Limited has played a critical and effective role in achieving and in many areas exceeding the Company's objectives. The Board's collaboration with senior management, its adherence to governance standards, and its forward-looking vision have positioned the Company for continued growth, innovation, and value creation for all stakeholders.



Zafar Alam

Chairman

August 18, 2025

Directors' Report

On behalf of the Board of Directors of the Company, it gives me immense pleasure to present the Annual Report of the Company for the year ended June 30th, 2025 together with the audited financial statements for the year in accordance with the accounting, regulatory and legal standards and requirements.

Economic Outlook:

FY25 proved to be a year of steady consolidation for Pakistan, supported by the continuation of IMF backed reforms, improved external sector performance, and a gradual recovery in economic activity. Following the completion of scheduled program review, the government received disbursements of USD 2bn under the Extended Fund Facility (EFF) and also signed a USD 1.4bn Resilience and Sustainability Facility (RSF) arrangement during the year. Economic momentum edged higher, with real GDP growing 2.68%, supported by a 2.91% expansion in services, 4.77% growth in industry, and a modest 0.56% rise in agriculture. Per capita income advanced 9.75% to USD 1,824 from USD 1,662 in FY24.

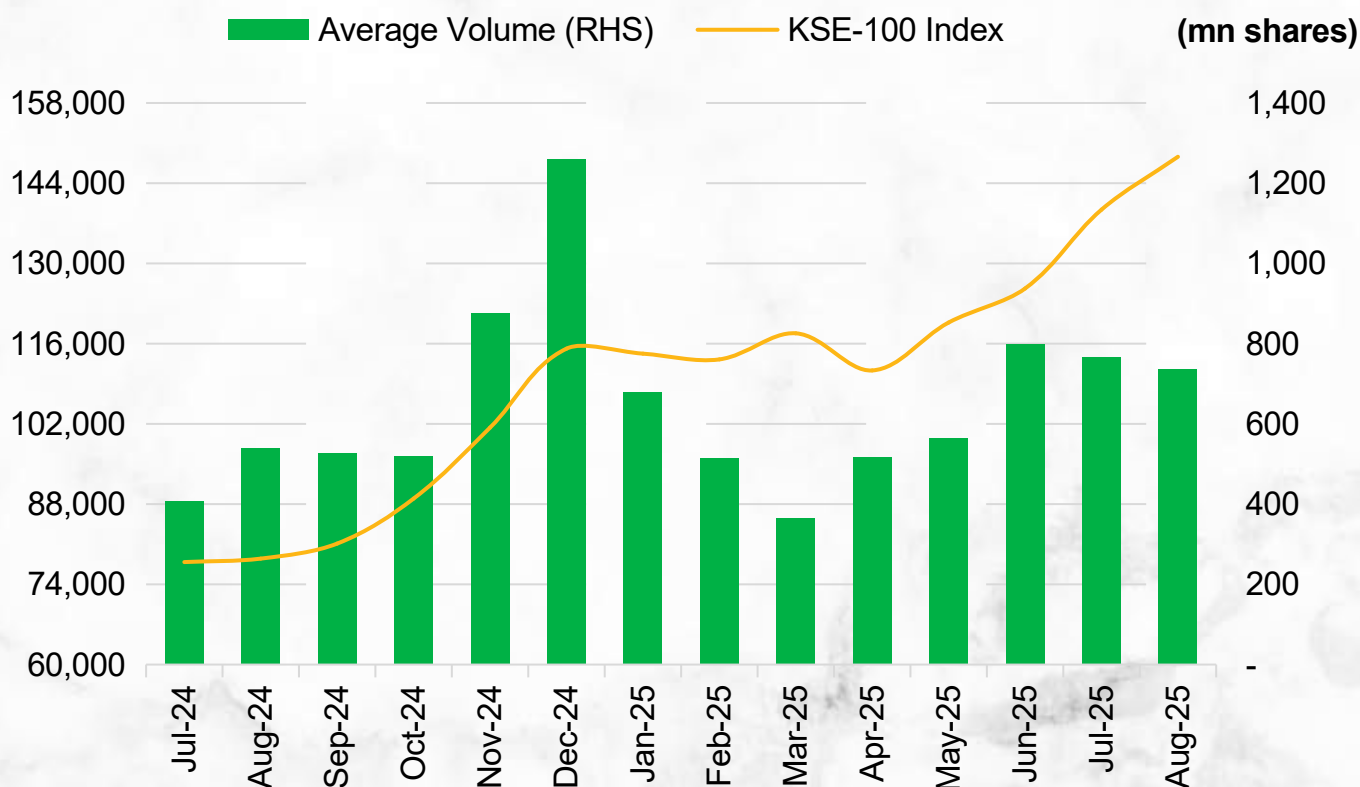
On the external front, the current account posted a surplus of USD 2.1bn, reflecting strong remittance inflows and contained import growth for most of the year. Foreign exchange reserves rose to USD 14.5bn by year-end, supported by improved external inflows and the IMF program. On an annual average basis, the Pakistani Rupee appreciated by 1.4 percent against the US dollar. Remittances for the full year reached USD 38.3bn, the highest ever recorded, supported by significant policy efforts. Technology services exports also touched a historic high of USD 3.8bn, reflecting the sector's growing global competitiveness.



Inflation dropped sharply to an average of 4.49% from 23.4% a year earlier, helped by lower food prices and a steady currency. In response, the State Bank of Pakistan reduced the policy rate from 20.5% at the start of the fiscal year to 11% by year-end, paving the way for a gradual and sustainable recovery.

Stock Performance:

The KSE-100 index showcased a stellar performance during FY25, reaching a record high of 125,627 points, depicting a great turnaround in investor sentiment amid aggressive monetary easing, improved market liquidity, and unlocking fundamental values across major sectors. Key drivers included a cumulative 1,050bps reduction in the policy rate, declining inflation (4.49% vs. 23.4% YoY), and significant progress on IMF-related engagements.



Further confidence came from an increase in Pakistan's weight in the MSCI Frontier Markets Index, now standing at ~6.3%. The benchmark KSE-100 index closed at 125,627 points, marking a 60% YoY increase (+47,182 points). FY25 also witnessed record market participation, with the highest-ever trading volumes and the highest traded value since FY21. Average daily trading volumes rose by 38% (633.2mn shares), while average traded value (USD-based) jumped by 83% to USD 101mn.

Sector-wise, the index gains were led by Fertilizers: +11,259 points, Commercial Banks: +11,141 points, Cement: +10,813 points, Exploration & Production: +3,695 points, Pharmaceutical: +1,643 points; However, the market saw a net foreign outflow of USD 304mn (vs. inflows of USD 141mn in FY24), largely concentrated in Commercial Banks (USD 108.7mn), Fertilizers (USD 66.9mn), E&Ps (USD 65.8mn), FMCGs (USD 42.3mn).

Financial Performance

We are pleased to report that AHL has demonstrated robust financial performance for FY25. The company recorded an unconsolidated profit after tax of PKR 979.26 million, translating to earnings per share (EPS) of PKR 14.99. Additionally, our consolidated profit after tax reached PKR 981.53 million, with an EPS of PKR 15.02. The company achieved impressive brokerage revenue of PKR 1,164 million and investment banking revenue of PKR 267 million. Overall operating revenue from brokerage and investment banking and advisory services reached PKR 1,512 million, reflecting a notable 39.74% increase from PKR 1,082 million in FY24. This growth can be largely attributed to our successful expansion of the digital and retail client base across major cities, significant block transactions, and an increase in advisory transactions, particularly in IPOs, M&A, and debt advisory.

During FY25, the company capitalized on market opportunities by actively managing its liquidity across fixed income, equities, and cash-futures arbitrage, resulting in PKR 1,105 million in gains. This performance underscores our strategic investment decisions and effective portfolio management.

We have strategically invested in technology and human capital to enhance our service quality and strengthen client engagement. While these initiatives have increased our fixed cost base, they are vital to driving sustainable growth and competitiveness. Moreover, as trading staff remuneration is directly linked to revenue performance, strong revenue growth during the year resulted in higher associated staff costs. Consequently, operational expenses rose by 50% year-on-year. Despite this increase, we remain firmly committed to prudent cost management and to delivering long-term value for our clients and stakeholders.

Despite an increase in operating expenses due to strategic investments in technology and human capital, our financial costs declined to PKR 85.57 million (down from PKR 97.98 million in FY24), aided by a lower interest rate environment and improved borrowing efficiency. AHL's financial performance in FY25 shows our resilience and commitment to growth, driven by strategic initiatives and a focus on delivering exceptional service. We look forward to building on this momentum in the coming year, ensuring continued success for our clients and stakeholders alike.

Brokerage Operations

The brokerage division has emerged as a cornerstone of our financial performance, achieving an extraordinary revenue increase of 51.46%, culminating in PKR 1,164 million. This remarkable growth not only highlights our expertise but also reinforces our leadership position within the sector. The most significant percentage increase in brokerage revenue has been attributed to digital trading, with notable contributions from high-net-worth individuals (HNWIs) and retail investors across key cities including Karachi, Lahore, Islamabad, Faisalabad, Multan, and Peshawar. Among institutional investors, foreign clients and mutual funds have demonstrated the highest growth.

The Treasury department, encompassing both the money market and foreign exchange desks, has delivered better results, recording brokerage revenues of PKR 170 million—a 5% year-on-year increase, despite low activity in the industry. This outstanding performance has earned us the prestigious Best Money Market Brokerage House Award (runner-up) & Best Overall Brokerage House Award (runner-up) from the Financial Market Association of Pakistan.

Our IT department has played a pivotal role in ensuring a robust operational environment for our trading and settlement desks, consistently upgrading our back-office software solutions to enhance efficiency. The Sales and Retail/Online teams have excelled in maintaining momentum in new account openings, achieving a record number of Resident Foreign Accounts (RDA) for non-resident Pakistanis and actively engaging them with capital market opportunities. Our research team has provided invaluable insights, delivering comprehensive fundamental research notes on listed companies and the broader economy. We also commend our compliance team for their diligent work in KYC/AML processes amid the increasing volume of account openings, as well as our settlement department for their swift and efficient transaction handling.

By the grace of the Almighty, AHL has received numerous accolades from prestigious global and local institutions. Notable awards in FY25 include 'Best Bank for Research' and 'Best Investment Bank' by Euromoney, the Best Equity Brokerage House award from the CFA Society, the 'Best Economic Research House' award from the CFA Society, Best Trader' and Best Analyst category awards from CFA Society, 'Best Brokerage House' by International Finance, 'Best Broker' and 'Best Equity House' awards from FinanceAsia and Best Money Market Brokerage House Award (runner-up) & Best Overall Brokerage House Award (runner-up) from the Financial Market Association of Pakistan.

Our brokerage operations have not only achieved remarkable financial milestones but have also set a benchmark for excellence in service delivery, innovation, and compliance. We remain committed to sustaining this growth trajectory and continuing to provide unparalleled value to our clients and stakeholders.

Investment Banking Operations

In FY25, our Investment Banking division achieved a robust total revenue of PKR 267 million, reflecting our commitment to delivering exceptional financial services. This year, we successfully executed several high-profile mandates including the IPOs of BF Biosciences and Barkat Frisian Agro Limited, as well as the M&A advisory and/or MTO transaction of UBL Currency Exchange and Shell Pakistan Limited, and Sukuk advisory services for Ismail Industries Limited, Select Technologies and Airlink Communications Limited. Some noteworthy M&A advisory transactions are also in process which will likely conclude in FY26 including Mitchells Fruit Farms, Lotte Chemical and Rafhan Maize.

Our involvement in the Sukuk advisory space has been particularly noteworthy, with significant contributions to Air Link Communications Limited, Select Technologies and Ismail Industries. Additionally, we provided advisory services for issuance of right share by KSB Pumps Company Limited. Other key activities included the buy-back advisory for Siemens AG, among numerous additional ongoing transactions.

These activities have not only bolstered our confidence but have also reinforced our reputation as a trusted advisor in the market. We are committed to exploring complex transactions and executing them with precision to deliver optimal outcomes for our clients.

We take pride in AHL's sustained position as a market leader in investment banking. Looking ahead, management anticipates a surge in activity driven by new equity and debt listings, as well as expanded opportunities in Mergers & Acquisitions, Debt Advisory, and private equity investments. We remain optimistic about consolidating our market share by consistently providing exceptional service to our valued clients.

We extend our deepest gratitude to our shareholders, clients, and employees for their unwavering support and dedication. Together, we look forward to navigating the opportunities and challenges that lie ahead, reaffirming our commitment to excellence and innovation in all our endeavors.

Awards and Recognition

We take immense pride in announcing that the company's performance has been recognized by internationally renowned organizations such as Euromoney, Finance Asia for FY25 and very respected locally renowned organization CFA Society Pakistan in FY24. This year AHL received following awards:

1. Best Broker – Capital Market Awards 2025 – **Euromoney**
2. Best Bank For Research – 2025 – **Euromoney**
3. Best Investment Bank For M&A – 2025 – **Euromoney**
4. Best for Diversity & Inclusion in Pakistan – 2024 – **Euromoney**
5. Best Broker – **Financeasia**
6. Best Equity Capital Market House – **Financeasia**
7. Best Diversity & Inclusion In Pakistan – 2024 – **Euromoney**
8. Excellence Award For Best Financial & Equities House – 2024 – **Federation Of Pakistan Chambers Of Commerce & Industry**
9. Best Equity Brokerage House Award (Runner-up) – **CFA Society Pakistan**
10. Best Economic Research House Award (Runner-up) – **CFA Society Pakistan**
11. Best Money Market Brokerage House Award (Runner-up) – **Financial Market Association Of Pakistan**
12. Best Overall Brokerage House Award (Runner-up) – **Financial Market Association Of Pakistan**
13. Best Equity Salesperson Award (Runner-up) – **CFA Society Pakistan**
14. Best Equity Analyst Award (Runner-up) – **CFA Society Pakistan**

Credit Rating

The Company has been re-assigned entity ratings of 'AA-/A-1' (Double A Minus/A-One) by JCR-VIS Credit Rating Company Ltd. (JCR-VIS). The outlook on the assigned ratings is 'Stable'. This certification has further underscored the management's vision for continuous growth and is expected to provide further confidence to the company's clientele with regards to the credibility and stability of the brand "Arif Habib".

Management Rating

The Company has been assigned a management rating of BMRI by the Pakistan Credit Rating Agency Limited (PACRA). The outlook on the assigned ratings is 'Stable'. This certification has endorsed the Company's capability in upholding strong control and governance framework, continuing update of client servicing tools, and careful monitoring of risks mainly liquidity and conflict of interest emanating from investment activities.

Risk Management

Risks are unavoidable in our business and include liquidity, market, credit, operational, legal, regulatory, and reputational risks. AHL's risk management governance starts with our Board, which plays an integral role in reviewing and approving risk management policies and practices.

Our risk management framework and systems are longstanding, standardized, and very robust. We believe that effective risk management is of primary importance to the success of the Company. Accordingly, we have initiated comprehensive risk management processes through which we monitor, evaluate and manage the risks we assume in conducting our activities. A rigorous framework of limits is applied to control risk across multiple transactions, products, businesses, and markets in which we deal. This includes setting credit and market risk limits at a variety of levels and monitoring these limits regularly.

Materiality Approach Adopted

The Board of Directors closely monitors all material matters of the Company. In general, matters are considered to be material if, individually or in aggregate, they are expected to significantly affect the performance and profitability of the Company in accordance with the policy.

Corporate Social Responsibility

Your Company continued its contribution to society and the business community as a socially responsible organization through numerous philanthropic activities. AHL is committed to the fulfilment of its Corporate Social Responsibility and continues its involvement in projects focusing on healthcare, education, environment, and community welfare. We aim to continue our involvement and contribution to such noble causes in the future as well.

The details of the contribution made by the Company are presented on Page No. 32.

Code of Corporate Governance

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

The Directors are pleased to report that:

- a. The financial statements prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity;
- b. Proper books of account of the Company have been maintained;
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements;
- e. The system of internal control is sound in design and has been effectively implemented and monitored;
- f. There are no significant doubts upon the Company's ability to continue as a going concern;
- g. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations;

- h. The Company has on account of statutory payment of taxes, duties, levies and charges has no outstanding liability as at the balance sheet date;
- i. There are no transactions entered into by the broker during the year which are fraudulent, illegal or in violation of any securities market laws;
- j. The Company has paid amount of Rs. 10,410,735 in the Provident Fund of the employees of the Company and the Company has no outstanding liability as at the year-end as the Provident Fund is managed by a separate trust.

Directors' Responsibility in Respect of Internal Controls

The Board of Directors acknowledges its overall responsibility for establishing and maintaining an adequate and effective system of internal controls. These controls are designed to provide reasonable assurance regarding the safeguarding of the Company's assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

The Directors have reviewed the Company's system of internal controls and are of the view that such controls are adequate and operating effectively. The internal control framework is periodically reviewed and strengthened, where required, to ensure alignment with applicable laws, regulations, and best practices.

Impact of the Company's Business on the Environment

Being a financial services and capital market intermediary, Arif Habib Limited's operations have a relatively low direct impact on the environment compared to manufacturing or industrial concerns. The Company's activities are primarily office-based, with environmental impact limited to energy consumption, paper usage, electronic waste, and related resources.

The Board recognizes its responsibility towards sustainable business practices and has taken steps to minimize the Company's environmental footprint by:

- Promoting digitization of processes and reducing reliance on paper.
- Encouraging energy conservation across offices and adopting efficient lighting and equipment.
- Implementing waste reduction and responsible disposal of electronic equipment.
- Supporting green initiatives at group level and contributing to awareness on environmental responsibility.

The Company remains committed to aligning its operations with sustainable practices and to continually improving its contribution towards environmental protection.

Changes in the Board

During the year, changes occurred in the composition of the Board of Directors in accordance with the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulations, 2019, and other applicable regulatory requirements. The changes are as follows:

Name	Position	Nature of Change	Effective Date
Mr. Haroon Usman	Non-Executive Director	Resigned	02 May 2025
Mr. Muhammad Irfan Moton	Independent Director	Appointed	19 May 2025
Mr. Syed Muhammad Manzoor Raza	Non-Executive Director	Resigned	26 May 2025
Mr. Alamgir A. Shaikh	Independent Director	Appointed	26 May 2025
Mr. Mohsin Madni	Non-Executive Director	Resigned	30 June 2025

The Board places on record its appreciation for the valuable contributions made by Mr. Haroon Usman, Mr. Mohsin Madni and Mr. Syed Muhammad Manzoor Raza during their tenure. The Board extends a warm welcome to Mr. Muhammad Irfan Moton and Mr. Alamgir A. Shaikh and expresses confidence that their expertise in finance, equity market and governance will add significant value to the Company's strategic direction.

All changes in the Board's composition were duly approved and notified in accordance with statutory requirements, and necessary filings were made with the Securities and Exchange Commission of Pakistan (SECP).

Directors Remuneration Policy

Those non-executive directors including independent directors of Arif Habib Limited who do not hold a senior executive or management position or directorship in any group company may claim meeting fee for attending Board of Directors meeting or any of Boards' sub-committee meeting at the rate approved by the Board of Directors from time to time. Payment of remuneration against assignment of extra services by any director shall be determined by the Board of Directors on the basis of standards in the market and scope of the work and shall be in line as allowed by the Articles of Association of the Company. Levels of remuneration shall also be appropriate and commensurate with the level of responsibility and expertise. However, for an Independent Director, it shall not be at a level that could be perceived to compromise independence.

Board and Audit Committee Meetings and Attendance

During the year under review, four meetings of the Board of Directors and four meetings of the Audit Committee were held from July 01, 2024, to June 30, 2025. The attendance of the Board and Audit Committee members was as follows:

Name of Director	Board Meeting	Audit Committee Meeting
Mr. Zafar Alam	4	N/A
Ms. Sharmin Shahid	4	N/A
Mr. Manzoor Raza	4	N/A
Mr. Muhammad Haroon	4	4
Mr. Mohsin Madni	4	4
Mr. Muhammad Shahid Ali	4	N/A
Mr. Muhammad Sohail Salat	4	4

Leave of absence was granted to members who did not attend the Board and Committee meetings.

Trading in Shares of the Company by Directors and Executives

During the year following trades in the shares of the Company were carried out by the Directors, CEO, CFO, Company Secretary and their spouses and minor children:

Name of Director	Designation	Shares Bought	Shares Sold	Remarks
Mr. Zafar Alam	Chairman	-	54,900	-
Mr. Muhammad Sohail Salat	Director	-	-	-
Ms. Sharmin Shahid	Director	-	-	-
Mr. Mohsin Madni	Director	-	-	-
Mr. Muhammad Haroon	Director	-	-	-
Mr. Syed Muhammad Manzoor Raza	Director	-	-	-
Mr. Alamgir A. Shaikh	Director	1	-	-
Mr. Muhammad Irfan Moton	Director	-	-	-
Mr. Muhammad Shahid Ali	Chief Executive Officer	2,525,220	-	-
Mr. Muhammad Taha Siddiqui	Chief Financial Officer & Company Secretary	-	-	-
Spouses	-	-	-	-
Minor Children	-	-	-	-

Re-composition of Board Committees

During the year, the Board undertook a re-composition of its committees to ensure effective governance, enhanced oversight, and compliance with applicable regulatory requirements. The revised composition of the Committees is as follows:

(a) Audit Committee

- Mr. Alamgir A. Shaikh – Chairman
- Mr. Zafar Alam – Member
- Dr. Muhammad Sohail Salat – Member

(b) HR and Remuneration Committee

- Mr. Muhammad Irfan Moton – Chairman
- Mr. Muhammad Shahid Ali Habib – Member
- Dr. Muhammad Sohail Salat – Member
- Ms. Sharmin Shahid – Member

(c) Risk and Compliance Committee

- Mr. Alamgir A. Shaikh – Chairman
- Mr. Zafar Alam – Member
- Mr. Muhammad Irfan Moton – Member

Audit Committee

The Audit Committee of the Board continued to perform its duties and responsibilities in an effective manner as per its terms of reference duly approved by the Board. The committee composition has also been attached to this report.

Corporate and Secretarial Compliance

The Company Secretary has furnished a Secretarial Compliance Certificate as part of the annual return filed with the registrar of Companies to certify that the secretarial and corporate requirements of the Companies Act, 2017, Memorandum and Articles of Association of the Company, the listing regulations and Listed Companies (Code of Corporate Governance) Regulations, 2019 have been duly complied with.

Ethics and Business Practices

As per the Corporate Governance guidelines, the Company has circulated a “Code of Ethics” for compliance. It has been signed by all directors and employees of the Company acknowledging their understanding and acceptance of the Code.

Pattern of Shareholding

The detailed pattern of the shareholding and categories of shareholders of the Company as of June 30, 2025, as required under the listing regulations, has been appended to this Annual Report.

Information to Stakeholders

Key operating and financial data for previous years has been summarized and is presented on page No. 85.

Post Balance Sheet Dividend

The Board of Directors has proposed a final cash dividend of Rs. 10/- per share amounting to Rs. 653.4 million (2024: a final cash dividend of Rs. 5/- per share amounting to Rs. 326.70 million) at its meeting held on August 18, 2025, for the approval of the members at the Annual General Meeting to be held on October 21, 2025. These unconsolidated financial statements do not reflect the said appropriation.

Related Party Transaction

In order to comply with the requirements of listing regulations, the Company has presented all related party transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and Board in their respective meetings. The details of all related party transactions have been provided in notes 36 & 37 of the annexed audited financial statements.

Auditors

The retiring auditors, M/s. Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants, have offered themselves for reappointment. The Board recommends their reappointment and a resolution proposing the appointment of M/s. Rehman Sarfaraz Rahim Iqbal Rafiq as auditors of the Company for the financial year 2025-26 will be submitted at the forthcoming Annual General Meeting for approval.

Diversity, Equity, and Inclusion (DE&I)

The Company is committed to fostering a workplace culture that promotes diversity, equity, and inclusion at all levels of the organization, including the Board of Directors, senior management, and the wider employee base. We believe that a diverse and inclusive environment enhances decision-making, drives innovation, and reflects our responsibility to the communities we serve.

During the year:

- The Company reviewed its recruitment and talent development policies to ensure equal opportunity regardless of gender, age, ethnicity, religion, or disability.
- Training programs on unconscious bias, inclusive leadership, and workplace respect were rolled out across departments.
- Efforts were made to increase female representation in leadership positions in line with regulatory requirements.
- Employee engagement surveys were conducted to assess perceptions of inclusivity and identify areas for improvement.

As of June 30, 2025, 14% of the Board and 18% of senior management positions are held by women, in compliance with the Companies Act, 2017, and the Listed Companies (Code of Corporate Governance) Regulations, 2019. The Company continues to work towards enhancing representation from a broad range of backgrounds and experiences.

The Board remains committed to integrating DE&I principles into strategic decision-making and corporate culture, ensuring that all employees are treated with fairness, dignity, and respect.

Future Prospects

The future prospects for AHL are exceptionally promising, fueled by management's strategic initiatives aimed at expanding market share and enhancing participation across all business segments, particularly in digital brokerage, IPOs, and M&A advisory. Our newly launched app and web-based trading system are set to significantly broaden our client base while enhancing the trading experience for our users.

We are committed to increasing trading volumes from both existing and potential domestic and international clients by strengthening relationships through our premium suite of services. This strategy includes the introduction of innovative products and services, bolstered by our high-quality research capabilities that provide clients with valuable insights and guidance.

Looking ahead, management anticipates a surge in activity driven by new equity and debt listings, Mergers & Acquisitions, privately placed TFCs and Sukuks, as well as advisory and underwriting services for equity raising through rights issues. Our Investment Banking Division is well prepared to capitalize on these opportunities, leveraging our expertise and resources to deliver exceptional results.

Furthermore, the demerger of AHL is likely to stabilize the company's profitability, improve its risk profile by reducing market volatility of the investment portfolio, and allow management to sharpen its focus on core business activities.

As we navigate the opportunities and challenges that lie ahead, we remain steadfast in our commitment to excellence and innovation in all our endeavors. We are excited about the potential for growth and look forward to creating lasting value for our clients and stakeholders in the coming years.

Acknowledgement

We are grateful to the Company's shareholders for their continuing confidence and patronage. We record our sincere appreciation to all Stakeholders, our Parent Company, the State Bank of Pakistan, the Securities & Exchange Commission of Pakistan and the Management of Pakistan Stock Exchange Limited for their unwavering support and guidance.

We acknowledge and appreciate the hard work put in by all the team members of the Company during the period. We also acknowledge the valuable contribution and active role of the members of the Board Committees in supporting and guiding the management on matters of great importance.

For and on behalf of the Board of Directors,



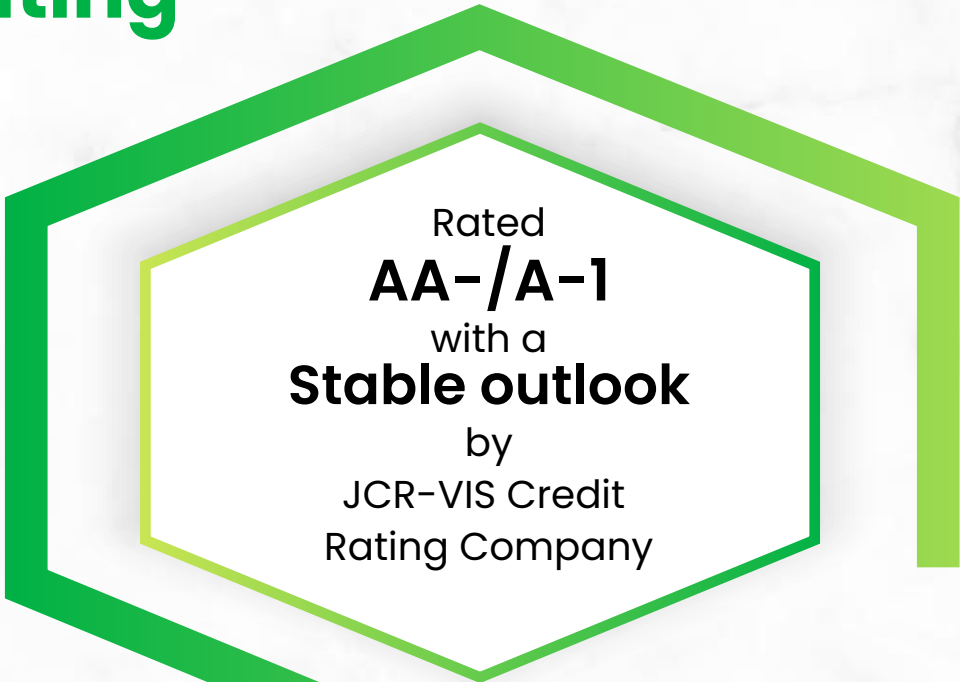
Muhammad Shahid Ali
Chief Executive Officer and Executive Director




Zafar Alam
Chairman

Karachi.
Dated: August 18, 2025

Credit Rating



Rated
AA-/A-1
with a
Stable outlook
by
JCR-VIS Credit
Rating Company



Rated
BMR1
with a
Stable outlook
by
The Pakistan Credit
Rating Agency Limited

From Ambition To Scale

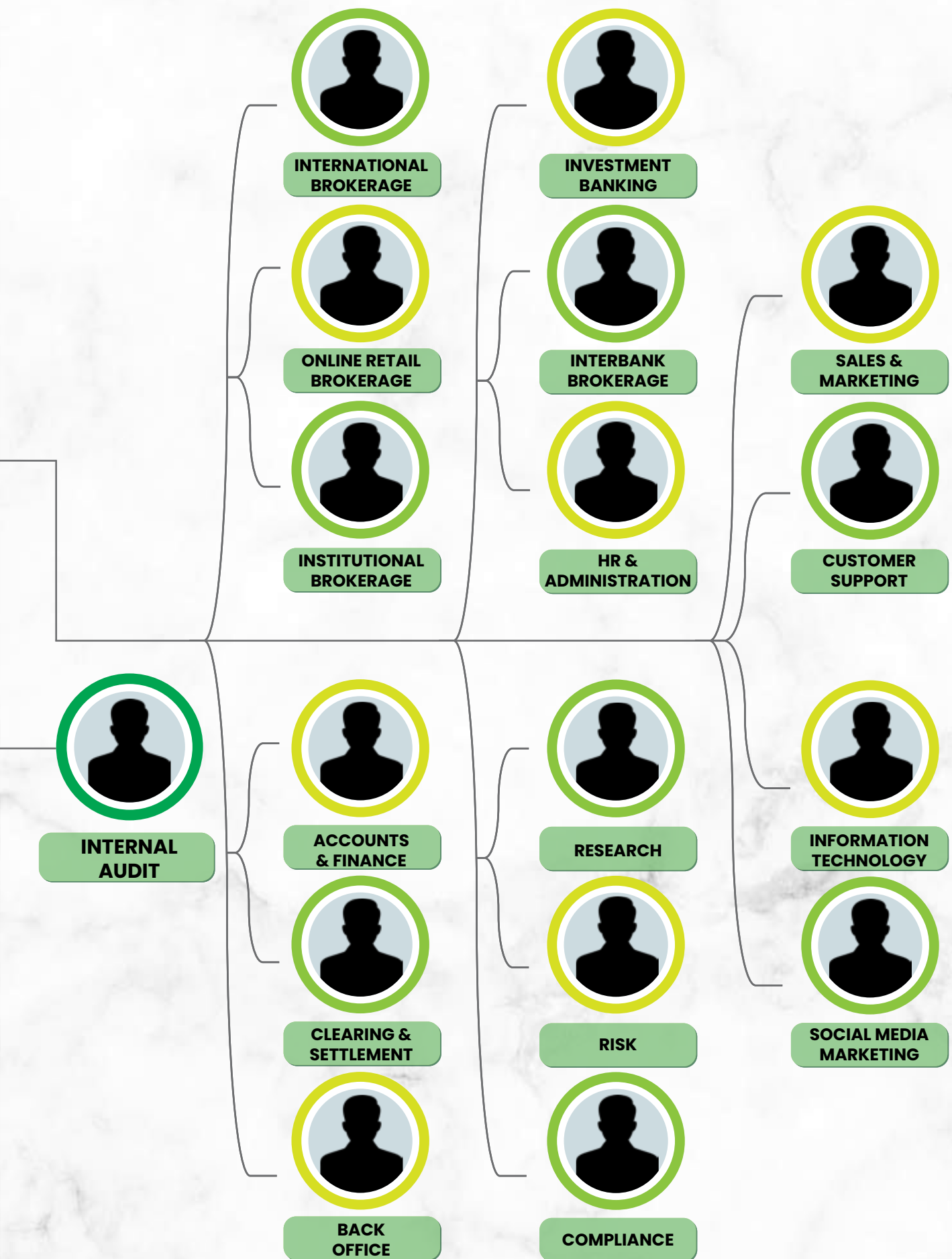
Our M&A advisory and structured finance solutions provide enterprises with the capital and strategy to accelerate growth. Ambition takes flight when supported by scale, transforming early potential into industry leadership.



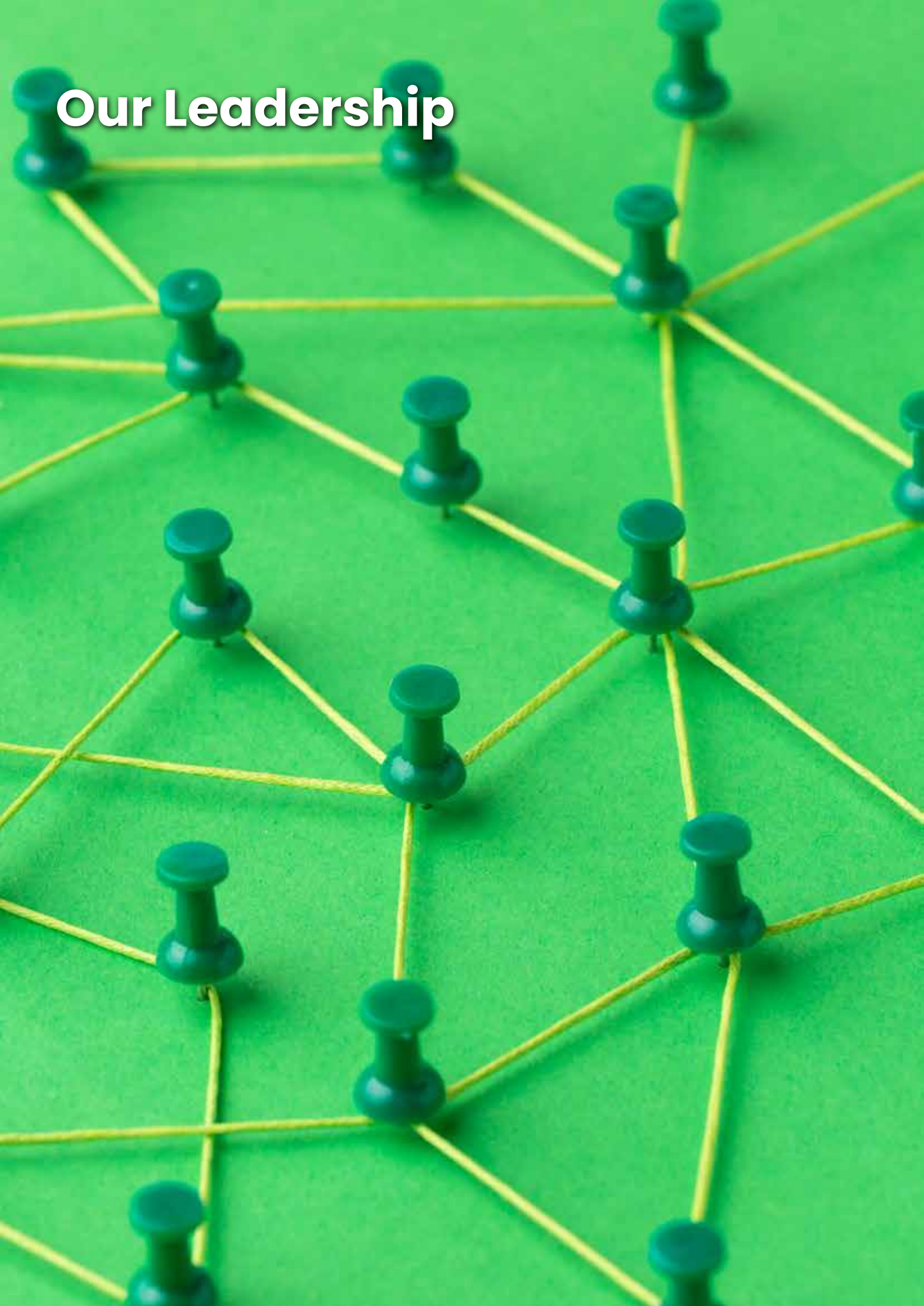


Organogram





Our Leadership





TAHA SIDDIQUI

Chief Financial Officer & Company Secretary

Taha Siddiqui is the Chief Financial Officer and Company Secretary of Arif Habib Limited. In this capacity, he oversees a broad spectrum of responsibilities spanning finance, taxation, corporate law, governance, and regulatory compliance.

He is a Member of the Association of Chartered Certified Accountants (ACCA), a Member of Certified Public Accountants, and holds a Bachelor's degree in Commerce. Taha completed his articleship with KPMG Taseer Hadi & Co., Chartered Accountants, where he acquired extensive experience across diverse sectors, serving clients in the financial, manufacturing, trading, and services industries.

Through his professional journey, Taha has developed strong expertise in financial management, strategic planning, corporate governance, and stakeholder engagement, contributing significantly to the growth and stability of Arif Habib Limited.



FARHAN RIZVI

CFA, SCA, FCCA

Head of Investment Banking

Farhan Rizvi is a seasoned finance professional with around 20 years of experience across Equity Research, Investment Advisory and Audit & Assurance services both in Pakistan and Singapore. He started his career as an Auditor with Deloitte and Touché Singapore in 2004 before relocating to Pakistan in 2007 to work with JS Global Capital as a Senior Research Analyst. Farhan moved back to Singapore in 2010 to Head Pakistan Equities Research for Credit Suisse before expanding into the Asia Frontier Markets in 2013. He was Head of Asia Frontier Market Research at Credit Suisse from 2017 to 2022 before moving back to Pakistan to set up the new Startup Advisory Desk at Arif Habib Limited in 2022 and subsequently expanding his coverage as

Director Investment Banking in 2023.

Farhan has a solid track record of covering diverse sectors across Frontier market equities and has participated in more than USD 6bn worth of Investment Banking Transactions including IPOs, M&A, Convertible Debt & SPOs across Asia Frontier Markets. Some of the landmark transactions he has worked on include USD 1.3bn equity raise by Vinhomes Vietnam (the largest IPO in Frontier Markets), USD 1bn divestment of equity stake in HBL by Govt. of Pakistan and USD 700 mn IPO of Vincom Retail. He was regularly ranked as a top analyst by Asia Money and Institutional Investor (II) surveys.

Farhan is a CFA Charterholder, Singapore Chartered Accountant (SCA) and a Fellow of the Association of Chartered Certified Accountants (FCCA).



USMAN TAUFIQ AHMED

Head of Equities Trading

Mr. Usman Taufiq Ahmed has served Stocks Brokerage Industry for over a decade. He has over 15 years of experience in Equity sales, trading and investment advisory. Prior to joining Arif Habib Limited, he was associated with Taurus Securities Limited & Motiwala Securities Private Limited.

Usman has joined Arif Habib Limited in 2014 as Senior Trader and got promoted to Head of HNWI/ Corporates desk. He is managing a team of over 10 traders.

He is a Certified Professional from Institute of Financial Markets of Pakistan and MBA Finance.



SANA TAWFIK

Head of Research

Sana Tawfik brings a wealth of experience and expertise to her role as the Head of Research at Arif Habib Limited. With a diversified background in financial services, Sana has built her career through significant roles in multiple banks, a brokerage house, and a consultancy firm. Her extensive experience spans key departments such as Treasury, Investment Banking, and Research, where she has excelled as a corporate sales dealer, research consultant, and analyst. Throughout her career, Sana has been involved in corporate sales dealings, conducting economic and financial assessments, and delivering in-depth research insights.

As the Head of Research at Arif Habib Limited, Sana leverages her extensive experience to lead the research team, ensuring the delivery of high-quality and insightful research to company's clientele.

Sana's impressive academic credentials include MBA degrees in Finance and a Master's Degree in Economics.



ZILLEY ASKARI

Head of Interbank Brokerage

Mr. Zilley Askari has over 19 years of work experience at leading Interbank Brokerage Houses of the industry. This includes 9 years in money market and 10 years in foreign exchange dealing at various levels. He has headed the Foreign Exchange desk in AMZ Securities for a period of 4 years.

Zilley's money market expertise encompasses money and bond market and prior to joining AHL he held senior dealer's position at IGI Finex Securities, AMZ Securities and Vital Capital Markets.

At AHL, as person in-charge, he is responsible for the planning, guiding and supervision of Money Market &

Foreign Exchange Desk along with market making of TFCs.

He holds a degree of M. Com (Finance) from the University of Karachi.



AKBAR SULEMAN

Head of Settlement

Mr. Akber Suleman is working as Head of Settlement. He is associated with this group since 1994. He has over 29 year's experience of handling the Settlements with PSX, NCCPL, CDC and client's relationships.

He has served a number of organizations of repute in different executive positions related to Settlement & related services.

A part of Arif Habib Limited, he is also associated with other group companies.



FAIZAN HANIF

Head of Compliance

Faizan Hanif is the Head of Compliance at AHL. His role encompasses a wide range of matters including formulating policies and procedures, conducting and managing due diligence of all accounts ensuring compliance with rules and regulations including AML compliances, and also perform risk management at client and at house level. He also provides intellectual leadership on internal controls and formulate and implement the Company's annual internal control program.

Faizan is a Qualified Association of Chartered Certified Accountants (ACCA), Certificate holder of CA Intermediate from Institute of Chartered Accountants of Pakistan and holds a Bachelor's degree in Commerce.



SYED ATIF

Head of Information Technology

Syed M. Atif is a seasoned technology executive with over 30 years of global experience in leading enterprise IT strategy, governance, and digital transformation. With a proven record of aligning technology with business objectives, he has successfully guided organizations in strengthening infrastructure, enhancing cybersecurity, and driving process automation to achieve operational excellence and growth. As a strategic business partner to executive leadership and boards, he specializes in shaping long-term technology roadmaps, managing enterprise risk, and enabling organizations to gain a competitive edge through secure, scalable, and future-ready solutions.

Track record includes leadership roles as Chief Information Officer, Chief Technology Officer, Director of Software Solutions, and other senior management positions across multinational and local firms. Successfully built and led high-performing teams, established robust IT governance, and delivered mission-critical projects in financial services, e-commerce, and enterprise solutions. Adept at serving as a bridge between business and technology, fostering close collaboration to ensure alignment of IT initiatives with organizational priorities.

Recognized for strong decision-making, crisis management, and leadership skills, with the ability to guide organizations through complex technology landscapes. Holds a Master's in Project Management and a Bachelor's in Computer Science, complemented by numerous certifications and workshops in IT, IS, and project management.



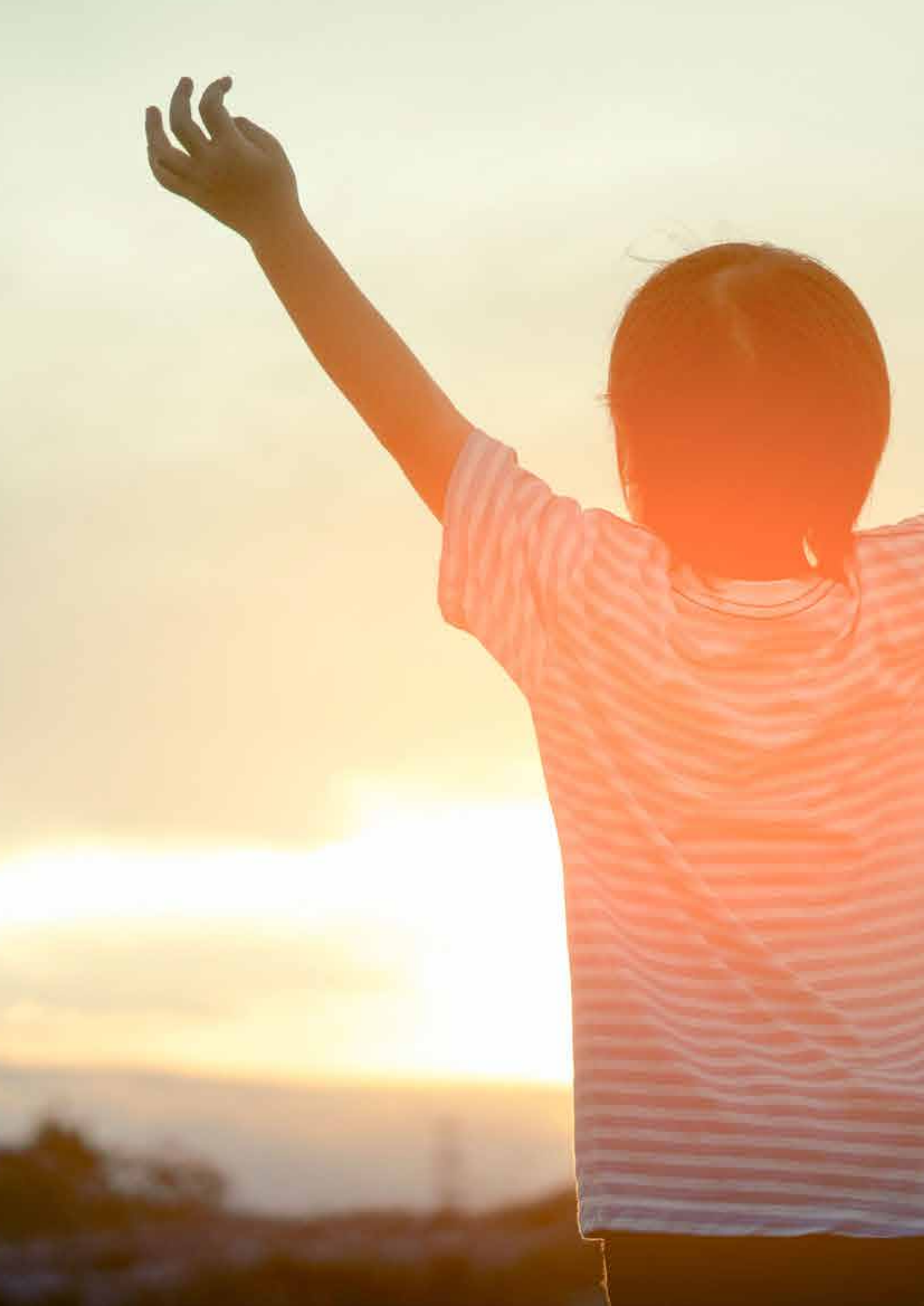
BILAL KHAN

Head of International Sales

Bilal heads the international equity sales and trading desk for Arif Habib Ltd and has over 15-yrs of buy-side and sell-side experience.

He has pioneered systematic trading in Pakistan and developed the country's first systematic equity strategy "CYBORG".

Bilal was nominated for the "Best Hedge Fund Manager Award 2008" at the annual Hedge Funds Conference in Dubai, UAE and ranked 2nd in the Asian Money Poll for "Best Country Sales Trader 2018".





The Future, In Focus

Combining wealth management with rigorous economic research, we help investors and businesses navigate complexity with clarity. In every horizon, we see tomorrow's opportunity and build the confidence to capture it.

Key Figures & Highlights



Total Revenue
(Rs. in million)



EBITDA
(Rs. in million)



Profit After Tax
(Rs. in million)



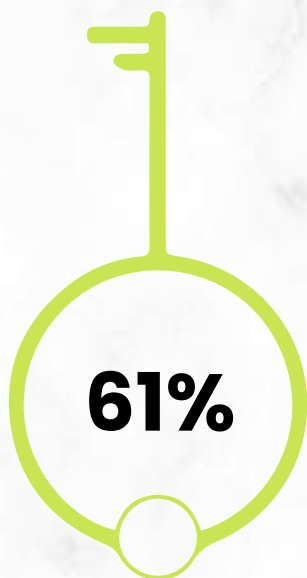
Total Assets
(Rs. in million)



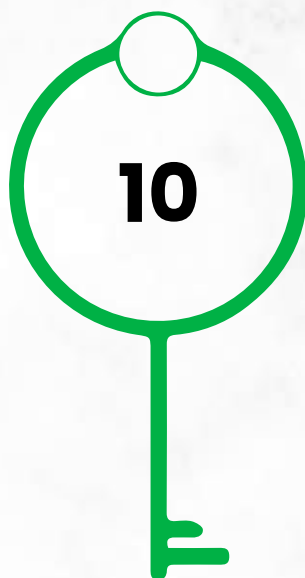
Total Equity
(Rs. in million)



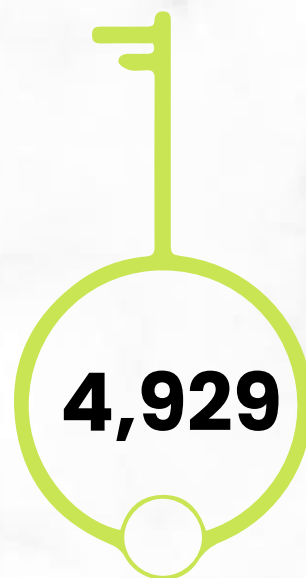
Net Assets per Share
(Rs. in million)



Return On Equity
(%)



Dividend Per Share



Market Capitalization
(Rs. in million)



Number of Shareholders



Market Price per Share
(year end)



Earning Per Share

Financial & Business Highlights

Five Year At A Glance

Year ended 30 June

2025 2024 2023 2022 2021

PROFIT AND LOSS ACCOUNT

	2025	2024	2023	2022	2021
----- Rupees in million -----					
Operating revenue	1,537	1,120	1,495	1,132	1,544
Capital gain on investments	1,097	374	(498)	(10)	1,053
Gain/(loss) on remeasurement of investments-net	8	(20)	261	(464)	223
Investments Gains	1,105	355	(237)	(473)	1,276
Other Income	375	406	120	88	71
Net turnover	3,018	1,881	1,622	1,758	3,181
Operating expenses	(1,513)	(1,017)	(632)	(591)	(656)
Finance cost	(86)	(98)	(638)	(197)	(132)
Gross profit / (loss)	1,419	765	352	970	2,393
Operating profit / (loss)	1,351	765	352	970	2,393
Profit before tax	1,351	765	352	970	2,393
Profit after tax	979	612	185	827	2,084
Depreciation	41	41	47	41	35
EBITDA	1,478	904	1,037	1,209	2,560
Earnings / (loss) per share	15	9	2.83	12.65	31.89

BALANCE SHEET

	2025	2024	2023	2022	2021
Share capital	653	653	653	653	594
Reserves	1,265	612	4,333	4,533	4,386
Rev. of assets	8	8	8	15	15
Total Equity	1,926	1,273	4,994	5,202	4,995
Property and equipment	98	58	67	84	76
Long term investments	81	68	1,123	81	136
Trade debts	435	344	260	166	240
Short term investments	1,102	551	2,850	5,273	2,747
Cash and bank balances	3,729	3,192	987	1,068	2,674
Net current assets	6,856	5,395	5,636	7,119	6,250
Trade and other payables	4,088	3,447	996	1,140	1,805
Net current liabilities	5,226	4,363	2,721	3,754	3,473
Short term borrowings	862	664	1,618	2,432	1,369
Deferred liabilities	(33)	(9)	69	-	-
Total assets	7,177	5,680	7,785	8,986	8,472
Total liabilities	5,251	4,407	2,791	3,784	3,477
Earning Asset	34	26	34	24	44
Trade Deposits and Prepayments	293	185	39	18	61
Market Value Per Share	75	59	26.68	44.39	81.12
Total Assets - Intangible	7,172	5,674	7,780	8,980	8,465
Book Value per Share	29	19	76	80	84
Average Shareholder Equity + Average Debt liabilities	2,788	1,938	6,612	7,634	6,364

2025**2024****2023****2022****2021****RATIOS****Performance**

Profit before tax	%	44.8	40.7	21.7	55.2	75.2
Expense / income	%	50.2	54.1	39.0	33.6	20.6
Return on Equity	%	61.2	19.5	3.6	16.2	50.4
Return on Capital Employed	%	48.7	24.0	6.8	19.0	55.5

Leverage

Debt to Asset	%	12.0	11.7	20.8	27.1	16.2
Debt to Equity	%	44.8	52.2	32.4	46.8	27.4
Interest Cover	x	15.8	7.8	0.6	4.9	18.2

Liquidity

Current Ratio	x	1.31	1.24	2.07	1.90	1.80
Quick / Acid Test	x	1.01	0.94	1.51	1.73	1.63

Valuation

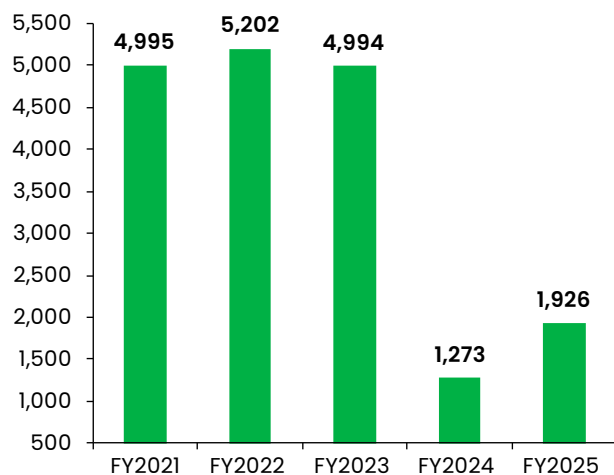
Earnings per Share	PKR	14.99	9.37	2.83	12.65	31.89
Price to Earnings Ratio	x	5.03	6.30	9.42	3.51	2.54
Price to Book Ratio	x	2.56	3.03	0.35	0.56	0.96
Dividend Yield Ratio	%	13.26	8.47	9.37	13.52	12.33
Dividend Payout Ratio	%	66.72	53.39	88.30	47.43	31.35
Cash Dividend per Share	PKR	10.00	5.00	2.50	6.00	10.00
Stock Dividend per Share	%	-	-	-	-	10.00
Market Value at end of each year	PKR	75.43	59.01	26.68	44.39	81.12
High Price (during the year)	PKR	77.05	59.01	48.24	88.99	85.53
Low Price (during the year)	PKR	26.75	25.21	23.52	38.48	32.60

----- Rupees in million -----

Graphical Representation

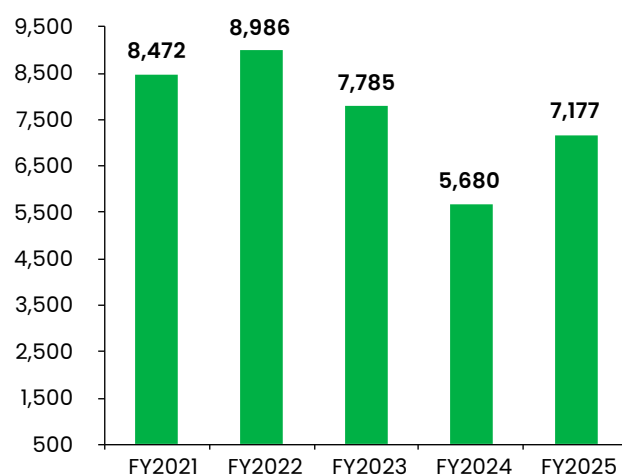
SHARE HOLDERS EQUITY

RUPEES IN MILLION



TOTAL ASSETS

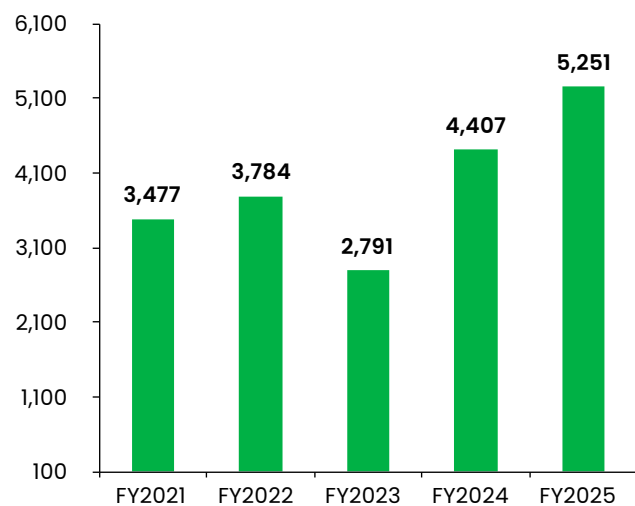
RUPEES IN MILLION





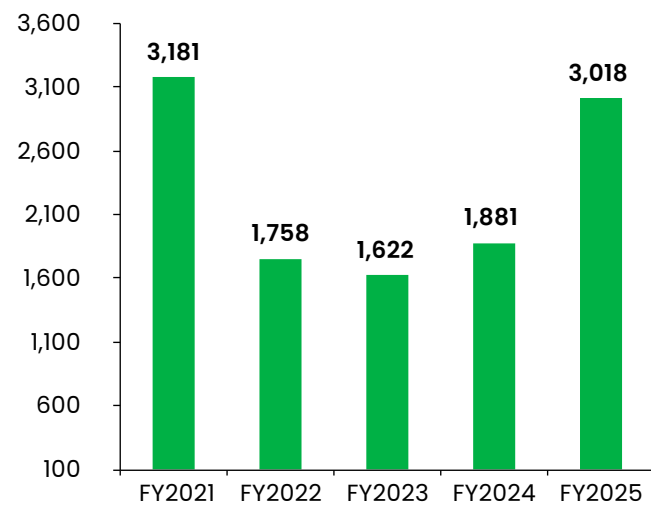
TOTAL LIABILITIES

RUPEES IN MILLION



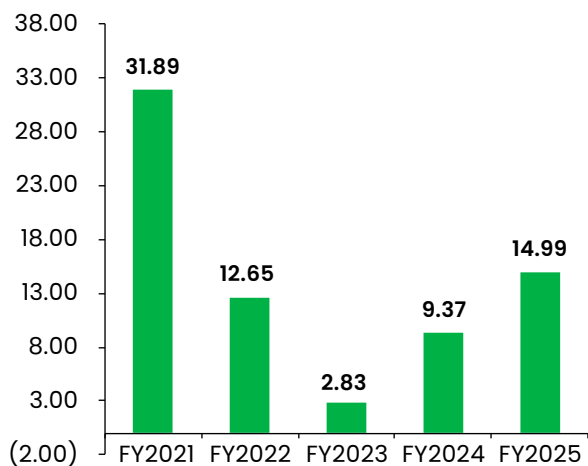
TOTAL REVENUE

RUPEES IN MILLION



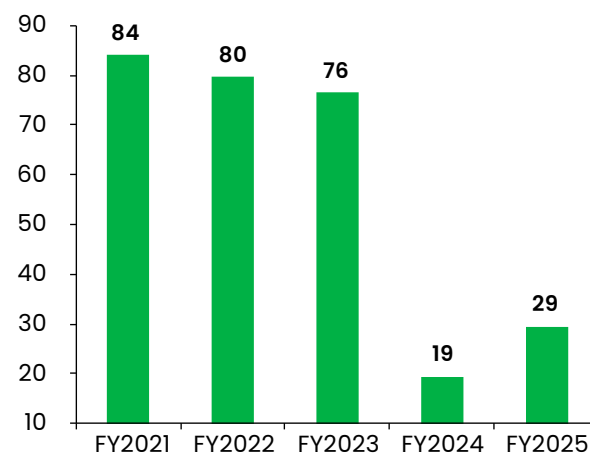
EARNINGS PER SHARE

IN RUPEES



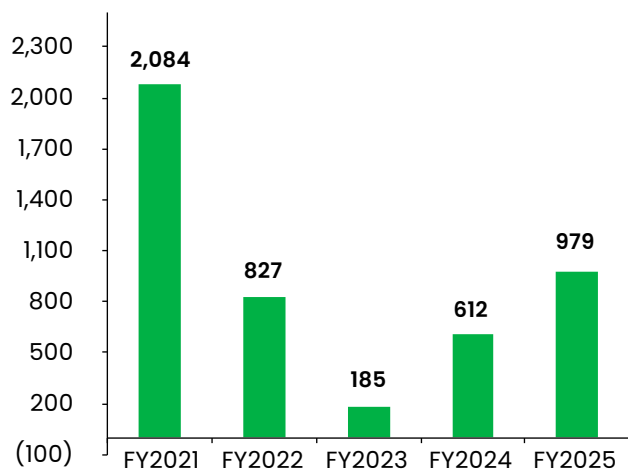
BREAK-UP VALUE PER SHARE

IN RUPEES



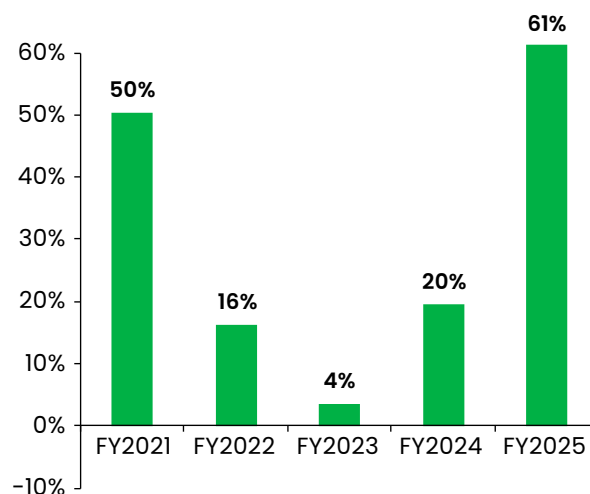
PROFIT AFTER TAX

RUPEES IN MILLION



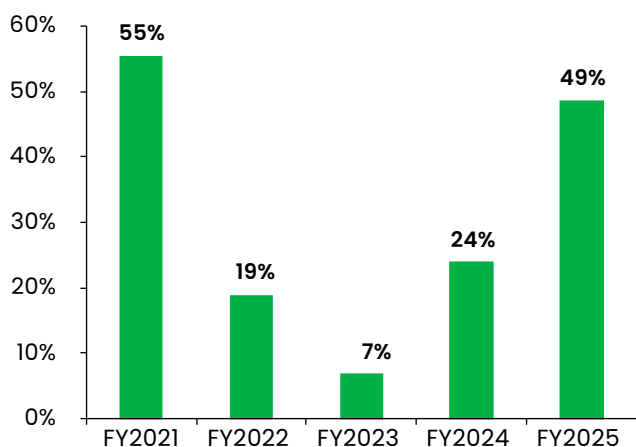
RETURN ON EQUITY

RUPEES IN MILLION



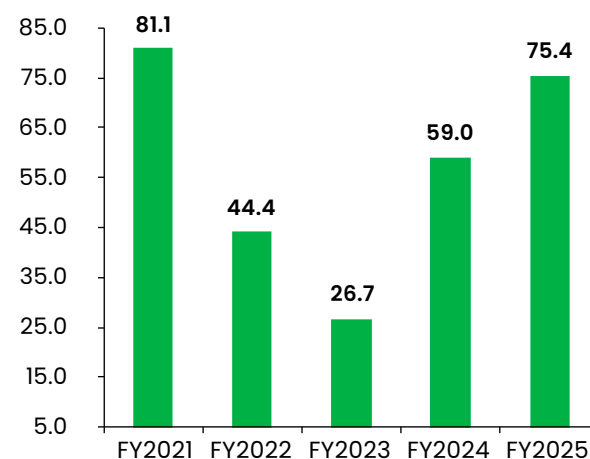
RETURN ON CAPITAL EMPLOYED

RUPEES IN MILLION



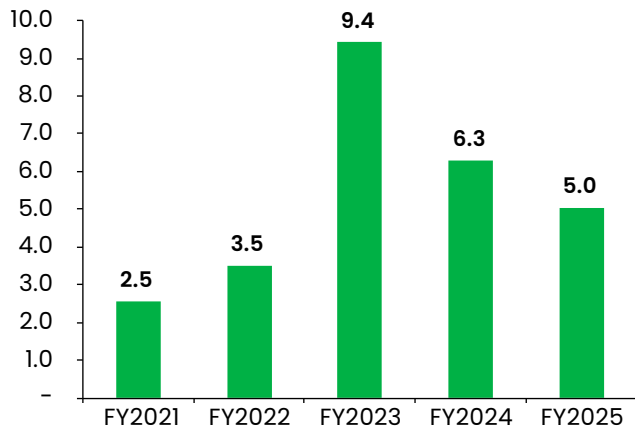
MARKET VALUE

IN RUPEES



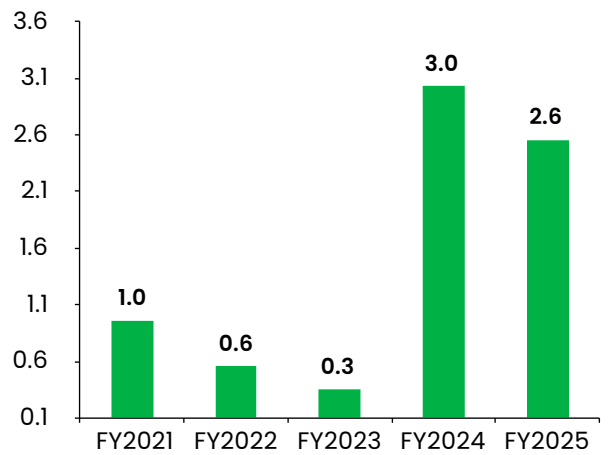
PRICE TO EARNING

RUPEES IN MILLION



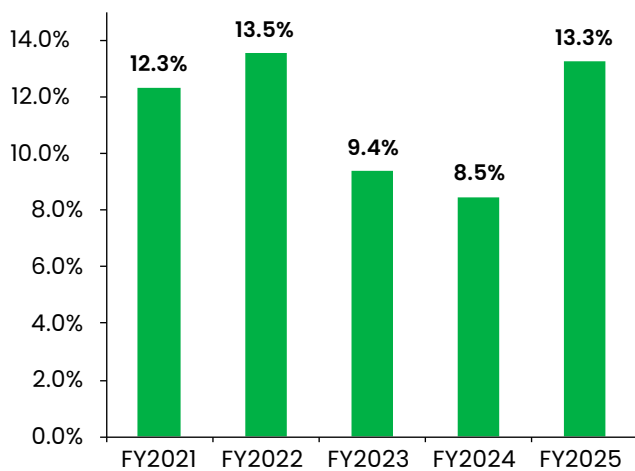
PRICE TO BOOK

RUPEES IN MILLION



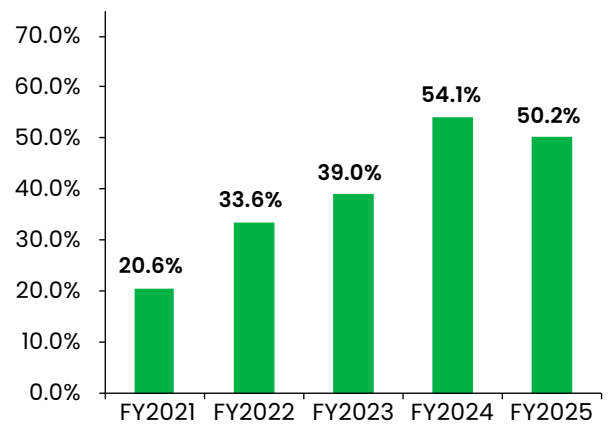
DIVIDEND YIELD

RUPEES IN MILLION



COST TO INCOME RATIO

RUPEES IN MILLION



Vertical Analysis Of Financial Statements

Year ended 30 June

	2025		2024		2023	
	Rs. in million	%	Rs. in million	%	Rs. in million	%
BALANCE SHEET						
Total equity and minority interest	1,926	27	1,273	22	4,994	64
Total non-current liabilities	26	0	44	1	70	1
Total current liabilities	5,226	73	4,363	77	2,721	35
Total equity and liabilities	<u>7,177</u>	<u>100</u>	<u>5,680</u>	<u>100</u>	<u>7,785</u>	<u>100</u>
Total non-current assets	1,782	25	285	5	2,149	28
Total current assets	5,395	75	5,395	95	5,636	72
Total assets	<u>7,177</u>	<u>100</u>	<u>5,680</u>	<u>100</u>	<u>7,785</u>	<u>100</u>
PROFIT AND LOSS ACCOUNTS						
Net operating revenue	3,018	100	1,881	100	1,622	100
Operating and administrative expenses	(1,498)	(50)	(1,002)	(53)	(605)	(37)
Operating profit / (loss)	<u>1,520</u>	<u>50</u>	<u>879</u>	<u>47</u>	<u>1,017</u>	<u>63</u>
Other charges	(15)	(0)	(15)	(1)	(27)	(2)
	<u>1,505</u>	<u>50</u>	<u>864</u>	<u>46</u>	<u>990</u>	<u>61</u>
Finance cost	(86)	(3)	(98)	(5)	(638)	(39)
Profit / (loss) before tax	<u>1,419</u>	<u>47</u>	<u>766</u>	<u>41</u>	<u>352</u>	<u>22</u>
Taxation	(372)	(12)	(153)	(8)	(167)	(10)
(Loss) / profit after tax	<u>1,047</u>	<u>35</u>	<u>613</u>	<u>33</u>	<u>185</u>	<u>11</u>

BALANCE SHEET

Total equity and minority interest
Total non-current liabilities
Total current liabilities
Total equity and liabilities
Total non-current assets
Total current assets
Total assets

PROFIT AND LOSS ACCOUNTS

Net operating revenue
Operating and administrative expenses
Operating profit / (loss)
Other charges
Finance cost
Profit / (loss) before tax
Taxation
(Loss) / profit after tax

2022		2021	
Rs. in million	%	Rs. in million	%

5,202	58	4,995	59
30	0	5	0
3,754	42	3,473	41
8,986	100	8,473	100
1,865	21	2,222	26
7,120	79	6,250	74
8,986	100	8,472	100
1,758	100	3,181	100
(579)	(33)	(637)	(20)
1,179	67	2,544	80
(12)	(1)	(19)	(1)
1,167	66	2,525	79
(197)	(11)	(132)	(4)
970	55	2,393	75
(144)	(8)	(309)	(10)
826	47	2,084	66

Horizontal Analysis Of Financial Statements

Year ended 30 June

	2025		2024		2023	
	Rs. in million	%	Rs. in million	%	Rs. in million	%
BALANCE SHEET						
Total equity and minority interest	1,926	51	1,273	(75)	4,994	(4)
Total non-current liabilities	26	(42)	44	(37)	70	131
Total current liabilities	5,226	20	4,363	60	2,721	(28)
Total equity and liabilities	7,177	26	5,680	(27)	7,785	(13)
Total non-current assets	1,782	526	285	(87)	2,149	15
Total current assets	5,395	-	5,395	(4)	5,636	(21)
Total assets	7,177	26	5,680	(27)	7,785	(13)
PROFIT AND LOSS ACCOUNTS						
Net operating revenue	3,018	60	1,881	16	1,622	(8)
Operating and administrative expenses	(1,498)	49	(1,002)	66	(605)	5
Operating profit / (loss)	1,520	73	879	(14)	1,017	(14)
Other income / (charges) - net	(15)	-	(15)	(45)	(27)	119
Finance cost	1,505	74	864	(13)	990	(15)
Profit / (loss) before tax	(86)	(12)	(98)	(85)	(638)	224
Taxation	1,419	85	766	118	352	(64)
Profit / (loss) after tax	(372)	143	(153)	(8)	(167)	16
	1,047	71	613	231	185	(78)

BALANCE SHEET

Total equity and minority interest
Total non-current liabilities
Total current liabilities
Total equity and liabilities
Total non-current assets
Total current assets
Total assets

PROFIT AND LOSS ACCOUNTS

Net operating revenue
Operating and administrative expenses
Operating profit / (loss)
Other income / (charges) - net
Finance cost
Profit / (loss) before tax
Taxation
Profit / (loss) after tax

2022		2021	
Rs. in million	%	Rs. in million	%

5,202	4	4,995	53
30	571	5	(99)
3,754	8	3,473	7
8,986	6	8,473	23
1,865	(16)	2,222	17
7,120	14	6,250	26
8,986	6	8,472	23
1,758	(45)	3,181	276
(579)	(9)	(637)	85
1,179	(54)	2,544	406
(12)	(34)	(19)	55
1,167	(54)	2,525	414
(197)	49	(132)	(64)
970	(59)	2,393	1,755
(144)	(54)	(309)	348
826	(60)	2,084	3,373

Statement Of Compliance With Listed Companies (Code Of Corporate Governance) Regulations, 2019

M/s. Arif Habib Limited ('the company') has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ('the Regulations') in the following manner:

1. The total number of directors are 6 as per the following:

- a. Male: 5 members
- b. Female: 1 member

2. The composition of board is as follows:

Category	Names
a) Independent:	Mr. Muhammad Irfan Moton *(Incoming Director) Mr. Alamgir A. Shaikh *(Incoming Director)
b) Non-Executive Directors:	Mr. Zafar Alam Mr. Muhammad Sohail Salat Mr. Muhammad Haroon **(Outgoing Director) Mr. Mohsin Madni **(Outgoing Director) Mr. Syed Muhammad Manzoor Raza **(Outgoing Director)
c) Executive Director:	Mr. Muhammad Shahid Ali Habib
d) Female Director:	Ms. Sharmin Shahid

* Directors Appointed During the Year:

Mr. Muhammad Irfan Moton was appointed on May 19, 2025, and Mr. Alamgir A. Shaikh was appointed on May 27, 2025.

** Directors Resigned During the Year:

Mr. Muhammad Haroon resigned on May 2, 2025, Mr. Syed Muhammad Manzoor Raza resigned on May 26, 2025, and Mr. Mohsin Madni resigned on June 30, 2025.

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
- 4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
- 5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or updated / amended has been maintained by the company.
- 6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Companies Act, 2017 ('the Act') and the Regulations.
- 7. The meetings of the Board were chaired by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Companies Act and applicable regulations regarding the frequency of meetings, and the recording and circulation of minutes. Except for, the Board meeting for the first quarter ended September 30, 2024, was held later than scheduled. This delay was made after obtaining the necessary approval from the Securities and Exchange Commission of Pakistan (SECP) and was attributable to the delayed sanctioning of the Scheme of Arrangement by the Honourable High Court of Sindh, relating to the demerger of Arif Habib Limited's net assets and their subsequent merger into Arif Habib Corporation Limited.
- 8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The Company stands complied with the requirement of having all the directors of the board Director's Training Program (DTP) certified as prescribed under the sub clause 1(i) of regulation no. 19 of the Regulations as out of total six (6) directors, the total number of certified directors of the Company stands four (4) and the remaining two (2) newly appointed directors will attain DTP certification in the year FY2026 well before the period of one year from date of their appointment as director.
10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:
 - a) Audit Committee

Mr. Alamgir A. Shaikh	Chairman
Mr. Zafar Alam	Member
Dr. Muhammad Sohail Salat	Member
 - b) HR and Remuneration Committee

Mr. Muhammad Irfan Moton	Chairman
Mr. Muhammad Shahid Ali Habib	Member
Dr. Muhammad Sohail Salat	Member
Ms. Sharmin Shahid	Member
 - c) Risk and Compliance Committee

Mr. Alamgir A. Shaikh	Chairman
Mr. Zafar Alam	Member
Mr. Muhammad Irfan Moton	Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:
 - a) Audit Committee

Four meetings were held during the financial year ended June 30, 2025. However, no meeting was held during the first quarter of the said financial year for the same reason as mentioned in paragraph 7 of the Statement of Compliance.

 - b) HR and Remuneration Committee

Three meetings were held during the financial year ended June 30, 2025.

 - c) Risk and Compliance Committee

Two biannual meetings were held during the financial year ended June 30, 2025.
--
15. The board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with;
- Since the election of directors, Mr. Zafar Alam and Mr. Muhammad Sohail Salat were elected as Independent Directors. However, both had already served on the Board for three consecutive terms, thereby impairing their independence at the time of appointment. As a result, the regulatory requirement for the Chairmanship of the Audit Committee to be held by independent directors was not complied with. The Company actively sought suitable candidates, and consequently, Mr. Muhammad Irfan Moton was appointed as an Independent Director on May 19, 2025, and Mr. Alamgir A. Shaikh was appointed as an Independent Director on May 27, 2025. Following these appointments, the Audit Committee were reconstituted, with Mr. Alamgir A. Shaikh designated as Chairman of the Audit Committee.
 - As per Regulation 6 of the Code of Corporate Governance, the Company is required to have at least two (02) or one-third of the total Board members, whichever is higher, as independent directors. With a total of seven (07) directors, the one-third requirement amounts to 2.33; however, the Company has not yet rounded up this fraction. At present, the Board comprises two independent directors out of total directors. On June 30, 2025, one of the Non-Executive Directors, Mr. Mohsin Madni, resigned, and to fill the resulting casual vacancy, the Company intends to appoint an Independent Director.
19. We confirm that all other requirements of the Regulations have been complied with except as explained below;
- Following the election of directors, Mr. Zafar Alam and Mr. Muhammad Sohail Salat were elected as Independent Directors. However, as both had already served on the Board for three consecutive terms, their independence stood impaired at the time of appointment. Consequently, the regulatory requirement for the Chairmanship of the HR & Remuneration Committee to be held by an independent director was not complied with. Subsequently, on May 19, 2025, Mr. Muhammad Irfan Moton was appointed as an Independent Director, and the HR & Remuneration Committee was reconstituted, with him designated as its chairman.
 - For the requirement that the position of Chief financial officer and Company secretary has been held by the same person, as the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("Regulations") allowed the Companies to either comply or explain the reason otherwise. Therefore, the Company has adopted explanation approach as the management is of the view, that the current CFO & Company Secretary is suitably qualified and professionally capable to act and fulfill the duties and responsibilities of both the roles. In addition, it is also a cost-effective measure that is in the better interest of the shareholders of the Company, therefore hiring a separate person for both position is not feasible. However, the Company shall create a separate position of a Secretary as soon as such a demand appears in our operations.
 - The board currently includes individuals with extensive expertise in the areas of nominations. As such, the immediate formation of separate committees is not deemed necessary at this stage, as the board is fully capable of managing these matters effectively without a formalized committee structure. However, recognizing the increasing need for a dedicated sub-committee in the future, we intend to establish this committee when the governance framework evolves and the demand for more structured oversight grows.

On behalf of the Board of Directors



Zafar Alam
Chairman

August 18, 2025
Karachi

Independent Auditor's Review Report

To The Members Of M/s. Arif Habib Limited

Review Report On The Statement Of Compliance Contained In Listed Companies (Code Of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Arif Habib Limited (the Company) for the year ended **June 30, 2025** in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.

Further, we highlight below the instances of non-compliance made by the Company with certain requirements of the Code as stated in paragraphs no. 7, 14, 18 and 19 of the Statement of Compliance:

S. No.	Nature of the Requirement	Paragraph No.	Description of the Non-Compliance
(1)	Mandatory	7	<p>As per section 176 (3) of the Companies Act, 2017, the board of a Public Company shall meet at least once in each quarter.</p> <p>However, the Board meeting for the first quarter ended September 30, 2024, was not held within the quarter as scheduled, as the annual accounts of the Company were signed by the Board later than the first quarter due to the delayed sanctioning of the Scheme of Arrangement by the Honourable High Court of Sindh, relating to the demerger of Arif Habib Limited's net assets and their subsequent merger into Arif Habib Corporation Limited.</p>
(2)	Mandatory	14	<p>As per Regulation 27(2), the Audit Committee of a company is required to meet at least once in every quarter of the financial year. Such meetings are to be held prior to the approval of interim results by the Board and after completion of the external audit.</p> <p>However, no meeting of the Audit Committee was held during the first quarter ended September 30, 2024.</p>
(3)	Mandatory	18	<p>As per Regulation 6 of the Regulations, a listed company is required to have at least two or one-third of its Board members, whichever is higher, as independent directors. Further, under Section 166(2) of the Companies Act, 2017, a director who has served for more than three consecutive terms cannot be regarded as independent.</p> <p>In the elections of directors held on October 28, 2023, Mr. Zafar Alam and Dr. Muhammad Sohail Salat were elected as independent directors despite having already served three consecutive terms, thereby impairing their independence. To address this, the Company appointed two new independent directors, Mr. Muhammad Irfan Moton on May 19, 2025, and Mr. Alamgir A. Shaikh on May 27, 2025.</p> <p>In addition, Regulation 27(1) requires the Audit Committee to comprise at least three members, including one independent director, and to be chaired by an independent director.</p> <p>Up to May 28, 2025, the Audit Committee was chaired by Dr. Muhammad Sohail Salat, which was not fully in accordance with the requirements of the regulation. This compliance gap was subsequently addressed through the appointment of new independent directors, and Mr. Alamgir A. Shaikh was appointed as Chairman of the Audit Committee on May 28, 2025.</p>

S. No.	Nature of the Requirement	Paragraph No.	Description of the Non-Compliance
(4)	Mandatory	18	<p>As per Regulation 6(1) of the Regulations, a listed company is required to have at least two independent directors or one-third of the total board members, whichever is higher. Furthermore, where one-third of the board results in a fraction, the company must provide an explanation in its statement of compliance if such fraction has not been rounded up to the next whole number.</p> <p>Based on the total members on the Board of the Company, it is required to have one-third thereof as independent directors, which comes to 2.33 members out of seven. In this regard, one of the directors, Mr. Mohsin Madni, resigned on June 30, 2025, and the management intends to appoint an independent director to fill the said vacancy.</p>
(5)	Explanation for non-compliance is required	19	<p>As per the proviso to Regulation 24 of the Regulations, the same person shall not simultaneously hold office of the Chief Financial Officer and the Company Secretary of a listed company. However, the said two positions in the Company are currently being held by Mr. Muhammad Taha Siddiqui. In this relation, in paragraph 19 of the Statement of Compliance, the Company considers that the said individual is suitably qualified, experienced to fulfill all the duties and responsibilities of both the roles and, as such, the appointment of a separate individual is not considered necessary at this stage.</p>
(6)	Explanation for non-compliance is required	19	<p>As per the Regulation no. 29 of the Regulations, the Board may constitute a separate committee, designated as the Nomination Committee, of such number and class of directors, as it may deem appropriate in the circumstances.</p> <p>As stated in paragraph 19 of the Statement of Compliance, the Company has not setup a separate Nomination Committee and is of the view that the Board currently includes individuals with extensive expertise in the areas for which a Nomination Committee is responsible in terms of Regulation 29(2) and, as such, the immediate formation of a separate Nomination Committee is not deemed necessary at this stage.</p>

Karachi.

Date: August 19, 2025

UDIN: CR202510210jbUw3Rkgv



Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

Independent Auditors' Report

To The Members Of Arif Habib Limited

Report On The Audit Of The Unconsolidated Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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, total 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 Unconsolidated 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.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. However, we have determined that there are no key audit matters to communicate in our report.

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the unconsolidated and consolidated financial statements and our auditor's reports thereon.

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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 Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated 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 unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated 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 Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance;
- (e) the Company was in compliance with the requirement of section 78 of the Securities Act, 2015 and section 62 of the Futures Market Act, 2016, and the relevant requirements of the Securities Brokers (Licencing and Operations) Regulations, 2016 as at the date on which the statement of financial position was prepared; and
- (f) The Company was in compliance with the relevant requirements of Futures Brokers (Licensing and Operations Regulations), 2018 as at the date on which the statement of financial position was prepared.

The engagement partner on the audit resulting in this independent auditor's report is **Mr. Muhammad Rafiq Dosani.**



RAHMAN SARFARAZ RAHIM IQBAL RAFIQ

Chartered Accountants

Karachi

Date: August 19, 2025

UDIN: AR202510210GiBKXLe5I

Unconsolidated Financial Statements

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Unconsolidated Statement Of Financial Position

As at June 30, 2025

	Note	2025	2024
----- Rupees -----			
ASSETS			
Non-current assets			
Property and equipment	4	97,683,590	58,108,527
Right-of-use assets	5	46,279,162	63,325,707
Intangible assets	6	5,285,389	5,436,719
Long term investment	7	81,118,461	68,461,607
Investment property	8	38,900,000	38,900,000
Long-term advances, deposits and other receivable	9	18,447,706	41,594,332
Deferred tax - net	10	33,170,953	8,941,185
		320,885,261	284,768,077
Current assets			
Short term investments	11	1,101,582,754	550,705,642
Trade debts	12	435,131,703	344,498,851
Receivable against margin financing	13	270,374,543	117,387,003
Advances, deposits and prepayments	14	292,831,417	185,081,675
Accrued markup on margin financing		8,448,874	4,526,291
Receivable against trading of securities - net		683,091,537	-
Other receivables	15	336,091,573	998,783,694
Income tax refundable	16	-	2,594,059
Cash and bank balances	17	3,728,716,369	3,192,161,622
		6,856,268,770	5,395,738,837
Total assets		7,177,154,031	5,680,506,914
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital	18	750,000,000	750,000,000
Issued, subscribed and paid-up capital	18	653,400,000	653,400,000
Capital reserves			
Surplus on revaluation of property	19	7,835,000	7,835,000
Revenue reserves			
Unappropriated profits		1,264,508,728	611,946,740
Total equity		1,925,743,728	1,273,181,740
Non-current liabilities			
Lease liability	20	25,552,453	43,866,648
Current liabilities			
Short term borrowings - secured	21	861,773,903	664,317,881
Current portion of lease liability	20	33,456,840	31,137,864
Trade and other payables	22	4,087,900,898	3,447,621,750
Unclaimed dividend		22,829,563	21,659,825
Payable against trading of securities - net		-	198,721,206
Accrued markup	23	7,472,966	-
Income tax payable	16	212,423,680	-
		5,225,857,850	4,363,458,526
Contingencies and commitments	24	-	-
Total equity and liabilities		7,177,154,031	5,680,506,914

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



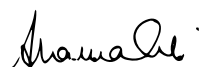
Chief Financial Officer

Unconsolidated Statement Of Profit Or Loss

For the year ended June 30, 2025

		2025	2024
	Note	Rupees	Rupees
Operating revenue	25	1,537,003,012	1,119,720,065
Realized gain on disposal of investments		1,097,129,004	374,397,144
Realized gain on sale of investment property		-	749,029
		2,634,132,016	1,494,866,238
Net change in unrealized gain / (loss) on investments	26	8,054,067	(19,677,661)
Net change in unrealized loss on investment property	27	-	(849,029)
		2,642,186,083	1,474,339,548
Administrative and operating expenses	28	(1,513,391,388)	(1,002,573,665)
Other charges	29	(67,299,977)	(14,692,878)
Other operating income	30	375,454,299	406,182,623
		1,436,949,017	863,255,628
Finance costs	31	(85,567,144)	(97,980,036)
Profit before levies and taxation		1,351,381,873	765,275,592
Levies	32	(2,757,811)	(2,953,850)
Profit before taxation		1,348,624,062	762,321,742
Taxation	33	(369,362,074)	(150,375,002)
Profit after taxation		979,261,988	611,946,740
Earnings per share - basic and diluted	34	14.99	9.37

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



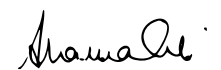
Chief Financial Officer

Unconsolidated Statement Of Comprehensive Income

For the year ended June 30, 2025

	2025	2024
	----- Rupees -----	
Profit after taxation	979,261,988	611,946,740
Other comprehensive loss		
Items that will not be reclassified subsequently to profit or loss		
Net change in fair value of the investment in equity securities	-	-
Total comprehensive income for the year	979,261,988	611,946,740

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director




Chief Financial Officer

Unconsolidated Statement Of Changes In Equity

For the year ended June 30, 2025

	Issued, subscribed and paid up capital	<u>Revenue reserve</u> Unappropriated profits	<u>Capital reserves</u> Surplus on revaluation of property	Total
	----- Rupees -----			-----
Balance as at June 30, 2023	653,400,000	4,333,017,286	7,835,000	4,994,252,286
Total comprehensive income for the year ended June 30, 2024				
- Profit for the year	-	611,946,740	-	611,946,740
	-	611,946,740	-	611,946,740
Transactions with owners				
Cash dividend paid @ 25% for the year ended June 30, 2023	-	(163,350,000)	-	(163,350,000)
Transfer of Net Assets	-	(4,169,667,286)	-	(4,169,667,286)
	-	(4,333,017,286)	-	(4,333,017,286)
Balance as at June 30, 2024	653,400,000	611,946,740	7,835,000	1,273,181,740
Total comprehensive income for the year ended June 30, 2025				
- Profit for the year	-	979,261,988	-	979,261,988
	-	979,261,988	-	979,261,988
Transactions with owners				
Cash dividend paid @ 50% for the year ended June 30, 2024	-	(326,700,000)	-	(326,700,000)
Balance as at June 30, 2025	653,400,000	1,264,508,728	7,835,000	1,925,743,728

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Unconsolidated Statement Of Cash Flows

For the year ended June 30, 2025

		2025	2024
	Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxation		1,351,381,873	765,275,592
<i>Adjustments for:</i>			
- Depreciation on property and equipment	4	14,868,464	13,758,476
- Depreciation on right-of-use-assets	5.1 & 5.2	26,036,545	26,477,305
- Amortization of intangible assets	6.1	151,330	278,907
- Provision for expected credit losses on trade debts	12.2	30,242,864	12,627,092
- Net change in unrealized (gain) / loss on investments	26	(8,054,067)	19,677,661
- Gain on sale of short term investment		(1,097,129,004)	(374,397,144)
- Advance against equity written off	29	37,000,000	-
- Loss on disposal of property and equipment		57,113	302,588
- Realized gain on sale of investment property		-	(749,029)
- Net change in unrealized gain on investment property	27	-	849,029
- Mark up on reverse repo transactions	30	(49,458,454)	(32,144,885)
- Profit on savings accounts	30	(308,043,504)	(338,585,959)
- Profit on exposure deposit	30	(17,952,341)	(35,451,779)
- Finance costs	31	85,567,144	97,980,036
		(1,286,713,910)	(609,377,702)
Cash generated from operating activities before working capital changes		64,667,963	155,897,890
Effect on cash flow due to working capital changes			
<i>(Increase)/decrease in current assets</i>			
- Short-term investments		541,649,106	(72,488,272)
- Trade debts		(120,875,716)	(97,434,975)
- Receivable / payable against sales / purchase of securities - net		(881,812,743)	266,245,371
- Receivable against margin financing		(152,987,540)	(4,019,244)
- Advances, deposits and prepayments		(107,749,742)	(146,531,746)
- Accrued markup on margin financing		(3,922,583)	17,000,754
- Other receivables		804,466,552	(800,907,309)
<i>Increase/(decrease) in current liabilities</i>			
- Trade and other payables		638,481,148	2,469,703,005
		717,248,482	1,631,567,584
Cash generated from operations		781,916,445	1,787,465,474
Taxes paid	16.1	(181,331,914)	(146,442,744)
Finance costs paid		(78,094,179)	(130,965,693)
Net cash generated from operating activities		522,490,352	1,510,057,037
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	4	(54,529,640)	(5,371,167)
Proceeds from disposal of investment property	8.1	-	7,500,000
Proceed from disposal of property and equipment		29,000	320,000
Profit on savings accounts received during the year	30	308,043,504	338,585,959
Profit on exposure deposit received during the year	30	17,952,341	35,451,779
Proceeds from reverse repo receivable		(92,315,977)	(49,998,691)
Amount paid against reverse repo payable		-	(17,629,267)
Advance against committed sale received during the year		-	7,879,990
Long-term advances and deposits		(13,853,374)	612,048
Net cash generated from investing activities		165,325,854	317,350,651
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability (principal)		(23,187,219)	(15,546,169)
Dividend paid		(325,530,262)	(163,115,662)
Net cash used in financing activities		(348,717,481)	(178,661,831)
Net increase in cash and cash equivalents		339,098,725	1,648,745,857
Cash and cash equivalents at the beginning of the year		2,527,843,741	879,097,884
Cash and cash equivalents at the end of the year	35	2,866,942,466	2,527,843,741


The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

1. STATUS AND NATURE OF BUSINESS

1.1 Arif Habib Limited ("the Company") is a public listed company incorporated in Pakistan under the repealed Companies Ordinance, 1984 ('the Ordinance') which has now been replaced by Companies Act, 2017 ('the Act'). The shares of the Company are listed on Pakistan Stock Exchange Limited ("the Exchange"). The Company was initially incorporated as an unquoted public limited company wholly owned by Arif Habib Corporation Limited ("the Parent Company"). Subsequently, the Parent Company offered its 25% share holding in the Company to general public and the Company obtained listing on the Exchange on January 31, 2007. As of June 30, 2025, the Parent Company held 74.32% shares of the Company (2024: 72.92% shares).

1.2 The Company is a holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited. The principal activities of the Company are investments, share brokerage, inter-bank brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services.

1.3 The geographical location of Company's offices are as follows:

- Karachi	Head office (Registered office)	Arif Habib Centre, 23 M.T. Khan Road, Karachi
- Lahore	Regional office	Office Nos. G-05 & G-06, Ground Floor, LSE Plaza, 19, Khayaban-e-Aiwan-e-Iqbal, Lahore
- Islamabad	Regional office	Office No. 506, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.
- Peshawar	Regional office	Shops No. F16, and F17, 1st Floor, The Mall Tower, Peshawar Cantt.
- Multan	Regional office	Office # 305, 3rd Floor, United Mall, Abdali Road, Multan.
- Faisalabad	Regional office	Office No. 04, 3rd Floor at Legacy Tower, Koh-e-noor City, Faisalabad.

1.4	The Company has following subsidiaries:	<u>Holding %</u>
-	Rayaan Commodities (Private) Limited	100%

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

2.2 Basis of measurement of items in the unconsolidated financial statements

Items in these unconsolidated financial statements have been measured at their historical cost, except for:

- Investment property which is carried at fair value.
- Long term investments in ISE Tower REIT Management Limited, LSE PropTech Limited and LSE Ventures Limited which are carried at fair value; and
- Short term investments in quoted equity securities, corporate debt securities and Mutual Funds which are carried at fair value.

2.3 Functional and presentation currency

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

2.4 Judgments and sources of estimation uncertainty

In preparing these unconsolidated financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in these unconsolidated financial statements is included in the following notes:

Area of judgement	Brief description of the judgement applied
Deferred tax assets	Whether deferred tax assets should be recorded on realized and unrealized losses on short term investments in securities - availability of future taxable profit on securities with in next three tax years against which such losses can be utilised
Timing of revenue recognition	<i>Advisory and consultancy services:</i> Whether performance obligation is satisfied at a point in time or over time that is whether the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs

(b) Assumptions and other major sources of estimation uncertainty

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Area of estimation uncertainty	Brief description of the assumption or the source of estimation uncertainty
Long term investment	Estimation of fair value of investment in ordinary shares of ISE Towers REIT Management Limited
Investment Property	Estimation of fair value of investment property
Trade debts	Estimation of expected credited losses

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

2.5 Changes in accounting standards, interpretations and amendments to published approved accounting standards

2.5.1 Amendments to existing standards that became effective during the year

The following new or amended standards and interpretations became effective for the financial year and are considered relevant to the Company's financial statements:

IAS 1 – Classification of Liabilities as Current or Non-current (Amendments issued January 2020 and October 2022, effective January 1, 2024):

Under the previous requirements of IAS 1, a liability was classified as current if the Company did not have an unconditional right to defer settlement for at least twelve months after the reporting date. Following the amendments, the requirement for the right to be "unconditional" has been removed. Instead, the amendments specify that the right to defer settlement must be substantive and must exist as of the reporting date. Such a right may depend on the Company's compliance with conditions (covenants) set out in a loan agreement.

In October 2022, the IASB clarified that only covenants that the Company is required to comply with on or before the reporting date affect whether a liability is classified as current or non-current. Covenants that are tested after the reporting date (i.e., future covenants) do not impact classification at that date. However, if non-current liabilities are subject to future covenants, the Company must provide additional disclosures to enable users to understand the risk that such liabilities could become repayable within twelve months after the reporting date.

IFRS 16 – Lease Liability in a Sale and Leaseback (Amendments issued September 2022, effective January 1, 2024):

The amendments affect how a seller-lessee accounts for variable lease payments arising from a sale-and-leaseback transaction. At the time of initial recognition, the seller-lessee is required to include variable lease payments when measuring the lease liability. Subsequently, the seller-lessee applies the general requirements for lease liability accounting in a way that ensures no gain or loss is recognised in relation to the right-of-use asset it retains. These amendments introduce a new accounting model for variable lease payments and may require seller-lessees to reassess and, in some cases, restate previously recognised sale-and-leaseback transactions.

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

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

The following standards and amendments have been issued but are not effective for the financial year beginning July 1, 2024 and have not been early adopted by the Company:

IAS 21 – The Effects of Changes in Foreign Exchange Rates (Amendments: Lack of Exchangeability, effective January 1, 2025):

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates address circumstances where a currency is not exchangeable, often due to government restrictions. In such cases, entities are required to estimate the spot exchange rate that would apply in an orderly transaction at the measurement date. The amendments permit flexibility by allowing the use of observable exchange rates without adjustment or other estimation methods, provided these meet the overall estimation objective. When assessing this, entities should consider factors such as the existence of multiple exchange rates, their intended use, nature, and frequency of updates. The amendments also introduce new disclosure requirements, including details of the non-exchangeability, its financial impact, the spot rate applied, the estimation approach used, and related risks.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective January 1, 2026)

Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments – Classification and Measurement provide clarifications and updates in several areas. They refine the requirements around the timing of recognition and derecognition of certain financial assets and liabilities, introducing a new exception for financial liabilities settled via electronic cash transfer systems. The amendments also clarify and expand the guidance on assessing whether a financial asset meets the “solely payments of principal and interest” (SPPI) criterion. In addition, new disclosure requirements are introduced for instruments with contractual terms that can alter cash flows, such as those linked to environmental, social, and governance (ESG) targets. Further updates are also made to the disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVOCI).

IFRS 17 – Insurance Contracts (effective January 1, 2026 in Pakistan, as directed by SECP vide SRO 1715(I)/2023):

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. SECP vide its SRO 1715(I)/2023 dated November 21, 2023 has directed that IFRS 17 shall be followed for the period commencing January 1, 2026 by companies engaged in insurance / takaful and re-insurance / re-takaful business.

Annual Improvements – Volume Eleven (effective January 1, 2026):

- Hedge Accounting by a First-time Adopter (Amendments to IFRS 1) – The amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.
- Gain or Loss on Derecognition (Amendments to IFRS 7) – To update the language on unobservable inputs and to include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement.
- Introduction (Amendments to Guidance on implementing IFRS 7) – To clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.
- Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7) – Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.
- Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7) – Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.
- Transaction Price (Amendments to IFRS 9) – Paragraph 5.1.3 of IFRS 9 has been amended to replace the reference to 'transaction price as defined by IFRS 15 Revenue from Contracts with Customers' with 'the amount determined by applying IFRS 15'. The use of the term "transaction price" in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9.
- Determination of a 'De Facto Agent' (Amendments to IFRS 10) – The amendment is intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents.
- Cost Method (Amendments to IAS 7) – Paragraph 37 of IAS 7 has been amended to replace the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

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

Other than the aforesaid standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the SECP as at June 30, 2025:

IFRS 18 – Presentation and Disclosure in Financial Statements

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

Major Impact on Companies' Financial Statements:

IFRS 18 will require the Company to restructure their statement of profit or loss into operating, investing, and financing categories, which may alter familiar subtotals such as operating profit. This standard focuses on disaggregation will expand disclosures, requiring more detailed breakdowns of income, expenses, and significant transactions, rather than broad groupings. Adoption will also demand updates to reporting systems and processes, increasing compliance effort, but ultimately enhancing transparency, comparability, and investor confidence.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 – Subsidiaries without Public Accountability: Disclosures introduces reduced disclosure requirements for eligible subsidiaries that apply IFRS Accounting Standards. It applies to subsidiaries without public accountability whose parent prepares publicly available consolidated IFRS financial statements. Recognition and measurement remain fully aligned with IFRS, while disclosures are significantly simplified. The standard aims to ease the reporting burden without compromising the usefulness of information, and adoption is voluntary.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

3.1 Property and equipment

Owned

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.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each financial year end. The Company's estimate of residual value of property and equipment as at June 30, 2025 did not require any adjustment.

3.2 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

A – Leases other than short-term leases and leases of low-value assets

(a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

(b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

B – Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to those leases where the nature of the underlying asset is such that, when new, the asset is typically of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

3.3 Intangible assets

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 6.1, 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) and Offices

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.

3.4 Investment in subsidiaries

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

3.5 Investment properties

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

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

When the Company determines that the fair value of an investment property under construction is not reliably measurable but expects the fair value of the property to be reliably measurable when construction is complete, the Company measures that investment property at cost until either its fair value becomes reliably measurable or construction is completed (whichever is earlier).

3.6 Financial instruments

3.6.1 Initial recognition, classification and measurement

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

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

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.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

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.

3.6.2 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.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

(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.

The Company determines the closing cost of its inventory / securities on the basis of the First-In, First-Out (FIFO) method. Under this method, it is assumed that the securities acquired first are disposed of first, and accordingly, the securities remaining in hand at the end of the reporting period represent the most recent purchases.

3.6.3 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.

3.6.4 De-recognition

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

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

3.7 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.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

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.

3.8 Offsetting of financial assets and financial liabilities

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.

3.9 Trade debts and receivables against margin financing

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

3.10 Cash and cash equivalents

Cash and cash 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.

3.11 Staff retirement benefits – Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. As a consequence, actuarial risk (that benefits will be less than expected) and investment risk (that assets will be insufficient to meet expected benefits) fall, in substance, on the employee.

The Company operates a defined contribution plan i.e. recognized provident fund ("the Fund") for all of its eligible employees in accordance with trust deed and rules made thereunder. Monthly contributions at the rate 12.50% of basic salary are made to the Fund by the Company and the employees.

When an employee has rendered service to the Company during a period, the Company recognises the contribution payable to a defined contribution plan in exchange for that service as an expense in profit or loss and as a liability in the statement of financial position (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Company recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

When contributions to a defined contribution plan are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service, they are discounted using the discount rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds (or when there is no deep market in such bonds, the government bonds) having term consistent with the estimated term of the post-employment benefit obligations.

3.12 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 of the Income Tax Ordinance, 2001 over the normal tax liability computed there under.

Notes To The Unconsolidated Financial Statements

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Current tax

The portion of the income tax charge that is based on the 'taxable income' for a reporting period (as determined in accordance with the provisions of the Income Tax Ordinance, 2001 and the rules made thereunder) is classified as a 'current tax'. Any excess charge over the said amount is now classified as a 'levy' in the statement of profit or loss.

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.

3.13 Provisions and contingent liabilities

Provisions

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.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

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.

3.14 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 transaction.

Revenue from advisory and consultancy services

Revenue is recognized when the performance obligation is satisfied i.e. when services are provided.

The Company does not expect to have contracts where the period between the services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

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.

Mark up / interest income

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

3.15 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

To the extent that the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

To the extent that the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to all borrowings of the Company that are outstanding during the period. However, the Company excludes from this calculation borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset until substantially all the activities necessary to prepare that asset for its intended use or sale are complete. The amount of borrowing costs that the Company capitalises during a period does not exceed the amount of borrowing costs it incurs during that period.

The Company begins capitalising borrowing costs as part of the cost of a qualifying asset on the 'commencement date' which is the date when the Company first meets all of the following conditions: (a) it incurs expenditures for the asset; (b) it incurs borrowing costs; and (c) it undertakes activities that are necessary to prepare the asset for its intended use or sale.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

The Company ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

4. PROPERTY AND EQUIPMENT – owned assets

	Leasehold Offices	Leasehold Improvements	Office Equipment	Furniture & Fixtures	Computers & Allied Items	Vehicles	Total
	Rupees						
As at June 30, 2023							
Cost	32,473,333	102,485,179	8,157,043	18,403,021	59,415,740	5,427,000	226,361,316
Accumulated depreciation	(12,298,501)	(90,857,744)	(3,464,692)	(6,729,762)	(44,461,233)	(1,430,960)	(159,242,892)
Net book value	20,174,832	11,627,435	4,692,351	11,673,259	14,954,507	3,996,040	67,118,424
Movement during the year ended June 30, 2024							
Opening net book value	20,174,832	11,627,435	4,692,351	11,673,259	14,954,507	3,996,040	67,118,424
Additions during the year	-	-	2,380,877	-	2,990,290	-	5,371,167
Disposals							
- Cost	-	-	(864,000)	-	-	-	(864,000)
- Accumulated depreciation	-	-	241,412	-	-	-	241,412
	-	-	(622,588)	-	-	-	(622,588)
Depreciation for the year	(3,026,222)	(1,744,116)	(889,176)	(1,779,526)	(5,520,226)	(799,210)	(13,758,476)
Closing net book value	17,148,610	9,883,319	5,561,464	9,893,733	12,424,571	3,196,830	58,108,527
As at June 30, 2024							
Cost	32,473,333	102,485,179	9,673,920	18,403,021	62,406,030	5,427,000	230,868,483
Accumulated depreciation	(15,324,723)	(92,601,860)	(4,112,456)	(8,509,288)	(49,981,459)	(2,230,170)	(172,759,956)
Net book value	17,148,610	9,883,319	5,561,464	9,893,733	12,424,571	3,196,830	58,108,527
Movement during the year ended June 30, 2025							
Opening net book value	17,148,610	9,883,319	5,561,464	9,893,733	12,424,571	3,196,830	58,108,527
Additions during the year	-	-	496,580	1,124,812	32,994,248	19,914,000	54,529,640
Disposals							
- Cost	-	-	(800,800)	-	-	-	(800,800)
- Accumulated depreciation	-	-	714,687	-	-	-	714,687
	-	-	(86,113)	-	-	-	(86,113)
Depreciation for the year	(2,572,293)	(1,481,066)	(848,373)	(1,547,113)	(7,116,455)	(1,303,164)	(14,868,464)
Closing net book value	14,576,317	8,402,253	5,123,558	9,471,432	38,302,364	21,807,666	97,683,590
As at June 30, 2025							
Cost	32,473,333	102,485,179	9,369,700	19,527,833	95,400,278	25,341,000	284,597,323
Accumulated depreciation	(17,897,016)	(94,082,926)	(4,246,142)	(10,056,401)	(57,097,914)	(3,533,334)	(186,913,733)
Net book value	14,576,317	8,402,253	5,123,558	9,471,432	38,302,364	21,807,666	97,683,590
Annual rates of depreciation	15%	15%	15%	15%	33%	20%	

Notes To The Unconsolidated Financial Statements

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Leasehold offices including the following offices:

Description	Area of office	Location
Lahore Office	257 Square Feet	Office G-G & G-5, Ground Floor, LSE Plaza 19, Khayaban-e-Aiwan-e-Iqbal, Lahore
Lahore Office	257 Square Feet	Office G-G & G-6, Ground Floor, LSE Plaza 19, Khayaban-e-Aiwan-e-Iqbal, Lahore.
Islamabad Office	1,349 Square Feet	Office 506, 5th Floor, ISE Tower, Jinnah Avenue, Islamabad

5. RIGHT-OF-USE ASSETS

Rented premises
Leased vehicle

Note	2025	2024
	----- Rupees -----	----- Rupees -----
5.1	37,663,745	63,325,707
5.2	8,615,417	-
	<u>46,279,162</u>	<u>63,325,707</u>

5.1 Rented premises

Opening net book value
Add: Additions during the year

Less: Depreciation charged during the year

Closing net book value

Depreciation rate (per annum)

Note	2025	2024
	----- Rupees -----	----- Rupees -----
	63,325,707	2,279,667
	-	87,523,345
	<u>63,325,707</u>	<u>89,803,012</u>
28	(25,661,962)	(26,477,305)
	<u>37,663,745</u>	<u>63,325,707</u>
	<u>20% to 33%</u>	<u>20% to 33%</u>

5.1.1 This represents Company's right to use certain real estate properties held by it under lease arrangements. The principal terms and conditions of the said arrangements are as follows:

	Principal Office (Karachi)	Regional Office (Faisalabad)
Lessor name	Rotocast Engineering Co. (Pvt.) Ltd.	Mr. Ahsan Mahmood
Address of the leased property	Block-B, 2nd Floor, Arif Habib Centre, Plot No. 23, Off. M.T. Khan Road	Office No.04, 3rd Floor, Legacy Tower, Koh-e-Noor City
Lease agreement date	July 01, 2023	October 10, 2020
Lease commencement date	July 01, 2023	October 15, 2020
Initial contractual term of the lease	3 year	5 years
Availability of extension option?	No	Yes
No. of years for which the lease extension option is available	N/A	Indefinite
Estimated lease term (as on the date of commencement of the lease)	3 year	5 years

For the year ended June 30, 2025

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Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

		2025	2024
	Note	----- Rupees -----	
7. LONG TERM INVESTMENTS			
Investment in subsidiaries	6.2.1	38,000,000	38,000,000
Investment in other entities		43,118,461	30,461,607
	6.2.2	81,118,461	68,461,607

7.1 Investment in subsidiaries – at cost less accumulated impairment

	2025	2024			2025	2024
	-----	-----			-----	-----
	Number of shares					
	3,800,000	3,800,000			3,800,000	3,800,000
	3,800,000	3,800,000			3,800,000	3,800,000
			Rayaan Commodities (Private) Limited	7.1.1		

7.1.1 This represents paid up share capital comprising of 100% ownership in Rayaan Commodities (Private) Limited, formerly named as Arif Habib Commodities (Private) Limited, which was incorporated on April 02, 2012 as wholly owned subsidiary for the purpose of expanding non-core revenue system of the commodity brokerage. The total amount of investment approved by the shareholders of the Company in the extra-ordinary general meeting held on June 16, 2012 is Rs. 100 million. As of reporting date, the Company had invested a total sum of Rs. 38 million.

7.2 Investment in other entities – at fair value through profit or loss

Unquoted – Equity Instruments

ISE Towers REIT Management Company Limited

	2025	2024
Note	----- Rupees -----	
7.2.1	31,954,370	24,850,127
	31,954,370	24,850,127

Quoted – Equity Instruments

LSE Capital Limited
LSE Ventures Limited

	2025	2024
Note	----- Rupees -----	
7.2.2	1,471,764	765,317
	9,692,327	4,846,163
	11,164,091	5,611,480
	43,118,461	30,461,607

7.2.1 Investment in ISE Towers REIT Management Company Limited

This represents the investment in 3,034,604 (2024: 3,034,604) unquoted ordinary shares of M/s. ISE Towers REIT Management Company Limited. The reconciliation of the opening and closing carrying amount of the investment is presented below:

	2025	2024
	----- Rupees -----	
<i>Cost of the investment</i>	33,380,639	33,380,639
ISE Tower REIT Management Company Limited		
<i>Unrealised gain / (loss):</i>		
Balance as at July 01	(8,530,512)	(11,199,269)
Unrealised (loss) / gain for the year	7,104,243	2,668,757
	(1,426,269)	(8,530,512)
Balance as at June 30	31,954,370	24,850,127

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

The Company as per its policy, carried out the valuation of the above investment. In this connection, the valuation technique used by the Company was Discounted Free Cash Flow to Equity model for business valuation. Assumptions and inputs used in the valuation technique mainly include risk-free rate, equity risk premium, long term growth rate and projected rates of increase in revenues, other income and expenses.

Principal assumptions used in the valuation of the above unquoted investments are as under:

	2025	2024
Long term growth rate	5.00%	5.00%
Cost of equity	16.00%	17.50%
Projection period	5	5
Value per share (Rs.)	10.53	8.19
Valuation technique used	Discounted Free Cash Flow to Equity	Discounted Free Cash Flow to Equity

7.2.2 The Company received 245,295 shares of LSE Capital Limited in exchange for its holding in LSE PropTech Limited under a merger scheme. These shares, along with the Company's existing 842,811 shares of LSE Ventures Limited, have been measured at fair value based on quoted market prices as of the reporting date.

		2025	2024
8. INVESTMENT PROPERTY	Note	----- Rupees -----	
Open plots of land / offices - at fair value	8.1	38,900,000	38,900,000
8.1 Open plots of land / offices - at fair value	Note	----- Rupees -----	
Opening carrying amount (at fair value)		38,900,000	202,000,000
Elimination as a result of demerger scheme		-	(155,500,000)
<i>Disposal during the year:</i>			
Sale proceeds during the year		-	(7,500,000)
Realized gain on disposal - net		-	749,029
Less: Reversal of unrealized gain upon sale	27	-	(749,029)
		-	(7,500,000)
Fair value gain on remeasurement	27	-	(100,000)
	8.1.2	38,900,000	38,900,000

8.1.1 As of June 30, 2025, the offices comprised of the following:

Offices: Offices bearing no. 60, 61, 62, 63 and 64 situated at first floor of the building complex of PSX, office bearing no. 220 situated at Lahore Stock Exchange Plaza and offices bearing no. 106 situated in the Lahore Stock Exchange - South Tower.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

- 8.1.2** The valuation of the investment property was carried out by an independent external property valuer, Asif Associates (Pvt) Limited, having appropriate recognised qualification and relevant experience according to which the aggregate fair value and forced sale value of the properties are stated below:

	Fair Value		Forced Sale Value	
	2025	2024	2025	2024
	Rupees			
- at fair value				
Offices	12,900,000	12,900,000	10,965,000	10,965,000
- at committed sale price				
Committed to sale office	26,000,000	26,000,000	N/A	N/A
	<u>38,900,000</u>	<u>38,900,000</u>	<u>10,965,000</u>	<u>10,965,000</u>

9. LONG TERM ADVANCES, DEPOSITS AND OTHER RECEIVABLE

Advance against equity

- Neem Exponential Technology Pte. Limited

Deposits

- Pakistan Stock Exchange Limited
- National Clearing Company of Pakistan Limited
- Other security deposits

Other receivable

- from employees

	2025	2024
	Rupees	
Note		
9.1	-	37,000,000
	14,900,461	500,461
	2,727,334	1,500,000
	819,911	819,911
	<u>18,447,706</u>	<u>2,820,372</u>
9.2	-	1,773,960
	<u>18,447,706</u>	<u>41,594,332</u>

- 9.1** The Company gave advance of Rs. 37,000,000 (equivalent to USD 180,000) to Neem Exponential Technology Pte. Limited, a company incorporated in Singapore, under a SAFE (Simple Agreement for Future Equity) arrangement. The advance was made with the intention of subscribing to preference shares expected to be issued by December 2024.

However, as at the reporting date, the preference shares have not been issued and the Company does not hold any legally enforceable right to either obtain the shares or seek repayment of the amount advanced. Accordingly, in line with the requirements of IFRS 9 – Financial Instruments, particularly with respect to the recognition of impairment and assessment of expected credit losses, management has determined that the amount is not recoverable. Consequently, the entire carrying amount of the advance has been written off in these financial statements.

- 9.2** This represents amount paid for the parental insurance of employees which will be recoverable at the time of their retirement and secured against their retirement benefits.

10. DEFERRED TAX – net

Deferred tax (asset) / liability in respect of:

- Capital loss on short term investments
- Other temporary differences
- Capital loss on short term investments not recognised during the year
- Net Deferred tax asset recognised

	2025	2024
	Rupees	
Note		
10.1	-	(19,971,530)
	(33,170,953)	(8,941,185)
	<u>(33,170,953)</u>	<u>(28,912,715)</u>
	-	19,971,530
	<u>(33,170,953)</u>	<u>(8,941,185)</u>

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

10.1 Deferred tax in respect of other temporary differences

Deferred tax liabilities recognized
Deferred tax asset recognized

Note	2025	2024
	Rupees	Rupees
10.1.1	27,243,870	23,599,575
10.1.2	(60,414,823)	(32,540,760)
	(33,170,953)	(8,941,185)

10.1.1 Deferred tax liabilities

Accelerated depreciation
Right-of-use assets

2025	2024
Rupees	Rupees
9,194,997	5,235,120
18,048,873	18,364,455
27,243,870	23,599,575

10.1.2 Deferred tax assets

Intangible assets
Long term investment
Short term investment
Provision for doubtful debts and other receivables
Lease liability
Deferred tax assets available for recognition

2025	2024
Rupees	Rupees
8,897,698	6,572,351
9,502,878	4,217,101
3,702,757	-
15,297,866	-
23,013,624	21,751,308
60,414,823	32,540,760

11. SHORT TERM INVESTMENTS - At fair value through profit or loss

Equity securities:
- quoted

Debt securities:
- quoted

Investment in mutual funds

Note	2025	2024
	Rupees	Rupees
11.1	1,016,271,093	484,827,933
11.2	59,429,642	65,877,709
11.3	25,882,019	-
	1,101,582,754	550,705,642

11.1 Investment in quoted equity securities

Cost of the investments

Unrealised gain / (loss):

Balance as at July 01
Unrealised gain / (loss) for the year

Balance as at June 30

2025	2024
Rupees	Rupees
1,028,862,227	513,845,829
(29,017,896)	(7,691,860)
16,426,762	(21,326,036)
(12,591,134)	(29,017,896)
1,016,271,093	484,827,933

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

11.2 Investment in quoted debt securities

	2025	2024
	----- Rupees -----	
Cost of investment	62,423,521	66,566,383
Unrealised gain / (loss):		
Balance as at July 01	(688,674)	(3,063,629)
Unrealised gain / (loss) for the year	(2,305,205)	2,374,955
	(2,993,879)	(688,674)
Balance as at June 30	59,429,642	65,877,709

11.2.1

11.2.1 These represent the investments in Term Finance (TFC) and Sukuk Certificates made under Market Making arrangements. The Company has entered into such arrangements in accordance with Chapter 12 of PSX Rule Book with various Financial and Corporate Institution. Under the arrangements, the Company has to maintain minimum inventory of TFCs and Sukuks to place bid & offer on daily basis. These TFCs and Sukuks carry coupon rate ranging from 3 month KIBOR + 1.6% to 1.7% (2024: 3 month KIBOR + 1.5% to 1.7%), 6 month KIBOR + 1.5% to 2.25% (6 month KIBOR + 1.4% to 2.25%) calculated on the face value of the respective TFCs or Sukuks that is payable quarterly / semi annually.

11.3 Investment in mutual funds

	2025	2024
	----- Rupees -----	
Cost of investment	25,108,032	-
Unrealised gain / (loss):		
Balance as at July 01	-	-
Unrealised gain for the year	773,987	-
	773,987	-
Balance as at June 30	25,882,019	-

12. TRADE DEBTS

	2025	2024
	----- Rupees -----	
<i>Gross receivables</i>		
Equity brokerage - secured	371,115,373	284,667,075
- unsecured	901,649,945	879,031,666
	1,272,765,318	1,163,698,741
Inter bank brokerage - unsecured	46,862,359	33,566,485
Advisory and consultancy fee - unsecured	56,379,269	109,493,747
	1,376,006,946	1,306,758,973
<i>Less: Provision for expected credit losses</i>		
Equity brokerage - unsecured	(901,649,945)	(879,031,666)
Inter bank brokerage - unsecured	(8,450,187)	(5,972,463)
Advisory and consultancy fee - unsecured	(30,775,111)	(77,255,993)
	(940,875,243)	(962,260,122)
	435,131,703	344,498,851

12.1

12.2

12.1 Gross receivables - Equity brokerage

12.1.1 These receivables include Rs. 89.231 million (2024: Rs. 10.380 million) due from the related parties. The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs. 242.709 million (2024: Rs. 15.738 million).

12.1.2 The Company holds capital securities having fair value of Rs. 42,127 million (2024: Rs. 146,942 million) owned by its clients, as collaterals against trade debts.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

12.2 Movement in provision for expected credit losses

		2025	2024
	Note	----- Rupees -----	----- Rupees -----
Balance at the beginning of the year		962,260,122	949,633,030
Provision written off during the year		(51,627,743)	-
Charge for the year	29	30,242,864	12,627,092
Balance at the end of the year		940,875,243	962,260,122

13. RECEIVABLE AGAINST MARGIN FINANCING

		2025	2024
	Note	----- Rupees -----	----- Rupees -----
Considered good	13.1	270,374,543	117,387,003

13.1 Margin financing facility is provided to clients on markup basis ranging from 14.00% to 29.50% (2024: 25.00% to 29.50%) per annum.

14. ADVANCES, DEPOSITS AND PREPAYMENTS

		2025	2024
	Note	----- Rupees -----	----- Rupees -----
<i>Advances</i>			
Advance to consultant	14.1	99,760	99,760
Advance against expenses		3,273,800	3,273,801
Advance against salary		867,856	1,558,349
		4,241,416	4,931,910
<i>Trade deposits</i>			
Exposure deposit with National Clearing Company of Pakistan Limited (NCCPL)	14.2	280,251,129	179,308,766
<i>Prepayments</i>			
Insurance		8,338,872	840,999
		292,831,417	185,081,675

14.1 This represents advance payment made to a consultant in respect of consultancy services on corporate finance projects.

14.2 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.

15. OTHER RECEIVABLES

		2025	2024
	Note	----- Rupees -----	----- Rupees -----
Receivable from Arif Habib Corporation Limited	15.1	-	800,437,464
Receivable from Rayaan Commodities (Private) Ltd.	15.2 & 41.3	609,455	609,455
Receivable against reverse repo arrangements	15.3	332,714,627	190,940,196
Others		2,767,491	6,796,579
		336,091,573	998,783,694

15.1 These represent liabilities that were part of the demerged undertaking and were settled during the year.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

15.2 This represents receivable against reimbursable expenses. Closing balance represents maximum aggregate amount outstanding at any time during the year calculated by reference to month-end balances.

15.3 Receivable against reverse repo arrangements

Ahsan Ahmed Khawaja
Roomi Fabrics Limited & Masood Fabrics Limited

2025	2024
----- Rupees -----	
219,783,120	190,940,196
112,931,507	-
<u>332,714,627</u>	<u>190,940,196</u>

16. TAXATION - net

Note	2025	2024
	----- Rupees -----	
16.1	<u>(212,423,680)</u>	<u>2,594,059</u>

16.1 Movement for the year

As at July 01,

Charge for the year

- current year
- prior year

Levies

Taxes paid during the year
As at June 30,

Note	2025	2024
	----- Rupees -----	
	2,594,059	15,457,413
33	(394,102,169)	(159,816,769)
33	510,327	3,464,521
	(393,591,842)	(156,352,248)
32	(2,757,811)	(2,953,850)
	(393,755,594)	(143,848,685)
	181,331,914	146,442,744
16.2	<u>(212,423,680)</u>	<u>2,594,059</u>

16.2 This includes a provision for Super Tax under sections 4B and 4C of the Income Tax Ordinance, 2001 (ITO, 2001) as under:

Super Tax u/s 4B of ITO, 2001
Super Tax u/s 4C of ITO, 2001

Note	2025	2024
	----- Rupees -----	
16.2.1	47,391,331	47,391,331
16.2.2	195,690,348	58,715,955
	<u>243,081,679</u>	<u>106,107,286</u>

16.2.1 The Company has been contesting Civil Suit No. 2596 of 2015 against levy of "Super Tax" u/s 4B of the Income Tax Ordinance, 2001 introduced through Finance Act, 2015 in the High Court of Sindh. The High Court has granted stay and directed that no coercive action be taken for recovery from the Company. The said stay is still in force and the Company has recorded a provision till tax year 2018.

16.2.2 This includes a provision for Super Tax under section 4C of the Income Tax Ordinance, 2001 in respect of tax years 2023, 2024 and 2025 amounting to Rs. 23.15 million, Rs. 35.56 million and Rs. 137.15 million, respectively.

Further, the Company is contesting Appeal No. 604/2025 before the Supreme Court of Pakistan regarding the provision of Super Tax under Section 4C for the financial years 2023 and 2024. The constitutionality of this levy is currently under review by the Supreme Court, subsequent to a favorable judgment for taxpayers delivered by the Islamabad High Court in Commissioner Inland Revenue v. Pakistan Oilfields Ltd. and others (2024 SLD 3993). Based on legal precedent and professional advice, the Management remains confident of a favorable outcome before the Supreme Court.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

17. CASH AND BANK BALANCES

		2025	2024
	Note	----- Rupees -----	
Cash in hand		708,385	746,630
Cash held in central depository company		8,436,406	6,908,525
<i>Cash at bank</i>			
- current accounts	17.1	237,389,482	442,929,838
- savings accounts	17.2	3,482,182,096	2,741,576,629
		3,719,571,578	3,184,506,467
		<u>3,728,716,369</u>	<u>3,192,161,622</u>

17.1 The return on these balances is 7.46% to 19.1% (2024: 8% to 19.5%) per annum on daily product basis.

17.2 Bank balances include customers' bank balances held in designated bank accounts amounting to Rs. 3,673.332 million (2024: Rs. 3,107.776 million).

18. AUTHORIZED, ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2025	2024		2025	2024
----- (Number of shares) -----			----- Rupees -----	
<u>75,000,000</u>	<u>75,000,000</u>	Authorized capital	<u>750,000,000</u>	<u>750,000,000</u>
		Ordinary shares of Rs. 10/- each		
<u>10,800,000</u>	<u>10,800,000</u>	Issued, subscribed and paid up capital	<u>108,000,000</u>	<u>108,000,000</u>
<u>54,540,000</u>	<u>54,540,000</u>	Ordinary shares of Rs. 10/- each	<u>545,400,000</u>	<u>545,400,000</u>
<u>65,340,000</u>	<u>65,340,000</u>	Issued for cash	<u>653,400,000</u>	<u>653,400,000</u>
		Issued as bonus shares		

18.1 As of June 30, 2025, the Parent Company held 48,558,633 (2024: 47,648,522) ordinary shares of Rs. 10 each.

18.2 There is only one class of ordinary shares.

18.3 There are no agreements among shareholders in respect of voting rights, board selection, rights of first refusal, and block voting.

19. SURPLUS ON REVALUATION OF PROPERTY

In the year 2015, the Company reclassified leasehold offices to investment property. Accordingly, surplus on revaluation of properties was recognized in accordance with IAS 40 "Investment Property". This Surplus is not available for Distribution.

20. LEASE LIABILITY

		2025	2024
	Note	----- Rupees -----	
Rented premises	20.1	52,048,121	75,004,512
Leased vehicles	20.2	6,961,172	-
		59,009,293	75,004,512
Current portion of lease liability	20.1 & 20.2	(33,456,840)	(31,137,864)
		<u>25,552,453</u>	<u>43,866,648</u>

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

20.1 Rented premises

As at July 01,
Additions during the year
Finance cost charged during the year
Payment during the year
As at June 30,

Less: Current portion
Non-current portion

Note	2025	2024
	Rupees	Rupees
	75,004,512	3,027,335
	-	87,523,345
31.2.1	13,906,757	17,245,125
	(36,863,148)	(32,791,293)
	52,048,121	75,004,512
	(31,961,481)	(31,137,864)
	20,086,640	43,866,648

20.2 Leased vehicles

As at July 01,
Additions during the year
Finance cost charged during the year
Payment during the year
As at June 30,

Less: Current portion
Non-current portion

Note	2025	2024
	Rupees	Rupees
	-	-
	7,192,000	-
	155,772	-
31.2.1	(386,600)	-
	6,961,172	-
	(1,495,359)	-
	5,465,813	-

21. SHORT TERM BORROWINGS

From banking companies
- Running finance

Note	2025	2024
	Rupees	Rupees
21.1	861,773,903	664,317,881

21.1 Running finance arrangements from banking companies - secured

21.1.1 Short term running finance facilities are available from various commercial banks, under mark-up arrangements, amounting to Rs. 3,150 million (2024: Rs. 5,000 million). These facilities have various maturity dates up to May 31, 2026 (2024: May 31, 2025). These arrangements are secured against pledge of marketable securities. These running finance facilities carry mark-up ranging from 1 month KIBOR + 0.5% to 1.0%, 3 month KIBOR + 0.75% to 1.5% (2024: 1 month KIBOR + 0.5% to 1.0%, 3 month KIBOR + 0.50% to 1.5%) calculated on a daily product basis that is payable quarterly.

21.1.2 Fair value of shares pledged with banking companies against various short term running finance facilities and bank guarantees as at June 30, 2025 amounted to Rs. 10,152.89 million (2024: Rs. 7,799.35 million). Total value of securities pledged with financial institutions, indicating separately securities belonging to customers, is as under:

	June 30, 2025		June 30, 2024	
	Number of securities	Amount (Rupees)	Number of securities	Amount (Rupees)
Clients	100,850,000	10,025,498,500	129,150,000	6,666,723,000
House	10,000,000	127,400,000	164,900,000	1,132,626,000
Total	110,850,000	10,152,898,500	294,050,000	7,799,349,000

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

21.2 Financing facility from Sponsor

	2025	2024
	----- Rupees -----	
Opening balance	-	-
Add: Finance obtained during the year	1,250,000,000	-
Less: Repayments made during the year	(1,250,000,000)	-
Closing balance	-	-

21.2.1 The Company obtained an unsecured financing facility of Rs. 2.2 billion from Mr. Arif Habib to meet its working capital requirements. The loan carried a fixed interest rate ranging from 16.5% to 15.25% per annum, payable quarterly, and was repayable within 30 days upon notice of demand.

21.3 Financing facility from Parent

	2025	2024
	----- Rupees -----	
Opening balance	-	-
Add: Finance obtained during the year	1,585,000,000	-
Less: Repayments made during the year	(1,585,000,000)	-
Closing balance	-	-

21.3.1 The Company obtained an unsecured financing facility of Rs. 2.5 billion from Parent company to meet its working capital requirements. The loan carried a fixed interest rate ranging from 15% per annum, payable quarterly, and was repayable within 30 days upon notice of demand.

22. TRADE AND OTHER PAYABLES

	Note	2025	2024
		----- Rupees -----	
Creditors			
Bonus/Commission payable	22.1	3,422,256,355	3,023,733,425
Advance from customers	22.2	256,636,235	233,243,989
Future profit withheld		3,220,169	899,847
Accrued expenses		21,379,538	21,123,253
Withholding tax payable		46,451,149	16,897,421
Sindh sales tax and federal excise duty payable		301,207,602	106,688,703
Advance against committed sale of investment property		6,220,599	14,653,555
Payable against reverse repo transaction	22.3	26,000,000	26,000,000
Provident fund payable	22.4	228,126	-
Other liabilities		1,833,730	-
		2,467,395	4,381,557
		4,087,900,898	3,447,621,750

22.1 This includes Rs. 18.18 million (2024: Rs. 250.60 million) payable to related parties.

22.2 This includes Rs. 157.841 million (2024: Rs. 102 million) payable to related parties.

22.3 This represents an advance received from M/s. Rayaana Commodities (Private) Limited, a subsidiary company, amounting to Rs. 26 million against the agreed sale of four office units located on the 1st floor of the Stock Exchange Building, as per an agreement executed in July 2019. The full consideration has been received by the Company and possession of the property has been handed over to the buyer. The transfer of legal title in the name of the buyer will be completed in due course of time.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

- 22.4** This represents amount payable to M/s. Ranipur Sugar Mills (Private) Limited for amount realized, over and above of the receivable, on disposal of collateral held against reverse repo transaction. Out of total, Rs. 202.285 million has been paid and the remaining amount is standing as payable.

23. ACCRUED MARKUP

Payable to parent

Short term loan

Guarantee charges

Payable to banks

Short term borrowing

	2025	2024
	----- Rupees -----	
	1,697,579	-
	2,960,403	-
	4,657,982	-
	2,814,984	-
	7,472,966	-

24. CONTINGENCIES AND COMMITMENTS

24.1 Contingent liability existing as at the reporting date

The Company has been contesting a demand of Rs. 49.988 million raised against its non-taxable services vide order issued on September 12, 2014 by the Assistant Commissioner, Sindh Revenue Board. The Company filed an appeal against the impugned order in the appropriate forums and, accordingly, a stay was granted to the Company against the impugned order. During the year 2018, the Appellate Tribunal Sindh Revenue Board remanded the case to the learned Commissioner (Appeals) for decision denovo on merits in terms of note / opinion recorded by the Member Technical. The Company's legal counsel is of the view that the Company has a favorable case based on merit. Accordingly, the Company has not made any provision of the said amount in these unconsolidated financial statements.

24.2 Commitments

Following commitments were outstanding as at the reporting date:

- Outstanding settlements against Margin Trading contracts
- Outstanding settlements against sale / purchase of securities in regular market - net
- Financial guarantees given by commercial banks on behalf of the Company

	2025	2024
	----- Rupees -----	
	547,484,128	138,417,338
	449,688,074	97,136,093
	1,050,000,000	750,000,000

25. OPERATING REVENUE

Brokerage and advisory revenue
Markup and dividend income

		2025	2024
		----- Rupees -----	
	25.1	1,431,153,715	1,032,201,176
	25.2	105,849,297	87,518,889
		1,537,003,012	1,119,720,065

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

25.1 Brokerage and advisory revenue

	2025	2024
	Rupees	
Equity brokerage revenue	1,141,967,496	699,256,979
Inter bank brokerage revenue	196,368,820	184,383,437
Advisory and consultancy fee	307,490,456	282,746,913
	<u>1,645,826,772</u>	<u>1,166,387,329</u>
Less: Sales tax	<u>(214,673,057)</u>	<u>(134,186,153)</u>
	<u>1,431,153,715</u>	<u>1,032,201,176</u>

25.1.1 Break up – Inter bank brokerage revenue

	2025	2024
	Rupees	
Forex income	12,481,980	8,869,393
Money market income	183,886,840	175,514,044
	<u>196,368,820</u>	<u>184,383,437</u>

25.2 Markup and dividend income

	2025	2024
	Rupees	
Markup on margin financing	80,535,160	49,928,245
Dividend income on investment in equity securities	14,792,078	11,811,378
Markup on corporate debt securities	10,522,059	25,779,266
	<u>105,849,297</u>	<u>87,518,889</u>

26. NET CHANGE IN UNREALIZED (LOSS) / GAIN ON INVESTMENTS

	2025	2024
	Rupees	
Long term investments	12,656,853	(726,580)
Short term investments	<u>(4,602,786)</u>	<u>(18,951,081)</u>
	<u>8,054,067</u>	<u>(19,677,661)</u>

26.1 It includes an unrealized loss of Rs. 17.145 million on a future contract with the settlement date of July 29, 2025.

27. NET CHANGE IN UNREALIZED LOSS ON INVESTMENT PROPERTY

	2025	2024
	Rupees	
(Decrease) / Increase in fair value of open plots / offices held at year end	-	(100,000)
Less: Decrease in unrealized gain upon sale	-	(749,029)
	<u>-</u>	<u>(849,029)</u>

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

28. ADMINISTRATIVE AND OPERATING EXPENSES

		2025	2024
	Note	Rupees	Rupees
Salaries and other benefits	28.1	1,130,003,843	708,527,779
Motor vehicle and travelling expense		75,209,234	59,247,405
CDC and clearing house charges		56,237,202	25,169,842
Building maintenance		44,571,136	36,541,579
Depreciation on property and equipment	4	14,868,464	13,819,696
Depreciation on right-of-use assets	5	26,036,545	26,477,305
Man power services	28.2	18,962,864	20,714,800
Communication		33,823,500	23,953,435
Legal and professional charges		5,786,382	7,582,664
Insurance		17,224,580	12,040,185
Repairs and maintenance		18,567,280	9,694,615
Fees and subscription		32,377,364	30,093,000
Printing and stationery		3,392,801	3,278,051
Business representation		9,123,422	5,237,246
Rent, rates and taxes		2,908,185	1,250,960
Auditors' remuneration	28.3	2,450,000	2,100,000
Advertisement and business promotion		2,506,357	1,667,675
Conveyance and meals		5,336,469	5,289,306
Meeting expenses		1,013,630	1,650,000
Amortization on intangible assets	6.1	151,330	278,907
Donation	28.4	1,267,000	-
Others		11,573,800	7,959,215
		<u>1,513,391,388</u>	<u>1,002,573,665</u>

28.1 Salaries and other benefits

		2025	2024
	Note	Rupees	Rupees
Salaries and other benefits	28.1.1	235,150,377	221,677,519
Commission & Bonus		894,853,466	486,850,260
		<u>1,130,003,843</u>	<u>708,527,779</u>

28.1.1 Salaries and benefits include Rs. 10.40 million (2024: Rs. 10.05 million) in respect of provident fund contribution.

28.2 These represent charges paid to M/s. Arif Habib Consultancy (Private) Limited, a related party, in respect of recruitment services obtained for providing senior and highly qualified consultants to lead the Company's investment banking department.

28.3 Auditors' remuneration

		2025	2024
		Rupees	Rupees
Annual audit fee		1,400,000	1,200,000
Half yearly review		500,000	400,000
Review of compliance with Code of Corporate Governance		250,000	200,000
Other certifications		300,000	300,000
		<u>2,450,000</u>	<u>2,100,000</u>

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

28.4 Donation

None of the directors or their spouse had any interest in the donees. Further, the particulars of the parties to whom donation paid exceeds Rs. 1 million or 10% of the total donation, whichever is higher, are as follows:

	2025	2024
	----- Rupees -----	
Million Smiles Foundation	1,032,000	-
Others	235,000	-
	<u>1,267,000</u>	<u>-</u>

29. OTHER CHARGES

Provision for expected credit losses on trade debts
Loss on sale of asset
Advance against equity written off
Other

Note	2025	2024
	----- Rupees -----	
12.2	30,242,864	12,627,092
	57,113	402,588
9.1	37,000,000	-
	-	1,663,198
	<u>67,299,977</u>	<u>14,692,878</u>

30. OTHER INCOME

Markup on reverse repo transaction
Profit on savings accounts
Profit on exposure deposit

	2025	2024
	----- Rupees -----	
	49,458,454	32,144,885
	308,043,504	338,585,959
	17,952,341	35,451,779
	<u>375,454,299</u>	<u>406,182,623</u>

31. FINANCE COSTS

Markup on short term borrowings
Other finance costs

Note	2025	2024
	----- Rupees -----	
31.1	49,229,188	66,811,214
31.2	36,337,956	31,168,822
	<u>85,567,144</u>	<u>97,980,036</u>

31.1 Markup on short term borrowings

Markup on borrowing from banking companies

Markup on borrowing from related parties:
- M/s. Arif Habib Corporation Limited
- Mr. Arif Habib

	2025	2024
	----- Rupees -----	
	14,859,875	66,811,214
	27,680,651	-
	6,688,662	-
	34,369,313	-
	<u>49,229,188</u>	<u>66,811,214</u>

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

31.2 Other finance costs

Finance cost on lease liability
Markup on MTS securities
Bank charges
Guarantee charges to Parent Company

Note	2025	2024
	Rupees	Rupees
31.2.1	14,062,529	17,245,125
	2,704,431	1,721,732
	15,924,210	12,201,965
	3,646,786	-
	<u>36,337,956</u>	<u>31,168,822</u>

31.2.1 Finance cost on lease liability

Rented premises
Leased vehicle

2025	2024
Rupees	Rupees
13,906,757	17,245,125
155,772	-
<u>14,062,529</u>	<u>17,245,125</u>

32. LEVIES

Income tax - Final tax regime
Income tax - Tax on deemed rental income u/s 7E

2025	2024
Rupees	Rupees
2,368,811	2,564,850
389,000	389,000
<u>2,757,811</u>	<u>2,953,850</u>

33. TAXATION

Current tax
- for the year
- for prior year

Deferred

2025	2024
Rupees	Rupees
394,102,169	159,816,769
(510,327)	(3,464,521)
393,591,842	156,352,248
(24,229,768)	(5,977,246)
<u>369,362,074</u>	<u>150,375,002</u>

33.1 Relationship between tax expense and accounting profit

Profit before taxation

Tax at the applicable rate of 29% (2024: 29%)

Tax effect of:

- income under Presumptive Tax Regime
- income under Final Tax Regime
- exempt income / permanent differences
- realized and unrealized capital losses on short term investments
- unrealized capital loss on long term investment
- unrealized capital gain on investment property
- prior year charge
- super tax under section 4C of Income Tax Ordinance, 2001
- tax on deemed income under section 7E of Income Tax Ordinance, 2001
- amount transferred to levies
- other miscellaneous items

2025	2024
Rupees	Rupees
1,351,381,873	765,275,592
391,900,743	221,929,922
(1,920,892)	(1,323,777)
-	(3,495,897)
-	(217,217)
(133,623,157)	(103,079,358)
(8,956,264)	(4,006,393)
-	246,218
(510,327)	(3,464,521)
137,149,893	35,563,196
(2,757,811)	-
(11,920,111)	(2,953,850)
<u>369,362,074</u>	<u>150,375,002</u>

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

33.2 Except for the matters disclosed in note 16.2.1 and 16.2.2, income tax assessments of the Company are deemed to be finalized as per tax returns file up to tax year 2024. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.

34. EARNINGS PER SHARE – BASIC AND DILUTED

34.1 Basic earnings per share

	2025	2024
	----- Rupees -----	
Profit after taxation	<u>979,261,988</u>	<u>611,946,740</u>
	----- Number of shares -----	
Weighted average number of ordinary shares outstanding during the year	<u>65,340,000</u>	<u>65,340,000</u>
	----- Rupees -----	
Earnings per share – basic	<u>14.99</u>	<u>9.37</u>

34.2 Diluted earnings per share

There is no dilutive effect on the basic earnings per share of the Company, since there were no potential ordinary shares in issue as at June 30, 2025 and June 30, 2024.

35. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting year as shown in the unconsolidated statement of cash flows are reconciled to the related items in the unconsolidated statement of financial position as follows:

	Note	2025	2024
		----- Rupees -----	
Cash and bank balances	17	<u>3,728,716,369</u>	<u>3,192,161,622</u>
Short term borrowings from banking companies	21	<u>(861,773,903)</u>	<u>(664,317,881)</u>
- running finance		<u>2,866,942,466</u>	<u>2,527,843,741</u>

36. RELATED PARTY TRANSACTIONS AND BALANCES

36.1 Related parties comprise of group companies (the Parent Company, fellow subsidiary and the subsidiaries), key management personnel and directors of the Company and their close family members, and the staff provident fund. Remuneration of the Chief Executive and Directors is disclosed in note 37 to these unconsolidated financial statements. Transactions entered into, and balances held with, related parties during the year, are as follows:

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

PARENT COMPANY

Arif Habib Corporation Limited

Transaction during the year

Brokerage commission earned on sale and purchase of securities
Guarantee charges
Markup on Borrowing

Balances at the year end

Trade receivable at year end
Guarantee charges payable
Mark-up Payable

2025

2024

----- Rupees -----

8,780,636	2,805,169
3,646,786	-
27,680,000	-
606,493	50,666
2,960,403	-
1,697,579	-

SUBSIDIARY

Rayaan Commodities (Private) Limited

Transaction during the year

Brokerage commission earned on sale and purchase of securities
Amount received against sale of investment property
Advance recovered

Balances at the year end

Advance received against sale of investment property
Trade payable at year end
Trade receivable at year end
Receivable against reimbursable expenses

2025

2024

----- Rupees -----

82,270	529,471
-	8,489,445
-	2,000,000
26,000,000	26,000,000
915,896	-
-	9,204,406
609,455	609,455

KEY MANAGEMENT PERSONNEL

Zafar Alam (Chairman)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade payable at year end

Muhammad Shahid Ali (CEO)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade payable at year end

Muhammad Haroon (Ex.Director)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade payable at year end

Muhammad Sohail Salat (Director)

Balances at the year end

Trade receivable at year end

2025

2024

----- Rupees -----

1,865,570	412,257
292,130	51,359
16,031,929	12,062,351
10,402,597	249,003,382
453,611	464,832
2,557,913	17,055
2,699	1,899

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

Sharmin Shahid (Director)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade receivable at year end

Mohsin Madni (Ex. Director)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade payable at year end

2025	2024
----- Rupees -----	
3,833,706	500,000
11,970,058	43,263
1,407,754	160,166
3,925,501	289,099

CLOSE FAMILY MEMBERS OF KEY MANAGEMENT PERSONNEL

Arif Habib

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Loan obtained

Loan repaid

Markup on loan

Balances at the year end

Trade receivable at year end

Nida Ahsan (Ex. Director)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade payable at year end

Trade receivable at year end

Abdus Samad A. Habib

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade receivable at year end

Muhammad Kashif A. Habib

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade receivable at year end

2025	2024
----- Rupees -----	
1,247,871	7,590,190
1,250,000,000	-
1,250,000,000	-
6,688,662	-
34,643	30,318
6,789,232	1,012,821
24,341	24,341
606,116	609,448
3,828,210	630,889
7,983,025	87,860
500,875	6,500
200,244	244

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

OTHER RELATED PARTIES

Javedan Corporation Limited

Transaction during the year

Brokerage commission earned on sale and purchase of securities
Received against sale of investment property

Balances at the year end

Trade receivable at year end

Arif Habib Dolmen REIT Management Limited

Balances at the year end

Trade receivable at year end

Rotocast Engineering Co. (Private) Limited

Transaction during the year

Rent paid

Balances at the year end

Trade receivable at year end

Fatima Fertilizer Company Limited

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade receivable at year end

Trade payable at year end

Arif Habib Equity (Private) Limited

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade receivable at year end

Arif Habib Provident Fund Trust

Transaction during the year

Contribution paid during the year

Balances at the year end

Trade payable at year end

	2025	2024
	----- Rupees -----	
	276,000	-
	-	5,126,734
	1,550,506	270,192
	2,456	2,456
	35,876,484	30,263,478
	68,469	43,550
	13,848,293	2,815,316
	2,819,994	-
	-	1,218,070
	3,791,393	857,821
	63,387,271	35,464
	10,410,735	10,065,774
	1,833,730	-

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

37. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these unconsolidated financial statements for remuneration, including certain benefits to Chief Executive, Directors and executives of the Company, are as follows:

		Chief Executive		Directors		Other Executives	
		2025	2024	2025	2024	2025	2024
Note		----- Rupees -----					
Managerial remuneration		13,378,848	12,593,844	-	-	94,362,255	83,325,874
Contribution to provident fund		650,004	641,670	-	-	5,210,182	3,870,844
Medical allowance		519,996	513,330	-	-	9,079,884	3,466,650
Commission / Bonus	37.1	157,841,857	118,208,056	-	-	623,655,393	305,779,446
Meeting fees		-	-	950,000	1,200,000	-	-
		172,390,705	131,956,900	950,000	1,200,000	732,307,714	396,442,814
Number of persons		1	1	4	5	26	20

37.1 The amount of Rs. 157.841 million represents the commission to the CEO equivalent to 17% of the Profit after tax, calculated before accounting for the commission impact.

38. FINANCIAL INSTRUMENTS

38.1 Financial risk analysis

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

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

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

Exposure to credit risk

Credit risk of the Company mainly arises from deposits with banks and financial institutions, trade debts, receivable against margin financing, short term loans, deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their net worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

The Company's management, as part of risk management policies and guidelines, reviews clients' financial position, considers past experience, obtain authorized approvals and arrange for necessary collaterals in the form of equity securities to reduce credit risks and other factors. These collaterals are subject to market risk which ultimately affects the recoverability of debts. Further, credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies, investment and operational guidelines approved by the Board of Directors.

The carrying amount of financial assets represent the maximum credit exposure at the reporting date, are detailed as follows:

	Note	2025	2024
		----- Rupees -----	
Long-term advances, deposits and other receivable		18,447,706	41,594,332
Short term investment in corporate debt securities		59,429,642	65,877,709
Trade debts	(a) & (b)	435,131,703	344,498,851
Receivable against margin financing		270,374,543	117,387,003
Short term deposits		280,251,129	179,308,766
Accrued markup on margin financing		8,448,874	4,526,291
Other receivables		336,091,573	998,783,694
Receivable against trading of securities - net		683,091,537	-
Bank balances		3,719,571,578	3,184,506,467
		<u>5,810,838,285</u>	<u>4,936,483,113</u>

(a) Trade debts were due from local clients.

(b) The Company held equity securities having fair value of Rs. 42,127 million (2024: Rs. 146,942 million) owned by its clients, as collaterals against trade debts - brokerage and operating.

	2025		2024	
	Gross carrying amount	Provision for expected credit losses	Gross carrying amount	Provision for expected credit losses
	----- Rupees -----			
Not past due	107,455,749	-	159,964	-
Past due 1 day - 30 days	172,623,256	5,544,613	13,027,356	3,642,942
Past due 31 days - 180 days	112,192,177	17,634,270	132,533,086	5,181,696
Past due 181 days - 365 days	17,934,434	7,128,000	176,356,134	5,899,030
More than one year	965,801,330	910,568,360	984,682,433	947,536,454
	<u>1,376,006,946</u>	<u>940,875,243</u>	<u>1,306,758,973</u>	<u>962,260,122</u>

No impairment has been recognized except as disclosed in respect of these debts as the security against the same is adequate or counter parties have sound financial standing.

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

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

Banks / other institutions	Short term rating	Credit rating agency	2025	2024
			----- Rupees -----	
Allied Bank Limited	A1+	PACRA	22,759,571	22,638,634
Askari Bank Limited	A1+	PACRA	16,631,524	7,311,548
Bank Al-Falah Limited	A1+	PACRA	12,297,600	94,680,152
Bank Al-Habib Limited	A1+	PACRA	2,557,881,658	969,323,978
Bank Islami Pakistan Limited	A1	PACRA	2,664,804	84,565
Bank of Khyber	A1	VIS	130,316	19,416
Bank of Punjab	A1+	PACRA	1,804,121	1,633,433
Dubai Islamic Bank Limited	A1+	VIS	30,912,501	41,796,955
Faysal Bank Limited	A1+	PACRA	1,560,846	4,375,978
Habib Bank Limited	A1+	VIS	129,447,666	329,872,006
Habib Metropolitan Bank Limited	A1+	PACRA	293,099,790	1,251,478,011
JS Bank Limited	A1+	PACRA	7,600,439	4,402,143
MCB Bank Limited	A1+	PACRA	29,914,619	47,669,561
Meezan Bank Limited	A-1+	VIS	202,860,870	217,758,988
National Bank of Pakistan	A1+	VIS	103,619,215	3,803,318
United Bank Limited	A-1+	VIS	15,656	14,932
Sindh Bank Limited	A-1+	VIS	58,906,811	57,539,320
Soneri Bank Limited	A1+	PACRA	5,600,738	11,499,829
Standard Chartered Bank	A1+	PACRA	1,844,985	9,331,332
Bank Makramah Limited	-	-	160,577,996	75,749,661
United Bank Limited	A1+	VIS	79,439,851	33,522,707
Central Depository Company	A-1	VIS	8,436,406	6,908,525
			3,728,007,983	3,191,414,992

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

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

38.1.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of adequate funds through committed credit facilities and the ability to close out market positions due to dynamic nature of the business. The Company finances its operations through equity and borrowings with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

On the reporting date, the Company had cash and bank balance amounting to Rs. 3728.716 million (2024: Rs. 3,192.161 million) unutilized credit lines Rs. 7,988 million (2024: Rs. 10,536 million) and liquid assets in the form of short term securities amounting to Rs.1,016.271 million (2024: Rs. 484.827 million)

The following are the contractual maturities of financial liabilities, including estimated interest payments (except interest payments on short term borrowings and loan from a related party):

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

		30-Jun-25				
		Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years
		Rupees				
Financial liabilities						
Lease liability		59,009,293	69,191,443	20,116,067	21,831,488	27,243,888
Running finance arrangements from banking companies		861,773,903	861,773,903	861,773,903	-	-
Accrued markup		7,472,966	7,472,966	7,472,966	-	-
Trade and other payables		3,749,418,798	3,749,418,798	3,749,418,798	-	-
		<u>4,677,674,960</u>	<u>4,687,857,110</u>	<u>4,638,781,734</u>	<u>21,831,488</u>	<u>27,243,888</u>
		30-Jun-24				
		Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years
		Rupees				
Financial liabilities						
Lease liability		75,004,512	76,020,080	9,441,780	12,308,723	54,269,577
Running finance arrangements from banking companies		664,317,881	664,317,881	664,317,881	-	-
Trade and other payables		3,299,379,645	3,299,379,645	3,299,379,645	-	-
Payable against purchase of securities - net		198,721,206	198,721,206	198,721,206	-	-
		<u>4,237,423,244</u>	<u>4,238,438,812</u>	<u>4,171,860,512</u>	<u>12,308,723</u>	<u>54,269,577</u>

38.1.3 Market risk

Market risk means that the future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, equity prices and interest rates. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risks: foreign currency risk, price risk and interest rate risk. The market risks associated with the Company's business activities are discussed as under:

i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As of the reporting date, the Company was not exposed to currency risk since there were no foreign currency transactions and balances at the reporting date.

ii) Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/ mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. Presently, daily stock market fluctuation is controlled by government authorities with cap and floor of 7.5% or Rs. 1 whichever is higher. The restriction of floor prices reduces the volatility of prices of equity securities and the chances of market crash at any moment. The Company manages price risk by monitoring the exposure in quoted securities and implementing the strict discipline in internal risk management and investment policies, which includes disposing of its own equity investment and collateral held before it led the Company to incur significant mark-to-market and credit losses. As of the reporting date, the Company was exposed to price risk since it had investments in quoted securities amounting to Rs. 1,016.271 million (2024: Rs. 484.827 million) and also because the Company held collaterals in the form of equity securities against their debtor balances.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

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

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

Analysis of short term investment in quoted equity securities by business sector is as follows:

	June 30, 2025		June 30, 2024	
	(Rupees)	%	(Rupees)	%
Engineering	128,201,790	12.61%	1,272,115	0.26%
Food & Personal Care Products	60,438,665	5.95%	31,732,897	6.55%
Oil & Gas	125,019,547	12.30%	31,217,945	6.44%
Automobile Assembler	46,088,747	4.54%	-	0.00%
Textile	24,886,676	2.45%	8,217,600	1.69%
Fertilizer	51,560,995	5.07%	1,780,240	0.37%
Commercial Banks	86,244,569	8.49%	58,786,372	12.13%
Cement	216,557,608	21.31%	43,322,575	8.94%
Property	27,755,724	2.73%	7,079,400	1.46%
Technology & Communication	65,800,855	6.47%	43,844,525	9.04%
Power Generation	9,229,887	0.91%	-	0.00%
Refinery	41,129,749	4.05%	154,672,405	31.90%
Cable & Electrical Goods	13,664,300	1.34%	3,249,365	0.67%
Miscellaneous	119,691,981	11.78%	99,652,494	20.55%
	<u>1,016,271,093</u>	<u>100.00</u>	<u>484,827,933</u>	<u>100.00</u>

Sensitivity analysis:

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

		Fair value	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase / (decrease) in shareholders' equity	Hypothetical increase / (decrease) in profit / (loss) after tax	Hypothetical increase / (decrease) in Other comprehensive income
June 30, 2025	Rupees	1,101,582,754	10% increase 10% decrease	1,211,741,029 991,424,479	93,634,534 (93,634,534)	93,634,534 (93,634,534)	- -
June 30, 2024	Rupees	550,705,642	10% increase 10% decrease	605,776,206 495,635,078	46,809,979 (46,809,979)	46,809,979 (46,809,979)	- -

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

iii) Interest rate risk

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The short term borrowing arrangements have variable rate pricing that is dependent on the Karachi Inter Bank Offer Rate (KIBOR) as indicated in note 21 to these unconsolidated financial statements.

Financial assets and liabilities include balances of Rs. 4,144.701 million (2024: Rs. 3,115.782 million) and Rs. 861.774 million (2024: Rs. 664.318 million) respectively, which are subject to interest / markup rate risk. Applicable interest / mark-up rates for financial assets and liabilities have been indicated in respective notes.

At the reporting date, the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

	2025	2024	2025	2024
	Effective interest rate (%)		Carrying amounts (Rs.)	
Financial assets – variable rate instruments				
Receivable against margin financing	14% to 29.5%	25% to 29.5%	270,374,543	117,387,003
Receivable against reverse repo arrangement	13.38% to 22.85%	24.37% to 24.02%	332,714,627	190,940,196
Corporate debt securities – at FVTPL	12.82% to 23.13%	21.84% to 24.5%	59,429,642	65,877,709
Bank deposits – pls account	7.46% to 19.1%	10% to 19%	3,482,182,096	2,741,576,629
Financial liabilities – variable rate instruments				
Running finance arrangements from banking companies – secured	21.74 % to 12.13%	22.52% to 24.16%	861,773,903	664,317,881

Sensitivity analysis

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate would not affect the carrying amount of any financial instrument. For cash flow sensitivity analysis of variable rate instruments it is observed that interest / mark-up rate in terms of KIBOR has decreased by 239 bps during the year.

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

	Effect on profit after tax	
	1% increase	1% (decrease)
	----- Rupees -----	
As at June 30, 2025		
Cash flow sensitivity-Variable rate financial instruments	4,431,951	(4,431,951)
As at June 30, 2024		
Cash flow sensitivity-Variable rate financial instruments	18,655,638	(18,655,638)

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

38.2 Financial instruments by categories

June 30, 2025

Financial assets

Long term investment
Long-term advances, deposits and other receivable
Short term investments
Trade debts
Receivable against margin financing
Accrued markup on margin financing
Short term deposits
Other receivables
Receivable against trading of securities - net
Cash and bank balances

At fair value through profit or loss	At fair value through other comprehensive income	At Amortized cost	Total
----- Rupees -----			
43,118,461	-	38,000,000	81,118,461
-	-	18,447,706	18,447,706
1,101,582,754	-	-	1,101,582,754
-	-	435,131,703	435,131,703
-	-	270,374,543	270,374,543
-	-	8,448,874	8,448,874
-	-	280,251,129	280,251,129
-	-	336,091,573	336,091,573
-	-	683,091,537	683,091,537
-	-	3,728,716,369	3,728,716,369
<u>1,144,701,215</u>	<u>-</u>	<u>5,798,553,434</u>	<u>6,943,254,649</u>

Financial liabilities

Lease liability
Running finance arrangements from banking companies (including accrued markup)
Trade and other payables
Unclaimed dividend

Financial liabilities at amortized cost
--- Rupees ---

59,009,293
869,246,869
3,754,472,697
22,829,563
<u>4,705,558,422</u>

June 30, 2024

Financial assets

Long term investment
Long-term advances, deposits and other receivable
Short term investments
Trade debts
Receivable against margin financing
Accrued markup on margin financing
Short term deposits
Other receivables
Cash and bank balances

At fair value through profit or loss	At fair value through other comprehensive income	At Amortized cost	Total
----- Rupees -----			
30,461,607	-	38,000,000	68,461,607
-	-	41,594,332	41,594,332
550,705,642	-	-	550,705,642
-	-	344,498,851	344,498,851
-	-	117,387,003	117,387,003
-	-	4,526,291	4,526,291
-	-	179,308,766	179,308,766
-	-	998,783,694	998,783,694
-	-	3,192,161,622	3,192,161,622
<u>581,167,249</u>	<u>-</u>	<u>4,916,260,559</u>	<u>5,497,427,808</u>

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

Financial liabilities

Financial liabilities at amortized cost
--- Rupees ---

Lease liability
Running finance arrangements from banking companies (including accrued markup)
Trade and other payables
Payable against trading of securities - net
Unclaimed dividend

75,004,512
664,317,881
3,300,279,492
198,721,206
21,659,825
<u>4,259,982,916</u>

39. FAIR VALUE OF ASSETS AND LIABILITIES

The Company measures fair value of its assets and liabilities using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market.

Level 2: Valuation techniques based on observable inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

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

Valuation techniques used by the Company include discounted cash flow model. Assumptions and inputs used in the valuation technique mainly include risk-free rate, equity risk premium, long term growth rate and projected rates of increase in revenues, other income and expenses. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

Valuation models for valuing securities for which there is no active market requires significant unobservable inputs and a higher degree of judgment and estimation in the determination of fair value. Judgment and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued and selection of appropriate discount rates, etc.

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

June 30, 2025		Level 1	Level 2	Level 3	Total
----- Amount in Rupees -----					
<i>Financial assets measured at fair value</i>	Note				
<i>Short term investments</i>					
Quoted Equity Securities	11.1	1,016,271,093	-	-	1,016,271,093
Quoted Debt Securities	11.2	59,429,642	-	-	59,429,642
	11.3	25,882,019	-	-	25,882,019
Long term investments		<u>1,101,582,754</u>	<u>-</u>	<u>-</u>	<u>1,101,582,754</u>
	7.2	<u>11,164,091</u>	<u>-</u>	<u>31,954,370</u>	<u>43,118,461</u>
<i>Non-financial assets measured at fair value</i>					
Investment properties	8	<u>-</u>	<u>38,900,000</u>	<u>-</u>	<u>38,900,000</u>

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

June 30, 2024		Level 1	Level 2	Level 3	Total
	Note	----- Amount in Rupees -----			
<i>Financial assets measured at fair value</i>					
Quoted Equity Securities	11.1	484,827,933	-	-	484,827,933
Quoted Debt Securities	11.2	65,877,709	-	-	65,877,709
		<u>550,705,642</u>	<u>-</u>	<u>-</u>	<u>550,705,642</u>
Long term investments	7.2	<u>5,611,480</u>	<u>-</u>	<u>24,850,127</u>	<u>30,461,607</u>
<i>Non-financial assets measured at fair value</i>					
Investment properties	8	<u>-</u>	<u>38,900,000</u>	<u>-</u>	<u>38,900,000</u>

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	Note	2025	2024
		----- Rupees -----	
Balance as at July 01		24,850,127	22,181,370
Unrealised (loss) / gain for the year	7.2.1	<u>7,104,243</u>	<u>2,668,757</u>
Balance as at June 30		<u>31,954,370</u>	<u>24,850,127</u>

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. A change of 1% in value arrived at reporting date would have the following effect:

	Effect on profit or loss	
	Favourable	(Unfavourable)
	----- Rupees -----	
June 30, 2025		
Unquoted equity securities	<u>38,000,000</u>	<u>(38,000,000)</u>
June 30, 2024		
Unquoted equity securities	<u>38,000,000</u>	<u>(38,000,000)</u>

40. CAPITAL

40.1 Management of capital

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

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

40.2 The **Capital Adequacy Level** as defined by Central Depository Company (CDC) is calculated as follows;

	Note	2025	2024
		----- Rupees -----	
Total assets	40.2.1	7,177,154,031	5,680,506,914
Less: Total liabilities		(5,251,410,303)	(4,407,325,174)
Less: revaluation reserves (created upon revaluation of fixed assets)		(7,835,000)	(7,835,000)
Capital Adequacy Level		1,917,908,728	1,265,346,740

40.2.1 While determining the value of the total assets, notional value of the TRE Certificate as at year end as determined by Pakistan Stock Exchange has been considered.

40.3 **Liquid Capital [as per the requirements of the Securities Brokers (Licensing and Operations) Regulations, 2016]**

S.No.	Head of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	182,862,752	182,862,752	-
1.2	Intangible Assets	5,285,389	5,285,389	-
1.3	Investment in Govt. Securities (Difference between BV and SV on the date on the basis of PKRV published by NIFT)	-	-	-
1.4	Investment in Debt. Securities			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	59,429,642	2,971,482	56,458,160
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
1.5	Investment in Equity Securities			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	1,042,160,488	161,012,520	881,147,968
	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.	43,111,085	43,111,085	-
	ii. If unlisted, 100% of carrying value.	-	-	-
1.6	Investment in subsidiaries	38,000,000	38,000,000	-
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, however, any excess amount of cash deposited with securities exchange to comply with the requirements of Base minimum capital, may be taken in the calculation of LC.	17,627,795	17,627,795	-
1.9	Margin deposits with exchange and clearing house.	280,251,129	-	280,251,129
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	16,777,145	16,777,145	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.	-	-	-
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

S.No.	Head of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
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>	332,714,627	-	332,714,627
1.15	Advances and receivables other than trade receivables 1) No haircut may be applied on short term loan to employees provided these loans are secured and due for repayment within 12 months. 2) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation. 3) In all other cases, 100% of net value	41,619,827	41,619,827	-
1.16	Receivables from clearing house or securities exchange(s) i. 100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	683,091,537	-	683,091,537
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>i. Lower of net balance sheet value or value determined through adjustments.</i> ii. Incase receivables are against margin trading, 5% of the net balance sheet value. <i>ii. Net amount after deducting haircut</i> iii. Incase receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, <i>iii. Net amount after deducting haircut</i> iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. <i>iv. Balance sheet value</i> 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. <i>v. Lower of net balance sheet value or value determined through adjustments</i> vi. In the case of amount of receivable 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. Upto 30 days, values determined after applying VaR based haircuts; b. Above 30 days, but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher; c. Above 90 days, 100% haircut shall be applicable. <i>Lower of net balance sheet values or values determined through adjustments</i>	270,374,543 - - 134,674,168 291,616,059 8,841,476	14,732,485 - - - 89,600,176 8,841,476	255,642,058 - - 134,674,168 202,015,883 -
1.18	Cash and Bank balances i. Bank Balance-proprietary accounts ii. Bank balance-customer accounts iii. Cash in hand	54,675,147 3,673,332,837 708,385	- - -	54,675,147 3,673,332,837 708,385

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

S.No.	Head of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
1.9	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 investments 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. Balance sheet values or net values after deducting haircuts.	-	-	-
1.20	Total Assets	7,177,154,031		6,554,711,899
2.	Liabilities			
	Trade Payables			
2.1	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	3,422,256,355	-	3,422,256,355
	Current Liabilities			
2.2	i. Statutory and regulatory dues	307,428,201	-	307,428,201
	ii. Accruals and other payables	385,298,702	-	385,298,702
	iii. Short-term borrowings	861,773,903	-	861,773,903
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	33,456,840	-	33,456,840
	vi. Deferred Liabilities	-	-	-
	vii. Provision for taxation	212,423,680	-	212,423,680
	viii. Other liabilities as per accounting principles and included in the financial statements	3,220,169	-	3,220,169
	Non-Current Liabilities			
2.3	i. Long-Term financing	-	-	-
	a. Long-Term financing obtained from financial institution: Long term portion of financing obtained from a financial institution including amount due against finance lease.	-	-	-
	b. Other Long Term Financing	-	-	-
	ii. Staff retirement benefits	-	-	-
	iii. Other liabilities as per accounting principles and included in the financial statements	25,552,453	-	25,552,453
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: a) The existing authorized share capital allows the proposed enhanced share capital b) BOD 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	5,251,410,303		5,251,410,303

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

S.No.	Head of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
3. Ranking Liabilities Relating to :				
	Concentration in Margin Financing			
3.1	The amount calculated client-to-client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total finances.(Provided that above prescribed adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million) Note: Only amount exceeding by 10% of each financee from aggregate amount shall be include in the ranking liabilities	-	-	69,467,039
	Concentration in securities lending and borrowing			
3.2	The amount by which the aggregate of: (i) Amount deposited by the borrower with NCCPL (ii) Cash margins paid and (iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed (Note only amount exceeding by 110% of each borrower from market value of shares borrowed shall be included in the ranking liabilities)	-	-	-
	Net underwriting Commitments			
3.3	(a) in the case of right issues: if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issues where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting	-	-	-
	(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 currency less total liabilities denominated in foreign currency.	-	-	-
3.6	Amount Payable under REPO	-	-	-
	Repo adjustment			
3.7	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received ,less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	332,714,627	332,714,627	-
	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 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		-	-

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

S.No.	Head of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
	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 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	332,714,627	332,714,627	69,467,039
		1,593,029,101	Liquid Capital	1,233,834,557

41. GENERAL

41.1 Operating segment

These unconsolidated financial statements have been prepared on the basis of a single reportable segment as the Company's asset allocation decisions are based on a single and integrated business strategy.

All non-current assets of the Company as at June 30, 2025 are located in Pakistan.

41.2 Disclosure Relating To Provident Fund

Investments out of provident fund of have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

41.3 Corresponding figures

The corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of the Companies Act, 2017 and for the purpose of comparison and better presentation. Following reclassifications have been made in these unconsolidated financial statements.

Reclassified from component	Reclassified to component	Amount (Rupees)
Advance against committed sale of investment property (Trade and other payable)	Receivable from Rayaan Commodities (Private) Ltd. (Other receivables)	609,455

41.4 Events after the reporting date

In its meeting held on August 18, 2025, the Board of Directors of the Company decided as follows:

- (a) a final cash dividend of Rs. 10/- per share amounting to Rs. 653.400 million was proposed to be issued (2024: a final cash divided of Rs. 5/- per share amounting to Rs. 326.700 million); and
- (b) no bonus issue was proposed to be made (2024: 0% bonus issue).

The above proposed entitlements are to be approved by the members of the Company in their Annual General Meeting (AGM) scheduled to be held on October 21, 2025. These unconsolidated financial statements do not reflect the said appropriation.

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

41.5 Customers assets held in the Central Depository System

Year End	Directors/Sponsors/CEO		Employees		Client's Account	
	Number of Securities	Value of Securities	Number of Securities	Value of Securities	Number of Securities	Value of Securities
As at June 30, 2025	474,777,591	12,076,496,812	11,020,646	153,250,006	1,475,923,338	74,503,196,139
As at June 30, 2024	3,903,475,630	37,442,298,781	2,587,220	34,693,626	3,489,800,065	90,320,099,318

41.6 Number of employees

The total number of employees and average number of employees at year end and during the year respectively are as follows:

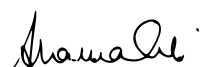
	2025	2024
	----- Number -----	
Total number of employees as at	179	154
Average number of employees during the year	166	161

41.7 Date of authorization for issue

These unconsolidated financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on **August 18, 2025**.

41.8 Level of rounding off


Figures have been rounded off to the nearest rupee.



Chief Executive Officer



Director



Chief Financial Officer

Independent Auditors' Report

To The Members Of Arif Habib Limited

Report On The Audit Of The Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Arif Habib Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at June 30, 2025, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

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 Consolidated Financial Statements section of our report. We are independent of the Group 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.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. However, we have determined that there are no key audit matters to communicate in our report.

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and unconsolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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. However, we have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are, therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is **Mr. Muhammad Rafiq Dosani**.



RAHMAN SARFARAZ RAHIM IQBAL RAFIQ

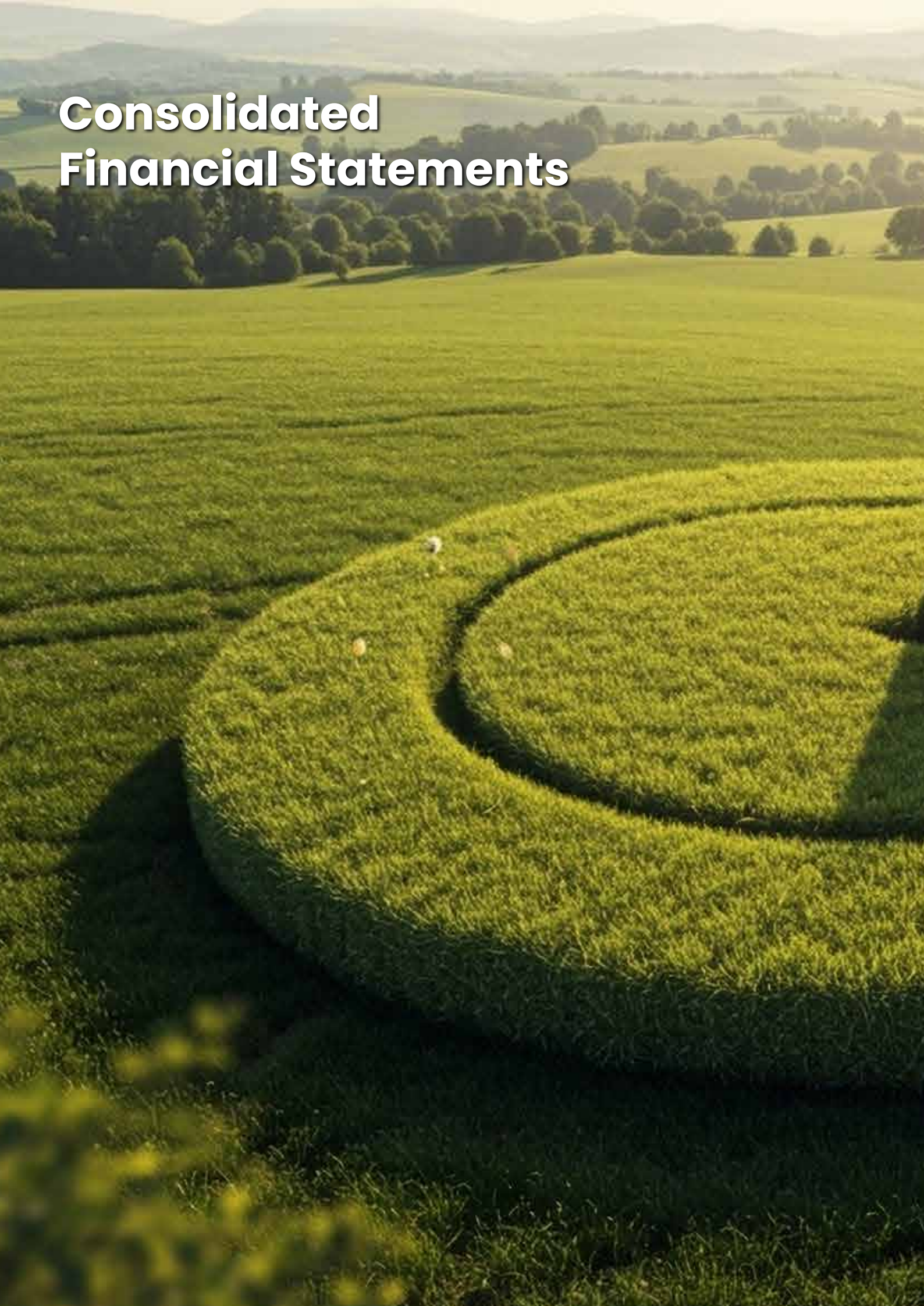
Chartered Accountants

Karachi

Date: August 19, 2025

UDIN: AR202510210D068XhLa5

Consolidated Financial Statements



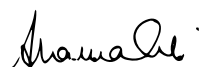


Consolidated Statement Of Financial Position

As at June 30, 2025

		2025	2024
	Note	----- Rupees -----	
ASSETS			
Non-current assets			
Property and equipment	4	99,947,598	60,293,364
Right-of-use assets	5	46,279,162	63,325,707
Intangible assets	6	6,285,389	6,436,719
Long term investment	7	43,118,461	30,461,607
Investment property	8	38,900,000	38,900,000
Long-term advances, deposits and other receivable	9	27,347,707	50,494,333
Deferred tax - net	10	33,170,953	8,941,185
		<u>295,049,270</u>	<u>258,852,915</u>
Current assets			
Short term investments	11	1,101,582,754	550,705,642
Trade debts	12	435,131,703	335,294,445
Receivable against margin financing	13	270,374,543	117,387,003
Receivable under margin trading system		2,675,008	12,631,269
Advances, deposits and prepayments	14	294,041,070	186,809,177
Accrued markup on margin financing		8,448,874	4,526,291
Receivable against trading of securities - net		683,091,537	-
Other receivables	15	335,482,118	998,174,239
Income tax refundable	16	-	1,790,619
Cash and bank balances	17	3,750,647,326	3,214,235,795
		<u>6,881,474,933</u>	<u>5,421,554,480</u>
Total assets		<u><u>7,176,524,203</u></u>	<u><u>5,680,407,395</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital	18	<u>750,000,000</u>	<u>750,000,000</u>
Issued, subscribed and paid-up capital	18	653,400,000	653,400,000
Capital reserves			
Surplus on revaluation of property	19	7,835,000	7,835,000
Revenue reserves			
Unappropriated profits		1,287,019,249	632,189,798
Total equity		<u>1,948,254,249</u>	<u>1,293,424,798</u>
Non-current liabilities			
Lease liability		25,552,453	43,866,648
Current liabilities			
Short term borrowings - secured	21	861,773,903	664,317,881
Current portion of lease liability		33,456,840	31,137,864
Trade and other payables	22	4,064,332,693	3,427,279,173
Unclaimed dividend		22,829,563	21,659,825
Payable against trading of securities - net		-	198,721,206
Accrued markup	23	7,472,966	-
Income tax payable		212,851,536	-
		<u>5,202,717,501</u>	<u>4,343,115,949</u>
Contingencies and commitments	24	-	-
Total equity and liabilities		<u><u>7,176,524,203</u></u>	<u><u>5,680,407,395</u></u>

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



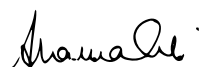
Chief Financial Officer

Consolidated Statement Of Profit Or Loss

For the year ended June 30, 2025

	Note	2025	2024
		Rupees	
Operating revenue	25	1,575,924,164	1,156,185,177
Realized gain / (loss) on disposal of investments		1,097,129,004	374,397,144
Realized gain on sale of investment property		-	749,029
		2,673,053,168	1,531,331,350
Net change in unrealized (loss) / gain on investments	26	8,054,067	(19,677,661)
Net change in unrealized loss on investment property	27	-	(849,029)
		2,681,107,235	1,510,804,660
Administrative and operating expenses	28	(1,555,857,724)	(1,039,670,200)
Other charges	29	(67,299,977)	(14,692,878)
Other operating income	30	382,283,111	414,278,098
		1,440,232,645	870,719,680
Finance costs	31	(85,613,172)	(98,000,176)
Profit before levies and taxation		1,354,619,473	772,719,504
Levies	32	(2,757,811)	(2,953,850)
Profit before taxation		1,351,861,662	769,765,654
Taxation	33	(370,332,211)	(151,640,467)
Profit after taxation		981,529,451	618,125,187
Earnings per share - basic and diluted	34	15.02	9.46

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



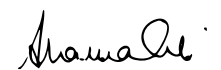
Chief Financial Officer

Consolidated Statement Of Comprehensive Income

For the year ended June 30, 2025

	2025	2024
	----- Rupees -----	
Profit after taxation	981,529,451	618,125,187
Other comprehensive loss		
Items that will not be reclassified subsequently to profit or loss		
Net change in fair value of the investment in equity securities	-	-
Total comprehensive income for the year	981,529,451	618,125,187

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



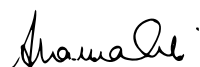
Chief Financial Officer

Consolidated Statement Of Changes In Equity

For the year ended June 30, 2025

	Issued, subscribed and paid up capital	Revenue reserve Unappropriated profits	Capital reserves Surplus on revaluation of property	Total
	Rupees			
Balance as at June 30, 2023	653,400,000	4,347,081,897	7,835,000	5,008,316,897
Total comprehensive income for the year ended June 30, 2024				
- Profit for the year	-	618,125,187	-	618,125,187
	-	618,125,187	-	618,125,187
Transactions with owners				
Cash dividend paid @ 25% for the year ended June 30, 2023	-	(163,350,000)	-	(163,350,000)
Transfer of Net Assets	-	(4,169,667,286)	-	(4,169,667,286)
	-	(4,333,017,286)	-	(4,333,017,286)
Balance as at June 30, 2024	653,400,000	632,189,798	7,835,000	1,293,424,798
Total comprehensive income for the year ended June 30, 2025				
- Profit for the year	-	981,529,451	-	981,529,451
	-	981,529,451	-	981,529,451
Transactions with owners				
Cash dividend paid @ 50% for the year ended June 30, 2024	-	(326,700,000)	-	(326,700,000)
Balance as at June 30, 2025	653,400,000	1,287,019,249	7,835,000	1,948,254,249

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Statement Of Cash Flows

For the year ended June 30, 2025

		2025	2024
	Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxation		1,354,619,473	772,719,504
<i>Adjustments for:</i>			
- Depreciation on property and equipment	4	15,773,293	14,409,672
- Depreciation on right-of-use-assets	5.1 & 5.2	26,036,545	26,477,305
- Amortization of intangible assets	6.1	151,330	278,907
- Provision for expected credit losses on trade debts	12.2	30,242,864	12,627,092
- Net change in unrealized loss on investments	26	(8,054,067)	19,677,661
- (Gain) / Loss on sale of short term investment		(1,097,129,004)	(374,397,144)
- Other receivable written off	29	37,000,000	-
- Loss on disposal of property and equipment	29	57,113	302,588
- Realized gain on sale of investment property		-	(749,029)
- Net change in unrealized gain on investment property	27	-	849,029
- Mark up on reverse repo transactions	30	(49,458,454)	(32,144,885)
- Profit on savings accounts	30	(311,219,771)	(342,157,375)
- Profit on exposure deposit	30	(17,952,341)	(35,451,779)
- Finance costs	31	85,613,172	98,000,176
		(1,288,939,320)	(612,277,782)
Cash generated from operating activities before working capital changes		65,680,153	160,441,722
Effect on cash flow due to working capital changes			
<i>(Increase)/decrease in current assets</i>			
- Short-term investments		541,649,106	(72,488,272)
- Trade debts		(130,080,122)	(88,230,569)
- Receivable / payable against sales / purchase of securities - net		(881,812,743)	266,245,371
- Receivable against margin financing		(152,987,540)	(4,019,244)
- Receivable under margin trading system		9,956,261	(952,092)
- Advances, deposits and prepayments		(107,231,893)	(145,818,830)
- Accrued markup on margin financing		(3,922,583)	17,000,754
- Other receivables		804,466,552	(800,167,864)
<i>Increase/(decrease) in current liabilities</i>			
- Trade and other payables		635,255,520	2,469,736,387
		715,292,558	1,641,305,641
Cash generated from operations		780,972,711	1,801,747,363
Taxes paid	16.1	(182,677,635)	(147,250,905)
Finance costs paid		(78,140,207)	(130,985,833)
Net cash generated from operating activities		520,154,869	1,523,510,625
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	4	(55,513,640)	(6,603,167)
Proceeds from disposal of investment property	8.1	-	7,500,000
Proceed from disposal of property and equipment		29,000	320,000
Profit on savings accounts received during the year	30	311,219,771	342,157,375
Profit on exposure deposit received during the year	30	17,952,341	35,451,779
Proceeds from reverse repo receivable		(92,315,977)	(49,998,691)
Amount paid against reverse repo payable		-	(17,629,267)
Advance against committed sale received during the year		-	-
Long-term advances and deposits		(13,853,374)	(1,280,748)
Net cash generated from investing activities		167,518,121	309,917,281
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability (principal)		(23,187,219)	(15,546,169)
Dividend paid		(325,530,262)	(163,115,662)
Net cash used in financing activities		(348,717,481)	(178,661,831)
Net increase in cash and cash equivalents		338,955,509	1,654,766,075
Cash and cash equivalents at the beginning of the year		2,549,917,914	895,151,839
Cash and cash equivalents at the end of the year	35	2,888,873,423	2,549,917,914


The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

1. STATUS AND NATURE OF BUSINESS

1.1 Arif Habib Limited ("the Holding Company") is a public listed company incorporated in Pakistan under the repealed Companies Ordinance, 1984 ('the Ordinance') which has now been replaced by Companies Act, 2017 ('the Act'). The shares of the Holding Company are listed on Pakistan Stock Exchange Limited ("the Exchange"). The Holding Company was initially incorporated as an unquoted public limited company wholly owned by Arif Habib Corporation Limited ("the Parent Company"). Subsequently, the Parent Company offered its 25% share holding in the Holding Company to general public and the Holding Company obtained listing on the Exchange on January 31, 2007. As of June 30, 2025, the Parent Company held 74.32% shares of the Holding Company (2024: 72.92% shares). The Holding Company is a holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited. The principal activities of the Company are investments, share brokerage, inter-bank brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services.

1.2 These consolidated financial statements of Arif Habib Limited for the year ended June 30, 2025 comprise of the Holding Company and subsidiary company (here-in-after referred to as "the Group").

1.3 The Holding Company has only one subsidiary, Rayaana Commodities (Private) Limited ("the subsidiary company"), having 100% holding in subsidiary. The subsidiary company was incorporated on April 02, 2012 as a private limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the subsidiary company is located at Arif Habib Centre, 23, M.T. Khan Road, Karachi. The subsidiary company holds license of Pakistan Mercantile Exchange (PMEX). The principal activity of the subsidiary company is to effectively manage investment portfolios in commodities.

1.4 The geographical location of the Holding Company's offices are as follows:

- Karachi	Head office (Registered office)	Arif Habib Centre, 23 M.T. Khan Road, Karachi
- Lahore	Regional office	Office Nos. G-05 & G-06, Ground Floor, LSE Plaza, 19, Khayaban-e-Aiwan-e-Iqbal, Lahore
- Islamabad	Regional office	Office No. 506, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.
- Peshawar	Regional office	Shops No. F16, and F17, 1st Floor, The Mall Tower, Peshawar Cantt.
- Multan	Regional office	Office # 305, 3rd Floor, United Mall, Abdali Road, Multan.
- Faisalabad	Regional office	Office No. 04, 3rd Floor at Legacy Tower, Koh-e-noor City, Faisalabad.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

2.2 Basis of measurement of items in the consolidated financial statements.

Items in these consolidated financial statements have been measured at their historical cost, except for:

- Investment property which is carried at fair value.
- Long term investments in ISE Tower REIT Management Limited, LSE PropTech Limited and LSE Ventures Limited which are carried at fair value; and
- Short term investments in quoted equity securities, corporate debt securities and Mutual Funds which are carried at fair value.

2.3 Functional and presentation currency

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

2.4 Judgments and sources of estimation uncertainty

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in these consolidated financial statements is included in the following notes:

Area of judgement	Brief description of the judgement applied
Deferred tax assets	Whether deferred tax assets should be recorded on realized and unrealized losses on short term investments in securities – availability of future taxable profit on securities within next three tax years against which such losses can be utilised
Timing of revenue recognition	<i>Advisory and consultancy services:</i> Whether performance obligation is satisfied at a point in time or over time that is whether the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs

(b) Assumptions and other major sources of estimation uncertainty

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Area of estimation uncertainty	Brief description of the assumption or the source of estimation uncertainty
Long term investment	Estimation of fair value of investment in ordinary shares of ISE Towers REIT Management Limited
Investment Property	Estimation of fair value of investment property
Trade debts	Estimation of expected credited losses

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

2.5 Changes in accounting standards, interpretations and amendments to published approved accounting standards

2.5.1 Amendments to existing standards that became effective during the year

The following new or amended standards and interpretations became effective for the financial year and are considered relevant to the Group's financial statements:

IAS 1 – Classification of Liabilities as Current or Non-current (Amendments issued January 2020 and October 2022, effective January 1, 2024):

Under the previous requirements of IAS 1, a liability was classified as current if the Group did not have an unconditional right to defer settlement for at least twelve months after the reporting date. Following the amendments, the requirement for the right to be "unconditional" has been removed. Instead, the amendments specify that the right to defer settlement must be substantive and must exist as of the reporting date. Such a right may depend on the Company's compliance with conditions (covenants) set out in a loan agreement.

In October 2022, the IASB clarified that only covenants that the Group is required to comply with on or before the reporting date affect whether a liability is classified as current or non-current. Covenants that are tested after the reporting date (i.e., future covenants) do not impact classification at that date. However, if non-current liabilities are subject to future covenants, the Company must provide additional disclosures to enable users to understand the risk that such liabilities could become repayable within twelve months after the reporting date.

IFRS 16 – Lease Liability in a Sale and Leaseback (Amendments issued September 2022, effective January 1, 2024):

The amendments affect how a seller-lessee accounts for variable lease payments arising from a sale-and-leaseback transaction. At the time of initial recognition, the seller-lessee is required to include variable lease payments when measuring the lease liability. Subsequently, the seller-lessee applies the general requirements for lease liability accounting in a way that ensures no gain or loss is recognised in relation to the right-of-use asset it retains. These amendments introduce a new accounting model for variable lease payments and may require seller-lessees to reassess and, in some cases, restate previously recognised sale-and-leaseback transactions.

The above standards, amendments to approved accounting standards and interpretations have not been early adopted by the Group and do not have any material impact on these consolidated financial statements.

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

The following standards and amendments have been issued but are not effective for the financial year beginning July 1, 2024 and have not been early adopted by the Group:

IAS 21 – The Effects of Changes in Foreign Exchange Rates (Amendments: Lack of Exchangeability, effective January 1, 2025):

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates address circumstances where a currency is not exchangeable, often due to government restrictions. In such cases, entities are required to estimate the spot exchange rate that would apply in an orderly transaction at the measurement date. The amendments permit flexibility by allowing the use of observable exchange rates without adjustment or other estimation methods, provided these meet the overall estimation objective. When assessing this, entities should consider factors such as the existence of multiple exchange rates, their intended use, nature, and frequency of updates. The amendments also introduce new disclosure requirements, including details of the non-exchangeability, its financial impact, the spot rate applied, the estimation approach used, and related risks.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective January 1, 2026)

Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments – Classification and Measurement provide clarifications and updates in several areas. They refine the requirements around the timing of recognition and derecognition of certain financial assets and liabilities, introducing a new exception for financial liabilities settled via electronic cash transfer systems. The amendments also clarify and expand the guidance on assessing whether a financial asset meets the “solely payments of principal and interest” (SPPI) criterion. In addition, new disclosure requirements are introduced for instruments with contractual terms that can alter cash flows, such as those linked to environmental, social, and governance (ESG) targets. Further updates are also made to the disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVOCI).

IFRS 17 – Insurance Contracts (effective January 1, 2026 in Pakistan, as directed by SECP vide SRO 1715(I)/2023):

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. SECP vide its SRO 1715(I)/2023 dated November 21, 2023 has directed that IFRS 17 shall be followed for the period commencing January 1, 2026 by companies engaged in insurance / takaful and re-insurance / re-takaful business.

Annual Improvements – Volume Eleven (effective January 1, 2026):

- Hedge Accounting by a First-time Adopter (Amendments to IFRS 1) – The amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.
- Gain or Loss on Derecognition (Amendments to IFRS 7) – To update the language on unobservable inputs and to include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement.
- Introduction (Amendments to Guidance on implementing IFRS 7) – To clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.
- Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7) – Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.
- Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7) – Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.
- Transaction Price (Amendments to IFRS 9) – Paragraph 5.1.3 of IFRS 9 has been amended to replace the reference to 'transaction price as defined by IFRS 15 Revenue from Contracts with Customers' with 'the amount determined by applying IFRS 15'. The use of the term "transaction price" in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9.
- Determination of a 'De Facto Agent' (Amendments to IFRS 10) – The amendment is intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents.
- Cost Method (Amendments to IAS 7) – Paragraph 37 of IAS 7 has been amended to replace the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

The above standards, amendments to approved accounting standards and interpretations have not been early adopted by the Group and are not likely to have any material impact on these consolidated financial statements.

Other than the aforesaid standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the SECP as at June 30, 2025:

IFRS 18 – Presentation and Disclosure in Financial Statements

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

Major Impact on Companies' Financial Statements:

IFRS 18 will require the Group to restructure their statement of profit or loss into operating, investing, and financing categories, which may alter familiar subtotals such as operating profit. This standard focuses on disaggregation will expand disclosures, requiring more detailed breakdowns of income, expenses, and significant transactions, rather than broad groupings. Adoption will also demand updates to reporting systems and processes, increasing compliance effort, but ultimately enhancing transparency, comparability, and investor confidence.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 – Subsidiaries without Public Accountability: Disclosures introduces reduced disclosure requirements for eligible subsidiaries that apply IFRS Accounting Standards. It applies to subsidiaries without public accountability whose parent prepares publicly available consolidated IFRS financial statements. Recognition and measurement remain fully aligned with IFRS, while disclosures are significantly simplified. The standard aims to ease the reporting burden without compromising the usefulness of information, and adoption is voluntary.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

3.1 Property and equipment

Owned

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 Group 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.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each financial year end. The Group's estimate of residual value of property and equipment as at June 30, 2025 did not require any adjustment.

3.2 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

A – Leases other than short-term leases and leases of low-value assets

(a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

(b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

B – Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to those leases where the nature of the underlying asset is such that, when new, the asset is typically of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

3.3 Intangible assets

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 6.1, 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) and Offices

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.

3.4 Investment in subsidiaries

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

3.5 Investment properties

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

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

When the Group determines that the fair value of an investment property under construction is not reliably measurable but expects the fair value of the property to be reliably measurable when construction is complete, the Group measures that investment property at cost until either its fair value becomes reliably measurable or construction is completed (whichever is earlier).

3.6 Financial instruments

3.6.1 Initial recognition, classification and measurement

The Group 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 Group follows trade date accounting for its own (the house) investments. Trade date is the date on which the Group 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.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

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.

3.6.2 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.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

(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.

The Company determines the closing cost of its inventory / securities on the basis of the First-In, First-Out (FIFO) method. Under this method, it is assumed that the securities acquired first are disposed of first, and accordingly, the securities remaining in hand at the end of the reporting period represent the most recent purchases.

3.6.3 Impairment

The Group 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 Group applies the IFRS 9 'Simplified Approach' to measuring expected credit losses which uses a lifetime expected loss allowance.

For other financial assets, the Group applies the IFRS 9 'General Approach' to measuring expected credit losses whereby the Group 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 Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Group 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 Group 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.

3.6.4 De-recognition

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

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

3.7 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.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

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.

3.8 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset when the Group 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.

3.9 Trade debts and receivables against margin financing

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

3.10 Cash and cash equivalents

Cash and cash 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.

3.11 Staff retirement benefits – Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. As a consequence, actuarial risk (that benefits will be less than expected) and investment risk (that assets will be insufficient to meet expected benefits) fall, in substance, on the employee.

The Group operates a defined contribution plan i.e. recognized provident fund ("the Fund") for all of its eligible employees in accordance with trust deed and rules made thereunder. Monthly contributions at the rate 12.50% of basic salary are made to the Fund by the Group and the employees.

When an employee has rendered service to the Group during a period, the Group recognises the contribution payable to a defined contribution plan in exchange for that service as an expense in profit or loss and as a liability in the statement of financial position (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Group recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

When contributions to a defined contribution plan are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service, they are discounted using the discount rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds (or when there is no deep market in such bonds, the government bonds) having term consistent with the estimated term of the post-employment benefit obligations.

3.12 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 of the Income Tax Ordinance, 2001 over the normal tax liability computed there under.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

Current tax

The portion of the income tax charge that is based on the 'taxable income' for a reporting period (as determined in accordance with the provisions of the Income Tax Ordinance, 2001 and the rules made thereunder) is classified as a 'current tax'. Any excess charge over the said amount is now classified as a 'levy' in the statement of profit or loss.

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 Group 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.

3.13 Provisions and contingent liabilities

Provisions

A provision is recognised in the statement of financial position when the Group 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.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

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 Group 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 Group; or the Group 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.

3.14 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 transaction.

Revenue from advisory and consultancy services

Revenue is recognized when the performance obligation is satisfied i.e. when services are provided.

The Group does not expect to have contracts where the period between the services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

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 Group 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.

Mark up / interest income

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

3.15 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

To the extent that the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

To the extent that the Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to all borrowings of the Group that are outstanding during the period. However, the Group excludes from this calculation borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset until substantially all the activities necessary to prepare that asset for its intended use or sale are complete. The amount of borrowing costs that the Group capitalises during a period does not exceed the amount of borrowing costs it incurs during that period.

The Group begins capitalising borrowing costs as part of the cost of a qualifying asset on the 'commencement date' which is the date when the Group first meets all of the following conditions: (a) it incurs expenditures for the asset; (b) it incurs borrowing costs; and (c) it undertakes activities that are necessary to prepare the asset for its intended use or sale.

The Group suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

The Group ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

4. PROPERTY AND EQUIPMENT – owned assets

	Leasehold Offices	Leasehold Improvements	Office Equipment	Furniture & Fixtures	Computers & Allied Items	Vehicles	Total
	Rupees						
As at June 30, 2023							
Cost	32,473,333	102,485,179	8,874,911	18,403,021	63,279,390	5,427,000	230,942,834
Accumulated depreciation	(12,298,501)	(90,857,744)	(3,792,216)	(6,729,762)	(47,111,194)	(1,430,960)	(162,220,377)
Net book value	20,174,832	11,627,435	5,082,695	11,673,259	16,168,196	3,996,040	68,722,457
Movement during the year ended June 30, 2024							
Opening net book value	20,174,832	11,627,435	5,082,695	11,673,259	16,168,196	3,996,040	68,722,457
Additions during the year	-	-	2,410,877	-	4,192,290	-	6,603,167
Disposals							
- Cost	-	-	(864,000)	-	-	-	(864,000)
- Accumulated depreciation	-	-	241,412	-	-	-	241,412
	-	-	(622,588)	-	-	-	(622,588)
Depreciation for the year	(3,026,222)	(1,744,116)	(948,656)	(1,779,526)	(6,111,942)	(799,210)	(14,409,672)
Closing net book value	17,148,610	9,883,319	5,922,328	9,893,733	14,248,544	3,196,830	60,293,364
As at June 30, 2024							
Cost	32,473,333	102,485,179	10,421,788	18,403,021	67,471,680	5,427,000	236,682,001
Accumulated depreciation	(15,324,723)	(92,601,860)	(4,499,460)	(8,509,288)	(53,223,136)	(2,230,170)	(176,388,637)
Net book value	17,148,610	9,883,319	5,922,328	9,893,733	14,248,544	3,196,830	60,293,364
Movement during the year ended June 30, 2025							
Opening net book value	17,148,610	9,883,319	5,922,328	9,893,733	14,248,544	3,196,830	60,293,364
Additions during the year	-	-	496,580	1,124,812	33,978,248	19,914,000	55,513,640
Disposals							
- Cost	-	-	(800,800)	-	-	-	(800,800)
- Accumulated depreciation	-	-	714,687	-	-	-	714,687
	-	-	(86,113)	-	-	-	(86,113)
Depreciation for the year	(2,572,293)	(1,481,066)	(902,503)	(1,547,113)	(7,967,154)	(1,303,164)	(15,773,293)
Closing net book value	14,576,317	8,402,253	5,430,292	9,471,432	40,259,638	21,807,666	99,947,598
As at June 30, 2025							
Cost	32,473,333	102,485,179	10,117,568	19,527,833	101,449,928	25,341,000	291,394,841
Accumulated depreciation	(17,897,016)	(94,082,926)	(4,687,276)	(10,056,401)	(61,190,290)	(3,533,334)	(191,447,243)
Net book value	14,576,317	8,402,253	5,430,292	9,471,432	40,259,638	21,807,666	99,947,598
Annual rates of depreciation	15%	15%	15%	15%	33%	20%	

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

4.1 Leasehold offices including the following offices:

Description	Area of office	Location
Lahore Office	257 Square Feet	Office G-G & G-5, Ground Floor, LSE Plaza 19, Khayaban-e-Aiwan-e-Iqbal, Lahore
Lahore Office	257 Square Feet	Office G-G & G-6, Ground Floor, LSE Plaza 19, Khayaban-e-Aiwan-e-Iqbal, Lahore.
Islamabad Office	1,349 Square Feet	Office 506, 5th Floor, ISE Tower, Jinnah Avenue, Islamabad

5. RIGHT-OF-USE ASSETS

Rented premises
Leased vehicle

2025 2024
----- Rupees -----

37,663,745	63,325,707
8,615,417	-
<u>46,279,162</u>	<u>63,325,707</u>

5.1 Rented premises

Opening net book value
Add: Additions during the year
Less: Disposal during the year

Note 2025 2024
----- Rupees -----

63,325,707	2,279,667
-	87,523,345
<u>63,325,707</u>	<u>-</u>
	89,803,012
(25,661,962)	(26,477,305)
<u>37,663,745</u>	<u>63,325,707</u>
<u>20% to 33%</u>	<u>20% to 33%</u>

Less: Depreciation charged during the year

28

Closing net book value

Depreciation rate (per annum)

5.1.1 This represents Holding Company's right to use certain real estate properties held by it under lease arrangements. The principal terms and conditions of the said arrangements are as follows:

	Principal Office (Karachi)	Regional Office (Faisalabad)
Lessor name	Rotocast Engineering Co. (Pvt.) Ltd.	Mr. Ahsan Mahmood
Address of the leased property	Block-B, 2nd Floor, Arif Habib Centre, Plot No. 23, Off. M.T. Khan Road	Office No.04, 3rd Floor, Legacy Tower, Koh-e-Noor City
Lease agreement date	July 01, 2023	October 10, 2020
Lease commencement date	July 01, 2023	October 15, 2020
Initial contractual term of the lease	3 year	5 years
Availability of extension option?	No	Yes
No. of years for which the lease extension option is available	N/A	Indefinite
Estimated lease term (as on the date of commencement of the lease)	3 year	5 years

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

		2025	2024
		----- Rupees -----	----- Rupees -----
5.2 Leased vehicle	Note		
Opening net book value		-	-
Add: Additions during the year		8,990,000	-
		<u>8,990,000</u>	<u>-</u>
Less: Depreciation charged during the year	28	(374,583)	-
Closing net book value		<u>8,615,417</u>	<u>-</u>
Depreciation rate (per annum)		<u>25%</u>	<u>-</u>
6. INTANGIBLES ASSETS	Note	2025	2024
		----- Rupees -----	----- Rupees -----
Computer software	6.1	685,389	836,719
Trading Right Entitlement Certificate and offices	6.2	4,600,000	4,600,000
Membership Card - Pakistan Mercantile Exchange Limited		<u>1,000,000</u>	<u>1,000,000</u>
		<u>6,285,389</u>	<u>6,436,719</u>
6.1 Computer software	Note	2025	2024
		----- Rupees -----	----- Rupees -----
<i>Net carrying amount</i>			
Opening net book value		836,719	1,115,626
Amortisation charge	28	(151,330)	(278,907)
Closing net book value		<u>685,389</u>	<u>836,719</u>
<i>Gross carrying amount</i>			
Cost		7,949,132	7,949,132
Accumulated amortisation		(7,263,743)	(7,112,413)
Net book value		<u>685,389</u>	<u>836,719</u>
<i>Amortisation rate</i>		<u>25%</u>	<u>25%</u>
6.2 Trading Right Entitlement Certificate (TREC) and offices	Note	2025	2024
		----- Rupees -----	----- Rupees -----
Trading Right Entitlement Certificate			
- Cost	6.2.1	26,000,000	26,000,000
- Accumulated impairment		(23,500,000)	(23,500,000)
Offices- booths - Pakistan Stock Exchange Limited	6.2.2	2,500,000	2,500,000
		<u>2,100,000</u>	<u>2,100,000</u>
		<u>4,600,000</u>	<u>4,600,000</u>
6.2.1	This represents TREC received by the Holding Company in accordance with the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012 as amended by the Stock Exchanges (Corporatization, Demutualization and Integration) (Amendment) Act, 2015. These have been carried at cost less accumulated impairment losses.		
6.2.2	PSX vide notice no. PSX/N - 225 dated February 16, 2021 have notified the notional fees of a Trading Right Entitlement Certificate which amounts to Rs. 2.5 million.		

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

7. LONG TERM INVESTMENTS

Investment in other entities

	2025	2024
Note	----- Rupees -----	
7.1	43,118,461	30,461,607

7.1 Investment in other entities – at fair value through profit or loss

Unquoted – Equity Instruments

ISE Towers REIT Management Company Limited

Quoted – Equity Instruments

LSE Capital Limited
LSE Ventures Limited

	2025	2024
Note	----- Rupees -----	
7.1.1	31,954,370 31,954,370	24,850,127 24,850,127
7.1.2	1,471,764 9,692,327 11,164,091 43,118,461	765,317 4,846,163 5,611,480 30,461,607

7.1.1 Investment in ISE Towers REIT Management Company Limited

This represents the Holding Company's investment in 3,034,604 (2024: 3,034,604) unquoted ordinary shares of M/s. ISE Towers REIT Management Company Limited. The reconciliation of the opening and closing carrying amount of the investment is presented below:

	2025	2024
	----- Rupees -----	
<i>Cost of the investment</i>	33,380,639	33,380,639
<i>Unrealised gain / (loss):</i>		
Balance as at July 01	(8,530,512)	(11,199,269)
Unrealised (loss) / gain for the year	7,104,243	2,668,757
	(1,426,269)	(8,530,512)
Balance as at June 30	31,954,370	24,850,127

The Holding Company as per its policy, carried out the valuation of the above investment. In this connection, the valuation technique used by the Holding Company was Discounted Free Cash Flow to Equity model for business valuation. Assumptions and inputs used in the valuation technique mainly include risk-free rate, equity risk premium, long term growth rate and projected rates of increase in revenues, other income and expenses.

Principal assumptions used in the valuation of the above unquoted investments are as under:

	2025	2024
Long term growth rate	5.00%	5.00%
Cost of equity	16.00%	17.50%
Projection period	5	5
Value per share (Rs.)	10.53	8.19
Valuation technique used	Discounted Free Cash Flow to Equity	Discounted Free Cash Flow to Equity

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

7.1.2 The Holding Company received 245,295 shares of LSE Capital Limited in exchange for its holding in LSE PropTech Limited under a merger scheme. These shares, along with the Holding Company's existing 842,811 shares of LSE Ventures Limited, have been measured at fair value based on quoted market prices as of the reporting date.

8. INVESTMENT PROPERTY

		2025	2024
	Note	Rupees	Rupees
Open plots of land / offices - at fair value	8.1	38,900,000	38,900,000

		2025	2024
	Note	Rupees	Rupees
Opening carrying amount (at fair value)		38,900,000	202,000,000
Development charges incurred during the year (subsequent expenditure)		-	-
		38,900,000	202,000,000
Elimination as a result of demerger scheme		-	(155,500,000)
<i>Disposal during the year:</i>			
Sale proceeds during the year		-	(7,500,000)
Realized gain on disposal - net		-	749,029
Less: Reversal of unrealized gain upon sale	27	-	(749,029)
		-	(7,500,000)
Fair value gain on remeasurement	27	-	(100,000)
	8.1.2	38,900,000	38,900,000

8.1.1 As of June 30, 2025, the offices comprised of the following:

Offices: Offices bearing no. 60, 61, 62, 63 and 64 situated at first floor of the building complex of PSX, office bearing no. 220 situated at Lahore Stock Exchange Plaza and offices bearing no. 106 situated in the Lahore Stock Exchange - South Tower.

8.1.2 The valuation of the investment property was carried out by an independent external property valuer, Asif Associates (Pvt) Limited, having appropriate recognised qualification and relevant experience according to which the aggregate fair value and forced sale value of the properties are stated below:

	Fair Value		Forced Sale Value	
	2025	2024	2025	2024
	Rupees			
- at fair value	-	-	-	-
Residential plots				
Commercial plots				
Offices	12,900,000	12,900,000	10,965,000	10,965,000
- at committed sale price				
Committed to sale office	26,000,000	26,000,000	N/A	N/A
	38,900,000	38,900,000	10,965,000	10,965,000

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

9. LONG TERM ADVANCES, DEPOSITS AND OTHER RECEIVABLE

Advance against equity

- Neem Exponential Technology Pte. Limited

Deposits

- Pakistan Stock Exchange Limited
- National Clearing Company of Pakistan Limited
- Pakistan Mercantile Exchange Limited
- Other security deposits

Other receivable

- from employees

	2025	2024
Note	Rupees	
9.1	-	37,000,000
9.3	14,900,461 2,727,334 8,900,001 819,911 27,347,707	500,461 1,500,000 8,900,001 819,911 11,720,373
9.2	- 27,347,707	1,773,960 50,494,333

9.1 The Holding Company gave advance of Rs. 37,000,000 (equivalent to USD 180,000) to Neem Exponential Technology Pte. Limited, a company incorporated in Singapore, under a SAFE (Simple Agreement for Future Equity) arrangement. The advance was made with the intention of subscribing to preference shares expected to be issued by December 2024.

However, as at the reporting date, the preference shares have not been issued and the Holding Company does not hold any legally enforceable right to either obtain the shares or seek repayment of the amount advanced. Accordingly, in line with the requirements of IFRS 9 – Financial Instruments, particularly with respect to the recognition of impairment and assessment of expected credit losses, management has determined that the amount is not recoverable. Consequently, the entire carrying amount of the advance has been written off in these financial statements.

9.2 This represents amount paid for the parental insurance of employees which will be recoverable at the time of their retirement and secured against their retirement benefits.

9.3 This include deposit amounting to Rs. 8,150,000 against NECL building office.

10. DEFERRED TAX – net

Deferred tax (asset) / liability in respect of:

- Capital loss on short term investments
- Other temporary differences

- Capital loss on short term investments not recognised during the year
Net Deferred tax asset recognised

	2025	2024
Note	Rupees	
10.1	- (33,170,953) (33,170,953)	(19,971,530) (8,941,185) (28,912,715)
	- (33,170,953)	19,971,530 (8,941,185)

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

10.1 Deferred tax in respect of other temporary differences

Deferred tax liabilities recognized
Deferred tax asset recognized

Note	2025	2024
	Rupees	Rupees
10.1.1	27,243,870	23,599,575
10.1.2	(60,414,823)	(32,540,760)
	<u>(33,170,953)</u>	<u>(8,941,185)</u>

10.1.1 Deferred tax liabilities

Accelerated depreciation
Right-of-use assets

2025	2024
Rupees	Rupees
9,194,997	5,235,120
18,048,873	18,364,455
<u>27,243,870</u>	<u>23,599,575</u>

10.1.2 Deferred tax assets

Intangible assets
Long term investment
Short term investment
Provision for doubtful debts and other receivables
Lease liability
Deferred tax assets available for recognition

2025	2024
Rupees	Rupees
8,897,698	6,572,351
9,502,878	4,217,101
3,702,757	-
15,297,866	-
23,013,624	21,751,308
<u>60,414,823</u>	<u>32,540,760</u>

11. SHORT TERM INVESTMENTS - At fair value through profit or loss

Equity securities:
- quoted

Debt securities:
- quoted

Investment in funds

Note	2025	2024
	Rupees	Rupees
11.1	1,016,271,093	484,827,933
11.2	59,429,642	65,877,709
	25,882,019	-
	<u>1,101,582,754</u>	<u>550,705,642</u>

11.1 Investment in quoted equity securities

Cost of the investments

Unrealised gain / (loss):

Balance as at July 01
Unrealised gain / (loss) for the year

Balance as at June 30

2025	2024
Rupees	Rupees
1,028,862,227	513,845,829
(29,017,896)	(7,691,860)
16,426,762	(21,326,036)
(12,591,134)	(29,017,896)
<u>1,016,271,093</u>	<u>484,827,933</u>

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

11.2 Investment in quoted debt securities

Cost of investment

Unrealised gain / (loss):

Balance as at July 01

Unrealised gain / (loss) for the year

Balance as at June 30

Note	2025	2024
	Rupees	Rupees
	62,423,521	66,566,383
	(688,674)	(3,063,629)
	(2,305,205)	2,374,955
	(2,993,879)	(688,674)
11.2.1	59,429,642	65,877,709

11.2.1 These represent the investments in Term Finance (TFC) and Sukuk Certificates made under Market Making arrangements. The Holding Company has entered into such arrangements in accordance with Chapter 12 of PSX Rule Book with various Financial and Corporate Institution. Under the arrangements, the Holding Company has to maintain minimum inventory of TFCs and Sukuks to place bid & offer on daily basis. These TFCs and Sukuks carry coupon rate ranging from 3 month KIBOR + 1.6% to 1.7% (2024: 3 month KIBOR + 1.5% to 1.7%), 6 month KIBOR + 1.5% to 2.25% (6 month KIBOR + 1.4% to 2.25%) calculated on the face value of the respective TFCs or Sukuks that is payable quarterly / semi annually.

11.3 Investment in funds

Unrealised gain / (loss):

Balance as at July 01

Unrealised gain for the year

Balance as at June 30

2025	2024
Rupees	Rupees
25,108,032	-
-	-
773,987	-
773,987	-
25,882,019	-

12. TRADE DEBTS

Gross receivables

Equity brokerage - secured

Equity brokerage - unsecured

Inter bank brokerage - unsecured

Advisory and consultancy fee - unsecured

Less: Provision for expected credit losses

Equity brokerage - unsecured

Inter bank brokerage - unsecured

Advisory and consultancy fee - unsecured

Note	2025	2024
	Rupees	Rupees
	371,115,373	275,462,669
	901,649,945	879,031,666
12.1	1,272,765,318	1,154,494,335
	46,862,359	33,566,485
	56,379,269	109,493,747
	1,376,006,946	1,297,554,567
	(901,649,945)	(879,031,666)
	(8,450,187)	(5,972,463)
	(30,775,111)	(77,255,993)
12.2	(940,875,243)	(962,260,122)
	435,131,703	335,294,445

12.1 Gross receivables - Equity brokerage

12.1.1 These receivables include Rs. 89.246 million (2024: Rs. 10.380 million) due from the related parties. The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs. 242.709 million (2024: Rs. 15.738 million).

12.1.2 The Holding Company holds capital securities having fair value of Rs. 42,127 million (2024: Rs. 146,942 million) owned by its clients, as collaterals against trade debts.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

12.2 Movement in provision for expected credit losses

		2025	2024
	Note	----- Rupees -----	
Balance at the beginning of the year		962,260,122	949,633,030
Provision written off during the year		(51,627,743)	
Charge for the year	29	30,242,864	12,627,092
Reversal during the year	30	-	-
Balance at the end of the year		940,875,243	962,260,122

13. RECEIVABLE AGAINST MARGIN FINANCING

		2025	2024
		----- Rupees -----	
Considered good		270,374,543	117,387,003
		270,374,543	117,387,003

13.1 Margin financing facility is provided to clients on markup basis ranging from 14.00% to 29.50% (2024: 25.00% to 29.50%) per annum.

14. ADVANCES, DEPOSITS AND PREPAYMENTS

		2025	2024
	Note	----- Rupees -----	
<i>Advances</i>			
Advance to consultant	14.1	99,760	99,760
Advance against expenses		3,273,800	3,311,301
Advance against salary		867,856	1,558,349
		4,241,416	4,969,410
<i>Trade deposits</i>			
Exposure deposit with National Clearing Company of Pakistan Limited (NCCPL)	14.2	280,251,129	179,308,766
Exposure deposit with National Commodity & Derivatives Exchange Limited (NCEL)		1,209,653	1,690,002
<i>Prepayments</i>			
Insurance		8,338,872	840,999
		294,041,070	186,809,177

14.1 This represents advance payment made to a consultant in respect of consultancy services on corporate finance projects.

14.2 This represents Holding Company's 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.

15. OTHER RECEIVABLES

		2025	2024
	Note	----- Rupees -----	
Receivable from Arif Habib Corporation Limited	15.1	-	800,437,464
Receivable against reverse repo arrangements	15.2	332,714,627	190,940,196
Others		2,767,491	6,796,579
		335,482,118	998,174,239

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

15.1 These represent liabilities that were part of the demerged undertaking and were settled during the year ended June 30, 2025.

15.2 Receivable against reverse repo arrangements

Ahsan Ahmed Khawaja
Roomi Fabrics Limited & Masood Fabrics Limited

	2025	2024
	----- Rupees -----	
	219,783,120	190,940,196
	112,931,507	-
	332,714,627	190,940,196

16. TAXATION – net

	2025	2024
	----- Rupees -----	
Note		
16.1	(212,851,536)	1,790,619

16.1 Movement for the year

As at July 01,

Charge for the year

- current year
- prior year

Levies

Taxes paid during the year
As at June 30,

	2025	2024
	----- Rupees -----	
Note		
	1,790,619	15,111,277
33	(395,072,306)	(161,082,234)
33	510,327	3,464,521
	(394,561,979)	(157,617,713)
32	(2,757,811)	(2,953,850)
	(395,529,171)	(145,460,286)
	182,677,635	147,250,905
16.2	(212,851,536)	1,790,619

16.2 This includes a provision for Super Tax under sections 4B and 4C of the Income Tax Ordinance, 2001 (ITO, 2001) as under:

Super Tax u/s 4B of ITO, 2001
Super Tax u/s 4C of ITO, 2001

	2025	2024
	----- Rupees -----	
Note		
16.2.1	47,391,331	47,391,331
16.2.2	200,964,153	58,715,955
	248,355,484	106,107,286

16.2.1 The Company has been contesting Civil Suit No. 2596 of 2015 against levy of "Super Tax" u/s 4B of the Income Tax Ordinance, 2001 introduced through Finance Act, 2015 in the High Court of Sindh. The High Court has granted stay and directed that no coercive action be taken for recovery from the Company. The said stay is still in force and the Company has recorded a provision till tax year 2018.

16.2.2 This includes a provision for Super Tax under section 4C of the Income Tax Ordinance, 2001 in respect of tax years 2023, 2024 and 2025 amounting to Rs. 23.153 million, Rs. 35.563 million and Rs. 142.424 million, respectively.

Further, the Holding Company is contesting Appeal No. 604/2025 before the Supreme Court of Pakistan regarding the provision of Super Tax under Section 4C for the financial years 2023 and 2024. The constitutionality of this levy is currently under review by the Supreme Court, subsequent to a favorable judgment for taxpayers delivered by the Islamabad High Court in Commissioner Inland Revenue v. Pakistan Oilfields Ltd. and others (2024 SLD 3993). Based on legal precedent and professional advice, the Management remains confident of a favorable outcome before the Supreme Court.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

17. CASH AND BANK BALANCES

Note	2025	2024
	Rupees	Rupees
	708,385	746,630
	8,436,406	6,908,525
	237,672,147	443,212,503
17.1	3,503,830,388	2,763,368,137
17.2	3,741,502,535	3,206,580,640
	3,750,647,326	3,214,235,795

17.1 The return on these balances is 7.46% to 19.1% (2024: 8% to 19.5%) per annum on daily product basis.

17.2 The Holding Company's bank balances include customers' funds maintained in client's bank accounts amounting to Rs. 3,673.332 million (2024: Rs. 3,107.776 million).

18. AUTHORIZED, ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2025	2024		2025	2024
(Number of shares)	(Number of shares)		Rupees	Rupees
75,000,000	75,000,000	Authorized capital	750,000,000	750,000,000
		Ordinary shares of Rs. 10/- each		
10,800,000	10,800,000	Issued, subscribed and paid up capital	108,000,000	108,000,000
54,540,000	54,540,000	Ordinary shares of Rs. 10/- each	545,400,000	545,400,000
65,340,000	65,340,000	Issued for cash	653,400,000	653,400,000
		Issued as bonus shares		

18.1 As of June 30, 2025, the Parent Company of Holding Company held 48,558,633 (2024: 47,648,522) ordinary shares of Rs. 10 each.

18.2 There is only one class of ordinary shares.

18.3 There are no agreements among shareholders in respect of voting rights, board selection, rights of first refusal, and block voting.

19. SURPLUS ON REVALUATION OF PROPERTY

In the year 2015, the Company reclassified leasehold offices to investment property. Accordingly, surplus on revaluation of properties was recognized in accordance with IAS 40 "Investment Property".

20. LEASE LIABILITY

Note	2025	2024
	Rupees	Rupees
20.1	52,048,121	75,004,512
20.2	6,961,172	-
	59,009,293	75,004,512
	(33,456,840)	(31,137,864)
	25,552,453	43,866,648

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

20.1 Rented premises

As at July 01,
Additions during the year
Finance cost charged during the year
Payment during the year
As at June 30,

Less: Current portion
Non-current portion

2025	2024
----- Rupees -----	
75,004,512	3,027,335
-	87,523,345
13,906,757	17,245,125
(36,863,148)	(32,791,293)
52,048,121	75,004,512
(31,961,481)	(31,137,864)
20,086,640	43,866,648

20.2 Leased vehicles

As at July 01,
Additions during the year
Finance cost charged during the year
Payment during the year
As at June 30,

Less: Current portion
Non-current portion

2025	2024
----- Rupees -----	
-	-
7,192,000	-
155,772	-
(386,600)	-
6,961,172	-
(1,495,359)	-
5,465,813	-

21. SHORT TERM BORROWINGS

From banking companies
- Running finance

	2025	2024
	----- Rupees -----	
Note		
21.1	861,773,903	664,317,881

21.1 Running finance arrangements from banking companies - secured

21.1.1 Short term running finance facilities are available from various commercial banks, under mark-up arrangements, amounting to Rs. 3,150 million (2024: Rs. 5,000 million). These facilities have various maturity dates up to May 31, 2026 (2024: May 31, 2025). These arrangements are secured against pledge of marketable securities. These running finance facilities carry mark-up ranging from 1 month KIBOR + 0.5% to 1.0%, 3 month KIBOR + 0.75% to 1.5% (2024: 1 month KIBOR + 0.5% to 1.0%, 3 month KIBOR + 0.50% to 1.5%) calculated on a daily product basis that is payable quarterly.

21.1.2 Fair value of shares pledged with banking companies against various short term running finance facilities and bank guarantees as at June 30, 2025 amounted to Rs. 10,152.89 million (2024: Rs. 7,799.35 million). Total value of securities pledged with financial institutions, indicating separately securities belonging to customers, is as under:

	June 30, 2025		June 30, 2024	
	Number of securities	Amount (Rupees)	Number of securities	Amount (Rupees)
Clients	100,850,000	10,025,498,500	129,150,000	6,666,723,000
House	10,000,000	127,400,000	164,900,000	1,132,626,000
Total	110,850,000	10,152,898,500	294,050,000	7,799,349,000

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

21.2 Financing facility from Sponsor

	2025	2024
	----- Rupees -----	
Opening balance	-	-
Add: Finance obtained during the year	1,250,000,000	-
Less: Repayments made during the year	(1,250,000,000)	-
Closing balance	-	-

21.2.1 The Holding Company obtained an unsecured financing facility of Rs. 2.2 billion from Mr. Arif Habib to meet its working capital requirements. The loan carried a fixed interest rate ranging from 16.5% to 15.25% per annum, payable quarterly, and was repayable within 30 days upon notice of demand.

21.3 Financing facility from Parent

	2025	2024
	----- Rupees -----	
Opening balance	-	-
Add: Finance obtained during the year	1,585,000,000	-
Less: Repayments made during the year	(1,585,000,000)	-
Closing balance	-	-

21.3.1 The Holding Company obtained an unsecured financing facility of Rs. 2.5 billion from Parent company to meet its working capital requirements. The loan carried a fixed interest rate ranging from 15% per annum, payable quarterly, and was repayable within 30 days upon notice of demand.

22. TRADE AND OTHER PAYABLES

	Note	2025	2024
		----- Rupees -----	
Creditors	22.1	3,421,340,459	3,023,733,425
Bonus/Commission payable	22.2	257,723,768	233,243,989
Advance from customers		3,220,169	899,847
Future profit withheld		21,379,538	21,123,253
Accrued expenses		47,711,307	19,853,515
Withholding tax payable		301,430,261	108,373,754
Sindh sales tax and federal excise duty payable		6,621,520	15,017,968
Payable against reverse repo transaction		228,126	-
Provident fund payable		1,833,730	-
Other liabilities		2,843,815	5,033,422
		4,064,332,693	3,427,279,173

22.1 This includes Rs. 17.430 million (2024: Rs. 249.33 million) payable to related parties.

22.2 This includes Rs. 157.841 million (2024: Rs. 102 million) payable to related parties.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

23. ACCRUED MARKUP

Payable to parent
Short term loan
Guarantee charges

Payable to banks
Short term borrowing

	2025	2024
	----- Rupees -----	
	1,697,579	-
	2,960,403	-
	4,657,982	-
	2,814,984	-
	7,472,966	-

24. CONTINGENCIES AND COMMITMENTS

24.1 Contingent liability existing as at the reporting date

The Holding Company has been contesting a demand of Rs. 49.988 million raised against its non-taxable services vide order issued on September 12, 2014 by the Assistant Commissioner, Sindh Revenue Board. The Holding Company filed an appeal against the impugned order in the appropriate forums and, accordingly, a stay was granted to the Holding Company against the impugned order. During the year 2018, the Appellate Tribunal Sindh Revenue Board remanded the case to the learned Commissioner (Appeals) for decision denovo on merits in terms of note / opinion recorded by the Member Technical. The Holding Company's legal counsel is of the view that the Holding Company has a favorable case based on merit. Accordingly, the Holding Company has not made any provision of the said amount in these consolidated financial statements.

24.2 Commitments

Following commitments were outstanding as at the reporting date:

- Outstanding settlements against Margin Trading contracts
- Outstanding settlements against sale / purchase of securities in regular market - net
- Financial guarantees given by commercial banks on behalf of the Holding Company

	2025	2024
	----- Rupees -----	
	547,484,128	138,417,338
	449,688,074	97,136,093
	1,050,000,000	750,000,000

25. OPERATING REVENUE

Brokerage and advisory revenue
Markup and dividend income

Note	2025	2024
	----- Rupees -----	
25.1	1,470,074,867	1,068,666,288
25.2	105,849,297	87,518,889
	1,575,924,164	1,156,185,177

25.1 Brokerage and advisory revenue

Equity brokerage revenue
Inter bank brokerage revenue
Advisory and consultancy fee
Commodity brokerage revenue

Less: Sales tax

Note	2025	2024
	----- Rupees -----	
25.1.1	1,141,872,886	699,256,979
	196,368,820	184,383,437
	307,490,456	282,746,913
	44,853,935	41,759,924
	1,690,586,097	1,208,147,253
	(220,511,230)	(138,951,494)
	1,470,074,867	1,068,666,288

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

25.1.1 Break up - Inter bank brokerage revenue

	2025	2024
	----- Rupees -----	
Forex income	12,481,980	8,869,393
Money market income	183,886,840	175,514,044
	<u>196,368,820</u>	<u>184,383,437</u>

25.2 Markup and dividend income

	2025	2024
	----- Rupees -----	
Markup on margin financing	80,535,160	49,928,245
Dividend income on investment in equity securities	14,792,078	11,811,378
Markup on corporate debt securities	10,522,059	25,779,266
	<u>105,849,297</u>	<u>87,518,889</u>

26. NET CHANGE IN UNREALIZED (LOSS) / GAIN ON INVESTMENTS

	Note	2025	2024
		----- Rupees -----	
Long term investments		12,656,853	(726,580)
Short term investments	11.1, 11.2, 11.3 & 26.1	<u>(4,602,786)</u>	<u>(18,951,081)</u>
		<u>8,054,067</u>	<u>(19,677,661)</u>

26.1 It includes an unrealized loss of Rs.17.145 million on a future contract with the settlement date of July 29, 2025.

27. NET CHANGE IN UNREALIZED LOSS ON INVESTMENT PROPERTY

	2025	2024
	----- Rupees -----	
(Decrease) / Increase in fair value of open plots / offices held at year end	-	(100,000)
Less: Decrease in unrealized gain upon sale	-	(749,029)
	<u>-</u>	<u>(849,029)</u>

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

28. ADMINISTRATIVE AND OPERATING EXPENSES

		2025	2024
	Note	----- Rupees -----	
Salaries and other benefits	28.1	1,146,217,721	722,144,917
Motor vehicle and travelling expense		78,754,878	61,635,162
CDC and clearing house charges		56,237,202	25,169,842
Building maintenance		44,571,136	36,541,579
Depreciation on right-of-use assets	5	26,036,545	26,477,305
Depreciation on property and equipment	4	15,773,292	14,470,893
Man power services	28.2	18,962,864	20,714,800
Communication		34,435,550	26,097,613
Legal and professional charges		6,110,855	7,926,985
Insurance		17,224,580	12,649,640
Repairs and maintenance		19,902,285	10,219,615
Fees and subscription		33,057,182	30,696,982
Printing and stationery		3,579,286	3,444,501
Business representation		9,123,422	5,237,246
Rent, rates and taxes		2,908,185	1,250,960
Auditors' remuneration	28.2	3,110,000	2,735,000
Advertisement and business promotion		10,203,317	8,914,026
Conveyance and meals		5,336,469	5,289,306
Meeting expenses		1,013,630	1,650,000
Amortization on intangible assets	6.1	151,330	278,907
Donation	28.4	1,267,000	-
Others		21,880,995	16,124,921
		<u>1,555,857,724</u>	<u>1,039,670,200</u>

28.1 Salaries and other benefits

		2025	2024
	Note	----- Rupees -----	
Salaries and other benefits	28.1.1	245,878,340	231,817,922
Commission & Bonus		900,339,381	490,326,995
		<u>1,146,217,721</u>	<u>722,144,917</u>

28.1.1 Salaries and benefits include Rs. 10.40 million (2024: Rs. 10.05 million) in respect of provident fund contribution.

28.2 These represent charges paid to M/s. Arif Habib Consultancy (Private) Limited, a related party, in respect of recruitment services obtained for providing senior and highly qualified consultants to lead the Holding Company's investment banking department.

28.3 Auditors' remuneration

		2025	2024
		----- Rupees -----	
Annual audit fee		1,875,000	1,650,000
Half yearly review		500,000	400,000
Review of compliance with Code of Corporate Governance		250,000	200,000
Other certifications		485,000	485,000
		<u>3,110,000</u>	<u>2,735,000</u>

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

28.4 Donation

None of the directors or their spouse had any interest in the donees. Further, the particulars of the parties to whom donation paid exceeds Rs. 1 million or 10% of the total donation, whichever is higher, are as follows:

	2025	2024
	----- Rupees -----	
Million Smiles Foundation	1,032,000	-
Others	235,000	-
	<u>1,267,000</u>	<u>-</u>

29. OTHER CHARGES

Provision for expected credit losses on trade debts
Loss on Sale of asset
Other receivable written off
Other

Note	2025	2024
	----- Rupees -----	
12.2	30,242,864	12,627,092
	57,113	402,588
	37,000,000	-
29.1	-	1,663,198
	<u>67,299,977</u>	<u>14,692,878</u>

29.1 This represents tax u/s 161 of Income Tax Ordinance, 2001 along with penalties and default surcharge.

30. OTHER INCOME

Markup on reverse repo transaction
Markup on margin trading deposits
Profit on savings accounts
Profit on exposure deposit
Other

	2025	2024
	----- Rupees -----	
	49,458,454	32,144,885
	393,331	2,546,932
	311,219,771	342,157,375
	17,952,341	35,451,779
	3,259,214	1,977,127
	<u>382,283,111</u>	<u>414,278,098</u>

31. FINANCE COSTS

Markup on short term borrowings
Other finance costs

Note	2025	2024
	----- Rupees -----	
31.1	49,229,188	66,811,214
31.2	36,383,984	31,188,962
	<u>85,613,172</u>	<u>98,000,176</u>

31.1 Markup on short term borrowings

Markup on borrowing from banking companies

Markup on borrowing from related parties:
- M/s. Javedan Corporation Limited
- M/s. Arif Habib Corporation Limited
- Mr. Arif Habib

	2025	2024
	----- Rupees -----	
	14,859,875	66,811,214
	-	-
	27,680,651	-
	6,688,662	-
	34,369,313	-
	<u>49,229,188</u>	<u>66,811,214</u>

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

31.2 Other finance costs

Finance cost on lease liability
Finance cost on car lease
Markup on MTS securities
Bank charges
Guarantee charges to Parent Company

2025	2024
----- Rupees -----	
13,906,757	17,245,125
155,772	1,721,732
2,704,431	12,222,105
15,970,238	-
3,646,786	-
<u>36,383,984</u>	<u>31,188,962</u>

32. LEVIES

Income tax - Final tax regime
Income tax - Tax on deemed rental income u/s 7E

2025	2024
----- Rupees -----	
2,368,811	2,564,850
389,000	389,000
<u>2,757,811</u>	<u>2,953,850</u>

33. TAXATION

Current tax
- for the year
- for prior year

Deferred

2025	2024
----- Rupees -----	
395,072,306	161,082,234
(510,327)	(3,464,521)
394,561,979	157,617,713
(24,229,768)	(5,977,246)
<u>370,332,211</u>	<u>151,640,467</u>

33.1 Relationship between tax expense and accounting profit

Profit before taxation

Tax at the applicable rate of 29% (2024: 29%)

Tax effect of:

- income under Presumptive Tax Regime
- income under Final Tax Regime
- exempt income / permanent differences
- realized and unrealized capital losses on short term investments
- unrealized capital loss on long term investment
- unrealized capital gain on investment property
- prior year charge
- super tax under section 4C of Income Tax Ordinance, 2001
- amount transferred to levies
- other miscellaneous items

2025	2024
----- Rupees -----	
1,354,619,473	772,719,504
392,839,647	224,088,656
(1,920,892)	(1,323,777)
-	(3,495,897)
-	(217,217)
(133,623,157)	(103,079,358)
(8,956,264)	(4,006,393)
-	246,218
(510,327)	(3,464,521)
142,423,698	35,563,196
(2,757,811)	(2,953,850)
(17,162,683)	11,176,679
<u>370,332,211</u>	<u>152,533,736</u>

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

33.2 Except for the matters disclosed in note 16.2.1 and 16.2.2, income tax assessments of the Holding Company are deemed to be finalized as per tax returns file up to tax year 2024. Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.

34. EARNINGS PER SHARE – BASIC AND DILUTED

34.1 Basic earnings per share

	2025	2024
	----- Rupees -----	
Profit after taxation	<u>981,529,451</u>	<u>618,125,187</u>
	----- Number of shares -----	
Weighted average number of ordinary shares outstanding during the year	<u>65,340,000</u>	<u>65,340,000</u>
	----- Rupees -----	
Earnings per share – basic	<u>15.02</u>	<u>9.46</u>

34.2 Diluted earnings per share

There is no dilutive effect on the basic earnings per share of the Group, since there were no potential ordinary shares in issue as at June 30, 2025 and June 30, 2024.

35. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting year as shown in the consolidated statement of cash flows are reconciled to the related items in the consolidated statement of financial position as follows:

	Note	2025	2024
		----- Rupees -----	
Cash and bank balances	17	<u>3,750,647,326</u>	<u>3,214,235,795</u>
Short term borrowings from banking companies	21	<u>(861,773,903)</u>	<u>(664,317,881)</u>
- running finance		<u>2,888,873,423</u>	<u>2,549,917,914</u>

36. RELATED PARTY TRANSACTIONS AND BALANCES

36.1 Related parties comprise of group companies (the Parent Company, fellow subsidiary and the subsidiaries), key management personnel and directors of the Holding Company and the Ultimate Parent Company (as well as their close family members), and the staff provident fund. Remuneration of the Chief Executive and Directors is disclosed in note 37 to these consolidated financial statements. Transactions entered into, and balances held with, related parties during the year, are as follows:

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

PARENT COMPANY

Arif Habib Corporation Limited

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Guarantee charges

Markup expense

Balances at the year end

Trade receivable at year end

Guarantee charges payable

Accrued Markup Payable

2025

2024

----- Rupees -----

8,780,636	2,805,169
3,646,786	-
27,680,651	
606,493	50,666
2,960,403	-
1,697,579	-

KEY MANAGEMENT PERSONNEL

Zafar Alam (Chairman)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade payable at year end

Muhammad Shahid Ali (CEO)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade payable at year end

Muhammad Haroon (Ex.Director)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade payable at year end

Muhammad Sohail Salat (Director)

Balances at the year end

Trade receivable at year end

Sharmin Shahid (Director)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade receivable at year end

Mohsin Madni (Ex. Director)

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade payable at year end

2025

2024

----- Rupees -----

1,865,570	412,257
292,130	51,359
16,031,929	12,062,351
10,402,597	249,003,382
453,611	464,832
2,557,913	17,055
2,699	1,899
3,833,706	500,000
11,970,058	43,263
1,407,754	160,166
3,925,501	289,099

For the year ended June 30, 2025

Arif Habib

- Transaction during the year
- Brokerage commission earned on sale and purchase of securities
- Loan obtained
- Loan repaid
- Markup on loan charged during the year

Trade receivable at year end

Nida Ahsan (Ex. Director)

Brokerage commission earned on sale and purchase of securities

Trade payable at year end

Trade receivable at year end

Abdus Samad A. Habib

Brokerage commission earned on sale and purchase of securities

Trade receivable at year end

Muhammad Kashif A. Habib

Brokerage commission earned on sale and purchase of securities

Trade receivable at year end

2025	2024
	Rupees
1,247,871	7,590,190
1,250,000,000	-
1,250,000,000	-
6,688,662	-
34,643	30,318
6,789,232	1,012,821
24,341	24,341
606,116	609,448
3,828,210	630,889
7,983,025	87,860
500,875	6,500
200,244	244

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

OTHER RELATED PARTIES

Javedan Corporation Limited

Transaction during the year

Brokerage commission earned on sale and purchase of securities
Received against sale of investment property

Balances at the year end

Trade receivable at year end

Arif Habib Dolmen REIT Management Limited

Balances at the year end

Trade receivable at year end

Rotocast Engineering Co. (Private) Limited

Transaction during the year

Rent paid

Balances at the year end

Trade receivable at year end

Fatima Fertilizer Company Limited

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade receivable at year end

Arif Habib Equity (Private) Limited

Transaction during the year

Brokerage commission earned on sale and purchase of securities

Balances at the year end

Trade receivable at year end

Arif Habib Provident Fund Trust

Transaction during the year

Contribution paid during the year

Balances at the year end

Trade payable at year end

	2025	2024
	----- Rupees -----	
	276,000	-
	-	5,126,734
	1,550,506	270,192
	2,456	2,456
	35,876,484	30,263,478
	68,469	43,550
	13,848,293	2,815,316
	2,819,994	-
	3,791,393	857,821
	63,387,271	35,464
	10,410,735	10,065,774
	228,126	

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

37. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these consolidated financial statements for remuneration, including certain benefits to Chief Executive, Directors and executives of the Group, are as follows:

	Chief Executive		Directors		Other Executives	
	2025	2024	2025	2024	2025	2024
	----- Rupees -----					
Managerial remuneration	16,803,048	16,018,044	-	-	94,362,255	83,325,874
Contribution to provident fund	1,453,128	1,444,794	-	-	5,210,182	3,870,844
Medical/Conveyance allowance	513,330	651,682	-	-	9,079,884	3,466,650
Commission / Bonus	157,841,857	120,725,095	-	-	623,655,393	305,779,446
Meeting fees	-	-	950,000	1,200,000	-	-
	<u>176,611,363</u>	<u>138,839,615</u>	<u>950,000</u>	<u>1,200,000</u>	<u>732,307,714</u>	<u>396,442,814</u>
Number of persons	<u>2</u>	<u>2</u>	<u>4</u>	<u>5</u>	<u>26</u>	<u>20</u>

37.1 The amount of Rs. 157.841 million represents the commission to the CEO of the Holding Company equivalent to 17% of the Profit after tax of the Holding Company, calculated before accounting for the commission impact.

38. FINANCIAL INSTRUMENTS

38.1 Financial risk analysis

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

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

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

Exposure to credit risk

Credit risk of the Group mainly arises from deposits with banks and financial institutions, trade debts, receivable against margin financing, short term loans, deposits and other receivables. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Group has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their net worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

The Group's management, as part of risk management policies and guidelines, reviews clients' financial position, considers past experience, obtain authorized approvals and arrange for necessary collaterals in the form of equity securities to reduce credit risks and other factors. These collaterals are subject to market risk which ultimately affects the recoverability of debts. Further, credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings.

The Group's policy is to enter into financial contracts in accordance with the internal risk management policies, investment and operational guidelines approved by the Board of Directors.

The carrying amount of financial assets represent the maximum credit exposure at the reporting date, are detailed as follows:

	Note	2025	2024
		----- Rupees -----	
Long-term advances, deposits and other receivable		27,347,707	50,494,333
Short term investment in corporate debt securities		59,429,642	65,877,709
Trade debts		435,131,703	335,294,445
Receivable against margin financing		270,374,543	117,387,003
Short term deposits	(a) & (b)	280,251,129	179,308,766
Accrued markup on margin financing		8,448,874	4,526,291
Other receivables		335,482,118	998,174,239
Receivable against trading of securities - net		683,091,537	-
Bank balances		3,741,502,535	3,206,580,640
		<u>5,841,059,788</u>	<u>4,957,643,426</u>

(a) Trade debts were due from local clients.

(b) The Holding Company held equity securities having fair value of Rs. 42,127 million (2024: Rs. 146,942 million) owned by its clients, as collaterals against trade debts - brokerage and operating.

	2025		2024	
	Gross carrying amount	Provision for expected credit losses	Gross carrying amount	Provision for expected credit losses
	----- Rupees -----			
Not past due	107,455,749	-	159,964	-
Past due 1 day - 30 days	172,623,256	5,544,613	3,822,950	3,642,942
Past due 31 days - 180 days	112,192,177	17,634,270	132,533,086	5,181,696
Past due 181 days - 365 days	17,934,434	7,128,000	176,356,134	5,899,030
More than one year	965,801,330	910,568,360	984,682,433	947,536,454
	<u>1,376,006,946</u>	<u>940,875,243</u>	<u>1,297,554,567</u>	<u>962,260,122</u>

No impairment has been recognized except as disclosed in respect of these debts as the security against the same is adequate or counter parties have sound financial standing.

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

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

Banks / other institutions	Short term rating	Credit rating agency	2025	2024
			----- Rupees -----	
Allied Bank Limited	A1+	PACRA	22,768,937	22,647,045
Askari Bank Limited	A-1+	PACRA	16,661,738	7,338,603
Bank Al-Falah Limited	A1+	PACRA	31,637,666	94,707,036
Bank Al-Habib Limited	A-1+	PACRA	2,557,881,658	969,323,978
Bank Islami Pakistan Limited	A1	PACRA	2,664,804	84,565
Bank of Khyber	A-1	JCR-VIS	130,316	19,416
Bank of Punjab	A1+	PACRA	1,804,121	1,633,433
Dubai Islamic Bank Limited	A-1+	VIS	30,912,500	41,796,955
Faysal Bank Limited	A1+	PACRA	1,560,846	4,375,978
Habib Bank Limited	A-1+	VIS	129,447,666	329,872,006
Habib Metropolitan Bank Limited	A-1+	PACRA	293,099,790	1,251,478,011
JS Bank Limited	A1+	PACRA	7,600,438	4,402,143
MCB Bank Limited	A-1+	PACRA	32,197,891	69,413,345
Meezan Bank Limited	A-1+	JCR-VIS	203,128,909	218,027,027
National Bank of Pakistan	A-1+	JCR-VIS	103,619,215	3,803,318
United Bank Limited	A-1+	VIS	15,656	14,932
Sindh Bank Limited	A-1+	VIS	58,906,811	57,539,320
Soneri Bank Limited	A1+	PACRA	5,600,738	11,499,829
Standard Chartered Bank	A1+	PACRA	1,844,985	9,331,332
Bank Makramah Limited	-	-	160,577,995	75,749,661
United Bank Limited	A-1+	VIS	79,439,851	33,522,707
Central Depository Company	A-1	VIS	8,436,406	6,908,525
			3,749,938,937	3,213,489,165

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

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

38.1.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of adequate funds through committed credit facilities and the ability to close out market positions due to dynamic nature of the business. The Group finances its operations through equity and borrowings with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

On the reporting date, the Company had cash and bank balance amounting to Rs. 3,750.647 million (2024: Rs. 3,214.235 million) unutilized credit lines Rs. 7,988 million (2024: Rs. 10,536 million) and liquid assets in the form of short term securities amounting to Rs.1,016.271 million (2024: Rs. 484.827 million)

The following are the contractual maturities of financial liabilities, including estimated interest payments (except interest payments on short term borrowings and loan from a related party):

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

		30-Jun-25					
		Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
		----- Rupees -----					
Financial liabilities							
Lease liability		59,009,293	69,191,443	20,116,067	21,831,488	27,243,888	-
Running finance arrangements from banking companies		861,773,903	861,773,903	861,773,903	-	-	-
Accrued markup		7,472,966	7,472,966	7,472,966	-	-	-
Trade and other payables		3,751,227,013	3,751,227,013	3,751,227,013	-	-	-
		<u>4,679,483,175</u>	<u>4,689,665,325</u>	<u>4,640,589,949</u>	<u>21,831,488</u>	<u>27,243,888</u>	<u>-</u>
		30-Jun-24					
		Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
		----- Rupees -----					
Financial liabilities							
Lease liability		75,004,512	76,020,080	9,441,780	12,308,723	54,269,577	-
Running finance arrangements from banking companies		664,317,881	664,317,881	664,317,881	-	-	-
Trade and other payables		3,302,987,604	3,302,987,604	3,302,987,604	-	-	-
Payable against purchase of securities - net		198,721,206	198,721,206	198,721,206	-	-	-
		<u>4,241,031,203</u>	<u>4,242,046,771</u>	<u>4,175,468,471</u>	<u>12,308,723</u>	<u>54,269,577</u>	<u>-</u>

38.1.3 Market risk

Market risk means that the future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, equity prices and interest rates. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risks: foreign currency risk, price risk and interest rate risk. The market risks associated with the Group's business activities are discussed as under:

i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As of the reporting date, the Group was not exposed to currency risk since there were no foreign currency transactions and balances at the reporting date.

ii) Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/ mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. Presently, daily stock market fluctuation is controlled by government authorities with cap and floor of 7.5% or Rs. 1 whichever is higher. The restriction of floor prices reduces the volatility of prices of equity securities and the chances of market crash at any moment. The Group manages price risk by monitoring the exposure in quoted securities and implementing the strict discipline in internal risk management and investment policies, which includes disposing of its own equity investment and collateral held before it led the Group to incur significant mark-to-market and credit losses. As of the reporting date, the Group was exposed to price risk since it had investments in quoted securities amounting to Rs. 1,016.271 million (2024: Rs. 484.827 million) and also because the Group held collaterals in the form of equity securities against their debtor balances.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

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

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

Analysis of short term investment in quoted equity securities by business sector is as follows:

	June 30, 2025		June 30, 2024	
	(Rupees)	%	(Rupees)	%
Engineering	128,201,790	12.61%	1,272,115	0.26%
Food & Personal Care Products	60,438,665	5.95%	31,732,897	6.55%
Oil & Gas	125,019,547	12.30%	31,217,945	6.44%
Automobile Assembler	46,088,747	4.54%	-	0.00%
Textile	24,886,676	2.45%	8,217,600	1.69%
Fertilizer	51,560,995	5.07%	1,780,240	0.37%
Commercial Banks	86,244,569	8.49%	58,786,372	12.13%
Cement	216,557,608	21.31%	43,322,575	8.94%
Property	27,755,724	2.73%	7,079,400	1.46%
Technology & Communication	65,800,855	6.47%	43,844,525	9.04%
Power Generation	9,229,887	0.91%	-	0.00%
Refinery	41,129,749	4.05%	154,672,405	31.90%
Cable & Electrical Goods	13,664,300	1.34%	3,249,365	0.67%
Miscellaneous	119,691,981	11.78%	99,652,494	20.55%
	<u>1,016,271,093</u>	<u>100.00</u>	<u>484,827,933</u>	<u>100.00</u>

Sensitivity analysis:

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

		Fair value	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase / (decrease) in shareholders' equity	Hypothetical increase / (decrease) in profit / (loss) after tax	Hypothetical increase / (decrease) in Other comprehensive income
June 30, 2025	Rupees	1,101,582,754	10% increase 10% decrease	1,211,741,029 991,424,479	93,634,534 (93,634,534)	93,634,534 (93,634,534)	- -
June 30, 2024	Rupees	550,705,642	10% increase 10% decrease	605,776,206 495,635,078	46,809,979 (46,809,979)	46,809,979 (46,809,979)	- -

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

iii) Interest rate risk

Interest / mark-up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest / mark-up rates. Sensitivity to interest / mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The Group manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The short term borrowing arrangements have variable rate pricing that is dependent on the Karachi Inter Bank Offer Rate (KIBOR) as indicated in note 21 to these consolidated financial statements.

Financial assets and liabilities include balances of Rs. 4,166.349 million (2024: Rs. 3,137.573 million) and Rs. 861.774 million (2024: Rs. 664.317 million) respectively, which are subject to interest / markup rate risk. Applicable interest / mark-up rates for financial assets and liabilities have been indicated in respective notes.

At the reporting date, the interest rate profile of the Group's significant interest bearing financial instruments was as follows:

	2025	2024	2025	2024
	Effective interest rate (%)		Carrying amounts (Rs.)	
Financial assets – variable rate instruments				
Receivable against margin financing	14% to 29.5%	25% to 29.5%	270,374,543	117,387,003
Receivable against reverse repo arrangement	13.38% to 22.85%	24.37% to 24.02%	332,714,627	190,940,196
Corporate debt securities – at FVTPL	12.82% to 23.13%	21.84% to 24.5%	59,429,642	65,877,709
Bank deposits – pls account	7.46% to 19.1%	10% to 19%	3,503,830,388	2,763,368,137
Financial liabilities – variable rate instruments				
Running finance arrangements from banking companies – secured	21.74 % to 12.13%	22.52% to 24.16%	861,773,903	664,317,881

Sensitivity analysis

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate would not affect the carrying amount of any financial instrument. For cash flow sensitivity analysis of variable rate instruments it is observed that interest / mark-up rate in terms of KIBOR has decreased by 239 bps during the year.

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

	Effect on profit after tax	
	1% increase	1% (decrease)
	----- Rupees -----	
As at June 30, 2025		
Cash flow sensitivity–Variable rate financial instruments	4,461,177	(4,461,177)
As at June 30, 2024		
Cash flow sensitivity–Variable rate financial instruments	18,821,472	(18,821,472)

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

38.2 Financial instruments by categories

June 30, 2025			
Financial assets	At fair value through profit or loss	At fair value through other comprehensive income	At Amortized cost
----- Rupees -----			
Long term investment	43,118,461	-	-
Long-term advances, deposits and other receivable	-	-	27,347,707
Short term investments	1,101,582,754	-	-
Trade debts	-	-	435,131,703
Receivable against margin financing	-	-	270,374,543
Receivable under margin trading system	-	-	2,675,008
Accrued markup on margin financing	-	-	8,448,874
Short term deposits	-	-	280,251,129
Other receivables	-	-	335,482,118
Receivable against trading of securities - net	-	-	683,091,537
Cash and bank balances	-	-	3,750,647,326
	<u>1,144,701,215</u>	<u>-</u>	<u>5,793,449,945</u>
			<u>6,938,151,160</u>

Financial liabilities	Financial liabilities at amortized cost
--- Rupees ---	
Lease liability	59,009,293
Running finance arrangements from banking companies (including accrued markup)	869,246,869
Trade and other payables	3,756,280,912
Unclaimed dividend	22,829,563
	<u>4,707,366,637</u>

June 30, 2024			
Financial assets	At fair value through profit or loss	At fair value through other comprehensive income	At Amortized cost
----- Rupees -----			
Long term investment	30,461,607	-	-
Long-term advances, deposits and other receivable	-	-	50,494,333
Short term investments	550,705,642	-	-
Trade debts	-	-	335,294,445
Receivable against margin financing	-	-	117,387,003
Receivable under margin trading system	-	-	12,631,269
Accrued markup on margin financing	-	-	4,526,291
Short term deposits	-	-	179,308,766
Other receivables	-	-	998,174,239
Cash and bank balances	-	-	3,214,235,795
	<u>581,167,249</u>	<u>-</u>	<u>4,912,052,141</u>
			<u>5,493,219,390</u>

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

Financial liabilities

Financial liabilities at amortized cost
--- Rupees ---

Lease liability
Running finance arrangements from banking companies (including accrued markup)
Trade and other payables
Payable against trading of securities - net
Unclaimed dividend

75,004,512

664,317,881

3,303,887,451

198,721,206

21,659,825

4,263,590,875

39. FAIR VALUE OF ASSETS AND LIABILITIES

The Group measures fair value of its assets and liabilities using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market.

Level 2: Valuation techniques based on observable inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

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

Valuation techniques used by the Group include discounted cash flow model. Assumptions and inputs used in the valuation technique mainly include risk-free rate, equity risk premium, long term growth rate and projected rates of increase in revenues, other income and expenses. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

Valuation models for valuing securities for which there is no active market requires significant unobservable inputs and a higher degree of judgment and estimation in the determination of fair value. Judgment and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued and selection of appropriate discount rates, etc.

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

		Level 1	Level 2	Level 3	Total
June 30, 2025		Amount in Rupees			
Financial assets measured at fair value	Note				
Short term investments	11.1	1,016,271,093	-	-	1,016,271,093
Quoted Equity Securities	11.2	59,429,642	-	-	59,429,642
Quoted Debt Securities	11.3	25,882,019	-	-	25,882,019
Quoted Mutual Fund		<u>1,101,582,754</u>	<u>-</u>	<u>-</u>	<u>1,101,582,754</u>
	7.1	<u>11,164,091</u>	<u>-</u>	<u>31,954,370</u>	<u>43,118,461</u>
Long term investments					
Non-financial assets measured at fair value	8	-	38,900,000	-	38,900,000
Investment properties					

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

June 30, 2024		Level 1	Level 2	Level 3	Total
	Note	----- Amount in Rupees -----			
<i>Financial assets measured at fair value</i>					
Quoted Equity Securities	11.1	484,827,933	-	-	484,827,933
Quoted Debt Securities	11.2	65,877,709	-	-	65,877,709
Quoted Mutual Fund	11.3	-	-	-	-
		<u>550,705,642</u>	<u>-</u>	<u>-</u>	<u>550,705,642</u>
Long term investments	7.1	<u>5,611,480</u>	<u>-</u>	<u>24,850,127</u>	<u>30,461,607</u>
<i>Non-financial assets measured at fair value</i>					
Investment properties	8	<u>-</u>	<u>38,900,000</u>	<u>-</u>	<u>38,900,000</u>

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	Note	2025	2024
		----- Rupees -----	
Balance as at July 01		24,850,127	22,181,370
Shares swapped with quoted securities		-	-
Unrealised (loss) / gain for the year	7.1.1	<u>7,104,243</u>	<u>2,668,757</u>
Balance as at June 30		<u>31,954,370</u>	<u>24,850,127</u>

40. CAPITAL

40.1 Management of capital

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

40.2 The **Capital Adequacy Level** as defined by Central Depository Company (CDC) is calculated as follows;

	Note	2025	2024
		----- Rupees -----	
Total assets	40.2.1	7,176,524,203	5,680,407,395
Less: Total liabilities		(5,228,269,954)	(4,386,982,597)
Less: revaluation reserves (created upon revaluation of fixed assets)		(7,835,000)	(7,835,000)
Capital Adequacy Level		<u>1,940,419,249</u>	<u>1,285,589,798</u>

40.2.1 While determining the value of the total assets, notional value of the TRE Certificate as at year end as determined by Pakistan Stock Exchange has been considered.

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

40.3 Liquid Capital [as per the requirements of the Securities Brokers (Licensing and Operations) Regulations, 2016]

S.No.	Head of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	182,862,752	182,862,752	-
1.2	Intangible Assets	5,285,389	5,285,389	-
1.3	Investment in Govt. Securities (Difference between BV and SV on the date on the basis of PKRV published by NIFT)	-	-	-
1.4	Investment in Debt. Securities			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	59,429,642	2,971,482	56,458,160
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
1.5	Investment in Equity Securities			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	1,042,160,488	161,012,520	881,147,968
	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.	43,111,085	43,111,085	-
	ii. If unlisted, 100% of carrying value.	-	-	-
1.6	Investment in subsidiaries	38,000,000	38,000,000	-
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, however, any excess amount of cash deposited with securities exchange to comply with the requirements of Base minimum capital, may be taken in the calculation of LC.	17,627,795	17,627,795	-
1.9	Margin deposits with exchange and clearing house.	280,251,129	-	280,251,129
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	16,777,145	16,777,145	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.	-	-	-
	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.)	332,714,627	-	332,714,627
1.15	Advances and receivables other than trade receivables 1) No haircut may be applied on short term loan to employees provided these loans are secured and due for repayment within 12 months. 2) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation. 3) In all other cases, 100% of net value	41,619,827	41,619,827	-
1.16	Receivables from clearing house or securities exchange(s)			
	i. 100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	683,091,537	-	683,091,537

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

S.No.	Head of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
	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 finantee (iii) market value of any securities deposited as collateral after applying VaR based haircut. <i>i. Lower of net balance sheet value or value determined through adjustments.</i>	270,374,543	14,732,485	255,642,058
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value. <i>ii. Net amount after deducting haircut</i>	-	-	-
	iii. Incase receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract, <i>iii. Net amount after deducting haircut</i>	-	-	-
1.17	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. <i>iv. Balance sheet value</i>	134,674,168	-	134,674,168
	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. <i>v. Lower of net balance sheet value or value determined through adjustments</i>	291,616,059	89,600,176	202,015,883
	vi. In the case of amount of receivable 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. Upto 30 days, values determined after applying VaR based haircuts; b. Above 30 days, but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher; c. Above 90 days, 100% haircut shall be applicable. <i>Lower of net balance sheet values or values determined through adjustments</i>	8,841,476	8,841,476	-
	Cash and Bank balances			
1.18	i. Bank Balance-proprietary accounts	54,675,147	-	54,675,147
	ii. Bank balance-customer accounts	3,673,332,837	-	3,673,332,837
	iii. Cash in hand	708,385	-	708,385
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 investments 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. <i>Balance sheet values or net values after deducting haircuts.</i>	-	-	-
1.20	Total Assets	7,177,154,031		6,554,711,899

Notes To The Unconsolidated Financial Statements

For the year ended June 30, 2025

S.No.	Head of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
2. Liabilities				
2.1	Trade Payables			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	3,422,256,355	-	3,422,256,355
2.2	Current Liabilities			
	i. Statutory and regulatory dues	307,428,201	-	307,428,201
	ii. Accruals and other payables	385,298,702	-	385,298,702
	iii. Short-term borrowings	861,773,903	-	861,773,903
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	33,456,840	-	33,456,840
	vi. Deferred Liabilities	-	-	-
	vii. Provision for taxation	212,423,680	-	212,423,680
	viii. Other liabilities as per accounting principles and included in the financial statements	3,220,169	-	3,220,169
2.3	Non-Current Liabilities			
	i. Long-Term financing	-	-	-
	a. Long-Term financing obtained from financial institution: Long term portion of financing obtained from a financial institution including amount due against finance lease.	-	-	-
	b. Other Long Term Financing	-	-	-
	ii. Staff retirement benefits	-	-	-
	iii. Other liabilities as per accounting principles and included in the financial statements	25,552,453	-	25,552,453
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:			
	a) The existing authorized share capital allows the proposed enhanced share capital			
	b) BOD 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	5,251,410,303		5,251,410,303
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 adjustments shall not be applicable where the aggregate amount of receivable against margin financing does not exceed Rs 5 million) Note: Only amount exceeding by 10% of each financee from aggregate amount shall be include in the ranking liabilities	-	-	69,467,039
3.2	Concentration in securities 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)	-	-	-

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

S.No.	Head of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
	Net underwriting Commitments			
3.3	(a) in the case of right issues: if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of Haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issues where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting (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 currency less total liabilities denominated in foreign currency.	-	-	-
3.6	Amount Payable under REPO	-	-	-
	Repo adjustment			
3.7	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities. In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received, less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	332,714,627	332,714,627	-
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. 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 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	332,714,627	332,714,627	69,467,039

1,593,029,101 Liquid Capital **1,233,834,557**

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.2)	6,554,711,899
(ii) Less: Adjusted value of liabilities (serial number 2.6)	(5,251,410,303)
(iii) Less: Total ranking liabilities (serial number 3.11)	(69,467,039)
	1,233,834,557

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

41. GENERAL

41.1 Operating segment

These consolidated financial statements have been prepared on the basis of a single reportable segment as the Group's asset allocation decisions are based on a single and integrated business strategy.

All non-current assets of the Group as at June 30, 2025 are located in Pakistan.

41.2 Disclosure Relating To Provident Fund

Investments out of provident fund of have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

41.3 Events after the reporting date

In its meeting held on August 18, 2025, the Board of Directors of the Holding Company decided as follows:

(a) a final cash dividend of Rs. 10/- per share amounting to Rs. 653.400 million was proposed to be issued (2024: a final cash divided of Rs. 5/- per share amounting to Rs. 326.700 million); and

(b) no bonus issue was proposed to be made (2024: 0% bonus issue).

The above proposed entitlements are to be approved by the members of the Holding Company in their Annual General Meeting (AGM) scheduled to be held on October 21, 2025. These consolidated financial statements do not reflect the said appropriation.

41.4 Customers assets held in the Central Depository System

Year End	Directors/Sponsors/CEO		Employees		Client's Account	
	Number of Securities	Value of Securities	Number of Securities	Value of Securities	Number of Securities	Value of Securities
As at June 30, 2025	474,777,591	12,076,496,812	11,020,646	153,250,006	1,475,923,338	74,503,196,139
As at June 30, 2024	3,903,475,630	37,442,298,781	2,587,220	34,693,626	3,489,800,065	90,320,099,318

41.5 Number of employees

The total number of employees and average number of employees at year end and during the year respectively are as follows:

	2025	2024
	----- Number -----	
Total number of employees as at	195	154
Average number of employees during the year	181	161

Notes To The Consolidated Financial Statements

For the year ended June 30, 2025

41.6 Date of authorization for issue

These unconsolidated financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on **August 18, 2025**.

41.7 Level of rounding off


Figures have been rounded off to the nearest rupee.



Chief Executive Officer



Director



Chief Financial Officer

Notice Of Twenty First Annual General Meeting

Notice is hereby given that the Twenty First Annual General Meeting of Arif Habib Limited ("the Company") will be held on October 21, 2025 at 10:00 A.M. at PSX Auditorium, Stock Exchange Building, Stock Exchange Road, Karachi along video link facility, to transact the following business:

Ordinary Business

- 1) To confirm minutes of the Annual General Meeting held on November 27, 2024.
- 2) To review, consider and adopt audited financial statements of the company together with the auditors' and directors' report thereon including approval of the annexures there to, for the year ended June 30, 2025 together with Audited Consolidated Financial Statements of the Company and the Auditors' Reports thereon for the year ended June 30, 2025.

In accordance with Section 223 of the Companies Act, 2017, and pursuant to SRO 389(I)/2023 dated 21st March 2023, as well as the approval granted by shareholders at the AGM held on October 28, 2023, the financial statements of the Company have been uploaded to the Company's website and can be downloaded via the following weblink or QR code:

<https://arifhabibltd.com/downloads/annual-report/June-302025.pdf>



- 3) To consider and approve final Cash dividend for the year ended June 30, 2025, in cash at Rs. 10.00 per share i.e. 100% as recommended by the Board of Directors.
- 4) To appoint auditors of the company and fix their remuneration for the financial year 2025-26. The Board of Directors have recommended for reappointment of M/s. Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants as external auditors.

Special Business

- 5) To consider and if thought fit to approve with or without modification(s), the following resolutions as special resolutions:

"RESOLVED THAT further to the approval already obtained from the members of the Company in the 18th Annual General Meeting held on October 15, 2022, wherein the members had authorized the Company in terms of Section 183 of the Companies Act, 2017 and other applicable legal provisions to sell or otherwise liquidate its wholly-owned subsidiary, Rayaam Commodities (Private) Limited (formerly Arif Habib Commodities Private Limited), as deemed appropriate by the Board of Directors and management of the Company, the members hereby accord their approval authorizing the Company's Board of Directors to proceed, negotiate, finalize and execute the sale, transfer, divestment or disposal of the said subsidiary, on such terms and conditions as the Board of Directors may deem fit in the best interest of the Company."

"FURTHER RESOLVED THAT, if the transaction is executed before the next AGM pursuant to the authority granted through this resolution, the Company shall make appropriate disclosures at the Pakistan Stock Exchange for the information of its shareholders and stakeholders, in accordance with applicable laws and regulatory requirements."

"FURTHER RESOLVED THAT all the transaction details and disclosures regarding the sale or liquidation of Rayaam Commodities (Private) Limited will be placed before the shareholders in the next Annual General Meeting for their information."

"FURTHER RESOLVED THAT the Chief Executive Officer and/or Company Secretary of the Company be and are hereby singly authorized and empowered to take all steps, necessary, ancillary and incidental to the above, and are further authorized to sign, execute, deliver all necessary documents, agreements and letters on behalf of the Company and to comply with legal corporate formalities including filing of applications to the regulators or authorities, as may be deemed necessary, desirable and expedient to give effect the above resolutions."

- 6) To authorize the Board of Directors of the Company to approve those transactions with related parties (if executed) during the financial year ending June 30, 2026 or upto the next annual general meeting which require approval of shareholders u/s 207 and u/s 208 of the Companies Act, 2017, by passing the following special resolution with or without modification:

"RESOLVED THAT the transactions / arrangements / agreements / balances with related parties as disclosed in the audited financial statements for the year ended June 30, 2025 be and are hereby approved."

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case to case basis for the financial year ending June 30, 2026 or upto the next annual general meeting."

"FURTHER RESOLVED THAT the transactions approved by the Board shall be deemed to have been approved by the shareholders u/s 207 and / or u/s 208 of the Companies Act, 2017 (if triggered) and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval u/s 207 and / or 208 of the Companies Act, 2017 (if required)."

7) To consider and if deemed fit, pass the following Special Resolutions with or without modification(s):

Investment in Associated Companies & Associated Undertakings:

"RESOLVED THAT the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 for renewal of following unutilised limits of equity investment, and sanctioned limits of loans / advances / guarantees etc. in associated companies and associated undertakings, for which approval has been sought in previous general meeting(s), as mentioned in detail in the Annexure-B of statement under Section 134(3), for a period upto next annual general meeting, unless specifically approved for a longer period, and shall be renewable thereon for further period(s) as specified."

	Name of Associated Companies & Undertakings	Amount in Million	
		Renewal Requested	
		Equity	Loan / Advance / Guarantee etc.
1	Arif Habib Corporation Limited	-	1,500
2	REITS under management of Arif Habib Dolmen REIT Management Limited	*3,000	
*	It is notified to the members that previously approved limits of equity investments, loans & advances in Safemix Concrete Products Limited, PowerCement Limited, Aisha Steel Mills Limited and Javedan Corporation Limited as were approved in the previous general meetings stands lapsed for the financial year June 30, 2026.		

"FURTHER RESOLVED THAT the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, *unutilized limit of investment amounting to Rs. 3,000 Million for the REIT Schemes under management of Arif Habib Dolmen REIT Management Ltd. (associated Company), be hereby approved to be continue to be utilized in any form / nature of investment including equity, loans, advances, running finance, guarantee, indemnity, pledge of shares etc."

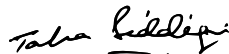
"FURTHER RESOLVED THAT the Chief Executive and/or the Company Secretary be and are hereby authorized to take and do, and/or cause to be taken or done, any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company's funds as above, as and when required at the time of investment, including but not limited to negotiating and executing any necessary agreements/documents, and any ancillary matters thereto."

ANY OTHER BUSINESS

8) To consider any other business with the permission of the Chair.

Statements under Section 134(3) of the Companies Act, 2017 pertaining to the special business is being sent to the shareholders along with this notice.

Karachi
Tuesday, September 30, 2025


By order of the Board
Muhammad Taha Siddiqui
Company Secretary

Notes:

A. Book Closure:

i) The share transfer books of the Company will remain closed from October 15, 2025 to October 21, 2025 (both days inclusive). Transfers in good order, received at the office of Company's Share Registrar, CDC Share Registrar Services Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400 by close of the business on October 14, 2025 will be treated in time for the purpose of attending the annual general meeting and for determination of entitlement of shareholders to cash dividend.

ii) All members/shareholders are entitled to attend, speak and vote at the annual general meeting. A member/shareholder may appoint a proxy to attend, speak and vote on his/her behalf. The proxy need not be a member of the Company. Proxies in order to be effective must be received at the office of our Registrar: M/s. CDC Share Registrar Services Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400 not less than 48 hours before the meeting.

iii) In pursuance of Circular No. 1. of 2000 of SECP dated January 26, 2000 the beneficial owners of the shares registered in the name of Central Depository Company (CDC) and/or their proxies are required to produce their Computerized National Identity Card (CNIC) or passport for identification purpose at the time of attending the meeting. The form of proxy must be submitted with the Company within the stipulated time, duly witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the form, along with attested copies of the CNIC or the passport of the beneficial owner and the proxy.

In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

iv) Members are requested to intimate any changes in address immediately to Company's Share Registrar, CDC Share Registrar Services Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400.

B. Participation Of Shareholders Through Online Facility

In order to maximize the member's participation, the Company is convening this AGM via video link in addition to holding physical meeting with shareholders., the shareholders shall be entitled to attend the proceedings of the AGM through online means using a video link facility, Zoom application or other electronic means.

The shareholders will be able to login and participate in the AGM proceedings through their smartphones or computer devices from their homes or any convenient location after completing all the formalities required for the verification and identification of the shareholders.

The login facility will be opened at 09:45 a.m. on October 21, 2025 enabling the participants to join the proceedings which will start at 10:00 a.m. sharp.

Shareholders interested in attending the AGM through electronic means, are requested to register themselves by submitting their following particulars and valid copy of CNIC at the Company's designated email address agm2025@arifhabibltd.com with subject of "Registration for AHL AGM 2025" not less than 48 hours before the time of the meeting. The link to the zoom application will be sent to the shareholders on the email address provided in the below table:

Shareholder's Name	CNIC No.	Folio / CDC Account No.	Cell No.	No. of shares held	Email address

Login facility will be shared with the shareholders whose emails addresses are provided on above table, shareholders can also provide their comments / suggestions on agm2025@arifhabibltd.com or Whatsapp or SMS on 0321-8210503 for the agenda items proposed to be conducted at the AGM in the same manner as it is being discussed in the AGM, and later shall be made part of the minutes of the meeting.

C. Provision Of Online Video Facility

If the Company receives a demand (at least 7 days before the date of meeting) from shareholder(s) holding an aggregate 10% or more shareholding residing in any other city, to participate in the meeting through video link, the Company will arrange video link facility in that city.

Shareholders, who wish to participate through video-link facility, are requested to fill in Video Link Facility Form available at Company's website and send a duly signed copy to the Registered Address of the Company. It may be noted that no person other than the member or proxy holder can attend the meeting through video link facility.

D. Vote Casting In-Person Or Through Proxy

Polling booth will be established at the place of physical gathering of the AGM for voting.

E. Voting / Postal Ballot

Members are hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 read with Sections 143-144 of the Companies Act, 2017 and SRO 2192(1)/2022 dated December 5, 2022, members will be allowed to exercise their right to vote for the special business(es) in accordance with the conditions mentioned therein. Following options are being provided to members for voting:

i) E-Voting Procedure

- (a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on October 14, 2025.
- (b) The web address, login details and password will be communicated to members via email. The security codes will be communicated to members through SMS and email from web portal of the e-voting service provider.
- (c) Identity of the members intending to cast vote through E-Voting shall be authenticated through electronic signature or authentication for login.
- (d) E-Voting lines will start from October 17, 2025, 9:00 a.m. and shall close on October 20, 2025 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

ii) Postal Ballot

- (a) Members may alternatively opt for voting through postal ballot. Ballot Paper shall also be available for download from the website of the Company at www.arifhabibltd.com or use the same as annexed to this Notice and published in newspapers.
- (b) The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at Arif Habib Centre, 23 M. T. Khan Road, Karachi (Attention of the Company Secretary) OR through the registered email address of shareholder at chairman.generalmeeting@arifhabibltd.com with subject of 'Postal Ballot for AHL AGM 2025 by Monday, October 20, 2025 before 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC. A postal ballot received after this time / date shall not be considered for voting.
- (c) Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding authority.

Note:

In accordance with the Regulation 11 of the Companies (Postal Ballot) Regulations, 2018, the Board of the Company has appointed M/s. S.M. Suhail & Co. Chartered Accountants, (a QCR rated audit firm) to act as the Scrutinizer of the Company for the special business to be transacted in the meeting (Agenda Item No. 5 pertaining to the sell of Company's Subsidiary and Agenda # 6 pertaining to approval for Investments in associates under section 199 of the Companies Act, 2017), and to undertake other responsibilities as defined in Regulation 11A of the Regulations. Qualification & experience are mentioned on their website (www.smsco.pk/) in detail.

F. Payment Of Cash Dividend Through Electronic Mode (Mandatory):

In accordance with the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed company to pay cash dividend to its shareholder only through electronic mode directly into the bank account designated by the entitled shareholder. Please note that giving bank mandate for dividend payments is mandatory and in order to comply with this regulatory requirement, you are requested to please provide the following information to your respective CDC Participant / CDC Investor Account Services (in case your shareholding is in Book Entry Form) or to our Share Registrar M/s. CDC Share Registrar Services Limited, Share Registrar Department, CDC House, 99-B, Block B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi - 74400 (in case your shareholding is in Physical Form):

Details of Shareholder	
Name of shareholder	
Folio/ CDS Account No.	
CNIC No.	
Cell number of shareholder	
Landline number of shareholder, if any	
Email	

Details of Bank Account	
Title of Bank Account	
Account International Bank Account Number (IBAN) Mandatory	PK _____ (24 digits) (Kindly provide your accurate IBAN number after consulting with your respective bank branch since in case of any error or omission in given IBAN, the company will not be held responsible in any manner for any loss or delay in your cash dividend payment).
Bank's Name	
Branch Name and Address	
It is stated that the above-mentioned information is correct and in case of any change therein, I / we will immediately intimate Participant / Share Registrar accordingly.	
----- Signature of shareholder	

G. Deduction of Income Tax from Dividend under section 150 of the Income Tax Ordinance, 2001:

- a) Pursuant to the provisions of the Finance Act 2025 effective July 1, 2025, the rate of deduction of income tax from dividend payments has been revised as follows:
- Rate of tax deduction for filers of income tax return – 15%
 - Rate of tax deduction for non-filers of income tax return – 30%

Shareholders whose names are not entered into the Active Tax-payers List (ATL) available on the website of FBR, despite the fact that they are filers, are advised to immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

- b) Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate is made available to Company's Share Registrar by the first day of book closure.
- c) Further, according to clarification received from FBR, withholding tax will be determined separately on "Filer/Non-filer" status of principal shareholder as well as joint-holder(s) based on their shareholding proportions.

In this regard all shareholders who hold company's shares jointly are requested to provide shareholding proportions or principal shareholder and joint-holder(s) in respect of shares held by them (if not already provided) to Company's Share Registrar, in writing as follows:

			Principal Shareholder		Joint Shareholder	
Company Name	Folio/CDS Account #	Total Shares	Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The required information must reach Company's Share Registrar within 10 days of this notice; otherwise it will be assumed that the shares are equally held by the principal shareholder and joint-holder(s).

- d) The corporate shareholders having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate physical shareholders are requested to send a copy of their NTN certificate to the Company's Share Registrar. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.

CNIC / NTN Number on Dividend Warrant (Mandatory)

As already been notified from time to time, SECP has directed vide its Notification S.R.O. 831(1)/2012 dated July 5, 2012, that the electronic Dividend should also bear the Computerized National Identity Card (CNIC) Number of the registered shareholder or the authorized person, except in case of minor(s) and corporate shareholder(s).

In order to comply with the SECP's directives and in terms of Section 243(2)(a) of the Companies Act, 2017, the Company shall be constrained to withhold the Dividend Warrant(s), in case of non-availability copy of valid CNIC (for individuals) and National Tax Number (for a corporate entity).

Accordingly, shareholders who have not yet submitted a copy of their valid CNIC or NTN are once again requested to immediately submit the same to the Company or Share Registrar, M/s. CDC Share Registrar Services Limited.

H. Distribution Of Annual Audited Financial Statements

The audited financial statements of the Company for the year ended June 30, 2025 have been made available on the Company's website (<http://www.arifhabibltd.com>) in addition to annual and quarterly financial statements for the prior years.

Further, this is to inform that in line with the requirements of section 223(6) of Companies Act 2017, the Company has electronically transmitted the Annual Report through email to shareholders whose email addresses are available with AHL's Share Registrar CDC Share Registrar Services Limited ("CDCSRSL"). In those cases, where email addresses are not available with AHL's Share Registrar (CDCSRSL), printed AGM notices, along with the weblink and QR code to download the Annual Report have been dispatched to the members. Hard copies of the Annual Report will be provided free of cost to any shareholder upon request, delivered to their registered address within one week of receiving such a request. For the convenience of shareholders, a "Standard Request Form for provision of Annual Audited Accounts" is also available on the Company's website.

I. Unpaid Dividend Account

In accordance with the provisions of Section 244 of the Companies Act, 2017.

- (i) Where a dividend has been declared by a company but has not been paid or claimed, within a time period specified under Section 242, to any shareholder entitled to the payment of the dividend, the company shall, within fifteen days from the date of expiry of the said period, transfer the total amount of dividend which remains unpaid or unclaimed to a separate profit bearing account to be called the unpaid dividend account opened by the company for this purpose in any scheduled bank. The deposits in the unpaid dividend account shall only be used for payment to a claimant as given in sub-section 4.

Explanation - Dividend for the purpose of this section means the dividend payable in cash.

- (ii) The company shall, within a period of ninety days of making any deposit of the amount under sub-section (1) to the unpaid dividend account, prepare a statement containing the names, the last known addresses, number of shares held, the amount of unpaid dividend to be paid to each shareholder and such other particulars as may be specified and place it on the website of the company required under any law, rules, regulations or directions to maintain a website and also on any other website as may be specified.
- (iii) Any change in the information to be maintained on the website under sub-section (2) shall be effected by the company in such manner and within such time as may be specified.
- (iv) Any person claiming to be entitled to any money transferred under sub-section (1) to the unpaid dividend account of the company may apply to the company for payment of the money claimed.
- (v) The company shall make payment to the bonafide claimant within a period of thirty days from the date of submission of a claim with the company. No claimant shall be entitled to any amount except his unclaimed dividend amount.
- (vi) The amount of profit generated from the account maintained by the company under this section shall be used by the company for its corporate social responsibility initiatives and specified purposes.

Statement Under Section 134(3) Of The Companies Act, 2017

This statement sets out the material facts concerning the Special Business given in Agenda item No. 6 and Agenda item No. 7 of the Notice to be transacted at the Annual General Meeting of the Company. Directors of the Company have no interest in the special business except in their capacity as director / shareholder.

Statement Under Section 134(3) Of The Companies Act, 2017

This statement sets out the material facts concerning the Special Business given in Agenda item No. 6 and Agenda item No. 7 of the Notice to be transacted at the Annual General Meeting of the Company. Directors of the Company have no interest in the special business except in their capacity as director / shareholder.

Annexure – A

Authorization For The Board Of Directors To Approve Those Transactions With Related Parties (If Executed) During The Financial Year Ending 30th June 2026 Which Require Approval Of Shareholders U/s 207 And / Or 208 Of The Companies Act, 2017

The Company shall be conducting transactions with its related parties during the year ending 30th June 2026 on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. Being the directors of a brokerage house, many Directors may be deemed to be treated as interested in transactions with related parties due to their shareholding in such companies. In order to promote good corporate governance and transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time on case to case basis, including transactions (if executed) triggering approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017, for the year ending 30th June 2026, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification.

The Directors are interested in the resolution only to the extent of their shareholding and / or directorships in such companies.

Statement Under Section 134(3) Of The Companies Act, 2017

Annexure – B

Investments In Associated Companies & Associated Undertakings

The Board of Directors of the Company has approved the specific limits for loans/advances along with other particulars for investments in the following associated companies and associated undertakings subject to the consent of members under Section 199 of the Companies Act, 2017 / Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017. The Board of Directors do hereby undertake / certify that necessary due diligence for the following proposed investments have been carried out. The principle purpose of this special resolution is to make the Company in a ready position to capitalize on the investment opportunities as and when they arrive. It is prudent that the Company should be able to make the investment at the right time when the opportunity is available.

1 Loans And Advances

S.No.	Description	Information
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Arif Habib Corporation Limited An associated undertaking due to Parent Company.
2	Amount of loans or advances	Previously sanctioned unutilized limit of PKR 1,500 million is requested for renewal. Above facilities will be in the nature of running finance and corporate guarantee for a period of one year and shall be renewable in next general meeting for further period of one year.
3	Purpose of loans or advances and benefits likely to accrue to the investing company and its members from such loans or advances	To support the functionality , operations and growth of the associate.
4	In case any loan has already been granted to the said associated company or associated undertaking, the complete details thereof	During 2024-25, no loan was extended to the associate.
5	In case an investment in associated company has already been made, the performance review of such investment including complete information / justification for any impairments / write-offs	During 2024-25, no loan was extended to the associate.
6	Financial position, including main items of balance sheet and profit and loss account of the associated company or associated undertaking on the basis of its latest financial statements	Total Equity, Total assets and Total liability amounting to PKR 54,892 million, PKR 66,291 million and PKR 11,399 million respectively. Profit before tax and Profit after tax amounting to PKR 28,389 million and PKR 23,775 million

S.No.	Description	Information
7	Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period	Average borrowing cost of the investing Company ranges from from 1 month KIBOR + 0.5% to 1.0%, 3 month KIBOR + 0.75% to 1.5% per annum in 2024 - 2025.
8	Rate of interest, mark up, profit, fees or commission etc. to be charged	Higher than the Companys' prevalent average borrowing cost.
9	Sources of funds from where loans or advances will be given	From Company's own available liquidity and credit lines
10	Where loans or advances are being granted using borrowed funds (i) Justification for granting loan or advance out of borrowed funds (ii) Detail of guarantees / assets pledged for obtaining such funds, if any (iii) Repayment schedules of borrowing of the investing company	To support the functionality, operations and growth of the associate. Pledge of listed securities and / or charge over assets of the Company, if and where needed. Obtained facilities have different maturity dates upto May 31, 2026.
11	Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any	Will be decided with mutual consent at the time of extending the loan.
12	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	Not Applicable
13	Repayment schedule and terms of loans or advances to be given to the investee company	Above facilities will be in the nature of running finance for a period of one year and shall be renewable in next general meeting for further period of one year.
14	Salient features of all agreements entered or to be entered with its associated company or associated undertaking with regards to proposed investment	Not Applicable
15	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	Directors of the Company have no interest in the investee Company except in their capacity as Sponsor / Director / Shareholder of Investee Company.
16	Any other important details necessary for the members to understand the transaction	Not Applicable

S.No.	Description	Information
17	In case of investment in a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information is required, namely	
(i)	A description of the project and its history since conceptualization	Not Applicable
(ii)	Start date and expected date of completion	Not Applicable
(iii)	Time by which such project shall become commercially operational	Not Applicable
(iv)	Expected return on total capital employed in the project	Not Applicable
(v)	Funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts	Not Applicable

Statement Under Section 134(3) Of The Companies Act, 2017

Annexure – C

Investments in Associated Companies & Associated Undertakings

The Board of Directors of the Company (“AHL”) has approved the specific limits for the investments in the form of equity and loans/advances/guarantees along with other particulars for investments in the REIT Schemes under management of Arif Habib Dolmen REIT Management Limited, subject to the consent of members under Section 199 of the Companies Act, 2017 / Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017. The Board of Directors do hereby undertake / certify that necessary due diligence for the following existing / proposed investment has been carried out. The principle purpose of this special resolution is to make the Company in a ready position to capitalize on the investment opportunities as and when they arrive. It is prudent that the Company should be able to make the investment at the right time when the opportunity is available, and the limit shall be valid till the holding of next annual general meeting or for a longer period (as applicable), with the option of renewal thereon

Investment in any form / nature including equity, loans, advances, running finance, guarantee, indemnity, pledge of shares etc.

A – Disclosures for all types of investments :

Ref.No.	Requirement	Information
I	Name of associated company or associated undertaking	Existing and proposed REIT Schemes which are under the management of Arif Habib Dolmen REIT Management Limited (“AHDRML”). This approval is being sought for the sake of good corporate governance to enable the Company to be in ready position to capitalise on investment opportunities as and when available. For detail refer Annexure D-1
II	Basis of relationship	AHDRML is an associated undertaking due to common directorship of Holding Company.
III	Earnings per share for the last three years	Disclosed in Annexure D-1
IV	Break-up value of share, based on the latest audited financial statements	Disclosed in Annexure D-1
V	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	Disclosed in Annexure D-1

Ref.No.	Requirement	Information
VI	<p>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely:</p> <ol style="list-style-type: none"> 1. description of the project and its history since conceptualization; 2. starting date and expected date of completion of work; 3. time by which such project shall become commercially operational; 4. expected time by which the project shall start paying return on investment; and 5. funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts; 	<p>Various existing / proposed funds under management of AHDRML are launched or are in pipeline under different stages of launching. These include Silk Islamic Developmental REIT, Pakistan Corporate CBD REIT, Globe Residency REIT, Silk World Islamic REIT, Sapphire Bay Islamic Development REIT, Naya Nazimabad Apartments REIT, Rahat Residency REIT, Gymkhana Apartment REIT, Signature Residency REIT, Garden View Apartment REIT, Hill View Apartment REIT and Dolmen City REIT.</p> <p>This consolidated approval is being sought for all the REITS. Relevant details where applicable are disclosed in Annexure D-1. Any other REITS that may be launched under the management of AHDRML for which required information is not presently available.</p>
VII	Maximum amount of investment to be made	Previously sanctioned unutilized limit of PKR 3 billion for all type of investments is requested for approval. This limit to be utilized in any form / nature of investment including equity, loans, advances, running finance, guarantee, indemnity, pledge of shares etc. for which specific approval is sought by members in this general meeting.
VIII	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	For the benefit of the Company and to earn better returns in the long run on strategic investment. Approval of limits for investments made in the nature of equity and loans shall be exhausted to the extent of investments made therein, while investments made in the nature of running finance, guarantees etc and the remaining unutilised amount shall remain available for renewal in next general meetings for all types of investments.
IX	<p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds</p> <ol style="list-style-type: none"> 1. Justification for investment through borrowing 2. Detail of collateral, guarantees provided and assets pledged for obtaining such funds 3. Cost benefit analysis 	<p>The investment may be made from Company's own available liquidity and/or credit lines.</p> <ol style="list-style-type: none"> 1. Higher rate of return 2. Pledge of listed securities and / or charge over assets of the Company, if and where needed. 3. Company expects to time the investment to earn return over and above the borrowing cost.
X	Salient feature of agreement(s), if any, with associated company or associated undertaking with regards to proposed investment	Arrangements to the extent they made are disclosed in Annexure D-1. Further agreements shall be made at the time of investment, where required.

Ref.No.	Requirement	Information
XI	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	Directors of the company have no interest in the investee company except in their capacity as sponsor / director / shareholder of AHDRML and / or REIT schemes under its management
XII	In case an investment in associated company has already been made, the performance review of such investment including complete information / justification for any impairments / write-offs	Disclosed in Annexure D-1
XIII	Any other important details necessary for the members to understand the transaction	Disclosed in Annexure D-1

B – Disclosures relating to proposed equity investments :

Ref.No.	Requirement	Information
XIV	Maximum price at which securities will be acquired	At par / premium / offered / negotiated price prevailing on the date of transaction / investment.
XV	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Not Applicable
XVI	Maximum number of securities to be acquired	No. of securities purchasable under approved limit in accordance with / based on Sr. Nos. VII & XIV
XVII	Number of securities and percentage thereof held before and after the proposed investment	Number of securities already held are disclosed in Annexure D-1. Post investment unitholding is dependent upon the actual investment to be made in accordance with approved limit, and divestments (if any)
XVIII	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	Disclosed in Annexure D-1, where applicable
XIX	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not applicable

C – Disclosures relating to proposed investments in the form of loans, advances and guarantees etc. :

Ref.No.	Requirement	Information
XX	Category-wise amount of investment	As disclosed in Sr. VII above
XXI	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period	Average borrowing cost of the investing Company ranges from from 1 month KIBOR + 0.5% to 1.0%, 3 month KIBOR + 0.75% to 1.5% per annum in 2024 - 2025.
XXII	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	At the time of making the investment or entering into any arrangement, it will be ensured that the rate to be charged by the Company shall be in line with Section 199 of the Companies Act, 2017 and the guidelines provided in the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.
XXIII	Particulars of collateral or security to be obtained in relation to the proposed investment	Shall be decided on case to case basis. Being investments made in a group company, requirement of collateral may be relaxed or waived as well.
XXIV	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	In case of a loan or advance to any REIT Scheme, the Management will negotiate in the best interest of the Company and decide on conversion feature, if any, at the time of making the investment or entering into any arrangement in this regard.
XXV	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	Facilities to be extended in the nature of Running Finance Facility / Advance shall be for a period of one year and renewable in next general meeting for further period(s) of one year(s). Facilities to be extended in the nature of Long-term Loan shall be for a period as agreed at the time of disbursement.

ANNEXURE – C-1

Particulars	GLOBE RESIDENCY REIT	SIGNATURE RESIDENCY REIT	NAYA NAZIMABAD APARTMENT REIT	RAHAT RESIDENCY REIT
	Audited 2025	Audited 2025	Audited 2024	Audited 2024
AHL not invested yet in these Schemes				
III. Earnings per share for the last three years				
Year 2025:	3.85	3.03	Audit is in progress	Audit is in progress
Year 2024:	1.80	(0.51)	(1.99)	(0.40)
Year 2023:	1.94	Not applicable	(0.16)	(0.84)
Year 2022:	2.45	Not applicable	Not applicable	Not applicable
Year 2021:	Not applicable	Not applicable	Not applicable	Not applicable
IV. Break-up value of share, based on the latest audited financial statements				
Unit issued	14.15	12.15	7.84	8.76
	140,000,000	33,000,000	293,750,000	50,000,000
V. Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements				
Non-current assets	15,286,000	39,863,000	-	12,011,000
Current assets	5,603,464,000	1,324,969,000	10,694,937,000	2,410,787,000
Equity	1,981,630,000	400,785,000	2,303,936,000	437,942,000
Non-current liabilities	1,838,889,000	-	7,773,731,000	500,000,000
Current liabilities	1,798,231,000	964,047,000	617,270,000	1,484,856,000
Operating Revenue	529,836,000	947,668,000	-	-
Profit before Tax	544,737,000	99,835,000	(587,294,000)	(20,205,000)
Profit after Tax	539,225,000	99,835,000	(587,294,000)	(20,205,000)
VI. In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely:				
1. description of the project and its history since conceptualization;	1. GRR was established for construction of 9 Towers on 5 FL Sites located in Naya Nazimabad, Karachi. The project was launched in November 2021, and was transferred to REIT during March 2022. On December 28, 2022, GRR was listed on PSX.	1. SRR was established for acquisition of 2 commercial Sites Com-109/I and Com 102 located in Naya Nazimabad, Karachi. The project was launched in January 2023 and was transferred to REIT during March 2023.	1. The NNAR was established with the objective of construction of the acquired property to sell apartments under the project named "NAYA NAZIMABAD APARTMENT" (the Project), in the vicinity of Naya Nazimabad, Karachi, for generating income for Unit Holders.	1. RRR was established for the construction of Residential Apartments and commercial units on 5 commercial Sites located in Naya Nazimabad, Karachi.
2. starting date and expected date of completion of work;	2. Construction of the project started in November 2021 and is expected to be completed in November 2025.	2. & 3. The Trust Deed was registered on 22 March 2023 and SECP approval was granted on 14 June 2023. The Construction of the project started in January 2023 and is expected to be completed in December 2026.	2. & 3. The Trust Deed of the REIT was registered on June 24, 2022 whereas SECP granted its approval granted on 03 August 2022. The Scheme has an indicative life of 7 years.	2. & 3. The Trust Deed was registered on 24 June 2022 and SECP approval was granted on 03 August 2022. The Scheme has an indicative life of 5 years. Sales of and construction on 2 commercial Sites has already been started.
3. time by which such project shall become commercially operational;	3. The project is commercially operational; construction and sales are progressing.	3. One commercial site, Com-109/I, has been sold, while Com-102 is commercially operational, with its entire retail space constructed and sold. The sale and construction of residential units in Com-102 are in full progress.	4. At least 4 years from the date of registration of NNAR is expected to pay return on investment	4. RRR is expected to commence return payments on investment approximately three years after its inception.
4. expected time by which the project shall start paying return on investment; and	4. GRR announced its first dividend on September 15, 2023.	4. SRR has paid its first dividend for FY 2025 to its unit holders.	5. Arif Habib Corporation Limited and Javedan Corporation Limited have invested in the units of NNAR.	5. Arif Habib Corporation Limited, an associated company, has invested in the units of the scheme.
5. funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	5. Arif Habib Corporation Limited and Javedan Corporation Limited have invested in the units of GRR.	5. Associated companies namely Javedan Corporation Limited and Arif Habib Corporation Limited has invested in the units of SRR.		
X. Salient feature of agreement(s), if any, with associated company or associated undertaking with regards to proposed investment				
Salient Feature of Agreement	None	None	None	None
XVII. Number of securities and percentage thereof held before and after the proposed investment				
No of unit hold	None	None	None	None
* Advances from unit holders were received and no units were issued against such subscription money.				
XVIII. Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and				
Weighted average market price	Rs. 16.25	Not applicable	Not applicable	Not applicable

	SILK ISLAMIC DEVELOPMENT REIT	PAKISTAN CORPORATE CBD REIT	Garden View Apartment REIT (Formerly PARKVIEW APARTMENT REIT)	GYMKHANA APARTMENT REIT
Particulars	Audited 2022	Audited 2024	Audited 2024	Audited 2024
AHL not invested yet in these Schemes				
III. Earnings per share for the last three years				
Year 2025:	Audit is in progress	Audit is in progress	Audit is in progress	Audit is in progress
Year 2024:	Audit is in progress	As of June 30, 2024, Nil units were issued	(0.17)	Not applicable
Year 2023:	Audit is in progress	As of June 30, 2023, Nil units were issued	Not applicable	Not applicable
Year 2022:	(0.02)	Not applicable	Not applicable	Not applicable
Year 2021:	Not applicable	Not applicable	Not applicable	Not applicable
IV. Break-up value of share, based on the latest audited financial statements	9.98	N/A	9.83	Not applicable
Unit issued	300,000,000	-	215,686,647	Not applicable
V. Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements				
Non-current assets	-	-	100,000	-
Current assets	4,104,947,000	7,198,366,000	2,314,594,000	6,298,122,000
Equity	2,995,393,000	7,163,273,000	2,119,632,000	953,683,000
Non-current liabilities	1,000,000,000	-	-	5,316,253,000
Current liabilities	109,554,000	35,093,000	195,062,000	28,186,000
Operating Revenue	-	-	-	-
Profit before Tax	4,607,000	23,632,000	(37,234,000)	(246,317,000)
Profit after Tax	4,607,000	16,779,000	(37,234,000)	(246,317,000)
VI. In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely:				
1. description of the project and its history since conceptualization;	1. SIDR was created for investing in undeveloped land in Karachi with the objective of upliftment of the area and development of real estate including construction and sale of residential apartment and commercial units. The SIDR project is spread over 60 acres of commercial real estate situated at Deh Jam Chakro, Surjani, Karachi, and is adjacent to Salma Arabian Villas, accessible directly from Shahrah-e-Uzman / Hub Dam link road (Abdullah Chowrangli). SIDR has acquired land from Silk Bank Limited and World Group.	1. PCCR has been established for investing in / acquiring commercial immovable property measuring 23.2544 Kanals located in the Central Business District of Lahore. The purpose is to develop the Real Estate for mixed-use development, to generate income for the Unit Holders, through sale of saleable area, including commercial retail units, offices, and residential apartments to the Customers and disposal of all other REIT Assets.	1. Garden View apartment REIT (formerly PVAR) was established for acquisition of real estate land parcel (FL-01 and FL-02) admeasuring 23,049 square yards in Naya Nazimabad, Karachi, with the objective of construction of the acquired Real Estate into Apartments; for generating income for Unit Holders, through sale the end product to the customers and disposal of all other REIT Assets	1. GAR was established for acquisition of real estate land parcels (Com-42, Com-43, Com-44, Com-47, Com-48, Com-49, Com-50, Com-51, Com-52, Com-53, Com-54, Com-55, and Com-56) admeasuring 29,818 square yards in Naya Nazimabad, Karachi, with the objective of construction of the acquired Real Estate into Apartments and Retail Units (referred as 'End Product') ; for generating income for Unit Holders, through sale of the End Product to the Customers and disposal of all other REIT Assets
2. starting date and expected date of completion of work;		2. & 3. The Trust Deed of PCCR was registered on 29th October 2021 whereas SECP granted its approval granted on 22nd December 2021. Total completion time for the whole project is estimated / targeted at 10 years;	2. & 3. The Trust Deed was registered on 20 June 2023 and SECP approval is granted on 09 April 2024. the REIT scheme has an indicative life of 7 years.	2. & 3. The Trust Deed was registered on 20 June 2023 and SECP approval is granted on 27 December 2023. GAR has an indicative life of 7 years.
3. time by which such project shall become commercially operational;		4. To be updated later	4. PAR is epected to start paying returns on investment in approximately 4 years from the date of commencement of work of its project.	4. GAR is epected to start paying returns on investment in approximately 4 years from the date of commencement of work of its project.
4. expected time by which the project shall start paying return on investment; and	2. & 3. SIDR's Trust Deed was registered on July 08, 2021, whereas SECP granted its approval granted on June 30, 2021. Total completion time for the whole project is estimated at 10 years;		5. Arif Habib Corporation Limited, an associated company, has invested in the units of the scheme.	5. Arif Habib Corporation Limited, an associated undertaking has invested Rs. 1.2 billion in units of the scheme.
5. funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	4. To be updated later	5. In addition to AHCL, another associated company Fatima Fertilizer Limited has also invested in the units of PCCR.		
X. Salient feature of agreement(s), if any, with associated company or associated undertaking with regards to proposed investment				
Salient Feature of Agreement	None	None	None	None
XVII. Number of securities and percentage thereof held before and after the proposed investment				
No of unit hold	None	None	None	None
* Advances from unit holders were received and no units were issued against such subscription money.				
XVIII. Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and				
Weighted average market price	Not applicable	Not applicable	Not applicable	Not applicable

	DOLMEN CITY REIT	SILK WORLD ISLAMIC REIT	SAPPHIRE BAY ISLAMIC DEVELOPMENT REIT	Hill View Apartment REIT (Formerly Meezan Center REIT)
Particulars	Audited 2025	Audited 2024	Audited 2024	Audited 2024
AHL not invested yet in these Schemes				
III. Earnings per share for the last three years				
Year 2025:	3.60	Audit is in progress	Audit is in progress	Audit is in progress
Year 2024:	3.66	(0.24)	1.19	8.21
Year 2023:	4.18	(0.49)	-	Not applicable
Year 2022:	4.39	(0.16)	-	Not applicable
Year 2021:	3.65	Not applicable	Not applicable	Not applicable
IV. Break-up value of share, based on the latest audited financial statements	34.41	9.11	11.45	10.15
Unit issued	2,223,700,000	591,003,205	621,389,879	130,385,356
V. Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements				
Non-current assets	74,755,713,000	-	-	100,000
Current assets	2,705,157,000	6,055,030,000	9,722,681,000	1,515,486,000
Equity	76,511,143,000	5,382,737,000	7,112,276,000	1,323,780,000
Non-current liabilities	-	-	989,965,000	-
Current liabilities	949,727,000	672,293,000	1,619,840,000	191,806,000
Operating Revenue	4,893,486,000	-	-	2,395,640,000
Profit before Tax	7,991,911,000	(142,499,000)	287,059,000	1,069,927,000
Profit after Tax	7,991,911,000	(142,499,000)	287,059,000	1,069,927,000
VI. In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely:				
1. description of the project and its history since conceptualization;	Not applicable, Dolmen City REIT's project is already operational	1. SWIR was created for investment in undeveloped land in Karachi with the objective of upliftment of the area and development of real estate including construction and sale of residential apartment and commercial units. SWIR project is spread over 86.45 acres commercial real estate situated at Deh Jam Chakro, Surjani, Karachi, and is adjacent to Saima Arabian Villas, accessible directly from Shahrah-e-Usman / Hub Dam link road (Abdullah Chowrangi). SWIR has acquired land from Silk Bank Limited and World Group.	1. SBIDR is a PPP-REIT Scheme established to undertake the Public Private Partnership Project i.e. the Ravi Riverfront City, Zone 3 Sapphire Bay project, involving development of the Real Estate on a design, build, develop, operate, finance and transfer (DBDFOT) mode, as per the terms of the PPP Agreement with the objective of development of residential and commercial plots for generating income for Unit Holders, through lease of the end product to its customers and disposal of all other REIT Assets.	1. MCR was established for acquisition of Com-103, Com-12, Com-46, B-26, B-27, and B-28. The Plots will be used for construction and sale purposes.
2. starting date and expected date of completion of work;		2. & 3. The Trust Deed was registered on 26 August 2021 and SECP approval was granted on 27 September 20221, SWIR has an indicative life of 10 years.	2. & 3. SBIDR's trust deed was registered on 24 December 2021, whereas SECP granted its approval granted on 12 January 2022. Total completion time for the whole project is estimated / targeted at 10 years;	2. & 3. The Trust Deed of the Scheme was registered on 20 June 2023. The Scheme is a limited life (7 years), Closed-end, Shariah Compliant, Developmental REIT.
3. time by which such project shall become commercially operational;		4. To be updated later	4. To be updated later	4. SRR is expected to start paying returns in 2 years.
4. expected time by which the project shall start paying return on investment; and		5. None	5. Associated companies namely Javedan Corporation Limited and Fatima Fertilizer Limited has invested in the units of SBIDR.	5. Associated companies namely Arif Habib Equity (Private) Limited has invested in the units of MCR.
5. funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;				
X. Salient feature of agreement(s), if any, with associated company or associated undertaking with regards to proposed investment				
Salient Feature of Agreement	None	None	None	None
XVII. Number of securities and percentage thereof held before and after the proposed investment				
No of unit hold	None	None	None	None
* Advances from unit holders were received and no units were issued against such subscription money.				
XVIII. Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and				
Weighted average market price	Rs. 26.39	Not applicable	Not applicable	Not applicable

Particulars	TAJ BOULEVARD	DHA DOLMEN LAHORE REIT	IMPERIAL DEVELOPMENT REIT	SKY GARDEN REIT
	Not available	Not available	Not available	Not available
	AHL not invested yet in these Schemes			
III. Earnings per share for the last three years				
Year 2025:	Not applicable	Not applicable	Not applicable	Not applicable
Year 2024:	Not applicable	Not applicable	Not applicable	Not applicable
Year 2023:	Not applicable	Not applicable	Not applicable	Not applicable
Year 2022:	Not applicable	Not applicable	Not applicable	Not applicable
Year 2021:	Not applicable	Not applicable	Not applicable	Not applicable
IV. Break-up value of share, based on the latest audited financial statements	Not applicable	Not applicable	Not applicable	Not applicable
Unit issued	Not applicable	Not applicable	Not applicable	Not applicable
V. Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements				
Non-current assets	Not applicable	Not applicable	Not applicable	Not applicable
Current assets	Not applicable	Not applicable	Not applicable	Not applicable
Equity	Not applicable	Not applicable	Not applicable	Not applicable
Non-current liabilities	Not applicable	Not applicable	Not applicable	Not applicable
Current liabilities	Not applicable	Not applicable	Not applicable	Not applicable
Operating Revenue	Not applicable	Not applicable	Not applicable	Not applicable
Profit before Tax	Not applicable	Not applicable	Not applicable	Not applicable
Profit after Tax	Not applicable	Not applicable	Not applicable	Not applicable
VI. In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely:				
1. description of the project and its history since conceptualization;	1. Taj Boulevard Tower REIT has been established for the acquisition and development of Commercial Plot No. 07/RDA-07, admeasuring 2,500.19 square yards in Taj Residencia, Rawalpindi. The objective of the Scheme is to construct the acquired real estate into a mixed-use development comprising Apartments and Retail Units. 2. & 3.The Trust Deed of TBTR was registered on 28 April 2025 and financial close is targeted by 31 December 2025. The project has an expected life of four years from commencement, within which it shall become commercially operational with sales and collections of apartments and retail units envisaged to commence in the first year and continue till completion. 4. TBTR is expected to start paying returns on investment from the second year of operations. 5. Taj Boulevard Tower (Pvt.) Limited, the associated undertaking, has contributed land valued at PKR 500 million.	Trust Deed Executed. Property not yet transferred.	Trust Deed Executed. Property not yet transferred.	Trust Deed Executed. Property not yet transferred.
2. starting date and expected date of completion of work;				
3. time by which such project shall become commercially operational;				
4. expected time by which the project shall start paying return on investment; and				
5. funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;				
X. Salient feature of agreement(s), if any, with associated company or associated undertaking with regards to proposed investment				
Salient Feature of Agreement	None	None	None	None
XVII. Number of securities and percentage thereof held before and after the proposed investment				
No of unit hold	None	None	None	None
* Advances from unit holders were received and no units were issued against such subscription money.				
XVIII. Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and				
Weighted average market price	Not applicable	Not applicable	Not applicable	Not applicable

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT 2017

ANNEXURE – D

Statement under Section 134(3) of the Companies Act, 2017, in compliance with Regulation 4(2) of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012, for decision to make investment under the authority of a resolution passed earlier pursuant to provisions of section 208 of the Companies Ordinance, 1984 (repealed) is not implemented either fully or partially:

The Company in its previous general meetings had sought approvals under section 208 of the Companies Ordinance, 1984 (repealed) for investments in the following Associated Companies and Associated Undertakings in which investment has not been made so far, either fully or partially. Approval of renewal of unutilised portion of equity investments and sanctioned limit of loans and advances is also hereby sought for the companies, in which directors of the company have no interest except in their capacity as director/shareholder, as per following details :

1. Name of associated company / undertaking : **Arif Habib Corporation Limited**

S.No.	Description	Investment in Securities		Loans, Advances & Corporate Guarantees	
(a)	total investment approved;	-		1,500,000,000	
(b)	amount of investment made to date;	-		-	
(c)	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and			Facility is in the nature of Running Finance to be availed as and when needed in the interest of the shareholders	
(d)	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :	2025	2024 (Restated)	2025	2024 (Restated)
i	Loss / Earnings per share - basic & diluted	5.64	2.24	5.64	2.24
ii	Net Profit / (Loss)	23,775,344,359	9,430,597,505	23,775,344,359	9,430,597,505
iii	Shareholders Equity	54,892,905,916	34,069,438,786	54,892,905,916	34,069,438,786
iv	Total Assets	66,291,797,015	38,304,031,598	66,291,797,015	38,304,031,598
v	Break-up value	130.17	80.79	130.17	80.79
	RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :	Unutilised -		Sanctioned	1,500,000,000

2. Name of associated company / undertaking : **REIT Schemes under management of Arif Habib Dolmen REIT Management Limited (AHDRML)**

S.No.	Description	Investment in Securities	Loans, Advances & Corporate Guarantees
(a)	total investment approved;	*See below	*See below
(b)	amount of investment made to date;		
(c)	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	
(d)	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :	Details relating to existing REIT Schemes under management is disclosed in Annexure D-1	
i	Earnings per unit	Details relating to existing REIT Schemes under management is disclosed in Annexure D-1	
ii	Net Profit		
iii	Total unitholders fund		
iv	Total Assets		
v	Net Asset Value per share		
	RENEWAL IN PREVIOUS LIMITS REQUESTED FOR PORTION I.E. :	Approval of limits for investments made in the nature of equity and loans shall be exhausted to the extent of invesments made therein, while investments made in the nature of running finance, guarantees etc and the remaining unutilised amount shall remain available for renewal in next general meetings for all types of investments.	

Pattern of Shareholding Report

As of June 30 2025

Categories of Shareholders	Shareholders	Share Held	Percentage
Directors, Chief Executive Director and their spouse(s) and minor children			
MUHAMMAD IRFAN MOTAN	1	1,500	0.00
SHARMIN SHAHID	1	1,208	0.00
MUHAMMAD SHAHID ALI	1	2,526,185	3.87
ZAFAR ALAM	1	20,100	0.03
MUHAMMAD SOHAIL SALAT	1	660	0.00
ALAMGIR A. SHEIKH	1	1	0.00
Associated Companies, undertakings and related parties	2	48,559,841	74.32
NIT & ICP	-	-	-
Banks Development Financial Institutions, Non Banking Financial Institutions	2	50,059	0.08
Insurance Companies	-	-	-
Modarabas and Mutual Funds	3	30,500	0.05
General Public			
a. Local	2,988	12,917,757	19.77
b. Foreign	32	68,698	0.11
Foreign Companies	-	-	-
Others	29	1,163,491	1.78
Total	3,062	65,340,000	100.00
Share Holder Holding 10% or more		Shares Held	Percentage
ARIF HABIB CORPORATION LIMITED		48,558,633	74.32

Categories Of Shareholders

As of June 30 2025

Categories of Shareholders	Shareholdings' Slab			Total Shares Held
951	1	to	100	21,480
572	101	to	500	160,600
337	501	to	1000	257,862
813	1001	to	5000	1,833,959
175	5001	to	10000	1,292,720
65	10001	to	15000	805,972
39	15001	to	20000	683,828
22	20001	to	25000	501,470
11	25001	to	30000	306,020
8	30001	to	35000	264,152
8	35001	to	40000	303,247
7	40001	to	45000	294,812
12	45001	to	50000	579,660
6	50001	to	55000	315,054
6	55001	to	60000	346,496
1	60001	to	65000	60,500
1	65001	to	70000	67,000
1	70001	to	75000	71,500
1	75001	to	80000	78,989
1	80001	to	85000	82,350
2	85001	to	90000	178,385
1	90001	to	95000	93,940
1	105001	to	110000	105,692
1	130001	to	135000	132,000
2	135001	to	140000	276,541
1	145001	to	150000	150,000
1	155001	to	160000	159,202
1	160001	to	165000	164,554
1	180001	to	185000	180,551
1	195001	to	200000	200,000
1	205001	to	210000	208,146
1	215001	to	220000	216,500
1	230001	to	235000	231,000
1	240001	to	245000	241,500
1	325001	to	330000	330,000
1	350001	to	355000	352,600
1	360001	to	365000	365,000
1	455001	to	460000	457,274
1	500001	to	505000	501,800
1	660001	to	665000	662,826
1	715001	to	720000	720,000
1	2525001	to	2530000	2,526,185
1	48555001	to	48560000	48,558,633
3,062				65,340,000

ہم اپنے پریمیم سوٹ سروسز کے ذریعے تعلقات کو مضبوط بنا کر موجودہ اور ممکنہ ملکی اور بین الاقوامی کلائنٹس سے تجارتی حجم بڑھانے کے لیے پرعزم ہیں۔ اس حکمت عملی میں جدید مصنوعات اور خدمات کا تعارف شامل ہے، جو ہماری اعلیٰ معیار کی تحقیقی صلاحیتوں سے تقویت یافتہ ہے جو کلائنٹس کو قیمتی بصیرت اور رہنمائی فراہم کرتی ہے۔

اور سکوک کے ساتھ ساتھ حقوق TFCS آگے دیکھتے ہوئے، انتظامیہ نئی ایکویٹی اور قرض کی فہرستوں، انضمام اور حصول، نجی طور پر رکھے گئے کے مسائل کے ذریعے ایکویٹی بڑھانے کے لیے مشاورتی اور انڈر رائٹنگ سروسز کے ذریعے چلنے والی سرگرمیوں میں اضافے کی توقع کرتی ہے۔ ہمارا انویسٹمنٹ بینکنگ ڈویژن ان مواقع سے فائدہ اٹھانے کے لیے پوری طرح تیار ہے، اپنی مہارت اور وسائل کو غیر معمولی نتائج فراہم کرنے کے لیے استعمال کر رہا ہے۔

کے الگ ہونے سے کمپنی کے منافع کو مستحکم کرنے، سرمایہ کاری کے پورٹ فولیو کی مارکیٹ کے اتار چڑھاؤ کو کم کر کے اس کے رسک AHL، مزید برآں پروفائل کو بہتر بنانے، اور انتظامیہ کو بنیادی کاروباری سرگرمیوں پر اپنی توجہ کو تیز کرنے کی اجازت دینے کا امکان ہے۔

جیسا کہ ہم آگے آنے والے مواقع اور چیلنجوں کو تلاش کرتے ہیں، ہم اپنی تمام کوششوں میں عمدگی اور اختراع کے لیے اپنے عزم پر ثابت قدم رہتے ہیں۔ ہم ترقی کے امکانات کے بارے میں پرجوش ہیں اور آنے والے سالوں میں اپنے کلائنٹس اور اسٹیک ہولڈرز کے لیے دیرپا قدر پیدا کرنے کے منتظر ہیں۔

اعتراف

ہم کمپنی کے شیئر ہولڈرز کے مسلسل اعتماد اور سرپرستی کے لیے ان کے شکر گزار ہیں۔ ہم تمام اسٹیک ہولڈرز، اپنی پیرنٹ کمپنی، اسٹیٹ بینک آف پاکستان، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کو ان کی غیر متزلزل حمایت اور رہنمائی کے لیے اپنی مخلصانہ تعریف ریکارڈ کرتے ہیں۔

ہم اس مدت کے دوران کمپنی کے تمام ٹیم ممبران کی طرف سے کی گئی محنت کو تسلیم کرتے ہیں اور ان کی تعریف کرتے ہیں۔ ہم بورڈ کمیٹیوں کے ممبران کی گرانقدر شراکت اور فعال کردار کو بھی تسلیم کرتے ہیں جو انتہائی اہمیت کے حامل معاملات پر انتظامیہ کی مدد اور رہنمائی کرتے ہیں۔

بورڈ آف ڈائریکٹرز کے لیے اور اس کی جانب سے



ظفر عالم
چیئرمین



محمد شاہد علی
چیف ایگزیکٹو آفیسر اور ایگزیکٹو ڈائریکٹر

کراچی۔

بتاریخ: 18 اگست 2025

جناب محمد سہیل سالت	4	4
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بورڈ اور کمیٹی کے اجلاسوں میں شرکت نہ کرنے والے اراکین کو غیر حاضری کی چھٹی دی گئی۔

ڈائریکٹرز اور ایگزیکٹوز کے ذریعہ کمپنی کے حصص کی تجارت

مندرجہ ذیل سال کے دوران کمپنی کے حصص کی تجارت ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور نابالغ بچوں نے کی:

ریمارکس	فروخت شیئرز	شیئرز خریدے گئے۔	عہدہ	ڈائریکٹر کا نام
-	54,900	-	چیئرمین	جناب ظفر عالم
-	-	-	ڈائریکٹر	جناب محمد سہیل سالت
-	-	-	ڈائریکٹر	محترمہ شرمین شاہد
-	-	-	ڈائریکٹر	جناب محسن مدنی
-	-	-	ڈائریکٹر	جناب محمد ہارون
-	-	-	ڈائریکٹر	جناب سید محمد منظور رضا
-	-	1	ڈائریکٹر	جناب عالمگیر اے شیخ
-	-	-	ڈائریکٹر	جناب محمد عرفان موئن
-	-	2,525,220	چیف ایگزیکٹو آفیسر	جناب محمد شاہد علی
-	-	-	چیف فنانشل آفیسر اور کمپنی سیکرٹری	جناب محمد طہ صدیقی
-	-	-	-	میاں بیوی
-	-	-	-	نابالغ بچے

بورڈ کمیٹیوں کی دوبارہ تشکیل

سال کے دوران، بورڈ نے اپنی کمیٹیوں کی ازسرنو تشکیل کا کام کیا تاکہ موثر حکمرانی، بہتر نگرانی، اور قابل اطلاق ریگولیٹری تقاضوں کی تعمیل کو یقینی بنایا جا سکے۔ کمیٹیوں کی نظر ثانی شدہ تشکیل حسب ذیل ہے۔

(a) آڈٹ کمیٹی

- جناب عالمگیر اے شیخ – چیئرمین

- جناب ظفر عالم - ممبر
- ڈاکٹر محمد سہیل صلات - ممبر

(b) HR اور معاوضہ کمیٹی

- جناب محمد عرفان موئن - چیئرمین
- جناب محمد شاہد علی حبیب - ممبر
- ڈاکٹر محمد سہیل صلات - ممبر
- محترمہ شرمین شاہد - ممبر

(c) رسک اینڈ کمپلائنس کمیٹی

- جناب عالمگیر اے شیخ - چیئرمین
- جناب ظفر عالم - ممبر
- جناب محمد عرفان موئن - ممبر

آڈٹ کمیٹی

بورڈ کی آڈٹ کمیٹی نے اپنے فرائض اور ذمہ داریوں کو بورڈ کی طرف سے منظور شدہ شرائط کے مطابق موثر انداز میں ادا کرنا جاری رکھا۔ اس رپورٹ کے ساتھ کمیٹی کی تشکیل بھی منسلک کر دی گئی ہے۔

کارپوریٹ اور سیکرٹری تعینات

کمپنی سیکرٹری نے رجسٹرار آف کمپنیز کے پاس دائر سالانہ ریٹرن کے حصے کے طور پر ایک سیکریٹریل کمپلائنس سرٹیفکیٹ پیش کیا ہے تاکہ اس بات کی تصدیق کی جاسکے کہ کمپنیز ایکٹ، 2017، کمپنی کی ایسوسی ایشن کے میمورنڈم اور آرٹیکلز، لسٹنگ ریگولیشنز اور لسٹڈ کمپنیز کے سیکرٹری اور کارپوریٹ تقاضے کی باضابطہ تعینات کی گئی ہے۔ (Government 2017)

اخلاقیات اور کاروباری طرز عمل

کارپوریٹ گورننس کے رہنما خطوط کے مطابق، کمپنی نے تعینات کے لیے ایک "ضابطہ اخلاق" جاری کیا ہے۔ اس پر کمپنی کے تمام ڈائریکٹرز اور ملازمین نے ضابطہ کی سمجھ اور قبولیت کو تسلیم کرتے ہوئے دستخط کیے ہیں۔

شیئر ہولڈنگ کا نمونہ

جون 2025 تک کمپنی کے شیئر ہولڈنگ اور حصص یافتگان کے زمرے کا تفصیلی نمونہ، جیسا کہ فہرست سازی کے ضوابط کے تحت درکار ہے 30 اس سالانہ رپورٹ میں شامل کر دیا گیا ہے۔

اسٹیک ہولڈرز کے لیے معلومات

گزشتہ سالوں کے لیے کلیدی آپریٹنگ اور مالیاتی ڈیٹا کا خلاصہ کیا گیا ہے اور صفحہ نمبر ___ پر پیش کیا گیا ہے۔

جناب محمد سہیل سالت	4	4
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بورڈ اور کمیٹی کے اجلاسوں میں شرکت نہ کرنے والے اراکین کو غیر حاضری کی چھٹی دی گئی۔

ڈائریکٹرز اور ایگزیکٹوز کے ذریعہ کمپنی کے حصص کی تجارت

مندرجہ ذیل سال کے دوران کمپنی کے حصص کی تجارت ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور نابالغ بچوں نے کی:

ریمارکس	فروخت شیئرز	شیئرز خریدے گئے۔	عہدہ	ڈائریکٹر کا نام
-	54,900	-	چیئرمین	جناب ظفر عالم
-	-	-	ڈائریکٹر	جناب محمد سہیل سالت
-	-	-	ڈائریکٹر	محترمہ شرمین شاہد
-	-	-	ڈائریکٹر	جناب محسن مدنی
-	-	-	ڈائریکٹر	جناب محمد ہارون
-	-	-	ڈائریکٹر	جناب سید محمد منظور رضا
-	-	1	ڈائریکٹر	جناب عالمگیر اے شیخ
-	-	-	ڈائریکٹر	جناب محمد عرفان موئن
-	-	2,525,220	چیف ایگزیکٹو آفیسر	جناب محمد شاہد علی
-	-	-	چیف فنانشل آفیسر اور کمپنی سیکرٹری	جناب محمد طہ صدیقی
-	-	-	-	میاں بیوی
-	-	-	-	نابالغ بچے

بورڈ کمیٹیوں کی دوبارہ تشکیل

سال کے دوران، بورڈ نے اپنی کمیٹیوں کی ازسرنو تشکیل کا کام کیا تاکہ موثر حکمرانی، بہتر نگرانی، اور قابل اطلاق ریگولیٹری تقاضوں کی تعمیل کو یقینی بنایا جاسکے۔ کمیٹیوں کی نظر ثانی شدہ تشکیل حسب ذیل ہے۔

(a) آڈٹ کمیٹی

- جناب عالمگیر اے شیخ – چیئرمین

مؤثر تاریخ	تبدیلی کی نوعیت	پوزیشن	نام
مئی 02 2025	استعفیٰ دے دیا۔	نان ایگزیکٹو ڈائریکٹر	ہارون عثمان صاحب
مئی 19 2025	تعیینات	آزاد ڈائریکٹر	جناب محمد عرفان موئن
مئی 26 2025	استعفیٰ دے دیا۔	نان ایگزیکٹو ڈائریکٹر	جناب سید محمد منظور رضا
مئی 26 2025	تعیینات	آزاد ڈائریکٹر	جناب عالمگیر اے شیخ
جون 30 2025	استعفیٰ دے دیا۔	نان ایگزیکٹو ڈائریکٹر	جناب محسن مدنی

بورڈ جناب ہارون عثمان، جناب محسن مدنی اور جناب سید محمد منظور رضا کی ان کے دور میں کی گئی گرانقدر خدمات کو سراہتا ہے۔ بورڈ جناب محمد عرفان موئن اور جناب عالمگیر اے شیخ کا پرتپاک خیرمقدم کرتا ہے اور اس اعتماد کا اظہار کرتا ہے کہ فنانس، ایکویٹی مارکیٹ اور گورننس میں ان کی مہارت کمپنی کی اسٹریٹجک سمت میں اہم اضافہ کرے گی۔

بورڈ کی تشکیل میں تمام تبدیلیوں کو قانونی تقاضوں کے مطابق منظور اور مطلع کیا گیا تھا، اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان میں ضروری فائلنگ کی گئی تھی۔ (SECP)

ڈائریکٹرز کے معاوضے کی پالیسی

وہ نان ایگزیکٹو ڈائریکٹرز بشمول عارف حبیب لمیٹڈ کے آزاد ڈائریکٹرز جو کسی گروپ کمپنی میں سینئر ایگزیکٹو یا انتظامی عہدہ یا ڈائریکٹر شپ نہیں رکھتے وہ بورڈ آف ڈائریکٹرز کی میٹنگ یا بورڈز کی ذیلی کمیٹی کے اجلاس میں شرکت کے لیے میٹنگ فیس کا دعویٰ کر سکتے ہیں جس کی شرح بورڈ آف ڈائریکٹرز کی طرف سے وقتاً فوقتاً منظور کی گئی ہے۔ کسی بھی ڈائریکٹر کی طرف سے اضافی خدمات کی تفویض کے بدلے معاوضے کی ادائیگی کا تعین بورڈ آف ڈائریکٹرز مارکیٹ کے معیارات اور کام کے دائرہ کار کی بنیاد پر کرے گا اور کمپنی کے آرٹیکلز آف ایسوسی ایشن کی اجازت کے مطابق ہوگا۔ معاوضے کی سطح بھی مناسب اور ذمہ داری اور مہارت کی سطح کے مطابق ہوگی۔ تاہم، ایک آزاد ڈائریکٹر کے لیے، یہ اس سطح پر نہیں ہونا چاہیے جو آزادی سے سمجھوتہ کرنے کے لیے سمجھا جا سکے۔

بورڈ اور آڈٹ کمیٹی کے اجلاس اور حاضری

زیر نظر سال کے دوران، بورڈ آف ڈائریکٹرز کے چار اجلاس اور آڈٹ کمیٹی کے چار اجلاس 01 جولائی 2024 سے 30 جون 2025 تک منعقد ہوئے۔ بورڈ اور آڈٹ کمیٹی کے اراکین کی حاضری حسب ذیل تھی:

آڈٹ کمیٹی کا اجلاس	بورڈ میٹنگ	ڈائریکٹر کا نام
N/A	4	جناب ظفر عالم
N/A	4	محترمہ شرمین شاہد
N/A	4	جناب منظور رضا
4	4	جناب محمد ہارون
4	4	جناب محسن مدنی
N/A	4	جناب محمد شاہد علی

- g. کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے، جیسا کہ فہرست سازی کے ضوابط میں تفصیل ہے؛
- h. کمپنی کے پاس ٹیکس، ڈیوٹیز، لیویز اور چارجز کی قانونی ادائیگی کی وجہ سے بیلنس شیٹ کی تاریخ کے مطابق کوئی بقایا ذمہ داری نہیں ہے۔
- i. بروکر کے ذریعہ سال کے دوران کوئی ایسا لین دین نہیں کیا گیا ہے جو دھوکہ دہی، غیر قانونی یا کسی بھی سیکورٹیز مارکیٹ کے قوانین کی خلاف ورزی میں ہو۔
- j. کمپنی نے روپے کی رقم ادا کی ہے۔ کمپنی کے ملازمین کے پروویڈنٹ فنڈ میں 10,410,735 روپے اور کمپنی پر سال کے آخر میں کوئی بقایا ذمہ داری نہیں ہے کیونکہ پراویڈنٹ فنڈ کا انتظام ایک الگ ٹرسٹ کے ذریعہ کیا جاتا ہے۔

اندرونی کنٹرول کے حوالے سے ڈائریکٹرز کی ذمہ داری

بورڈ آف ڈائریکٹرز داخلی کنٹرول کے مناسب اور موثر نظام کے قیام اور اسے برقرار رکھنے کی اپنی مجموعی ذمہ داری کو تسلیم کرتا ہے۔ یہ کنٹرول کمپنی کے اثاثوں کی حفاظت، دھوکہ دہی اور غلطیوں کی روک تھام اور پتہ لگانے، اکاؤنٹنگ ریکارڈ کی درستگی اور مکمل ہونے، اور قابل اعتماد مالی معلومات کی بروقت تیاری کے حوالے سے معقول یقین دہانی فراہم کرنے کے لیے بنائے گئے ہیں۔

ڈائریکٹرز نے کمپنی کے اندرونی کنٹرول کے نظام کا جائزہ لیا ہے اور ان کا خیال ہے کہ اس طرح کے کنٹرول کافی اور مؤثر طریقے سے کام کر رہے ہیں۔ داخلی کنٹرول کے فریم ورک کا وقتاً فوقتاً جائزہ لیا جاتا ہے اور جہاں ضرورت ہو، قابل اطلاق قوانین، ضوابط اور بہترین طریقوں کے ساتھ ہم آہنگی کو یقینی بنانے کے لیے اسے مضبوط بنایا جاتا ہے۔

کمپنی کے کاروبار کا ماحولیات پر اثر

مالیاتی خدمات اور کیپٹل مارکیٹ کے درمیانی ہونے کی وجہ سے، عارف حبیب لمیٹڈ کے آپریشنز کا ماحول پر پیداواری یا صنعتی خدشات کے مقابلے نسبتاً کم براہ راست اثر پڑتا ہے۔ کمپنی کی سرگرمیاں بنیادی طور پر دفتر پر مبنی ہیں، ماحولیاتی اثرات توانائی کی کھپت، کاغذ کے استعمال، الیکٹرانک فضلہ، اور متعلقہ وسائل تک محدود ہیں۔

بورڈ بائیدار کاروباری طریقوں کے تئیں اپنی ذمہ داری کو تسلیم کرتا ہے اور کمپنی کے ماحولیاتی اثرات کو کم سے کم کرنے کے لیے مندرجہ ذیل اقدامات کیے ہیں:

- عمل کی ڈیجیٹلائزیشن کو فروغ دینا اور کاغذ پر انحصار کو کم کرنا۔
 - تمام دفاتر میں توانائی کے تحفظ کی حوصلہ افزائی کرنا اور موثر روشنی اور آلات کو اپنانا۔
 - فضلہ میں کمی اور الیکٹرانک آلات کو ذمہ دارانہ طریقے سے ٹھکانے لگانے پر عمل درآمد۔
 - گروپ کی سطح پر سبز اقدامات کی حمایت کرنا اور ماحولیاتی ذمہ داری کے بارے میں بیداری میں تعاون کرنا۔
- کمپنی اپنے کاموں کو بائیدار طریقوں سے ہم آہنگ کرنے اور ماحولیاتی تحفظ کے لیے اپنے تعاون کو مسلسل بہتر بنانے کے لیے پرعزم ہے۔

بورڈ میں تبدیلیاں

سال کے دوران، کمپنیز ایکٹ، 2017، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019، اور دیگر قابل اطلاق ریگولیٹری تقاضوں کے مطابق بورڈ آف ڈائریکٹرز کی تشکیل میں تبدیلیاں آئیں۔ تبدیلیاں درج ذیل ہیں:

- تفویض کردہ ریٹنگز پر آؤٹ لک 'مستحکم' ہے۔ اس سرٹیفیکیشن نے مضبوط کنٹرول اور گورننس فریم ورک کو برقرار رکھنے، کلائنٹ (PACRA) سروسنگ ٹولز کی مسلسل اپ ڈیٹ، اور سرمایہ کاری کی سرگرمیوں سے پیدا ہونے والے خطرات خاص طور پر لیکویڈیٹی اور دلچسپی کے تصادم کی محتاط نگرانی میں کمپنی کی صلاحیت کی توثیق کی ہے۔

رسک مینجمنٹ

ہمارے کاروبار میں خطرات ناگزیر ہیں اور ان میں لیکویڈیٹی، مارکیٹ، کریڈٹ، آپریشنل، قانونی، ریگولیٹری، اور شہرت کے خطرات شامل ہیں۔ کی رسک مینجمنٹ گورننس ہمارے بورڈ سے شروع ہوتی ہے، جو رسک مینجمنٹ کی پالیسیوں اور طریقوں کا جائزہ لینے اور ان کی منظوری AHL دینے میں ایک لازمی کردار ادا کرتا ہے۔

ہمارا رسک مینجمنٹ فریم ورک اور سسٹم دیرینہ، معیاری اور بہت مضبوط ہیں۔ ہم سمجھتے ہیں کہ کمپنی کی کامیابی کے لیے مؤثر رسک مینجمنٹ بنیادی اہمیت کا حامل ہے۔ اسی مناسبت سے، ہم نے رسک مینجمنٹ کے جامع عمل شروع کیے ہیں جن کے ذریعے ہم اپنی سرگرمیوں کو انجام دینے میں جو خطرات لاحق ہوتے ہیں ان کی نگرانی، جائزہ اور ان کا نظم کرتے ہیں۔ حدود کا ایک سخت فریم ورک متعدد لین دین، مصنوعات، کاروبار اور بازاروں میں خطرے کو کنٹرول کرنے کے لیے لاگو کیا جاتا ہے جن میں ہم ڈیل کرتے ہیں۔ اس میں مختلف سطحوں پر کریڈٹ اور مارکیٹ کے خطرے کی حدیں طے کرنا اور ان حدود کی باقاعدگی سے نگرانی کرنا شامل ہے۔

مادیت کا نقطہ نظر اپنایا

بورڈ آف ڈائریکٹرز کمپنی کے تمام مادی معاملات کی کڑی نگرانی کرتا ہے۔ عام طور پر، معاملات کو مادی سمجھا جاتا ہے اگر، انفرادی طور پر یا مجموعی طور پر، ان سے پالیسی کے مطابق کمپنی کی کارکردگی اور منافع کو نمایاں طور پر متاثر کرنے کی توقع کی جاتی ہے۔

کارپوریٹ سماجی ذمہ داری

آپ کی کمپنی نے متعدد فلاحی سرگرمیوں کے ذریعے ایک سماجی طور پر ذمہ دار تنظیم کے طور پر معاشرے اور کاروباری برادری کے لیے اپنا تعاون اپنی کارپوریٹ سماجی ذمہ داری کی تکمیل کے لیے پرعزم ہے اور صحت کی دیکھ بھال، تعلیم، ماحولیات اور کمیونٹی کی بہبود AHL جاری رکھا۔ پر توجہ دینے والے منصوبوں میں اپنی شمولیت جاری رکھے ہوئے ہے۔ ہم مستقبل میں بھی ایسے نیک مقاصد میں اپنی شمولیت اور شراکت جاری رکھنے کا ارادہ رکھتے ہیں۔

کمپنی کی طرف سے دیے گئے تعاون کی تفصیلات صفحہ نمبر ___ پر پیش کی گئی ہیں۔

کارپوریٹ گورننس کا ضابطہ

کمپنی کا بورڈ اور انتظامیہ اس بات کو یقینی بنانے کے لیے پرعزم ہے کہ کوڈ آف کارپوریٹ گورننس کی ضروریات پوری طرح پوری ہوں۔ کمپنی نے مالی اور غیر مالیاتی معلومات کی درستگی، جامعیت اور شفافیت کو بڑھانے کے مقصد سے مضبوط کارپوریٹ گورننس کے طریقوں کو اپنایا ہے۔

ڈائریکٹرز کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات اس کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔
- کمپنی کے حساب کتاب کی مناسب دیکھ بھال کی گئی ہے۔
- مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے۔ اور حساب کتاب کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالی بیانات کی تیاری میں پیروی کی گئی ہے۔
- اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے مؤثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔
- جاری تشویش کے طور پر جاری رکھنے کی کمپنی کی صلاحیت پر کوئی خاص شک نہیں ہے۔

سکوک ایڈوائزری اسپیس میں ہماری شمولیت خاص طور پر قابل ذکر رہی ہے، جس میں ایئر لنک کمیونیکیشنز لمیٹڈ، سلیکٹ ٹیکنالوجیز اور پمپس کمپنی لمیٹڈ کی طرف سے رائٹ شیئر کے اجراء کے لیے مشاورتی خدمات KSB اسماعیل انڈسٹریز میں نمایاں شراکت ہے۔ مزید برآں، ہم نے فراہم کیں۔ دیگر اہم سرگرمیوں میں متعدد اضافی جاری لین دین کے درمیان سیمینار جی کے لیے ہائی بیک ایڈوائزری شامل ہے۔

ان سرگرمیوں نے نہ صرف ہمارا اعتماد بڑھایا ہے بلکہ مارکیٹ میں ایک قابل اعتماد مشیر کے طور پر ہماری ساکھ کو بھی تقویت دی ہے۔ ہم اپنے کلائنٹس کے لیے بہترین نتائج کی فراہمی کے لیے پیچیدہ لین دین کو تلاش کرنے اور انہیں درستگی کے ساتھ انجام دینے کے لیے پرعزم ہیں۔

کی مستقل پوزیشن پر فخر ہے۔ آگے دیکھتے ہوئے، انتظامیہ نئی ایکویٹی اور قرض کی AHL ہمیں سرمایہ کاری بینکنگ میں مارکیٹ لیڈر کے طور پر فہرستوں کے ساتھ ساتھ انضمام اور حصول، قرض کے مشورے، اور نجی ایکویٹی سرمایہ کاری میں وسیع مواقع کی وجہ سے سرگرمیوں میں اضافے کی توقع کرتی ہے۔ ہم اپنے قابل قدر کلائنٹس کو مسلسل غیر معمولی خدمات فراہم کر کے اپنے مارکیٹ شیئر کو مستحکم کرنے کے بارے میں پر امید ہیں۔

ہم اپنے شیئر ہولڈرز، کلائنٹس اور ملازمین کا ان کی غیر متزلزل حمایت اور لگن کے لیے تہ دل سے شکریہ ادا کرتے ہیں۔ ایک ساتھ مل کر، ہم اپنی تمام کوششوں میں عمدگی اور اختراع کے لیے اپنی وابستگی کا اعادہ کرتے ہوئے، سامنے آنے والے مواقع اور چیلنجوں کو نیویگیٹ کرنے کے منتظر ہیں۔

ایوارڈز اور پہچان

ہمیں یہ اعلان کرتے ہوئے بے حد فخر ہے کہ کمپنی کی کارکردگی کو مالی سال 25 کے لیے بین الاقوامی شہرت یافتہ اداروں جیسے کہ یورو مانی، فنانس سوسائٹی پاکستان نے تسلیم کیا ہے۔ اس سال اے ایچ ایل کو درج ذیل ایوارڈز ملے CFA ایشیا اور مالی سال 24 میں مقامی طور پر معروف تنظیم

1. تحقیق کے لیے بہترین بینک - 2025 - یورو مانی
2. بہترین انویسٹمنٹ بینک - 2025 - یورو مانی
3. بہترین بروکر - 2025 - یورو مانی
4. بہترین بروکریج ہاؤس - انٹرنیشنل فنانس
5. بہترین بروکر - فنانس ایشیا
6. بہترین ایکویٹی ہاؤس - فنانس ایشیا
7. پاکستان میں بہترین تنوع اور شمولیت - 2024 - یورو مانی
8. پاکستان میں تحقیق کے لیے بہترین - 2024 - یورو مانی
9. سوسائٹی پاکستان CFA - بہترین ایکویٹی بروکریج ہاؤس ایوارڈ
10. بہترین اکنامک ریسرچ ہاؤس کا ایوارڈ - سی ایف اے سوسائٹی پاکستان
11. بہترین مانی مارکیٹ بروکریج ہاؤس ایوارڈ (رنر اپ) - فنانشل مارکیٹ ایسوسی ایشن آف پاکستان
12. بہترین مجموعی بروکریج ہاؤس ایوارڈ (رنر اپ) - فنانشل مارکیٹ ایسوسی ایشن آف پاکستان
13. سوسائٹی پاکستان CFA - بہترین ایکویٹی سیلز پرسن ایوارڈ
14. سوسائٹی پاکستان CFA - بہترین ایکویٹی اینالسٹ کا ایوارڈ

کریڈٹ ریٹنگ

کی ہستی ریٹنگ دوبارہ تفویض کی گئی (A-One/ڈبل اے مائنس) 'AA-/A-1' کے ذریعے (JCR-VIS) کریڈٹ ریٹنگ کمپنی لمیٹڈ JCR-VIS کمپنی کو ہے۔ تفویض کردہ ریٹنگز پر آؤٹ لک 'مستحکم' ہے۔ اس سرٹیفیکیشن نے مسلسل ترقی کے لیے انتظامیہ کے وژن کو مزید واضح کیا ہے اور امید کی جاتی ہے کہ اس سے کمپنی کے صارفین کو "عارف حبیب" برانڈ کی ساکھ اور استحکام کے حوالے سے مزید اعتماد ملے گا۔

انتظامی درجہ بندی

کی انتظامی درجہ بندی تفویض کی ہے۔ BMR1 کمپنی کو پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ نے

ٹیکنالوجی اور انسانی سرمائے میں اسٹریٹجک سرمایہ کاری کی وجہ سے آپریٹنگ اخراجات میں اضافے کے باوجود، ہمارے مالیاتی اخراجات کم ہو کر PKR 85.57 ملین (FY24 میں PKR 97.98 ملین سے کم) ہو گئے، جس میں شرح سود کے کم ماحول اور قرض لینے کی کارکردگی میں بہتری آئی۔ FY25 میں AHL کی مالی کارکردگی ہماری لچک اور ترقی کے لیے عزم کو ظاہر کرتی ہے، جو اسٹریٹجک اقدامات اور غیر معمولی خدمات کی فراہمی پر مرکوز ہے۔ ہم اپنے کلائنٹس اور اسٹیک ہولڈرز کے لیے یکساں کامیابی کو یقینی بنانے کے لیے سال میں اس رفتار کو آگے بڑھانے کے منتظر ہیں۔

بروکریج آپریشنز

بروکریج ڈویژن ہماری مالیاتی کارکردگی کے سنگ بنیاد کے طور پر ابھرا ہے، جس نے 51.46 فیصد کا غیر معمولی اضافہ حاصل کیا، جس کا نتیجہ ملین تک پہنچ گیا۔ یہ قابل ذکر ترقی نہ صرف ہماری مہارت کو اجاگر کرتی ہے بلکہ اس شعبے میں ہماری قائدانہ حیثیت کو بھی PKR 1,164 تقویت دیتی ہے۔ بروکریج ریونیو میں سب سے نمایاں فیصد اضافہ ڈیجیٹل ٹریڈنگ کو قرار دیا گیا ہے، جس میں کراچی، لاہور، اسلام آباد، فیصلہ اور خوردہ سرمایہ کاروں کے قابل ذکر تعاون شامل ہیں۔ ادارہ جاتی (HNWIs) آباد، ملتان اور پشاور سمیت اہم شہروں میں اعلیٰ مالیت والے افراد سرمایہ کاروں میں، غیر ملکی کلائنٹس اور میوچل فنڈز نے سب سے زیادہ ترقی کا مظاہرہ کیا ہے۔

ملین کی PKR 170، ٹریڈری ڈیپارٹمنٹ، منی مارکیٹ اور فارن ایکسچینج ڈیسک دونوں پر محیط ہے، نے صنعت میں کم سرگرمی کے باوجود بروکریج ریونیو ریکارڈ کرتے ہوئے بہتر نتائج دیے ہیں جو کہ سال بہ سال 5% اضافہ ہے۔ اس شاندار کارکردگی نے ہمیں فنانشل مارکیٹ ایسوسی ایشن آف پاکستان کی جانب سے باوقار بہترین منی مارکیٹ بروکریج ہاؤس ایوارڈ (رنر اپ) اور بہترین مجموعی بروکریج ہاؤس ایوارڈ (رنر اپ) حاصل کیا ہے۔

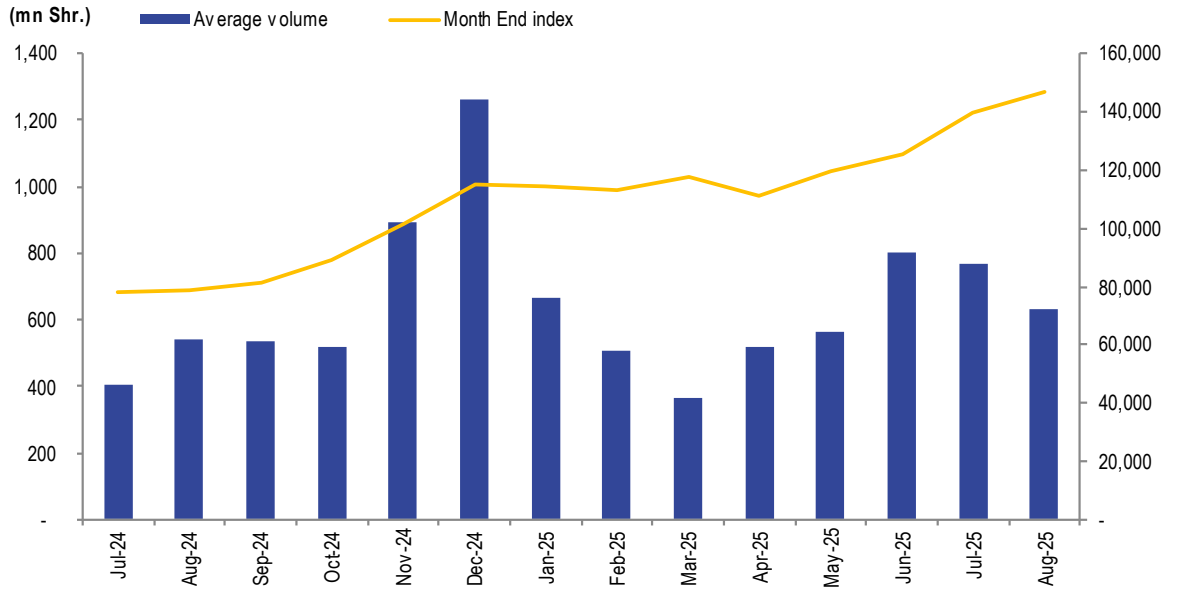
ہمارے آئی ٹی ڈیپارٹمنٹ نے ہمارے ٹریڈنگ اور سیٹلمنٹ ڈیسک کے لیے ایک مضبوط آپریشنل ماحول کو یقینی بنانے میں ایک اہم کردار ادا کیا ہے، کارکردگی کو بڑھانے کے لیے ہمارے بیک آفس سافٹ ویئر سلوشنز کو مسلسل اپ گریڈ کر رہے ہیں۔ سیلز اور ریٹیل/آن لائن ٹیموں نے نئے اکاؤنٹ کی ریکارڈ تعداد حاصل کرنے اور انہیں کیپٹل مارکیٹ (RDA) کھولنے کی رفتار کو برقرار رکھنے، غیر مقیم پاکستانیوں کے لیے ریڈیڈنٹ فارن اکاؤنٹس کے مواقع کے ساتھ فعال طور پر منسلک کرنے میں شاندار کارکردگی کا مظاہرہ کیا ہے۔ ہماری تحقیقی ٹیم نے انمول بصیرت فراہم کی ہے، جس میں پروسیسز میں ان کے KYC/AML درج کمپنیوں اور وسیع تر معیشت پر جامع بنیادی تحقیقی نوٹ فراہم کیے گئے ہیں۔ ہم اپنی کمپلائنس ٹیم کو محنتی کام کے لیے بھی سراہتے ہیں کہ اکاؤنٹ کھولنے کے بڑھتے ہوئے حجم کے ساتھ ساتھ ہمارے سیٹلمنٹ ڈیپارٹمنٹ کو ان کے تیز اور موثر لین دین کے لیے۔

اللہ تعالیٰ کے فضل و کرم سے اے ایچ ایل کو ممتاز عالمی اور مقامی اداروں سے بے شمار اعزازات مل چکے ہیں۔ مالی سال 25 کے قابل ذکر ایوارڈز میں یورومنی کی جانب سے 'بیسٹ بینک فار ریسرچ' اور 'بہترین سرمایہ کاری بینک'، سی ایف اے سوسائٹی کا بہترین ایکویٹی بروکریج ہاؤس کا ایوارڈ، سی ایف اے سوسائٹی کا 'بہترین اکنامک ریسرچ ہاؤس' ایوارڈ، سی ایف اے سوسائٹی کی جانب سے بہترین ٹریڈر اور بہترین تجزیہ کار کے زمرے کے ایوارڈز بین الاقوامی فنانشل کی جانب سے 'بہترین بروکریج ہاؤس'، 'بیسٹ بروکریج ہاؤس' کا ایوارڈ، 'بیسٹ بروکریج ہاؤس' کا ایوارڈ 'فنانشل مارکیٹ ایسوسی ایشن آف پاکستان کی طرف سے فنانشل ایشیا اور بہترین منی مارکیٹ بروکریج ہاؤس ایوارڈ (رنر اپ) اور بہترین مجموعی بروکریج ہاؤس ایوارڈ (رنر اپ)۔

ہمارے بروکریج آپریشنز نے نہ صرف قابل ذکر مالیاتی سنگ میل حاصل کیے ہیں بلکہ سروس ڈیلیوری، اختراعات اور تعمیل میں بہترین کارکردگی کا معیار بھی قائم کیا ہے۔ ہم ترقی کی اس رفتار کو برقرار رکھنے اور اپنے کلائنٹس اور اسٹیک ہولڈرز کو بے مثال قدر فراہم کرنے کے لیے پرعزم ہیں۔

انویسٹمنٹ بینکنگ آپریشنز

ملین کی مضبوط کل آمدنی حاصل کی، جو کہ غیر معمولی مالیاتی خدمات PKR 267 مالی سال 25 میں، ہمارے انویسٹمنٹ بینکنگ ڈویژن نے UBL کے ساتھ ساتھ IPOs بائیو سائنسز اور برکت فریزین ایگرو لمیٹڈ کے BF فراہم کرنے کے ہمارے عزم کی عکاسی کرتی ہے۔ اس سال، ہم نے ٹرانزیکشن، اور سکوک ایڈوائزری سروسز اسماعیل انڈسٹریز لمیٹڈ MTO ایڈوائزری اور/یا M&A کرنسی ایکسچینج اور شیل پاکستان لمیٹڈ کی مشاورتی لین دین بھی عمل میں M&A اور ایئر لنکس لمیٹڈ، ایئر لنکس لمیٹڈ کے لیے کامیابی کے ساتھ مینڈیٹ پر عمل درآمد کیا۔ کچھ قابل ذکر میں ختم ہوں گے جن میں مچلز فروٹ فارمز، لوٹے کیمیکل اور رفحان مکئی شامل ہیں۔ FY26 میں جو ممکنہ طور پر



مزید اعتماد MSCI فرنٹیئر مارکیٹس انڈیکس میں پاکستان کے وزن میں اضافے سے آیا، جو اب ~ 6.3% پر کھڑا ہے۔ بینچ مارک KSE-100 انڈیکس 125,627 پوائنٹس پر بند ہوا، جو کہ 60% سالانہ اضافہ (+47,182 پوائنٹس) ہے۔ FY25 میں بھی ریکارڈ مارکیٹ کی شرکت دیکھنے میں آئی، جس میں اب تک کے سب سے زیادہ تجارتی حجم اور FY21 کے بعد سب سے زیادہ تجارت کی گئی قدر ہے۔ اوسط یومیہ تجارتی حجم میں 38% (633.2mn حصص) کا اضافہ ہوا، جبکہ اوسط تجارت کی قیمت (USD پر مبنی) 83% اضافے سے USD 101mn تک پہنچ گئی۔

سیکٹر کے لحاظ سے، انڈیکس میں اضافے کی قیادت فریٹلائزرز نے کی: +11,259 پوائنٹس، کمرشل بینک: +11,141 پوائنٹس، سیمنٹ: +10,813 پوائنٹس، ایکسپلوریشن اینڈ پروڈکشن: +3,695 پوائنٹس، فارماسیوٹیکل: +1,643 پوائنٹس؛ تاہم، مارکیٹ نے USD 304mn کا خالص غیر ملکی اخراج دیکھا (بمقابلہ FY24 میں USD 141mn کی آمد)، جو زیادہ تر کمرشل بینکوں (USD 108.7mn)، فریٹلائزرز E&Ps، (USD 66.9mn) FDm24 USD (USD 3mn) پر مرکوز ہے۔

مالی کارکردگی

ہمیں یہ اطلاع دیتے ہوئے خوشی ہو رہی ہے کہ اے ایچ ایل نے مالی سال 25 کے لیے مضبوط مالی کارکردگی کا مظاہرہ کیا ہے۔ کمپنی نے PKR 979.26 ملین کا ٹیکس کے بعد غیر متفقہ منافع ریکارڈ کیا، جس کا ترجمہ فی حصص آمدنی PKR 14.99 (EPS) ہے۔ مزید برآں، ہمارا مجموعی منافع بعد از ٹیکس 981.53 ملین روپے تک پہنچ گیا، جس کا EPS PKR 15.02 ہے۔ کمپنی نے PKR 1,164 ملین کی متاثر کن بروکریج آمدنی اور PKR 267 ملین کی سرمایہ کاری بینکنگ آمدنی حاصل کی۔ بروکریج اور انویسٹمنٹ بینکنگ اور ایڈوائزری سروسز سے مجموعی طور پر آپریٹنگ ریونیو PKR 1,512 ملین تک پہنچ گئی، جو کہ FY24 میں PKR 1,082 ملین سے 39.74 فیصد نمایاں اضافہ کی عکاسی کرتی ہے۔ اس نمو کو بڑی حد تک بڑے شہروں میں ڈیجیٹل اور ریٹیل کلائنٹ بیس کے ہمارے کامیاب توسیع، اہم بلاک ٹرانزیکشنز، اور ایڈوائزری لہن دین میں اضافہ، خاص طور پر M&A، IPOs، اور قرض کی ایڈوائزری میں منسوب کیا جا سکتا ہے۔

FY25 کے دوران، کمپنی نے فکسڈ انکم، ایکویٹیز، اور کیش فیوچر آرہیٹریج میں اپنی لیکویڈیٹی کو فعال طور پر منظم کرتے ہوئے مارکیٹ کے مواقع سے فائدہ اٹھایا، جس کے نتیجے میں PKR 1,105 ملین کا فائدہ ہوا۔ یہ کارکردگی ہمارے اسٹریٹجک سرمایہ کاری کے فیصلوں اور پورٹ فولیو کے موثر انتظام کی نشاندہی کرتی ہے۔

ہم نے اپنی سروس کے معیار کو بڑھانے اور کلائنٹ کی مصروفیت کو مضبوط بنانے کے لیے ٹیکنالوجی اور انسانی سرمایے میں حکمت عملی کے ساتھ سرمایہ کاری کی ہے۔ اگرچہ ان اقدامات نے ہماری مقررہ لاگت کی بنیاد میں اضافہ کیا ہے، لیکن یہ پائیدار ترقی اور مسابقت کو آگے بڑھانے کے لیے اہم ہیں۔ مزید برآں، چونکہ تجارتی عملے کے معاوضے کا براہ راست ریونیو کی کارکردگی سے تعلق ہے، اس لیے سال کے دوران آمدنی میں مضبوط اضافہ کے نتیجے میں عملے کے متعلقہ اخراجات میں اضافہ ہوا۔ نتیجتاً، آپریشنل اخراجات میں سال بہ سال 50 فیصد اضافہ ہوا۔ اس اضافے کے باوجود، ہم محتاط لاگت کے انتظام اور اپنے کلائنٹس اور اسٹیک ہولڈرز کے لیے طویل مدتی قدر فراہم کرنے کے لیے مضبوطی سے پرعزم ہیں۔

ڈائریکٹرز کی رپورٹ

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے، مجھے 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ رپورٹ اکاؤنٹنگ، ریگولیٹری اور قانونی معیارات اور تقاضوں کے مطابق سال کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ پیش کرتے ہوئے بے حد خوشی ہو رہی ہے۔

اقتصادی نقطہ نظر:

مالی سال 25 پاکستان کے لیے مستحکم استحکام کا سال ثابت ہوا، جیسے آئی ایم ایف کی حمایت یافتہ اصلاحات کے تسلسل، بیرونی شعبے کی کارکردگی میں بہتری، اور معاشی سرگرمیوں میں بتدریج بحالی کی مدد حاصل ہوئی۔ طے شدہ پروگرام کے جائزے کی تکمیل کے بعد، حکومت نے توسیعی فنڈ سہولت (EFF) کے تحت USD 2bn کی تقسیم حاصل کی اور سال کے دوران USD 1.4bn لچک اور پائیداری کی سہولت (RSF) انتظامات پر بھی دستخط کیے۔ حقیقی جی ڈی پی 2.68 فیصد بڑھنے کے ساتھ، خدمات میں 2.91 فیصد توسیع، صنعت میں 4.77 فیصد ترقی، اور زراعت میں 0.56 فیصد معمولی اضافے کے ساتھ اقتصادی رفتار بلند ہوئی۔ فی کس آمدنی FY24 میں USD 1,662 سے بڑھ کر 9.75% USD 1,824 ہو گئی۔

بیرونی محاذ پر، کرنٹ اکاؤنٹ نے USD 2.1bn کا سرپلس پوسٹ کیا، جس سے ترسیلات زر کی مضبوط آمد کی عکاسی ہوتی ہے اور سال کے بیشتر حصے میں درآمدی نمو شامل تھی۔ بیرونی زرمبادلہ کے ذخائر سال کے آخر تک بڑھ کر 14.5 بلین امریکی ڈالر تک پہنچ گئے، جس کی حمایت بیرونی رقوم اور آئی ایم ایف کے پروگرام میں ہوئی ہے۔ سالانہ اوسط کی بنیاد پر پاکستانی روپے کی قدر میں امریکی ڈالر کے مقابلے میں 1.4 فیصد اضافہ ہوا۔ پورے سال کے لیے ترسیلات زر USD 38.3bn تک پہنچ گئیں، جو اب تک ریکارڈ کی جانے والی سب سے زیادہ ہے، جس کی حمایت اہم پالیسی کوششوں سے ہوئی۔ ٹیکنالوجی خدمات کی برآمدات بھی 3.8 بلین امریکی ڈالر کی تاریخی بلند ترین سطح کو چھو گئیں، جو اس شعبے کی بڑھتی ہوئی عالمی مسابقت کی عکاسی کرتی ہے۔

افراط زر ایک سال پہلے 23.4 فیصد سے تیزی سے گر کر اوسطاً 4.49 فیصد پر آگیا، کھانے کی کم قیمتوں اور مستحکم کرنسی کی وجہ سے مدد ملی۔ اس کے جواب میں، اسٹیٹ بینک آف پاکستان نے مالی سال کے آغاز میں پالیسی ریٹ کو 20.5 فیصد سے کم کر کے سال کے آخر تک 11 فیصد کر دیا، جس سے بتدریج اور پائیدار بحالی کی راہ ہموار ہوئی۔

اسٹاک کی کارکردگی:

KSE-100 انڈیکس نے مالی سال 25 کے دوران شاندار کارکردگی کا مظاہرہ کرتے ہوئے 125,627 پوائنٹس کی بلند ترین سطح پر پہنچ کر جارحانہ مالیاتی نرمی، بہتر مارکیٹ لیکویڈیٹی، اور بڑے شعبوں میں بنیادی اقدار کو کھولنے کے درمیان سرمایہ کاروں کے جذبات میں زبردست تبدیلی کی عکاسی کی۔ کلیدی ڈرائیوروں میں پالیسی ریٹ میں مجموعی طور پر 1,050bps کی کمی، گرتی ہوئی افراط زر (4.49% بمقابلہ 23.4% YoY)، اور IMF سے متعلقہ مصروفیات پر اہم پیش رفت شامل ہیں۔

Ballot Paper For Voting Through Post / Email

For the Special Business at the Annual General Meeting to be held on Tuesday, 21st October 2025 at 10:00 a.m. at PSX Auditorium, Stock Exchange Building, Stock Exchange Road, Karachi as well as through electronic means.

Designated email address of the Chairman at which the duly filled in ballot paper may be sent: chairman.generalmeeting@arifhabibltd.com

Name of shareholder / Joint shareholder(s) / Proxy Holder(s)	
Registered Address:	
Folio / CDC Participant / Investor ID with sub-account No.	
Number of shares held	
CNIC / Passport No. (in case of foreigner) (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government):	
Name of Authorized Signatory:	
CNIC / Passport No. (in case of foreigner) of Authorized Signatory – (copy to be attached)	

I/we hereby exercise my/our vote in respect of the following resolution(s) through postal ballot by conveying my/our assent or dissent to the following resolution(s) by placing tick () mark in the appropriate box below:

Sr. No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1	<p>Agenda item no. 5</p> <p>To consider and if thought fit to approve with or without modification(s), the following resolutions as special resolutions:</p> <p>RESOLVED THAT further to the approval already obtained from the members of the Company in the 18th Annual General Meeting held on October 15, 2022, wherein the members had authorized the Company in terms of Section 183 of the Companies Act, 2017 and other applicable legal provisions to sell or otherwise liquidate its wholly-owned subsidiary, Rayaam Commodities (Private) Limited (formerly Arif Habib Commodities Private Limited), as deemed appropriate by the Board of Directors and management of the Company, the members hereby accord their approval authorizing the Company's Board of Directors to proceed, negotiate, finalize and execute the sale, transfer, divestment or disposal of the said subsidiary, on such terms and conditions as the Board of Directors may deem fit in the best interest of the Company.</p> <p>"FURTHER RESOLVED THAT, if the transaction is executed before the next AGM pursuant to the</p>			

Sr. No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
	<p>authority granted through this resolution, the Company shall make appropriate disclosures at the Pakistan Stock Exchange for the information of its shareholders and stakeholders, in accordance with applicable laws and regulatory requirements.”</p> <p>“FURTHER RESOLVED THAT all the transaction details and disclosures regarding the sale or liquidation of Rayaana Commodities (Private) Limited will be placed before the shareholders in the next Annual General Meeting for their information.”</p> <p>“FURTHER RESOLVED THAT the Chief Executive Officer and/or Company Secretary of the Company be and are hereby singly authorized and empowered to take all steps, necessary, ancillary and incidental to the above, and are further authorized to sign, execute, deliver all necessary documents, agreements and letters on behalf of the Company and to comply with legal corporate formalities including filing of applications to the regulators or authorities, as may be deemed necessary, desirable and expedient to give effect the above resolutions.”</p>			
2	<p>Agenda item no. 6</p> <p>To authorize the Board of Directors of the Company to approve those transactions with related parties (if executed) during the financial year ending June 30, 2026 or upto the next annual general meeting which require approval of shareholders u/s 207 and u/s 208 of the Companies Act, 2017, by passing the following special resolution with or without modification:</p> <p>Resolved that the transactions / arrangements / agreements / balances with related parties as disclosed in the audited financial statements for the year ended June 30, 2025 be and are hereby approved.</p> <p>Further Resolved that the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case to case basis for the financial year ending June 30, 2026 or upto the next annual general meeting.</p> <p>Further Resolved that the transactions approved by the Board shall be deemed to have been approved by the shareholders u/s 207 and / or u/s 208 of the Companies Act, 2017 (if triggered) and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval u/s 207 and / or 208 of the Companies Act, 2017 (if required).</p>			
3	<p>Agenda item no. 7</p> <p>To consider and if deemed fit, pass the following Special Resolutions with or without modification(s):</p>			

Sr. No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)																		
	<p>Investment in Associated Companies & Associated Undertakings</p> <p>Resolved that the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 for renewal of following unutilised limits of equity investment, and sanctioned limits of loans / advances / guarantees etc. in associated companies and associated undertakings, for which approval has been sought in previous general meeting(s), as mentioned in detail in the Annexure-B of statement under Section 134(3), for a period upto next annual general meeting, unless specifically approved for a longer period, and shall be renewable thereon for further period(s) as specified.</p> <table><tr><td></td><td rowspan="3">Name of Associated Companies & Undertakings</td><td colspan="2">Amount in Million</td></tr><tr><td></td><td colspan="2">Renewal Requested</td></tr><tr><td></td><td>Equity</td><td>Loan / Advance / Guarantee</td></tr><tr><td>1</td><td>Arif Habib Corporation Limited</td><td>-</td><td>1500</td></tr><tr><td>2</td><td>REITS under management of Arif Habib Dolmen REIT Management Limited</td><td colspan="2">*3000</td></tr></table> <p>*It is notified to the members that previously approved limits of equity investments, loans & advances in Safemix Concrete Products Limited, Power Cement Limited, Aisha Steel Mills Limited and Javedan Corporation Limited as were approved in the previous general meetings stands lapsed for the financial year June 30, 2026.</p> <p>Further Resolved that the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, *unutilized limit of investment amounting to Rs. 3,000 Million for the REIT Schemes under management of Arif Habib Dolmen REIT Management Ltd. (associated Company), be hereby approved to be continue to be utilized in any form / nature of investment including equity, loans, advances, running finance, guarantee, indemnity, pledge of shares etc.</p> <p>Further Resolved that the Chief Executive and/or the Company Secretary be and are hereby authorized to take and do, and/or cause to be taken or done, any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company's funds as above, as and when required at the time of investment, including but not limited to negotiating and executing any necessary agreements/documents, and any ancillary matters thereto.</p>		Name of Associated Companies & Undertakings	Amount in Million			Renewal Requested			Equity	Loan / Advance / Guarantee	1	Arif Habib Corporation Limited	-	1500	2	REITS under management of Arif Habib Dolmen REIT Management Limited	*3000				
	Name of Associated Companies & Undertakings	Amount in Million																				
		Renewal Requested																				
		Equity	Loan / Advance / Guarantee																			
1	Arif Habib Corporation Limited	-	1500																			
2	REITS under management of Arif Habib Dolmen REIT Management Limited	*3000																				

NOTES:

1. Dully filled postal ballot should be sent to the Chairman of Arif Habib Limited through post at Arif Habib Centre, 23, M.T. Khan Road, Karachi, Pakistan (Attention of the Company Secretary) OR through the registered email address of shareholder at chairman.generalmeeting@arifhabibltd.com
2. Copy of CNIC / Passport No. (in case of foreigner) should be enclosed with the postal ballot form.
3. Postal ballot forms through post or email should reach the Chairman by Monday, 20th October 2025 before 5:00 p.m. Any postal ballot received after this date and time, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC / Passport No. (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

Signature of shareholder(s)/ Proxy Holder(s)/Authorized Signatory
(In case of corporate entity, please affix company stamp)

Place: _____

Date: _____



ARIF HABIB LIMITED
Arif Habib Centre,
23-M.T. Khan Road, Karachi

AFFIX
CORRECT
POSTAGE

Fold : Here

Fold : Here

Form Of Proxy

21st Annual General Meeting

The Company Secretary

Arif Habib Limited

Arif Habib Centre

23-M.T. Khan Road

Karachi

I/we _____ of _____
being a member(s) of Arif Habib Limited holding _____
ordinary shares as per CDC A/c. No. _____ hereby appoint
Mr./Mrs./Miss _____
of (full address) _____ or
failing him/her Mr./Mrs./Miss _____
of (full address) _____
(being member of the Company) as my/our Proxy to attend, act and vote for me/us and on my/our
behalf at the Twenty First Annual General Meeting of the Company to be held on October 21, 2025 and /or
any adjournment thereof.

Signed this _____ day of _____ 2025

WITNESSES:

1. Name : _____
Address : _____
NIC No. : _____

Signature : _____
2. Name : _____
Address : _____
NIC No. : _____

Signature : _____

Signature on
Rs. 5/Revenue Stamp

NOTICE:

1. A member entitled to attend and vote at the meeting may appoint another member as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
2. Proxy shall authenticate his/her identity by showing his/her CNIC or original passport and bring folio number at the time of attending the meeting.
3. In order to be effective, the proxy forms must be received at the Registered Office of the Company; Arif Habib Centre, 23-M.T. Khan Road, Karachi, not later than 48 hours before the meeting duly signed and stamped and witnessed by two persons with their signature, name, address and CNIC number given on the form.
4. In the case of individuals attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
5. In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy Form.

پراکسی فارم

21 ویں سالانہ جنرل میٹنگ

کمپنی سیکرٹری

عارف حبیب لمیٹڈ

عارف حبیب

سنٹر 23-MT خان

روڈ کراچی

میں/ہم کی _____
عارف حبیب لمیٹڈ پولڈنگ کا ممبر ہونا _____
اس CDC A/c کے مطابق عام حصص نہیں۔ _____
طرح مسٹر/مسز/مس کا تقرر کریں۔ _____
کا (مکمل پتہ) _____
پاسے ناکام کرنا مسٹر/مسز/مس _____
کا (مکمل پتہ) _____
(کمپنی کا رکن ہونے کے ناطے) میرے/ہمارے پراکسی کے طور پر
شرکت کرنے، کام کرنے اور ووٹ دینے کے لیے میرے/ہمارے لیے اور میری/ہماری طرف سے 21 اکتوبر 2025 کو منعقد ہونے والی
کمپنی کے بیسویں سالانہ عام اجلاس اور/یا اس کے کسی بھی التوا میں۔

اس پر دستخط کر دیے۔ _____ کے دن _____ 2025

گواہان:

دستخط آن
روپے 5/ریونیو سٹیمپ

1. نام: _____

پتہ: _____

این آئی سی نمبر: _____

دستخط: _____

2. نام: _____

پتہ: _____

این آئی سی نمبر: _____

دستخط: _____

نوٹس:

1. میٹنگ میں شرکت اور ووٹ دینے کا حقدار رکن کسی دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے جس کے پاس میٹنگ میں شرکت، بولنے اور ووٹ دینے جیسے حقوق ہوں گے جو کسی ممبر کو دستیاب ہیں۔
2. پراکسی اپنا شناختی کارڈ یا اصل پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کرے گا اور میٹنگ میں شرکت کے وقت فولیو نمبر لے کر آئے گا۔
3. مؤثر ہونے کے لیے، پراکسی فارمز کو کمپنی کے رجسٹرڈ آفس میں موصول ہونا چاہیے؛ عارف حبیب سینیٹر، 23-MT خان روڈ، کراچی، میٹنگ سے 48 گھنٹے پہلے درست طریقے سے دستخط کیے اور مہر لگائی اور فارم پر دیے گئے اپنے دستخط، نام، پتہ اور CNIC نمبر کے ساتھ دو افراد نے گواہی دی۔
4. افراد کی صورت میں CNIC کی تصدیق شدہ کاپیاں یا فائدہ مند مالکان کے پاسپورٹ اور پراکسی کو پراکسی فارم کے ساتھ پیش کیا جائے گا۔
5. کسی کارپوریٹ ادارے کی طرف سے پراکسی کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی اور CNIC یا پراکسی کے پاسپورٹ کی تصدیق شدہ کاپی پراکسی فارم کے ساتھ جمع کرائی جائے گی۔

Form Of Proxy For E-Voting

21st Annual General Meeting

The Company Secretary
Arif Habib Limited
Arif Habib Centre
23-M.T. Khan Road
Karachi

I/we, _____ of _____
holder of _____ Share(s) as per Registered
Folio No./CDC A/c. No. _____ hereby opt for e-voting through Intermediary and hereby
consent to the appointment of Execution officer Mr./Mrs./Miss _____
as proxy and will exercise e-voting as per the Companies (E-Voting) Regulations, 2016 and hereby demand
for poll for resolutions.

My secured email address is _____, please send login details,
password and electronic signature through email.

Signed this _____ day of _____ 2025

WITNESSES:

1. Name : _____
Address : _____
NIC No. : _____

Signature : _____
2. Name : _____
Address : _____
NIC No. : _____

Signature : _____

Signature on
Rs. 5/Revenue Stamp

NOTICE:

1. A member entitled to attend and vote at the meeting may appoint another member and non-members as his / her proxy.
2. In order to be effective, the instructions/proxy forms must be received at the Company's registered office address at Arif Habib Centre, 23, M.T. Khan Road, Karachi, no later than 10 days before the meeting (i.e. by the close of business on November 17, 2024), duly signed and stamped and witnessed by two persons with their names, address, CNIC numbers and signatures. Further the same instructions/proxy scanned copy may also be sent to our official email id evoting@arifhabibltd.com.
3. In the case of individuals attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
4. In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy Form.

پراکسی فارم کے لیے ای ووٹنگ

21 ویں سالانہ جنرل میٹنگ

کمپنی سیکرٹری
عارف حبیب لمیٹڈ عارف
حبیب سینٹر MT-23
خان روڈ کراچی

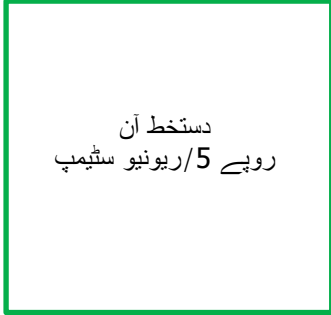
میں/ہم، _____ کی

_____ کے حاملین
رجسٹرڈ فولیو نمبر/ CDC A/c کے مطابق شیئر کریں۔ نہیں
اس طرح ثالث کے ذریعے ای ووٹنگ کا انتخاب کریں اور اس طرح
ایگزیکوشن آفیسر مسٹر/مسز/مس کی تقرری پر رضامندی دیں۔ پراکسی کے طور پر اور کمپنیز (ای ووٹنگ) ریگولیشنز،
2016 کے مطابق ای ووٹنگ کا استعمال کریں گے اور اس کے ذریعے قراردادوں کے لیے رائے شماری کا مطالبہ کریں گے۔

میرا محفوظ ای میل ایڈریس ہے۔ _____ براہ کرم لاگ ان کی تفصیلات، پاس
ورڈ اور الیکٹرانک دستخط ای میل کے ذریعے بھیجیں۔

اس پر دستخط کر دیے۔ _____ کے دن 2025

گواہان:



1. نام: _____

پتہ: _____

این آئی سی نمبر: _____

دستخط: _____

2. نام: _____

پتہ: _____

این آئی سی نمبر: _____

دستخط: _____

نوٹس:

1. میٹنگ میں شرکت اور ووٹ دینے کا حقدار رکن دوسرے ممبر اور غیر ممبران کو اپنا پراکسی مقرر کر سکتا ہے۔
2. فعال ہونے کے لیے، ہدایات/پراکسی فارم میٹنگ سے 10 دن پہلے (یعنی 17 نومبر 2024 کو کلاروبار کے اختتام تک) عارف حبیب سینٹر، 23، ایم ٹی خان روڈ، کراچی میں کمپنی کے رجسٹرڈ آفس ایڈریس پر موصول ہونے چاہئیں۔ اس کے علاوہ وہی ہدایات/پراکسی اسکین شدہ کاپی ہمارے آفیشل ای میل آئی ڈی پر بھی بھیجی جا سکتی ہے۔ evoting@arifhabibltd.com -
3. افراد کی صورت میں CNIC کی تصدیق شدہ کاپیاں یا فائدہ اٹھانے والے مالکان کے پاسپورٹ اور پراکسی کو پراکسی فارم کے ساتھ پیش کیا جائے گا۔
4. کسی کارپوریٹ ادارے کی طرف سے پراکسی کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی اور CNIC یا پراکسی کے پاسپورٹ کی تصدیق شدہ کاپی پراکسی فارم کے ساتھ جمع کرانی جائے گی۔



Arif Habib Centre

23, M.T Khan Road, Karachi-74000
Fax No (92-21) 32416072; 32429653
UAN (92-21) 111-245-111
Group Website: www.arifhabib.com.pk